IMPORTANT NOTICE

THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE EITHER (1) QUALIFIED INSTITUTIONAL BUYERS WITHIN THE MEANING OF RULE 144A ("RULE 144A") UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR (2) OUTSIDE THE UNITED STATES.

IMPORTANT: You must read the following before continuing. The following applies to the preliminary offering memorandum (the "Preliminary Offering Memorandum") following this notice, and you are therefore advised to read this carefully before reading, accessing or making any other use of the Preliminary Offering Memorandum. In accessing the Preliminary Offering Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

The Preliminary Offering Memorandum has been prepared in connection with the proposed offer and sale of the securities described herein. The Preliminary Offering Memorandum and its contents are confidential and should not be distributed, published, reproduced (in whole or in part) or disclosed by recipients to any other person.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION, AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THE FOLLOWING PRELIMINARY OFFERING MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS PRELIMINARY OFFERING MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORIZED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED HEREIN.

Confirmation of your representation: In order to be eligible to view the Preliminary Offering Memorandum or make an investment decision with respect to the securities described herein, investors must be either (1) qualified institutional buyers within the meaning of Rule 144A under the U.S. Securities Act ("QIBs") or (2) outside the United States. The Preliminary Offering Memorandum is being sent at your request. By accepting the e-mail and accessing the Preliminary Offering Memorandum, you shall be deemed to have represented to us that:

(1) you consent to delivery of such Preliminary Offering Memorandum by electronic transmission, and

(2) either you and any customers you represent are:

  (a) QIBs; or

  (b) outside the United States and the e-mail address that you gave us and to which the e-mail has been delivered is not located in the United States, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any State of the United States or the District of Columbia.

Prospective purchasers that are QIBs are hereby notified that the seller of the securities will be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act pursuant to Rule 144A under the U.S. Securities Act.

You are reminded that the Preliminary Offering Memorandum has been delivered to you on the basis that you are a person into whose possession the Preliminary Offering Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver the Preliminary Offering Memorandum to any other person.

The materials relating to this Offering (as defined below) do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that this Offering be made by a licensed broker or dealer and the initial purchasers or any affiliate of the initial purchasers is a licensed broker or dealer in that jurisdiction, this Offering shall be deemed to be made by the initial purchasers or such affiliate on behalf of us in such jurisdiction.

Under no circumstances shall the Preliminary Offering Memorandum constitute an offer to sell or the solicitation of an offer to buy nor there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

This Preliminary Offering Memorandum has not been approved by an authorized person in the United Kingdom and is for distribution only to, and is only directed at, persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom or (iv) are persons to whom an invitation or inducement to engage in investment activity within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "FSMA") in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "Relevant Persons"). This Preliminary Offering Memorandum is directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this Preliminary Offering Memorandum relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

No person may communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of the securities other than in circumstances in which Section 21(1) of the FSMA does not apply to us.

The Preliminary Offering Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the initial purchasers, or any person who controls any initial purchaser, or any of their respective directors, officers, employees or agents accepts any liability or responsibility whatsoever in respect of any difference between the Preliminary Offering Memorandum distributed to you in electronic format and the hard copy version available to you from the initial purchasers upon your request.

The information in this preliminary offering memorandum is not complete and may be changed. The Issuer may not sell these securities until the offering memorandum is delivered in final form. This preliminary offering memorandum is not an offer to sell these securities, and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED NOVEMBER 1, 2016

PRELIMINARY OFFERING MEMORANDUM | **NOT FOR GENERAL DISTRIBUTION**
STRICTLY CONFIDENTIAL | **IN THE UNITED STATES**

AUTODIS S.A.

€510,000,000 Senior Secured Notes
(in a combination of fixed and floating rate notes)
€ % Senior Secured Fixed Rate Notes due 2022
€ Senior Secured Floating Rate Notes due 2022

Autodis S.A., a *société anonyme* organized and existing under the laws of France (the "Issuer"), is offering (the "Offering") € million in aggregate principal amount of its % Senior Secured Fixed Rate Notes due 2022 (the "Fixed Rate Notes") and € million in aggregate principal amount of its Senior Secured Floating Rate Notes due 2022 (the "Floating Rate Notes" and, together with the Fixed Rate Notes, the "Notes").

The Fixed Rate Notes will bear interest at a rate of % and will mature on , 2022. The Issuer will pay interest on the Fixed Rate Notes semi-annually in arrears on and , commencing on , 2017. Prior to , 2018, the Issuer will be entitled, at its option, to redeem all or a portion of the Fixed Rate Notes by paying a "make-whole" premium. At any time on or after , 2018, the Issuer may redeem all or part of the Fixed Rate Notes at the redemption prices set forth in this offering memorandum (the "Offering Memorandum"). In addition, prior to , 2018, the Issuer may redeem, at its option, up to 40% of the Fixed Rate Notes (including the aggregate principal amount of any additional Fixed Rate Notes issued) with the net cash proceeds from certain equity offerings. Prior to , 2018, the Issuer may redeem up to 10% of the aggregate principal amount of the Fixed Rate Notes originally issued (including the aggregate principal amount of any additional Fixed Rate Notes issued) in each calendar year at a redemption price equal to 103% of the principal amount thereof.

The Floating Rate Notes will bear interest at a rate equal to three-month EURIBOR plus % per annum, reset quarterly. The Issuer will pay interest on the Floating Rate Notes quarterly in arrears on each of , , and , commencing on , 2017. Prior to , 2017, the Issuer will be entitled, at its option, to redeem all or a portion of the Floating Rate Notes by paying a "make-whole" premium. At any time on or after , 2017, the Issuer may redeem all or part of the Floating Rate Notes at the redemption prices set forth in this Offering Memorandum.

Additionally, upon certain events defined as constituting a change of control or upon certain asset sales, the Issuer may be required to make an offer to purchase the Notes. A change of control, however, will not be deemed to have occurred if a specified consolidated net senior secured leverage ratio is not exceeded in connection with such event. In the event of certain developments affecting taxation, the Issuer may elect to redeem all, but not less than all, of the Notes.

The Notes will be senior secured obligations of the Issuer, will rank senior in right of payment to all of the Issuer's future debt that is expressly subordinated in right of payment to the Notes and will rank *pari passu* in right of payment with the Issuer's existing and future debt that is not so subordinated, including the Issuer's obligations under the Revolving Credit Facility (as defined herein) and future hedging obligations (if any). The Notes will be guaranteed (the "Guarantees") on a senior secured basis by Autodis Group S.A.S., a *société par actions simplifiée* organized and existing under the laws of France, the direct parent company of the Issuer (the "Parent Guarantor"), and Autodistribution S.A., a *société anonyme* organized and existing under the laws of France, a direct subsidiary of the Issuer (the "Subsidiary Guarantor" and together with the Parent Guarantor, the "Guarantors"). The Guarantees rank senior in right of payment to the respective Guarantor's future debt that is expressly subordinated in right of payment to such Guarantee and rank *pari passu* in right of payment with the respective Guarantor's existing and future debt that is not so subordinated, including such Guarantor's obligations under the Revolving Credit Facility.

The Notes will be secured by (i) a first-priority pledge of the share capital of Dakar Acquisition S.A., the indirect parent company of the Issuer ("LuxCo 6"); (ii) a first-priority pledge of the capital stock, material bank accounts and material intragroup receivables of the Parent Guarantor; (iii) a first-priority pledge of the capital stock of the Issuer (other than certain *de minimis* shareholdings); (iv) a first-priority security interests over certain assets of the Issuer, including the capital stock of Autodistribution S.A., Magenta Auto Pièces S.A. and SDFM S.A. held by the Issuer, its material bank accounts and its material intragroup receivables; and (v) a first-priority pledge of (A) the capital stock of Commerce Rechange Automobiles S.A.S., Cofirhad S.A.S. and AD Grand Ouest S.A.S. held by Autodistribution S.A., (B) Autodistribution S.A.'s material bank accounts and (C) Autodistribution S.A.'s material intragroup receivables (the "Collateral"). The Revolving Credit Facility and future hedging obligations (if any) (the "Super Senior Obligations") are secured by first-priority security interests over, among other things, the Collateral, contractually ranking *pari passu* with the security interests securing the Notes. Under the terms of the Intercreditor Agreement (as defined herein), in the event of enforcement of the security interests over the Collateral, holders of Notes will receive proceeds from the Collateral only after the Super Senior Obligations have been repaid. The validity, enforceability and, in respect of the security interests over the Collateral, priority and ranking of the Guarantees and the security interests and the liability of the Guarantors, are subject to the limitations described in "*Certain insolvency law considerations and limitations on the validity and enforceability of the guarantees and the security interests.*" The Notes will be structurally subordinated to all obligations of the Issuer's subsidiaries that do not guarantee the Notes and effectively subordinated to any existing and future debt of the Issuer and its subsidiaries, including the Super Senior Obligations, that is secured by property or assets that do not secure the Notes, to the extent of the value of such property and assets. The Revolving Credit Facility is guaranteed by, and is secured by certain assets of, certain subsidiaries of the Issuer that do not guarantee or provide security in favor of the Notes.

The Notes will be represented on issuance by one or more Global Notes (as defined herein), which we expect will be delivered in book-entry form through Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking, *société anonyme* ("Clearstream") on or about , 2016 (the "Issue Date"). Interests in each Global Note will be exchangeable for the relevant definitive Notes only in certain limited circumstances. See "*Book-entry, delivery and form.*"

Application will be made to The Channel Islands Securities Exchange Authority Limited (the "Exchange") for the listing of and permission to deal in the Notes on the Official List of the Exchange. There can be no assurance that the Notes will be listed on the Official List of the Exchange, that such permission to deal in the Notes will be granted or that such listing will be maintained.

INVESTING IN THE NOTES INVOLVES A HIGH DEGREE OF RISK. SEE "*RISK FACTORS*" BEGINNING ON PAGE 30 FOR A DISCUSSION OF CERTAIN RISKS THAT YOU SHOULD CONSIDER BEFORE INVESTING IN THE NOTES.

Issue price of the Fixed Rate Notes: %, plus accrued interest from the Issue Date
Issue price of the Floating Rate Notes: %, plus accrued interest from the Issue Date

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The Notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any other jurisdiction. The Notes are being offered and sold in the United States only to qualified institutional buyers in reliance on Rule 144A under the U.S. Securities Act ("Rule 144A") and outside the United States in reliance on Regulation S under the U.S. Securities Act ("Regulation S"). Prospective purchasers that are qualified institutional buyers are hereby notified that the seller of the Notes may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A. For further details about eligible offerees and resale restrictions, see "*Transfer restrictions.*"

Joint Global Coordinators and Joint Physical Bookrunners

J.P. Morgan | **BNP PARIBAS**

Joint Bookrunners

Credit Suisse | **Deutsche Bank**

Co-manager

Oddo & Cie

The date of this Offering Memorandum is , 2016.

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In making an investment decision, you should rely only on the information contained in this Offering Memorandum. None of the Issuer, the Guarantors or any of the Initial Purchasers has authorized anyone to provide you with information that is different from the information contained herein. If given, any such information should not be relied upon. None of the Issuer, the Guarantors or any of the Initial Purchasers is making an offer of the Notes in any jurisdiction where this Offering is not permitted. You should not assume that the information contained in this Offering Memorandum is accurate as of any date other than the date on the front cover of this Offering Memorandum.

Important information about this Offering Memorandum

This Offering Memorandum has been prepared by the Issuer solely for use in connection with the proposed Offering. This Offering Memorandum may not be distributed to any person other than prospective investors and any person retained to advise such prospective investors with respect to the purchase of the Notes, and any disclosure of the contents of this Offering Memorandum without our prior written consent is prohibited. By accepting delivery of this Offering Memorandum, you agree to the foregoing and you agree to not make copies of this Offering Memorandum or any documents referred to in this Offering Memorandum.

The Issuer, having made all reasonable enquiries, confirms that, to the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case), this Offering Memorandum contains all of the information that is material in the context of the issuance and offering of the Notes, that the information contained in this Offering Memorandum is true and accurate in all material respects and is not misleading in any material respect and that there are no other facts the omission of which would make this Offering Memorandum or any such information misleading in any material respect. The information contained in this Offering Memorandum is as of the date hereof. The Issuer accordingly accepts responsibility for the information contained in this Offering Memorandum.

The Issuer is offering the Notes in reliance on an exemption from registration under the U.S. Securities Act for an offer and sale of securities that does not involve a public offering. If you purchase the Notes, you will be deemed to have made certain acknowledgments, representations and warranties as detailed under this section. You may be required to bear the financial risk of an investment in the Notes for an indefinite period.

The information contained in "*Exchange rate information*," "*Summary*," "*Management's discussion and analysis of financial condition and results of operations*," "*Industry*" and "*Business*" includes extracts from information and data, including industry and market data and estimates, released by publicly available resources in Europe and elsewhere. Although the Issuer accepts responsibility for the accurate extraction and summarization of such information and data, the Issuer has not independently verified the accuracy of such information and data and accepts no further responsibility in respect of such information and data. In addition, the information set forth in relation to sections of this Offering Memorandum describing clearing arrangements, including under "*Description of the Senior Secured Notes*" and "*Book-entry, delivery and form*," is subject to any change in, or reinterpretation of, the rules, regulations and procedures of Euroclear and Clearstream currently in effect. While the Issuer accepts responsibility for accurately summarizing the information concerning Euroclear and Clearstream as of the date on the front cover of this Offering Memorandum, it accepts no further responsibility in respect of such information.

The Issuer reserves the right to withdraw this Offering at any time. The Issuer is making this Offering subject to the terms described in this Offering Memorandum and the purchase agreement (the "Purchase Agreement") relating to the Notes entered into between the Issuer and the Initial Purchasers (as defined below). The Issuer and the Initial Purchasers may reject any offer to purchase the Notes in whole or in part, sell less than the entire principal amount of the Notes offered hereby or allocate to any purchaser less than all the Notes for which it has subscribed.

None of J.P. Morgan Securities plc, BNP Paribas, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch and Oddo & Cie (collectively, the "Initial Purchasers"), the Trustee, the Security Agent, the Transfer Agent and the Paying Agent (each as defined herein) makes any representation or warranty, express or implied, as to, or assumes any responsibility for, the accuracy or completeness of the information contained in this Offering Memorandum. Nothing contained in this Offering Memorandum is, or shall be relied upon as, a promise or representation by the Initial Purchasers, the Trustee, the Security Agent, the Transfer Agent or the Paying Agent as to the past or the future.

In connection with the Offering, the Initial Purchasers are not acting for anyone other than the Issuer and will not be responsible to anyone other than the Issuer for providing the protections afforded to their clients nor for providing advice in relation to the Offering.

The Initial Purchasers will provide you with a copy of this Offering Memorandum and any related amendments or supplements. By receiving this Offering Memorandum, you acknowledge that you have had an opportunity to ask questions of us, and that you have received all answers you deem necessary to verify the accuracy and completeness of the information contained in this Offering Memorandum. You also acknowledge that you have not relied on the Initial Purchasers in connection with your investigation of the accuracy of this information or your decision whether to invest in the Notes.

Investing in the Notes involves substantial risks. See "*Risk factors*."

In making an investment decision, you must rely solely on the information contained in this Offering Memorandum and your own examination of us and the terms of this Offering, including the merits and risks involved. In addition, none of us, the Initial Purchasers, the Trustee, the Security Agent, the Transfer Agent or the Paying Agent, or any of their respective representatives, is making any representation to you regarding the legality of an investment in the Notes, and you should not construe anything in this Offering Memorandum as legal, business or tax advice. You should consult your own advisors as to the legal, tax, business, financial and related aspects of an investment in the Notes. You must comply with all laws applicable in any jurisdiction in which you buy, offer or sell the Notes or possess or distribute this Offering Memorandum, and you must obtain all applicable consents and approvals; none of us, the Initial Purchasers, the Trustee, the Security Agent, the Transfer Agent or the Paying Agent shall have any responsibility for any of the foregoing legal requirements. The distribution of this Offering Memorandum and the offering and sale of the Notes in certain jurisdictions may be restricted by law. See "*Transfer Restrictions.*"

The Notes will be available in book-entry form only. We expect that the Notes sold pursuant to this Offering Memorandum will be issued in the form of one or more Global Notes. The Global Notes will be deposited and registered in the name of a common depositary for Euroclear and Clearstream. Transfers of interests in the Global Notes will be effected through records maintained by Euroclear and Clearstream, respectively, and their respective participants. The Notes will not be issued in definitive registered form except under certain limited circumstances described in "*Book-entry, delivery and form*."

Application will be made to the Exchange for the listing of and permission to deal in the Notes on the Official List of the Exchange, and we will submit this Offering Memorandum to the competent authority in connection with the listing application. In the course of any review by the competent authority, we may be requested to make changes to the financial and other information included in this Offering Memorandum in producing listing particulars for such listing. Comments by the competent authority may require significant modification or reformulation of information contained in this Offering Memorandum or may require the inclusion of additional information. We may also be required to update the information in this Offering Memorandum to reflect changes in our business, financial condition or results of operations and prospects. There can be no assurance that the Notes will be listed on the Official List of the Exchange, and settlement of the Notes is not conditioned on obtaining this listing.

Stabilization

IN CONNECTION WITH THIS OFFERING, BNP PARIBAS (THE "STABILIZING MANAGER"), OR PERSONS ACTING ON ITS BEHALF, MAY OVER-ALLOT THE NOTES OR EFFECT TRANSACTIONS, FOR A LIMITED PERIOD AFTER THE ISSUE DATE, WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE CAN BE NO ASSURANCE THAT THE STABILIZING MANAGER OR PERSONS ACTING ON ITS BEHALF WILL UNDERTAKE ANY SUCH STABILIZING ACTION. ANY SUCH STABILIZING ACTION, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT MUST END NO LATER THAN THE EARLIER OF 30 CALENDAR DAYS AFTER THE ISSUE DATE AND 60 CALENDAR DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES.

Notice to investors in the United States

This Offering is being made in the United States in reliance upon an exemption from registration under the U.S. Securities Act for an offer and sale of the Notes which does not involve a public offering. In making your purchase, you will be deemed to have made certain acknowledgments, representations and agreements. See "*Transfer restrictions.*"

This Offering Memorandum is being provided (i) to a limited number of U.S. investors that the Issuer reasonably believes to be "qualified institutional buyers" under Rule 144A for informational use solely in connection with their consideration of the purchase of the Notes and (ii) outside the United States in connection with offshore transactions complying with Regulation S. The Notes described in this Offering Memorandum have not been, and will not be, registered with, recommended by or approved by the U.S. Securities and Exchange Commission (the "SEC"), any state securities commission in the United States or any other securities commission or regulatory authority, nor has the SEC or any state securities commission in the United States or any such other securities commission or authority passed upon the accuracy or adequacy of this Offering Memorandum. Any representation to the contrary is a criminal offense. Prospective investors are hereby notified that the seller of any Note may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A.

Notice to New Hampshire residents only

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES, ANNOTATED 1995, AS AMENDED ("RSA 421-B") WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE OF NEW HAMPSHIRE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT, ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

Notice to European Economic Area investors

This Offering Memorandum has been prepared on the basis that the offer and sale of the Notes will be made pursuant to an exemption under the Prospectus Directive (as defined below) as implemented in member states of the European Economic Area (the "EEA"), from the requirement to produce and publish a prospectus that is compliant with the Prospectus Directive, as so implemented, for offers of the Notes. Accordingly, any person making or intending to make any offer within the EEA or any of its member states (each a "Relevant Member State") of the Notes that are the subject of the placement referred to in this Offering Memorandum must only do so in circumstances in which no obligation arises for the Issuer or any of the Initial Purchasers to produce and publish a prospectus that is compliant with the Prospectus Directive, including Article 3 thereof, as so implemented for such offer. For EEA jurisdictions that have not implemented the Prospectus Directive, all offers of the Notes must be in compliance with the laws of such jurisdictions. Neither the Issuer nor the Initial Purchasers have authorized, nor do they authorize, the making of any offer of the Notes through any financial intermediary, other than offers made by the Initial Purchasers, which constitute a final placement of the Notes contemplated in this Offering Memorandum.

In relation to each Relevant Member State, each Initial Purchaser has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State it has not made and will not make an offer of the Notes that are the subject of this Offering contemplated by this Offering Memorandum to the public in that Relevant Member State other than:

- to any legal entity that is a "qualified investor" as defined in the Prospectus Directive;

- to fewer than 150 natural or legal persons (other than "qualified investors" as defined in the Prospectus Directive), as permitted under the Prospectus Directive subject to obtaining the prior consent of the Initial Purchasers nominated by the Issuer for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of the Notes shall result in a requirement for the publication by the Issuer or the Initial Purchasers of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as such expression may be varied in the Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State. For the purposes of this provision, the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State; and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

Notice to investors in Luxembourg

In relation to the Grand Duchy of Luxembourg ("Luxembourg"), no offer of Notes to the public will be made pursuant to this Offering Memorandum, except that an offer of Notes to the public in Luxembourg may be made at any time:

(a) to any person or legal entity that is a "qualified investor" as defined in the Prospectus Law;

(b) to fewer than 150 natural or legal persons (other than "qualified investors" as defined in the Prospectus Law); or

(c) in any other circumstances that do not require the publication by the Issuer of a prospectus pursuant to Article 5 of the Prospectus Law.

For the purposes of this provision, the expression "offer of Notes to the public" in relation to any Notes in Luxembourg means the communication to persons in any form and by any means presenting sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes and the expression "Prospectus Law" means the law of July 10, 2005 *relative aux prospectus pour valeurs mobilières*, as amended.

Notice to investors in France

This Offering Memorandum has not been prepared and is not being distributed in the context of a public offering of financial securities (*offre au public de titres financiers*) in France within the meaning of Article L. 411-1 of the French *Code Monétaire et Financier* and Title I of Book II of the *Règlement Général* of the *Autorité des Marchés Financiers* (the French financial markets authority) (the "AMF"), or under any regulation of any competent authority of another member state of the EEA that would have notified its approval to the AMF under the Prospectus Directive as implemented in France and in any Relevant Member State. Consequently, the Notes may not be, directly or indirectly, offered or sold or caused to be offered or sold to the public in France (*offre au public de titres financiers*), and neither this Offering Memorandum nor any offering or marketing materials relating to the Notes must be made available or distributed, or caused to be made available or distributed, or used in connection with any offer for subscription or sales of the Notes, in each case, in any way that would constitute, directly or indirectly, an offer to the public in France.

The Notes may only be offered or sold in France to qualified investors (*investisseurs qualifiés*) acting for their own account and/or to providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), all as defined in and in accordance with Articles L. 411-1, L. 411-2, D. 411-1, D. 744-1, D. 754-1 and D. 764-1 of the French *Code Monétaire et Financier*.

Prospective investors are informed that:

(i) this Offering Memorandum has not been and will not be submitted for clearance to the AMF;

(ii) in compliance with Articles L. 411-2, D. 411-1, D. 744-1, D. 754-1 and D. 764-1 of the French *Code Monétaire et Financier*, any qualified investors subscribing for the Notes should be acting for their own account; and

(iii) the direct and indirect distribution or sale to the public of the Notes acquired by them may only be made in compliance with Articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 through L. 621-8-3 of the French *Code Monétaire et Financier.*

Notice to investors in the United Kingdom

This Offering Memorandum is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any Notes may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "Relevant Persons"). This Offering Memorandum is directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this Offering Memorandum relates is permitted only by Relevant Persons and will be engaged in only with Relevant Persons.

Forward-looking statements

This Offering Memorandum includes forward-looking statements that are based on our current expectations and projections about future events. All statements other than statements of historical fact included in this Offering Memorandum, including, without limitation, statements regarding our future financial position, risks and uncertainties related to our business, strategy, capital expenditures, projected costs and our plans and objectives for future operations, may be deemed to be forward-looking statements. Words such as "believe," "expect," "anticipate," "may," "assume," "plan," "intend," "will," "should," "estimate," "risk" and similar expressions or the negatives of these expressions are intended to identify forward-looking statements.

By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance.

In addition, any forward-looking statements are made only as of the date of this Offering Memorandum and we do not intend, and do not assume any obligation, to update forward-looking statements set forth in this Offering Memorandum. You should interpret all subsequent written or oral forward-looking statements attributable to us or to persons acting on our behalf as being qualified by the cautionary statements in this Offering Memorandum. As a result, you should not place undue reliance on these forward-looking statements.

Many factors may cause our results of operations, financial condition, liquidity and the development of the industry in which we compete to differ materially from those expressed or implied by the forward-looking statements contained in this Offering Memorandum. Factors that could cause such differences in actual results include:

- the impact of material disruptions at our warehouses or to our transportation network and increases in transportation costs;
- the ability of third-party suppliers to meet our product requirements;
- the impact of French, Polish, Benelux and worldwide economic and other conditions on demand for our products;
- the risk that our customers' financial difficulties require us to write off debts;
- the impact of competition in the spare parts distribution industry;
- our reliance on the age, number and mileage of light vehicles and trucks and the length of service intervals;
- disruption of our information technology ("IT") systems;
- the increasing use of technology in our industry;
- failure to maintain or improve our brand image;
- the risk that our growth strategy may not be successful;
- our inability to successfully integrate acquired businesses into our network;
- the impact of price and margin pressures;
- the termination of our affiliation agreements with affiliated independent distributors;
- our ability to attract and retain key personnel;
- the impact of changes in laws and regulations, including in relation to labor, employment and tax;
- the deterioration in our relationships with our employees or trade unions;
- the impact of higher employment costs;
- the impact of environmental, health and safety regulations;
- the risk associated with fluctuations in our working capital requirements;
- the risk of material losses as a result of product liability and warranty claims, including claims for products we import from outside the European Union;
- the impact of legal and arbitration proceedings;
- our failure to comply with tax regulations and actions by tax authorities;
- the impact of competition and antitrust laws; and
- other risks associated with our financing, the Notes and our structure discussed under "*Risk Factors*."

We disclose important factors that could cause our actual results to differ materially from our expectations in "*Summary*," "*Risk factors*" and "*Management's discussion and analysis of financial condition and results of operations.*" Other sections of this Offering Memorandum describe additional factors that could adversely affect our business, financial condition or results of operations. Moreover, we operate in a very competitive and rapidly changing environment. New risk factors emerge from time to time and it is not possible for us to predict all such risk factors. We cannot assess the impact of all risk factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, you should not place undue reliance on forward-looking statements as a prediction of actual results.

Industry and market data

This Offering Memorandum contains market and competitive position data from industry publications and from surveys or studies conducted by third-party sources believed to be reliable by management. These third-party sources include: L.E.K. M&A (basing itself on a number of other sources, including public sources), CCFA (*Comité des Constructeurs Français d'Automobiles*), CNPA (*Conseil National des Professions de l'Automobile*), FEDA (*Fédération des Syndicats de la Distribution Automobile*), GiPA (aftermarket studies), INSEE (*Institut National de la Statistique et des Etudes Economiques*), *Ministère de l'Ecologie, du Dévelopement Durable, des Transports et du Logement* and *Apres-vente-auto.com*.

We believe that these industry publications, surveys and studies are reliable. We cannot, however, assure you of the accuracy and completeness of such information, and we have not independently verified such industry and market data. Industry and consultant publications and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. While we believe that each of the studies and publications we have used is reliable, neither we nor the Initial Purchasers have independently verified the data that were extracted or derived from these industry and consultant publications or reports and cannot guarantee their accuracy or completeness. Market data and statistics are inherently uncertain and not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market.

While we are not aware of any misstatements regarding the industry or similar data presented herein, such data involve risks and uncertainties and are subject to change based on various factors, including those discussed under "*Risk factors*." As far as we are aware and have been able to ascertain from information published by such third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading. Neither we nor the Initial Purchasers make any representation as to the accuracy or completeness of any such information in this Offering Memorandum.

In addition, we have made statements in this Offering Memorandum regarding our industry and our position in the industry based on our experience and our own investigation of market conditions. Neither we nor the Initial Purchasers can assure you that any of these statements are accurate or correctly reflect our position in the industry, and none of our internal surveys or information has been verified by any independent sources.

Presentation of financial information and other data

Financial statements presented

We have included in this Offering Memorandum an English translation of, and primarily discuss herein, the audited consolidated financial statements of the Parent Guarantor as of and for the years ended December 31, 2013, 2014 and 2015, and the unaudited interim condensed consolidated financial statements of the Parent Guarantor as of and for the eight months ended August 31, 2016, with corresponding unaudited income statement and cash flow data for the eight months ended August 31, 2015.

Unless specified otherwise, the consolidated financial information included in this Offering Memorandum relates to the Parent Guarantor. We do not present in this Offering Memorandum any financial information or financial statements of the Issuer. The Parent Guarantor guarantees the Notes on a senior secured basis. Accordingly, all references to "we," "us," "our" or the "Group" in respect of financial information in this Offering Memorandum are to the Parent Guarantor and its subsidiaries on a consolidated basis. Both the Parent Guarantor and the Issuer are holding, management and finance companies with no revenue-generating activities of their own. See "*Risk factors—Risks related to our indebtedness and the Notes—Each of the Issuer and the Parent Guarantor is a holding company that has no revenue-generating operations of its own and will depend on cash from its operating subsidiaries to be able to make payments on the Notes, as applicable.*"

The audited consolidated financial statements of the Parent Guarantor, an English translation of which is included herein, have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"). The unaudited interim condensed consolidated financial statements of the Parent Guarantor as of and for the eight months ended August 31, 2016, with corresponding unaudited income statement and cash flow data for the eight months ended August 31, 2015, included herein have been prepared in accordance with IAS 34 "Interim Financial Reporting," the IFRS standard applicable to interim financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas in which assumptions and estimates are significant to our financial statements, are disclosed in our audited consolidated financial statements. See "*Management's discussion and analysis of financial condition and results of operations—Critical accounting policies*."

In making an investment decision, you must rely upon your own examination of the terms of this Offering and the financial information contained in this Offering Memorandum. You should consult your own professional advisors for an understanding of the differences between IFRS and generally accepted auditing principles in the United States and how those differences could affect the financial information contained in this Offering Memorandum.

The consolidated financial statements as of and for the years ended December 31, 2013, 2014 and 2015, included elsewhere in this Offering Memorandum, are uncertified English translations and were originally issued in French.

The summary unaudited consolidated financial information for the twelve months ended August 31, 2016, included in this Offering Memorandum, has been derived by adding the consolidated financial information of the Parent Guarantor as of and for the year ended December 31, 2015, to the consolidated financial information of the Parent Guarantor for the eight months ended August 31, 2016, and subtracting the consolidated financial information of the Parent Guarantor for the eight months ended August 31, 2015. The financial information for the twelve months ended August 31, 2016, has been prepared for illustrative purposes only and is not necessarily representative of our results of operations for any future period or our financial condition at any future date. This information has not been audited or reviewed by any auditors.

The Doyen Auto Acquisition

We acquired Doyen Auto on September 30, 2016, with the proceeds from the Bridge Facility (as defined herein), which we intend to repay in full with the proceeds from this Offering. The financial data of Doyen Auto have historically been prepared in accordance with Belgian GAAP (as defined herein) and are not directly comparable with the financial information of the Parent Guarantor prepared in accordance with IFRS. We will account for the Doyen Auto Acquisition (as defined herein) using the acquisition method of accounting, which requires that we recognize the identifiable assets acquired and liabilities and contingencies assumed at their fair value as of the completion of the applicable acquisition. Doyen Auto's financial results will be consolidated with ours going forward. As a result, our financial results in the future will not be directly comparable to those in this Offering Memorandum. See "*Management's discussion and analysis of financial condition and results of operations—Key factors affecting our results of operations—Factors specific to our business—Acquisitions and disposals*."

We have not included any financial statements for Doyen Auto in this Offering Memorandum. We have, however, presented certain summary unaudited pro forma consolidated financial data, which have been prepared to give effect to the Doyen Auto Acquisition as if it had occurred on September 1, 2015. These pro forma data have been derived through the mathematical addition of certain unaudited income statement data for the Parent Guarantor for the twelve months ended August 31, 2016, and certain income statement data derived from the unaudited management accounts for Doyen Auto for the twelve months ended August 31, 2016, prepared in accordance with Belgian GAAP, and by then applying adjustments to give effect to estimated future purchasing and cost savings. The pro forma adjustments are based upon available information and certain assumptions that we believe are reasonable. These unaudited pro forma consolidated financial data are for informational purposes only and do not purport to represent what our results of operations or other financial information would have been if the Doyen Auto Acquisition had occurred on September 1, 2015, or on any other date, and such data do not purport to project the results of operations for any future period. The unaudited pro forma consolidated financial data have not been prepared in accordance with the requirements of Regulation S-X of the U.S. Securities Act or the Prospectus Directive.

Other financial measures

This Offering Memorandum contains certain non-IFRS measures and ratios, including EBITDA, EBITDA margin, Adjusted EBITDA, Adjusted EBITDA margin, Pro Forma Adjusted EBITDA (including Doyen Auto), operating cash flow, cash conversion, change in working capital and change in working capital margin (collectively, the "Non-IFRS measures") (each as defined by us) that are not required by, or presented in accordance with, SEC requirements, IFRS or the accounting standards of any other jurisdiction. We have included these measures because management uses them to measure operating performance in presentations to our directors and as a basis for strategic planning and forecasting, as well as for monitoring certain aspects of our cash flows from operating activities and liquidity. Our Non-IFRS measures are defined by us as follows:

- "EBITDA" represents net income/(loss) from continuing operations before income tax, financial items (net), share of income of associates, other income/(expenses) from operations and depreciation/amortization expense (as included in our financial statements for the years ended December 31, 2013, 2014 and 2015, and for the eight months ended August 31, 2015 and 2016). For a reconciliation of EBITDA to net income/(loss) from continuing operations, see footnote 1 under "*Summary—Summary consolidated financial and other information*";
- "EBITDA margin," expressed as a percentage, is calculated as EBITDA divided by revenue;
- "Adjusted EBITDA" represents EBITDA as adjusted for certain non-cash items and certain items we believe are non-recurring, or otherwise not reflective of the ongoing performance of our business. Adjusted EBITDA is presented because we believe it is a relevant measure for assessing performance and cash flows and thus aids in understanding our profitability for a given period. For a reconciliation of Adjusted EBITDA to EBITDA, see footnote 1 under "*Summary—Summary consolidated financial and other information*";

- "Adjusted EBITDA margin," expressed as a percentage, is calculated as Adjusted EBITDA divided by revenue;
- "Pro Forma Adjusted EBITDA (including Doyen Auto)" represents Adjusted EBITDA after giving pro forma effect to the Doyen Auto Acquisition and to anticipated purchasing and cost savings from the Doyen Auto Acquisition. These pro forma data have been derived through the mathematical addition to our results of (i) the Adjusted EBITDA of Doyen Auto for the twelve months ended August 31, 2016, which represents the EBITDA of Doyen Auto derived from the unaudited consolidated management accounts of Doyen Auto as of and for the twelve months ended August 31, 2016, adjusted for certain shareholder allowances, certain consulting fees, a one-off donation to the International Society of Explosive Engineers foundation and certain headcount reduction costs adjustment and (ii) certain adjustments to give effect to future purchasing and cost savings following the Doyen Auto Acquisition. We cannot assure you that we will be able to realize all these purchasing and cost savings, and the costs we incur to realize these savings may be higher than expected or may outweigh the benefits. See "*Risk factors—Risks related to our business—We may face challenges in integrating acquired businesses and in integrating any future potential acquisition, and may be unable to realize the expected savings from these businesses and any other cost improvement measures we have taken*." For a reconciliation of Pro Forma Adjusted EBITDA (including Doyen Auto) to net income/(loss) from continuing operations, see footnote 1 under "*Summary—Summary consolidated financial and other information*";
- "Operating cash flow" represents Adjusted EBITDA excluding capital expenditure. For a reconciliation of operating cash flow to Adjusted EBITDA, see footnote 8 under "*Summary—Summary consolidated financial and other information—Other financial and pro forma data*";
- "cash conversion," expressed as a percentage, represents Adjusted EBITDA less capital expenditure, net of disposals, divided by Adjusted EBITDA;
- "cash conversion (excluding exceptional capital expenditure)," expressed as a percentage, represents Adjusted EBITDA less capital expenditure, net of disposals, other than those incurred in connection with our new logistics platform in Réau, France, divided by Adjusted EBITDA;
- "change in working capital" represents the change in inventories, trade payables, trade receivables and other current assets and liabilities; and
- "change in working capital margin," expressed as a percentage, is calculated as change in working capital divided by revenue.

We present Non-IFRS measures for informational purposes only. There can be no assurance that items we have identified for adjustment as non-recurring will not recur in the future or that similar items will not be incurred in the future. The calculations of the Non-IFRS measures are based on various assumptions and management estimates. These amounts have not been and, in certain cases, cannot be, audited, reviewed or verified by any independent accounting firm.

We present the Non-IFRS measures because we believe they are helpful to investors as measures of our operating performance and ability to service our debt and because our management uses these measures to assess our liquidity and operating performance. These measures should not be considered as alternatives to other indicators of our operating performance, cash flows or any other measure of performance derived in accordance with IFRS.

Our Non-IFRS measures have limitations as analytical tools. Our Non-IFRS measures may not give an accurate or complete picture of our results or transactions for the periods presented, may not be comparable to our consolidated financial statements or the other financial information included in this Offering Memorandum and should not be relied upon when making an investment decision. The limitations with respect to our Non-IFRS measures include:

- they do not reflect our cash expenditures or future requirements for capital commitments;
- they do not reflect changes in, or cash requirements for, our working capital needs;

- they do not reflect the interest expense or cash requirements necessary to service interest or principal payments on our debt;
- they do not reflect any cash income taxes and certain other taxes that we may be required to pay;
- they are not adjusted for all non-cash income or expense items that are reflected in our statements of cash flows;
- they do not reflect the impact of earnings or charges resulting from certain matters we consider not to be indicative of our ongoing operations; and
- assets are depreciated or amortized over differing estimated useful lives and often have to be replaced in the future, and the Non-IFRS measures do not reflect any cash requirements for such replacements.

Other companies in our industry may calculate the Non-IFRS measures differently than we do, which may limit their usefulness as comparative measures. Because of these limitations, our Non-IFRS measures and related ratios should not be considered as measures of discretionary cash available to us to invest in the growth of our business or as measures of cash that will be available to us to meet our obligations or reduce our indebtedness. You should rely primarily on our IFRS results and use these Non-IFRS measures only as a supplement to evaluate our performance.

Restatements

Since January 1, 2015, we have applied the interpretation IFRIC 21 which clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. Since these amendments were applied retroactively, our audited consolidated financial statements as of and for the year ended December 31, 2014, reflect the effects of this application of IFRIC 21.

Rounding

Certain numerical figures contained in this Offering Memorandum, including financial information, market data and certain operating data, have been subject to rounding adjustments. Accordingly, in certain instances, the sum of the numbers in a column or a row in tables may not conform exactly to the total figure given for that column or row or the sum of certain numbers presented as a percentage may not conform exactly to the total percentage given.

Our financial statements are presented in euro rounded to the nearest hundred thousand. Therefore, discrepancies in the tables between totals and the sums of the amounts listed may occur due to such rounding.

Certain definitions

Unless otherwise specified or the context requires otherwise, in this Offering Memorandum references to:

"ACR"	means ACR Holding S.A.S., a private limited liability company (*société par actions simplifée*) organized and existing under the laws of France with registered number 523 102 762 RCS Nanterre, having its registered office at Route du Môle, 2-3, 92230 Gennevilliers, France;
"ACR Acquisition"	means the acquisition of all of the equity interests of ACR by Autodistribution S.A., which was completed on April 7, 2014;
"Affiliated Distributors"	means the independent affiliated distributors that are currently members of the Autodistribution VL network and/or the PL VL network through the signing of the AD VL and AD PL network charter (*Charte réseaux AD VL et AD PL*);
"Ariane"	means Ariane S.A.S., a private limited liability company (*société par actions simplifée*) organized and existing under the laws of France with registered number 751 558 925 RCS Toulouse, having its registered office at 6 rue de l'Ourmède, 31620 Castelnau D'Estretefonds, France;
"Autodistribution S.A."	means Autodistribution S.A., a public limited liability company (*société anonyme*) organized and existing under the laws of France with registered number 962 227 351 RCS Créteil, having its registered office at 22 avenue Aristide Briand, 94110 Arcueil, France;
"Bain Capital"	means Bain Capital Europe Fund IV, L.P. and its affiliates;
"Belgian GAAP"	means Belgian generally accepted accounting principles;
"Benelux"	means Belgium, Luxembourg and the Netherlands;
"Bridge Facility"	means the €85.0 million term loan facility established under the Bridge Facility Agreement, under which €80.0 million was drawn on September 30, 2016, to complete the Doyen Auto Acquisition;
"Bridge Facility Agreement"	means the bridge facility agreement entered into on September 28, 2016, by and among, *inter alios*, the Issuer, the Parent Guarantor, BNP Paribas S.A. and BNP Paribas, London Branch, as arrangers, and the Security Agent;
"Clearstream"	means Clearstream Banking, *société anonyme*;
"Collateral"	means (i) a first-priority pledge of the share capital of LuxCo 6, (ii) a first-priority pledge of the capital stock, material bank accounts and material intragroup receivables of the Parent Guarantor, (iii) a first-priority pledge of the capital stock of the Issuer (other than certain *de minimis* shareholdings), (iv) first-priority security interests over certain assets of the Issuer, including the capital stock of Autodistribution S.A., Magenta Auto Pièces S.A. and SDFM S.A. held by the Issuer, its material bank accounts and its material intragroup receivables, and (v) a first-priority pledge of (A) the capital stock of Commerce Rechange Automobiles S.A.S., Cofirhad S.A.S. and AD Grand Ouest S.A.S. held by Autodistribution S.A., (B) Autodistribution S.A.'s material bank accounts and (C) Autodistribution S.A.'s material intragroup receivables, as described in "*Description of the Senior Secured Notes—Security*." The validity and enforcement of the Collateral is subject to certain restrictions under applicable laws. See "*Certain insolvency law considerations and limitations on the validity and enforceability of the Guarantees and the security interests*";

"Contingent Value Instruments"	means the 25,500,000 subordinated contingent value bonds issued by the Parent Guarantor on April 21, 2009 in connection with a restructuring of the Group, of which approximately 2,000,000 remain outstanding following the acquisition of the Parent Guarantor by LuxCo 6 and have been unclaimed by their beneficiaries;
"DA"	means Doyen Auto (DA), a company organized and existing under the laws of Belgium with registered number 0456.837.435 Banque-Carrefour des Entreprises, having its registered office at 7180 Seneffe, Parc Industriel de Seneffe – Zone C, Rue Charles Richert 1, Belgium;
"Doge Invest"	means Doge Invest, a public limited liability company (*société anonyme*) organized and existing under the laws of Luxembourg with registered number 100161 RCS Luxembourg B, having its registered office at 41, boulevard Royal, 2449 Luxembourg, Luxembourg, the ultimate shareholder of Doyen Auto;
"Doyen Auto"	means, collectively, DA, Ariane and their respective subsidiaries;
"Doyen Auto Acquisition"	means the acquisition of Doyen Auto by Autodistribution S.A., which was completed on September 30, 2016;
"euro," "EUR" or "€"	means the single currency of the participating member states in the Third Stage of the European Economic and Monetary Union of the Treaty Establishing the European Community, as amended from time to time;
"Euroclear"	means Euroclear Bank SA/NV;
"European Union" or "EU"	means the European economic and political union;
"Exchange"	means The Channel Islands Securities Exchange Authority Limited;
"Existing Senior Secured Notes"	means the €270.0 million aggregate principal amount of 6.5% senior secured Notes due 2019 issued by the Issuer on January 31, 2014 and May 15, 2015 pursuant to an indenture dated as of January 31, 2014, by and among, *inter alios*, the Issuer, the Parent Guarantor and U.S. Bank Trustees Limited, as amended and supplemented from time to time;
"Existing Senior Secured Notes Redemption"	means the redemption of the entire aggregate principal amount of the Existing Senior Secured Notes, which is expected to occur on or about the Issue Date;
"first-priority" security interest	means a security interest that is on a first-priority basis (including a junior-ranking or lower-ranking security interest which the Intercreditor Agreement provides will be treated on a contractual first-priority basis) and rank *pari passu* with certain other security interests over the same Collateral;
"Fixed Rate Notes"	means the € million aggregate principal amount of the Issuer's % Senior Secured Fixed Rate Notes due 2022 offered hereby;
"Floating Rate Notes"	means the € million aggregate principal amount of the Issuer's Senior Secured Floating Rate Notes due 2022 offered hereby;
"HoldCo"	means Dakar Finance S.A., the issuer of the Senior HoldCo Pay-if-You-Can Notes;
"IFRS"	means the International Financial Reporting Standards as adopted by the European Union;
"Indenture"	means the indenture governing the Notes to be dated as of the Issue Date by and among, *inter alios*, the Issuer, the Guarantors, the Trustee and the Security Agent;

"Initial Purchasers"	means, collectively, J.P. Morgan Securities plc, BNP Paribas, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch and Oddo & Cie;
"Intercreditor Agreement"	means the intercreditor agreement dated as of January 31, 2014, by and among, *inter alios*, the lenders and agents under the Revolving Credit Facility, certain hedge counterparties, the Issuer, U.S. Bank Trustees Limited, as notes trustee for the Notes (upon accession), and U.S. Bank Trustees Limited, as security agent, as amended on the Issue Date and as it may be amended from time to time;
"Issue Date"	means the date of original issuance of the Notes, which is expected to be on or about , 2016;
"Issuer"	means Autodis S.A., a private limited liability company (*société anonyme*) organized and existing under the laws of France with registered number 086 380 706 RCS Créteil, having its registered office at 22 avenue Aristide Briand, 94110 Arcueil, France;
"LuxCo 5"	means Dakar (BC) Luxco S.à r.l., a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of the Grand Duchy of Luxembourg, whose registered office is at 4 rue Lou Hemmer, L-1748 Luxembourg-Findel, Grand Duchy of Luxembourg and registered with the Register of commerce and companies of Luxembourg under number B199994;
"LuxCo 6"	means Dakar Acquisition S.A., a public limited company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg, whose registered office is at 4 rue Lou Hemmer, L-1748 Luxembourg-Findel, Grand Duchy of Luxembourg and registered with the Register of commerce and companies of Luxembourg under number B201035;
"Luxembourg"	means the Grand Duchy of Luxembourg;
"Luxembourg Security Providers"	means LuxCo 5 and LuxCo 6;
"Member States"	means the member states of the European Union;
"Notes"	means the Fixed Rate Notes and the Floating Rate Notes;
"Offering"	means the offering of the Notes pursuant to this Offering Memorandum;
"Parent Guarantor"	means Autodis Group S.A.S. (formerly Parts Holdings (France) S.A.S.), a private limited liability company (*société par actions simplifée*) organized and existing under the laws of France with registered number 488 077 165 RCS Créteil, having its registered office at 22 avenue Aristide Briand, 94110 Arcueil, France;
"PECs"	means preferred equity certificates;
"qualified institutional buyer" or "QIB"	has the meaning ascribed to such terms in Rule 144A under the U.S. Securities Act;
"Refinancing"	has the meaning ascribed to it in "*Summary—The Refinancing*";
"Registrar"	means Elavon Financial Services DAC;
"Regulation S"	means Regulation S under the U.S. Securities Act;
"Revolving Credit Facility"	means the senior secured revolving credit facility established under the Revolving Credit Facility Agreement, which is described in more detail in "*Description of certain financing arrangements—Revolving Credit Facility Agreement*";

"Revolving Credit Facility Agreement"	means the revolving facility agreement entered into on November 12, 2015, by and among, *inter alios*, LuxCo 5, LuxCo 6, J.P. Morgan Limited, Credit Suisse International and BNP Paribas S.A. as mandated lead arrangers, the original lenders (as named therein), the agent (as named therein) and U.S. Bank Trustee Limited as security agent, as amended, restated, modified, renewed, refunded, replaced, restructured, refinanced, repaid, increased or extended in whole or in part from time to time;
"Rule 144A"	means Rule 144A under the U.S. Securities Act;
"Security Agent"	means U.S. Bank Trustees Limited;
"Security Documents"	has the meaning ascribed to it in "*Description of the Senior Secured Notes—Certain definitions*";
"Senior HoldCo Pay-If-You-Can Notes"	means the €239.0 million in aggregate principal amount of 9.000% / 9.750% Senior HoldCo Pay-If-You-Can Notes due 2020 issued by HoldCo pursuant to an indenture dated November 12, 2015;
"Senior HoldCo Pay-If-You-Can Notes Redemption"	means the redemption of €140.0 million in aggregate principal amount of Senior HoldCo Pay-If-You-Can Notes, which is expected to occur on or about the day following the Issue Date;
"Subsidiary Guarantor"	means Autodistribution S.A.;
"Transfer Agent"	means Elavon Financial Services DAC, UK Branch;
"Trustee"	means U.S. Bank Trustees Limited, as trustee for the Notes;
"United States" or "U.S."	means the United States of America;
"us," "Group," "our" or "we"	means the Parent Guarantor and its subsidiaries, unless where expressly stated otherwise or where the context requires otherwise; and
"U.S. dollar," "USD," "U.S.$" or "$"	means the lawful currency of the United States.

Exchange rate information

The table below sets forth the period end, average, high and low Bloomberg (London) Composite Rate, expressed as U.S. dollars per €1.00, for the periods and dates indicated. The rates below may differ from the actual rates used in the preparation of our consolidated financial statements and the other financial information appearing in this Offering Memorandum. The figure in the "Average" column for the annual presentation represents the average noon buying rate on the last business day of each month during the relevant period. The figure in the "Average" column of the monthly presentation represents the average daily noon buying rate for each business day during the relevant period. Our inclusion of these exchange rates is not meant to suggest that the euro amounts actually represent such dollar amounts or that such amounts would have been converted at a particular rate, if at all.

The Bloomberg Composite Rate of the euro on October 28, 2016, was U.S.$ 1.0985 per €1.00.

	U.S. dollars per euro			
Year	**Period end**	**Average**	**High**	**Low**
2011	1.2960	1.3924	1.4874	1.2925
2012	1.3197	1.2859	1.3463	1.2053
2013	1.3789	1.3300	1.3789	1.2819
2014	1.2100	1.3209	1.3866	1.2100
2015	1.0866	1.1032	1.1288	1.0560

	U.S. dollars per euro			
Month	**Period end**	**Average**	**High**	**Low**
May 2016	1.1139	1.1306	1.1527	1.1134
June 2016	1.1073	1.1238	1.1399	1.1038
July 2016	1.1157	1.1061	1.1157	1.0967
August 2016	1.1158	1.1206	1.1330	1.1077
September 2016	1.1228	1.1212	1.1254	1.1153
October 2016 (through October 28)	1.0985	1.1026	1.1211	1.0882

Summary

The following summary highlights selected information from this Offering Memorandum. The summary does not contain all the information you should consider before you invest in the Notes and should be read in conjunction with and is qualified in its entirety by the more detailed information included elsewhere in this Offering Memorandum. See "Risk factors" and "Management's discussion and analysis of financial condition and results of operations" for additional factors that you should consider before investing in the Notes.

Unless otherwise indicated, the financial and operational data presented herein exclude Doyen Auto.

Overview

We are the leading distributor of aftermarket spare parts for light vehicles and trucks in the independent aftermarket segment ("IAM") in France, with over 50 years of experience. We also hold a strong regional position in the Polish light vehicle IAM and, since the acquisition of Doyen Auto on September 30, 2016, in the Benelux light vehicle IAM. For the twelve months ended August 31, 2016, and giving pro forma effect to the Doyen Auto Acquisition, we generated revenue of €1,425.8 million, of which 86.6% was generated in France and a Pro Forma Adjusted EBITDA (including Doyen Auto) of €115.2 million. We believe that as of August 31, 2016, and giving pro forma effect to the Doyen Auto Acquisition, we held a market share in excess of 22% in terms of revenue in the fragmented French light vehicle IAM. Following the Doyen Auto Acquisition, we believe that we hold a market share of approximately 21.0% in terms of revenue in the Benelux light vehicle IAM. Our addressable market has demonstrated resilience in recent years and currently benefits from advantageous long-term trends. Our scale provides us with significant purchasing power with aftermarket spare parts suppliers, and our extensive network throughout France, which we have expanded with the ACR Acquisition in April 2014 and more recently, the Doyen Auto Acquisition on September 30, 2016, allows us to deliver a broad range of parts on a timely and efficient basis.

We distribute parts and other products in four business lines across the French IAM: light vehicle parts for maintenance and repair; light vehicle parts for collision repair; truck parts for maintenance and repair; and equipment and tools for light vehicle maintenance and repair. We distribute a broad portfolio of products in each of our four business lines, featuring approximately one million commonly used spare parts from over 281 suppliers. We have also distributed light vehicle parts across the Benelux IAM since the completion of the Doyen Auto Acquisition.

We are an integrated distributor, with an advanced supply chain and distribution system. Our system in France and Benelux is organized around central purchasing departments, which buy aftermarket spare parts and equipment and tools from our suppliers, which are then sold to our wholly-owned distributors or to affiliated independent distributors and online retailers. These distributors sell these parts, equipment and tools to independent garages, body shops, fast-fitters, fleet garages for light vehicles and trucks, and car centers ("garages"), some of which are affiliated with us and operate under our brands, such as AD ("branded garages").

Sales by our wholly-owned distributors to garages represented 75.7% of our revenue in France for the twelve months ended August 31, 2016, and sales by us to affiliated independent distributors represented 24.2% of our revenue in France over the same period. As of August 31, 2016, we had a network of 33 wholly-owned distributors and 44 affiliated independent distributors in France. These distributors operate out of 493 distribution sites, comprising 307 wholly-owned and 186 affiliated distribution sites, which are supplied either by our four warehouses (two for light vehicle parts, one for light vehicle collision repair parts and one for truck parts) or through direct shipments from suppliers. We use a customized IT system to ensure the efficient management of our supply chain and distribution system by tracking product availability, stock levels and delivery schedules. In Poland, we operate three warehouses and 44 distribution sites. In Benelux, we have operated three warehouses and 107 affiliated distribution sites since the completion of the Doyen Auto Acquisition.

The spare parts and equipment and tools that we distribute are sold to more than 70,000 regular professional customers in France, a significant portion of which are independent garages. Approximately 3,200 of such garages operate under our brands, such as AD, and participate in an affiliate program through which they receive enhanced service and support from us, and in return our wholly-owned and affiliated independent distributors are designated as their preferred distributor of spare parts. Our extensive network, spanning the supply chain from central purchasing to branded garages, has enabled us to develop a highly recognized brand in the markets in which we operate.

Our leading market position, large-scale operations and centralized purchasing departments provide us with significant purchasing power, which we use to negotiate volume rebates with our suppliers. We pass on a portion of these rebates to both our wholly-owned distributors and affiliated independent distributors in France. As members of our loyalty program, our affiliated independent distributors receive the benefit of our volume rebates by agreeing to purchase at least 70% of their spare parts from us, thereby driving our volumes. In 2015, we renewed our contract with our affiliated independent distributors for an additional seven-year term.

Of the €846.1 million in revenue generated by our wholly-owned distributors in France for the twelve months ended August 31, 2016, light vehicle parts for maintenance and repair accounted for approximately 52.6%; light vehicle parts for collision repair accounted for approximately 16.4%; truck parts for maintenance and repair accounted for approximately 14.2%; and equipment and tools for light vehicle maintenance and repair accounted for approximately 16.8%. The remaining €270.8 million of our revenue in France for the twelve months ended August 31, 2016, was generated by sales to affiliated independent distributors.

Our strengths

Attractive, stable and resilient light vehicle aftermarket

The light vehicle and truck spare parts aftermarket is one of the most profitable sectors of the light vehicle and truck value chain. Demand in the light vehicle spare parts aftermarket is affected by the number of cars on the road (the "car parc") and the average age of and miles driven by these cars. The aftermarket in the countries in which we operate has generally proven resilient during economic downturns, when new car sales tend to decline. This resilience is due in part to several positive trends that we believe will continue in the medium term, such as a stable car parc size, a continuing increase in the average age of the car parc, increasingly complex and technologically advanced vehicle parts, and advantageous regulatory schemes in the jurisdictions in which we operate. For example, the slowdown of new car sales in the markets in which we operate has led to an increase in the average age of the car parc, resulting in a growing share of cars beyond the manufacturer warranty period and in need of repair and maintenance. Independent garages sourcing IAM-provided spare parts create value for owners of such beyond-warranty period cars looking for an alternative to generally more expensive manufacturers' dealers' garages.

Leading distributor in the profitable French independent aftermarket sector

We are the leading distributor of parts for light vehicles and trucks in the IAM in France, with over 50 years of experience. As of August 31, 2016, and giving pro forma effect to the Doyen Auto Acquisition, we held an estimated market share in excess of 22% in terms of revenue in the fragmented French light vehicle IAM. Our leading position in the IAM, our well-recognized brand and our extensive distribution network provide us with a strong platform to deliver a broad range of spare parts, equipment and tools on a timely and efficient basis. We enjoy a strong regional position in the light vehicle IAM in Poland, through our wholly-owned distributors in southern Poland, and in Benelux, since the completion of the Doyen Auto Acquisition.

Vertically integrated distribution system serving a diversified customer base

Vertically integrated distribution system

Our distribution system is vertically integrated, enabling us to frequently and rapidly distribute a large assortment of parts, at a lower cost than smaller operators, and to maintain high levels of product availability for customers. Each of our business lines in France has an extensive distribution network organized around our central purchasing departments, four specialized national warehouses and distribution sites spread throughout France. We also arrange for the direct supply of spare parts and equipment and tools from suppliers, and these deliveries are handled separately from our logistics platform. For those parts not shipped directly from the supplier, we use a customized IT system to ensure the efficient management of our supply chain and distribution system by tracking product availability, stock levels and delivery schedules. Our distribution system is also capable of making frequent, rapid deliveries and has been designed to efficiently handle high volumes, thereby reducing costs, increasing product availability and, ultimately, driving increased customer loyalty. Furthermore, we have organized our distribution system taking into account each business line's specific characteristics in order to optimize our operational flexibility and efficiency, thereby increasing our ability to provide high levels of service to our customers. For example, we separated our light vehicles and trucks spare product lines into two distinct business units in order to optimize their supply chains and capitalize on their respective efficiencies.

Our vertically integrated distribution system and extensive network of distributors and garages provide us with a competitive advantage over smaller operators because smaller operators lack our purchasing power, large on-hand stock and service levels. We are also a founding partner of the AD International purchasing network, one of the largest European purchasing networks of independent distributors for spare parts, which further enhances our purchasing power, allows us to obtain rebates and gives us access to best practices of other AD International partners abroad. We believe that the advantages of our vertically integrated distribution system are difficult to replicate because of the significant time and resources that would be required to reproduce our existing infrastructure.

Diversified customer base

Our vertically integrated distribution system enables us to deliver high levels of service to a large customer base of light vehicle and truck garages across France and Benelux. As of August 31, 2016, we served more than 70,000 regular professional customers in France, including our approximately 3,200 branded garages, and several hundred thousand individual professional customers. We service our customers through both our wholly-owned and affiliated independent distributors. For the twelve months ended August 31, 2016, 75.7% of our revenue in France was generated by sales to garages and over-the-counter sales through our wholly-owned distributors, and 24.2% of our revenue in France was generated by sales to affiliated independent distributors that are members of our loyalty program. We believe that our efficient distribution network and our ability to deliver a wide variety of parts across a broad network on a timely and efficient basis has contributed to increased customer loyalty and enabled us to develop and maintain our large and diverse customer base. In general, the end-customers targeted by our wholly-owned distributors and our affiliated independent distributors do not overlap due to the commercial arrangements that we have in place with our affiliated independent distributors. In addition, we are focused on developing new customer segments, such as online retailers that are major customers of Doyen Auto. We have also set up a separate sales department dedicated to insurance clients in order to strengthen our commercial relationships with these companies and increase our share of the collision repair market.

High-quality service based on extensive product portfolio, highly efficient operations and customized IT systems

Quality of service in the IAM distributor market is closely tied to the range of parts on offer, efficient and effective order execution, timely delivery and responsive customer service. We offer an extensive product portfolio of approximately one million commonly used spare parts from over 281 suppliers, including a new product line for windscreens. We believe that our suppliers view us as a key channel through which they are able to supply parts for the IAM, which allows us to negotiate improved pricing and purchasing terms from a diverse range of suppliers. This is because we are one of the few distributors in our market with the scale, warehouse logistics, distribution network and expertise to be able to acquire, stock and distribute a large number of spare parts, equipment and tools for an increasingly complex market with high barriers to entry. We also believe that this gives us an advantage against competition from OES, which need to combine their historical OES activities with the complex IAM market and would require investment in a broader product assortment, availability of parts and logistics in order to compete with the range of products we distribute, the availability of parts we offer, our strong logistics and the quality of our services. The number of car and truck brands and models in the car park continues to increase and, as a result, the related assortment of car and truck spare parts increases each year. We believe that our extensive product portfolio, combined with our extensive range of services, make us attractive to the growing number of multi-brand garages that are moving away from single-brand, manufacturer specific dealers.

Our logistics platforms are well invested and allow us to operate industry-leading distribution networks. As of August 31, 2016, Logisteo, our central warehouse from which we distribute spare parts for light vehicle repair and maintenance, was the largest independent logistics platform for light vehicle parts for maintenance and repair in France, with over 20,000 square meters of storage space that stored approximately 56,800 spare parts references of 124 brands. It supplies 493 distribution sites, comprising 307 wholly-owned and 186 affiliated distribution sites, and employs approximately 280 people. Since July 2015, we have made significant investments in the automation of the processes in our Logisteo warehouse in order to improve the accuracy and speed with which products are delivered to customers and increase our product offering. As of August 31, 2016, we had already invested €16.4 million in this project and expect that completion of the project during the course of the next nine months will generate cost savings for us in the long term. In 2013, we also invested in the expansion of our call center for our collision repair service in order to improve the quality of our service for our collision business customers.

Our large geographic footprint, vertically integrated distribution system and advanced logistics platforms allow us to provide efficient and effective service to our customers throughout France. We provide several daily deliveries, including deliveries within two hours for fast-moving items and next business day deliveries for slow-moving items. If a distributor does not have a specific spare part in stock, we are able to deliver the item to that distributor from one of our logistics platforms or arrange delivery directly from the supplier within one business day of order placement. We also deliver other services for our customers, including user-friendly websites and online and offline support, technical hotlines and training services. Our online business-to-business car and truck repair and maintenance web portals (Autossimo and Truckissimo, respectively) provide user-friendly portals for garages to search for and directly order from a large selection of spare parts and to obtain technical information, thereby improving the customer experience and reducing our call center costs. We believe that these web portals provide us with a competitive advantage, and approximately €138.7 million, or 21.0%, of our revenue from sales of light vehicle spare parts by both our wholly-owned distributors and affiliated independent distributors for the twelve months ended August 31, 2016, were placed through our online portal, Autossimo. We believe that the consistently high quality of services we offer drives customer loyalty and reinforces our market-leading positions.

Our customized IT system plays a key role in allowing us to manage inventory levels and delivery schedules effectively. In late 2013 and early 2014, we upgraded the warehouse IT management system of our light vehicle logistics platform, which we believe is best-in-class. We are also in the process of upgrading our IT systems for our sales department, and have rolled out eBook, a tablet-based program that allows our sales representatives to see previous customer orders and to make suggestions for purchases based on the customer's profile. We believe that our IT systems provide us with a significant advantage and drive our ability to serve our customers on a timely and efficient basis.

As the IAM grows more complex as a result of the evolution of technical parts and an increased assortment of spare parts, equipment and tools available on the market, the ability to operate efficiently will be increasingly important in maintaining our high-quality service and our market-leading positions. As a result, we have made, and expect to continue to make in the future, appropriate investments in IT.

Strong financial performance and strong cash flow generation with a capex-light business model

Since 2013 we have generated stable revenue, increased our Adjusted EBITDA margin from 4.9% to 7.6%, and maintained stable cash flow generation despite a slowdown in economic activity in France in recent years, with a cash conversion (defined as Adjusted EBITDA less capital expenditure, divided by Adjusted EBITDA) of 68.2% for the year ended December 31, 2013, 73.6% for the year ended December 31, 2014, 70.3% for the year ended December 31, 2015, and 72.0% for the twelve-month period ended August 31, 2016, and a cash conversion (excluding exceptional capital expenditure) of 86.9% for the twelve months ended August 31, 2016. We have driven Adjusted EBITDA margin improvement during the last six years by implementing a series of profit enhancement measures. Since these measures were implemented, our Adjusted EBITDA has increased from €29 million for the year ended December 31, 2009, to €93.7 million for the twelve months ended August 31, 2016. These measures include, among others: the maximization of suppliers' rebates via increased purchasing by our central purchasing departments and integrated Group-wide purchasing (including our affiliated independent distributors), cost reductions in the aggregate compensation of local management and administration through the implementation of shared services, and reductions in transportation and logistics costs by optimizing the delivery routes between our distribution sites and our customers and increasing the use of central distribution facilities. In addition, we improved our cash flows from operating activities (including changes in working capital and other items with cash effect) from €15.6 million for the year ended December 31, 2010, to €54.4 million for the twelve months ended August 31, 2016. We operate a capex-light business model using rented facilities, and thus our operations do not require us to own or maintain extensive physical infrastructure. During the twelve months ended August 31, 2016, our capital expenditures amounted to 2.8% of our revenue and consisted of maintenance expenditures for our distribution facilities, and upgrades to our sales and warehouse IT management systems, as well as our first investment in Logisteo's automation process development. Our low levels of maintenance capital expenditure requirements (as a percentage of revenue) have allowed us to invest in our business, maintain our leading market positions, improve operating efficiency and achieve deleveraging through Adjusted EBITDA growth and cash generation.

Experienced and successful management team with strong support from our sponsor

Our Chairman, Olivier Roux, our Group CEO, Stéphane Antiglio, and our Group CFO, Christophe Gouthière, have more than 70 years of combined experience in the distribution and light vehicle sectors and have a proven track record in developing and implementing turnaround and growth strategies. Our Chairman, Olivier Roux, is the former co-CEO of the Rhiag Group, a leading distributor in the Italian, Swiss and Eastern European light vehicle aftermarkets, and has extensive experience in the light vehicle aftermarket. Our Group CEO, Stéphane Antiglio, is the former CEO of Pomona Passion Froid, the frozen food distribution branch of Pomona. Our Group CFO, Christophe Gouthière, was previously European CFO of the Dole Group, a leading distributor of fresh fruit and vegetables. Our Chairman, Group CEO and Group CFO, supported by an experienced management team, have successfully implemented profit improvement initiatives and integrated new businesses into our Group. For example, our management team successfully integrated ACR in 2014 and timely realized slightly higher purchasing and cost savings and revenue enhancements than those identified at the time of the ACR Acquisition. We believe that the success of our management team in completing our profit improvement plan and returning our business to profitable growth has laid a solid foundation for further growth and increased profitability. The support, investment experience and sector expertise of our sponsor, Bain Capital, will supplement the leadership and expertise of our management team.

Our strategy

The key elements of our business strategy are:

Continue to strengthen our market-leading positions

Light vehicle and truck parts

We intend to strengthen our position as a market leader in the French light vehicle IAM through organic growth. With more than 50 years of experience and a focus on the breadth of product assortment, availability of parts, strong logistics and quality of customer service, we believe that we are well positioned to maximize growth opportunities in the increasingly complex light vehicle IAM. To accomplish this growth, we plan to extend our network coverage, improve our sales force performance and practices, develop new key accounts, expand our commercial relationships with fast-fitters and enhance the efficiency of our supply chain for express orders. We may also seek from time to time to make selective acquisitions that are accretive to our network. As part of this strategy, we acquired ACR in 2014 and Doyen Auto in 2016, and are currently considering the acquisition of another small spare parts distributor. The latter transaction is at an early stage, and is subject to completion of due diligence and the negotiation of contractual documentation. There is therefore no assurance that we will complete it in the near term or at all. Should we complete such acquisition, we expect to finance it with cash from operations and existing liquidity lines, and we believe that it would have no materially negative impact on our ratio of net debt to pro forma adjusted EBITDA. Doyen Auto is a distributor of spare parts for light vehicles in France and Benelux. For the twelve months ended August 31, 2016, Doyen Auto generated revenue and Adjusted EBITDA of €196.0 million and €8.9 million, respectively.

Collision parts

Revenue from our collision repair services increased at a CAGR of 11.9% between 2010 and 2015. We intend to leverage our logistics platforms, competitive prices and high levels of service to continue to win new contracts with insurance companies for our collision repair services. We plan to channel this business to our branded garages in order to strengthen our partnerships with such garages and insurers and increase demand for the provision of collision repair parts from our distributors.

Enhance customer service

We intend to continue to enhance our high-quality service to our customers by ensuring seamless execution from order to delivery and by further increasing our already extensive product assortment. We believe that timely product delivery, our range of spare parts on offer, and efficient and effective order execution will continue to drive customer loyalty. We plan to shorten the time between order placement by our customers and delivery of products by improving our logistics and distribution system, including through the recent upgrade of the warehouse IT management system of our light vehicle logistics platform. The ACR Acquisition has allowed us to benefit from ACR's experience in product return management and its specialization in deliveries within two to four hours of placing an order. With the completion of the Doyen Auto Acquisition, we have increased our ability to deliver spare parts in rural areas of France, where a majority of API distributors are located. We will also benefit from Doyen Auto's experience in sales to online retailers to enhance the quality of our services in this segment. We seek to offer an even more extensive product range in the light vehicle, collision and truck sectors. We believe that this will provide us with growth potential by allowing us to capture market share for new brands and product lines. For example, we plan to further expand our portfolio by including additional product families for chassis, engines, electronics and light vehicle body parts. We also plan to further develop our private label ISOTECH product line for the light vehicle and truck aftermarket and the private label product line of ACR for the light vehicle aftermarket. We plan to introduce at least one new product line every year. We believe that this approach will allow us to address different types of customers with different value propositions, ultimately optimizing our market coverage. We also believe that an increase in private label product lines as a percentage of our total revenues will improve our competitiveness and margins.

Continue to optimize organizational efficiency

We intend to continue to optimize our operational processes by implementing several changes to the organization of our supply chain, inventory management, IT, real estate, human resources and logistics, which we believe will allow us to increase the quality of our operations and reduce fixed costs in our real estate and employee cost base. We plan to further standardize our central administration and enhance our IT support in order to implement these changes. In addition, we intend to continue to invest in our logistics platforms in order to reduce costs, facilitate operational efficiencies, strengthen our supply chain and provide our customers with better product coverage and availability. For example, we aim to open a new logistics platform in Réau, France in 2017. By further enhancing existing software and installing new software, such as the recent upgrade of the warehouse IT management system of our light vehicle logistics platform, we will be able to expedite our logistics and optimize the processing of orders. We also intend to further strengthen our Polish operations and to improve our EBITDA margins in Poland pursuant to a profit improvement plan which is currently being implemented.

Continue to improve purchasing performance

We believe that one of the most important factors in our success has been our ability to use the purchasing power derived from our size, integrated business model, specialized warehouse management and logistics systems, and partnership with AD International to obtain larger rebates and more favorable terms from suppliers than are available to other participants in the IAM. We intend to continue to seek to capitalize on our scale and integrated purchasing to negotiate better prices and purchase conditions with our suppliers. For example, we expect Doyen Auto to realize purchasing savings by purchasing spare parts under our existing arrangements with our suppliers, which provide better commercial terms compared to Doyen Auto's contracts. We estimate that the integration of Doyen Auto will result in approximately €12.6 million of identified annualized anticipated purchasing and cost savings. Additionally, we are focused on increasing the share of purchases made by our affiliated independent distributors through our central purchasing departments, which we expect will further increase our sales volumes and improve our purchasing power.

Increase focus on over-the-counter sales of light vehicle spare parts

Our over-the-counter sales of light vehicle spare parts in France generated approximately 9.3% of our revenue for the twelve months ended August 31, 2016. The French "do-it-yourself" aftermarket represents a high-margin market, and we are developing strategies, including loyalty cards and sales force training, which target these customers and allow us to effectively compete against online light vehicle spare parts retailers. The integration of ACR in 2014, which serves online light vehicle spare parts retailers, increased our presence in this segment of the IAM. Whether an order is placed at one of our distribution sites or online, we believe that our timely over-the-counter product delivery provides us with a strategic advantage compared to online-only light vehicle spare parts retailers, which have inherent lead times for acquiring spare parts. We regularly assess our over-the-counter sales vis-à-vis our existing business-to-business sales objectives in terms of pricing and demand elasticity, as well as the impact of our over-the-counter sales on our business-to-business sales.

Integrate Doyen Auto into our business

Upon completion of the Doyen Auto Acquisition, Doyen Auto became an indirect wholly-owned subsidiary of the Issuer. Doyen Auto is a distributor of aftermarket spare parts for light vehicles in the IAM in France and Benelux, mainly through its network of affiliated distributors API (165 distributors), and serves a diverse customer base, including online retailers, affiliated distributors and two networks of branded garages, 1,2,3 AutoService (297 garages) and Requal (435 garages). The Doyen Auto Acquisition has increased our market share in the French spare parts aftermarket, has given us a leading position in the fast-growing online retail segment, in which Doyen Auto is already a leader in France, has expanded our business to Benelux and, we believe, will enable us to realize further significant procurement, logistics and distribution savings and cost efficiencies.

Following the integration of Doyen Auto into our business using an approach similar to that used for the successful integration of ACR, we expect to realize approximately €12.6 million of annualized anticipated purchasing and cost savings (compared to 2015 costs) based on a report prepared by Kepler S.A.S., a consultant that we hired in connection with the Doyen Auto Acquisition. We expect to realize €10.6 million of identified purchasing savings per year resulting from having Doyen Auto purchase spare parts under our existing arrangements with our suppliers, which provide for better commercial terms, compared to Doyen Auto's existing supply contracts, in line with the renegotiating strategy that we successfully implemented following the ACR Acquisition. These savings are expected to come into effect simultaneously with the integration of Doyen Auto into our business, which we expect to be largely completed in the first half of 2017, and without additional cost. We also expect to realize approximately €2 million of additional annualized cost savings by the end of 2018 (compared to 2015 costs) from the integration of corporate, IT and other central functions and through optimization of our footprint, particularly in France. See "*Risk factors—Risks related to our business—We may face challenges in integrating acquired businesses and in integrating any future potential acquisition, and may be unable to realize the expected savings from these businesses and any other cost improvement measures we have taken.*"

The Refinancing

On the Issue Date, we will issue the Notes offered hereby and use the proceeds of the Offering to: (i) fund the Existing Senior Secured Notes Redemption; (ii) make a distribution to HoldCo to fund the Senior HoldCo Pay-If-You-Can Notes Redemption; (iii) repay all amounts outstanding under the Bridge Facility; and (iv) pay the fees and expenses incurred in connection with the Refinancing. See "*Use of proceeds*."

The Offering and the application of the proceeds from the Offering are collectively referred to in this Offering Memorandum as the "Refinancing."

Existing Senior Secured Notes Redemption

Concurrently with, and conditioned on, the closing of the Offering, the Issuer will redeem the entire aggregate principal amount of the Existing Senior Secured Notes by paying the redemption price for the Existing Senior Secured Notes set forth in this Offering Memorandum (the "Existing Senior Secured Notes Redemption"). See "*Use of proceeds*."

Senior HoldCo Pay-If-You-Can Notes Redemption

Concurrently with, and conditioned on, the closing of the Offering, the Issuer will distribute, indirectly, a portion of the proceeds of the Offering to HoldCo. HoldCo will use the proceeds of such distribution to redeem €140.0 million in aggregate principal amount of Senior HoldCo Pay-If-You-Can Notes by paying the redemption price for the Senior HoldCo Pay-If-You-Can Notes set forth in this Offering Memorandum (the "Senior HoldCo Pay-If-You-Can Notes Redemption"). See "*Use of proceeds*." Following the Senior HoldCo Pay-If-You-Can Notes Redemption, €99.0 million in aggregate principal amount of Senior HoldCo Pay-If-You-Can Notes will remain outstanding.

Repayment of the Bridge Facility

Concurrently with, and conditioned on, the closing of the Offering, the Issuer will repay the €80.0 million outstanding under the Bridge Facility with a portion of the proceeds of the Offering. We used the proceeds of the Bridge Facility to fund the consideration payable to Doge Invest for the shares of DA and Ariane, the two holding companies of the Doyen Auto group, on the completion date of the Doyen Auto Acquisition, to finance the fees and expenses incurred in connection with the Doyen Auto Acquisition and for general corporate purposes. See "*—Recent developments—Doyen Auto Acquisition.*"

Our sponsor

Bain Capital, LLC is a leading global private investment firm which advises and manages capital across several asset classes, including private equity, venture capital, public equity and leveraged debt assets. Since its inception in 1984, Bain Capital, LLC and its affiliates have completed over 450 transactions in a broad range of industries, including Industrials, Financial and Business Services, Consumer & Retail, Technology, Media & Telecommunications, and Healthcare. The firm has a strong track record of investments in the automotive industry, (including investments in Apex Tool Group, Asimco, FCI, FTE, Hero, Sensata Technologies and TI Automotive) and distribution industries (including investments in Brakes, Brenntag and IMCD), as well as a number of market-leading companies globally such as Bellsystem24, Burger King, Burlington Coat Factory, Domino's Pizza, HCA, Novacap, Samsonite, Securitas Direct, SigmaKalon and Worldpay. Headquartered in Boston, Bain Capital, LLC and its affiliates have offices in New York, Chicago, Palo Alto, London, Luxembourg, Munich, Hong Kong, Mumbai, Shanghai, Tokyo and Melbourne.

For more information, see "*Principal shareholders*."

Recent developments

Current trading

For the nine months ended September 30, 2016, we generated revenue of approximately €918.5 million, an increase of approximately 0.6% compared to our revenue for the corresponding period in 2015. We generated approximately €834.5 million of our revenue in France for the nine months ended September 30, 2016, compared to approximately €829.0 million for the nine months ended September 30, 2015. For the nine months ended September 30, 2016, we generated Adjusted EBITDA of approximately €73.5 million, an increase of approximately 12.4% compared to our Adjusted EBITDA for the corresponding period in 2015. We generated approximately €72.0 million of Adjusted EBITDA in France for the nine months ended September 30, 2016, compared to approximately €64.0 million for the nine months ended September 30, 2015. The increase in revenue, excluding the effect of acquisitions and disposals, was primarily due to an increase in sales of light vehicle spare parts and the continuing positive performance of our body parts product line. The increase in Adjusted EBITDA was primarily due to the higher purchasing power of our central purchasing departments and the performance of our distributors of spare parts for light vehicles, as well as management initiatives in respect of cost efficiencies.

For the nine months ended September 30, 2016, Doyen Auto generated revenue and Adjusted EBITDA of approximately €130.5 million and approximately €5.5 million, respectively.

For the twelve months ended September 30, 2016, we generated Pro Forma Adjusted EBITDA (including Doyen Auto) of approximately €114.5 million, €0.7 million lower than the Pro Forma Adjusted EBITDA (including Doyen Auto) for the twelve months ended August 31, 2016, due to lower revenue for Doyen Auto in September, prior to the Doyen Auto Acquisition.

This information is based on internal management accounts and has been prepared under the responsibility of our management, and has not been audited, reviewed or verified; no procedures have been completed by our auditors with respect thereto, and you should not place undue reliance thereon. This information is subject to confirmation in our audited consolidated financial statements and report for the year ended December 31, 2016. Consequently, upon publication of our unaudited results for the nine months ended September 30, 2016, or of our audited results for the year ended December 31, 2016, we may report results that are different from the ones set forth in this section.

Doyen Auto Acquisition

On September 30, 2016, Autodistribution S.A. acquired the entire issued share capital of DA and Ariane, the two holding companies of the Doyen Auto group, from Doge Invest pursuant to an acquisition agreement dated June 27, 2016, between the Parent Guarantor and Doge Invest (the "Doyen Auto Acquisition") for a cash purchase price of approximately €74.8 million (including post-closing price adjustments). Doyen Auto is a Belgium-headquartered distributor of aftermarket spare parts for light vehicles with operations in France and Benelux. For the twelve months ended August 31, 2016, Doyen Auto generated revenue of €196.0 million and Adjusted EBITDA of €8.9 million. We financed the Doyen Auto Acquisition by using drawings under the Bridge Facility. For more information on Doyen Auto, see "*Business—History—Doyen Auto Acquisition.*"

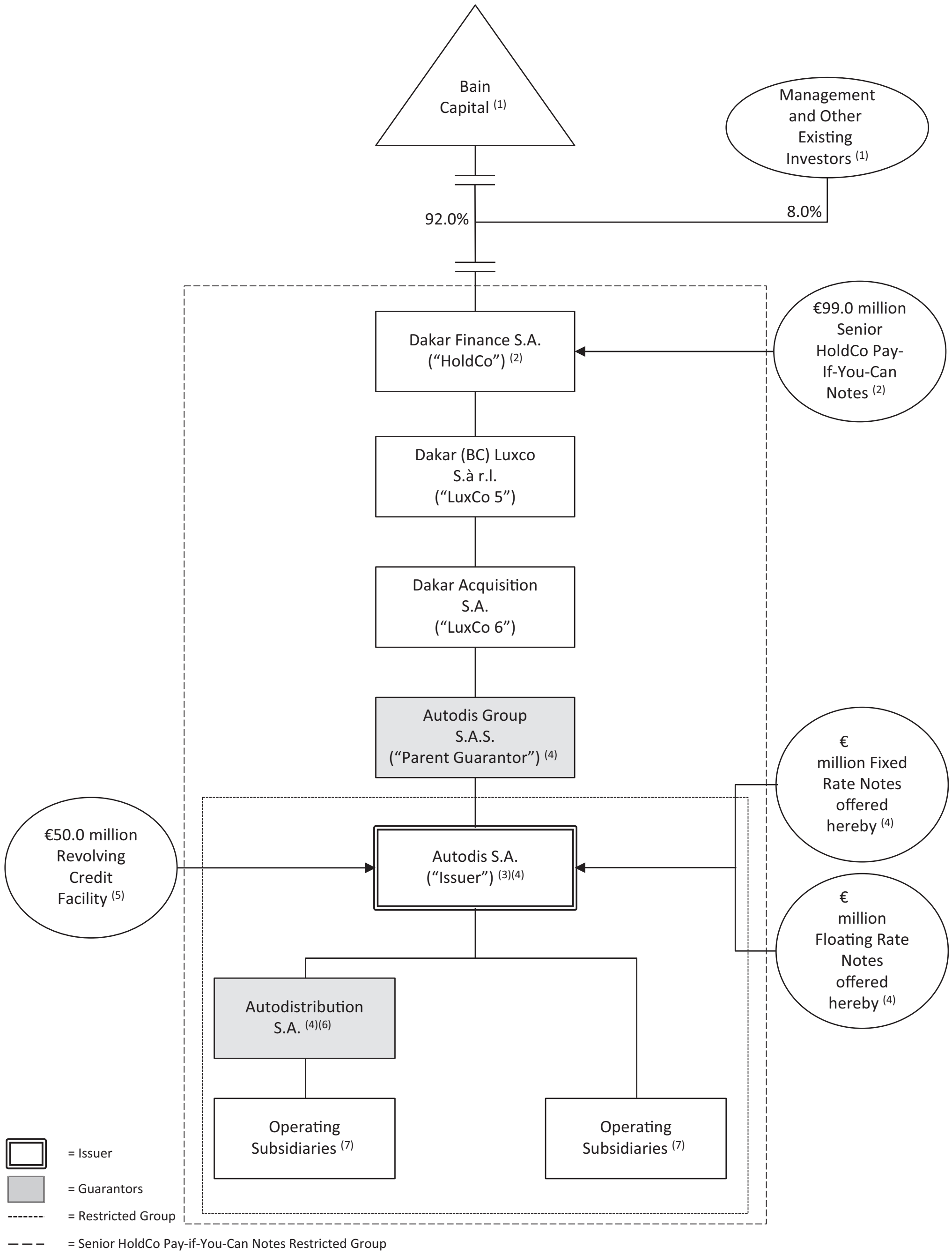
We estimate that the integration of Doyen Auto will result in approximately €12.6 million of annualized anticipated purchasing and cost savings (compared to 2015 costs) based on a report prepared by Kepler S.A.S., a consultant that we hired in connection with the Doyen Auto Acquisition. We expect to realize €10.6 million of identified purchasing savings per year resulting from having Doyen Auto purchase spare parts under our existing arrangements with our suppliers, which provide for better commercial terms, compared to Doyen Auto's existing supply contracts, in line with the renegotiating strategy that we successfully implemented following the ACR Acquisition. These savings are expected to come into effect simultaneously with the integration of Doyen Auto into our business, which we expect to be largely completed in the first half of 2017, and without additional cost. We also expect to realize approximately €2 million of additional annualized cost savings by the end of 2018 (compared to 2015 costs) from the integration of corporate, IT and other central functions and through the optimization of our footprint, particularly in France. See "*Risk factors—Risks related to our business—We may face challenges in integrating acquired businesses and in integrating any future potential acquisition, and may be unable to realize the expected savings from these businesses and any other cost improvement measures we have taken.*"

Intercreditor Agreement and Revolving Credit Facility amendments

On or about the Issue Date, we will make certain technical amendments to the Intercreditor Agreement and the Revolving Credit Facility, in order to align those agreements with the terms of the Indenture. See "*Description of certain financing arrangements*."

Summary corporate and financing structure

The following diagram presents our simplified corporate structure and principal outstanding financing arrangements after giving effect to the Refinancing. Percentages shown in the diagram below refer to percentage ownership of equity and equity-like instruments. All entities shown below are 100% owned (ignoring any *de minimis* shareholdings) unless otherwise indicated. For more information, see "*Principal shareholders*," "*Description of certain financing arrangements*" and "*Description of the Senior Secured Notes*."



(1) Bain Capital and certain other existing investors, including members of management, the Chairman of the Group, and certain Affiliated Distributors, beneficially own 100% of the share capital of the Issuer and the Parent Guarantor indirectly through wholly-owned or majority-owned intermediate holding companies. Percentages refer to the percentage ownership of equity and equity-like instruments. See "*Principal shareholders*."

(2) On November 12, 2015, HoldCo issued €239 million of Senior HoldCo Pay-If-You-Can Notes. On or about the day following the Issue Date, HoldCo will redeem €140.0 million in aggregate principal amount of Senior HoldCo Pay-If-You-Can Notes using a portion of the proceeds of the Offering distributed by the Issuer. Following the Senior HoldCo Pay-If-You-Can Notes Redemption, €99.0 million in aggregate principal amount of Senior HoldCo Pay-If-You-Can Notes will remain outstanding. See "*Description of certain financing arrangements—Senior HoldCo Pay-If-You-Can Notes.*"

(3) On the Issue Date, the Issuer will use the proceeds from the Offering to: (i) redeem the entire outstanding principal amount of the Existing Senior Secured Notes; (ii) repay amounts outstanding under the Bridge Facility; (ii) make a distribution to HoldCo in order to fund the Senior HoldCo Pay-If-You-Can Notes Redemption; and (iv) pay the fees and expenses incurred in connection with the Refinancing. HoldCo will use the proceeds of the Offering received from the Issuer to fund the Senior HoldCo Pay-If-You-Can Notes Redemption. See "*Use of proceeds*" and "*—The Refinancing*."

(4) The Notes will be general senior obligations of the Issuer, will rank *pari passu* in right of payment with any existing or future obligation of the Issuer that is not subordinated in right of payment to the Notes, including the obligations of the Issuer under the Revolving Credit Facility and future hedging obligations (if any), will rank senior in right of payment to any existing or future obligation of the Issuer that is expressly subordinated in right of payment to the Notes and will be effectively subordinated to any existing or future obligation of the Issuer and its subsidiaries, including obligations under the Revolving Credit Facility and future hedging obligations (if any), that are secured by property and assets of the subsidiaries of the Issuer that do not secure the Notes, to the extent of the value of such property and assets.

    As of the Issue Date, the Notes will be guaranteed (the "Guarantees") by Autodis Group S.A.S. (the "Parent Guarantor") and Autodistribution S.A. (the "Subsidiary Guarantor," and together with the Parent Guarantor, the "Guarantors"). As of and for the twelve months ended August 31, 2016, the Issuer and the Guarantors (excluding equity investments in wholly-owned subsidiaries and intercompany receivables and loans) accounted for 56.4% of the consolidated total assets, 17.4% of the consolidated revenue and 35.2% of the consolidated EBITDA of the Parent Guarantor. The Guarantees will be subject to the terms of the Intercreditor Agreement. The obligations of a Guarantor under its Guarantee will also be limited as necessary to prevent the relevant Guarantee from constituting a fraudulent conveyance or unlawful financial assistance under applicable law, or otherwise reflect limitation under applicable law. By virtue of these limitations, a Guarantor's obligation under its Guarantee could be significantly less than amounts payable with respect to the Notes, or a Guarantor may have effectively no obligation under its Guarantee. In particular, the Guarantee of the Subsidiary Guarantor is expected to be limited in value to an amount not greater than the amount of existing proceeds loans, which is approximately €134 million and corresponds to the aggregate of the existing proceeds loan of €54 million made available to on-lend the proceeds of the issuance of the Existing Senior Secured Notes and the existing proceeds loan of €80 million made available to on-lend the amount drawn under the Bridge Facility, in each case, to the Subsidiary Guarantor. Other indebtedness of the Guarantors may not be similarly limited. See "*Risk factors—Risks related to our indebtedness and the Notes—Corporate benefit, financial assistance laws and other limitations on the Guarantors or the Luxembourg Security Providers may adversely affect the validity and enforceability of the Guarantees of the Notes or security interests in the Collateral*" and "*Risk factors—Risks related to our indebtedness and the Notes—The insolvency and administrative laws of France and Luxembourg, as the case may be, may not be favorable to creditors, including investors in the Notes, and may limit your ability to enforce your rights under the Notes, the Guarantees or the security interests in the Collateral*." The validity and enforceability of the Guarantees and the liability of each Guarantor will be subject to the limitations described in "*Certain insolvency law considerations and limitations on the validity and enforceability of the Guarantees and the security interests.*"

    As of the Issue Date, the obligations of the Issuer and the Guarantors under the Indenture and the Revolving Credit Facility will be secured by: (i) a first-priority pledge of the share capital of LuxCo 6; (ii) a first-priority pledge of the capital stock, material bank accounts and material intragroup receivables of the Parent Guarantor; (iii) a first-priority pledge of the capital stock of the Issuer (other than certain *de minimis* shareholdings); (iv) first-priority security interests over certain assets of the Issuer, including the capital stock of Autodistribution S.A., Magenta Auto Pièces S.A. and SDFM S.A. held by the Issuer, its material bank accounts and its material intragroup receivables; and (v) a first-priority pledge of (A) the capital stock of Commerce Rechange Automobiles S.A.S., Cofirhad S.A.S. and AD Grand Ouest S.A.S. held by Autodistribution S.A., (B) Autodistribution S.A.'s material bank accounts and (C) Autodistribution S.A.'s material intragroup receivables. See "*Description of the Senior Secured Notes—Security.*" The Revolving Credit Facility and future hedging obligations (if any) (the "Super Senior Obligations") are secured by first-priority security interests over, among others, the Collateral, contractually ranking *pari passu* with the security interests securing the Notes. Under the terms of the Intercreditor Agreement, in the event of enforcement of the security interests over the Collateral, holders of Notes will receive proceeds from the Collateral only after the Super Senior Obligations have been repaid. The security interests in the Collateral are limited as necessary to recognize certain limitations arising under or imposed by local law and defenses generally available to providers of Collateral (including those that relate to fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose or benefit, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally) or other considerations under applicable law. For a brief description of such limitations, see "*Certain insolvency law considerations and limitations on the validity and enforceability of the Guarantees and the security interests*."

(5) The Revolving Credit Facilities Agreement provides for drawings of up to €50.0 million, all of which will be available for borrowing on the Issue Date. Our obligations under the Revolving Credit Facility are secured by security interests over, among other things, the Collateral. Pursuant to the terms of the Intercreditor Agreement, in the event of an enforcement of the security interests over the Collateral, the holders of the Notes will receive proceeds from the Collateral only after lenders under the Revolving Credit Facility Agreement, creditors of any future indebtedness incurred that is permitted under the Indenture and the Intercreditor Agreement to rank *pari passu* on the enforcement of the Collateral with the lenders under the Revolving Credit Facility and the counterparties to future hedging arrangements (if any) have been repaid in full. Any remaining proceeds received upon any enforcement action over any Collateral will be applied pro rata to the repayment of all obligations under the Indenture and any other senior secured indebtedness of the Issuer and the Guarantors permitted to be incurred and secured by the Collateral pursuant to the Indenture and the Intercreditor Agreement. The indebtedness of the Issuer under the Revolving Credit Facilities Agreement is guaranteed by, and is secured by certain assets of, certain subsidiaries of the Issuer that do not guarantee, and do not provide security in favor of, the Notes. See "*Description of certain financing arrangements—Intercreditor Agreement*."

(6) Autodistribution S.A. and several of our other subsidiaries have entered into various factoring, working capital and bilateral lending facilities with an aggregate principal amount of €23.4 million outstanding as of August 31, 2016, after giving effect to the Doyen Auto Acquisition and excluding bank overdrafts. These factoring arrangements and the working capital and bilateral lending facilities will remain in place after the Refinancing. See "*Description of certain financing arrangements—Other financing arrangements*."

(7) Certain of the Parent Guarantor's subsidiaries will not guarantee the Notes. As of and for the twelve months ended August 31, 2016, the non-Guarantor subsidiaries of the Parent Guarantor (excluding equity investments in wholly-owned subsidiaries and intercompany receivables and loans) accounted for 43.6% of the consolidated total assets, 82.6% of the consolidated revenue and 64.8% of the consolidated EBITDA of the Parent Guarantor. As of August 31, 2016, and after giving pro forma effect to the Doyen Auto Acquisition and the Refinancing, the non-Guarantor subsidiaries of the Parent Guarantor had €23.4 million of debt outstanding (excluding bank overdrafts). See "*Risk factors—Risks related to our indebtedness and the Notes—The Notes will be structurally subordinated to the liabilities of non-guarantor subsidiaries*."

The Offering

The following summary of this Offering contains basic information about the Notes and the security. It is not intended to be complete and is subject to important limitations and exceptions. For a more complete understanding of the Notes, including certain definitions of terms used in this summary, see "*Description of the Senior Secured Notes*."

Issuer	Autodis S.A.
Notes offered	
Fixed rate notes	€ million aggregate principal amount of % Senior Secured Fixed Rate Notes due 2022.
Floating rate notes	€ million aggregate principal amount of Senior Secured Floating Rate Notes due 2022.
Issue Date of the Notes	, 2016.
Issue price	
Fixed rate notes	%, plus accrued and unpaid interest from the Issue Date, if any.
Floating rate notes	%, plus accrued and unpaid interest from the Issue Date, if any.
Maturity Date	
Fixed rate notes	, 2022.
Floating rate notes	, 2022.
Interest rate	
Fixed rate notes	% per annum.
Floating rate notes	three-month EURIBOR (with a 0% floor) plus % per annum, reset quarterly.
Interest payment dates	
Fixed rate notes	Interest on the Fixed Rate Notes will be payable semi-annually in arrears on and of each year, commencing on , 2017. Interest on the Fixed Rate Notes will accrue from the Issue Date.
Floating rate notes	Interest on the Floating Rate Notes will be payable quarterly in arrears on , , and , commencing on , 2017. Interest on the Floating Rate Notes will accrue from the Issue Date.
Form and denomination	The Issuer will issue the Notes on the Issue Date in global registered form in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof maintained in book-entry form. Notes in denominations of less than €100,000 will not be available.
Ranking of the Notes	The Notes will: • be general senior obligations of the Issuer, secured as set forth under *"Description of the Senior Secured Notes—Security"*; • rank *pari passu* in right of payment with any existing or future obligation of the Issuer that is not subordinated in right of payment to the Notes,

including the obligations of the Issuer under the Revolving Credit Facility and certain future hedging obligations (if any);

- rank senior in right of payment to any existing or future obligation of the Issuer that is expressly subordinated in right of payment to the Notes;
- be effectively subordinated to any existing or future obligation of the Issuer and its subsidiaries, including obligations under the Revolving Credit Facility and certain future hedging obligations (if any), that is secured by property and assets of the subsidiaries of the Issuer that do not secure the Notes, to the extent of the value of such property and assets;
- be guaranteed on a senior secured basis by the Guarantors; and
- be structurally subordinated to any existing or future obligation of the Issuer's subsidiaries that are not Guarantors, including obligations to trade creditors and, to the extent drawings are borrowed by such subsidiaries, obligations under the Revolving Credit Facility.

Guarantees . . . . The Issuer's obligations under the Notes and the Indenture are guaranteed by the Guarantors.

Ranking of the Guarantees . . . . The Guarantees:

- are general obligations of the Guarantors, secured as set forth under "*Description of the Senior Secured Notes—Security*";
- rank *pari passu* in right of payment with any existing or future obligation of the respective Guarantor that is not subordinated in right of payment to its Guarantee, including the obligations of the Guarantors under the Revolving Credit Facility and certain future hedging obligations (if any);
- rank senior in right of payment to any existing or future obligation of the respective Guarantor that is expressly subordinated in right of payment to its Guarantee;
- are effectively subordinated to any existing or future obligation of each Guarantor, which is secured by property and assets that do not secure the Notes, to the extent of the value of the property and assets securing such obligation; and
- are structurally subordinated to any existing or future indebtedness of the subsidiaries of the Parent Guarantor that are not Guarantors, including obligations to their trade creditors.

As of and for the twelve months ended August 31, 2016, the Issuer and the Guarantors (excluding equity investments in wholly-owned subsidiaries and intercompany receivables and loans) accounted for 56.4% of the consolidated total assets, 17.4% of the consolidated revenue and 35.2% of the consolidated EBITDA of the Parent Guarantor.

The obligations of a Guarantor under its Guarantee will be limited as necessary to prevent the relevant Guarantee from constituting a fraudulent conveyance or unlawful financial assistance under applicable law, or otherwise reflect limitations under applicable law. By virtue of these limitations, a Guarantor's obligation under its Guarantee could be significantly less than amounts payable with respect to the Notes, or a Guarantor may have effectively no obligation under its Guarantee. In particular, the Guarantee of the Subsidiary Guarantor is expected to be limited in value to an amount not greater than the amount of existing proceeds loans, which is approximately €134 million and corresponds to the aggregate of the existing proceeds loan of €54 million made available to on-lend the proceeds of the issuance of the Existing Senior Secured Notes and the existing proceeds loan of €80 million made available to on-lend the amount drawn under the Bridge Facility, in each case, to the Subsidiary Guarantor. Other indebtedness of the Guarantors may not be similarly limited See "*Risk factors—Risks related to our indebtedness and the Notes—Corporate benefit, financial assistance laws and other limitations on the Guarantors or the Luxembourg Security Providers may adversely affect the validity and enforceability of the Guarantees of the Notes or security interests in the Collateral*" and "*Risk factors—Risks related to our indebtedness and the Notes—The insolvency and administrative laws of France and Luxembourg, as the case may be, may not be favorable to creditors, including investors in the Notes, and may limit your ability to enforce your rights under the Notes, the Guarantees or the security interests in the Collateral*." The validity and enforceability of the Guarantees and the liability of each Guarantor will be subject to the limitations described in "*Certain insolvency law considerations and limitations on the validity and enforceability of the Guarantees and the security interests*."

The Guarantees are also subject to the terms of the Intercreditor Agreement. Under the terms of the Intercreditor Agreement, recoveries in respect of the Guarantees will be required to be applied to repay indebtedness outstanding under the Revolving Credit Facility and certain future indebtedness and hedging obligations permitted under the terms of the Indenture and the Intercreditor Agreement to rank *pari passu* with indebtedness under the Revolving Credit Facility in priority to the Notes and the Guarantees in respect of the Notes. See "*Description of certain financing arrangements—Intercreditor Agreement.*" The Guarantees will be subject to release under certain circumstances. See "*Description of the Senior Secured Notes—Notes Guarantees release.*"

Security	The Notes are secured by: (i) a first-priority pledge of the share capital of LuxCo 6; (ii) a first-priority pledge of the capital stock, material bank accounts and material intragroup receivables of the Parent Guarantor; (iii) a first-priority pledge of the capital stock of the Issuer (other than certain *de minimis* shareholdings); (iv) first-priority security interests over certain assets of the Issuer, including the capital stock of Autodistribution S.A., Magenta Auto Pièces S.A. and SDFM S.A. held by the Issuer, its material bank accounts and its material intragroup receivables; and (v) a first-priority pledge of (A) the capital stock of Commerce Rechange Automobiles S.A.S., Cofirhad S.A.S. and AD Grand Ouest S.A.S. held by Autodistribution S.A., (B) Autodistribution S.A.'s material bank accounts and (C) Autodistribution S.A.'s material intragroup receivables. See "*Description of the Senior Secured Notes—Security*."
	The Revolving Credit Facility and future hedging obligations (if any) (the "Super Senior Obligations") are secured by first-priority security interests over, among other things, the Collateral, contractually ranking *pari passu* with the security interests securing the Notes. Under the terms of the Intercreditor Agreement, in the event of enforcement of the security interests over the Collateral, holders of Notes will receive proceeds from the Collateral only after the Super Senior Obligations have been repaid. The security interests in the Collateral are limited as necessary to recognize certain limitations arising under or imposed by local law and defenses generally available to providers of Collateral (including those that relate to fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose or benefit, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally) or other considerations under applicable law. For a brief description of such limitations, see "*Certain insolvency law considerations and limitations on the validity and enforceability of the Guarantees and the security interests*."
Intercreditor Agreement	Pursuant to the Intercreditor Agreement, the first-priority security interests securing the Notes are contractually deemed to rank equally with the security interests that secure (but only to the extent that such security is expressed to secure those liabilities) (i) obligations under the Revolving Credit Facility, (ii) certain obligations under hedging arrangements and (iii) certain other future indebtedness permitted to be incurred under the Indenture (including to the extent such indebtedness shares in these security interests, future subordinated notes). Such security interests are, or will be, evidenced by security documents for the benefit of (whether directly or through the Security Agent) the holders of the Notes, the lenders under the Revolving Credit Facility and/or the holders of certain other

future senior or subordinated indebtedness and obligations. Under the terms of the Intercreditor Agreement, subject to certain conditions, in the event of acceleration of the Revolving Credit Facility or the Notes, amounts recovered in respect of the Notes, including from the enforcement of the Guarantees or the Collateral, will be required to repay indebtedness in respect of the Revolving Credit Facility, certain future indebtedness permitted under the terms of the Indenture and the Intercreditor Agreement to rank *pari passu* with the Revolving Credit Facility and future hedging obligations (if any) in priority to the Notes, following the payment of fees and expenses of the agent under the Revolving Credit Facility, the Trustee and the Security Agent (and any receiver or delegate) and any fees and expenses of any other creditor representative of future senior or subordinated indebtedness permitted under the terms of the Indenture to benefit from such security interests.

The Security Agent may refrain from enforcing the relevant security unless instructed by the relevant Instructing Group (as defined in the Intercreditor Agreement). The relevant Instructing Group or such other class of creditors as specified by the Intercreditor Agreement may, under certain conditions, be entitled to instruct the Security Agent to enforce the relevant security subject to, and in accordance with, the provisions of the Intercreditor Agreement. In the event of conflicting instructions, the Intercreditor Agreement contains provisions as to which set of instructions will prevail. See "*Description of certain financing arrangements—Intercreditor Agreement.*"

Optional redemption

Fixed Rate Notes .... The Issuer may redeem all or part of the Fixed Rate Notes on or after , 2018 at the redemption prices set forth under "*Description of the Senior Secured Notes—Optional redemption—Senior Secured Fixed Rate Notes*," plus accrued and unpaid interest and additional amounts, if any, to the date of redemption.

Prior to , 2018, the Issuer may on any one or more occasions redeem up to 40% of the original principal amount of the Fixed Rate Notes issued under the Indenture (including the original principal amount of any additional Notes), using the net proceeds from certain equity offerings at a redemption price equal to of the principal amount of the Fixed Rate Notes so redeemed, plus accrued and unpaid interest and additional amounts, if any, to, but not including, the applicable date of redemption; provided that at least 50% of the original principal amount of the Fixed Rate Notes (including the original principal amount of any additional Fixed Rate Notes) issued under the Indenture (excluding Fixed

	Rate Notes held by the Issuer and its Subsidiaries) remains outstanding after each such redemption.
	Prior to , 2018, the Issuer may redeem up to 10% of the aggregate principal amount of the Fixed Rate Notes originally issued (including the aggregate principal amount of any additional Notes issued) in each calendar year, commencing on the Issue Date, at a redemption price equal to 103% of the principal amount thereof, plus accrued and unpaid interest and additional amounts, if any, up to the redemption date. See "*Description of the Senior Secured Notes—Optional redemption—Senior Secured Fixed Rate Notes*."
	In addition, prior to , 2018, the Issuer may redeem all or, from time to time, part of the Fixed Rate Notes at a redemption price equal to 100% of the principal amount of the Notes plus the applicable "make-whole" premium described in this Offering Memorandum and accrued and unpaid interest and additional amounts, if any, to, but not including, the applicable date of redemption.
Floating Rate Notes	The Issuer may redeem all or part of the Floating Rate Notes on or after , 2017 at the redemption prices set forth under "*Description of the Senior Secured Notes—Optional redemption—Senior Secured Floating Rate Notes*," plus accrued and unpaid interest and additional amounts, if any, to the date of redemption.
	Prior to , 2017, the Issuer may redeem all or, from time to time, part of the Floating Rate Notes at a redemption price equal to 100% of the principal amount of the Floating Rate Notes plus the applicable "make-whole" premium described in this Offering Memorandum and accrued and unpaid interest and additional amounts, if any, to, but not including, the applicable date of redemption.
Additional amounts; Tax Redemption . . .	All payments made by or on behalf of the Issuer or a Guarantor in respect of the Notes or a Guarantee will be made without withholding or deduction for any taxes in any relevant taxing jurisdiction, except to the extent required by law. If any such withholding or deduction is required by law, subject to certain exceptions and limitations, the Issuer or the relevant Guarantor, as applicable, will pay additional amounts so that the net amount received is no less than that which would have been received in the absence of such withholding or deduction. See "*Description of the Senior Secured Notes—Withholding taxes*." The Issuer may redeem the Notes in whole, but not in part, at any time, upon giving prior notice, if, as a result of certain changes in tax law the Issuer or the relevant Guarantor is or would be required to pay additional amounts with respect to the Notes. If the Issuer decides to exercise such redemption right, it must pay a price equal to 100% of the principal

	amount of the Notes plus interest and additional amounts, if any, to the date of redemption. See "*Description of the Senior Secured Notes—Redemption for taxation reasons*."
Change of Control	If the Issuer experiences a change of control, the holders of the Notes will have the right to require the Issuer to offer to repurchase the Notes at 101% of their principal amount plus accrued and unpaid interest and additional amounts, if any, to the date of such repurchase. A change of control, however, will not be deemed to have occurred if a consolidated net senior secured leverage ratio is not exceeded in connection with such event. See "*Description of the Senior Secured Notes—Change of control*."
Certain covenants	The Issuer will issue the Notes under the Indenture. The Indenture limits, among other things, the ability of the Parent Guarantor, the Issuer and the restricted subsidiaries of the Issuer to: • incur or guarantee additional indebtedness and issue certain preferred stock; • pay dividends, redeem capital stock and make certain investments; • enter into certain transactions with affiliates; • create or permit to exist certain security interests; • impose restrictions on the ability of our subsidiaries to pay dividends or make other payments to us; • transfer, lease or sell certain assets, including subsidiary stock; • merge or consolidate with other entities; • amend certain documents; and • impair the security interests for the benefit of the holders of the Notes. Additionally, the Indenture limits the ability of LuxCo 5, LuxCo 6, the Parent Guarantor and the Issuer to engage in certain business and other activities. Each of these covenants is subject to a number of significant exceptions and qualifications. See "*Description of the Senior Secured Notes—Certain covenants*" and the related definitions. Certain of the covenants will be suspended if and for as long as we achieve investment-grade ratings and following a qualifying initial public offering of the capital stock of any direct or indirect parent entity of the Issuer. See "*Description of the Senior Secured Notes—Certain covenants—Suspension of covenants on achievement of Investment Grade Status*" and "*Description of the Senior Secured Notes—Certain covenants—Disapplication of covenants and release of Liens on a Qualifying IPO*."

Use of proceeds	We intend to use the gross proceeds from the Offering to: (i) fund the Existing Senior Secured Notes Redemption; (ii) fund the Senior HoldCo Pay-If-You-Can Notes Redemption; (iii) repay all amounts outstanding under the Bridge Facility; and (iv) pay the fees and expenses incurred in connection with the Refinancing. See "*—The Refinancing*" and "*Use of proceeds.*"
Transfer restrictions	The Notes and the Guarantees have not been, and will not be, registered under U.S. federal or state or any foreign security laws and are subject to restrictions on resales. See "*Important information about this Offering Memorandum*," "*Transfer restrictions*" and "*Plan of distribution*." We are under no obligation, and we do not intend, to register the Notes in the United States under the U.S. Securities Act.
Listing	Application will be made to The Channel Islands Securities Exchange Authority Limited (the "Exchange") for the listing of and permission to deal in the Notes on the Official List of the Exchange. There can be no assurance that the Notes will be listed on the Official List of the Exchange, that such permission to deal in the Notes will be granted or that such listing will be maintained.
Absence of a public market for the Notes	The Notes will be new securities for which there will be no established trading market. Accordingly, we cannot assure you as to the development or liquidity of any market for the Notes. Furthermore, the Notes will not have registration rights under the U.S. Securities Act.
Trustee	U.S. Bank Trustees Limited.
Registrar	Elavon Financial Services DAC.
Paying Agent and Transfer Agent	Elavon Financial Services DAC, UK Branch.
Listing Sponsor	Carey Olsen Corporate Finance Limited.
Security Agent	U.S. Bank Trustees Limited.
Governing law of the Indenture and the Notes	The State of New York.
Governing law of the Intercreditor Agreement and the Security Documents	England and Wales (Intercreditor Agreement) and France and Luxembourg (Security Documents).
Risk factors	Investing in the Notes involves substantial risks. Prospective investors should refer to "*Risk factors*" for a discussion of certain factors that they should carefully consider before deciding to invest in the Notes.

Summary consolidated financial and other information

The following tables set forth our summary consolidated financial information and other data for the periods ended and as of the dates indicated below. Our summary consolidated financial information as of and for the years ended December 31, 2013, 2014 and 2015 has been derived from the audited consolidated financial statements of the Parent Guarantor as of and for the years ended December 31, 2013, 2014 and 2015, an English translation of which is included elsewhere in this Offering Memorandum. The consolidated financial statements as of and for the years ended December 31, 2013, 2014 and 2015, have been audited by our auditors and free English-language translations of their audit reports are included elsewhere in this Offering Memorandum. The summary consolidated financial information as of and for the year ended December 31, 2013, included in this Offering Memorandum has been derived from the comparative information contained in the audited consolidated financial statements of the Parent Guarantor as of and for the year ended December 31, 2014. The consolidated financial statements of the Parent Guarantor included in this Offering Memorandum have been prepared in accordance with IFRS.

Our summary consolidated interim financial information as of and for the eight months ended August 31, 2015 and 2016, has been derived from the unaudited interim condensed consolidated financial statements of the Parent Guarantor as of and for the eight months ended August 31, 2016, with corresponding income statement and cash flow data for the eight months ended August 31, 2015, which are included elsewhere in this Offering Memorandum. The historical unaudited financial information for the eight months ended August 31, 2015 and 2016, has been prepared using the same accounting principles as the financial information as of and for the year ended December 31, 2015, and contains all adjustments that management considers necessary for a fair presentation of the financial position and results of operations for the periods presented. The unaudited interim condensed consolidated financial statements of the Parent Guarantor have been prepared in accordance with IAS 34 "Interim Financial Reporting," the IFRS standard applicable to interim financial statements. The unaudited interim condensed consolidated financial statements of the Parent Guarantor as of and for the eight months ended August 31, 2016, have been reviewed by our auditors and their review report is included elsewhere in this Offering Memorandum.

The summary unaudited consolidated financial information for the twelve months ended August 31, 2016, has been derived by adding the consolidated financial information of the Parent Guarantor as of and for the year ended December 31, 2015, to the consolidated financial information of the Parent Guarantor for the eight months ended August 31, 2016, and subtracting the consolidated financial information of the Parent Guarantor for the eight months ended August 31, 2015. The financial information for the twelve months ended August 31, 2016, has been prepared for illustrative purposes only and is not necessarily representative of our results of operations for any future period or our financial condition at any future date. This information has not been audited or reviewed by our auditors.

We have also presented summary unaudited pro forma consolidated financial and other data prepared to give effect to the Doyen Auto Acquisition as if it had occurred on September 1, 2015. The pro forma adjustments are based upon available information and certain assumptions that we believe are reasonable. The summary unaudited pro forma consolidated financial and other data are for informational purposes only and do not purport to represent what our results of operations or other financial information actually would have been if the Doyen Auto Acquisition had occurred on September 1, 2015, or on any other date and such data do not purport to project the results of operations for any future period.

The following information should be read in conjunction with "*Management's discussion and analysis of financial condition and results of operations*" and our consolidated financial statements and the related notes thereto, an English translation of which is included elsewhere in this Offering Memorandum. Our historical results do not necessarily indicate results that may be expected for any future period.

Summary consolidated income statement

(€ in millions)	Year ended December 31, 2013	Year ended December 31, 2014*	Year ended December 31, 2015	Eight months ended August 31, 2015	Eight months ended August 31, 2016	Twelve months ended August 31, 2016
Revenue	**1,137.2**	**1,169.5**	**1,222.1**	**806.2**	**813.8**	**1,229.7**
Cost of goods for sale	(710.7)	(721.2)	(750.8)	(494.8)	(496.7)	(752.7)
Personnel costs	(239.0)	(245.4)	(249.5)	(164.0)	(159.6)	(245.1)
Other purchases and external expenses	(126.3)	(133.2)	(134.3)	(88.6)	(92.5)	(138.2)
Taxes	(9.7)	(9.1)	(8.9)	(6.7)	(6.5)	(8.7)
Other operating income and expenses	2.8	3.7	3.1	2.8	2.7	3.0
EBITDA	**54.3**	**64.3**	**81.7**	**54.9**	**61.2**	**88.0**
Depreciation/amortization expense	(16.3)	(18.3)	(18.6)	(12.2)	(12.1)	(18.5)
Recurring operating income	**38.0**	**46.0**	**63.2**	**42.7**	**49.1**	**69.6**
Other income from operations	7.4	12.1	1.4	2.1	6.3	5.6
Other expenses from operations	(11.0)	(18.8)	(6.2)	(5.7)	(6.8)	(7.3)
Operating income	**34.4**	**39.3**	**58.4**	**39.2**	**48.6**	**67.8**
Financial income	11.0	11.6	1.9	0.4	0.6	2.1
Financial expenses	(9.0)	(21.6)	(29.0)	(17.4)	(14.9)	(26.5)
Share of income from associates	(0.1)	0.0	0.0	0.0	0.1	0.1
Income before tax	**36.3**	**29.3**	**31.4**	**22.1**	**34.5**	**43.8**
Income tax	(17.6)	1.8	5.7	2.2	(0.8)	2.7
Net income from continuing operations	**18.7**	**31.1**	**37.0**	**24.4**	**33.6**	**46.2**
Net income from discontinued operations	—	—	—	—	—	—
Net income for the year	**18.7**	**31.1**	**37.0**	**24.4**	**33.6**	**46.2**

* The consolidated income statement for the year ended December 31, 2014, reflects the application of IFRIC 21 "Levies."

Summary consolidated statement of financial position

(€ in millions)	As of December 31, 2013	2014*	2015	As of August 31, 2016
Assets				
Goodwill, net	21.4	51.8	51.8	49.7
Intangible assets, net	143.5	154.3	153.1	152.9
Property, plant and equipment, net	50.8	50.9	59.0	70.0
Investments in associates	0.4	0.5	0.4	2.4
Available-for-sale financial assets	0.2	0.2	1.4	0.2
Other non-current assets	16.8	10.8	15.6	18.1
Deferred tax assets	9.7	18.0	33.9	36.8
Total non-current assets	**242.8**	**286.5**	**315.2**	**330.2**
Inventories, net	180.8	201.1	207.5	219.8
Trade receivables, net	163.2	165.1	178.6	179.8
Other current assets, net	11.0	21.0	30.4	32.2
Cash and cash equivalents	33.0	67.7	44.2	34.1
Current tax receivables	1.9	1.9	—	—
Derivative financial instruments	—	—	—	—
Total current assets	**389.9**	**456.7**	**460.6**	**465.9**
Non-current assets held for sale	—	—	—	—
Total assets	**632.7**	**743.2**	**775.8**	**796.1**
Equity and liabilities				
Share capital	152.6	148.0	129.5	129.5
Other reserves	37.3	47.2	57.8	90.9
Net income attributable to owners of the parent	18.4	30.9	37.0	33.3
Shareholders' equity	**208.3**	**226.1**	**224.3**	**253.8**
Non-controlling interests	(0.2)	(0.3)	(0.5)	(0.7)
Total equity	**208.1**	**225.8**	**223.8**	**253.1**
Non-current borrowings and debts	138.0	242.0	270.0	271.2
Non-current provisions	3.5	2.1	0.7	—
Liabilities relating to employee benefits	15.9	22.5	21.7	26.5
Deferred tax liabilities	—	—	—	—
Other non-current liabilities	7.7	3.9	4.5	4.6
Total non-current liabilities	**165.1**	**270.5**	**296.9**	**302.3**
Current borrowings and debts	42.0	19.5	36.3	22.6
Current provisions	12.7	12.4	7.5	6.2
Trade payables	145.4	148.5	140.2	159.4
Other current liabilities	59.4	66.5	71.2	51.7
Derivative financial instruments	—	—	—	0.7
Total current liabilities	**259.5**	**246.9**	**255.2**	**240.6**
Liabilities directly associated with assets held for sale	—	—	—	
Total equity and liabilities	**632.7**	**743.2**	**775.8**	**796.1**

* The financial position for the year ended December 31, 2014, has been restated following the application of IFRIC 21 "Levies."

Summary consolidated statement of cash flows

(€ in millions)	Year ended December 31, 2013	2014**	2015	Eight months ended August 31, 2015	2016
Net income	**18.7**	**31.1**	**37.0**	**24.4**	**33.6**
Net income/(loss) from discontinued operations	—	—	—	—	—
Adjustments for non-cash income and expenses	5.8	17.9	26.3	15.2	11.9
Financial expenses and income with a cash impact	3.6	8.8	15.2	11.5	10.2
Income tax	17.6	(1.8)	(5.7)	(2.2)	0.8
Inventories decrease/(increase)	0.9	(4.2)	(6.6)	(10.8)	(10.4)
Trade receivables decrease/(increase)	(8.0)	9.0	(12.9)	(18.6)	1.3
Trade payables increase/(decrease)	1.3	(9.7)	(8.9)	18.1	18.1
Other receivables and payables	(2.1)	(5.2)	(5.9)	(17.1)	(20.5)
Change in working capital, net	(7.9)	(9.9)	(34.3)	(28.4)	(11.5)
Other items with a cash impact	(7.3)	(7.2)	(7.0)	(3.3)	(5.0)
Net cash flow from operating activities—continuing operations	**30.5**	**38.7**	**31.5**	**17.2**	**40.1**
Acquisition of non-current assets	(19.8)	(18.7)	(26.7)	(16.8)	(24.6)
Changes in other financial assets	(1.0)	2.9	(6.7)	(6.2)	(2.3)
Disposal of non-current assets	2.2	0.4	1.3	0.6	7.6
Advances paid	(0.1)	—	—	—	—
Business acquisitions	(13.0)	(52.5)	—	—	(3.6)
Net cash flow used in investing activities—continuing operations	**(31.7)**	**(67.9)**	**(32.1)**	**(22.4)**	**(22.9)**
Dividends paid to the owners of the parent company	—	—	—	—	—
Dividends paid to non-controlling interests of consolidated companies	(0.2)	(0.3)	(0.3)	(0.3)	(0.4)
Dividends received from associates	—	—	—	—	0.3
Repayment of capital	—	(3.1)	(40.0)	(40.0)	—
Financial expenses with a cash impact	(3.9)	(9.4)	(22.1)	(18.4)	(18.4)
Financial income with a cash impact	0.3	0.5	0.5	0.4	0.2
Increase in borrowings	2.6	237.6	62.8	62.9	—
Factoring variance	—	1.0	7.3	4.2	(6.8)
Repayment of borrowings	(22.5)	(161.7)	(34.3)	(0.7)	(0.7)
Change in other financial liabilities	—	0.1	0.3	0.3	—
Net cash flow from (used in) financing activities—continuing operations	**(23.7)**	**64.7**	**(25.7)**	**8.4**	**(25.8)**
Total cash flows used in continuing operations	**(24.9)**	**35.7**	**(26.3)**	**3.2**	**(8.6)**
Change in cash and cash equivalents:*					
Opening cash and cash equivalents	50.1	25.3	61.0	61.0	34.7
Net cash flow from continuing operations	(24.9)	35.7	(26.3)	3.2	(8.6)
Net cash flow from discontinued operations	—	—	—	—	—
Impact of currency rate fluctuations	0.1	(0.1)	—	—	(0.1)
Closing cash and cash equivalents from discontinued operations	—	—	—	—	—
Total closing cash and cash equivalents	**25.3**	**61.0**	**34.7**	**64.2**	**26.2**

* The heading "Cash and cash equivalents" in our consolidated statement of financial position includes the item "bank overdraft" in an amount of €(7.9) million as of August 31, 2016, €(8.5) million as of August 31, 2015, €(9.5) million as of December 31, 2015, €(6.7) million as of December 31, 2014 and €(7.7) million as of December 31, 2013.

** The consolidated statement of cash flow for the year ended December 31, 2014, reflects the application of IFRIC 21 "Levies."

Consolidated change in working capital

(€ in millions)	Year ended December 31, 2013	2014*	2015	Eight months ended August 31, 2015	2016
Inventories decrease/(increase)	0.9	(4.2)	(6.6)	(10.8)	(10.4)
Trade receivables decrease/(increase)	(8.0)	9.0	(12.9)	(18.6)	1.3
Trade payables increase/(decrease)	1.3	(9.7)	(8.9)	18.1	18.1
Other receivables and payables	(2.1)	(5.2)	(5.9)	(17.1)	(20.5)
Change in working capital	**(7.9)**	**(9.9)**	**(34.3)**	**(28.4)**	**(11.5)**

* The consolidated statement of cash flow for the year ended December 31, 2014, reflects the application of IFRIC 21 "Levies."

Other financial and pro forma data

(€ in millions)	Year ended December 31, 2013	2014*	2015	Eight months ended August 31, 2015	2016	Twelve months ended August 31, 2016
EBITDA(1)	54.3	64.3	81.7	54.9	61.2	88.0
EBITDA margin(2)	4.8%	5.5%	6.7%	6.8%	7.5%	7.2%
Adjusted EBITDA(1)	55.4	69.4	85.6	56.5	64.6	93.7
Adjusted EBITDA margin(3)	4.9%	5.9%	7.0%	7.0%	7.9%	7.6%
Change in working capital(4)	(7.9)	(9.9)	(34.3)	(28.4)	(11.5)	(17.4)
Change in working capital margin(5)	0.7%	0.9%	2.8%	3.5%	1.5%	1.4%
Capital expenditure(6)	19.8	18.7	26.7	16.8	24.7	34.6
Of which maintenance capital expenditure	17.7	15.7	21.4	13.6	10.8	18.6
Operating cash flow(7)	37.8	51.1	60.2	40.3	47.6	67.5
Cash conversion(7)	68.2%	73.6%	70.3%	71.3%	73.7%	72.0%
Cash conversion (excluding exceptional capital expenditure)(7)	67.6%	73.6%	74.9%	75.7%	93.0%	86.9%
Pro forma financial data:						
Pro Forma Adjusted EBITDA (including Doyen Auto)(1)						115.2
Pro forma net financial debt(8)						505.7
Pro forma net senior secured debt(9)						482.3
Pro forma net interest expense(10)						
Ratio of pro forma net financial debt to Pro Forma Adjusted EBITDA (including Doyen Auto)						4.39x
Ratio of pro forma net senior secured debt to Pro Forma Adjusted EBITDA (including Doyen Auto)						4.19x
Ratio of Pro Forma Adjusted EBITDA (including Doyen Auto) to pro forma net interest expense						x

* The consolidated income statement for the year ended December 31, 2014, reflects the application of IFRIC 21 "Levies."

(1) EBITDA represents net income/(loss) from continuing operations before income tax, financial items (net), share of income of associates, other income/(expenses) from operations and depreciation/amortization expense (as included in our financial statements for the years ended December 31, 2013, 2014 and 2015 and for the eight months ended August 31, 2015 and 2016). Our management believes that EBITDA is meaningful for investors because it provides an analysis of our operating results, profitability and ability to service debt and because EBITDA is used by our chief operating decision-makers to track our business evolution, establish operational and strategic targets, and make important business decisions. EBITDA is also a measure commonly reported and widely used by analysts, investors and other interested parties in our industry. The definition of EBITDA may vary from company to company. EBITDA is not a measure of performance under IFRS and you should not consider EBITDA as an alternative to (i) operating income or profit for the period as a measure of our operating performance, (ii) cash flows from operating, investing and financing activities as a measure of our ability to meet our cash needs or (iii) any other measures of performance under generally accepted accounting principles. For a description of the limitations of EBITDA as a financial measure, see "*Presentation of financial information and other data—Other financial measures.*"

Adjusted EBITDA represents EBITDA as adjusted for certain non-cash items and certain items we believe are non-recurring. Adjusted EBITDA is presented because we believe it is a relevant measure for assessing performance and cash flows and thus aids in understanding our profitability for a given period. For a description of the limitations of Adjusted EBITDA as a financial measure, see "*Presentation of financial information and other data—Other financial measures.*"

Pro Forma Adjusted EBITDA (including Doyen Auto) represents Adjusted EBITDA, giving pro forma effect to the Doyen Auto Acquisition as if such acquisition had been consummated and Doyen Auto been fully integrated on September 1, 2015, which pro forma effect results from (i) adding the Adjusted EBITDA of Doyen Auto for the twelve months ended August 31, 2016 (see note (g) to the table below) and (ii) giving effect to approximately €12.6 million of annualized anticipated purchasing and cost savings (compared to 2015 costs) based on a report prepared by Kepler S.A.S., a consultant that we hired in connection with the Doyen Auto Acquisition. We expect to realize €10.6 million of identified purchasing savings per year resulting from having Doyen Auto purchase spare parts under our existing arrangements with our suppliers, which provide for better commercial terms compared to Doyen Auto's existing supply contracts, in line with the renegotiating strategy that we successfully implemented following the ACR Acquisition. These savings are expected to come into effect simultaneously with the integration of Doyen Auto into our business, which we expect to be largely completed in the first half of 2017, and without additional cost. We also expect to realize approximately €2 million of additional annualized cost savings by the end of 2018 (compared to 2015 costs) from the integration of corporate, IT and other central functions and through the optimization of our footprint, particularly in France. See "*Risk factors—Risks related to our business—We may face challenges in integrating acquired businesses and in integrating any future potential acquisition, and may be unable to realize the expected savings from these businesses and any other cost improvement measures we have taken.*"

Pro Forma Adjusted EBITDA (including Doyen Auto) is presented for informational purposes only. This information does not purport to represent what our results of operations or other financial information would have been had the Doyen Auto Acquisition occurred on September 1, 2015, or on any other date. The calculation of the Adjusted EBITDA of Doyen Auto is based on the unaudited internal management accounts of Doyen Auto, management estimates and due diligence reviews. These numbers have not been audited and are not derived from accounts prepared in accordance with IFRS. As a result, Adjusted EBITDA of Doyen Auto is not directly comparable to our Adjusted EBITDA. For the limitations of Pro Forma Adjusted EBITDA (including Doyen Auto), see "*Presentation of financial information and other data—Other financial measures.*"

The following table reconciles net income/(loss) from continuing operations to EBIT, EBITDA, Adjusted EBITDA and Pro Forma Adjusted EBITDA (including Doyen Auto) for the periods indicated:

	Year ended December 31,			Eight months ended August 31,		Twelve months ended August 31,
(€ in millions)	**2013**	**2014***	**2015**	**2015**	**2016**	**2016**
Net income/(loss) from continuing operations	**18.7**	**31.1**	**37.0**	**24.4**	**33.6**	**46.2**
Income taxes	17.6	(1.8)	(5.7)	(2.2)	0.8	(2.7)
Financial items, net	(2.0)	10.0	27.1	17.0	14.3	24.4
Share of income from associates	0.1	—	—	—	(0.1)	(0.1)
Other income/(expenses) from operations	3.6	6.7	4.8	3.6	0.5	1.7
EBIT	**38.0**	**46.0**	**63.2**	**42.8**	**49.1**	**69.5**
Depreciation/amortization expense	16.3	18.3	18.6	12.2	12.1	18.5
EBITDA	**54.3**	**64.3**	**81.7**	**54.9**	**61.2**	**88.0**
Management fees(a)	0.3	0.6	0.6	0.4	1.9	2.1
M&A expenses and other consulting fees(b)	0.2	1.6	0.5	0.2	0.6	0.8
Customer-facing website start-up costs(c)	0.6	1.3	1.5	1.0	1.1	1.6
Non-cash accounting adjustment(d)	—	0.5	0.2	—	—	0.2
Network convention expenses(e)	N/A	1.1	(0.4)	(0.2)	(0.2)	(0.4)
New logo implementation(f)	—	—	1.5	—	—	1.5
Adjusted EBITDA	**55.4**	**69.4**	**85.6**	**56.5**	**64.6**	**93.7**
Adjusted EBITDA of Doyen Auto(g)						**8.9**
Anticipated purchasing and cost savings(h)						**12.6**
Pro Forma Adjusted EBITDA (including Doyen Auto)						**115.2**

* The consolidated income statement for the year ended December 31, 2014, reflects the application of IFRIC 21 "Levies."

(a) Represents fees paid to intermediate holding companies to cover management, administrative, consulting, audit, and legal fees and expenses.

(b) Represents certain expenses, including legal, real estate and due diligence fees in connection with acquisitions in France and the disposal of our majority stake in our Italian operations in April 2013, one-off consulting fees with respect to a profit improvement plan (including fees related to the reorganization of our back-office function, an analysis of our selling and general expenses, and the physical relocation and implementation of security enhancements of certain IT facilities), debt advisor fees and the costs of temporary outsourcing.

(c) Represents €0.4 million, €1.1 million, €1.3 million, €0.9 million and €1.0 million for the years ended December 31, 2013, 2014 and 2015, and for the eight months ended August 31, 2015, and 2016, respectively, of non-recurring start-up costs associated with our customer-facing consumer website that does not yet generate revenue and is currently under testing, primarily made up of staff costs, IT development costs and marketing charges; and €0.2 million for each of the years ended December 31, 2013, 2014 and 2015 and €0.1 million for each eight-month period ended August 31, 2015 and 2016, of management costs associated with the development of this website.

(d) Represents non-recurring expenses incurred as a result of the merger of certain Polish legal entities for the year ended December 31, 2014. Represents non-recurring expenses incurred as a result of a change in inventories valuation following the ACR Acquisition for the year ended December 31, 2015.

(e) Corresponds to the portion of the expenses borne by the Group in the twelve-month period ended August 31, 2016, for the organization of the Group's network meeting in September 2014. Such meeting is organized once every four years.

(f) Represents non-recurring expenses incurred as a result of the implementation of a new logo for our branded garages in 2015.

(g) Represents the Adjusted EBITDA of Doyen Auto, which consists of (i) the EBITDA of Doyen Auto (€7.3 million), which has been derived from the unaudited consolidated management accounts of Doyen Auto as of and for the twelve months ended August 31, 2016, as adjusted for (ii) (a) shareholders' allowances for the former shareholders of Doyen Auto prior to the completion of the Doyen Auto Acquisition (€0.8 million), (b) consulting fees for non-executive directors (€0.6 million), (c) a one-off donation to the International Society of Explosive Engineers foundation (€0.1 million), (d) consulting fees incurred in connection with a distribution improvement project that is expected to be completed in 2016 (€0.2 million) and (e) a headcount reduction costs adjustment (€(0.1) million). The unaudited financial data of Doyen Auto have been prepared in accordance with Belgian GAAP and are not directly comparable with the financial information of the Parent Guarantor prepared in accordance with IFRS as adopted by the European Union. These unaudited financial data are for informational purposes only and are not necessarily representative of the results of operations of Doyen Auto for any future period or of its financial condition at any future date. The independent auditors of the Parent Guarantor have not audited, reviewed, compiled or performed any procedures with respect to the financial data of Doyen Auto. Accordingly, our independent auditors do not express an opinion or any other form of assurance with respect thereto. The financial data are based on a number of assumptions that are subject to inherent uncertainties and subject to change. We cannot assure you that we will not report materially different results for Doyen Auto in the future from those indicated above.

(h) Represents estimated purchasing and cost savings anticipated as a result of the Doyen Auto Acquisition. See "*—Recent developments—Doyen Auto Acquisition*" and "*Risk factors—Risks related to our business—We may face challenges in integrating acquired businesses and in integrating any future potential acquisition, and may be unable to realize the expected savings from these businesses and any other cost improvement measures we have taken*."

(2) EBITDA margin represents EBITDA divided by revenue. For a description of the limitations of EBITDA margin as a financial measure, see "*Presentation of financial information and other data—Other financial measures.*"

(3) Adjusted EBITDA margin represents Adjusted EBITDA divided by revenue. For a description of the limitations of Adjusted EBITDA margin as a financial measure, see "*Presentation of financial information and other data—Other financial measures.*"

(4) Change in working capital for a given period represents the change in inventories, trade payables, trade receivables and other current assets and liabilities.

(5) Change in working capital margin represents change in working capital divided by revenue.

(6) Capital expenditure represents investments in property, plant and equipment and intangible assets.

(7) The following table reconciles operating cash flow to Adjusted EBITDA. Cash conversion represents Adjusted EBITDA less capital expenditure, net of disposals, divided by Adjusted EBITDA. Cash conversion (excluding exceptional capital expenditure) represents Adjusted EBITDA, less capital expenditure, net of disposals, and other than investments in connection with our new logistics platform in Réau, France, divided by Adjusted EBITDA.

	Year ended December 31,			Eight months ended August 31,		Twelve months ended August 31,
(€ in millions)	**2013**	**2014***	**2015**	**2015**	**2016**	**2016**
Adjusted EBITDA	54.3	69.4	85.6	56.5	64.6	93.7
Capital expenditure, net of disposals	(17.6)	(18.3)	(25.4)	(16.2)	(17.0)	(26.2)
Operating cash flow	37.8	51.1	60.2	40.3	47.6	67.5
Cash conversion	68.2%	73.6%	70.3%	71.3%	73.7%	72.0%
Cash conversion (excluding exceptional capital expenditure)(7).	67.6%	73.6%	74.9%	75.7%	93.0%	86.9%
Financial expenses with a cash effect	(3.9)	(9.4)	(22.1)	(18.4)	(18.4)	(22.1)
Income tax with cash effect	(7.3)	(7.2)	(7.0)	(3.3)	(5.0)	(8.7)

* The consolidated income statement for the year ended December 31, 2014, reflects the application of IFRIC 21 "Levies."

(8) Pro forma net financial debt represents total financial debt excluding the effect of amortized financing fees, the value of a put option held by minority shareholders of certain of our subsidiaries and the Contingent Value Instruments, less cash and cash equivalents, as adjusted to give effect to the Refinancing and assuming that the Doyen Auto Acquisition was completed on August 31, 2016. Does not include €9.6 million of CICE financing, incurred by the Parent Guarantor, which it not part of the Restricted Group.

(9) Pro forma net senior secured debt represents total senior secured borrowings less cash and cash equivalents, as adjusted to give effect to the Refinancing and assuming that the Doyen Auto Acquisition was completed on August 31, 2016.

(10) Pro forma net interest expense represents our net interest expense for the twelve months ended August 31, 2016, as adjusted as if the Refinancing had been completed as set forth in "*Use of proceeds*" and the Doyen Auto Acquisition had been completed on September 1, 2015. Pro forma interest expense is based on the actual interest rate for the Fixed Rate Notes and assumes a constant EURIBOR rate for the twelve months ended August 31, 2016, for the Floating Rate Notes, and reflects the fact that the Revolving Credit Facility was undrawn during such period. Pro forma net cash interest expense includes commitment fees on the undrawn Revolving Credit Facility but does not include any charges related to debt issuance costs in connection with this Offering. Pro forma cash interest expense has been presented for illustrative purposes only and does not purport to represent what our interest expense would have actually been had the issuance of the Notes occurred on the date assumed, nor does it purport to project our interest expenses for any future period or our financial condition at any future date.

Risk factors

An investment in the Notes involves a high degree of risk. In addition to considering carefully, in light of the circumstances and your individual investment objectives, the information contained elsewhere in this Offering Memorandum, you should carefully consider the risks described below before investing in the Notes. If any of the events described below actually occurs, our business, results of operations or financial condition could be materially adversely affected and, accordingly, the value and the trading price of the Notes may decline, resulting in a loss of all or part of any investment in the Notes. The order in which the risk factors are presented does not necessarily reflect the likelihood of their occurrence or the magnitude or significance of the individual risk factor. Furthermore, the risks and uncertainties described herein may not be the only ones that we face. Additional risks and uncertainties not presently known to us or that we currently consider to be immaterial may also have a material adverse effect on our business, results of operations or financial condition.

Unless otherwise indicated, the financial and operational data presented herein exclude Doyen Auto.

Risks related to our business

Material disruptions at our warehouses or to our transportation network, or significant increases in transportation costs, could have a material adverse effect on our business, results of operations and financial condition.

As of August 31, 2016, our distribution network infrastructure in France was composed of our central purchasing departments, four main warehouses (one for each of light vehicle parts, light vehicle collision repair parts and truck parts, and one for ACR), connected to 33 wholly-owned distributors (operating 307 sites) and 44 affiliated independent distributors (operating 186 sites). Of the total value of all products that we purchased from our referenced suppliers in France during the twelve months ended August 31, 2016, products representing approximately 50% in value were delivered through our four main warehouses to our wholly-owned and affiliated distributors and products representing approximately 50% in value were delivered directly to our distributors by spare parts manufacturers. In Poland, we operate three warehouses and 44 distribution sites. Since the completion of the Doyen Auto Acquisition, we also sell vehicles spare parts in Benelux, where we now operate three logistics platforms. We rely on road transportation for the prompt transfer of the products that we distribute from our warehouses or distribution sites directly to our customers.

A material disruption at any one of our warehouses or distribution sites in France, Poland or Benelux or to our transportation network caused, for example, by weather-related problems, employee strikes, lock-outs and inadequacies in the transport infrastructure, or other events, could affect our ability to meet customer demand in a timely manner or at all, which, in turn, could have a material adverse effect on our business, results of operations and financial condition. Our insurance coverage may be insufficient to cover any damages that may arise or to compensate us for any losses that we may incur, due to such interruption of our operations.

We are dependent on third parties for the transportation of orders, and this service could also be disrupted. In the twelve months ended August 31, 2016, transportation costs accounted for 3.7% of our revenue. Transportation costs have historically fluctuated significantly over time, particularly in connection with oil prices, and increased transportation costs could result in reduced profits. Any disruption in transportation services, or any increases in the cost of transportation, could have a material adverse effect on our business, results of operations and financial condition.

We do not manufacture any of the products that we distribute and are dependent on the ability of our third-party suppliers to meet our product requirements.

We do not manufacture any of the products that we distribute and, therefore, rely on over 281 third-party suppliers for the provision of light vehicle and truck spare parts, equipment and tools that are essential to our business. Our business and, ultimately, our results of operations are dependent on our suppliers' ability to provide us with such products. Our suppliers may fail to meet delivery deadlines, provide us with sufficient products or comply with our quality requirements. The capacity of some of our suppliers to meet our supply requirements may in the future be constrained at various times and our suppliers may be susceptible to production difficulties, insufficient quality control, failures to meet production deadlines or increases in manufacturing costs or other factors that negatively affect the quantity or quality of their production.

Production by one or more suppliers could be disrupted due to a variety of factors, including closures of one of our suppliers' plants or critical manufacturing lines due to strikes, mechanical breakdowns, electrical outages, fires, explosions, terrorist attacks, financial distress or bankruptcy, as well as political upheaval, adverse economic events or logistical complications, weather, natural disasters, mechanical failures, delayed customs processing or other events. Any short-term or prolonged disruption in the supply of spare parts from our suppliers could have a material adverse effect on our business, results of operations and financial condition. In the event that one or more of our major suppliers experiences operational or financial difficulties and we are unable to secure alternative sources in a timely manner or on commercially beneficial terms, we may experience inventory shortages which could result in unfilled customer orders and lost revenues due to our "just-in-time" delivery method, as well as damage to our business reputation.

If our suppliers are unable or unwilling to continue to provide us with products under our presently agreed terms, or if we are unable to obtain products from our suppliers in the future at favorable prices, our margins will likely be negatively impacted and there could be a material adverse effect on our business, results of operations and financial condition. Moreover, if there is a significant or unexpected drop in customer demand or if there is a significant increase in customer demand that we are unable to meet from our "on-hand" inventory stock or procure in time from our suppliers, our business, results of operations and financial condition could be adversely affected.

Our business is exposed to risks associated with economic and other conditions in France, Poland, Benelux and worldwide.

The demand for certain of the products that we distribute may be impacted by economic conditions in France, Poland, Benelux and worldwide, and our business is impacted by growth in the French and the global economy. The light vehicle spare parts aftermarket tends to be affected in the early period of a recession, when end-customers delay the maintenance of their light vehicles. The truck spare parts aftermarket is more cyclical than the light vehicle spare parts aftermarket, due to the correlation of the demand for road freight with general economic conditions. Simultaneously, de-stocking occurs at all levels of the spare parts supply chain, which may cause short- to medium-term decreases in sales by distributors of light vehicle and truck spare parts. France is our principal geographic market, representing 90.8% of our revenue in the twelve months ended August 31, 2016. We also hold a strong regional position in the Polish light vehicle IAM, where we generated 9.2% of our revenue over the same period. Since the Doyen Auto Acquisition, we also operate our business in Benelux. Economic uncertainty in our main markets, especially France, and globally, could decrease consumer confidence and consumer and business spending on vehicle maintenance, or less frequent visits by our customers to our garages, which could have an adverse effect on our business, results of operations and financial condition.

We cannot predict the timing or duration of any economic slowdown or the timing or strength of a subsequent economic recovery, worldwide or in France. If the light vehicle and truck spare parts aftermarket significantly deteriorates due to economic conditions, it could have an adverse effect on our business, results of operations and financial condition. Continued uncertainty in global economic conditions (particularly in the eurozone) also poses a risk to our existing contractual arrangements and the fulfillment of obligations by us, our product suppliers or our customers. If the current economic situation deteriorates significantly or if one or more eurozone countries were to depart from the euro, our business could be materially adversely impacted.

We are also subject to the risk of increased costs due to general economic conditions, both in forms of increased employee costs and increased costs of operational costs. Any failure to pass such increases in costs on to our customers could impact our business, results of operations and financial condition.

Furthermore, our business and financial results may be adversely affected by factors and conditions that negatively affect the frequency with which our customers visit our garages, such as terrorism, social unrest and political instability. An actual or perceived terror threat, social unrest or internal instability in France may negatively affect the frequency of our customers' visits to our garages, which in turn could adversely affect our business, financial condition and results of operation.

Financial difficulties of our customers may require us to write off debts.

Across each of our business lines, we rely on the ability of our customers to pay for the products that we distribute. If an affiliated independent distributor or other customer undergoes financial difficulties, payments can be significantly delayed and ultimately we may not be able to collect amounts payable to us under our agreements, resulting in write-offs of such debt. We maintain reserves for doubtful accounts and amounts past due. There can be no assurance, however, that such reserves are sufficiently large for the credit risks we face, particularly in relation to our affiliated independent distributors. Significant or recurring incidents of bad debts would adversely impact our business, results of operations and financial condition.

Our industry is highly competitive.

We operate in a highly competitive industry and face competition from a variety of types of spare parts distributors and sellers in the highly fragmented French, Polish and, since the completion of the Doyen Auto Acquisition, Benelux, spare parts aftermarket. We primarily compete on the basis of product availability, delivery lead time, quality of service, product range and technical support. Our main competitors are other light vehicle and truck spare parts distributors in France (such as Groupauto), Poland (such as Inter Cars, Fota and Group Auto Union Polska) and, since the completion of the Doyen Auto Acquisition, Benelux (such as Sator in the Netherlands and VHIP in Belgium, which are both the property of LKQ), as well as new online light vehicle and truck spare parts distributors, which mainly compete with us on the basis of price. We believe that an increasing number of customers compare prices on the internet before making a purchase and generally choose products with the most competitive price.

Over time, online light vehicle and truck spare parts distributors may adopt our business-to-business distribution and logistics model, reduce costs and demand lower prices for the spare parts they sell. Furthermore, in certain countries, low-cost discount distributors have emerged that primarily compete on the basis of price and offer lower prices for the spare parts that they sell, and such low-cost discount distributors may decide to enter the French or one or more of our main markets. In addition, our competitors that currently purchase spare parts from suppliers on a decentralized basis may consolidate their purchasing functions across their various operations, subsidiaries or owned or affiliated distributors, and their purchasing scale may enable them to purchase spare parts at prices that are lower than we can obtain. As a result, they may be able to offer certain spare parts to customers at lower prices than we can. Our failure to adapt to these or other changes in the competitive landscape could result in a low profit margin, decreased revenue and loss of market share and could therefore have a material adverse effect on our business, results of operations and financial condition.

Our customers also compete with car dealers such as Peugeot and Renault. Car dealers typically specialize in light vehicles and trucks aged zero to four years old and capture a large share of light vehicle and truck repairs covered by warranties. Certain car dealers, however, have extended their new light vehicle warranties to up to eight years, and provide for long-term service programs to customers. If light vehicle and truck manufacturers continue to significantly expand (for example, as a result of changes in the legal environment) the scope of their warranties beyond the current limits, especially for replacement parts and maintenance items, these replacements and maintenance parts covered by such extended warranties would likely be performed by car dealers instead of us. Additionally, car manufacturers such as Peugeot are increasingly relying on their own logistics platforms to distribute light vehicle and truck spare parts even outside the usual warranty periods and for all vehicle brands and types, which could reduce our market share in the future and have a material adverse effect on our business, financial condition and results of operations.

Our sales depend on the age, number and mileage of light vehicles and trucks used in France and the length of service intervals.

The demand for the products that we distribute is affected by the age, number and mileage of light vehicles and trucks used in France and the length of service intervals. We consider our core market to be light vehicles and trucks aged over four years. As light vehicles and trucks get older, expenses for light vehicle and truck spare parts generally increase. A decline in the age of light vehicles and trucks could lead to decreased demand for the products that we distribute and our services. Likewise, a decline in the number of light vehicles and trucks and in our addressable spare parts aftermarket could lead to decreased demand for the products that we distribute and our services. Either of the foregoing could have an adverse effect on our business, results of operations and financial condition.

A decline in the use of light vehicles could result in a related decrease in demand for light vehicle spare parts. Factors such as higher gasoline prices or gasoline taxes, a significant deterioration in economic conditions, environmental concerns or limitations on tax breaks for commuting costs and the introduction of a road charge for light vehicles and trucks and potential speed limits in cities could reduce light vehicle and truck spending. Similarly, changes in traveling or commuting behavior (for example, through the increased use of public transport or light vehicle sharing) or continuing urbanization could decrease the average mileage of light vehicles and demand for the products that we distribute and our services. Such a decline in demand could have an adverse effect on our business, results of operations and financial condition.

We believe that light vehicle and truck repairs are currently being made at a later date and to a lesser extent. The technological and qualitative improvements of many light vehicle and truck components can lead to a decrease in demand for light vehicle and truck spare parts, which could have an adverse effect on our business, results of operations and financial condition.

Disruptions in our IT systems could adversely affect our business, results of operations and financial condition.

The software we use and develop in collaboration with third-party software companies facilitates our ability to efficiently manage supply flows, operational data and other management and financial information, and to provide management with current inventory levels at our warehouses. In particular, our customized IT systems allow us to identify, in real time, the availability of any particular product that is ordered within our distribution network. We depend on the continuous availability and reliability of our IT platform, which, in turn, depends on the functioning of our IT hardware and is, therefore, subject to operational risks such as the occurrence of equipment failures, power interruptions and unlawful conduct by third parties. The performance of our IT systems also depends, among other things, on our ability to effectively safeguard our IT systems and related equipment against damage from interruptions to telecommunication services and from computer viruses. The occurrence of any such events, and any consequent slowdown or interruption to telecommunication services may impair our ability to manage supply flows, operational data and other management and financial information and to provide management with current inventory levels at our warehouse, which could, in turn, have a material adverse effect on our business, results of operations and financial condition.

For example, we have recently upgraded, and continue to invest in, the warehouse IT management system of our light vehicle logistics platform, Logisteo, in order to manage our inventory more efficiently. The implementation of new IT systems may cause organizational disruptions within our Group. In addition, there can be no assurance that our new warehouse IT management system, or any future IT systems, will deliver the projected efficiencies.

One of our strategies is to increase sales of products that we distribute through our websites. The implementation of this strategy will require additional IT resources and may result in a disruption to our existing computer and telecommunications systems, whether in connection with the implementation of expanded capabilities or otherwise, which could, in turn, adversely affect our online sales and/or our business reputation. We cannot assure you that we will be able to maintain and upgrade our IT systems in a manner that will avoid interruptions or disruptions of such systems. Any failure or inability to maintain and upgrade our IT systems may have a material adverse effect on our business, results of operations and financial condition.

Continued technological advancements in light vehicle and truck parts could affect our sales.

The demand for the products that we distribute is affected by technological and qualitative improvements in new light vehicles and trucks, and the light vehicle and truck market is characterized by frequent technical advances and increases in the complexity of existing components. Certain light vehicle and truck spare parts may feature complex or innovative technology that can only be maintained by persons with special training or at specialized garages. This technology may also require continuous training and regular updating in relation to a particular light vehicle or truck model. For example, repairs of sensors as well as repairs of air conditioning systems require special skills, training and equipment. The independent garages that are the primary end-users of the parts we distribute may not continue to obtain the information and training necessary to maintain the complex technology featured in our end-customers' vehicles, and the expertise to install and repair these parts may only be available at car dealers. Moreover, the expenses required for specialized staff training as well as the sophisticated equipment required to test and repair these evolving components could result in higher costs or higher capital expenditure for us or for our end-customers. In certain cases, it may no longer be economically feasible for independent garages to offer repair services for particular light vehicle and truck models or spare parts. Furthermore, sophisticated manufacturing technology for light vehicle and truck spare parts improves their quality and reduces the number of replacements and repairs they require. If light vehicle and truck spare parts are replaced less frequently, our revenue could decrease.

The IAM in which we operate differs from the original equipment supplier aftermarket segment (the "OES"), in which operators are linked to the light vehicle manufacturers who directly supply them with the necessary technical information on vehicle components and repair procedures. Due to ongoing technological developments in the manufacturing of light vehicles and trucks, independent garages need to develop appropriate technical expertise in newly developed components. The failure of independent garages to develop the appropriate technical expertise, or access to the tools, instruments and parts that such technological developments demand, may result in an increase in demand for maintenance and repair services provided by car dealers with the necessary technical expertise (which garages represent a small portion of our revenues), which could, in turn, have a material adverse effect on our business, results of operations and financial condition.

Our business depends in part on a strong brand image and if we are not able to maintain and enhance our brand or market our product offerings we may be unable to attract a sufficient number of customers or sell sufficient quantities of the products that we distribute.

We believe that the brand image we have developed has contributed significantly to the success of our business to date. We also believe that maintaining and enhancing our brand are integral to the success of our business and to the implementation of our growth strategy. This will require us to make further investments in areas such as marketing and advertising, as well as our website operations. For example, we have developed websites for each of our distributors and garages and we invest in large customer events, such as an event to develop our brand that we organized in September 2014. Maintaining, promoting and positioning our brand will depend largely on the success of our marketing and merchandising effort, and our ability to provide good customer experiences. Our brands could be adversely affected if we fail to achieve these objectives or if our public image or reputation were to be tarnished by negative publicity. Our brand image may also be diminished if we fail to maintain high standards for, among other things, the timely and efficient delivery of quality products, if we fail to maintain high social and environmental standards for all of our operations and activities, if we fail to comply with local laws and regulations or if we experience other negative events that affect our image or reputation. Any failure to maintain a strong brand image could have an adverse effect on our business, results of operations and financial condition. In addition, we distribute products to approximately 3,200 branded garages and 44 affiliated independent distributors that have entered into affiliation agreements with us, but which we do not control. These branded garages and affiliated independent distributors may take actions or make decisions that adversely affect our brand and reputation.

Our principal brand names and trademarks, such as Autodistribution, Garage Expert AD and Auto Primo, Autossimo, AD PL and ISOTECH, the "AD" logo, and since the Doyen Auto Acquisition, 1,2,3 AutoService, Requal and API, are key assets of our business. See "*Business—Intellectual Property.*" We rely on a combination of copyright, trademark and patent laws to establish and protect our intellectual property rights, but we cannot assure you that the actions we have taken or will take in the future will be adequate to prevent any violation or challenges to our intellectual property rights. There can be no assurance that litigation will not be necessary in order to enforce our trademark or other intellectual property rights or to defend ourselves against third-party claims of infringement of their rights. Adverse publicity, legal action or other factors could lead to substantial erosion in the value of our brands and trademarks, which could, in turn, lead to decreased customer demand and have a material adverse effect on our business, results of operations and financial condition.

Our growth strategy will require us to expand and improve our operations, and risks associated with our expansion plans may adversely affect our business, results of operations and financial condition.

Our growth strategy includes, among others, strengthening our market position in France and in Benelux. We may implement this strategy through organic growth, diversifying our activities or selected acquisitions, such as the Doyen Auto Acquisition. Acquisitions pose additional risks, including paying too high a purchase price or the assumption of unexpected liabilities. In addition, our ability to engage in strategic acquisitions may depend on our ability to raise substantial capital and we may not be able to raise the funds necessary to implement our acquisition strategy on terms satisfactory to us, if at all. Our failure to identify suitable acquisition opportunities may restrict our ability to grow our business. In addition, the integration of an acquired business and its systems, operations and personnel, particularly in respect of businesses operating in adjacent markets, could be more difficult and time-consuming than anticipated, which could lead to increased operating costs, the loss of key employees and customers, and a failure to realize anticipated operating savings.

Our logistics complexity will increase as our footprint grows. This increased complexity will require that we continue to expand and improve our capabilities, including our IT and other logistics management capabilities, as well as to grow, train and manage our employee base. We will also need to continually evaluate the adequacy of our information and distribution systems, controls and procedures related to financial reporting. Implementing new systems, controls and procedures and any changes to existing systems, controls and procedures could present challenges that we do not anticipate and which could negatively impact our business, results of operations and financial condition. In addition, this increased complexity will require us to continually evaluate whether personnel with appropriate levels of expertise and experience are properly allocated in accordance with our growth strategy, and any failure to allocate such personnel may make it more difficult to achieve our growth strategy.

Our growth could also make it difficult for us to adequately predict the expenditures we will need to make in the future. This growth could impact the operational flexibility and reactivity of our supply chain and make us unable to react as promptly to changing customer demands and new market trends as we have been able to do historically. We may not be able to anticipate all of the demands that our expanding operations will impose on our business, personnel, systems, controls and procedures, and our failure to appropriately address such demands could materially adversely impact our existing operations and prevent us from implementing our growth strategy.

We may face challenges in integrating acquired businesses and in integrating any future potential acquisition, and may be unable to realize the expected savings from these businesses and any other cost improvement measures we have taken.

In the past, we have occasionally acquired businesses in order to expand our operations. For example, in 2014, we acquired ACR, and on September 30, 2016, we acquired Doyen Auto. The integration of an acquired business, such as Doyen Auto or any future potential acquisition, requires the dedication of management resources that can temporarily divert attention from our day-to-day business. The process of integration can also interrupt our activities, which can have a material adverse effect on our business, results of operations and financial condition. For example, we could face significant challenges in managing and integrating Doyen Auto into our business. The integration of Doyen Auto into our business will require dedication of management resources that may temporarily divert attention from our day-to-day business.

If we cannot successfully integrate acquired businesses or any future potential acquisition within a reasonable time following its acquisition, we may not be able to realize the potential and anticipated benefits thereof. In connection with the integration of recently acquired businesses or integrating any future potential acquisition into our existing operating structure, we will seek to realize purchasing and cost savings. For example, we acquired Doyen Auto in part with the expectation that we would be able to integrate into our business the performance of its distribution network, improve its operating results and realize purchasing and cost savings, particularly in the areas of procurement. There can be no guarantee that we will be able to fully integrate Doyen Auto's operations into our business, or at all, or that we will be in a position to realize some or all purchasing and cost savings that we anticipated when we acquired Doyen Auto. To achieve any of the foregoing, we could also be required to make additional capital expenditures which may be significant. Our anticipated cost savings are based upon assumptions about our ability to implement these measures in a timely fashion and within certain cost parameters. Our ability to achieve the planned cost savings is dependent upon a significant number of factors, some of which may be beyond our control. If one or more of our underlying assumptions regarding these projects proves to have been incorrect, these efforts could lead to substantially higher costs than planned and we may not be able to realize fully, or realize in the anticipated time frame, the expected benefits from our cost measures. Furthermore, pricing pressure from our customers or competitors or other variables may deprive us of some of the benefits of the cost measures that we have assumed that we will be able to retain in the calculation of our Pro Forma Adjusted EBITDA (including Doyen Auto). Also, cost efficiencies from expected improved logistics and distribution processes may not be sustainable due to changes in customer needs, environmental law, logistics, transportation costs or other cost variables.

In addition, our new business initiatives could result in unintended consequences, such as the loss of key customers and suppliers. Our inability to realize the anticipated purchasing and cost savings and revenue enhancements from the Doyen Auto Acquisition or any future potential acquisition and other measures that we have taken could have a material adverse effect on our business, results of operations, financial condition and cash flows.

In the future, we may acquire businesses or undertake investments or reorganizations in a targeted manner. There can be no assurance, however, that we will be able to identify suitable businesses or investment opportunities and be able to acquire, or make the investment, on favorable terms. There is also a risk that not all material risks in connection with the acquisition of a company or the making of investments have been identified in the due diligence process and may not, therefore, be taken into account when deciding whether to acquire the business or make the investment. These risks may materialize only after a company has been acquired or an investment has been made, and may not be covered by the warranties in the related agreements or by insurance policies. For example, as a result of the Doyen Auto Acquisition, we will gain access to new markets and jurisdictions, including markets in Benelux, and will add Doyen Auto's existing distribution network to our network. As a result, we may become exposed to risks relating to doing business in these markets and jurisdictions, including political, economic and social risks. Any of these factors could have a material adverse effect on our business, results of operations and financial condition.

The products that we provide may be exposed to price and margin pressures, and we may be unable to attract new customers and retain existing customers at competitive pricing and margin levels.

We may be forced to decrease prices for the products that we distribute due to a number of factors, such as challenging macroeconomic conditions or increased competition. In our industry, both light vehicle and truck spare parts manufacturers set retail prices through official recommended prices for the end-customer. Each participant in the value chain, including us, then sets its prices as a percentage of the recommended price on the basis of its targeted gross margin. We may be unable to compensate for a decrease in recommended retail prices by obtaining supplier rebates, attracting new business, reducing our operating costs (for example, through headcount reductions, increases in labor productivity or other gains in cost efficiency) or otherwise, which could have an adverse effect on our business, results of operations and financial condition. Price and margin pressures may therefore lead to a reduction in average prices and margins for our services, which could also have a material adverse effect on our business, results of operations and financial condition.

A decrease in the number of affiliated independent distributors in our network or a decrease in demand for certain key spare parts may adversely impact our business, results of operations and financial condition.

We have entered into affiliation agreements with affiliated independent distributors and branded garages. These agreements allow them to use one of our brands, including AD Garage, Garage Expert AD, Auto Primo, 1,2,3 AutoService, Requal and API, and in return the affiliated distributors designate us as their preferred supplier and the independent garages designate our distributors as their preferred distributors. We renewed our agreements with our affiliated independent distributors on April 13, 2015, for a further seven years. Nonetheless, if any of these distributors were to breach their agreements with us by prematurely terminating their relationship with us, the size of our distribution network and our customer base could be reduced and our profitability significantly harmed as a result. In addition, our customers mostly purchase light vehicle and truck spare parts based on their existing needs, but are not required to purchase a minimum amount of any of the products that we distribute. Therefore, a significant decrease in demand for certain key spare parts for both light vehicles and trucks could have a material adverse effect on our business, results of operations and financial condition. To the extent that we do not maintain our existing level of business with our customers, we will need to attract new customers or win new business with our existing customers and if we are unable to do so, our business, results of operations and financial condition may be adversely affected.

The departure of members of our management team or other key personnel, or our inability to attract and retain qualified management or other key personnel, could have an adverse effect on our business, results of operations and financial condition.

Our success is largely dependent upon the continued service and skills of our existing management team. If one or more of our executives or other key personnel are unable or unwilling to continue in their present positions, we may not be able to replace them easily and our business may be disrupted, which may materially and adversely affect our business, results of operations and financial condition. Competition for management and key personnel is intense, and the pool of qualified candidates is limited, so we may not be able to attract and retain experienced executive or key personnel in the future, which could hinder our ability to run and develop our business successfully. In addition, if any of our executives or other key personnel joins a competitor or forms a competing company, we may lose customers, know-how and other key personnel, which may have an adverse effect on our business, results of operations and financial condition.

Our business is subject to various laws and regulations, including in relation to labor and employment, and changes in, or violations of, such laws or regulations may adversely affect our business, results of operations and financial condition.

Our operations are subject to a variety of laws and regulations, including laws and regulations relating to labor, employment, health and safety. The modification, suspension, repeal or expiration of favorable provisions in labor and employment laws and regulations or, conversely, any increases of mandatory minimum wages pursuant to laws, regulations or collective bargaining agreements, or of social security contributions, may negatively impact our business and profitability. For example, in France we benefit from reductions in employer social security contributions on certain wages pursuant to law 2003-47 of January 17, 2003, as completed by law 2008–1258 of December 3, 2008 (the "Fillon Law"), as well as from a tax credit for competitiveness and employment (*crédit d'impôt pour la compétitivité et l'emploi*) ("CICE"). Pursuant to CICE, French companies receive a tax credit of 4% of the gross salaries paid in the course of each calendar year to employees whose wages are less than or equal to 2.5 times the French statutory minimum wage for 2013 and 6% in 2014 and subsequent years (noting that such rate could be increased to 7% for salaries paid from January 1, 2017, according to the draft finance bill for 2017 released by the French government). The Fillon Law allows employers to benefit from reductions in such social security contributions in respect of wages that amount to less than 1.6 times the French statutory minimum wage.

Any unfavorable changes in the Fillon Law, CICE or other labor and employment laws and regulations, or in the terms of collective bargaining agreements applicable to our business, as well as any increases of the statutory minimum wage in any country or industry in which we operate, may increase our payroll costs and negatively affect our operating margins and operational flexibility, and therefore may have a material adverse effect on our business, results of operations and financial condition. In addition, the impact of laws and regulations, particularly labor and employment laws and regulations, may restrict our ability to achieve cost reductions and other efficiency gains.

In January 2013, an agreement was reached between national employer representatives and trade unions in France regarding certain labor market reforms. Many provisions of this agreement now appear in the law on job security published on June 14, 2013. This law provides, among other things, additional charges on fixed-term employment contracts, greater regulation of part-time employment and an extension of the scope of complementary health benefits to all employees. These measures have been implemented with no material cost impact as of December 31, 2015, but we cannot assess the impact of such new measures on our future operations and they may have an adverse impact on our costs. Labor market reform in general continues to be a key policy measure on the French government's political agenda, and changes in any of the above-mentioned laws or regulations or the coming into force of any new laws or regulations could substantially increase our operating costs or restrict our operational flexibility and therefore have a material adverse effect on our business, results of operations and financial condition.

French tax legislation may restrict our ability to use French tax loss carry-forwards.

We may record deferred tax assets on our balance sheet, reflecting future tax savings resulting from discrepancies between the tax and accounting valuation of the assets and liabilities or in respect of tax loss carry-forwards from our subsidiaries. The actual realization of these assets in future years depends on tax laws and regulations, the outcome of potential tax audits and the future results of the relevant entities. In particular, pursuant to Article 209, I, paragraph 3 of the French Tax Code (*Code général des impôts*), the fraction of French tax loss carry-forwards that may be used to offset the taxable profit with respect to a given fiscal year is limited to €1.0 million plus 50% of the portion of the taxable profit exceeding €1 million. Any reduction in our ability to use these tax assets due to changes in laws and regulations, potential tax reassessment or lower than expected results could have a negative impact on our business, results of operations and financial condition.

A deterioration in our relationships with our employees or trade unions or a failure to extend, renew or renegotiate on favorable terms our collective bargaining agreements could have an adverse impact on our business, results of operations and financial condition.

As of August 31, 2016, we had 5,995 employees. Maintaining good relationships with our employees, unions and other employee representatives is crucial to our operations. As a result, any deterioration of the relationships with our employees, unions and other employee representatives could have an adverse effect on our business, results of operations and financial condition. See "*Business—Employees*."

Some of our employees are covered by national collective bargaining agreements. These agreements typically complement applicable statutory provisions in respect of, among other things, the general working conditions of our employees such as maximum working hours, holidays, termination, retirement, welfare and incentives. National collective bargaining agreements and company-specific agreements also contain provisions that could affect our ability to restructure our operations and facilities or terminate employees. We may not be able to extend existing company-specific agreements, renew them on their current terms or, upon the expiration of such agreements, negotiate such agreements in a favorable and timely manner or without work stoppages, strikes or similar industrial actions. We may also become subject to additional company-specific agreements or amendments to the existing national collective bargaining agreements. Such additional company-specific agreements or amendments may increase our operating costs and have an adverse effect on our business, results of operations and financial condition.

While in the last three years we have not experienced any material disruption to our business as a result of strikes, work stoppages or other labor disputes, such events could disrupt our operations, result in a loss of reputation, increased wages and benefits, or otherwise have a material adverse effect on our business, results of operations and financial condition.

Increased employment costs may have a material adverse effect on our business, results of operations and financial condition.

Our labor costs may rise faster than expected in the future as a result of a larger workforce, salary increases and headcount increases. We may be unable to offset the increase in labor costs through increased selling prices or productivity gains. If labor costs increase further, our operating costs will also increase, which could, if we are unable to recover these cost increases from our customers through increased selling prices or offset such cost increases through labor productivity gains or other measures, have a material adverse effect on our business, results of operations and financial condition.

Environmental, health and safety regulations relating to our operations could subject us to increasing costs or fines.

Our operations and properties are subject to a wide variety of European directives and regulations, national, state and local laws, rules, taxes and regulations relating to the protection of the environment, workers' health and safety, and the use, management, storage and disposal of hazardous substances, wastes and other regulated materials. These include, in particular, requirements governing the disposal of used oil, batteries, tires and other materials processed in our recycling business. These laws, rules and regulations may affect the way in which we conduct our operations, and the failure to comply with these regulations could lead to fines and other penalties.

In addition, various environmental laws also may impose liability on us for the costs of cleaning up and responding to hazardous substances that may have been released on our property, including releases unknown to us. These environmental laws and regulations also could require us to pay for environmental remediation and response costs at third-party locations where we disposed of or recycled hazardous substances.

With environmental regulations becoming increasingly stringent, our future costs of complying with the various environmental requirements, as they now exist or may be altered in the future, could adversely affect our business, results of operations and financial condition.

Our working capital requirements and cash flows are subject to fluctuation, which could have an adverse effect on our financial condition.

Our working capital requirements and cash flows have historically been, and are expected to continue to be, subject to seasonal and yearly fluctuations, depending on a number of factors. Factors that could result in cash flow fluctuations include the level of sales and the related margins of those sales, the collection of receivables, the timing and size of purchases of inventories and related components, the timing of payments for such purchases, and the terms and timing of payments for payables and accrued liabilities, as well as prevailing economic conditions and financial, business and other factors, many of which are beyond our control. If we are unable to manage fluctuations in working capital requirements and cash flow, our business, results of operations and financial condition may be materially adversely affected and we may be unable to make required interest payments on our indebtedness.

If our working capital requirements exceed our other cash flows from operations, we would look to our cash balances and availability for borrowings under our financing arrangements to satisfy those needs, as well as potential sources of additional capital, which may not be available on satisfactory terms or in adequate amounts. We cannot assure you that we will be able to generate cash flow or that we will be able to borrow funds, including under our Revolving Credit Facility, in amounts sufficient to enable us to meet our working capital requirements. If we are not able to generate sufficient cash flow from operations or borrow sufficient funds to meet our working capital requirements, we may be required to sell assets or equity, reduce expenditures, refinance all or a portion of our existing indebtedness, or obtain additional financing. We cannot assure you that we will be able to sell assets or equity or obtain additional financing on terms acceptable to us, if at all.

We may incur material losses and costs as a result of product liability and warranty or recall claims that may be brought against us.

We may be exposed to product liability and warranty claims in the event that the products that we sell, particularly the truck spare parts we sell, actually or allegedly fail to perform as expected, or the use of our product results, or is alleged to result, in bodily injury and/or property damage. Accordingly, we could experience material warranty or product liability losses in the future and incur significant costs to defend these claims. In addition, if any of the products that we distribute are, or are alleged to be, defective, we may be required to participate in a recall of that product if the defect or the alleged defect relates to safety. We may not be able to pass these liabilities through to the product manufacturer, whether due to unfavorable supplier warranties or supplier credit issues. Product liability, warranty and recall costs may have a material adverse effect on our business, results of operations and financial condition.

We could face exposure to product liability claims for products that we import from countries outside the European Union and sell under our own trademark.

As a distributor of spare parts, we may be held liable for defective products if we brand products with our trademark, such as ISOTECH, and present ourselves as the producer of such products or we distribute products imported from countries outside the European Union. Some of the products that we distribute are branded with our ISOTECH trademark. In addition, we sell products imported from countries outside the European Union. By selling products under our trademark or imported from countries outside the European Union, we may be held liable for any unforeseen defects in products requiring repair under warranty or recall, which, notwithstanding possible recourse against the relevant manufacturer and supplier, could have a material adverse effect on our business, results of operations and financial condition.

We are subject to risks from legal and arbitration proceedings, which could adversely affect our business, results of operations and financial condition.

From time to time we are involved in labor, tax and commercial legal proceedings, the outcomes of which are difficult to predict. We could become involved in legal disputes in the future which may involve substantial claims for damages or other payments. Although individually these proceedings do not typically involve substantial amounts, in the aggregate such proceedings or any increase in the number of such proceedings may have a material adverse effect on our business, results of operations and financial condition. As of August 31, 2016, our provision for litigation amounted to €3.0 million.

In the event of a negative outcome of any material legal proceeding, whether based on a judgment or a settlement agreement, we could be obligated to make substantial payments, which could have a material adverse effect on our business, results of operations and financial condition. In addition, the costs related to litigation proceedings may be significant. Even if there is a positive outcome of such proceedings, any negative publicity surrounding assertions against our business or products could adversely affect our reputation and we may still have to bear part or all of our advisory and other costs to the extent they are not reimbursable by other litigants, insurance or otherwise, which could have a material adverse effect on our business, results of operations and financial condition. See "*Business—Legal proceedings*."

Changes in tax laws or challenges to our tax position could adversely affect our business, results of operations and financial condition.

We are subject to complex tax laws in each of the jurisdictions in which we operate. Changes in tax laws, including the basis on which CICE is calculated or the elimination of CICE altogether, could adversely affect our tax position, including our effective tax rate or tax payments. In addition, European and French tax laws and regulations are extremely complex and are subject to varying interpretations. We often rely on generally available interpretations of tax laws and regulations in the jurisdictions in which we operate. We cannot be certain that the relevant tax authorities are in agreement with our interpretation of these laws. If our tax positions are challenged by relevant tax authorities, the imposition of additional taxes could require us to pay taxes that we currently do not collect or pay or increase the costs of our products or services to track and collect such taxes, which could increase our costs of operations and have a negative effect on our business, results of operations and financial condition.

We are subject to certain competition and antitrust laws.

Our business is subject to applicable competition and antitrust laws, as well as the rules and regulations of the European Union. We may become subject to legal action or investigations and proceedings by national and supranational competition and antitrust authorities for alleged infringements of antitrust laws, which could result in fines or other forms of liability, or otherwise damage our business reputation, which could have a material adverse effect on our business, results of operations and financial condition. Such laws and regulations could limit or prohibit our ability to grow in certain markets.

The interests of our shareholders may conflict with your interests as a holder of the Notes.

Bain Capital indirectly owns the majority of the shares of the Issuer. As a result, our shareholders have and will continue to have, directly or indirectly, the power to affect our legal and capital structure as well as the ability to elect and change our management and to approve other changes to our operations and to control the outcome of matters requiring action by our shareholders. Our shareholders' interests in certain circumstances may conflict with your interests as noteholders, particularly if we encounter financial difficulties or are unable to pay our obligations as they mature. For example, the shareholders could vote to cause us to incur additional indebtedness. Our shareholders are in the business of making investments in companies and may acquire and hold interests in businesses that compete directly or indirectly with us. Our shareholders may also pursue acquisition opportunities that are complementary to our business and, as a result, those acquisition opportunities may not be available to us. In addition, our shareholders may hold interests in suppliers or customers of the Group. Our shareholders and their affiliates could also have an interest in pursuing acquisitions, divestitures, financings or other transactions that, in their judgment, could enhance their equity investments, although such transactions might involve risks to the Noteholders (as defined herein).

Risks related to our indebtedness and the Notes

Each of the Issuer and the Parent Guarantor is a holding company that has no revenue generating operations of its own and will depend on cash from its operating subsidiaries to be able to make payments on the Notes, as applicable.

Each of the Issuer and the Parent Guarantor is a holding company with no business operations other than the equity interests it will hold in its subsidiaries, and in the case of the Issuer, certain operations related to the management of our Group. Each of the Issuer and the Parent Guarantor will be dependent upon the cash flow from their operating subsidiaries in the form of dividends or other distributions or payments to meet its obligations, including the Issuer's obligations under the Notes and the Parent Guarantor's obligations under the Parent Guarantee. The amount of dividends and distributions available to each of the Issuer and the Parent Guarantor will depend on the profitability and cash flows of its subsidiaries and the ability of those subsidiaries to issue dividends under applicable law or existing contracts. The subsidiaries of the Issuer and the Parent Guarantor, however, may not be able to, or may not be permitted under applicable law to, make distributions or advance upstream loans to the Issuer or the Parent Guarantor to make payments in respect of their respective obligations, including under the Notes and the Parent Guarantee. In addition, the subsidiaries of the Issuer (including all of the subsidiaries of the Issuer, other than Autodistribution S.A.), that do not guarantee the Notes have no obligation to make payments with respect to the Notes.

The Notes will be structurally subordinated to the liabilities of non-Guarantor subsidiaries.

The amount enforceable under the Guarantees may be limited, and the validity and enforceability of the Guarantees will be subject to the limitations described in "*Certain insolvency law considerations and limitations on the validity and enforceability of the Guarantees and the security interests*." By virtue of these limitations, a Guarantor's obligation under its Guarantee could be significantly less than amounts payable with respect to the Notes, or a Guarantor may have effectively no obligation under its Guarantee. In particular, the Guarantee of Autodistribution S.A. is expected to be limited in value to an amount not greater than the amount of existing proceeds loans, which is approximately €134 million and corresponds to the aggregate of the existing proceeds loan of €54 million made available to on-lend the proceeds of the issuance of the Existing Senior Secured Notes and the existing proceeds loan of €80 million made available to on-lend the amount drawn under the Bridge Facility, in each case, to the Subsidiary Guarantor. Other indebtedness of the Guarantors may not be similarly limited.

None of the Issuer's non-Guarantor subsidiaries will have any obligation to pay amounts due under the Notes or to make funds available for that purpose, including subsidiaries that are borrowers under the Revolving Credit Facility but do not guarantee the Notes. Generally, holders of indebtedness of, and trade creditors of, non-Guarantor subsidiaries, including lenders under bank financing agreements, are entitled to payments of their claims from the assets of such subsidiaries before these assets are made available for distribution to the Issuer or the Parent Guarantor as a direct or indirect shareholder of such subsidiaries.

Accordingly, in the event that any non-Guarantor subsidiary becomes insolvent, is liquidated, reorganized or dissolved or is otherwise wound up other than as part of a solvent transaction:

- the creditors of the Issuer (including the holders of the Notes) and the Parent Guarantor will have no right to proceed against the assets of such subsidiary; and
- the creditors of such non-Guarantor subsidiary, including trade creditors, will generally be entitled to payment in full from the sale or other disposal of the assets of such subsidiary before the Issuer or the Parent Guarantor, as a direct or indirect shareholder, will be entitled to receive any distributions from such subsidiary.

As such, the Notes and the Guarantees will be structurally subordinated to the creditors (including trade creditors) and any preferred stockholders of our non-Guarantor subsidiaries. As of August 31, 2016, after giving pro forma effect to the Doyen Auto Acquisition and the Refinancing, our non-Guarantor subsidiaries would have had total debt of €23.4 million (excluding bank overdrafts), all of which would have ranked structurally senior to the Notes and the Guarantees. Any of the debt that the Issuer's non-Guarantor subsidiaries incur in the future in accordance with the Indenture will rank structurally senior to the Notes and the Guarantees.

Our significant leverage may make it difficult for us to operate our businesses.

We currently have and, after the issuance of the Notes will continue to have, a significant amount of outstanding debt with substantial debt service requirements. As of August 31, 2016, and as adjusted to give effect to the Doyen Auto Acquisition and the Refinancing, our pro forma third-party borrowings would have been €543.0 million, which reflects external loans and borrowings (including finance leases), of which €510.0 million would have been represented by the Notes. The terms of the Indenture permit the Issuer and its restricted subsidiaries to incur substantial additional indebtedness, including in respect of committed borrowings of up to €50.0 million under the Revolving Credit Facility. See "*Capitalization*."

Our significant leverage could have important consequences for our business and operations, including, but not limited to:

- making it more difficult for us to satisfy our obligations with respect to the Notes and our other debt and liabilities;
- requiring us to dedicate a substantial portion of our cash flow from operations to payments on our debt, thereby reducing the availability of our cash flow to fund internal growth through working capital and capital expenditures and for other general corporate purposes;
- increasing our vulnerability to a downturn in our business or general economic or industry conditions;
- placing us at a competitive disadvantage relative to competitors that have lower leverage or greater financial resources than we have;
- limiting our flexibility in planning for or reacting to competition or changes in our business and industry;
- negatively impacting credit terms with our creditors;
- restricting us from pursuing strategic acquisitions or exploiting certain business opportunities; and
- limiting, among other things, our and our subsidiaries' ability to borrow additional funds or raise equity capital in the future and increasing the costs of such additional financings.

Any of these or other consequences or events could have a material adverse effect on our ability to satisfy our debt obligations, including the Notes. Our ability to make payments on and refinance our indebtedness and to fund working capital expenditures and other expenses will depend on our future operating performance and ability to generate cash from operations. Our ability to generate cash from operations is subject, in large part, to general economic, competitive, legislative and regulatory factors and other factors that are beyond our control. We may not be able to generate sufficient cash flow from operations or obtain enough capital to service our debt or fund our planned capital expenditures.

We may incur substantially more debt in the future, which may make it difficult for us to service our debt, including the Notes, and impair our ability to operate our businesses.

We may incur substantial additional debt in the future. Any debt that our non-Guarantor subsidiaries incur will be structurally senior to the Notes if such subsidiaries do not guarantee the Notes, and such debt could be secured or could mature prior to the Notes. Although the Revolving Credit Facility Agreement and the Indenture contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of significant qualifications and exceptions, and under certain circumstances the amount of indebtedness that could be incurred in compliance with these restrictions could be substantial. Borrowings under debt instruments that contain cross-acceleration or cross-default provisions, including the Notes, may as a result also be accelerated and become due and payable. We may be unable to pay these debts in such circumstances. The incurrence of additional debt would increase the leverage-related risks described above. In addition, the Revolving Credit Facility and the Indenture do not prevent us from incurring obligations or entering other arrangements that do not constitute indebtedness under those agreements, such as receivables securitization financings. For a discussion of our cash flow and liquidity, see "*Management's discussion and analysis of financial condition and results of operations—Liquidity and capital resources*."

We may not be able to generate sufficient cash to service our indebtedness, including due to factors outside our control, and may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful.

Our businesses may not generate sufficient cash flows from operations to make payments on our debt obligations, and additional debt and equity financing may not be available to us in an amount sufficient to enable us to pay our debts when due, or to refinance such debts, including the Notes. If our future cash flows from operations and other capital resources are insufficient to pay obligations as they mature or to fund our liquidity needs, we may be forced to:

- reduce or delay our business activities, planned acquisitions and capital expenditures;
- sell assets;
- obtain additional debt or equity financing; or
- restructure or refinance all or a portion of our debt, including the Notes, on or before maturity. We can provide no assurance that we would be able to accomplish any of these alternatives in a timely manner or on satisfactory terms, if at all.

Our ability to restructure or refinance our debt will depend in part on our financial condition at such time. Any refinancing of our debt could be at higher interest rates than our current debt and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments and the Indenture may restrict us from adopting some of these alternatives. Furthermore, we may be unable to find alternative financing, and even if we could obtain alternative financing, it might not be on terms that are favorable or acceptable to us. If we are not able to refinance any of our debt, obtain additional financing or sell assets on commercially reasonable terms or at all, we may not be able to satisfy our debt obligations, including under the Notes. In such an event, borrowings under other debt agreement or instruments that contain cross-default or cross-acceleration provisions may become payable on demand, and we may not have sufficient funds to repay all our debts, including the Notes.

In addition, any failure to make payments of interest or principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our credit rating, which could harm our ability to incur additional indebtedness. In the absence of such operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. The terms of our indebtedness, including under the Indenture and the Revolving Credit Facility, restrict our ability to transfer or sell assets and to use the proceeds from any such disposition. We may not be able to consummate certain dispositions or to obtain the funds that we could have realized from the proceeds of such dispositions, and any proceeds we do realize from asset dispositions may not be adequate to meet any of our debt service obligations then due.

We are subject to covenants that limit our operating and financial flexibility and, if we default under our debt covenants, we may not be able to meet our payment obligations.

Our Revolving Credit Facility and the Indenture contain covenants that impose significant restrictions on the way we can operate, including restrictions on our ability to:

- incur or guarantee additional debt and issue preferred stock;
- create or incur certain liens;
- make certain payments, including dividends or other distributions;
- prepay or redeem subordinated debt or equity;
- make certain investments or acquisitions, including participating in joint ventures;
- engage in certain transactions with affiliates;
- create unrestricted subsidiaries;
- create encumbrances or restrictions on the payment of dividends or other distributions, loans or advances to, and on the transfer of, assets to the Issuer or any restricted subsidiary;
- sell assets, consolidate or merge with or into other companies;
- sell or transfer all or substantially all our assets or those of our subsidiaries on a consolidated basis;
- change the "centre of main interests" ("COMI") of the Luxembourg Security Providers;
- impair security interests for the benefit of the holders of the Notes; and
- issue or sell share capital of certain subsidiaries.

All of these limitations will be subject to significant exceptions and qualifications. See "*Description of the Senior Secured Notes—Certain covenants*." These covenants could limit our ability to finance future operations and capital needs and our ability to pursue acquisitions and other business activities that may be in our interest. Our ability to comply with these covenants and restrictions may be affected by events beyond our control. These include prevailing economic, financial and industry conditions. If we breach any of these covenants or restrictions, in addition to being in default under the Indenture and the Notes, we could be in default under the terms of the Revolving Credit Facility Agreement, and the relevant lenders could elect to declare the debt, together with accrued and unpaid interest and other fees, if any, immediately due and payable and proceed against any collateral securing that debt. This would also result in an event of default under the Indenture. If the debt under the Revolving Credit Facility Agreement, the Notes or the Guarantees or any other material financing arrangement that we enter into were to be accelerated, our assets may be insufficient to repay in full the Notes and our other debt.

The Revolving Credit Facility also requires our subsidiaries to satisfy a specified financial maintenance test in certain circumstances. The ability to meet this test could be affected by a deterioration in our operating results, as well as by events beyond our control, including increases in raw materials prices and unfavorable economic conditions, and we cannot assure you that this test will be met. If an event of default occurs under the Revolving Credit Facility, the lenders thereunder could terminate their commitments and declare all amounts borrowed, together with accrued and unpaid interest and other fees, to be immediately due and payable. Borrowings under other debt instruments, including the Notes, that contain cross-acceleration or cross-default provisions also may be accelerated or become payable on demand. In these circumstances, our assets may not be sufficient to repay in full that indebtedness and our other indebtedness then outstanding, including the Notes. See "*Description of certain financing arrangements—Revolving Credit Facility Agreement.*"

French tax legislation may restrict the deductibility, for French tax purposes, of all or a portion of the interest on our indebtedness incurred in France, thus reducing the cash flow available to service our indebtedness.

Under Article 212 § I-(b) of the French Tax Code (*Code général des impôts*) the deductibility of interest paid to a related party within the meaning of Article 39.12 of the French Tax Code is subject to a specific requirement: if the lender is a related party to the borrower within the meaning of Article 39.12 of the French Tax Code, the French borrower shall demonstrate, at the French tax authorities' request, that the lender is, for the current fiscal year and with respect to the concerned interest, subject to income tax in an amount that is at least equal to 25% of the corporate income tax determined under standard French tax rules. Where the related-party lender is domiciled or established outside France, the corporate income tax determined under standard French tax rules shall mean that to which it would have been liable in France on the interest received if it had been domiciled or established in France. Specific rules apply where the lender is a pass-through entity for French tax purposes, a collective investment scheme referred to in Articles L. 214-1 to L. 214-191 of the French Monetary and Financial Code (*Code monétaire et financier*) (which includes UCITSs and AIFs as well as other collective investment schemes such as SICAVs and SPPICAVs with a single shareholder) or, subject to certain conditions, a similar entity organized under a foreign law.

Pursuant to *Bulletin Officiel des Finances Publiques-Impôts* BOI-IS-BASE-35-50, n° 230, dated August 5, 2014, the portion of interest that is not deductible by virtue of Article 212 § I-b) of the French Tax Code is not to be recharacterized as a "deemed distribution" pursuant to Article 109 *et seq.* of the French Tax Code and, therefore, is not subject to the withholding tax set out under Article 119 *bis* 2 of the French Tax Code.

Under Article 212 § II of the French Tax Code, the deduction of interest paid on loans granted by a related party within the meaning of Article 39.12 of the French Tax Code or on loans granted by a third party that are guaranteed by a related party (a third party assimilated into a related party) may be subject to certain limitations. Deduction of interest paid on such loans may be disallowed in the financial year during which they are accrued if such interest exceeds each of the following thresholds: (i) the amount of interest multiplied by the ratio of (a) 1.5 times the company's net equity and (b) the average amount of indebtedness owed to related parties (or third parties assimilated into related parties) over the relevant financial year; (ii) 25% of the company's earnings before tax and extraordinary items (as adjusted for the purpose of these limitations); and (iii) the amount of interest received by the indebted company from related parties. Deduction may be disallowed for the portion of interest that exceeds in a relevant fiscal year the highest of the above three limitations if such portion of interest exceeds €150,000, unless the company is able to demonstrate for the relevant fiscal year that the indebtedness ratio of the group to which it belongs is higher than or equal to its own indebtedness ratio. Specific rules apply to companies that belong to French tax-consolidated groups.

In addition, Article 209 § IX of the French Tax Code imposes restrictions on the deductibility of interest expense incurred by a French company if such company has acquired shares of another company qualifying as "*titres de participation*" within the meaning of Article 219 I (a) *quinquies* of the French Tax Code and if such acquiring company cannot demonstrate, with respect to the fiscal years running over the twelve-month period from the acquisition of the shares (or with respect to the first fiscal year opened after January 1, 2012, for shares acquired during a fiscal year opened prior to such date), that: (i) the decisions relating to such acquired shares are actually taken by the company having acquired them (or, as the case may be, by a company controlling the acquiring company or by a company directly controlled by such controlling company, within the meaning of Article L. 233-3 § I of the French Commercial Code (*Code de commerce*), which is located in France), and (ii) where control or influence is exercised over the acquired company, such control or influence is exercised by the acquiring company (or, as the case may be, by a company controlling the acquiring company or by a company directly controlled by such controlling company, within the meaning of Article L. 233 3 § I of the French Commercial Code, which is located in France).

Moreover, Article 212 *bis* of the French Tax Code provides for a general limitation of deductibility of net financial charges, subject to certain exceptions. Adjusted net financial charges incurred by French companies that are subject to French corporate income tax and are not members of a

French tax consolidated group are deductible from their taxable result only up to 75% of their amount, to the extent that such companies' financial charges (net of financial income) are at least equal to €3.0 million in a given fiscal year. Under Article 223 B *bis* of the French Tax Code, special rules apply to companies that belong to French tax consolidated groups. The 75% limitation is factored on the basis of the group's consolidated taxable result and applies to the adjusted aggregate net financial charges incurred by companies that are members of the French tax consolidated group with respect to amounts made available by lenders outside such group, to the extent that the tax group companies' consolidated financial charges (net of financial income) are at least equal to €3.0 million in a given fiscal year. Pursuant to *Bulletin Officiel des Finances Publiques-Impôts* BOI-IS-BASE-35-40 n°70, dated April 30, 2014, the portion of net financial expenses that is not deductible by virtue of Article 212 *bis* of the French Tax Code is not to be recharacterized as a "deemed distribution" pursuant to Article 109 *et seq.* of the French Tax Code and, therefore, is not subject to the withholding tax set out under Article 119 *bis* 2 of the French Tax Code. This position is very likely to be transposed to the limitation set forth by Article 223 B *bis* of the French Tax Code.

Finally, the above set of rules restricting the deductibility of interest under French tax law will be completed in the future. On July 12, 2016, the Council of the European Union adopted Council Directive 2016/1164/EU laying down rules against tax avoidance practices that directly affect the functioning of the internal market (the "ATAD").

The ATAD includes, in particular, a mechanism under which adjusted net financial expenses incurred by an EU company will be deductible from its taxable results only up to 30% of earnings before interest, tax, depreciation and amortization (EBITDA), it being noted that net financial expenses may be deductible up to an amount of €3.0 million in a given fiscal year. The detailed implementation of such new rule in France remains largely unknown, including whether this rule will replace existing French limitation regimes or be added in full or in part to them.

The ATAD should in principle enter into force in January 2019, but this remains uncertain at this stage. Member States that have, at the date of the entry into force of the ATAD, national targeted rules for preventing base erosion and profit-shifting risk that have effects similar to the interest limitation rule set out by the ATAD may apply these targeted rules until the adoption by the Organization for Economic Cooperation and Development ("OECD") members of a minimum standard with regard to the four OECD Action Items against Base Erosion and Profit Shifting (which purpose is to limit base erosion involving interest deductions and other financial payments) or, at the latest, until January 1, 2024.

The above-mentioned tax rules may limit the Group's ability to deduct interest accrued on the Group's indebtedness incurred in France and, as a consequence, may increase the Group's tax burden, which could adversely affect the Group's business, financial condition and results of operations and reduce the cash flow available to service the Group's indebtedness.

The liquidity of the market for the Notes may be diminished if the proposed financial transactions tax or any similar tax were adopted.

On February 14, 2013, the European Commission published a proposal for a Directive for a common financial transactions tax (the "FTT") to be implemented under the enhanced cooperation procedure by Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "Participating Member States"). Following the ECOFIN Council meeting of December 8, 2015, Estonia officially announced its withdrawal from the negotiations.

The proposed FTT has a very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are exempt. It would call for the Participating Member States to impose a tax of generally at least 0.1% on all such transactions, generally determined by reference to the amount of consideration paid. The mechanism by which the tax would be applied and collected is not yet known, but if the proposed directive or any similar tax is adopted, transactions in the Notes would be subject to higher costs, and the liquidity of the market for the Notes may be diminished.

Under current proposals, the FTT could apply in certain circumstances to persons both within and outside the Participating Member States. Generally, it would apply to certain dealings in the

Notes where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, "established" in a Participating Member State in a broad range of circumstances, including: (i) by transacting with a person established in a Participating Member State; or (ii) where the financial instrument that is subject to the transactions is issued in a Participating Member State.

The FTT proposal remains subject to negotiation between the Participating Member States and may therefore be altered prior to any implementation. As of October 10, 2016, the European Commission has been tasked with drafting the legislation that will be submitted to the Participating Member States in order to reach a political agreement on the FTT by the end of 2016. Additional EU Member States may decide to participate.

Prospective holders of Notes are advised to seek their own professional advice in relation to the consequences of the FTT associated with subscribing for, purchasing, holding and disposing of the Notes.

We may not have the ability to raise the funds necessary to finance an offer to repurchase the Notes upon the occurrence of certain events constituting a change of control as required by the Indenture, and the change of control provision contained in the Indenture may not necessarily afford you protection in the event of certain important corporate events.

Upon the occurrence of certain events constituting a "change of control," the Issuer is required to offer to repurchase all outstanding Notes at a purchase price in cash equal to 101% of the principal amount thereof on the date of purchase plus accrued and unpaid interest and additional amounts, if any, to the date of purchase. If a change of control were to occur, we cannot assure you that we would have sufficient funds available at such time, or that we would have sufficient funds to provide to the Issuer to pay the purchase price of the outstanding Notes or that the restrictions in our Revolving Credit Facility Agreement, the Intercreditor Agreement or our other existing contractual obligations would allow us to make such required repurchases. A change of control may result in an event of default under, or the acceleration of, our Revolving Credit Facility Agreement and other indebtedness. Furthermore, the repurchase of the Notes pursuant to such an offer could cause a default under such indebtedness, even if the change of control itself does not. The ability of the Issuer to receive cash from its respective subsidiaries to allow it to pay cash to the holders of the Notes, following the occurrence of a change of control, may be limited by our then existing financial resources. Sufficient funds may not be available when necessary to make any required repurchases. If an event constituting a change of control occurs at a time when we are prohibited from providing funds to the Issuer for the purpose of repurchasing the Notes, we may seek the consent of the lenders under such indebtedness to the purchase of the Notes or may attempt to refinance the borrowings that contain such prohibition. If such a consent to repay such borrowings is not obtained, the Issuer will remain prohibited from repurchasing any Notes. In addition, we expect that we would require third-party financing to make an offer to repurchase the Notes upon the occurrence of a change of control. We cannot assure you that we would be able to obtain such financing.

Any failure by the Issuer to offer to purchase the Notes would constitute a default under the Indenture, which would, in turn, constitute a default under the Revolving Credit Facility Agreement and certain other indebtedness. See "*Description of the Senior Secured Notes—Change of control*." The change of control provision contained in the Indenture may not necessarily afford you protection in the event of certain important corporate events, including a reorganization, restructuring, merger, recapitalization or other similar transaction involving us that may adversely affect you, because such corporate events may not involve a shift in voting power or beneficial ownership or, even if they do, may not constitute a "Change of Control" (as defined in the Indenture).

In addition, the occurrence of certain events that might otherwise constitute a change of control will be deemed not to be a change of control, provided that upon consummation thereof, a certain consolidated leverage ratio of the Issuer and its subsidiaries is met.

The definition of "Change of Control" in the Indenture includes a disposition of all or substantially all of the assets of the Issuer and its restricted subsidiaries, taken as a whole, to any person. Although there is a limited body of case law interpreting the phrase "all or substantially all," there is no precise, established definition of that phrase under applicable law. Accordingly, in certain circumstances, there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of "all or substantially all" of the Issuer's assets and its restricted subsidiaries taken as a whole. As a result, it may be unclear as to whether a change of control has occurred and whether the Issuer is required to make an offer to repurchase the Notes.

Corporate benefit, financial assistance laws and other limitations on the Guarantors or the Luxembourg Security Providers may adversely affect the validity and enforceability of the Guarantees of the Notes or security interests in the Collateral.

The Guarantors guarantee and provide security in respect of, and the Luxembourg Security Providers provide security in respect of, the payment of the Notes on a senior basis. The Guarantors and the Luxembourg Security Providers are incorporated under the laws of France and Luxembourg, respectively. Enforcement of the obligations under a Guarantee against the Guarantors or the enforcement of a security interest in the Collateral will be subject to certain defenses available to the Guarantors or a Luxembourg Security Provider in the relevant jurisdiction, as the case may be. Although laws differ in these jurisdictions, these laws and defenses may include those that relate to fraudulent conveyance or transfer, financial assistance, corporate purpose or benefit, voidable preference, insolvency or bankruptcy challenges, preservation of share capital, thin capitalization, capital maintenance or similar laws and regulations or defenses affecting the rights of creditors generally. If one or more of these laws and defenses are applicable, the Guarantors may have no liability or decreased liability under its Guarantee or the security interest in the Collateral may be void or may not be enforceable depending on the amounts of its other obligations and applicable law. Limitations on the enforceability of judgments obtained in New York courts in such jurisdictions could limit the enforceability of the Guarantees against the Guarantors or security interest in the Collateral against any the Guarantor or any Luxembourg Security Provider. See "*Certain insolvency law considerations and limitations on the validity and enforceability of the Guarantees and the security interests.*"

The Notes, the Guarantees and the security interests in the Collateral may be declared unenforceable against third parties under fraudulent conveyance laws.

French law contains specific provisions dealing with fraudulent conveyance both in and outside bankruptcy (the "*action paulienne*"). The *action paulienne* offers creditors protection against a decrease in their means of recovery. A legal act performed by a person (including, without limitation, an agreement pursuant to which the person guarantees the performance of the obligations of a third party or agrees to provide or provides security for any of its or a third party's obligations, enters into additional agreements benefiting from existing security and any other legal act having similar effect) can be challenged in or outside bankruptcy of the relevant person by the bankruptcy trustee in a bankruptcy of the relevant person or by any of the creditors of the relevant person outside bankruptcy, and may be declared unenforceable against third parties under French law if: (i) the person performed such acts without an obligation to do so; (ii) the creditor concerned or, in the case of the person's bankruptcy, any creditor, was prejudiced in its means of recovery as a consequence of the act; and (iii) at the time the act was performed both the person and the counterparty to the transaction knew or should have known that one or more of its creditors (existing or future) would be prejudiced in their means of recovery, unless the act was entered into for no consideration (*à titre gratuit*) in which case such knowledge of the counterparty is not necessary for a successful challenge on grounds of fraudulent conveyance. See "*Certain insolvency law considerations and limitations on the validity and enforceability of the Guarantees and the security interests—France.*"

Enforcing your rights as a holder of the Notes or under the Guarantees or security interests in the Collateral across multiple jurisdictions may be difficult.

The Notes will be issued by the Issuer, a company that is organized and established under the laws of France, and will be guaranteed by the Guarantors, which are also organized under the laws of France, and secured by security interests in the Collateral provided by the Issuer, the Guarantors and the Luxembourg Security Providers (which are incorporated under the laws of Luxembourg). In the event that any one or more of the Issuer, the Guarantors or any other of the

Issuer's subsidiaries, or any other grantor of security interests in the Collateral, experiences financial difficulty, it is not possible to predict with certainty in which jurisdiction or jurisdictions insolvency or similar proceedings would be commenced, or the outcome of such proceedings.

In the event of a bankruptcy, insolvency, administration or similar event, proceedings could be initiated in any of these jurisdictions. In addition, pursuant to the European Council Regulation (EC) No. 1346/2000 on insolvency proceedings, the court that shall have jurisdiction to commence insolvency proceedings in relation to a debtor is the court of the Member State (other than Denmark) where the debtor has its COMI. Therefore, to the extent that the COMI of the Issuer or any Guarantor is deemed to be in a particular European jurisdiction, the courts of such jurisdiction may have jurisdiction over the insolvency proceedings with respect to it, irrespective of its jurisdiction of incorporation. For a brief description of certain aspects of insolvency law in the European Union and various jurisdictions in the European Union, see "*Certain insolvency law considerations and limitations on the validity and enforceability of the Guarantees and the security interests*."

Proceedings could also be initiated in France and Luxembourg to enforce your rights against Collateral located in those jurisdictions. Such multi-jurisdictional proceedings are likely to be complex and costly for creditors and otherwise may result in greater uncertainty and delay regarding the enforcement of your rights. There can also be no assurance that you will be able to enforce your rights effectively in such complex, multiple bankruptcy, insolvency or similar proceedings. The application of these laws, or any conflict among them, could call into question whether any particular jurisdiction's law should apply, adversely affect your ability to enforce your rights under the Notes, the Guarantees and the Collateral in those jurisdictions or limit any amounts that you may receive.

The insolvency and administrative laws of France and Luxembourg, as the case may be, may not be favorable to creditors, including investors in the Notes, and may limit your ability to enforce your rights under the Notes, the Guarantees or the security interests in the Collateral.

The Notes will be issued by the Issuer and will be guaranteed by the Guarantors, which are organized and exist under the laws of France, and secured by security interests in the Collateral provided by the Guarantors, the Issuer and the Luxembourg Security Providers (which are incorporated under the laws of Luxembourg). In the event of a bankruptcy, insolvency or similar event, proceedings could be initiated in France or Luxembourg. The bankruptcy, insolvency, administrative and other laws of a Guarantor's or the Issuer's jurisdiction of organization may be materially different from, or in conflict with, those of the United States, including in the areas of rights of creditors, priority of governmental and other creditors, the ability to obtain post-commencement interest and duration of the proceedings.

Although laws differ among the jurisdictions, in general, applicable fraudulent transfer and conveyance and equitable principles, insolvency laws and limitations on the enforceability of judgments obtained in courts in such jurisdictions could limit the enforceability of the Notes against the Issuer, the enforceability of a Guarantee against a Guarantor and the enforceability of the security interests in the Collateral. The court may also in certain circumstances void the security interest or the Guarantees where the debtor is close to or near insolvency.

In France, among other limitations, the granting of new security interests in the Collateral in connection with Notes previously issued creates hardening periods for such security interests, where certain arrangements or disposals that are made during the "hardening period" (*période suspecte*) (a specified period preceding the court decision commencing judicial reorganization or liquidation proceedings) may be challenged by the receiver in bankruptcy and certain creditors under applicable rules of avoidance. The applicable hardening period for these new security interests in the Collateral will run from the moment each new security interest has been granted or perfected. The Indenture will permit the security interests in the Collateral to be released and retaken in certain circumstances. Such release and retaking will restart the applicable hardening period. If any such security interest granted or recreated were sought to be enforced before the end of the applicable hardening period, it may be declared void or ineffective or it may not be possible to enforce it. See "*Certain insolvency law proceedings and the validity and enforceability of the Guarantees and the security interests—France—The "hardening period" (période suspecte) in judicial reorganization and liquidation proceedings*."

In addition, in France, insolvency legislation tends to favor the continuation of a business and protection of employment over the payment of creditors. In the context of proceedings affecting creditors, including court-assisted proceedings (*mandat ad hoc*) proceedings or conciliation proceedings (*procédure de conciliation*)), and court-administered proceedings (safeguard proceedings (*sauvegarde, sauvegarde accélérée* or *sauvegarde financière accélérée*), judicial reorganization proceedings (*redressement judiciaire*) or judicial liquidation proceedings (*liquidation judiciaire*)), the ability of holders of the Notes to enforce their rights under the Notes or the Guarantees could be limited or suspended.

Under French law, enforcement of a security interest in the Collateral provided by the Issuer, a Guarantor or any relevant security provider, as the case may be, may be adversely affected by specific or general defenses available to debtors under French law, as the case may be, in respect of the validity, binding effect and enforceability of such security interest.

For more information regarding insolvency laws and enforceability issues as they relate to the Issuer, the Guarantees and the security interests in the Collateral, see "*Certain insolvency law considerations and limitations on the validity and enforceability of the Guarantees and the security interests*."

In addition, the bankruptcy, insolvency, administrative and other laws of the Issuer's, the Guarantors' or the Luxembourg Security Providers' jurisdiction of organization may be materially different from, or in conflict with, those of the United States, including in the areas of rights of creditors, priority of governmental and other creditors, the ability to obtain post-petition interest and duration of the proceedings. The application of these laws, or any conflict among them, could call into question whether any particular jurisdiction's law should apply, adversely affect your ability to enforce your rights under the Notes, the Guarantees and the Collateral in those jurisdictions or limit any amounts that you may receive. See "*Certain insolvency law considerations and limitations on the validity and enforceability of the Guarantees and the security interests—Grand Duchy of Luxembourg*."

Investors may not be able to recover in civil proceedings for U.S. securities law violations.

The Issuer, the Guarantors and the Luxembourg Security Providers are entities organized under the laws of France and Luxembourg with their registered offices or principal places of business in France and Luxembourg. The directors, managers, officers and other executives of the Issuer, the Guarantors and the Luxembourg Security Providers are neither residents nor citizens of the United States. Furthermore, most of the assets of the Issuer, the Guarantors and the Luxembourg Security Providers or directors, managers, officers and other executives of the Issuer, the Guarantors and the Luxembourg Security Providers are located outside the United States. As a result, it may not be possible for investors to effect service of process upon such persons and entities, or to enforce against them judgments of U.S. courts predicated upon the civil liability provisions of U.S. federal or state securities laws within the United States. However, it may be possible for investors to effect service of process within France upon those persons or entities, provided that The Hague Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters of November 15, 1965 is complied with.

The United States is not party to a treaty with France or Luxembourg providing for the reciprocal recognition and enforcement of judgments, other than arbitral awards rendered in civil and commercial matters. Accordingly, a judgment rendered by any U.S. federal or state court based on civil liability, whether or not predicated solely upon U.S. federal or state securities laws, would not directly be recognized or enforceable in France or in Luxembourg. A party in whose favor such judgment was rendered could initiate enforcement proceedings (*exequatur*) in France before the relevant civil court (*Tribunal de Grande Instance*) that has exclusive jurisdiction over such matter.

Enforcement in France or Luxembourg of such U.S. judgment could be obtained following proper (i.e., *non ex parte*) proceedings if such U.S. judgment is enforceable in the United States and if the French or Luxembourg court is satisfied that certain conditions have been met. For further information, see "*Enforceability of judgments*."

Creditors under the Revolving Credit Facility and counterparties to future hedging obligations (if any) and future indebtedness permitted to be incurred under the terms of the Indenture and the Intercreditor Agreement to rank pari passu with the Revolving Credit Facility are entitled to be repaid with recoveries from the enforcement of the Guarantee claims and proceeds from the enforcement of the Collateral in priority over the Notes.

The Intercreditor Agreement includes provisions that govern the sharing of recoveries from guarantee claims and proceeds from enforcement of the Collateral. Such recoveries and enforcement proceeds are required to be turned over to the Security Agent after certain events, including the acceleration of the Notes or the Revolving Credit Facility. The Security Agent is required to pay turned-over amounts and other recoveries by the Security Agent from enforcement actions to discharge obligations under the Revolving Credit Facility or future hedging obligations (if any) and future indebtedness in priority to paying any such amounts to discharge the Notes. As such, in the event of a foreclosure of the Collateral or the enforcement of the Guarantees, you may not benefit from such recoveries if the then outstanding claims under the Revolving Credit Facility or future hedging obligations (if any) and future indebtedness are greater than the proceeds recovered. Any proceeds remaining from an enforcement sale of Collateral or the enforcement of the Guarantees will, after all obligations under the Revolving Credit Facility and such hedging obligations and, if applicable future indebtedness that ranks *pari passu* with the Revolving Credit Facility have been discharged, be applied pro rata in repayment of the Notes.

In addition, the Revolving Credit Facility Agreement contains certain restrictions with respect to the use of proceeds from the sale of assets representing the Collateral prior to the maturity date of the Revolving Credit Facility. See "*Description of certain financing arrangements—Revolving Credit Facility Agreement—Maturity and repayment requirements*."

Furthermore, claims of our secured creditors that are secured by assets that do not also secure the Notes will have priority with respect to such assets over the claims of holders of the Notes. As such, the claims of the holders of the Notes will be effectively subordinated to the rights of such secured creditors to the extent of the value of the assets securing such indebtedness.

You may be required to pay a "soulte" in the event you decide to enforce the securities account by judicial or contractual foreclosure of the Collateral consisting of shares rather than by a sale of such Collateral in a public auction.

Security interests governed by French law may only secure payment obligations, may only be enforced following a payment default and may only secure up to the secured amount that is due and remaining unpaid. Under French law, pledges over assets may generally be enforced at the option of the secured creditors either (i) pursuant to a judicial process (x) by way of a sale of the pledged assets in a public auction (the proceeds of the sale being paid to the secured creditors) or (y) by way of the judicial foreclosure (*attribution judiciaire*) of the pledged assets or (ii) by way of contractual foreclosure (*pacte commissoire*) of the pledged assets to the secured creditors, following which the secured creditors become the legal owner of the pledged assets. If the secured creditors choose to enforce by way of foreclosure (whether a judicial foreclosure or private foreclosure), the secured liabilities would be deemed extinguished up to the value of the foreclosed assets. Such value is determined either by the court in the context of a judicial attribution or by a pre-contractually agreed expert in the context of a contractual foreclosure (*pacte commissoire*). In a proceeding regarding an *attribution judiciaire* or a *pacte commissoire*, an expert is appointed to value the collateral (in this case, the securities) and if the value of the collateral exceeds the amount of secured debt, the secured creditor may be required to pay the pledgor a cash amount (*soulte*) equal to the difference between the value of the securities and the amount of the secured debt. This is true regardless of the actual amount of proceeds ultimately received by the secured creditor from a subsequent on-sale of the Collateral.

If the value of such securities is less than the amount of the secured debt, the relevant amount owed to the relevant creditors will be reduced by an amount equal to the value of such securities, and the remaining amount owed to such creditors will be unsecured in that respect.

Should a holder of the Notes decline to request the judicial or contractual foreclosure of the securities, an enforcement of the pledged securities could be undertaken through a public auction in accordance with applicable law. If enforcement is implemented through a public auction procedure, it is possible that the sale price received in any such auction might not reflect the value of the securities, since the latter will not be sold pursuant to a competitive bid process and/or a private sale organized by an investment bank and controlled by the vendor on the basis of a value determined pursuant to the methods usually used for the purpose of the acquisition of companies or groups of companies. See "*Certain insolvency law considerations and limitations on the validity and enforceability of the Guarantees and the security interests—France—Limitations on enforcement of security interests and cash amount ("soulte")*."

It may be difficult to realize the value of the Collateral securing the Notes.

The Collateral securing the Notes will be subject to any and all exceptions, defects, encumbrances, liens and other imperfections permitted under the Indenture and/or the Intercreditor Agreement and accepted by other creditors that have the benefit of first-priority security interests in the Collateral securing the Notes from time to time, whether on or after the date the Notes are first issued. The existence of any such exceptions, defects, encumbrances, liens and other imperfections could adversely affect the value of the Collateral, as well as the ability of the Security Agent to realize or foreclose on such Collateral. Furthermore, the ranking of security interests can be affected by a variety of factors, including, among others, the timely satisfaction of perfection requirements, statutory liens or recharacterization under the laws of certain jurisdictions.

The security interests of the Security Agent will be subject to practical problems generally associated with the realization of security interests over real or personal property such as the Collateral. For example, the Security Agent may need to obtain the consent of a third party, including that of competent regulatory authorities or courts, to enforce a security interest. We cannot assure you that the Security Agent will be able to obtain any such consents. We also cannot assure you that the consents of any third parties will be given when required to facilitate a foreclosure on such assets. Accordingly, the Security Agent may not have the ability to foreclose upon those assets, and the value of the Collateral may significantly decrease

Holders of the Notes may not control certain decisions regarding the Collateral.

The obligations under the Notes and the Guarantees are secured on a contractually first-priority basis with security interests over the Collateral that also secure our obligations under the Revolving Credit Facility and certain other indebtedness and hedging obligations (the "Super Senior Liabilities"). The Indenture also permits the Collateral to secure additional indebtedness in accordance with the terms thereof and the Intercreditor Agreement. The Intercreditor Agreement provides that the Security Agent will only enforce the Collateral as provided for in the Intercreditor Agreement, and regulates the ability of the Trustee or the holders of the Notes to instruct the Security Agent to take enforcement action. The Security Agent is not required to take enforcement action unless instructed to do so by an instructing group that consists of (i) creditors holding more than 66.67% of the indebtedness and commitments under the Revolving Credit Facility Agreement, certain other indebtedness permitted to rank *pari passu* with the Revolving Credit Facility Agreement on the proceeds of enforcement of Collateral (a "Credit Facility") and the certain priority hedging obligations (the "Majority Super Senior Creditors") and (ii) the holders of the aggregate principal amount of the then outstanding Notes, creditors in respect of indebtedness ranking *pari passu* with the Notes and creditors in respect of certain non-priority hedging obligations (the "Senior Secured Credit Participations") which aggregate more than 50% of the total Senior Secured Credit Participations at that time (the "Notes/Pari Passu Required Holders") (in each case acting through their respective creditor representatives). However, if and to the extent the obligations under the Super Senior Liabilities have not been fully discharged in cash within six months of such enforcement instructions first being issued or if Security Agent has not commenced enforcement action within three months of enforcement instructions first being issued or certain insolvency events occur and the Security Agent has not commenced any enforcement action, then the enforcement instructions provided by the Majority Super Senior Creditors will prevail, provided in each case that they are consistent with certain security enforcement principles.

Following the transaction security having become enforceable, a creditor representative acting on behalf of the Majority Super Senior Creditors or the Notes/Pari Passu Required Holders may at any time (if the Security Agent has not taken any Relevant Enforcement Action (as defined in the Intercreditor Agreement)) provide immediate enforcement instructions to the Security Agent if the Majority Super Senior Creditors or the Notes/Pari Passu Required Holders determine in good faith that to delay the taking of any enforcement action could reasonably be expected to have a material adverse effect on the Security Agent's ability to enforce any transaction security or the realization of enforcement proceeds. In such circumstances, the Security Agent shall act only with respect to the relevant asset or debtor that is the subject of such determination, in accordance with the first such notice of such determination and instructions as to enforcement received by the Security Agent, provided in each case that they are consistent with certain security enforcement principles.

If at any time an insolvency event has occurred with respect to any debtor (other than an insolvency event that is the direct result of any action taken by the Security Agent acting on the instructions of the Majority Super Senior Creditors or the Notes/Pari Passu Required Holders), the Security Agent shall act, to the extent the Majority Super Senior Creditors have provided such instructions, in accordance with the instructions received from the Majority Super Senior Creditors, provided that in the event the Security Agent has received Proposed Enforcement Instructions (as defined herein) from the creditor representative for the Notes/Pari Passu Required Holders and has commenced Relevant Enforcement Action pursuant to such instructions, the Security Agent shall continue to act in accordance with the instructions of the creditor representative for the Notes/Pari Passu Required Holders until such time as a creditor representative acting on behalf of Majority Super Senior Creditors issues enforcement instructions to the Security Agent and such instructions shall override and supersede any such prior instructions given by the creditor representative for the Notes/Pari Passu Required Holders.

To the extent we incur additional indebtedness that is secured on a *pari passu* basis with the Notes, the voting interest of holders of Notes in an instructing group will be diluted commensurate with the amount of indebtedness we incur.

The lenders under the Revolving Credit Facility Agreement, the creditors of any other credit facility and the creditors in respect of certain priority hedging obligations may have interests that are different from the interests of holders of the Notes and they may, subject to the terms of the Intercreditor Agreement, elect to pursue their remedies under the Security Documents and other security interests over the Collateral at a time when it would be disadvantageous for the holders of the Notes to do so. In addition, if the Security Agent sells Collateral consisting of the shares of the Issuer or any of its holding companies or subsidiaries as a result of an enforcement action in accordance with the Intercreditor Agreement, claims under the Guarantees and the liens over any other assets of such entities securing the Notes and the Guarantees may be released. See "*Description of certain financing arrangements—Intercreditor Agreement*" and "*Description of the Senior Secured Notes—Security—Release of Liens*."

Delays in enforcement could decrease or eliminate recovery values. In addition, the holders of the Notes will not have any independent power to enforce, or have recourse to, any of the Security Documents or to exercise any rights or powers arising under the Security Documents or other transaction security, except through the Security Agent as provided in the Intercreditor Agreement. By accepting the Notes, you will be deemed to have agreed to these restrictions. As a result of these restrictions, holders of the Notes will have limited remedies and recourse against the Issuer and the Guarantors in the event of a default. See "*Description of certain financing arrangements—Intercreditor Agreement*."

The Issuer and the Guarantors have control over the Collateral securing the Notes, and the sale of particular assets could reduce the pool of assets securing the Notes.

The Security Documents relating to the Notes allow the Issuer, the Guarantors and the other Collateral providers to remain in possession of, retain exclusive control over, freely operate, and collect, invest and dispose of any income from the Collateral securing the Notes to the extent that it relates to their assets. So long as no enforcement event or acceleration event has occurred, the Issuer, the Guarantors and the other Collateral providers may, among other things, without any release or consent by the Security Agent, conduct ordinary course activities with respect to the Collateral, such as selling, factoring, abandoning or otherwise disposing of the Collateral and making ordinary course cash payments, including repayments of indebtedness.

The value of the Collateral securing the Notes may not be sufficient to satisfy our obligations under the Notes and such Collateral may be reduced or diluted under certain circumstances.

For a description of the security over the Collateral, see "*Summary—The Offering—Security.*" In the event of an enforcement of the pledges in respect of the Notes, the proceeds from the sale of the assets underlying the pledges may not be sufficient to satisfy the Issuer's obligations with respect to the Notes. The value of the assets underlying the pledges will also depend on many factors, including, among others, whether or not the business is sold as a going concern, the ability to sell the assets in an orderly sale, the condition of the economies in which operations are located, the availability of buyers and whether approvals required to purchase the business would be available to a buyer of the assets. In addition, the Intercreditor Agreement provides that, in the event of any distribution of the proceeds from the sale of certain Collateral, the lenders under the Revolving Credit Facility, any other Credit Facility or certain hedging obligations will be entitled to receive from such distribution payment in full in cash before the holders of the pledges securing the Notes will be entitled to receive any payment from such distribution with respect to the Notes.

The shares and other Collateral that are pledged or assigned for the benefit of the holders of the Notes may provide for only limited repayment of the Notes, in part because most of these shares or other assets may not be liquid and their value to other parties may be less than their value to us. Likewise, we cannot assure you that the Collateral will be salable or, if salable, that there will not be substantial delays in the liquidation thereof. Most of our assets will not secure the Notes, and it is possible that the value of the Collateral will not be sufficient to cover the amount of indebtedness secured by such Collateral. With respect to any shares of our subsidiaries pledged to secure the Notes and the Guarantees, such shares may also have limited value in the event of a bankruptcy, insolvency or other similar proceedings in relation to the entity's shares that have been pledged because all the obligations of the entity whose shares have been pledged must first be satisfied, leaving little or no remaining assets in the pledged entity. As a result, the creditors secured by a pledge of the shares of these entities may not recover anything of value in the case of an enforcement sale. In addition, the value of this Collateral may decline over time.

The Indenture also permits the granting of certain liens other than those in favor of the holders of the Notes on the Collateral. To the extent that holders of other secured indebtedness or third parties have liens on the Collateral, including statutory liens, whether or not permitted by the Indenture or the Security Documents, such holders or third parties may have rights and remedies with respect to the Collateral which, if exercised, could reduce the proceeds available to satisfy our obligations under the Notes. Moreover, if we issue additional notes under the Indenture, holders of such additional notes would benefit from the same collateral as the holders of the Notes being offered hereby, thereby diluting your ability to benefit from the liens on the Collateral. Although we will be subject, under the Indenture, to certain restrictions on our ability to incur additional indebtedness that will be secured by the Collateral, including a Consolidated Senior Secured Leverage Ratio (as defined and described under "*Description of the Senior Secured Notes—Certain covenants—Limitation on Indebtedness*"), the definition of Senior Secured Indebtedness (as defined under "*Description of the Senior Secured Notes*") for the purposes of calculating the Consolidated Senior Secured Leverage Ratio contains certain important exceptions and carve-outs.

The security over the Collateral is not granted directly to the holders of the Notes.

The security interests in the Collateral that secure the obligations of the Issuer under the Notes and the obligations of the Guarantors under their respective Guarantees are not granted directly to the holders of the Notes but have been granted only in favor of the Security Agent. The Indenture and the Intercreditor Agreement provide that only the Security Agent as security agent, trustee and Parallel Debt (as defined below) creditor has the right to enforce the Security Documents. As a consequence, holders of the Notes will not have direct security interests and will not be entitled to take enforcement action in respect of the Collateral securing the Notes, except through the Trustee under the Indenture, who will (subject to the provisions of the Indenture) provide instructions to the Security Agent for the Collateral.

Under French law, the pledgee of a French law security interest and the creditor of the claim secured by such security interest are required to be the same person. Such security interest cannot be held on behalf of third parties who do not hold the secured claim, unless they act as fiduciary (*fiduciaire*) under Article 2011 of the French Civil Code. The beneficial holders of interests in the Notes from time to time will not be parties to the Security Documents. In order to permit the beneficial holders of the Notes to benefit from a secured claim, the Intercreditor Agreement will provide for the creation of "parallel debt" obligations in favor of the Security Agent (the "Parallel Debt") mirroring the obligations of the Issuer and the Guarantors (as principal obligors) towards the holders of the Notes under or in connection with the Indenture (the "Principal Obligations").

Although the French Supreme Court (*Cour de cassation*) has recognized, in a decision on Parallel Debt mechanisms (Cass. com. 13 September 2011 n°10-25.533 Belvédère) relating to bond documentation governed by New York law, the enforceability in France of certain rights (especially the filing of claims in safeguard proceedings) of a security agent benefiting from a Parallel Debt, there can be no assurance that such a structure will be effective in all cases before French courts. Indeed, such a decision should not be considered as a general recognition of the enforceability in France of the rights of a security agent benefiting from a Parallel Debt claim. There is no certainty that the Parallel Debt construction will eliminate the risk of unenforceability under French law.

To the extent that the security interests in the Collateral created for the benefit of the Security Agent as Parallel Debt Creditor under the Parallel Debt construction are successfully challenged by other parties, holders of the Notes will not be entitled to receive on this basis any proceeds from an enforcement of the security interests in the Collateral. In addition, the holders of the Notes will bear the risks associated with the possible insolvency or bankruptcy of the Security Agent as the beneficiary of the Parallel Debt.

The Trustee has certain assigned duties and rights under the Indenture that become particularly important following Defaults or Events of Default, and acts in the interests of the holders of the Notes.

The concept of "trust" has been recognized by the French Tax Code and the French Supreme Court (*Cour de cassation*), which has held, in the same published decision referred to above (Cass. com. 13 September 2011 n°10-25533 Belvedere) that a trustee validly appointed under a trust governed by the laws of the State of New York could validly be regarded as a creditor in safeguard proceedings commenced in France. However, while substantial comfort may be derived from the above, France has not ratified the Hague Convention of July 1, 1985 on the law applicable to trusts and on their recognition, so that the concept of "trust" has not been generally recognized under French law.

The Security Documents are granted to the benefit of, among others, the Trustee. To the extent that the security interests in the Collateral created to the benefit of the Trustee are successfully challenged by other parties, holders of the Notes will not be entitled to receive on this basis any proceeds from an enforcement of the security interests in the Collateral. In addition, the holders of the Notes will bear the risks associated with the possible insolvency or bankruptcy of the Trustee.

To the extent that the security interests in the Collateral created under the Parallel Debt construction are successfully challenged by other parties, holders of the Notes will not be entitled to receive on this basis any proceeds from an enforcement of the security interests in the Collateral. The holders of the Notes will bear the risks associated with the possible insolvency or bankruptcy of the Security Agent as the beneficiary of the Parallel Debt.

See "*Certain insolvency law considerations and limitations on the validity and enforceability of the Guarantees and the security interests—France—Parallel Debt—Trust*" and "*Certain insolvency law considerations and limitations on the validity and enforceability of the Guarantees and the security interests—France*" and *"Certain insolvency law considerations and limitations on the validity and enforceability of the Guarantees and the security interests—Grand Duchy of Luxembourg*."

Upon a Qualifying IPO, certain Collateral over, or granted by, the Luxembourg Security Providers will no longer apply and will be released and the Notes and the remaining Collateral may be subject to hardening and other risks.

Under certain circumstances, we may undertake a Qualifying IPO (as defined under "*Description of the Senior Secured Notes—Certain definitions*"). In connection with a Qualifying IPO, the Collateral over, or granted by, the Luxembourg Security Providers will be released without the consent of the holders of the Notes and certain covenants described under "*Description of the Senior Secured Notes—Certain covenants*" will no longer apply, including:

- "*—Centre of main interest*";
- "*—Maintenance of Double LuxCo structure*";
- "*—Limitation on Luxembourg Security Providers*"; and
- "*—Limitation on Liens*" (with respect to any Luxembourg Security Providers).

A Qualifying IPO would also result in the release of any share pledges granted by the Luxembourg Security Providers and, as such, the holders of the Notes may not be able to enforce any relevant security interest in Luxembourg in order to control the Group and avoid safeguard or accelerated safeguard proceedings that might be initiated by the Issuer's management. See "*Certain insolvency law considerations and limitations on the validity and enforceability of the Guarantees and the security interests—France*."

The Guarantors will remain Guarantors under the Notes and be subject to the obligations under the Indenture. In addition, Liens over any Collateral may be released and material amendments may be made to any Security Document by the Security Agent on behalf of the holders of the Notes for the purpose of implementing a Qualifying IPO. Any substitution of obligors could be treated for French law purposes as an exchange of the Notes for new notes. In such a case, new security documents in respect of the permanent collateral that will remain in place following a Qualifying IPO may need to be executed. Furthermore, no assurance can be given that such a substitution may not be void or voidable if it occurred during a hardening period. See "*Description of the Senior Secured Notes—Certain covenants—Disapplication of covenants and release of Liens on a Qualifying IPO*."

The Notes are secured only to the extent of the value of the assets that have been granted as security for the Notes.

If there is an event of default in the Notes, the holders of the Notes will be secured only to the extent of the value of the assets that have been granted as security for the Notes. In addition, in the future, the obligations to provide additional guarantees and grant additional security over assets, whether as a result of the creation of future assets or subsidiaries or otherwise, are, in certain circumstances, linked to our obligations under the Revolving Credit Facility Agreement, subject to certain agreed security principles. To the extent that lenders under the Revolving Credit Facility Agreement are granted security, the negative pledge in the Indenture may require, subject to local law limitations, such security to also be granted for the benefit of holders of the Notes. The agreed security principles set forth in the Revolving Credit Facility Agreement contain a number of limitations on the rights of the lenders to be granted security in certain circumstances. The operation of the agreed security principles may result in, among other things, the amount recoverable under any Collateral provided being limited or security not being granted or perfected over a particular type or class of assets. Accordingly, the agreed security principles may affect the value of the security provided by the Issuer, the Guarantors and the Luxembourg Security Providers.

To the extent that the claims of the holders of the Notes exceed the value of the assets securing those Notes and other obligations, those claims will rank equally with the claims of the holders of all other existing and future senior unsecured indebtedness ranking *pari passu* with the Notes. As a result, if the value of the assets pledged as security for the Notes is less than the value of the claims of the holders of the Notes, those claims may not be satisfied in full before the claims of certain unsecured creditors are paid.

Investors' rights in the Collateral may be adversely affected by the failure to perfect security interests in the Collateral.

Applicable law may require that a security interest in certain assets can only be properly perfected and its priority retained through certain actions undertaken by the secured party. The security interests in the Collateral may not be perfected with respect to the Notes and the Guarantees if we or the Security Agent are not able to or do not take the actions that are necessary to perfect any such security interests. Neither the Trustee nor the Security Agent shall have any obligation to take any steps or actions to perfect any of these security interests. Such failure may result in the invalidity of the relevant security interest in the Collateral securing the Notes or adversely affect the priority of such security interest in favor of the Notes against third parties, including a trustee in bankruptcy and other creditors who claim a security interest in the same Collateral. In addition, applicable law may require that certain property and rights acquired after the grant of a general security interest can only be perfected at the time such property and rights are acquired and identified. There can be no assurance that the Security Agent will monitor, or that we will inform the Security Agent of, the future acquisition of property and rights that constitute Collateral, and that the necessary action will be taken to properly perfect the security interest in such after-acquired collateral. The Security Agent has no obligation to monitor the acquisition of additional property or rights that constitute Collateral or the perfection of any security interest therein. Such failure may result in the loss of the security interest in the Collateral or the priority of the security interest in favor of the Notes and the Guarantees against third parties. See "*Certain insolvency law considerations and limitations on the validity and enforceability of the Guarantees and the security interests—France—Rights in the Collateral may be adversely affected by the failure to perfect security interests in the Collateral.*"

Additionally, the Indenture and the Security Documents entered into in connection with the Notes do not require us to take a number of actions that might improve the perfection or priority of the security interests of the Security Agent in the Collateral. To the extent that the security interests created by the Security Documents with respect to any Collateral are not perfected, the Security Agent's rights will be equal to the rights of general unsecured creditors in the event of a liquidation, foreclosure, bankruptcy, reorganization or similar proceedings.

The loans under our Revolving Credit Facility Agreement and the Floating Rate Notes bear interest at floating rates that could rise significantly, increasing our costs and reducing our cash flow.

The loans under our Revolving Credit Facility Agreement and the Floating Rate Notes bear interest at floating rates of interest per annum equal to EURIBOR (and in respect of certain utilizations under the Revolving Credit Facility Agreement, LIBOR), as adjusted periodically (and, in respect of the Revolving Credit Facility, a zero floor applying to EURIBOR/LIBOR), plus a margin. These interest rates could rise significantly in the future. We may enter into certain interest rate hedging arrangements designed to fix a portion of these rates but are not required to do so. In addition, there can be no assurance that hedging will continue to be available on commercially reasonable terms. These interest rates could rise significantly in the future, increasing our interest expense associated with these obligations, reducing cash flow available for capital expenditures and hindering our ability to make payments on the Notes or on our other debt instruments.

There are circumstances other than repayment or discharge of the Notes under which the Collateral securing the Notes and the Guarantees will be released automatically, without your consent or the consent of the Trustee.

Under various circumstances, the Guarantees and the Collateral securing the Notes will be released automatically as described under "*Description of the Senior Secured Notes—Release of Liens*," including, but not limited to:

- in the case of Collateral, in connection with any sale or other disposition of property or assets constituting Collateral (as applicable), if the sale or other disposition does not violate the "*Limitation on sales of assets and subsidiary stock*" covenant, described under "*Description of the Senior Secured Notes*," is otherwise permitted in accordance with the Indenture;

- in the case of a Guarantor that is released from its Guarantee pursuant to the terms of the Indenture, the release of the property and assets, and Capital Stock, of the Guarantor; as described under "*Description of the Senior Secured Notes—Amendments and waivers*";
- upon payment in full of principal, interest and all other obligations of the Notes or legal defeasance, covenant defeasance or satisfaction and discharge of the Notes, as provided under "*Description of the Senior Secured Notes—Defeasance*" and "*Description of the Senior Secured Notes—Satisfaction and discharge*";
- in respect of liens over or granted by any Luxembourg Security Provider, as described under "*Description of the Senior Secured Notes—Disapplication of covenants and release of Liens on a Qualifying IPO*";
- the property, assets and shares of a restricted subsidiary designated as an unrestricted subsidiary in accordance with the applicable provisions of the Indenture;
- with respect to all or part of the structural security, as may be permitted by the "*Maintenance of Double LuxCo structure*" covenant, as described under "*Description of the Senior Secured Notes*";
- in respect of the security provided by LuxCo 5 and LuxCo 6, upon a change of control; and
- in accordance with the Intercreditor Agreement.

Unless consented to and subject to certain conditions and exceptions, the Intercreditor Agreement provides that the Security Agent shall not, in an enforcement scenario, exercise its rights to release the Guarantees or security interests in the Collateral unless the relevant sale or disposal is made:

- for consideration, all or substantially all of which is in the form of cash;
- pursuant to an auction or other competitive sale process, under the consultation of an internationally recognized investment bank or accountancy firm which shall (save in certain circumstances) opine on the consideration received by giving a fairness opinion.

Investors may face foreign exchange risks by investing in the Notes.

The Notes will be denominated and payable in euro. If investors measure their investment returns by reference to a currency other than the euro, an investment in the Notes will entail foreign exchange-related risks due to, among other factors, possible significant changes in the value of the euro relative to the currency by reference to which the investor measures the return on his or her investments because of economic, political and other factors over which we have no control. Depreciation of the euro against the currency by reference to which an investor measures the return on his or her investments could cause a decrease in the effective yield of the Notes below their stated coupon rates and could result in a loss to investors when the return on the Notes is translated into the currency by reference to which the investor measures the return on his or her investments. Investments in the Notes by U.S. holders (as defined in "*Tax considerations—Certain U.S. federal income tax considerations*") may also have important tax consequences as a result of foreign exchange gains or losses, if any. See "*Tax considerations—Certain U.S. federal income tax considerations*."

Credit ratings may not reflect all risks, are not recommendations to buy or hold securities and may be subject to revision, suspension or withdrawal at any time.

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to the structure, market, additional risk factors discussed above and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal by the rating agency at any time. No assurance can be given that a credit rating will remain constant for any given period of time or that a credit rating will not be lowered or withdrawn entirely by the credit rating agency if, in its judgment, circumstances in the future so warrant. A suspension, reduction or withdrawal at any time of the credit rating assigned to the Notes by one or more of the credit rating agencies may adversely affect the cost, terms and conditions of our financings and could adversely affect the value and trading of the Notes.

Transfer of the Notes will be restricted, which may adversely affect the value of the Notes.

Because the Notes and the Guarantees have not or will not have been, and are not required to be, registered under the U.S. Securities Act or the securities laws of any other jurisdiction, they may not be offered or sold in the United States except to QIBs in accordance with Rule 144A, in offshore transactions in accordance with Regulation S or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and all other applicable laws. These restrictions may limit the ability of investors to resell the Notes. It is the obligation of investors in the Notes to ensure that all offers and sales of the Notes in the United States and other countries comply with applicable securities laws. For further information, see "*Transfer Restrictions*."

The Notes will initially be held in book-entry form and therefore investors must rely on the procedures of the relevant clearing systems to exercise any rights and remedies.

The Notes will initially only be issued in global certificated form and held through Euroclear and Clearstream.

Interests in the Global Notes (as defined herein) will trade in book-entry form only, and Notes in definitive registered form, or Definitive Registered Notes (as defined herein), will be issued in exchange for book-entry interests only in very limited circumstances. Owners of book-entry interests will not be considered owners or holders of Notes. The common depositary, or its nominee, for Euroclear and Clearstream will be the sole registered holder of the Global Notes representing the Notes. Payments of principal, interest and other amounts owing on or in respect of the Global Notes representing the Notes will be made to the Paying Agent, which will make payments to Euroclear and Clearstream. Thereafter, these payments will be credited to participants' accounts that hold book-entry interests in the Global Notes representing the Notes and credited by such participants to indirect participants. After payment to the common depositary for Euroclear and Clearstream, the Issuer will have no responsibility or liability for the payment of interest, principal or other amounts to the owners of book-entry interests. Accordingly, if investors own a book-entry interest, they must rely on the procedures of Euroclear and Clearstream, and if investors are not participants in Euroclear and Clearstream, they must rely on the procedures of the participant through which they own their interest, to exercise any rights and obligations of a holder of Notes under the Indenture.

Unlike the holders of the Notes themselves, owners of book-entry interests will not have the direct right to act upon the Issuer's solicitations for consents, requests for waivers or other actions from holders of the Notes. Instead, if an investor owns a book-entry interest, they will be permitted to act only to the extent they have received appropriate proxies to do so from Euroclear and Clearstream. The procedures implemented for the granting of such proxies may not be sufficient to enable such investor to vote on a timely basis.

Similarly, upon the occurrence of an "Event of Default" under the Indenture, unless and until Definitive Registered Notes are issued in respect of all book-entry interests, if investors own book-entry interests, they will be restricted to acting through Euroclear and Clearstream. The procedures to be implemented through Euroclear and Clearstream may not be adequate to ensure the timely exercise of rights under the Notes. See "*Book-entry, delivery and form*."

There may not be an active trading market for the Notes, in which case your ability to sell the Notes will be limited.

We cannot assure you as to:

- the liquidity of any market in the Notes;
- your ability to sell your Notes; or
- the prices at which you would be able to sell your Notes.

Future trading prices of the Notes will depend on many factors, including, among others, prevailing interest rates, our operating results and the market for similar securities. The liquidity of a trading market for the Notes may be adversely affected by a general decline in the market for similar securities. Historically, the market for non-investment-grade securities has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the Notes. Any such disruption may have a negative effect on you, as a holder of Notes, regardless of our prospects and financial performance.

The Notes may not become, or remain, listed on The Channel Island Securities Exchange Authority Limited.

Although the Issuer has, pursuant to the Indenture, agreed to use its commercially reasonable efforts to have the Notes listed on the Official List of the Exchange within a reasonable period after the Issue Date and to maintain such listing as long as the Notes are outstanding, the Issuer cannot assure you that the Notes will become, or remain, listed. If the Issuer cannot maintain the listing on the Official List of the Exchange or it becomes unduly burdensome to make or maintain such listing, the Issuer may cease to make or maintain such listing on the Official List of the Exchange, provided that it will use reasonable best efforts to obtain and maintain the listing of the Notes on another stock exchange, although there can be no assurance that the Issuer will be able to do so. Although no assurance can be made as to the liquidity of the Notes as a result of listing on the Official List of the Exchange or another recognized listing exchange for comparable issuers in accordance with the Indenture, failure to be approved for listing or the delisting of the Notes from the Official List of the Exchange or another listing exchange in accordance with the Indenture may have a material adverse effect on a holder's ability to resell Notes in the secondary market.

Use of proceeds

We estimate that the gross proceeds from the sale of the Notes will be €510.0 million. We intend to use the gross proceeds from the Offering to: (i) fund the Existing Senior Secured Notes Redemption; (ii) make a distribution to HoldCo to fund the Senior HoldCo Pay-If-You-Can Notes Redemption; (iii) repay all amounts outstanding under the Bridge Facility; and (iv) pay the fees and expenses incurred in connection with the Refinancing.

The expected estimated sources and uses of the funds necessary to consummate the Refinancing are shown in the table below. Actual amounts will vary from estimated amounts depending on several factors, including accrued interest on debt being repaid, differences from our estimates of fees and expenses associated with the Refinancing.

Sources of Funds	Amount (€ in millions)	Uses of Funds	Amount (€ in millions)
Proceeds from the Notes	510.0	Redemption of Existing Senior Secured Notes(1)	270.0
		Redemption of Senior HoldCo Pay-If-You-Can Notes(2)	140.0
		Repayment of amounts outstanding under the Bridge Facility(3)	80.0
		Redemption premium on the Existing Senior Secured Notes(4)	8.7
		Redemption premium on the Senior HoldCo Pay-If-You-Can Notes(5)	2.8
		Transaction fees and expenses(6)	8.5
Total Sources	**510.0**	**Total Uses**	**510.0**

(1) Represents the outstanding principal amount of Existing Senior Secured Notes to be redeemed on or about the Issue Date.

(2) Represents the principal amount of Senior HoldCo Pay-If-You-Can Notes to be redeemed on or about the day following the Issue Date. On or about the Issue Date, the Issuer will distribute, directly or indirectly, a portion of the proceeds of the Offering to HoldCo. HoldCo will use the proceeds of such distribution to fund the Senior HoldCo Pay-If-You-Can Notes Redemption. €99.0 million of Senior HoldCo Pay-If-You-Can Notes will remain outstanding following the Senior HoldCo Pay-If-You-Can Notes Redemption.

(3) Represents the principal amount outstanding under the Bridge Facility as of the Issue Date that will be repaid using the proceeds of the Offering (excluding accrued but unpaid interest and estimated breakup costs in the amount of approximately €0.5 million in the aggregate, which will be paid with cash at hand).

(4) Represents the redemption premium to be paid to holders of the Existing Senior Secured Notes in connection with the Existing Senior Secured Notes Redemption. €30.0 million of Existing Senior Secured Notes will be redeemed at a redemption price of €1,030.00 per €1,000.00 in principal amount of Existing Senior Secured Notes. The remaining €240.0 million of Existing Senior Secured Notes will be redeemed at a redemption price of €1,032.50 per €1,000.00 in principal amount of Existing Senior Secured Notes. The amount shown does not include approximately €5.0 million of accrued and unpaid interest, which will be paid with cash at hand.

(5) Represents the redemption premium to be paid to holders of the Senior HoldCo Pay-If-You-Can Notes to be redeemed on or about the day following the Issue Date. €140.0 million of Senior HoldCo Pay-If-You-Can Notes will be redeemed at a redemption price of €1,020.00 per €1,000.00 in principal amount of Senior HoldCo Pay-If-You-Can Notes. The amount shown does not include accrued and unpaid interest ordinarily due on November 15, 2016, €9.0 million of which will be paid with cash held at HoldCo and €1.8 million of which will be paid with cash at hand to be distributed, directly or indirectly, by the Issuer to HoldCo.

(6) Fees and expenses associated with the Refinancing, including commitment, placement and financial advisory fees, original issue discount and other transaction costs (including associated VAT) and professional fees.

Capitalization

The following table sets forth our capitalization, as of August 31, 2016, on an actual basis, as adjusted for the completion of the Doyen Auto Acquisition as if the Doyen Auto Acquisition had been completed on that date, and as further adjusted for the Refinancing as if the Refinancing had taken place on that date. The table below should be read in conjunction with *"Summary—Summary consolidated financial and other information," "Use of proceeds," "Selected consolidated financial and other information"* and our financial statements and related notes included elsewhere in this Offering Memorandum.

(€ in millions)	**Actual**	**As adjusted for the Doyen Auto Acquisition**	**As further adjusted for the Refinancing**
Cash and cash equivalents(1)	**26.2**	**27.7**	**27.7**
Financial debt(2)			
Revolving Credit Facility(3)	—	—	—
Notes offered hereby	—	—	510.0
Existing Senior Secured Notes	270.0	270.0	—
Bridge Facility(4)	—	80.0	—
Other third-party borrowings(5)	13.3	33.0	33.0
Total financial debt	**283.3**	**383.0**	**543.0**
Shareholders' equity(6)	**253.8**	**253.8**	**104.7**
Total capitalization	**510.9**	**609.1**	**620.0**

(1) Includes cash on hand, short-term deposits with a term of three months or less and marketable securities, which are short-term investments, highly liquid, readily convertible into known amounts of cash and subject to an insignificant risk of changes in value, net of overdraft (€7.9 million). The "as adjusted for the Doyen Auto Acquisition" amount includes cash and cash equivalents (net of overdraft) of Doyen Auto (€1.5 million).

(2) Amounts exclude capitalized debt issuance costs and accrued and unpaid interest. Also exclude €239.0 million of Senior HoldCo Pay-If-You-Can Notes issued by HoldCo, €99.0 million of which will remain outstanding following the completion of the Refinancing.

(3) Represents the €50.0 million senior secured revolving credit facility established under the Revolving Credit Facility Agreement. We expect the Revolving Credit Facility to be undrawn as of the Issue Date. See "*Description of certain financing arrangements—Revolving Credit Facility Agreement.*"

(4) The "as adjusted for the Doyen Auto Acquisition" amount represents the amount drawn under the Bridge Facility to fund the consideration paid in connection with Doyen Auto Acquisition and to pay related fees, costs and expenses.

(5) Represents: (i) €1.6 million outstanding under factoring arrangements; (ii) €9.6 million outstanding under CICE financing incurred by the Parent Guarantor; (iii) €1.9 million outstanding under bilateral facilities; and (iv) €0.3 million outstanding under finance leases. See "*Description of certain financing arrangements—Other financing arrangements.*" Excludes the value of a put option held by minority shareholders of certain of our subsidiaries (€5.4 million) and the fixed value of Contingent Value Instruments (€2.0 million). The "as adjusted for the Doyen Auto Acquisition" amount includes third-party borrowings of Doyen Auto in the amount of €19.6 million as of August 31, 2016 (excluding €1.8 million of operating leases and bank overdrafts), which remained outstanding following the Doyen Auto Acquisition. See "*Description of certain financing arrangements—Other financing arrangements—Doyen Auto financing arrangements.*"

(6) The "as further adjusted for the Refinancing" amount gives effect to (i) the distribution to our equityholders of €144.6 million to fund the Senior HoldCo Pay-If-You-Can Notes Redemption (€142.8 million) and a portion of the accrued interest payment on the Senior HoldCo Pay-If-You-Can Notes (€1.8 million) ordinarily due on November 15, 2016 and (ii) the distribution of a receivable to pre-fund the May 15, 2017 interest payment on the Senior HoldCo Pay-If-You-Can Notes, which will be paid with cash at hand (€4.5 million) on such date.

Selected consolidated financial and other information

The following tables set forth our selected consolidated financial information and other data for the periods ended and as of the dates indicated below. Our selected consolidated financial information as of and for the years ended December 31, 2013, 2014 and 2015, has been derived from the audited consolidated financial statements of the Parent Guarantor as of and for the years ended December 31, 2014 and 2015, an English translation of which is included elsewhere in this Offering Memorandum. The selected consolidated financial information as of and for the year ended December 31, 2013, included in this Offering Memorandum has been derived from the comparative information contained in the audited consolidated financial statements of the Parent Guarantor as of and for the year ended December 31, 2014. The balance sheet as of December 31, 2014, included in this Offering Memorandum has been derived from the comparative information contained in the unaudited interim condensed consolidated financial statement as of and for the eight months ended August 31, 2015. The consolidated financial statements of the Parent Guarantor included in this Offering Memorandum have been prepared in accordance with IFRS.

Our selected consolidated interim financial information as of and for the eight months ended August 31, 2015 and 2016 has been derived from the unaudited interim condensed consolidated financial statements of the Parent Guarantor as of and for the eight months ended August 31, 2016, with corresponding income statement and cash flow data for the eight months ended August 31, 2015, which are included elsewhere in this Offering Memorandum. The historical unaudited financial information for the eight months ended August 31, 2015 and 2016, has been prepared using the same accounting principles as the financial information as of and for the year ended December 31, 2015, and contains all adjustments that management considers necessary for a fair presentation of the financial position and results of operations for the periods presented. The unaudited interim condensed consolidated financial statements of the Parent Guarantor have been prepared in accordance with IAS 34 "Interim Financial Reporting," the IFRS standard applicable to interim financial statements. The consolidated financial statements of the Parent Guarantor included in this Offering Memorandum have been prepared in accordance with IFRS.

The following information should be read in conjunction with "*Management's discussion and analysis of financial condition and results of operations*" and our consolidated financial statements and the related notes thereto, an English translation of which is included elsewhere in this Offering Memorandum. Our historical results do not necessarily indicate results that may be expected for any future period.

Selected consolidated income statement

(€ in millions)	Year ended December 31, 2013	Year ended December 31, 2014*	Year ended December 31, 2015	Eight months ended August 31, 2015	Eight months ended August 31, 2016	Twelve months ended August 31, 2016
Revenue	**1,137.2**	**1,169.5**	**1,222.1**	**806.2**	**813.8**	**1,229.7**
Cost of goods for sale	(710.7)	(721.2)	(750.8)	(494.8)	(496.7)	(752.7)
Personnel costs	(239.0)	(245.4)	(249.5)	(164.0)	(159.6)	(245.1)
Other purchases and external expenses	(126.3)	(133.2)	(134.3)	(88.6)	(92.5)	(138.2)
Taxes	(9.7)	(9.1)	(8.9)	(6.7)	(6.5)	(8.7)
Other operating income and expenses	2.8	3.7	3.1	2.8	2.7	3.0
EBITDA	**54.3**	**64.3**	**81.7**	**54.9**	**61.2**	**88.0**
Depreciation/amortization expense	(16.3)	(18.3)	(18.6)	(12.2)	(12.1)	(18.5)
Recurring operating income	**38.0**	**46.0**	**63.2**	**42.7**	**49.1**	**69.6**
Other income from operations	7.4	12.1	1.4	2.1	6.3	5.6
Other expenses from operations	(11.0)	(18.8)	(6.2)	(5.7)	(6.8)	(7.3)
Operating income	**34.4**	**39.3**	**58.4**	**39.2**	**48.6**	**67.8**
Financial income	11.0	11.6	1.9	0.4	0.6	2.1
Financial expenses	(9.0)	(21.6)	(29.0)	(17.4)	(14.9)	(26.5)
Share of income from associates	(0.1)	0.0	0.0	0.0	0.1	0.1
Income before tax	**36.3**	**29.3**	**31.4**	**22.1**	**34.5**	**43.8**
Income tax	(17.6)	1.8	5.7	2.2	(0.8)	2.7
Net income from continuing operations	**18.7**	**31.1**	**37.0**	**24.4**	**33.6**	**46.2**
Net income from discontinued operations	—	—	—	—	—	—
Net income for the year	**18.7**	**31.1**	**37.0**	**24.4**	**33.6**	**46.2**

* The consolidated income statement for the year ended December 31, 2014, reflects the application of IFRIC 21 "Levies."

Selected consolidated statement of financial position

(€ in millions)	As of December 31, 2013	2014*	2015	As of August 31, 2016
Assets				
Goodwill, net	21.4	51.8	51.8	49.7
Intangible assets, net	143.5	154.3	153.1	152.9
Property, plant and equipment, net	50.8	50.9	59.0	70.0
Investments in associates	0.4	0.5	0.4	2.4
Available-for-sale financial assets	0.2	0.2	1.4	0.2
Other non-current assets	16.8	10.8	15.6	18.1
Deferred tax assets	9.7	18.0	33.9	36.8
Total non-current assets	**242.8**	**286.5**	**315.2**	**330.2**
Inventories, net	180.8	201.1	207.5	219.8
Trade receivables, net	163.2	165.1	178.6	179.8
Other current assets, net	11.0	21.0	30.4	32.2
Cash and cash equivalents	33.0	67.7	44.2	34.1
Current tax receivables	1.9	1.9	—	—
Derivative financial instruments	—	—	—	—
Total current assets	**389.9**	**456.7**	**460.6**	**465.9**
Non-current assets held for sale	—	—	—	—
Total assets	**632.7**	**743.2**	**775.8**	**796.1**
Equity and liabilities				
Share capital	152.6	148.0	129.5	129.5
Other reserves	37.3	47.2	57.8	90.9
Net income attributable to owners of the parent	18.4	30.9	37.0	33.3
Shareholders' equity	**208.3**	**226.1**	**224.3**	**253.8**
Non-controlling interests	(0.2)	(0.3)	(0.5)	(0.7)
Total equity	**208.1**	**225.8**	**223.8**	**253.1**
Non-current borrowings and debts	138.0	242.0	270.0	271.2
Non-current provisions	3.5	2.1	0.7	—
Liabilities relating to employee benefits	15.9	22.5	21.7	26.5
Deferred tax liabilities	—	—	—	—
Other non-current liabilities	7.7	3.9	4.5	4.6
Total non-current liabilities	**165.1**	**270.5**	**296.9**	**302.3**
Current borrowings and debts	42.0	19.5	36.3	22.6
Current provisions	12.7	12.4	7.5	6.2
Trade payables	145.4	148.5	140.2	159.4
Other current liabilities	59.4	66.5	71.2	51.7
Derivative financial instruments	—	—	—	0.7
Total current liabilities	**259.5**	**246.9**	**255.2**	**240.6**
Liabilities directly associated with assets held for sale	—	—	—	
Total equity and liabilities	**632.7**	**743.2**	**775.8**	**796.1**

* The financial position for the year ended December 31, 2014, has been restated following the application of IFRIC 21 "Levies."

Selected consolidated statement of cash flows

(€ in millions)	Year ended December 31, 2013	2014**	2015	Eight months ended August 31, 2015	2016
Net income	**18.7**	**31.1**	**37.0**	**24.4**	**33.6**
Net income/(loss) from discontinued operations	—	—	—	—	—
Adjustments for non-cash income and expenses	5.8	17.9	26.3	15.2	11.9
Financial expenses and income with a cash impact	3.6	8.8	15.2	11.5	10.2
Income tax	17.6	(1.8)	(5.7)	(2.2)	0.8
Inventories decrease/(increase)	0.9	(4.2)	(6.6)	(10.8)	(10.4)
Trade receivables decrease/(increase)	(8.0)	9.0	(12.9)	(18.6)	1.3
Trade payables increase/(decrease)	1.3	(9.7)	(8.9)	18.1	18.1
Other receivables and payables	(2.1)	(5.2)	(5.9)	(17.1)	(20.5)
Change in working capital, net	(7.9)	(9.9)	(34.3)	(28.4)	(11.5)
Other items with a cash impact	(7.3)	(7.2)	(7.0)	(3.3)	(5.0)
Net cash flow from operating activities—continuing operations	**30.5**	**38.7**	**31.5**	**17.2**	**40.1**
Acquisition of non-current assets	(19.8)	(18.7)	(26.7)	(16.8)	(24.6)
Changes in other financial assets	(1.0)	2.9	(6.7)	(6.2)	(2.3)
Disposal of non-current assets	2.2	0.4	1.3	0.6	7.6
Advances paid	(0.1)	—	—	—	—
Business acquisitions	(13.0)	(52.5)	—	—	(3.6)
Net cash flow used in investing activities—continuing operations	**(31.7)**	**(67.9)**	**(32.1)**	**(22.4)**	**(22.9)**
Dividends paid to the owners of the parent company	—	—	—	—	—
Dividends paid to non-controlling interests of consolidated companies	(0.2)	(0.3)	(0.3)	(0.3)	(0.4)
Dividends received from associates	—	—	—	—	0.3
Repayment of capital	—	(3.1)	(40.0)	(40.0)	—
Financial expenses with a cash impact	(3.9)	(9.4)	(22.1)	(18.4)	(18.4)
Financial income with a cash impact	0.3	0.5	0.5	0.4	0.2
Increase in borrowings	2.6	237.6	62.8	62.9	—
Factoring variance	—	1.0	7.3	4.2	(6.8)
Repayment of borrowings	(22.5)	(161.7)	(34.3)	(0.7)	(0.7)
Change in other financial liabilities	—	0.1	0.3	0.3	—
Net cash flow from (used in) financing activities—continuing operations	**(23.7)**	**64.7**	**(25.7)**	**8.4**	**(25.8)**
Total cash flows used in continuing operations	**(24.9)**	**35.7**	**(26.3)**	**3.2**	**(8.6)**
Change in cash and cash equivalents:*					
Opening cash and cash equivalents	50.1	25.3	61.0	61.0	34.7
Net cash flow from continuing operations	(24.9)	35.7	(26.3)	3.2	(8.6)
Net cash flow from discontinued operations	—	—	—	—	—
Impact of currency rate fluctuations	0.1	(0.1)	—	—	(0.1)
Closing cash and cash equivalents from discontinued operations	—	—	—	—	—
Total closing cash and cash equivalents	**25.3**	**61.0**	**34.7**	**64.2**	**26.2**

* The heading "Cash and cash equivalents" in our consolidated statement of financial position includes the item "bank overdraft" in an amount of €(7.9) million as of August 31, 2016, €(8.5) million as of August 31, 2015, €(9.5) million as of December 31, 2015, €(6.7) million as of December 31, 2014 and €(7.7) million as of December 31, 2013.

** The consolidated statement of cash flow for the year ended December 31, 2014, reflects the application of IFRIC 21 "Levies."

Management's discussion and analysis of financial condition and results of operations

The following is a discussion and analysis of our financial condition and results of operations as of and for the eight months ended August 31, 2015 and 2016 and as of and for the years ended December 31, 2013, 2014 and 2015. You should read this discussion in conjunction with "Presentation of financial information and other data" and our unaudited interim condensed consolidated financial statements and our audited consolidated financial statements and the related notes included elsewhere in this Offering Memorandum. Our audited consolidated financial statements have been prepared in accordance with IFRS. Our unaudited interim condensed consolidated financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting," the IFRS standard applicable to interim financial statements.

Unless otherwise indicated, information presented in this discussion is presented on a consolidated basis. This discussion includes forward-looking statements which, although based on assumptions that we consider reasonable, are subject to risks and uncertainties, which could cause actual events or conditions to differ materially from those expressed or implied by the forward-looking statements. See "Forward-looking statements" for a discussion of risks and uncertainties facing us. You should also see "Risk factors."

Unless otherwise indicated, the financial and operational data presented herein exclude Doyen Auto.

Overview

We are the leading distributor of aftermarket spare parts for light vehicles and trucks in the IAM in France, with over 50 years of experience. We also hold a strong regional position in the Polish light vehicle IAM and, since the acquisition of Doyen Auto on September 30, 2016, in the Benelux light vehicle IAM. For the twelve months ended August 31, 2016, and giving pro forma effect to the Doyen Auto Acquisition, we generated revenue of €1,425.8 million, of which 86.6% was generated in France and a Pro Forma Adjusted EBITDA (including Doyen Auto) of €115.2 million. We believe that as of August 31, 2016, and giving pro forma effect to the Doyen Auto Acquisition, we held a market share in excess of 22% in terms of revenue in the fragmented French light vehicle IAM. Following the Doyen Auto Acquisition, we believe that we hold a market share of approximately 21.0% in terms of revenue in the Benelux light vehicle IAM. Our addressable market has demonstrated resilience in recent years and currently benefits from advantageous long-term trends. Our scale provides us with significant purchasing power with aftermarket spare parts suppliers, and our extensive network throughout France, which we have expanded with the ACR Acquisition in April 2014 and more recently, the Doyen Auto Acquisition on September 30, 2016, allows us to deliver a broad range of parts on a timely and efficient basis.

We distribute parts and other products in four business lines across the French IAM: light vehicle parts for maintenance and repair; light vehicle parts for collision repair; truck parts for maintenance and repair; and equipment and tools for light vehicle maintenance and repair. We distribute a broad portfolio of products in each of our four business lines, featuring approximately one million commonly used spare parts from over 281 suppliers. We have also distributed light vehicle parts across the Benelux IAM since the completion of the Doyen Auto Acquisition.

We are an integrated distributor, with an advanced supply chain and distribution system. Our system in France and Benelux is organized around central purchasing departments, which buy aftermarket spare parts and equipment and tools from our suppliers, which are then sold to our wholly-owned distributors or to affiliated independent distributors and online retailers. These distributors sell these parts, equipment and tools to independent garages, body shops, fast-fitters, fleet garages for light vehicles and trucks, and car centers ("garages"), some of which are affiliated with us and operate under our brands, such as AD ("branded garages").

Sales by our wholly-owned distributors to garages represented 75.7% of our revenue in France for the twelve months ended August 31, 2016, and sales by us to affiliated independent distributors represented 24.2% of our revenue in France over the same period. As of August 31, 2016, we had a network of 33 wholly-owned distributors and 44 affiliated independent distributors in France. These distributors operate out of 493 distribution sites, comprising 307 wholly-owned and 186 affiliated distribution sites, which are supplied either by our four warehouses (two for light vehicle parts, one for light vehicle collision repair parts and one for truck parts) or through direct shipments from suppliers. We use a customized IT system to ensure the efficient management of our supply chain and distribution system by tracking product availability, stock levels and delivery schedules. In Poland, we operate three warehouses and 44 distribution sites. In Benelux, we have operated three warehouses and 107 affiliated distribution sites since the completion of the Doyen Auto Acquisition.

The spare parts and equipment and tools that we distribute are sold to more than 70,000 regular professional customers in France, a significant portion of which are independent garages. Approximately 3,200 of such garages operate under our brands, such as AD, and participate in an affiliate program through which they receive enhanced service and support from us, and in return our wholly-owned and affiliated independent distributors are designated as their preferred distributor of spare parts. Our extensive network, spanning the supply chain from central purchasing to branded garages, has enabled us to develop a highly recognized brand in the markets in which we operate.

Our leading market position, large-scale operations and centralized purchasing departments provide us with significant purchasing power, which we use to negotiate volume rebates with our suppliers. We pass on a portion of these rebates to both our wholly-owned distributors and affiliated independent distributors in France. As members of our loyalty program, our affiliated independent distributors receive the benefit of our volume rebates by agreeing to purchase at least 70% of their spare parts from us, thereby driving our volumes. In 2015, we renewed our contract with our affiliated independent distributors for an additional seven-year term.

Of the €846.1 million in revenue generated by our wholly-owned distributors in France for the twelve months ended August 31, 2016, light vehicle parts for maintenance and repair accounted for approximately 52.6%; light vehicle parts for collision repair accounted for approximately 16.4%; truck parts for maintenance and repair accounted for approximately 14.2%; and equipment and tools for light vehicle maintenance and repair accounted for approximately 16.8%. The remaining €270.8 million of our revenue in France for the twelve months ended August 31, 2016, was generated by sales to affiliated independent distributors.

Key factors affecting our results of operations

The following are key factors that have significantly affected our results of operations and financial condition and liquidity during the eight months ended August 31, 2015 and 2016 and the years ended December 31, 2013, 2014 and 2015 or which we expect will significantly affect (or continue to affect) our results of operations in the future.

Factors related to our industry

Dynamics of the aftermarkets for spare parts for light vehicles, trucks and collision repair

The following factors may affect the amount of light vehicle parts sold in France in any given period:

- **Size of the car parc.** The size of the car parc, which is the number of vehicles on the road, impacts the size of the aftermarket for spare parts for light vehicles, trucks and collision repair. The size of the car parc in the markets in which we operate is impacted by population size (which has grown to a limited extent in France over the last five years), consumer spending power, the use of public transportation (which has increased in recent years) and the rate at which new cars are introduced and old cars are retired from the car parc. The size of the car parc in France increased at a CAGR of 0.3% between 2010 and 2015.
- **Age of the car parc.** The average age of the car parc in France increased from approximately 7.7 years in 2005 to approximately 8.8 years in 2015, and this trend is expected to continue. Vehicles aged ten to fourteen years increased as a percentage of the total car parc, from approximately 20% in 2004 to approximately 23% in 2015, which

typically benefits IAM. In general, older cars require more repair and maintenance services and spare parts than younger cars, and as a result an increase in the age of the car parc can have a positive impact on our operations. The age of the car parc is impacted by the sales price and production quality of new light vehicles because both high sales prices and increasing production quality (which generally enables vehicles to run longer without repair or replacement) generally lead vehicle owners to delay the purchase of new light vehicles.

- **Postponement of certain light vehicle repairs.** We believe that during an economic downturn, some of our end-customers postpone light vehicle repairs and maintenance inspections and repairs and maintenance due to their diminished spending power. Although key maintenance inspections and repairs cannot be postponed for a prolonged period, we believe that the IAM for light vehicles in France has in the past been affected by this temporary postponement of repairs during recent economic downturns despite a stable car parc size and the increasing age of light vehicles.
- **Miles travelled.** Light vehicles that are frequently used and driven many miles typically require more repair and maintenance services and replacement of spare parts than light vehicles that drive fewer miles. We believe that, following a decrease in miles travelled per light vehicle due to general economic conditions in Europe, particularly in France, the annual mileage per car has begun to stabilize. Government incentives that encourage carpooling and the use of public transportation also adversely impact miles travelled. The fleet mileage for the Heavy Vehicles segment is expected to grow, mainly driven by the recovery in Europe of the manufacturing sector and associated transportation needs.
- **Preference for independent garages over manufacturers' dealers' garages.** We believe that the diminished spending power of our consumers and the increasing age of the car parc have encouraged some customers to rely more on garages operating in the independent segment, as opposed to the manufacturers' dealers' segment. Certain customers prefer, however, particularly during the warranty coverage period, to have their light vehicle serviced in a manufacturer's dealer's garage, due to the link between the manufacturers' dealers' garage and the original light vehicle manufacturer despite current regulation that allows customers to use independent garages without impacting their warranty. On average, the IAM provides more competitive pricing than the OES. Manufacturers' dealers' garages tend to use original vehicle manufacturer parts that generally have higher prices than those offered by us.
- **Composition of the car parc.** The number of brands and models of light vehicles in France has been steadily increasing in recent years, which has resulted in an increase in the variety of spare parts ultimately ordered by our customers. This increase in the variety of spare parts benefits large, integrated distributors such as us because we have the scale to stock a wide variety of spare parts. As a result, we can serve as a one-stop shop for our end-customers, who increasingly require a wider range of products. We believe that this increase in brands and models of light vehicles may adversely affect manufacturers' dealers' distributors, which focus on single brands, and small-scale IAM distributors, which are less able to offer a wide variety of spare parts. We also believe that the increase in brands and models of light vehicles may lead to further consolidation among smaller IAM distributors, thereby further benefiting established, large and integrated distributors such as us.

The factors described above have generally had a positive impact on our results for the periods under review, and we believe have generally increased our ability to maintain stable earnings and cash flow.

Technological trends in our industry

Our results are impacted by the changing technological trends in our industry and our ability to respond to such trends. Technological advancements in the light vehicle and truck market, such as the increased number of driver assistance systems, control devices and other electronic components, have resulted in sophisticated and more-expensive repair processes and related spare parts. The increased use of technology in the manufacturing of light vehicles, trucks and spare parts has also led to an extended lifespan of key light vehicle and truck components, such as exhaust systems, tires, brakes and motor oil. These trends have adversely affected our operations in certain of our business segments because light vehicle and truck spare parts tend to wear out less frequently, which in turn extends maintenance service cycles and leads to lower demand for spare parts and repair services.

Furthermore, due to ongoing technological developments, independent garages need to acquire the appropriate technical expertise in newly developed components and gain access to the tools, instruments and parts that such technological developments demand. Failure by independent garages to do so may result in an increase in demand for maintenance and repair services provided by manufacturers' dealers' garages with the necessary technical expertise. Similarly, given the extended lifespan of spare parts, certain light vehicle manufacturers have extended their new light vehicle warranties for eight years or more and provide long-term service programs to customers. Notwithstanding, in many cases, decreasing volumes have been offset by increased prices for technologically advanced spare parts and complex repair services. In addition, certain technological advancements may require entire modules or systems to be replaced in certain types of light vehicles, as opposed to discrete parts, thereby increasing replacement costs and decreasing market shares for small garages.

General economic conditions

Our business and the demand for certain products that we distribute are affected by general economic conditions in the markets in which we operate. While our business and the IAM in France as a whole have generally proven resilient during economic cycles, each of our business lines responds differently to general economic conditions. Our light vehicles business line tends to demonstrate resilience during weaker general economic conditions, as light vehicle owners switch to cheaper independent garages from manufacturers' dealers' garages, and the average age of the car parc increases. This provides our business with an element of counter-cyclicality, although we may initially experience slower sales due to destocking by distributors and garages and vehicle owners delaying repairs. Our truck parts distribution business line shows a higher correlation with general economic cycles, with miles driven by trucks, and therefore demand for truck parts, increasing as general economic conditions improve. Our collision repair business tends not to be significantly affected by general economic cycles. In addition, certain of our products, such as brake pads, belts and other critical parts, tend to exhibit inelastic demand, even during difficult economic conditions, while more discretionary items, such as accessories for light vehicles and trucks, tend to be impacted more by the economic climate.

Regulation

The market for the supply and distribution of spare parts is affected by regulatory changes, including those that govern access to the spare parts aftermarket for IAM distributors and those that seek to impact vehicle safety and other driver behaviors.

New BER

In recent years, the market for the supply and distribution of spare parts has been generally liberalized as a result of EU regulatory changes. This development has improved access to the spare parts aftermarket for IAM distributors. The light vehicle and truck wholesale sector in the European Union is currently regulated by Regulation (EU) No. 461/2010 (the "New BER"), which was adopted in 2010 and replaced Regulation (EC) No. 1400/2002 (the "BER 2002") A key aim of the New BER is to ensure fair competition in the light vehicle and truck wholesale sector. In general, we believe that the current regulatory framework is favorable to our operations and ensures (i) full access for independent spare parts manufacturers and garages to the technical information needed to ensure effective competition within and between the IAM and the OES, (ii) customers' rights to engage independent garages throughout the life of the light vehicle with no warranty limitations, (iii) the unrestricted sale of spare parts in the IAM and (iv) resellers' rights to use private brands and logos for spare parts sales.

Traffic laws and policy

The overall market for collision repair in France has been affected by a decline in collisions as a result of the increased enforcement of and publicity surrounding traffic laws. We have, however, increased our market share in this declining market by strengthening our relationships with car insurance companies, providing collision parts at lower prices and improving our supply chain for the delivery of light vehicle parts for collision repair.

CICE

In addition, our results are also impacted by government policies in France relating to payments for certain social charges, such as CICE.

In December 2012, CICE, a new tax credit for encouraging competitiveness and jobs, was adopted as part of an overall stated French government policy to improve the competitive position of companies in France. Pursuant to CICE rules, French companies receive a tax credit of 4% of the gross salaries paid to employees whose gross salary is less than or equal to 2.5 times the French statutory minimum wage (*salaire minimum interprofessionnel de croissance*) for 2013 and 6% of the gross salaries of such employees for 2014 and subsequent years (noting that such rate could be increased to 7% for salaries paid from January 1, according to the draft finance bill for 2017 released by the French government). The amount of CICE is calculated on the basis of gross salaries paid to employees. Under normal circumstances, CICE can be offset against corporation tax due with respect to the year during which the relevant salaries have been paid. If the amount of the corporation tax charge is less than the amount of CICE, the balance can be carried forward for the next three fiscal years and thus be offset against corporation tax charges with respect to such next three fiscal years. If after these three fiscal years, the amount of CICE has not been fully utilized, the remaining amount can be refunded by the French tax authorities if requested. We have assigned a portion of our CICE claim for the years 2013 and 2014 under a factoring agreement in order to immediately achieve cash flow benefits.

In light of ongoing state budgetary pressures in France, the French government may decide at any time to change its policy and limit the application of CICE (for example, by changing the basis upon which CICE is calculated) or eliminate it altogether. There can be no assurance therefore that we will continue to be able to benefit from CICE.

Factors specific to our business

Acquisitions and disposals

External growth through acquisitions has contributed to the overall growth of our business. We acquired a truck spare parts distributor in 2013. In December 2013 we acquired Rougon Queyrel, a distributor of spare parts for light vehicles in southeastern France; in April 2014, we acquired ACR, a specialized distributor in France of spare parts for light vehicles; and on September 30, 2016, we acquired Doyen Auto with the proceeds from the Bridge Facility, which we intend to repay in full with the proceeds from this Offering. These acquisitions have impacted and will continue to impact our results, and limit the comparability of our results from period to period. We intend to continue to selectively pursue acquisitions to further expand our network in order to increase our market share. By further participating in the industry-wide consolidation of the market and integrating acquired entities into our Group, we believe that we can increase our purchasing power with suppliers, thereby generating better margins.

For the twelve months ended August 31, 2016, Doyen Auto generated revenue of €196.0 million and Adjusted EBITDA of €8.9 million. Doyen Auto's operating results will be consolidated with ours going forward. As a result, our financial results in the future will not be directly comparable to those in this Offering Memorandum.

We will account for the acquisition of Doyen Auto using the acquisition method of accounting. As a result, the purchase price for Doyen Auto will be allocated to the tangible and intangible assets acquired and liabilities assumed based upon their respective fair values as of the date of the acquisition. The excess of the purchase price over these allocations will be assigned to goodwill, which is not amortized for accounting purposes but is subject to testing for impairment at least annually. The allocation of the purchase price of the assets acquired in the acquisition will be determined by external experts. This determination of fair values could result in an increase in our amortization expense. This relates to our acquired intangible assets because we adjust the book value of the acquired intangible assets to fair value. Under applicable accounting guidance, we are permitted to continue to make fair value adjustments until twelve months after the acquisition date. We will evaluate the remaining depreciable lives of the assets to reflect the estimated useful lives for purposes of calculating periodic depreciation, and we will continue to amortize the intangible assets over their estimated useful lives. We will also continue to review the value of the inventory and may make further adjustments to the fair value, which may change the costs and expenses recognized by us upon the sale of this acquired inventory.

Operational improvement measures

Our results are impacted by operational improvement measures that we implement. Since 2009, we have developed and continue to implement operating strategies designed to increase revenues, reduce costs and capital expenditures, and improve margins. Specifically, we have:

- *Installed a new management team.* In 2009, we introduced a new, experienced management team who have been implementing our strategic vision and driving profitability over the last five years.

- *Implemented a profit improvement plan.* We implemented a profit improvement plan between 2009 and 2015 to reduce the cost of management and administration at our subsidiaries by implementing shared services, limiting employee costs in our local businesses, and minimizing transportation and logistics costs by optimizing truck routes and making greater use of central distribution facilities. We also sought to improve productivity by eliminating certain loss-making businesses. The plan was also focused on improving the way our central purchasing departments make purchases, in addition to refining our enterprise resource system ("ERP") to allow us to analyze rebates across our business. As part of such improvements, we segmented purchases among different product groups, gradually concentrated purchases of core mechanical repair parts among selected suppliers and used our Group-wide purchasing power to negotiate improved rebates for purchases of fast-moving spare parts and spare parts with a dominant supplier.

- *Revised margins applied to distributors.* Prior to 2009, we charged different margins to wholly-owned distributors and affiliated independent distributors. We have since moved to a uniform margin for wholly-owned distributors and affiliated independent distributors. We have also implemented a loyalty program with both our wholly-owned and our affiliated independent distributors to encourage them to purchase spare parts and equipment and tools from our central purchasing departments. As members of our loyalty program, all our distributors receive the benefit of our volume rebates by typically agreeing to purchase at least 70% of their spare parts from us, driving our volumes.

We believe that one of our most important competitive advantages has been our ability to use the purchasing power derived from our large size and specialized warehouse and logistics systems. Through our logistics process, we have been able to obtain more favorable supply terms from suppliers than those available to many other participants in the light vehicle and truck aftermarket. We also sought to reduce the number of suppliers we use, and thus we have concentrated larger volumes of purchases among fewer suppliers, resulting in improved purchasing terms and conditions for product groups that we distribute. In order to preserve our flexibility in obtaining favorable prices in the market, we do not generally enter into long-term supply contracts. We believe this purchasing policy has generally resulted in lower costs. We expect Doyen Auto to benefit from this as well through purchasing and cost savings. See "*Summary—Recent developments—Doyen Auto Acquisition*."

Since the beginning of 2014, we have implemented a new five-year business plan, which we review and adjust annually. As part of this business plan, we have developed our business-to-business sales of spare parts for light vehicles by increasing the efficiency of our logistics platforms and our supply model, and by improving our customer service with more efficient call centers. We also intend to further develop over-the-counter sales of light vehicle spare parts through over-the-counter loyalty programs, specific marketing efforts and dedicated sales force training. We intend to further develop our truck business by implementing a new sales strategy, including redefining our product assortment to better suit local market expectations, launching new sales tools (such as the eBook sales IT system) and increasing our interaction with our main customers through a product offering tailored to such customers.

In addition, the law dated March 17, 2014 (the "Hamon Law") added an additional provision to Article L. 441-6 of the French Commercial Code pursuant to which, in the case of a monthly invoice, the payment period may not exceed forty-five (45) days from the date of the invoice. We were able to fully adapt our working capital cycle to such revised payments terms and to pass on some further changes in such payment terms to our customers.

Competition

We compete against online light vehicle spare parts retailers that mainly compete with us on the basis of price. We believe that an increasing number of customers compare prices on the internet before making a purchase and generally choose products with the most competitive price. We realized at an early stage that the internet offered innovative opportunities for light vehicle and truck spare parts distributors. As a result, we created the Autossimo online light vehicle repair and maintenance portal in 2000 and the Truckissimo online truck repair and maintenance portal in 2001 in order to address the demand for ordering spare parts online. For the twelve months ended August 31, 2016, approximately €138.7 million of our revenue from sales of light vehicle spare parts by both our wholly-owned distributors and affiliated independent distributors was generated from the sale of light vehicle spare parts through our online portal, Autossimo.

In addition, we also compete with manufacturers' dealers' garages such as Peugeot and Renault. Manufacturers' dealers' garages typically specialize in light vehicles from newly purchased to three-year-old vehicles, and capture a large share of light vehicle and truck repairs covered by warranties, as well as a more limited share of repairs of light vehicles and trucks aged four years and older. Certain vehicle manufacturers have, however, extended their new light vehicles warranties to up to eight years and cover longer-term maintenance and repairs.

Explanation of key income statement line items

The following is a brief description of the revenue and expenses that are included in the line items of our income statement.

Revenue

Revenue is primarily generated through the sale of products and, to a lesser extent, services to our customers. We recognize revenue from the sale of products when we deliver goods to the customer. We recognize revenue from services in the period in which services are rendered. We deduct customer rebates and bonuses and other taxes on sales.

Cost of goods for sale

Cost of goods for sale includes purchases of goods, supplier rebates, change in inventories and net allocation to inventories depreciation.

Personnel costs

Personnel costs include wages, social security contributions, profit-sharing plans and pension costs.

Other purchases and external expenses

Other purchases and external expenses relate to non-direct operating costs, including rental expenses, shipping expenses, maintenance and repair costs, legal and other fees, IT expenses, advertising expenses, subcontracting costs, travelling and other expenses.

Taxes

Taxes include taxes on salaries (mainly taxes in respect of vocational training), social construction tax (*cotisation foncière des entreprises*), social solidarity contribution (*contribution sociale de solidarité*—a tax calculated based on a percentage of net sales), and other taxes other than income taxes.

EBITDA

EBITDA represents net income/(loss) from continuing operations before income tax, financial items (net), share of income of associates, other income/(expenses) from operations and depreciation/amortization expense.

Depreciation/amortization expenses

Depreciation/amortization expenses represent the depreciation of property, plant, equipment and intangible assets (excluding goodwill and our brands, such as AD), which are depreciated over their estimated useful lives. Property, plant, equipment and intangible assets are tested for impairment when there are indications of impairment and an impairment charge is recorded in other expenses from operations when the recoverable amount of an intangible asset is lower than its carry value.

Other income and expenses from operations

Other income and expenses from operations generally relate to one-off events or other events outside our ordinary business. Other income and expenses from operations can include gains and losses on the disposal of operations, of property, plant and equipment, and intangible assets, as well as costs relating to provisions and expenses relating to restructuring, employee and tax disputes, and impairment losses/reversals.

Financial income and expenses

Financial income includes income from financial investments, foreign exchange gains and other financial income. Financial expenses include interest on external loans and bank overdrafts payable by the Group, discounting of borrowings and debt, expenses related to financial instruments and to finance leases, foreign exchange losses and other financial expenses.

Income tax

Income taxes consist of current tax expense, CVAE (*Cotisation sur la Valeur Ajoutée des Entreprises*) and changes in deferred tax assets.

Description of other key financial indicators

Adjusted EBITDA

"Adjusted EBITDA" is defined as EBITDA adjusted for certain items that we consider to be nonrecurring or exceptional in nature, or otherwise not reflective of the ongoing performance of our business. See the table set forth in "*Summary—Summary consolidated financial and other information*" for a reconciliation of EBITDA and Adjusted EBITDA to net income/(loss) from continuing operations for the eight months ended August 31, 2015 and 2016, and the years ended December 31, 2013, December 31, 2014 and December 31, 2015.

Restatements

Since January 1, 2015, we have applied the interpretation IFRIC 21 which clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. Since these amendments were applied retroactively, our financial statements as of and for the year ended December 31, 2014, which are included in our audited consolidated financial statements as of and for the year ended December 31, 2015, for comparison purposes have been restated to reflect the application of IFRIC 21. See note 3.2 of our financial statements as of and for the year ended December 31, 2015.

Results of operations

The table below sets forth our results of operations for the years ended December 31, 2013, 2014 and 2015, and for the eight months ended August 31, 2015 and 2016.

	Year ended December 31,			Eight months ended August 31,	
(€ in millions)	2013	2014*	2015	2015	2016
Revenue	**1,137.2**	**1,169.5**	**1,222.1**	**806.2**	**813.8**
Cost of goods for sale	(710.7)	(721.2)	(750.8)	(494.8)	(496.7)
Personnel costs	(239.0)	(245.4)	(249.5)	(164.0)	(159.6)
Other purchases and external expenses	(126.3)	(133.2)	(134.3)	(88.6)	(92.5)
Taxes	(9.7)	(9.1)	(8.9)	(6.7)	(6.5)
Other operating income and expenses	2.8	3.7	3.1	2.8	2.7
EBITDA	**54.3**	**64.3**	**81.7**	**54.9**	**61.2**
Depreciation/amortization expense	(16.3)	(18.3)	(18.6)	(12.2)	(12.1)
Recurring operating income	**38.0**	**46.0**	**63.2**	**42.7**	**49.1**
Other income from operations	7.4	12.1	1.4	2.1	6.3
Other expenses from operations	(11.0)	(18.8)	(6.2)	(5.7)	(6.8)
Operating income	**34.4**	**39.3**	**58.4**	**39.2**	**48.6**
Financial income	11.0	11.6	1.9	0.4	0.6
Financial expenses	(9.0)	(21.6)	(29.0)	(17.4)	(14.9)
Shares of income of associates	(0.1)	—	—	—	0.1
Income before tax	**36.3**	**29.3**	**31.4**	**22.1**	**34.5**
Income tax	(17.6)	1.8	5.7	2.2	(0.8)
Net income from continuing operations	**18.7**	**31.1**	**37.0**	**24.4**	**33.6**
Net income from discontinued operations	—	—	—	—	—
Net income for the period	**18.7**	**31.1**	**37.0**	**24.4**	**33.6**

* The consolidated income statement for the year ended December 31, 2014, reflects the application of IFRIC 21 "Levies."

The table below presents our revenue, Adjusted EBITDA and Adjusted EBITDA margin for the years ended December 31, 2013, 2014 and 2015, and for the eight months ended August 31, 2015 and 2016.

	Year ended December 31,			Eight months ended August 31,	
(€ in millions)	2013	2014*	2015	2015	2016
Revenue	**1,137.2**	**1,169.5**	**1,222.1**	**806.2**	**813.8**
Revenue France	1,023.4	1,056.7	1,109.1	731.2	739.0
of which wholly-owned distributors	770.3	815.8	852.7	562.7	556.1
of which affiliated independent distributors	253.1	241.0	256.3	168.4	182.9
Revenue International (Poland)	113.8	112.8	113.0	75.0	74.9
Adjusted EBITDA	**55.4**	**69.4**	**85.6**	**56.5**	**64.6**
Adjusted EBITDA France	53.6	67.6	83.9	55.3	63.2
Adjusted EBITDA Poland	1.8	1.8	1.7	1.3	1.4
Adjusted EBITDA margin	**4.9%**	**5.9%**	**7.0%**	**7.0%**	**7.9%**
Adjusted EBITDA France margin	5.2%	6.4%	7.6%	7.6%	8.6%
Adjusted EBITDA Poland margin	1.6%	1.6%	1.5%	1.7%	1.9%

* The consolidated income statement for the year ended December 31, 2014, reflects the application of IFRIC 21 "Levies."

Eight months ended August 31, 2016, compared to eight months ended August 31, 2015

The table below sets forth our results of operations for the eight months ended August 31, 2016, compared to the eight months ended August 31, 2015.

(€ in millions, except for % and bps)	Eight months ended August 31, 2015	2016	Amount of change	% change
Revenue	**806.2**	**813.8**	**7.6**	**0.9 %**
Cost of goods for sale	(494.8)	(496.7)	(1.9)	0.4 %
Personnel costs	(164.0)	(159.6)	4.4	(2.7%)
Other purchases and external expenses	(88.6)	(92.5)	(3.9)	4.4 %
Taxes	(6.7)	(6.5)	0.2	(3.0%)
Other operating income and expenses	2.8	2.7	(0.1)	(3.6%)
EBITDA	**54.9**	**61.2**	**6.3**	**11.5 %**
Depreciation/amortization expense	(12.2)	(12.1)	0.1	(0.8%)
Recurring operating income	**42.7**	**49.0**	**6.4**	**14.8 %**
Other income from operations	2.1	6.3	4.2	200.0 %
Other expenses from operations	(5.7)	(6.8)	(1.1)	19.3 %
Operating income	**39.2**	**48.6**	**9.4**	**23.8 %**
Financial income	0.4	0.6	0.2	50.0 %
Financial expenses	(17.4)	(14.9)	2.5	(14.4)%
Share of income from associates	—	0.1	0.1	n/a
Income before tax	**22.1**	**34.5**	**12.4**	**56.1 %**
Income tax	2.2	(0.8)	(3.0)	(136.4%)
Net income from continuing operations	**24.4**	**33.6**	**9.2**	**37.7 %**
Net income from discontinued operations	—	—	n/a	n/a
Net income for the period	**24.4**	**33.6**	**9.2**	**37.7 %**

The table below presents our revenue, Adjusted EBITDA and Adjusted EBITDA margin for the eight months ended August 31, 2016, compared to the eight months ended August 31, 2015.

(€ in millions, except for % and bps)	Eight months ended August 31, 2015	2016	Amount of change	% change
Revenue	**806.2**	**813.8**	**7.6**	**0.9 %**
Revenue France	731.2	739.0	7.8	1.1 %
of which wholly-owned % distributors	562.7	556.1	(6.7)	(1.2) %
of which affiliated independent distributors	168.4	182.9	14.5	8.6 %
Revenue International (Poland)	75.0	74.9	(0.1)	(0.1) %
Adjusted EBITDA	**56.5**	**64.6**	**8.1**	**14.3 %**
Adjusted EBITDA France	55.3	63.2	7.9	14.3 %
Adjusted EBITDA Poland	1.3	1.4	0.1	7.7 %
Adjusted EBITDA margin	**7.0%**	**7.9%**	**90bps**	
Adjusted EBITDA France margin	7.6%	8.6%	110bps	
Adjusted EBITDA Poland margin	1.7%	1.9%	20bps	

Revenue

Revenue increased by €7.6 million, or 0.9%, from €806.2 million for the eight months ended August 31, 2015, to €813.8 million for the eight months ended August 31, 2016. In France, revenue increased by €7.8 million, or 1.1%, from €731.2 million for the eight months ended August 31, 2015, to €739.0 million for the eight months ended August 31, 2016.

Revenue from sales by our wholly-owned distributors decreased by €6.7 million, or 1.2%, from €562.7 million for the eight months ended August 31, 2015, to €556.1 million for the eight months ended August 31, 2016. This decrease was primarily due to the disposal of a former wholly-owned distributor of spare parts for light vehicles (APS Berwald) to an affiliated independent distributor on January 1, 2016, with a negative impact of approximately €12.7 million on our revenue for the eight months ended August 31, 2016, compared to the eight months ended August 31, 2015, as well as to the disposals of various distributors of spare parts for light vehicles and trucks during the eight months ended August 31, 2016 and 2015, with a negative impact of approximately €7.2 million on our revenue for the eight months ended August 31, 2016. This decrease was partially offset by the acquisition of Automax by ACR on February 3, 2016, which contributed €5.3 million to our revenue for the eight months ended August 31, 2016, and the acquisition of a multi-brand light vehicle spare parts distributor (Manche Calvados) in February 2015, which contributed €1.8 million to our revenue for the eight months ended August 31, 2016. Excluding the impact of acquisitions and disposals, revenue from sales by our wholly-owned distributors increased by approximately €6.0 million due to increased sales by certain distributors of spare parts for light vehicles.

Revenue from sales to our affiliated independent distributors increased by €14.4 million, or 8.6%, from €168.4 million for the eight months ended August 31, 2015, to €182.9 million for the eight months ended August 31, 2016. This increase was primarily due to organic growth and the transfer of revenue from a former wholly-owned distributor (APS Berwald) to an affiliated independent distributor for the eight months ended August 31, 2016.

In Poland, revenue remained stable from €75.0 million for the eight months ended August 31, 2015, to €74.9 million for the eight months ended August 31, 2016, despite unfavorable exchange rate changes that negatively affected our revenue by €3.8 million for the eight months ended August 31, 2016. This negative effect was offset by an increase in sales volumes.

Cost of goods for sale

Cost of goods for sale increased by €1.9 million, or 0.4%, from €494.8 million for the eight months ended August 31, 2015, to €496.7 million for the eight months ended August 31, 2016.

Cost of goods for sale as a percentage of revenue decreased from 61.4% for the eight months ended August 31, 2015, to 61.0% for the eight months ended August 31, 2016. This decrease was primarily due to an increase in supplier rebates as percentage of revenue from 12.1% for the eight months ended August 31, 2015, to 13.3% for the eight months ended August 31, 2016, mainly due to better purchasing conditions and purchasing savings obtained as a result of higher sales volumes following the integration of Automax.

Personnel costs

Personnel costs decreased by €4.4 million, or 2.7%, from €164.0 million for the eight months ended August 31, 2015, to €159.6 million for the eight months ended August 31, 2016, in line with our headcount reductions, from 6,136 employees for the eight months ended August 31, 2015, to 5,995 for the eight months ended August 31, 2016. This decrease was primarily due to the disposal of a former wholly-owned distributor (APS Berwald) to an affiliated independent distributor, as well as continued operating costs improvement. Personnel costs as a percentage of revenue decreased from 20.3% for the eight months ended August 31, 2015, to 19.6% for the eight months ended August 31, 2016, primarily due to better cost controls.

Other purchases and external expenses

Other purchases and external expenses increased by €3.9 million, or 4.4%, from €88.6 million for the eight months ended August 31, 2015, to €92.5 million for the eight months ended August 31, 2016.

Other purchases and external expenses as a percentage of revenue increased from 11.0% for the eight months ended August 31, 2015, to 11.4% for the eight months ended August 31, 2016. This increase was primarily due to increased investments in advertising with our first national television advertisements, partially offset by lower rental expenses following the disposals of businesses, mainly APS Berwald, and the lower fixed costs in a context of sales growth excluding the impact of acquisitions and disposals.

Taxes

Taxes remained stable from €6.7 million for the eight months ended August 31, 2015, to €6.5 million for the eight months ended August 31, 2016. For the eight months ended August 31, 2016, taxes mainly comprised a French vocational training tax of €1.4 million (compared to €1.5 million for the eight months ended August 31, 2015), a social construction tax of €1.6 million (compared to €1.4 million for the eight months ended August 31, 2015), a social solidarity contribution of €1.7 million (compared to €1.9 million for the eight months ended August 31, 2015) and taxes other than income taxes of €1.9 million (compared to €1.9 million for the eight months ended August 31, 2015).

Depreciation/ amortization expense

Depreciation/amortization expense remained stable with €12.2 million for the eight months ended, August 31, 2015, compared to €12.1 million for the eight months ended August 31, 2016.

Other income from operations

Other income from operations increased by €4.2 million, or 200.0%, from €2.1 million for the eight months ended August 31, 2015, to €6.3 million for the eight months ended August 31, 2016. This increase was primarily due to gains made on the disposal of certain of the APS Berwald businesses and the disposal of three distribution sites.

Other expenses from operations

Other expenses from operations increased by €1.1 million, or 19.3%, from €5.7 million for the eight months ended August 31, 2015, to €6.8 million for the eight months ended August 31, 2016. This increase was primarily due to a goodwill impairment of €2.1 million of the truck vehicle segment as a result of the negative performance of our truck parts for maintenance and repairs product line, and the higher net book value on fixed asset disposals of €1.7 million for the eight months ended August 31, 2016, compared to the eight months ended August 31, 2015. This increase was partially offset by a decrease of restructuring charges of €1.8 million for the eight months ended August 31, 2016, compared to the eight months ended August 31, 2015.

Financial income and expenses

Financial income increased by €0.2 million, or 50.0%, from income of €0.4 million for the eight months ended August 31, 2015, to €0.6 million for the eight months ended August 31, 2016. This increase was primarily due to the disposal of our shares held in Neoparts on August 1, 2016, which resulted in a gain of €0.3 million.

Financial expenses decreased by €2.5 million, or 14.4%, from €17.4 million for the eight months ended August 31, 2015, to €14.9 million for the eight months ended August 31, 2016. This decrease was primarily due to an adjustment of €3.5 million in the fair value of the Contingent Value Instruments for the eight months ended August 31, 2015, which were partly redeemed in December 2015. The cost of external loans and bank overdrafts, mostly relating to interest payable on the Existing Senior Secured Notes, slightly increased by €0.3 million, as a result of the issuance of additional Existing Senior Secured Notes in May 2015, from €11.8 million for the eight months ended August 31, 2015, to €12.1 million for the eight months ended August 31, 2016.

Income tax

Income tax increased by €3.1 million, from a €2.2 million income tax expense for the eight months ended August 31, 2015, to a €0.8 million income tax credit for the eight months ended August 31, 2016. For the eight months ended August 31, 2016, income tax comprised CVAE of €3.9 million (compared to €4.4 million in 2015), current income tax expense of €0.4 million (compared to €1.5 million in 2015) and a deferred tax credit of €2.6 million (compared to a deferred tax credit of €8.1 million in 2015), due to the use of deferred tax credit for the eight months ended August 31, 2016.

Adjusted EBITDA

Adjusted EBITDA increased by €8.1 million, or 14.3%, from €56.5 million for the eight months ended August 31, 2015, to €64.6 million for the eight months ended August 31, 2016. Adjusted EBITDA margin increased from 7.0% for the eight months ended August 31, 2015, to 7.9% for the eight months ended August 31, 2016.

In France, Adjusted EBITDA increased by €7.9 million, or 14.3%, from €55.3 million for the eight months ended August 31, 2015, to €63.2 million for the eight months ended August 31, 2016. Adjusted EBITDA margin increased from 7.6% for the eight months ended August 30, 2015, to 8.6% for the eight months ended August 31, 2016. This increase in Adjusted EBITDA margin was primarily due to the higher purchasing power of our central purchasing departments and the lower level of fixed operating costs (mainly personnel expenses and rents), as well as management initiatives on cost efficiencies.

In Poland, Adjusted EBITDA increased by €0.1 million, or 7.7%, from €1.3 million for the eight months ended August 31, 2015, to €1.4 million for the eight months ended August 31, 2016. Adjusted EBITDA margin increased from 1.7% for the eight months ended August 30, 2015, to 1.9% for the eight months ended August 30, 2016. This was primarily due to to lower operating costs, partly offset by an unfavorable exchange rate variance.

Year ended December 31, 2015, compared to year ended December 31, 2014

The table below sets forth our results of operations for the year ended December 31, 2015, compared to the year ended December 31, 2014.

	Years ended December 31,			
(€ in millions, except for % and bps)	**2014***	**2015**	**Amount of change**	**% change**
Revenue	**1,169.5**	**1,222.1**	**52.6**	**4.5%**
Cost of goods for sale	(721.2)	(750.8)	(29.6)	4.1%
Personnel costs	(245.4)	(249.5)	(4.1)	1.6%
Other purchases and external expenses	(133.2)	(134.3)	(1.1)	0.8%
Taxes	(9.1)	(8.9)	0.2	(2.2)%
Other operating income and expenses	3.7	3.1	(0.6)	(16.2)%
EBITDA	**64.3**	**81.7**	**17.4**	**27.1%**
Depreciation/amortization expense	(18.3)	(18.6)	(0.3)	1.6%
Recurring operating income	**46.0**	**63.2**	**17.2**	**37.4%**
Other income from operations	12.1	1.4	(10.7)	(88.4)%
Other expenses from operations	(18.8)	(6.2)	12.6	(67.0)%
Operating income	**39.3**	**58.4**	**19.1**	**48.6%**
Financial income	11.6	1.9	(9.7)	(83.6)%
Financial expenses	(21.6)	(29.0)	(7.4)	34.3%
Share of income from associates	0.0	—	—	—
Income before tax	**29.3**	**31.4**	**2.1**	**7.2%**
Income tax	1.8	5.7	3.9	216.7%
Net income from continuing operations	**31.1**	**37.0**	**5.8**	**18.6%**
Net income from discontinued operations	0.0	—	—	—
Net income for the year	**31.1**	**37.0**	**5.8**	**18.6%**

* The consolidated income statement for the year ended December 31, 2014, reflects the application of IFRIC 21 "Levies."

The table below presents our revenue, Adjusted EBITDA and Adjusted EBITDA margin for the year ended December 31, 2015, compared to the year ended December 31, 2014.

(€ in millions, except for % and bps)	Years ended December 31, 2014*	2015	Amount of change	% change
Revenue	**1,169.5**	**1,222.1**	**52.6**	**4.5%**
Revenue France	1,056.7	1,109.1	52.4	5.0%
of which wholly-owned distributors	815.8	852.7	36.9	4.5%
of which affiliated independent distributors	241.0	256.3	15.3	6.3%
Revenue International (Poland)	112.8	113.0	0.2	0.2%
Adjusted EBITDA	**69.4**	**85.6**	**16.2**	**23.3%**
Adjusted EBITDA France	67.6	83.9	16.3	24.1%
Adjusted EBITDA Poland	1.8	1.7	(0.1)	(5.6)%
Adjusted EBITDA margin	**5.9%**	**7.0%**	**110 bps**	
Adjusted EBITDA France margin	6.4%	7.6%	120 bps	
Adjusted EBITDA Poland margin	1.6%	1.5%	(10) bps	

* The consolidated income statement for the year ended December 31, 2014, reflects the application of IFRIC 21 "Levies."

Revenue

Revenue increased by €52.6 million, or 4.5%, from €1,169.5 million for the year ended December 31, 2014, to €1,222.1 million for the year ended December 31, 2015. In France, revenue increased by €52.4 million, or 5.0%, from €1,056.7 million for the year ended December 31, 2014, to €1,109.1 million for the year ended December 31, 2015.

Revenue from sales by our wholly-owned distributors increased by €36.9 million, or 4.5%, from €815.8 million for the year ended December 31, 2014, to €852.7 million for the year ended December 31, 2015. This increase was primarily due to the full-year impact of our acquisition (including year-on-year organic growth) of ACR on April 7, 2014, which contributed €24.8 million of additional revenue for the year ended December 31, 2015, compared to the year ended December 31, 2014, and our acquisition of businesses (Manche Calvados) in February 2015, which contributed €8.1 million of additional revenue for the year ended December 31, 2015. This increase was partly offset by the full-year impact of the disposal of a former wholly-owned distributor (SOFAR) in September 2014, which contributed €7.2 million in the year ended December 31, 2014. Excluding the effect of these acquisitions and disposals, revenue from sales by our wholly-owned distributors increased by €11.2 million, reflecting the strong performance of the light vehicle segment.

Revenue from sales to our affiliated independent distributors increased by €15.3 million, or 6.3%, from €241.0 million for the year ended December 31, 2014, to €256.3 million for the year ended December 31, 2015. This increase was mainly due to the disposal of a former wholly-owned distributor (SOFAR) to an affiliated independent distributor and the increasing contribution of the heavy vehicle platform Bremstar and the light vehicle parts for collision repair platform Cora.

In Poland, revenue remained stable with €112.8 million for the year ended December 31, 2014, compared to €113.0 million for the year ended December 31, 2015, due to our low-price strategy which has contributed to an increase in sales volume despite a more competitive market.

Cost of goods for sale

Cost of goods for sale increased by €29.6 million, or 4.1%, from €721.2 million for the year ended December 31, 2014, to €750.8 million for the year ended December 31, 2015.

Cost of goods for sale as a percentage of revenue decreased from 61.8% for the year ended December 31, 2014, to 61.4% for the year ended December 31, 2015, mainly resulting from the better purchasing conditions and full-year purchasing synergies provided by the integration of ACR in April 2014, higher sales volumes and active cost renegotiation efforts.

Personnel costs

Personnel costs increased by €4.1 million, or 1.6%, from €245.4 million for the year ended December 31, 2014, to €249.5 million for the year ended December 31, 2015.

Personnel costs as a percentage of revenue decreased from 20.9% for the year ended December 31, 2014, to 20.4% for the year ended December 31, 2015, in line with our overall headcount reductions from 6,315 employees for the year ended December 31, 2014, to 6,145 for the year ended December 31, 2015. The decrease in the personnel costs as a percentage of revenue was primarily due to the disposal of a wholly-owned distributor to an independent distributor, as well as continued operating costs improvement, partly offset by the increase in the cost of a temporary workforce of €1.9 million, or 18.9%.

Other purchases and external expenses

Other purchases and external expenses increased by €1.1 million, or 0.8%, from €133.2 million for the year ended December 31, 2014, to €134.3 million for the year ended December 31, 2015.

Other purchases and external expenses as a percentage of revenue decreased from 11.4% for the year ended December 31, 2014, to 11.0% for the year ended December 31, 2015. This decrease was primarily due to lower rental expenses following renegotiation of existant leases and rationalization of the size of our distribution buildings and a lower level of fixed costs. This decrease was partly offset by advertising investments in order to strengthen the identity and reputation of the AD brand and its network.

Taxes

Taxes decreased by €0.2 million, or 2.2%, from €9.1 million for the year ended December 31, 2014, to €8.9 million for the year ended December 31, 2015. In 2015, taxes mainly comprised a French vocational training tax of €2.2 million (compared to €2.3 million in 2014), a social construction tax of €2.0 million (compared to €2.0 million in 2014), a social solidarity contribution of €2.0 million (compared to €2.0 million in 2014) and taxes other than income taxes of €2.8 million (compared to €3.0 million in 2014).

Depreciation/amortization expense

Depreciation/amortization expense slightly increased by €0.3 million, or 1.6%, from €18.3 million for the year ended December 31, 2014, to €18.6 million for the year ended December 31, 2015.

Other income from operations

Other income from operations decreased by €10.7 million, or 88.4%, from €12.1 million for the year ended December 31, 2014, to €1.4 million for the year ended December 31, 2015. This decrease was primarily due to the valuation of the "AD" brand that we carried out in 2015, which showed a stability in brand value as a result of which no reversal of impairment of the "AD" brand was recorded for the year ended December 31, 2015, compared to a reversal of impairment of the "AD" brand of €9.0 million for the year ended December 31, 2014.

Other expenses from operations

Other expenses from operations decreased by €12.6 million, or 67.0%, from €18.8 million for the year ended December 31, 2014, to €6.2 million for the year ended December 31, 2015. This decrease was primarily due to the valuation of the truck Cash-Generating Unit's ("CGU") assets that we carried out as of December 31, 2015, which showed no decrease in value as a result of which no goodwill impairment of the truck CGU and no impairment losses on the property, plant and equipment were recorded for the year ended December 31, 2015, compared to a goodwill impairment of the truck CGU of €5.8 million in addition to a €3.0 million impairment of certain non-current assets in the truck CGU for the year ended December 31, 2014. See "—*Critical accounting policies— Impairment of non-financial assets*."

Financial income and expenses

Financial income decreased by €9.7 million, or 83.6%, from €11.6 million for the year ended December 31, 2014, to €1.9 million for the year ended December 31, 2015. This decrease was due to a €0.9 million change in fair value of our Contingent Value Instruments for the year ended December 31, 2015 (compared to an adjustment of €11.1 million in the fair value of our Contingent Value Instruments for the year ended December 31, 2014).

Financial expenses increased by €7.4 million, or 34.3%, from €21.6 million for the year ended December 31, 2014, to €29.0 million for the year ended December 31, 2015. This increase was due to an adjustment of €6.8 million in the fair value of our Contingent Value Instruments for the year ended December 31, 2015.

Income tax

Income tax decreased by €3.9 million from a €1.8 million income tax credit for the year ended December 31, 2014, to a €5.7 million income tax credit for the year ended December 31, 2015. For the year ended December 31, 2015, income tax comprised CVAE of €5.5 million (compared to €5.4 million for the year ended December 31, 2014), current income tax expense of €4.9 million for the year ended December 31, 2015, and a deferred tax credit of €16.1 million (compared to a deferred tax credit of €9.0 million for the year ended December 31, 2014). This €7.1 million variation in deferred taxes was mainly due to the use of deferred tax credit in the year ended December 31, 2015.

Adjusted EBITDA

Adjusted EBITDA increased by €16.2 million, or 23.3%, from €69.4 million for the year ended December 31, 2014, to €85.6 million for the year ended December 31, 2015. Adjusted EBITDA margin increased from 5.9% for the year ended December 31, 2014, to 7.0% for the year ended December 31, 2015.

In France, Adjusted EBITDA increased by €16.3 million, or 24.1%, from €67.6 million for the year ended December 31, 2014, to €83.9 million for the year ended December 31, 2015. Adjusted EBITDA margin increased from 6.4% for the year ended December 31, 2014, to 7.6% for the year ended December 31, 2015. This increase in Adjusted EBITDA was partly due to profit improvement in all business segments, notably light vehicles spare parts, as well as the impact of the ACR Acquisition on April 7, 2014, which contributed directly and indirectly (through progressive synergies ramp-up) approximately €6.3 million of additional Adjusted EBITDA for the year ended December 31, 2015, compared to the year ended December 31, 2014, and generated cost efficiencies.

In Poland, Adjusted EBITDA decreased by €0.1 million, or 5.6%, from €1.8 million for the year ended December 31, 2014 to €1.7 million for the year ended December 31, 2015. Adjusted EBITDA margin decreased from 1.6% for the year ended December 31, 2014, to 1.5% for the year ended December 31, 2015 due to a lower end-pricing strategy which has allowed us to maintain a constant sales volume in a competitive market albeit with a slightly lower margin, partly offset by staff costs and rental expenses reductions.

Year ended December 31, 2014, compared to year ended December 31, 2013

The table below sets forth our results of operations for the year ended December 31, 2014, compared to the year ended December 31, 2013.

(€ in millions, except for %)	Years ended December 31, 2013	2014	Amount of change	% change
Revenue	**1,137.2**	**1,169.5**	**32.3**	**2.8 %**
Cost of goods for sale	(710.7)	(721.2)	10.5	1.5 %
Personnel costs	(239.0)	(245.4)	6.4	2.7 %
Other purchases and external expenses	(126.3)	(133.2)	6.9	5.5 %
Taxes	(9.7)	(9.3)	(0.4)	(4.1)%
Other operating income and expenses	2.8	3.7	0.9	32.1 %
EBITDA	**54.3**	**64.1**	**9.8**	**18.0 %**
Depreciation/amortization expense	(16.3)	(18.3)	2.0	12.3 %
Recurring operating income	**38.0**	**45.8**	**7.8**	**20.5 %**
Other income from operations	7.4	12.1	4.7	63.5 %
Other expenses from operations	(11.0)	(18.8)	(7.8)	70.9 %
Operating income	**34.4**	**39.1**	**4.7**	**13.7 %**
Financial income	11.0	11.6	0.6	5.5 %
Financial expenses	(9.0)	(21.6)	(12.6)	140.0 %
Share of income from associates	(0.1)	0.0	0.1	—
Income before tax	**36.3**	**29.1**	**(7.2)**	**(19.8)%**
Income tax	(17.6)	1.8	19.4	—
Net income from continuing operations	**18.7**	**30.9**	**12.2**	**65.2 %**
Net income from discontinued operations	0.0	0.0	0.0	—
Net income for the year	**18.7**	**30.9**	**12.2**	**65.2 %**

The table below presents our revenue, Adjusted EBITDA and Adjusted EBITDA margin for the year ended December 31, 2014 compared to the year ended December 31, 2013.

(€ in millions, except for % and bps)	Years ended December 31, 2013	2014	Amount of change	% change
Revenue	**1,137.2**	**1,169.5**	**32.3**	**2.8 %**
Revenue France	1,023.4	1,056.7	33.3	3.3 %
of which wholly-owned distributors	770.3	815.8	45.5	5.9 %
of which affiliated independent distributors	253.1	241.0	(12.1)	(4.8)%
Revenue International (Poland)	113.8	112.8	(1.0)	(0.9)%
Adjusted EBITDA	**55.4**	**69.4**	**14.0**	**25.3 %**
Adjusted EBITDA France	53.6	67.6	14.0	26.0 %
Adjusted EBITDA Poland	1.8	1.8	0.0	—
Adjusted EBITDA margin	**4.9 %**	**5.9%**	**100 bps**	
Adjusted EBITDA France margin	5.2 %	6.4%	120 bps	
Adjusted EBITDA Poland margin	1.6 %	1.6%	0	

Revenue

Revenue increased by €32.3 million, or 2.8%, from €1,137.2 million for the year ended December 31, 2013, to €1,169.5 million for the year ended December 31, 2014. In France, revenue increased by €33.3 million, or 3.3%, from €1,023.4 million for the year ended December 31, 2013, to €1,056.7 million for the year ended December 31, 2014.

Revenue from sales by our wholly-owned distributors increased by €45.5 million, or 5.9%, from €770.3 million for the year ended December 31, 2013, to €815.8 million for the year ended December 31, 2014. This increase was primarily due to the ACR Acquisition, which contributed

€47.6 million to our revenue for the year ended December 31, 2014, and the acquisition of Rougon-Queyrel on December 30, 2013, which contributed €14.3 million to our revenue for the year ended December 31, 2014. This increase was partly offset by the disposal in September 2014 of Sofar, which contributed €7.2 million to our revenue for the year ended December 31, 2014, compared to €9.2 million for the year ended December 31, 2013. Excluding the effect of these acquisitions and disposals, revenue from sales by our wholly-owned distributors decreased by €14.5 million, or 1.9%, on a like-for-like basis, primarily due to difficult economic conditions which impacted our truck parts for maintenance and repair product line.

Revenue from sales to our affiliated independent distributors decreased by €12.1 million, or 4.8%, from €253.1 million for the year ended December 31, 2013, to €241.0 million for the year ended December 31, 2014. This decrease was mainly due to the acquisition of Rougon-Queyrel, previously one of our affiliated independent distributors which became one of our wholly-owned distributors.

In Poland, revenue remained stable with €113.8 million for the year ended December 31, 2013, compared to €112.8 million for the year ended December 31, 2014, despite difficult market conditions resulting in lower sales volumes.

Cost of goods for sale

Cost of goods for sale increased by €10.5 million, or 1.5%, from €710.7 million for the year ended December 31, 2013, to €721.2 million for the year ended December 31, 2014.

Cost of goods for sale as a percentage of revenue decreased from 62.5% for the year ended December 31, 2013, to 61.7% for the year ended December 31, 2014. This decrease was primarily due to higher rebates from our suppliers following the integration of ACR.

Personnel costs

Personnel costs increased by €6.4 million, or 2.7%, from €239.0 million for the year ended December 31, 2013, to €245.4 million for the year ended December 31, 2014. This increase was primarily due to increased wages and social contributions following the ACR Acquisition. This increase was partially offset by overall headcount reductions from 6,321 employees for the year ended December 31, 2013 to 6,315 for the year ended December 31, 2014, excluding ACR, and by a positive impact of €2.5 million relating to CICE for the year ended December 31, 2014, compared to CICE for the year ended December 31, 2013, due to an increase in CICE tax credit from 4% to 6%.

Other purchases and external expenses

Other purchases and external expenses increased by €6.9 million, or 5.5%, from €126.3 million for the year ended December 31, 2013, to €133.2 million for the year ended December 31, 2014. This increase was primarily due to an increase in our transportation costs as a result of the ACR Acquisition.

Other purchases and external expenses as a percentage of revenue increased from 11.1% for the year ended December 31, 2013, to 11.4% for the year ended December 31, 2014. This increase was primarily due to additional commercial costs related to a major customer and network event.

Taxes

Taxes decreased by €0.4 million, or 4.1%, from €9.7 million for the year ended December 31, 2013, to €9.3 million for the year ended December 31, 2014. For the year ended December 31, 2014, taxes mainly comprised a French vocational training tax of €2.3 million (compared to €2.4 million for the year ended December 31, 2013), a social construction tax of €2.0 million (compared to €2.1 million for the year ended December 31, 2013), a social solidarity contribution of €2.0 million (compared to €1.8 million for the year ended December 31, 2013) and taxes other than income taxes of €3.1 million (compared to €3.3 million for the year ended December 31, 2013).

Depreciation/amortization expense

Depreciation/amortization expense increased by €2.0 million, or 12.3%, from €16.3 million for the year ended December 31, 2013, to €18.3 million for the year ended December 31, 2014. This increase was primarily due to a higher level of software and licenses depreciation and the depreciation of the acquired customer database of ACR.

Other income from operations

Other income from operations increased by €4.7 million, or 63.5%, from €7.4 million for the year ended December 31, 2013, to €12.1 million for the year ended December 31, 2014. This increase was primarily due to a reversal of impairment of €9.0 million on our AD brand for the year ended December 31, 2014, following a decrease in the discount rate applied in the yearly valuation of our brand, from 11.5% for the year ended December 31, 2013 to 10.9% for the year ended December 31, 2014.

Other expenses from operations

Other expenses from operations increased by €7.8 million, or 70.9%, from €11.0 million for the year ended December 31, 2013, to €18.8 million for the year ended December 31, 2014. This increase was primarily due to the negative impact of difficult economic conditions on the assets of our truck parts for maintenance and repairs product line, resulting in a goodwill impairment of €5.8 million and an impairment charge of €3.0 million on property, plant and equipment.

Financial income and expenses

Financial income increased by €0.6 million, or 5.5%, from €11.0 million for the year ended December 31, 2013, to €11.6 million for the year ended December 31, 2014. This increase was due to an adjustment in the fair value of our Contingent Value Instruments following our improved results of operations for the year ended December 31, 2014.

Financial expenses increased by €12.6 million, or 140%, from €9.0 million for the year ended December 31, 2013, to €21.6 million for the year ended December 31, 2014. This increase was primarily due to an increase in the payment of interest from €4.2 million for the year ended December 31, 2013, to €15.1 million for the year ended December 31, 2014, mainly due to the payment of interest on the Senior Secured Notes.

Income tax

Income tax decreased by €19.4 million, from a €17.6 million income tax expense for the year ended December 31, 2013, to a €1.8 million income tax credit for the year ended December 31, 2014. For the year ended December 31, 2014, income tax comprised CVAE of €5.4 million (compared to €5.3 million in for the year ended December 31, 2013), current income tax expense (which remained stable) at €1.8 million for the year ended December 31, 2014, and a deferred tax credit of €9.0 million (compared to a deferred tax expense of €10.5 million in for the year ended December 31, 2013). This €19.5 million increase in deferred tax was mainly due to additional deferred tax assets recognized on tax losses carryforward.

Adjusted EBITDA

Adjusted EBITDA increased by €14.0 million, or 25.3%, from €55.4 million for the year ended December 31, 2013, to €69.4 million for the year ended December 31, 2014. Adjusted EBITDA margin increased from 4.9% for the year ended December 31, 2013, to 5.9% for the year ended December 31, 2014.

In France, Adjusted EBITDA increased by €14.0 million, or 26.0%, from €53.6 million for the year ended December 31, 2013, to €67.6 million for the year ended December 31, 2014. Adjusted EBITDA margin increased from 5.2% for the year ended December 31, 2013, to 6.4% for the year ended December 31, 2014. This increase was mainly due to synergies from the integration of ACR and tight cost controls in our light vehicle parts for maintenance and repair and light vehicle parts for collision repair product lines (our EBITDA margin increased from 3.0% for the year ended December 31, 2013, to 4.1% for the year ended December 31, 2014).

In Poland, Adjusted EBITDA remained stable at €1.8 million for the year ended December 31, 2014. Despite lower sales volumes, Adjusted EBITDA margin remained stable at approximately 1.5% for the year ended December 31, 2014, due to lower staff costs and lower rents for our sites in Poland. On a pro forma basis to give effect to the ACR Acquisition as if such acquisition would have occurred on January 1, 2014, our Adjusted EBITDA for the year ended December 31, 2014 would have been approximately €74.3 million.

Liquidity and capital resources

Liquidity describes the ability of a company to generate sufficient cash flows to meet the cash requirements of its business, including working capital needs, debt service obligations, capital expenditures, operating losses, acquisitions, and contractual obligations and commitments. Our principal sources of liquidity have been our existing cash and cash equivalents, cash generated from operations, factoring facilities, bank overdraft facilities and finance leases.

We expect that our principal sources of liquidity will be our existing cash and cash equivalents, cash generated from operations, any borrowings under our working capital and bank overdraft facilities, including our Revolving Credit Facility, factoring facilities and finance leases.

Our financial condition and liquidity has been, and are expected to continue to be, influenced by a variety of factors, including:

- our ability to generate cash flows from our operations;
- the level of our outstanding indebtedness, and the interest we are obligated to pay on such indebtedness, which affect our finance costs;
- prevailing interest rates, which affect our debt service requirements;
- our ability to continue to borrow funds from banks;
- our level of acquisition activity; and
- our capital expenditure requirements.

Our cash requirements are expected to consist mainly of the following:

- paying operating costs and working capital;
- funding capital expenditures;
- servicing indebtedness; and
- paying taxes.

Although we believe that our expected cash flows from operations, future borrowings under our Revolving Credit Facility and potential future borrowings under debt securities will be adequate to meet our anticipated general liquidity needs and debt service obligations, we cannot assure you that our business will generate sufficient cash flows from operations to meet these needs or that future debt or equity financing will be available to us in an amount sufficient to enable us to fund our liquidity needs, including making payments on the Notes or other debt when due. If our cash flows from operating activities are lower than expected or our capital expenditure requirements exceed our projections, we may be required to seek additional financing, which may not available on commercially reasonable terms, if at all. Our ability to arrange financing generally and our cost of capital depends on numerous factors, including general economic conditions, the availability of credit from banks, other financial institutions, capital markets, restrictions in instruments governing our debt and our general financial performance. See "*Risk factors—Risks related to our indebtedness and the Notes—We may not be able to generate sufficient cash to service our indebtedness, including due to factors outside our control, and may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful*."

Historical cash flows

The following table sets forth our historical cash flow items for the years ended December 31, 2013, 2014 and 2015, and for the eight months ended August 31, 2015 and 2016.

	Year ended December 31,			Eight months ended August 31,	
(€ in millions)	**2013**	**2014***	**2015**	**2015**	**2016**
Net income	**18.7**	**31.1**	**37.0**	**24.4**	**33.6**
Net income/(loss) from discontinued operations	—	—	—	—	—
Adjustments for non-cash income and expenses	5.8	17.9	26.3	15.2	11.9
Financial expenses and income with a cash impact	3.6	8.8	15.2	11.5	10.2
Income tax	17.6	(1.8)	(5.7)	(2.2)	0.8
Inventories decrease/(increase)	0.9	(4.2)	(6.6)	(10.8)	(10.4)
Trade receivables decrease/(increase)	(8.0)	9.0	(12.9)	(18.6)	1.3
Trade payables increase/(decrease)	1.3	(9.7)	(8.9)	18.1	18.1
Other receivables and payables	(2.1)	(5.2)	(5.9)	(17.1)	(20.5)
Change in working capital, net	**(7.9)**	**(9.9)**	**(34.3)**	**(28.4)**	**(11.5)**
Other items with a cash impact	(7.3)	(7.2)	(7.0)	(3.3)	(5.0)
Net cash flow from operating activities—continuing operations	**30.5**	**38.7**	**31.5**	**17.2**	**40.1**
Acquisition of non-current assets	(19.8)	(18.7)	(26.7)	(16.8)	(24.6)
Changes in other financial assets	(1.0)	2.9	(6.7)	(6.2)	(2.3)
Disposal of non-current assets	2.2	0.4	1.3	0.6	7.6
Advances paid	(0.1)	—	—	—	—
Business acquisitions	(13.0)	(52.5)	—	—	(3.6)
Net cash flow used in investing activities—continuing operations	**(31.7)**	**(67.9)**	**(32.1)**	**(22.4)**	**(22.9)**
Dividends paid to the owners of the parent company	—	—	—	—	—
Dividends paid to non-controlling interests of consolidated companies	(0.2)	(0.3)	(0.3)	(0.3)	(0.4)
Dividends received from associates	—	—	—	—	0.3
Repayment of capital	—	(3.1)	(40.0)	(40.0)	—
Financial expenses with a cash impact	(3.9)	(9.4)	(22.1)	(18.4)	(18.4)
Financial income with a cash impact	0.3	0.5	0.5	0.4	0.2
Increase in borrowings	2.6	237.6	62.8	62.9	—
Factoring variance	—	1.0	7.3	4.2	(6.8)
Repayment of borrowings	(22.5)	(161.7)	(34.3)	(0.7)	(0.7)
Change in other financial liabilities		0.1	0.3	0.3	—
Net cash flow from (used in) financing activities—continuing operations	**(23.7)**	**64.7**	**(25.7)**	**8.4**	**(25.8)**
Total cash flows used by continuing operations	**(24.9)**	**35.7**	**(26.3)**	**3.2**	**(8.6)**
Change in cash and cash equivalents:					
Opening cash and cash equivalents	50.1	25.3	61.0	**61.0**	34.7
Net cash flow continuing operations	(24.9)	35.7	(26.3)	3.2	(8.6)
Net cash flow discontinued operations	—	—	—	—	—
Impact of currency rate fluctuations	0.1	(0.1)	—	—	(0.1)
Closing cash and cash equivalents from discontinued operations	—	—	—	—	—
Total closing cash and cash equivalents	**25.3**	**61.0**	**34.7**	**64.2**	**26.2**

* The consolidated cash flow statement for the year ended December 31, 2014, reflects the application of IFRIC 21 "Levies."

Cash flows from operating activities

Net cash from operating activities is mainly impacted by changes in working capital and other items with a cash effect, in addition to changes in net income and cancellations of unrealized income and expenses, the elimination of financial expenses and income with a cash effect, and the elimination of income tax.

The monthly variations of the net cash flows from operating activities are largely impacted by the seasonality of our business. In particular, our working capital is typically high (resulting from higher inventories and receivables) in July and October, which explains the much lower level of net cash flow from operating activities during these months.

Net cash from operating activities amounted to €40.1 million (or 4.9% of revenue) for the eight months ended August 31, 2016, primarily due to the positive impact of net income after adjustments for non-cash income and expenses (mainly depreciation of €12.1 million), which was partly offset by unfavorable changes in working capital due to higher levels of inventory, as a result of an increase in activity, seasonality effects and the strategy of build-up of inventory in Poland to ensure products' availability for customers, as well as the timing of the payments of other payables, such as tax and employee benefits.

Net cash from operating activities amounted to €17.2 million (or 2.1% of revenue) for the eight months ended August 31, 2015, primarily due to the positive impact of net income after adjustments for non-cash income and expenses (mainly depreciation of €12.2 million) offset by an unfavorable change in working capital, mainly due to higher levels of inventory and trade receivables due to an increase in activity and seasonality effects.

Net cash from operating activities amounted to €31.5 million (or 2.6% of revenue) for the year ended December 31, 2015, primarily due to improvement of net income after adjustments for non-cash income and expenses (mainly depreciation of €18.6 million for the year ended December 31, 2015), which was partly offset by an unfavorable change in working capital as a result of a higher level of receivables and payables (mainly trade receivables of €12.9 million) and an amount of CICE receivables of €7.2 million.

Net cash from operating activities amounted to €38.7 million (or 3.3% of revenue) for the year ended December 31, 2014, primarily due to the positive impact of net income after adjustments for non-cash income and expenses (mainly depreciation of €18.3 million for the year ended December 31, 2014) partly offset by an unfavorable change in working capital as a result of a lower level of CICE receivables, excluding the impact of the ACR Acquisition.

Net cash from operating activities amounted to €30.5 million (or 2.7% of revenue) for the year ended December 31, 2013, primarily due to the positive impact of net income after adjustments for non-cash income and expenses (mainly depreciation of €16.3 million), which was partly offset by an unfavorable change in working capital due to higher receivables as a result of an increase in sales volumes for the year ended December 31, 2013.

Working capital

Working capital comprises trade working capital and other receivables and payables. Our trade working capital comprises inventories, trade payables and trade receivables. Other receivables and payables primarily comprise tax and employee benefit payables.

Our inventory levels are affected by the seasonality of our activity, our product range strategy and our ability to manage our stocks locally. The change in trade payables and receivables is mainly linked to the seasonality of our business. The level of receivables may also be impacted by our ability to recover payments from our customers.

Our working capital requirements are affected by the seasonality of our business. Our typical working capital cycle is primarily driven by the build-up of inventory during the first semester, with our working capital reaching its peak in July and October, and a decrease of our inventory in the second semester, with our working capital reaching its trough in November.

For the eight months ended August 31, 2016, we generated an increase in working capital of €11.5 million, primarily due to (i) an increase of €10.4 million in inventories, which was mainly due to an increase in activity, the seasonal build-up of inventories in August, the increase in painting stock resulting from the opening of a dedicated painting platform, offering new storage capacity and the strategy of build-up of inventory in Poland to ensure products' availability for customers; (ii) an outflow of €20.5 million in net other receivables and payables mainly due to an increase in personnel expenses payables, as well as the increase in taxes payable (mainly VAT and CICE) due to the timing of such payments, and (iii) a cash inflow of €19.4 million of the net trade receivables and trade payables, as a result of higher level of payables explained by higher purchases due to the seasonality of our business.

We generated an increase in working capital of €28.4 million for the eight months ended August 31, 2015, primarily due to (i) an increase of €10.8 million in inventories resulting from an increase in activity and the seasonal build-up of inventories in August, (ii) an outflow of €17.1 million in net other receivables and payables mainly due to a seasonal low point of personal expenses payables in August and the build-up of the CICE receivables and (iii) a cash outflow of €0.5 million of the net trade receivables and trade payables (mainly of ACR). Excluding the impact of ACR, there was a cash inflow of €2.8 million mainly as a result of the seasonal increase in both suppliers' rebates (€14.5 million) and customers' rebates (€10.5 million), which usually occurs at this time of the year. Net working capital was also significantly affected by the implementation of the Hamon Law. See "*—Key factors affecting our results of operations—Factors specific to our* business*—Operational improvement measures*."

We experienced an increase in working capital of €34.3 million for the year ended December 31, 2015, which primarily reflected (i) an increase of €6.6 million in inventories, due to lower net provisions on inventories resulting from an increase in activity, (ii) an outflow of €5.9 million in net other receivables and payables mainly due to the build-up of CICE receivables, (iii) a decrease of €8.9 million in trade payables, mainly due to suppliers' payment terms reduction and (iv) an increase of €12.9 million in trade receivables, as well as a stabilized level of rebates.

We experienced an increase in working capital of €9.9 million for the year ended December 31, 2014, which primarily reflected a decrease of €9.7 million in trade payables, an increase of €5.2 million in other receivables and payables, and an increase of €4.2 million in inventories partly offset by the decrease of €9.0 million in trade receivables. The difference between the balance sheet and the cash flow statement variations in working capital is mainly due to the ACR Acquisition. Excluding the impact of ACR, this cash outflow is mainly due to the build-up of CICE receivables.

We experienced an increase in working capital of €7.9 million for the year ended December 31, 2013, primarily due to an increase of €8.0 million in trade receivables following the increase in sales for the year ended December 31, 2014.

Other items

Other items with a cash impact related solely to the income tax paid of €5.0 million for the eight months ended August 31, 2016, mostly as a result of the CVAE of €3.9 million. Other items with a cash effect related solely to the income tax paid of €3.3 million for the eight months ended August 31, 2015, mostly as a result of the CVAE of €4.3 million. Other items with a cash effect related solely to the income tax paid of €7.0 million for the year ended December 31 2015, mostly as a result of the CVAE of €5.5 million. Other items with a cash effect related solely to the income tax paid of €7.2 million for the year ended December 31 2014, mostly as a result of the CVAE of €5.4 million. Other items with a cash effect related solely to the income tax paid of €7.3 million for the year ended December 31 2013, mostly as a result of the CVAE of €5.3 million and an overestimation of income tax prepayments.

Cash flow from (used in) investing activities

The following table sets forth the components of our net cash flows from investing activities for the periods indicated.

	Year ended December 31,			Eight months ended August 31,	
(€ in millions)	**2013**	**2014**	**2015**	**2015**	**2016**
Acquisition of non-current assets	(19.8)	(18.7)	(26.7)	(16.8)	(24.7)
Changes in other financial assets	(1.0)	2.9	(6.7)	(6.3)	(2.3)
Disposal of non-current assets	2.2	0.4	1.3	0.6	7.6
Advances paid	(0.1)	—	—	—	—
Business acquisitions	(13.0)	(52.5)	—	—	(3.6)
Net cash flow used in investing activities—continuing operations	**(31.7)**	**(67.9)**	**(32.1)**	**(22.4)**	**(22.9)**

Capital expenditures

Capital expenditures consist solely of the acquisition of fixed assets. Our capital expenditures include the further expansion of our operations and the maintenance of our existing operations. In particular, our capital expenditure on tangible assets mainly relates to purchases of shelving and machinery for the transport and storage of products in our warehouses, as well as purchases of light vehicles and trucks. Our capital expenditure on intangible assets mainly relates to the capitalization of new functional development costs of our ERP, the purchase of software licenses relating to management and financial reporting, technical light vehicle and truck databases, and inventory management.

We have a "capex light" business model, and consequently are not required to make significant capital investments in our business. Our capital expenditures were, on average, 1.8% of our revenue and 31.3% of our Adjusted EBITDA in the years ended December 31, 2013, 2014 and 2015.

We expect an increase in our investment in capital expenditures for the years ending December 31, 2016, mainly due to the automation of our logistics platform. We do not anticipate any other significant capital expenditure investments in the year ending December 31, 2016.

Capital expenditures increased by €7.9 million, to €24.7 million (or 3.0% of revenue) for the eight months ended August 31, 2016, from €16.8 million (or 2.1% of revenue) for the eight months ended August 31, 2015. This increase was primarily due to investments in our new logistic automation platform in Réau, which we expect to be operational by the middle of 2017. This new logistics platform will cover a surface of 32,000 square meters and is intended to replace one of our logistics sites. This increase was partially offset by the disposal of APS Berwald (ten sites in Moselle) to an affiliated independent distributor in January 2016.

Capital expenditures increased by €8.0 million, to €26.7 million (or 2.2% of revenue) for the year ended December 31, 2015, from €18.7 million (or 1.6% of revenue) for the year ended December 31, 2014. This increase was mainly due to the acquisition of four distribution sites, which amounted to €1.7 million, a light vehicle warehouse, which amounted to €2.4 million, and the construction of our new automated logistics platform in Réau in 2015, which amounted to €3.7 million.

Capital expenditures decreased by €1.1 million, to €18.7 million (or 1.6% of revenue) for the year ended December 31, 2014, from €19.8 million (or 1.7% of revenue) for the year ended December 31, 2013. This decrease was mainly due to decreased investments in the year ended December 31, 2014.

Business acquisitions and advances paid

Business acquisitions and advances paid mainly relate to external acquisitions, and advances paid in relation to those acquisitions. The amount of the acquisition is presented net of cash (or overdraft) held by such acquired entity.

Business acquisitions and advances paid amounted to €3.6 million (0.4% of revenue) for the eight months ended August 31, 2016. During the eight months ended August 31, 2016, the Group acquired three participations in companies: (i) in February 2016 the Group purchased, net of cash, a majority 70% interest in Automax Marseille for €1.7 million, which will be combined with ACR to create a leading platform for automotive parts in Marseille; (ii) in March 2016 the Group purchased a 34% participation in Société Lyonnaise de Pneumatiques et accessoires (SLPA), which amounted to €1.4 million; and (iii) in June 2016 the Group purchased 100% of Electro Diesel Service (EDS), specialized in commercial and utility vehicles repair and maintenance, for an amount of €0.7 million (subject to post-closing price adjustments), net of cash transferred. During the same period, we disposed of our 20% minority shareholding in Neoparts for €0.3 million (net of cash).

Business acquisitions and advances paid decreased by €52.5 million, to zero for the year ended December 31, 2015, from €52.5 million (or 4.5% of revenue) for the year ended December 31, 2014, as we did not acquire or dispose of any business during the year 2015.

Business acquisitions and advances paid increased by €39.4 million, to €52.5 million (or 4.5% of revenue) for the year ended December 31, 2014, from €13.1 million (or 1.2% of revenue) for the year ended December 31, 2013. These business acquisitions and advances paid primarily include the acquisition of ACR.

Cash flow from (used in) financing activities

The following table sets forth the components of our net cash flows from financing activities for the periods indicated:

(€ in millions)	Year ended December 31, 2013	2014	2015	Eight months ended August 31, 2015	2016
Dividends paid to the owners of the parent company . .	—	—	—	—	—
Dividends paid to non-controlling interests of consolidated companies	(0.2)	(0.3)	(0.3)	(0.3)	(0.4)
Dividends received from associates	—	—	—	—	0.3
Capital decrease in cash	—	(3.1)	(40.0)	(40.0)	—
Financial expenses with a cash effect	(3.9)	(9.4)	(22.1)	(18.4)	(18.4)
Financial income with a cash effect	0.3	0.5	0.5	0.4	0.3
Increase in borrowings	2.6	237.6	62.8	62.9	—
Factoring variance	—	1.0	7.3	4.2	(6.8)
Repayment of borrowings	(22.5)	(161.7)	(34.3)	(0.7)	(0.7)
Change in other financial liabilities	—	0.1	0.3	0.3	—
Net cash flow used in financing activities—continuing operations	**(23.7)**	**64.7**	**(25.7)**	**8.4**	**(25.8)**

Net cash used in financing activities amounted to an outflow of €25.8 million (or 3.2% of revenue) for the eight months ended August 31, 2016. Our financing activities consisted mainly of (i) €18.1 million of net financial income and expense relating to interest paid on the Existing Senior Secured Notes, which reflects the two semi-annual coupon payments in February and August 2016; (ii) €6.7 million of factoring credit line variance as a result of the decrease in the balance of drawdown from €8.3 million as of December 31, 2015, to €1.6 million as of August 31, 2016; and (iii) a €0.7 million repayment of borrowings mainly composed of other borrowings and loans incurred by some of our subsidiaries.

Net cash used in financing activities amounted to €8.4 million (or 1.0% of revenue) for the eight months ended August 31, 2015. Our financing activities consisted mainly of (i) €18.0 million of net financial income and expense relating to interest paid on the Existing Senior Secured Notes; (ii) a €40.0 million repayment of capital solely under the €40.0 million distribution to equity holders following the May 2015 issue of Existing Senior Secured Notes; (iii) a €67.1 million increase in borrowings primarily relating to the May 2015 issue of Existing Senior Secured Notes and to a €4.2 million factoring credit line of ACR; and (iv) a €0.7 million repayment of borrowings mainly composed of other borrowings and loans incurred by some of our subsidiaries.

Net cash used in financing activities amounted to an outflow of €25.7 million (or 2.1% of revenue) for the year ended December 31, 2015. Our financing activities consisted mainly of (i) €21.6 million of net financial income and expense mainly relating to interest on the Existing Senior Secured Notes, which amounted to €17.5 million for the year ended December 31, 2015 (€7.8 million for the year ended December 31, 2014), reflecting the two semi-annual coupon payments in February and August 2015 compared to one payment made in August 2014, as well as the issuance of an additional €60.0 million of Existing Senior Secured Notes in May 2015; (ii) an increase in borrowings of €70.2 million primarily relating to the €62.0 million of additional issuance of Existing Senior Secured Notes in May 2015 (including a premium of €2.0 million), net of €2.3 million of transaction costs, and the €7.3 million withdrawal of factoring with CGA; and (iii) a €34.3 million repayment of borrowings primarily due to the partial repayment of €30.0 million of Existing Senior Secured Notes and the partial repayment of €3.3 million of the Contingent Value Instrument, both in December 2015.

Net cash used in financing activities amounted to €64.7 million (or 5.5% of revenue) for the year ended December 31, 2014. Our financing activities consisted mainly of (i) €8.9 million of net financial income and expense relating to cash financial interest on the Senior Secured Notes; (ii) a €237.6 million increase in borrowings primarily relating to the Senior Secured Notes less €12.0 million of fees and expenses for the 2014 offering and €9.6 million for CICE financing; and (iii) a €161.7 million repayment of borrowings primarily due to the repayment in full of the former senior facilities for €64.3 million, the repayment of shareholder loans for €50.0 million, the repayment of a term loan facility for €18.6 million and a €10.2 million drawing under our factoring facility.

Net cash used in financing activities amounted to an outflow of €23.7 million (or 2.1% of revenue) for the year ended December 31, 2013. Our financing activities consisted mainly of (i) €3.6 million of net financial income and expense, mainly due to the interest paid on our former senior facilities; (ii) a €2.6 million increase in borrowings relating to the drawing on our factoring credit line with Eurofactor; (iii) a €22.5 million repayment of borrowings primarily composed of the voluntary early repayments of €10.0 million on our former senior equity loan and €5.0 million on our former senior facilities; (iv) the mandatory repayment of €2.8 million on our former senior facilities; and (v) €3.9 million of the repayment of excess cash flow in relation to our former senior facilities.

Credit arrangements following this Offering

Notes offered hereby

Following this Offering, we expect to have €510.0 million in aggregate principal amount of Notes outstanding. We will pay interest on the Notes semi-annually in cash at the annual interest rate and on the dates set forth on the cover page of this Offering Memorandum. Interest will accrue from the Issue Date.

The Indenture will contain covenants that, among other things, limit our ability and the ability of our restricted subsidiaries to: incur additional indebtedness; pay dividends on or make distributions in respect of capital stock or make certain other restricted payments or investments; enter into agreements that restrict distributions from restricted subsidiaries; sell or otherwise dispose of assets, including the capital stock of restricted subsidiaries; enter into transactions with affiliates; create or incur liens; and merge, consolidate or sell substantially all of our assets. These covenants will be subject to important exceptions and qualifications. See "*Description of the Senior Secured Notes—Certain covenants*."

Revolving Credit Facility

We entered into a Revolving Credit Facility on November 12, 2015, with the guarantors named therein as original guarantors or borrowers, the financial institutions named therein as original lenders and U.S. Bank Trustees Limited as security agent. In connection with the Doyen Auto Acquisition, we sought an increase of the Revolving Credit Facility in the amount of €10.0 million, as a result of which the Revolving Credit Facility provides for borrowings up to an aggregate of €50.0 million on a committed basis. The interest rate on cash advances under the Revolving Credit Facility will be the aggregate of the applicable margin and LIBOR/EURIBOR (as defined in the Revolving Credit Facility Agreement and subject to a floor of zero). The margin may range from 2.50% to 3.50% based on a consolidated senior secured leverage ratchet and subject to certain conditions. See "*Description of certain financing arrangements—Revolving Credit Facility Agreement*."

Factoring arrangements and working capital and bilateral lending facilities

Autodistribution and several other of our subsidiaries have entered into various factoring arrangements and working capital and bilateral lending facilities with an aggregate principal amount of €23.4 million outstanding as of August 31, 2016, after giving effect to the Doyen Auto Acquisition and excluding bank overdrafts. These factoring arrangements and the working capital and bilateral lending facilities will remain in place after the Issue Date. See "*Description of certain financing arrangements.*"

Contractual obligations

We enter into long-term contractual obligations and commitments in the normal course of business, primarily debt obligations and non-cancellable operating leases. As of August 31, 2016, our contractual cash obligations and commercial commitments as set forth below are on an as adjusted basis giving effect to the completion of the Doyen Auto Acquisition, to this Offering and the application of the proceeds therefrom as set forth in "*Use of proceeds*."

(€ in millions)	Less than on year	1–5 years	More than 5 years	Total
Notes offered hereby[1]	—	—	510.0	510.0
Operating leases[2]	34.2	84.5	27.4	146.0
Finance leases	0.2	0.0	—	0.3
CICE financing	3.7	5.9	—	9.6
Factoring	12.2	—	—	12.2
Bank overdraft	8.9	—	—	8.9
Other borrowings and accrued interest	10.5	3.3	0.5	14.3
Total[3][4]	**69.7**	**93.7**	**537.9**	**701.3**

(1) Represents €510.0 million aggregate principal amount of Notes offered hereby.

(2) The minimum future rents payable under the non-cancellable operating leases are stated as of December 31, 2015.

(3) Does not include any borrowings under our Revolving Credit Facility, which we expect to remain undrawn following the completion of the Offering. See "*Description of certain financing arrangements—Revolving Credit Facility Agreement.*"

(4) Contractual obligations of Doyen Auto are split between (i) €18.5 million due in less than one year, and (ii) €2.9 million due in one to five years (including €0.5 million of operating leases).

The foregoing table does not include liabilities associated with pension entitlements. As of August 31, 2016, we had a €24.4 million provision for post-employment defined benefit plan liabilities.

Credit management policy

We have adopted credit management procedures adjusted to the characteristics of the market and of our customers in order to reduce the risk of exposure and to attempt to allow prompt and proactive management of our business. The proactive customer credit risk monitoring activities start by grouping consumers based on their type, the duration of credit, the existence of previous financial difficulties or notifications and of the possible existence of legal or ongoing bankruptcy procedures. Financial assets are recorded in the financial statements net of the write-off based on the risk of breach by the counterparty, which is determined based on the available information regarding the customer's solvency.

Quantitative and qualitative disclosure about financial risk

In the ordinary course of our business, we are exposed to a variety of financial risks. We monitor and manage these risks as an integral part of our overall risk management program, which recognizes the unpredictability of financial markets and seeks to reduce their potential adverse effects on our results of operations.

Exchange rate risk

The euro is the functional currency in which our financial statements are presented. Our subsidiary in Poland generates currency in Polish złoty, and for the twelve months ended August 31, 2016, Polish złoty represented 9.2% of our revenue. We do not hedge this exchange rate risk.

Interest rate risk

We are exposed to interest rate risks due to our need to finance our operations as well as to utilize our available liquidity. Fluctuations in market interest rates may have a negative or a positive impact on our financial results by indirectly influencing the repayment of loans and investments. Following the Offering, our indebtedness and other debt arrangements will be primarily composed of the Fixed Rate Notes (which have a fixed interest rate) and the Floating Rate Notes and the Revolving Credit Facility (which borrowings will have an interest rate based on EURIBOR or LIBOR, reset periodically). We do not currently intend to hedge the interest rate payments on our Floating Rate Notes to be issued on the Issue Date. We may, however, decide to do so in the future.

We evaluate our exposure to changes in interest rates on a regular basis and may decide to manage the foregoing risks through financial derivatives, according to the directives contained in the "Interest rate risk management policy" we have adopted. Notwithstanding our potential use of hedging instruments, unexpected changes in interest rates could have a material adverse effect on our business, results of operations and financial condition.

Off-balance sheet arrangements

We are not party to any material off-balance sheet arrangements. For a description of certain commitments and guarantees that we have given to third parties in connection with our financing arrangements and other ordinary course rental and other obligations, see note 27 to the unaudited interim condensed consolidated financial statements of the Parent Guarantor as of and for the eight months ended August 31, 2016, and note 30 to the audited consolidated financial statements of the Parent Guarantor as of and for the year ended December 31, 2015, included elsewhere in this Offering Memorandum.

Other financial obligations: pension obligations

For a description of certain pension plans and obligations, see note 21 to our unaudited interim condensed consolidated financial statements as of and for the eight months ended August 31, 2016, included elsewhere in this Offering Memorandum.

Critical accounting policies

Our financial statements have been prepared in accordance with IFRS as adopted by the European Union. The preparation of these financial statements requires us to make various estimates and assumptions that affect the results we report. Such estimates or assumptions are based on our historical experience and currently available information, including expectations of future events that we believe are reasonable under the circumstances. Actual results may differ significantly from such estimates in light of the uncertainty surrounding the assumptions and conditions upon which the estimates are based. The following are significant accounting policies determined on the basis of such estimates and assumptions for which changes during a financial period could involve a significant risk of material change in the carrying amount of assets and liabilities.

Impairment of non-financial assets

At the end of each reporting period, we assess whether there is any indication that a non-financial asset might be impaired. The impairment tests are based on the four-year EBITDA plan for each CGU as defined by us. For purposes of impairment testing, goodwill is allocated to the CGU or group of CGUs most likely to benefit from the synergies of the business combination and to the lowest level at which goodwill is monitored by us. The CGUs correspond to subsidiaries or groups of subsidiaries that are included in the same operating segment and that generate cash flows largely independent from those generated by other CGUs.

The assumptions used then undergo a sensitivity test to assess the variability of the result following the changes of all assumptions. Each year and whenever there is an indication of impairment, we carry out impairment tests. A valuation of the AD brand is also performed separately, bearing in mind that the impairment of the brand is reversible if events occur that show that indicators that led to a loss being recorded no longer exist.

Deferred tax assets

Deferred tax assets are recorded in respect of tax loss carryforwards when it is likely that we will have future taxable profits against which said unused tax losses can be charged. The calculation of the amount of deferred tax assets that can be recognized requires management to estimate how long it will take to use up the losses carried over and the level of future taxable profits, with regard to tax management strategies.

Pensions and other post-employment benefits

The cost of defined benefit plans is calculated on the basis of actuarial valuations. These valuations rely on assumptions regarding discount rates, the projected yield from plan assets, the rate of salary increases and the mortality rate. Owing to the long-term nature of such plans, there is great uncertainty about these estimates.

Inventory impairment

Inventory impairment is calculated by applying an impairment rate for each category of unsold products in accordance with the depletion of items and their last date of sale.

Industry

This discussion contains market and competitive position data from industry publications and from surveys or studies conducted by third-party sources. Unless otherwise indicated, the financial and operational data presented herein exclude Doyen Auto.

We are the leading distributor in the independent aftermarket segment of France for aftermarket spare parts for light vehicles and trucks, which are used in their mainenance and repair. These spare parts include mechanical parts, electrical parts and electronic components, body parts (including headlights), assembly parts, tires, oils and lubricants, car paint, other chemical products and accessories.

We generated 90.8% of our revenue in France for the twelve months ended August 31, 2016, and the remaining 9.2% in Poland. We believe that as of December 31, 2015, we—as a network—held a market share of approximately 22% in terms of revenue in the fragmented French light vehicle IAM.

The light vehicle aftermarket is relatively complex compared to other industries, due to the large number of market participants with varying business models. In general, the light vehicle aftermarket can be divided into the following two segments:

- the original equipment suppliers ("OES") aftermarket segment, which is operated through a distribution network directly connected to car manufacturers and generally consists of authorized garages managed by car dealers; the OES segment's core target vehicle is aged between one and six years on average; and
- the independent aftermarket for spare parts ("IAM"), which is operated by independent distributors and garages as well as car centers, fastfits, tire specialists and hyper/supermarkets that are not connected to car manufacturers and which typically service all of the vehicles operating on the road without making a distinction between brands. The IAM segment's core target vehicle is aged beyond seven years on average.

OES and IAM suppliers sell their products to wholesalers and distributors which often operate on a national level. Regional and local wholesalers frequently buy these products from national wholesalers and distributors for further sale to garages, body shops, fast-fitters and car centers.

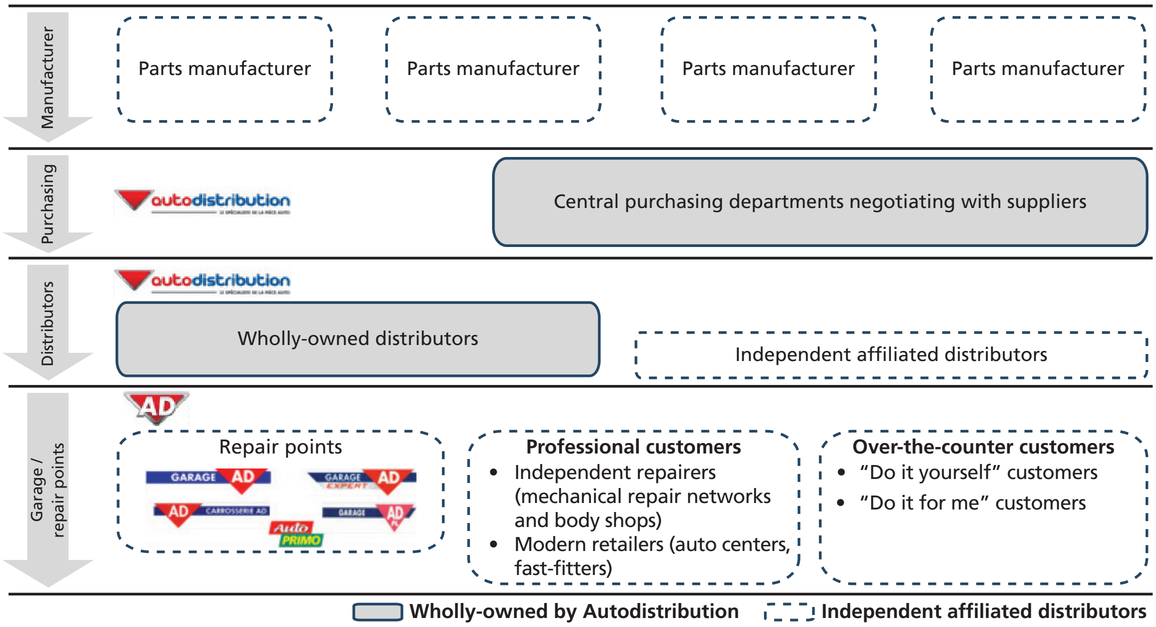
The following are the key participants in the IAM in France:

- Purchasing group: A department making purchases on behalf of a larger group of distributors. Consolidated purchases made through a purchasing group increase bargaining power with suppliers and enable greater discounts on purchased parts.
- Distributors: In the French OES, distribution is generally carried out by authorized resellers of the manufacturers that supply authorized dealers. In the IAM, distribution is carried out by independent distributors that supply products, depending on the specifics of the geographic area in which they operate, to wholesalers (which, in turn, supply garages, body shops, fast-fitters and car centers) or directly to garages, body shops, fast-fitters and car centers, depending on the specifics of the geographic area in which they operate.
- Garages (including body shops): Garages are either authorized by a car manufacturer or manufacturers, or operate independently and do not maintain any relationship with a particular manufacturer. Authorized garages generally specialize in the OES and, in general, solely offer products and services relating to the vehicles produced by the manufacturer to which they are connected. Consequently, authorized garages only provide services in relation to a limited range of vehicles. By contrast, independent garages that operate in the IAM generally offer services and repairs on all vehicles, without distinguishing between vehicle manufacturers and models.

There are often exceptions to the supply chain described above, largely due to the expectations of end-customers that garages, body shops, fast-fitters and car centers obtain light vehicle spare parts in a timely manner. For example, larger garage networks or specialist repair center chains often source particular light vehicle spare parts from an external wholesaler. In some cases, authorized dealerships may source spare parts externally.

The following chart provides an overview of the interaction of the key participants in the IAM in France, from the manufacturer level to the garage and repair point level, and we have illustrated our own position within the purchasing and distribution segments below as an example.

Autodistribution positioning



Differentiating factors between the IAM and the OES

Key factors considered by end-customers when deciding to use the services provided by the IAM, rather than the OES, include:

- the high flexibility and professionalism of IAM operators which allows them to provide products and services for all brands and models;
- the segment's competitive pricing compared to OES;
- the timely execution of maintenance and repair services, due to the efficiency of the IAM distribution network and the capacity of independent garages to quickly obtain spare parts that they may not have in stock; and
- favorable regulation that allows IAM operators to have access to all technical details/ specifications/repairs for all car models.

Development of the aftermarket for spare parts for light vehicles in France

We participate in the aftermarket value chain as a business-to-business distributor of spare parts for light vehicles and trucks.

The size of the French light vehicle aftermarket is estimated between €21 billion and €22 billion, including product sales and workshop labor (market size estimated at the level of service centers and not at the level of wholesale).

Within the French light vehicle aftermarket, sales of spare parts (product sales at the level of service centers, excluding workshop labor, which is our core activity) were estimated at approximately €12 billion in 2015, with approximately 60% for IAM and approximately 40% for OES. The share of the market of independent garages, which is our key market segment, reached approximately 25% in 2015.

The overall aftermarket for spare parts for light vehicles is mature and has been broadly stable at approximately €12 billion between 2010 and 2015. The independent garage segment grew at approximately 4.5% per annum, hence increasing its share of the market over the same time frame (at the expense of the OES segment and other IAM players) and should continue to grow in the future.

Key factors influencing the aftermarket for spare parts for light vehicles in France

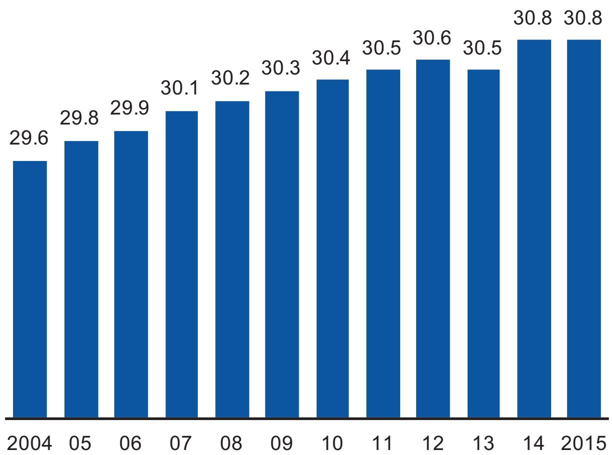
We believe there are a number of factors impacting the overall light vehicle spare parts market and contributing to its stability, including: (i) the number of vehicles on the road; (ii) miles travelled; (iii) the age of vehicles on the road; (iv) the composition of vehicles on the road; (v) technological developments and prices; (vi) regulation; and (vii) new distribution channels.

Independent garages are expected, in the near future, to continue to show growth due to a continuous shift from OES to IAM.

Number of vehicles on the road

The total number of vehicles on the road is a key factor affecting the development of the spare parts aftermarket. As of December 31, 2015, there were approximately 30.8 million light vehicles (private vehicles only) on the road in France. Growth in the number of vehicles on the road is measured by the number of new registrations over a certain period, minus the number of vehicles retired during that period. The number of new registrations is influenced by a variety of factors, including the purchasing power of the overall population, the density level of light vehicles on the road and the availability of government incentives to purchase new vehicles (such as the car-scrapping premium that was implemented in 2009). The number of light vehicles on the road has slightly increased in recent years, at a CAGR of 0.3% between 2010 and 2015. New registrations of light vehicles per year are expected to remain at approximately 1.9 million units per annum in the near future.

Light vehicle fleet in France (private vehicles only)
(2004–15, December 31st of each year)
million vehicles



Miles travelled

The need for maintenance and repair services is directly related to the number of miles travelled by vehicles. For example, an increase in fuel prices, the adoption of government incentives to use public transportation or disincentives to travel by car, may have an impact on the number of miles travelled over a certain period.

The average number of miles travelled annually per car (private light vehicles) in France is estimated at 12,990 km in 2015 and has been decreasing at a CAGR of approximately (0.9)% between 2005 and 2015. Future trends are hard to predict as the negative impact of the development of public transportation (such as trains or buses) could be offset by the decrease in fuel prices and other technology changes (e.g., autonomous driving or ride hailing).

Age of light vehicles on the road

Light vehicles on the road can be divided into four categories of age: (i) zero to four years; (ii) five to nine years; (iii) 10 to 14 years; and (iv) over 15 years, representing approximately 31%, 31%, 23% and 15%, respectively, of the overall light vehicles fleet in 2015.

Between 2004 and 2015, the share of the ten to 14 years vehicle group increased from approximately 20% to approximately 23% of the total fleet, which typically benefits IAM, while the zero to four years vehicle group decreased from approximately 35% to approximately 31%. In the same period, the five to nine years and over 15 years vehicle groups remained stable at, respectively, approximately 31% and approximately 15% of the overall fleet.

The average age of light vehicles on the road in France has increased over the last few years, reaching 8.8 years in 2015 compared to 7.7 years in 2005, and is expected to increase further, resulting in a positive impact on spare parts sales and the number of workshop entries going forward.

We believe that consumer preferences for services and repairs vary depending on the age of the vehicle in question. Despite the fact that the quality of service and the validity or duration of a vehicle warranty is generally not compromised by using services and parts sourced from independent garages, consumers who own vehicles that are four years old or less typically use authorized garages operating in the OES to perform related maintenance and repair services because their vehicles are typically covered by manufacturer warranties. We believe that consumers who own vehicles that are more than four years old increasingly prefer to have their cars serviced by independent garages. This is primarily due to the expiration of car warranties and the fact that these particular consumers are more concerned with the pricing of services and parts, which is typically a favorable development for the IAM. As a result, spare parts supplied for vehicles over six years old constitute the majority of the IAM as cars age. We expect the IAM to capture a higher share of the market as the average age of vehicles in France increases.

Other factors potentially impacting the industry are linked to political decisions, such as partial or total diesel banning, incentives for increased adoption of electric vehicle and new car-scrapping programs that are not foreseeable in the near future but could have an impact on average age of the fleet, in the medium term.

Composition of vehicles on the road

The composition of vehicle makes and models on the road is largely determined by the purchasing power and preferences of end-customers. Such composition influences the frequency of maintenance and repair services, the average price of spare parts used for repairs and the overall development of the IAM.

The number of models and OEMs have increased significantly over the past 20 years. This increasing heterogeneity in vehicle brands has led to an increased need to be able to offer a wide variety of spare parts. This increasing complexity benefits the IAM over the OES, due to its management of the proliferation of different brands, ability to address a larger and more diverse customer base, and greater economies of scale.

Technological developments and prices

Technological developments in the light vehicle industry generally lead to an increase in the quality of vehicles available, as well as the components used in car manufacturing becoming more complex. While an increase in quality generally results in an increase in the durability of vehicle components, it also tends to lead to an increase in the average price of spare parts. Furthermore, there is a general trend towards the use of modules in automobiles, which are more expensive to replace than single parts.

The increasing complexity of vehicle components could also impact the growth potential of the IAM, because service providers will need to develop their vehicle expertise, technical capabilities and data accessibility to continue to provide minimum maintenance and repair services. In the last ten years, approximately 50 sensors on average have been introduced in cars, and this number is expected to double in the next five years.

Regulation

The European regulatory environment directly affects the European light vehicle aftermarket, and has been generally favorable to IAM operators in recent years. The general trend has been towards granting the IAM full access to the market by limiting restrictions on independent manufacturers selling automobile parts to authorized or independent distributors and garages, and end-customers. In addition, the current regulatory framework requires that the OES grant IAM operators full access to relevant technical information and permits only certain limitations on vehicle warranties.

The Consumer Law of March 2014 is expected to reinforce the public awareness that car owners are not at risk of jeopardizing their warranty by taking their vehicles to an independent garage. Since January 1, 2015, it has been a legal requirement to make a vehicle owner aware of its right to use an independent garage in the vehicle maintenance booklet.

With the average age of vehicles increasing, technical controls could also become stricter, which would increase the volume of workshop entries, benefiting the IAM, in particular.

New distribution channels

With the development of web-based databases, both garages and end-customers are able to identify, source and order required spare parts via the internet. This relatively new distribution channel will be key in retaining and capturing market share going forward because customers will formulate their purchasing decisions while engaging with these internet databases.

Online retailers, however, are expected to gain limited additional market shares in the future as we believe they already have reached their full potential for the type of spare parts they can address. Going forward, online retailers are expected to continue to focus on easy-to-install wear and maintenance spare parts such as plugs or brake pads. They are not expected to develop their presence with respect to complex or technical parts such as turbos for which end-customers would rather rely on professionals providing installation services.

Competitive landscape in France

At the end of 2015, the French light vehicle aftermarket spare part sales were estimated to be approximately €12 billion at the level of service centers and excluding workshop labor. At the wholesale level, the market is estimated to be approximately €9.6 billion with IAM representing approximately 52%. The resulting approximately €5.0 billion IAM market is the best estimate of our addressable market (since we predominantly sell to service centers).

We estimate our market share has reached approximately 11.5% of the overall light vehicle spare parts market at the wholesale level in 2015, while reaching approximately 22% of the IAM segment.

The table below sets forth the estimated market shares of key IAM distributor brands in France as of December 31, 2015:

French IAM light vehicle parts distribution	Approximate market share in French IAM spare parts market (wholesale price)**
Autodistribution	22%
Groupauto France*	14%
Precisium/GEFA*	7%
Others	57%

* Groupauto France and Precisium/GEFA are both owned by Alliance Automotive Group, our main competitor in France, but they operate as separate purchasing groups.

** Spare parts market considering product sales at wholesale price, and not at retail price, excluding workshop labor.

Main French OEMs, such as PSA and Renault, seem to be looking into developing their presence in the multibrands spare parts market. PSA and Renault could thus reach older vehicles of their own installed base or target vehicles from other brands, which have been the historical positioning of IAM.

For instance, PSA has recently launched "Distrigo," a brand aimed at assembling all its multibrands spare parts activities, including its 37 platforms in France, twelve of which are its subsidiaries. PSA has also taken a stake in Aramisauto, the French leader in online used-car sales, in order to develop this activity and associated services.

Notwithstanding, this trend is not likely to result in a significant increase in market share as OEMs need to balance this strategy with their historical OES activities and would require investment in broader product assortment, availability of parts and logistics.

Focus on heavy vehicles

In the heavy goods vehicle ("HGV") market, Autodistribution provides spare parts and maintenance/repair services. The HGV repair market is estimated to have been approximately €5.5 billion in 2014 (including sales of spare parts at service center prices, i.e., not at wholesale prices, and including workshop labor). The HGV market is driven by the aging of the fleet, leading to increasing repair costs, the growing sophistication of HGVs and an increase in average annual mileage.

HGV fleet: HGVs include different types of motorized vehicles (trucks, road tractors, coaches and buses and other specialized vehicles such as ambulances, garbage trucks and fire trucks) and non-motorized vehicles (semi-trailers and trailers). The French HGV fleet reached 1.10 million units as of December 31, 2015, with 0.7 million motorized vehicles and 0.4 non-motorized vehicles. The French HGV fleet has slightly increased over the period from 2011 to 2015 period at a approximately 1.3% CAGR. After a drop in 2014, registrations are expected to stabilize, and the car parc should remain stable by 2019.

Age of French HGV fleet: As a result, the French HGV fleet has aged, leading to increasing repair costs. Over the past few years, the HGV fleet has aged as a consequence of fewer registrations, especially from 2009 to 2010. Tougher economic conditions have forced operators to postpone fleet renewal programs. The aging of the French HGV fleet has benefited Autodistribution and the overall independent segment, as Autodistribution typically focuses on seven to eight year old vehicles, in comparison to OES focusing on vehicles fewer than six years old. Going forward, the fleet of vehicles fewer than six years old is expected to remain the core market of the OES players, as new vehicles are increasingly equipped with remote monitoring devices enabling it to optimize maintenance, resulting in strong captivity for the OES segment. Similarly, the fleet of vehicles greater than six years old will remain predominantly addressed by the independent sector as customers value their large network and their capacity to offer lower and harmonized prices in their entire network.

Miles travelled: Annual mileage per vehicle is correlated with economic activity and is expected to increase over the next few years, driven by an improving economic environment. Average annual mileage for HGVs reached approximately 32,000 km in 2015, with long-haul trucks easily covering 120,000 km per annum. As in the light vehicles market, the increase in annual mileage will impact demand for wear parts, and more generally parts subject to recurrent replacement (oil change, lubricants, tires, etc.)

Spare parts price: Increased sophistication of HGVs results in more complex repair operations, as HGVs contain more and more embedded electronics and technical parts. Repair operations on HGVs become increasingly complex, as they require specific and expensive tools and equipment, such as electronic diagnostic tools, but also highly skilled and well-trained mechanics. The Euro 6 regulation on emission standards for trucks, which became effective in 2014, is typically expected to contribute to the increase in spare part prices.

Competitive environment: The French HGV spare parts and maintenance market is shared between OES holding approximately 60% of the market, IAM with a approximately 25% market share and fleet operator internal workshops (only including labor, excluding spare parts sales which are necessarily purchased via the two other channels) with an approximately 15% remaining market share. In the approximately €1.3 billion market segment held by IAM players, Autodistribution holds an approximately 18% market share with approximately €235 million sales (at wholesale prices). Overall Autodistribution is the number one independent player in number of outlets, the number two overall market player behind Renault Trucks, and the number one independent player in terms of awareness.

Business

Unless otherwise indicated, the financial and operational data presented herein exclude Doyen Auto.

Overview

We are the leading distributor of aftermarket spare parts for light vehicles and trucks in the IAM in France, with over 50 years of experience. We also hold a strong regional position in the Polish light vehicle IAM and, since the acquisition of Doyen Auto on September 30, 2016, in the Benelux light vehicle IAM. For the twelve months ended August 31, 2016, and giving pro forma effect to the Doyen Auto Acquisition, we generated revenue of €1,425.8 million, of which 86.6% was generated in France and a Pro Forma Adjusted EBITDA (including Doyen Auto) of €115.2 million. We believe that as of August 31, 2016, and giving pro forma effect to the Doyen Auto Acquisition, we held a market share in excess of 22% in terms of revenue in the fragmented French light vehicle IAM. Following the Doyen Auto Acquisition, we believe that we hold a market share of approximately 21.0% in terms of revenue in the Benelux light vehicle IAM. Our addressable market has demonstrated resilience in recent years and currently benefits from advantageous long-term trends. Our scale provides us with significant purchasing power with aftermarket spare parts suppliers, and our extensive network throughout France, which we have expanded with the ACR Acquisition in April 2014 and more recently, the Doyen Auto Acquisition on September 30, 2016, allows us to deliver a broad range of parts on a timely and efficient basis.

We distribute parts and other products in four business lines across the French IAM: light vehicle parts for maintenance and repair; light vehicle parts for collision repair; truck parts for maintenance and repair; and equipment and tools for light vehicle maintenance and repair. We distribute a broad portfolio of products in each of our four business lines, featuring approximately one million commonly used spare parts from over 281 suppliers. We have also distributed light vehicle parts across the Benelux IAM since the completion of the Doyen Auto Acquisition.

We are an integrated distributor, with an advanced supply chain and distribution system. Our system in France and Benelux is organized around central purchasing departments, which buy aftermarket spare parts and equipment and tools from our suppliers, which are then sold to our wholly-owned distributors or to affiliated independent distributors and online retailers. These distributors sell these parts, equipment and tools to independent garages, body shops, fast-fitters, fleet garages for light vehicles and trucks, and car centers ("garages"), some of which are affiliated with us and operate under our brands, such as AD ("branded garages").

Sales by our wholly-owned distributors to garages represented 75.7% of our revenue in France for the twelve months ended August 31, 2016, and sales by us to affiliated independent distributors represented 24.2% of our revenue in France over the same period. As of August 31, 2016, we had a network of 33 wholly-owned distributors and 44 affiliated independent distributors in France. These distributors operate out of 493 distribution sites, comprising 307 wholly-owned and 186 affiliated distribution sites, which are supplied either by our four warehouses (two for light vehicle parts, one for light vehicle collision repair parts and one for truck parts) or through direct shipments from suppliers. We use a customized IT system to ensure the efficient management of our supply chain and distribution system by tracking product availability, stock levels and delivery schedules. In Poland, we operate three warehouses and 44 distribution sites. In Benelux, we have operated three warehouses and 107 affiliated distribution sites since the completion of the Doyen Auto Acquisition.

The spare parts and equipment and tools that we distribute are sold to more than 70,000 regular professional customers in France, a significant portion of which are independent garages. Approximately 3,200 of such garages operate under our brands, such as AD, and participate in an affiliate program through which they receive enhanced service and support from us, and in return our wholly-owned and affiliated independent distributors are designated as their preferred distributor of spare parts. Our extensive network, spanning the supply chain from central purchasing to branded garages, has enabled us to develop a highly recognized brand in the markets in which we operate.

Our leading market position, large-scale operations and centralized purchasing departments provide us with significant purchasing power, which we use to negotiate volume rebates with our suppliers. We pass on a portion of these rebates to both our wholly-owned distributors and affiliated independent distributors in France. As members of our loyalty program, our affiliated independent distributors receive the benefit of our volume rebates by agreeing to purchase at least 70% of their spare parts from us, thereby driving our volumes. In 2015, we renewed our contract with our affiliated independent distributors for an additional seven-year term.

Of the €846.1 million in revenue generated by our wholly-owned distributors in France for the twelve months ended August 31, 2016, light vehicle parts for maintenance and repair accounted for approximately 52.6%; light vehicle parts for collision repair accounted for approximately 16.4%; truck parts for maintenance and repair accounted for approximately 14.2%; and equipment and tools for light vehicle maintenance and repair accounted for approximately 16.8%. The remaining €270.8 million of our revenue in France for the twelve months ended August 31, 2016, was generated by sales to affiliated independent distributors.

Our strengths

Attractive, stable and resilient light vehicle aftermarket

The light vehicle and truck spare parts aftermarket is one of the most profitable sectors of the light vehicle and truck value chain. Demand in the light vehicle spare parts aftermarket is affected by the number of cars on the road (the "car parc") and the average age of and miles driven by these cars. The aftermarket in the countries in which we operate has generally proven resilient during economic downturns, when new car sales tend to decline. This resilience is due in part to several positive trends that we believe will continue in the medium term, such as a stable car parc size, a continuing increase in the average age of the car parc, increasingly complex and technologically advanced vehicle parts, and advantageous regulatory schemes in the jurisdictions in which we operate. For example, the slowdown of new car sales in the markets in which we operate has led to an increase in the average age of the car parc, resulting in a growing share of cars beyond the manufacturer warranty period and in need of repair and maintenance. Independent garages sourcing IAM-provided spare parts create value for owners of such beyond-warranty period cars looking for an alternative to generally more expensive manufacturers' dealers' garages.

Leading distributor in the profitable French independent aftermarket sector

We are the leading distributor of parts for light vehicles and trucks in the IAM in France, with over 50 years of experience. As of August 31, 2016, and giving pro forma effect to the Doyen Auto Acquisition, we held an estimated market share in excess of 22% in terms of revenue in the fragmented French light vehicle IAM. Our leading position in the IAM, our well-recognized brand and our extensive distribution network provide us with a strong platform to deliver a broad range of spare parts, equipment and tools on a timely and efficient basis. We enjoy a strong regional position in the light vehicle IAM in Poland, through our wholly-owned distributors in southern Poland, and in Benelux, since the completion of the Doyen Auto Acquisition.

Vertically integrated distribution system serving a diversified customer base

Vertically integrated distribution system

Our distribution system is vertically integrated, enabling us to frequently and rapidly distribute a large assortment of parts, at a lower cost than smaller operators, and to maintain high levels of product availability for customers. Each of our business lines in France has an extensive distribution network organized around our central purchasing departments, four specialized national warehouses and distribution sites spread throughout France. We also arrange for the direct supply of spare parts and equipment and tools from suppliers, and these deliveries are handled separately from our logistics platform. For those parts not shipped directly from the supplier, we use a customized IT system to ensure the efficient management of our supply chain and distribution system by tracking product availability, stock levels and delivery schedules. Our distribution system is also capable of making frequent, rapid deliveries and has been designed to efficiently handle high volumes, thereby reducing costs, increasing product availability and, ultimately, driving increased customer loyalty. Furthermore, we have organized our distribution system taking into account each business line's specific characteristics in order to optimize our operational flexibility and efficiency, thereby increasing our ability to provide high levels of service to our customers. For example, we separated our light vehicles and trucks spare product lines into two distinct business units in order to optimize their supply chains and capitalize on their respective efficiencies.

Our vertically integrated distribution system and extensive network of distributors and garages provide us with a competitive advantage over smaller operators because smaller operators lack our purchasing power, large on-hand stock and service levels. We are also a founding partner of the AD International purchasing network, one of the largest European purchasing networks of independent distributors for spare parts, which further enhances our purchasing power, allows us to obtain rebates and gives us access to best practices of other AD International partners abroad. We believe that the advantages of our vertically integrated distribution system are difficult to replicate because of the significant time and resources that would be required to reproduce our existing infrastructure.

Diversified customer base

Our vertically integrated distribution system enables us to deliver high levels of service to a large customer base of light vehicle and truck garages across France and Benelux. As of August 31, 2016, we served more than 70,000 regular professional customers in France, including our approximately 3,200 branded garages, and several hundred thousand individual professional customers. We service our customers through both our wholly-owned and affiliated independent distributors. For the twelve months ended August 31, 2016, 75.7% of our revenue in France was generated by sales to garages and over-the-counter sales through our wholly-owned distributors, and 24.2% of our revenue in France was generated by sales to affiliated independent distributors that are members of our loyalty program. We believe that our efficient distribution network and our ability to deliver a wide variety of parts across a broad network on a timely and efficient basis has contributed to increased customer loyalty and enabled us to develop and maintain our large and diverse customer base. In general, the end-customers targeted by our wholly-owned distributors and our affiliated independent distributors do not overlap due to the commercial arrangements that we have in place with our affiliated independent distributors. In addition, we are focused on developing new customer segments, such as online retailers that are major customers of Doyen Auto. We have also set up a separate sales department dedicated to insurance clients in order to strengthen our commercial relationships with these companies and increase our share of the collision repair market.

High-quality service based on extensive product portfolio, highly efficient operations and customized IT systems

Quality of service in the IAM distributor market is closely tied to the range of parts on offer, efficient and effective order execution, timely delivery and responsive customer service. We offer an extensive product portfolio of approximately one million commonly used spare parts from over 281 suppliers, including a new product line for windscreens. We believe that our suppliers view us as a key channel through which they are able to supply parts for the IAM, which allows us to negotiate improved pricing and purchasing terms from a diverse range of suppliers. This is because we are one of the few distributors in our market with the scale, warehouse logistics, distribution network and expertise to be able to acquire, stock and distribute a large number of spare parts, equipment and tools for an increasingly complex market with high barriers to entry. We also believe that this gives us an advantage against competition from OES, which need to combine their historical OES activities with the complex IAM market and would require investment in a broader product assortment, availability of parts and logistics in order to compete with the range of products we distribute, the availability of parts we offer, our strong logistics and the quality of our services. The number of car and truck brands and models in the car park continues to increase and, as a result, the related assortment of car and truck spare parts increases each year. We believe that our extensive product portfolio, combined with our extensive range of services, make us attractive to the growing number of multi-brand garages that are moving away from single-brand, manufacturer specific dealers.

Our logistics platforms are well invested and allow us to operate industry-leading distribution networks. As of August 31, 2016, Logisteo, our central warehouse from which we distribute spare parts for light vehicle repair and maintenance, was the largest independent logistics platform for light vehicle parts for maintenance and repair in France, with over 20,000 square meters of storage space that stored approximately 56,800 spare parts references of 124 brands. It supplies 493 distribution sites, comprising 307 wholly-owned and 186 affiliated distribution sites, and employs approximately 280 people. Since July 2015, we have made significant investments in the automation of the processes in our Logisteo warehouse in order to improve the accuracy and speed with which products are delivered to customers and increase our product offering. As of August 31, 2016, we had already invested €16.4 million in this project and expect that completion of the project during the course of the next nine months will generate cost savings for us in the long term. In 2013, we also invested in the expansion of our call center for our collision repair service in order to improve the quality of our service for our collision business customers.

Our large geographic footprint, vertically integrated distribution system and advanced logistics platforms allow us to provide efficient and effective service to our customers throughout France. We provide several daily deliveries, including deliveries within two hours for fast-moving items and next business day deliveries for slow-moving items. If a distributor does not have a specific spare part in stock, we are able to deliver the item to that distributor from one of our logistics platforms or arrange delivery directly from the supplier within one business day of order placement. We also deliver other services for our customers, including user-friendly websites and online and offline support, technical hotlines and training services. Our online business-to-business car and truck repair and maintenance web portals (Autossimo and Truckissimo, respectively) provide user-friendly portals for garages to search for and directly order from a large selection of spare parts and to obtain technical information, thereby improving the customer experience and reducing our call center costs. We believe that these web portals provide us with a competitive advantage, and approximately €138.7 million, or 21.0%, of our revenue from sales of light vehicle spare parts by both our wholly-owned distributors and affiliated independent distributors for the twelve months ended August 31, 2016, were placed through our online portal, Autossimo. We believe that the consistently high quality of services we offer drives customer loyalty and reinforces our market-leading positions.

Our customized IT system plays a key role in allowing us to manage inventory levels and delivery schedules effectively. In late 2013 and early 2014, we upgraded the warehouse IT management system of our light vehicle logistics platform, which we believe is best-in-class. We are also in the process of upgrading our IT systems for our sales department, and have rolled out eBook, a tablet-based program that allows our sales representatives to see previous customer orders and to make suggestions for purchases based on the customer's profile. We believe that our IT systems provide us with a significant advantage and drive our ability to serve our customers on a timely and efficient basis.

As the IAM grows more complex as a result of the evolution of technical parts and an increased assortment of spare parts, equipment and tools available on the market, the ability to operate efficiently will be increasingly important in maintaining our high-quality service and our market-leading positions. As a result, we have made, and expect to continue to make in the future, appropriate investments in IT.

Strong financial performance and strong cash flow generation with a capex-light business model

Since 2013 we have generated stable revenue, increased our Adjusted EBITDA margin from 4.9% to 7.6%, and maintained stable cash flow generation despite a slowdown in economic activity in France in recent years, with a cash conversion (defined as Adjusted EBITDA less capital expenditure, divided by Adjusted EBITDA) of 68.2% for the year ended December 31, 2013, 73.6% for the year ended December 31, 2014, 70.3% for the year ended December 31, 2015, and 72.0% for the twelve-month period ended August 31, 2016, and a cash conversion (excluding exceptional capital expenditure) of 86.9% for the twelve months ended August 31, 2016. We have driven Adjusted EBITDA margin improvement during the last six years by implementing a series of profit enhancement measures. Since these measures were implemented, our Adjusted EBITDA has increased from €29 million for the year ended December 31, 2009, to €93.7 million for the twelve months ended August 31, 2016. These measures include, among others: the maximization of suppliers' rebates via increased purchasing by our central purchasing departments and integrated Group-wide purchasing (including our affiliated independent distributors), cost reductions in the aggregate compensation of local management and administration through the implementation of shared services, and reductions in transportation and logistics costs by optimizing the delivery routes between our distribution sites and our customers and increasing the use of central distribution facilities. In addition, we improved our cash flows from operating activities (including changes in working capital and other items with cash effect) from €15.6 million for the year ended December 31, 2010, to €54.4 million for the twelve months ended August 31, 2016. We operate a capex-light business model using rented facilities, and thus our operations do not require us to own or maintain extensive physical infrastructure. During the twelve months ended August 31, 2016, our capital expenditures amounted to 2.8% of our revenue and consisted of maintenance expenditures for our distribution facilities, and upgrades to our sales and warehouse IT management systems, as well as our first investment in Logisteo's automation process development. Our low levels of maintenance capital expenditure requirements (as a percentage of revenue) have allowed us to invest in our business, maintain our leading market positions, improve operating efficiency and achieve deleveraging through Adjusted EBITDA growth and cash generation.

Experienced and successful management team with strong support from our sponsor

Our Chairman, Olivier Roux, our Group CEO, Stéphane Antiglio, and our Group CFO, Christophe Gouthière, have more than 70 years of combined experience in the distribution and light vehicle sectors and have a proven track record in developing and implementing turnaround and growth strategies. Our Chairman, Olivier Roux, is the former co-CEO of the Rhiag Group, a leading distributor in the Italian, Swiss and Eastern European light vehicle aftermarkets, and has extensive experience in the light vehicle aftermarket. Our Group CEO, Stéphane Antiglio, is the former CEO of Pomona Passion Froid, the frozen food distribution branch of Pomona. Our Group CFO, Christophe Gouthière, was previously European CFO of the Dole Group, a leading distributor of fresh fruit and vegetables. Our Chairman, Group CEO and Group CFO, supported by an experienced management team, have successfully implemented profit improvement initiatives and integrated new businesses into our Group. For example, our management team successfully integrated ACR in 2014 and timely realized slightly higher purchasing and cost savings and revenue enhancements than those identified at the time of the ACR Acquisition. We believe that the success of our management team in completing our profit improvement plan and returning our business to profitable growth has laid a solid foundation for further growth and increased profitability. The support, investment experience and sector expertise of our sponsor, Bain Capital, will supplement the leadership and expertise of our management team.

Our strategy

The key elements of our business strategy are:

Continue to strengthen our market-leading positions

Light vehicle and truck parts

We intend to strengthen our position as a market leader in the French light vehicle IAM through organic growth. With more than 50 years of experience and a focus on the breadth of product assortment, availability of parts, strong logistics and quality of customer service, we believe that we are well positioned to maximize growth opportunities in the increasingly complex light vehicle IAM. To accomplish this growth, we plan to extend our network coverage, improve our sales force performance and practices, develop new key accounts, expand our commercial relationships with fast-fitters and enhance the efficiency of our supply chain for express orders. We may also seek from time to time to make selective acquisitions that are accretive to our network. As part of this strategy, we acquired ACR in 2014 and Doyen Auto in 2016, and are currently considering the acquisition of another small spare parts distributor. The latter transaction is at an early stage, and is subject to completion of due diligence and the negotiation of contractual documentation. There is therefore no assurance that we will complete it in the near term or at all. Should we complete such acquisition, we expect to finance it with cash from operations and existing liquidity lines, and we believe that it would have no materially negative impact on our ratio of net debt to pro forma adjusted EBITDA. Doyen Auto is a distributor of spare parts for light vehicles in France and Benelux. For the twelve months ended August 31, 2016, Doyen Auto generated revenue and Adjusted EBITDA of €196.0 million and €8.9 million, respectively.

Collision parts

Revenue from our collision repair services increased at a CAGR of 11.9% between 2010 and 2015. We intend to leverage our logistics platforms, competitive prices and high levels of service to continue to win new contracts with insurance companies for our collision repair services. We plan to channel this business to our branded garages in order to strengthen our partnerships with such garages and insurers and increase demand for the provision of collision repair parts from our distributors.

Enhance customer service

We intend to continue to enhance our high-quality service to our customers by ensuring seamless execution from order to delivery and by further increasing our already extensive product assortment. We believe that timely product delivery, our range of spare parts on offer, and efficient and effective order execution will continue to drive customer loyalty. We plan to shorten the time between order placement by our customers and delivery of products by improving our logistics and distribution system, including through the recent upgrade of the warehouse IT management system of our light vehicle logistics platform. The ACR Acquisition has allowed us to benefit from ACR's experience in product return management and its specialization in deliveries within two to four hours of placing an order. With the completion of the Doyen Auto Acquisition, we have increased our ability to deliver spare parts in rural areas of France, where a majority of API distributors are located. We will also benefit from Doyen Auto's experience in sales to online retailers to enhance the quality of our services in this segment. We seek to offer an even more extensive product range in the light vehicle, collision and truck sectors. We believe that this will provide us with growth potential by allowing us to capture market share for new brands and product lines. For example, we plan to further expand our portfolio by including additional product families for chassis, engines, electronics and light vehicle body parts. We also plan to further develop our private label ISOTECH product line for the light vehicle and truck aftermarket and the private label product line of ACR for the light vehicle aftermarket. We plan to introduce at least one new product line every year. We believe that this approach will allow us to address different types of customers with different value propositions, ultimately optimizing our market coverage. We also believe that an increase in private label product lines as a percentage of our total revenues will improve our competitiveness and margins.

Continue to optimize organizational efficiency

We intend to continue to optimize our operational processes by implementing several changes to the organization of our supply chain, inventory management, IT, real estate, human resources and logistics, which we believe will allow us to increase the quality of our operations and reduce fixed costs in our real estate and employee cost base. We plan to further standardize our central administration and enhance our IT support in order to implement these changes. In addition, we intend to continue to invest in our logistics platforms in order to reduce costs, facilitate operational efficiencies, strengthen our supply chain and provide our customers with better product coverage and availability. For example, we aim to open a new logistics platform in Réau, France in 2017. By further enhancing existing software and installing new software, such as the recent upgrade of the warehouse IT management system of our light vehicle logistics platform, we will be able to expedite our logistics and optimize the processing of orders. We also intend to further strengthen our Polish operations and to improve our EBITDA margins in Poland pursuant to a profit improvement plan which is currently being implemented.

Continue to improve purchasing performance

We believe that one of the most important factors in our success has been our ability to use the purchasing power derived from our size, integrated business model, specialized warehouse management and logistics systems, and partnership with AD International to obtain larger rebates and more favorable terms from suppliers than are available to other participants in the IAM. We intend to continue to seek to capitalize on our scale and integrated purchasing to negotiate better prices and purchase conditions with our suppliers. For example, we expect Doyen Auto to realize purchasing savings by purchasing spare parts under our existing arrangements with our suppliers, which provide better commercial terms compared to Doyen

Auto's contracts. We estimate that the integration of Doyen Auto will result in approximately €12.6 million of identified annualized anticipated purchasing and cost savings. Additionally, we are focused on increasing the share of purchases made by our affiliated independent distributors through our central purchasing departments, which we expect will further increase our sales volumes and improve our purchasing power.

Increase focus on over-the-counter sales of light vehicle spare parts

Our over-the-counter sales of light vehicle spare parts in France generated approximately 9.3% of our revenue for the twelve months ended August 31, 2016. The French "do-it-yourself" aftermarket represents a high-margin market, and we are developing strategies, including loyalty cards and sales force training, which target these customers and allow us to effectively compete against online light vehicle spare parts retailers. The integration of ACR in 2014, which serves online light vehicle spare parts retailers, increased our presence in this segment of the IAM. Whether an order is placed at one of our distribution sites or online, we believe that our timely over-the-counter product delivery provides us with a strategic advantage compared to online-only light vehicle spare parts retailers, which have inherent lead times for acquiring spare parts. We regularly assess our over-the-counter sales vis-à-vis our existing business-to-business sales objectives in terms of pricing and demand elasticity, as well as the impact of our over-the-counter sales on our business-to-business sales.

Integrate Doyen Auto into our business

Upon completion of the Doyen Auto Acquisition, Doyen Auto became an indirect wholly-owned subsidiary of the Issuer. Doyen Auto is a distributor of aftermarket spare parts for light vehicles in the IAM in France and Benelux, mainly through its network of affiliated distributors API (165 distributors), and serves a diverse customer base, including online retailers, affiliated distributors and two networks of branded garages, 1,2,3 AutoService (297 garages) and Requal (435 garages). The Doyen Auto Acquisition has increased our market share in the French spare parts aftermarket, has given us a leading position in the fast-growing online retail segment, in which Doyen Auto is already a leader in France, has expanded our business to Benelux and, we believe, will enable us to realize further significant procurement, logistics and distribution savings and cost efficiencies.

Following the integration of Doyen Auto into our business using an approach similar to that used for the successful integration of ACR, we expect to realize approximately €12.6 million of annualized anticipated purchasing and cost savings (compared to 2015 costs) based on a report prepared by Kepler S.A.S., a consultant that we hired in connection with the Doyen Auto Acquisition. We expect to realize €10.6 million of identified purchasing savings per year resulting from having Doyen Auto purchase spare parts under our existing arrangements with our suppliers, which provide for better commercial terms, compared to Doyen Auto's existing supply contracts, in line with the renegotiating strategy that we successfully implemented following the ACR Acquisition. These savings are expected to come into effect simultaneously with the integration of Doyen Auto into our business, which we expect to be largely completed in the first half of 2017, and without additional cost. We also expect to realize approximately €2 million of additional annualized cost savings by the end of 2018 (compared to 2015 costs) from the integration of corporate, IT and other central functions and through optimization of our footprint, particularly in France. See "*Risk factors—Risks related to our business—We may face challenges in integrating acquired businesses and in integrating any future potential acquisition, and may be unable to realize the expected savings from these businesses and any other cost improvement measures we have taken.*"

History

We were founded in 1962 to formalize the cooperation between a number of existing independent light vehicle aftermarket distributors and quickly became a key link throughout France between original equipment suppliers and spare parts suppliers on the one hand, and local spare parts distributors, garages, body shops, fast-fitters and car centers on the other hand. In 1983, we expanded our footprint throughout France, both at the distributor level and the garage level, by forming our network of wholly-owned distributors and rolling out our concept of a network of branded garages that comprised key customers and were independent from

Autodistribution. We launched our truck business in 1988 to supply spare parts for trucks, tractors and trailers. It was the first independent distributor network of spare parts for trucks in France.

In 2007, we entered the Polish market by purchasing three local distributors that currently form the core distributors of AD Polska. In 2009, we entered the Italian market and formed AD Italy. We sold our majority stake in AD Italy in 2012.

Throughout our history, we have expanded our business through organic growth and strategic acquisitions. We enhanced our logistics platform through the acquisitions of Cora, a leading independent French distributor of light vehicle parts for collision repair, in 2005 and Bremstar, a distributor with a logistics platform dedicated to truck parts for maintenance and repair, in 2008. We also acquired Gobillot Rhône (previously Enssemble), a network of light vehicle spare parts distributors, in 2012, and FPLS, a truck spare parts distributor, in 2013. In December 2013, we acquired Rougon Queyrel, a distributor of spare parts for light vehicles in southeastern France. In April 2014, we acquired ACR, a specialized distributor in France of spare parts for light vehicles. On September 30, 2016, we acquired Doyen Auto. See "*—Doyen Auto Acquisition*" below.

Having realized at an early stage that the internet offered innovative opportunities for light vehicle and truck spare parts distributors, we created the Autossimo online business-to-business light vehicle repair and maintenance web portal in 2000 and the Truckissimo online business-to-business truck repair and maintenance web portal in 2001. We have also developed our own private label, ISOTECH, which features spare parts for both light vehicles and trucks, such as batteries and lubricants, which was relaunched in 2008.

We were acquired by our current principal shareholder, Bain Capital, in 2015. See "*Principal shareholders.*"

Safeguard (procédure de sauvegarde)

Between February 18, 2009 and April 6, 2009, the Issuer and the Parent Guarantor were subject to safeguard proceedings (*procédure de sauvegarde*) opened by the Commercial Court of Evry. Safeguard proceedings in France are a commercial court-led process opened on a voluntary basis by a company in which such company seeks court protection from creditors in order to achieve a restructuring plan.

In 2009, before the opening of our safeguard proceedings in February, we signed a restructuring agreement with our creditors approving our debt restructuring and our equity-financed majority acquisition by TowerBrook. The safeguard proceedings allowed the Issuer and the Parent Guarantor to confirm and implement the restructuring plan contemplated in the restructuring agreement, thereby reducing the impact of the restructuring on our primary operating company Autodistribution S.A., its central purchasing departments, its subsidiaries and its network, which were not materially affected by this procedure and continued to operate in the ordinary course of business.

On April 6, 2009, the Commercial Court of Evry adopted safeguard plans for the Issuer and the Parent Guarantor, thereby ending the safeguard proceedings in respect of the Issuer and the Parent Guarantor. During the implementation of the safeguard plans, the relationships of the Issuer and the Parent Guarantor with their creditors were governed by the provisions of their respective safeguard plans. Those creditors were repaid in full and, as a result, the Commercial Court of Evry acknowledged the completion of the safeguard plans by two judgments, each dated as of October 2, 2014, pursuant to which the Issuer and the Parent Guarantor are no longer subject to the safeguard proceedings.

Doyen Auto Acquisition

On September 30, 2016, Autodistribution S.A. acquired the entire issued share capital of DA and Ariane, the two holding companies of the group Doyen Auto, pursuant to an acquisition agreement dated June 27, 2016, entered into between the Parent Guarantor and Doge Invest.

Doyen Auto is a Belgium-headquartered distributor of aftermarket spare parts for light vehicles established in 1922 by the Doyen family. Doyen Auto has operations in France and Benelux and serves a diverse customer base of over 1,300 customers, including online retailers, affiliated distributors and two networks of branded garages, 1,2,3 AutoService (297 garages) and Requal (435 garages). Doyen Auto is the leading distributor of light vehicle spare parts to online retailers in France and the second largest distributor in the IAM in Belgium.

Doyen Auto sells spare parts mainly through its network of affiliated distributors API (165 distributors), which are established in Belgium and in rural areas in France where our wholly-owned and affiliated distributors had a limited presence prior to the Doyen Auto Acquisition. For the twelve months ended August 31, 2016, approximately 60% of Doyen Auto's revenue was generated by its operations in France, approximately 30% by its operations in Belgium and approximately 11% by its operations in the Netherlands. For the year ended December 31, 2015, approximately 61% of Doyen Auto's revenue was generated by its operations in France, approximately 29% by its operations in Belgium and approximately 9% by its operations in the Netherlands. Sales to online retailers, API distributors and wholesalers contributed to approximately 39%, 38% and 15%, respectively, of Doyen Auto's revenue in France for the year ended December 31, 2015.

Doyen Auto operates six logistics platforms, which represent approximately 56,000 square meters of storage, and, as of August 31, 2016, stored over 80,000 spare parts references of 150 brands. Doyen Auto has approximately 19,100 square meters of storage space in France across three logistics platforms, located in Castelnau d'Estretefonds, Gennevilliers and Corbas. These new sites in southern France will allow us to serve customers in Spain and northern Europe. In Benelux, Doyen Auto has approximately 28,000 square meters of storage space in Seneffe, Belgium, and 8,900 square meters of storage space across two logistics platforms in Zwolle and Waalwijk, the Netherlands. The three logistics platforms in Benelux distribute spare parts to affiliated and wholly-owned distributors, which sell them to garages and shops, or directly to end-customers. As of August 31, 2016, Doyen Auto employed approximately 340 people.

For the twelve months ended August 31, 2016, Doyen Auto generated revenue of €196.0 million and Adjusted EBITDA of €8.9 million. For the years ended December 31, 2015, 2014, 2013, 2012 and 2011, Doyen Auto generated revenue of €196.3 million, €186.4 million, €183.0 million, €161.0 million and €143.0 million, respectively. For the years ended December 31, 2015 and 2014, Doyen Auto generated Adjusted EBITDA of €8.6 million and €5.4 million, respectively.

We believe that the Doyen Auto Acquisition will allow us to grow our market share in the French spare parts aftermarket, establish a leading position in the fast-growing online retail segment, expand our business to Benelux and enable us to realize further significant procurement, logistics and distribution savings and cost efficiencies.

Our geographic markets

As of August 31, 2016, we primarily distributed our products in France and had a total of 33 wholly-owned and 44 affiliated independent distributors, as well as approximately 3,200 branded garages, which participate in an affiliate program through which they receive enhanced service and support from us, and in return our wholly-owned and affiliated independent distributors are designated as their preferred distributor. For the twelve months ended August 31, 2016, 90.8% of our revenue was generated by our operations in France. We have an extensive distribution network in France for our light vehicle spare parts business line, with distributors in every region of the country. Our central management and headquarters and most of our central purchasing functions are located in Arcueil, near Paris. Two of our logistics platforms, Logisteo (which distributes light vehicle parts for maintenance and repair) and Bremstar (which distributes truck parts for maintenance and repair), are located in Moissy Cramayel and Pringy, in the Seine-et-Marne department. Our Cora logistics platform (which distributes light vehicle parts for collision repair) is located in Chaponnay and Corbas, in the Rhone department. Our ACR logistics platform is located in Gennevilliers, in the Hauts-de-Seine department.

We also operate in Poland, where we are a leading light vehicle spare parts distributor, with a distribution network of three warehouses and 44 wholly-owned distributors. For the twelve months ended August 31, 2016, 9.2% of our revenue was generated by our operations in Poland.

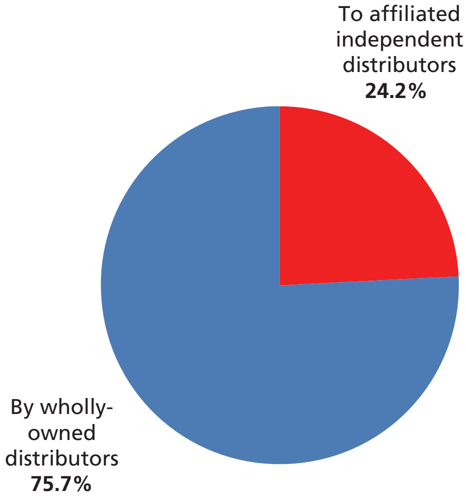
Our product lines

We provide light vehicle and truck spare parts in each of the following segments of the aftermarket: (i) light vehicle parts for maintenance and repair; (ii) light vehicle parts for collision repair; (iii) truck parts for maintenance and repair; and (iv) equipment and tools for garages in both the IAM and OES.

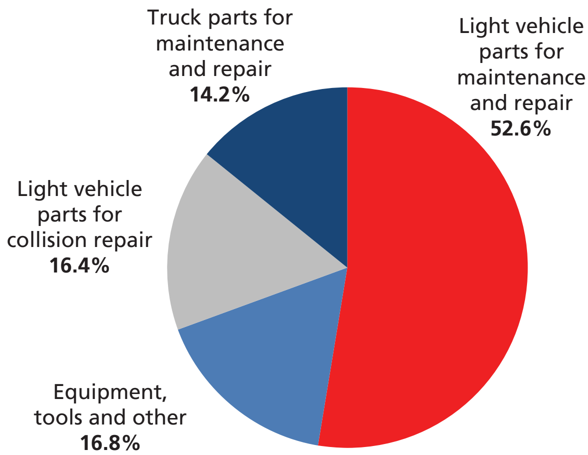
Our product portfolio includes a broad range of parts that are used in light vehicles and trucks, including brake systems, steering and suspensions parts, heating and cooling systems, engines and exhausts, chassis components, windscreens, oils and electrical products. Other products range from vehicle body parts, such as headlights and bumpers, to body panels and engine overhaul products.

The following charts, for the twelve months ended August 31, 2016, show the breakdown of revenue generated by our wholly-owned distributors and to affiliated independent distributors in France as well as the breakdown of revenue by business line generated by our wholly-owned distributors.

Revenue by Wholly-owned Distributors and to Affiliated Independent Distributor



Revenue by Business Line from our Wholly-owned Distributors



Light vehicle parts for maintenance and repair

For the twelve months ended August 31, 2016, approximately 52.6% of our revenue in France was generated by our wholly-owned distributors from the distribution of spare parts for the maintenance and repair of light vehicles. As of August 31, 2016, 26 of our 33 wholly-owned distributors and 32 of our 44 affiliated independent distributors sell a full range of light vehicle parts for maintenance and repair, including engine parts, brakes and batteries, in all regions of France through 357 distribution sites.

We also distribute spare parts for the maintenance and repair of light vehicles to independent garages, including 2,453 branded garages (as of August 31, 2016). This network includes 2,014 "AD" branded garages, of which 1,089 are designated "Garage AD Expert," identifying them as providing end-customers with both routine maintenance and more complex repair services; two AD Autoservices, which are multi-service garages offering maintenance, repair and bodywork services; 1,003 Auto Primo garages; and 82 Staff Auto garages. We developed our network of branded garages based on population density in particular areas. For example, in rural areas we aim to have one branded garage for every 15,000 inhabitants living within a 15-kilometer radius of that garage. Our branded garages perform repair services for all major light vehicle brands and models and use our integrated diagnostic tools.

In addition, we have entered into service agreements for light vehicle parts for maintenance and repair with companies with large light vehicle fleets, as well as partnerships with fast-fitters and car centers.

Private label

In 2008, we relaunched our private label ISOTECH product line, which currently comprises 14 product groups sold under our AD brand for the light vehicle aftermarket, including batteries, lubricants, timing kits, water pumps and braking components. We primarily sell our ISOTECH products directly to customers, either over the counter or through online sales. Our ISOTECH products are currently offered at a discount rate of approximately 27% compared to prevailing market prices, but generate a higher margin for us than third-party branded products.

Website

We have developed the internet platform Autossimo, which is an online business-to-business light vehicle repair and maintenance portal for repairers and body shops with an online catalog of more than 2.1 million spare parts, representing over 455 different original equipment suppliers, and which has over 9,300 customers. The website offers continuously updated technical databases and management tools, such as an easy-to-use portal outlining repair methods, connected diagnostic and costing tools, parts identification tools, price comparison tools by brands, inventory access and an online ordering platform.

Light vehicle parts for collision repair

For the twelve months ended August 31, 2016, approximately 16.4% of our revenue in France was generated by our wholly-owned distributors from the sale of light vehicle parts for collision repair. The collision repair products that we distribute include a wide range of integrated products and include individual parts and entire body components. We manage our collision repair services through three-way partnerships among independent garages, insurers and us. Our agreements with insurers are one-year agreements renewable on an annual basis.

We also distribute light vehicle parts for collision repair to independent body shops, including 653 branded body shops (as of August 31, 2016) operating under the "Carrosserie AD" brand. We use our specialized logistics platform Cora for the delivery of light vehicle parts for collision repair to wholly-owned distributors and affiliated independent distributors.

Website

We have our own call center that directly serves the customers of insurance companies. We are also in the process of developing the website "Carrossimo," which is an online business-to-business collision repair portal for body shops with a finalization scheduled for the beginning of 2017.

Truck parts for maintenance and repair

For the twelve months ended August 31, 2016, approximately 14.2% of our revenue in France was generated by our wholly-owned distributors from the distribution of truck spare parts, for which we are the leading independent distributor in France (based on our geographic network). Our subsidiary Bremstar offers over 15,000 truck spare parts from 60 suppliers which we generally stock in our warehouses for shipment on an expedited basis. As of December 31, 2015, 87 wholly-owned distributors and 47 affiliated independent distributors were selling truck parts for maintenance and repair.

We also distribute truck parts for maintenance and repair to 146 branded truck garages in France (as of August 31, 2016) operating under our AD brands, of which 76 were wholly-owned and 70 were independent affiliates. We use our specialized logistics platform Bremstar for the delivery of truck parts for maintenance and repair to our wholly-owned distributors and affiliated independent distributors. We increased our footprint in the truck aftermarket by acquiring FPLS, a truck parts distributor, in 2013.

Private label

Our ISOTECH product line for truck parts for maintenance and repair currently comprises five groups of products that are sold under our AD brand for the truck aftermarket, such as batteries, lubricants, water pumps or headlights.

Website

We have developed the internet platform Truckissimo, which is an online business-to-business truck repair and maintenance portal for repairers and body shops. The website offers continuously updated technical databases and management tools, such as an easy-to-use portal outlining repair methods, connected diagnostic and costing tools, parts identification tools, price comparison tools by brand and inventory access.

Equipment, tools and other

For the twelve months ended August 31, 2016, approximately 16.8% of our revenue in France was generated by our wholly-owned distributors from the distribution and maintenance of equipment and tools for light vehicle maintenance and repair. We have a comprehensive equipment and tool product offering, which includes garage equipment, such as light vehicles lifts and diagnostic tools, personal safety equipment and tools, as well as a wide range of technical parts such as lambda sensors, flow meters and turbochargers. We also provide installation and other after-sales services for these products. Furthermore, we have developed Diag'issimo, an interface that connects leading diagnostic tools with the Autossimo online light vehicle repair and maintenance portal, providing over 3,200 customers and approximately 9,300 subscribers with an integrated solution from diagnostics to spare parts order placement.

Our distribution platforms and end-customers

France

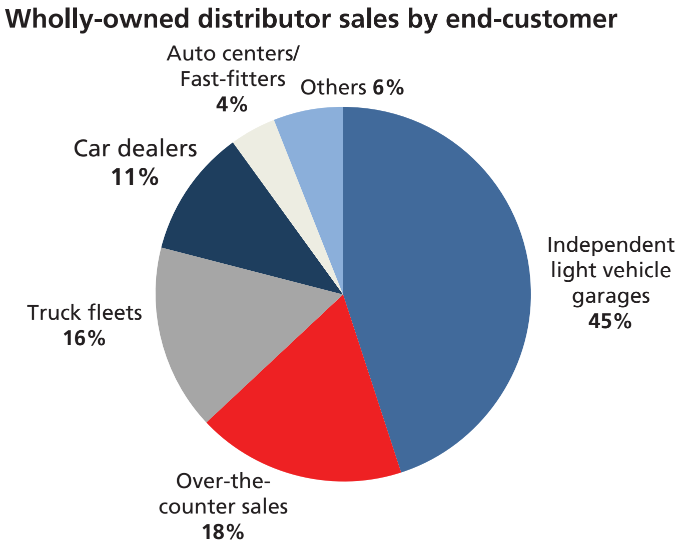
In France, we purchase light vehicle parts and sell them (i) through our wholly-owned distributors to independent garages, body shops, fast-fitters and car centers and (ii) to affiliated independent distributors, with similar purchase prices for all distributors. We have a similar distribution model for collision repair, for which our subsidiary Cora acts as central purchasing department and warehouse, and for spare parts for trucks, for which our subsidiary Bremstar acts as central purchasing department and warehouse. For the twelve months ended August 31, 2016, our wholly-owned distributors generated 75.7% of our revenue through sales of spare parts to garages and over-the-counter sales, and our sales to affiliated independent distributors generated 24.2% of our revenue. For the twelve months ended August 31, 2016, our logistics platforms generated 47.8% of our revenue, before deduction of intercompany sales.

As of August 31, 2016, we had a broad network of 33 wholly-owned distributors and 44 affiliated independent distributors in France. These distributors operate out of 493 distribution sites which are supplied either by our four main warehouses (one for light vehicle parts, one for collision repair parts, one for truck parts and one for ACR) or through direct shipments from the supplier to the distributor. As of August 31, 2016, 58 of our wholly-owned distributors and affiliated independent distributors distribute light vehicle spare parts from 357 distribution sites (including 136 affiliated independent distributors and 221 wholly-owned distributors), and 46 of our wholly-owned and affiliated independent distributors distribute truck spare parts from 136 distribution sites (including 50 affiliated independent distributors and 86 wholly-owned distributors).

We obtain rebates from our suppliers because we purchase products on a large scale, thereby allowing our central purchasing departments to negotiate favorable contracts with our suppliers. We pass on a portion of these rebates to affiliated independent distributors, and our wholly-owned distributors pass on a portion of these rebates when they sell spare parts to garages.

Both our wholly-owned distributors and affiliated independent distributors on-sell to a variety of end-customers, including independent light vehicle garages, over-the-counter sales, truck fleets, car dealers, and auto centers and fast-fitters.

The following graph shows the percentage of revenue generated by our wholly-owned distributors in France by end-customer type for the twelve months ended August 31, 2016.



Our principal end-customers are garages. We meet garages' requirement to have up to eight deliveries per day and, in the case of certain fast-moving parts (parts for which there is a high demand), may require delivery within two hours of order. We provide next business day deliveries for slow-moving items (parts for which there is a lower demand). Garages also need technical support to assist them with diagnostics, the identification of parts and repair methods, and the ordering of tools. In addition, garages require frequent training, as spare parts and related repairs become more technologically complex. We provide all these services, replicating for garages what light vehicle manufacturers provide for their own affiliated network of garages, but with the added complexity of providing these services for all light vehicle models.

We also provide truck spare parts to truck fleet companies, which are equipment services providers that specialize in the leasing and rental of trailers, tankers and other equipment, as well as maintenance, damage repair, fleet management and telematics, requiring the truck fleet company to have truck spare parts readily available or delivered in a short period of time.

In addition, we distribute spare parts through our wholly-owned distributors to over-the-counter customers, including, among others, semi-professional and "do-it-yourself" customers. Our over-the-counter sales of light vehicle spare parts in France generated approximately 9.3% of our revenue for the twelve months ended August 31, 2016.

Poland

Our Polish distribution system is similar to our French distribution system, except that in Poland we distribute parts only to wholly-owned distributors. Our three warehouses in Poland store over 95,000 spare parts and distribute these parts to our wholly-owned distributors, which sell them to garages and shops, most of which are located in the south of Poland. For the twelve months ended August 31, 2016, 36.5% of our revenue in Poland was generated by sales to retail shops, 28.1% was generated by sales to garages and 19.4% was generated by sales to car centers and others. For the twelve months ended August 31, 2016, sales at our Polish distributors consisted primarily of spare parts, called "extended spare parts" (93.8% of our sales in Poland with 62.6% of pure spare parts, 1.7% of tools and equipment, 2.6% of body parts and 0.1% of painting), lubricants (14.2% of our sales in Poland), tires (6.9% of our sales in Poland) and batteries (5.1% of our sales in Poland). Our distributors are able to make up to eight deliveries per day to our customers, which helps to ensure the loyalty of our customers. We have also developed a network of more than 485 branded garages, including 163 AD garages and AD Serwis garages, 23 AD Karoseria garages and 299 Auto Primo garages in order to increase our brand recognition in Poland. Our Polish distributors primarily use their automated platform to generate and track orders, with sales through this platform accounting for more than 66% of our revenue in Poland for the twelve months ended August 31, 2016. We also have three call centers and over 90 sales staff in Poland.

Supply and procurement

Our distribution system in France is organized around our four main central purchasing departments, which buy aftermarket spare parts and equipment and tools from our suppliers, which are then sold to our wholly-owned distributors or to affiliated independent distributors. Our four main central purchasing departments are: Logisteo for light vehicle parts for maintenance and repair; Cora for light vehicle parts for collision repair; Bremstar for truck parts for maintenance and repair; and ACR for light vehicle parts. These central purchasing departments implement our procurement policy and negotiate prices for the approximately one million commonly used spare parts that we purchase directly from over 281 suppliers. We buy substantially all of the products that we distribute directly from spare parts manufacturers, which we believe allows us to use our scale and centralized purchasing function to obtain favorable prices, rebates and other terms.

We select our suppliers via tender procedures for each product category that we distribute. For example, we select our brake or battery suppliers every three years. When selecting our suppliers, we take into account the quality and price of the spare parts or products, as well as a supplier's ability to deliver items within the deadlines required. We enter into annually renewable contracts with our suppliers, which include standard terms and conditions, such as rebates if we deliver the products to the distributors or inflation adjustments for pricing. We negotiate supplier rebates on an annual basis. These supplier rebates primarily consist of year-end rebates based on annual thresholds achieved, with monthly adjustments based on commercial and logistics services. We believe that our scale and central purchasing functions have allowed us to obtain better commercial terms from suppliers. We also invoice on a monthly basis additional services linked to direct deliveries from our suppliers to our wholly-owned and affiliated independent distributors, as well as deliveries by suppliers to our warehouses, or related logistics services.

We use our central purchasing system to monitor customer purchases across our network and seek to quickly change our product portfolio in order to meet customer demand. We seek to buy in large quantities so that the savings made by buying in bulk offset the costs associated with maintaining large inventories at our warehouses.

We also benefit from our AD International membership, a cross-border partnership among distributors of aftermarket spare parts that allows members to benefit from reduced purchase pricing through negotiations with suppliers on the basis of consolidated volumes, common marketing concepts and best-practice sharing. For the twelve months ended August 31, 2016, AD International had members in 33 countries.

During the twelve months ended August 31, 2016, our top 25 suppliers in France accounted for 59.8% of our purchases (excluding Cora and Bremstar). Our largest supplier in France, Robert Bosch, accounted for 11.3% of our purchases (excluding Cora and Bremstar) and our second-largest supplier, Shaeffler, accounted for 5.0% of our purchases (excluding Cora and Bremstar). Except for Robert Bosch, no supplier in France accounted for more than 5% of our total purchases (excluding Cora and Bremstar) as of August 31, 2016.

Logistics

We operate four main central logistics platforms in France (for light vehicle parts for maintenance and repair, for light vehicle parts for collision repair and for truck parts for maintenance and repair) to allow both our wholly-owned distributors and affiliated independent distributors to benefit from a full range of value added services and to respond to customer expectations in terms of product availability and timely delivery. Our four main central logistics platforms in France are:

- *Logisteo*: Logisteo is our central warehouse from which spare parts for light vehicle repair and maintenance are distributed. As of August 31, 2016, it was the largest independent logistics platform for light vehicle parts for maintenance and repair in France and had over 20,000 square meters of storage space and stored approximately 56,860 spare parts references of 124 brands. It supplies approximately 490 distribution sites and employs approximately 280 people (as of August 31, 2016). Deliveries of regular orders are made within four business days and express orders by within the next business day.

- *Bremstar*: Bremstar was established in 1995, and we acquired it in 2008. It distributes truck parts for maintenance and repair. It has over 10,000 square meters of storage space and stores over 15,000 spare parts references. It supplies all of the 170 truck distribution sites and employed over 41 people (as of August 31, 2016). Deliveries of regular orders are made within five business days and express orders are made by the next business day.
- *Cora*: Cora was established in 1967, and we acquired it in 2005. It distributes light vehicle parts for collision repairs and has over 35,000 square meters of storage space and stores over 70,000 spare parts references from 35 brands. It employed over 100 people (as of August 31, 2016).
- *ACR*: ACR was established in 2010, and we acquired it in 2014. It distributes light vehicle parts. It has approximately 7,800 square meters of storage space, across our main warehouse and eight smaller sites in France. It stores over 70,000 spare parts references. It has nine distribution sites in France and employed over 176 people (as of August 31, 2016). Deliveries of regular orders are made within four hours in 85% of the French territory covered by ACR.

Of the total value of all products that we purchased from our referenced suppliers in France during the twelve months ended August 31, 2016, products representing approximately 50% in value were delivered through our main warehouses to our wholly-owned and affiliated distributors and products representing approximately 50% in value were delivered directly to our distributors by spare parts manufacturers. We plan to increase the amount of orders delivered through our logistics platforms, which allows for bulk purchases on favorable conditions. We aim to open a new logistics platform in Réau, France, which we expect to be operational by the middle of 2017. This new platform will cover a surface of 32,000 square meters and is intended to replace one of our logistics sites in Moissy-Cramayel, France.

The logistics department of each of our logistics platforms has the following primary responsibilities:

- *Inbound logistics*: Accepting incoming products from suppliers and monitoring compliance with the supply specifications negotiated by our supply chain department.
- *Stocking*: Determining the shelf space to be allocated to each product, and the shelf placement in accordance with turnover indices and product size. The proper placement of products within the dedicated space is crucial to optimize the available space in each of our distribution centers.
- *Picking, packing and outbound logistics*: The space management practices carried out by our logistics department allows us to maximize efficiency in locating and retrieving products from the shelves and assembling orders of outgoing products. If products have not been previously packaged by the suppliers, the logistics department is able to carry out this activity.
- *Shipping*: Organizing and monitoring transportation.

The transport of products from our logistics platforms to our distribution network is carried out through independent carriers. Our logistics department is responsible for setting performance targets and related incentives and penalties for third-party carriers, while continuously monitoring the performance of carriers in order to improve customer service. We plan and monitor product flows through our IT systems. We lease, rather than own, our distribution centers, thereby limiting our permanent investment in fixed assets.

Our contracts

In the ordinary course of our business, we enter into various contractual arrangements with our suppliers, affiliated independent distributors, wholly-owned distributors and branded garages.

- *Suppliers*: Our contracts with our suppliers are typically entered into for a one-year term, without automatic renewal, and may include supply specifications regarding lead time, the frequency of deliveries, packaging and performance targets for suppliers. These targets are continuously monitored to ensure that our inventory is managed effectively and to improve customer service. Bonuses or penalties may apply on a case-by-case basis, depending on whether targets are reached or not. Inventory levels in the distribution centers are monitored by applying calculation procedures that may take into account, among other things, current inventory levels and past analysis of customer demand.

- *Affiliated independent distributors and wholly-owned distributors*: Our contractual arrangements with our affiliated independent distributors include agreements and commercial contracts. Pursuant to our affiliation agreements, our affiliated independent distributors agree to operate under the AD brand and to receive our support services in exchange for a membership fee. Our central purchasing departments enter into commercial contracts with both our wholly-owned distributors and affiliated independent distributors, which include the same purchase conditions and volume discounts for both affiliated independent distributors and wholly-owned distributors. Our affiliated independent distributors receive a loyalty bonus if the purchases made through our central purchasing departments account for typically at least 70% of their overall purchase volumes.

- *Branded garages*: We enter into agreements with independent garages, pursuant to which they become branded garages in exchange for a membership fee.

Sales

Our sales department is responsible for managing relationships with existing customers and establishing relationships with new customers, setting sales targets and implementing sales policies, which includes customer payment terms in cooperation with the finance and control department and managing payment collection in cooperation with the administration department.

Our sales department is divided between our two principal business lines: light vehicles and trucks.

- *Light vehicles*: This division supports our light vehicle spare parts distribution business. It operates at the central, regional and local levels in order to address the fragmented market of light vehicle parts distributors, and is supported by regional and local logistics platforms at these levels.

- *Trucks*: This division supports our truck spare parts distribution business. It operates at the central, regional and local levels, and is supported by regional and local logistics platforms at these levels.

Marketing and advertising

Our marketing department is located in our headquarters in Arcueil (near Paris) and is focused on improving awareness and perception of our brand. Our marketing and advertising expenses were €6.6 million for the twelve months ended August 31, 2016. We market our distribution services to both affiliated independent distributors and garages, and engage in joint marketing campaigns with our suppliers that target garage end-customers.

We continuously invest in our marketing efforts in order to sustain our sales and upgrade our existing products. Our websites are one of our main marketing tools. They receive an average of 200,000 individual visits per month. We also regularly organize promotional campaigns for certain of the light vehicle and truck spare parts that we distribute.

Information technology

Our IT department is located in Chilly-Mazarin (near Paris) and plays an important role in our distribution process and operations, since we rely on it to manage our sales, supply chain and internal control. Our IT department supports our sales department, purchasing department, logistics department and accounting department.

Our IT department, in coordination with our sales department, has developed software to integrate our logistics platforms with an electronic interface that allows our customers to place orders online and obtain information regarding the availability of the products that we distribute, sales terms, conditions and shipping times. In 2012, our IT department also developed an eBook for our sales department, a tablet-based program that allows our sales representatives to see previous customer orders and make suggestions for purchases based on the customer profile.

Our IT department collaborates with our logistics department, primarily to update the software and algorithms used to determine adequate inventory levels at our warehouses, product flows and the optimal shelf positioning of the products that we distribute. For instance, we have recently upgraded, and continue to invest in, the warehouse IT management system of our light vehicle logistics platform, Logisteo, in order to manage our inventory more efficiently. Our IT system also enables us to determine product availability in real time and update the inventories of our warehouses accordingly.

Intellectual property

We use a variety of trade names, service marks and trademarks in our business. Except for the trademarks Autodistribution, Garage Expert AD, Auto Primo, Autossimo, AD PL, the "AD" logo, the garage names associated with the "AD" logo and ISOTECH, which are recognized brands in the industry, we do not believe that any of our other trade names, service marks or trademarks are material to our business. We rely on a combination of copyright, trademark and patent laws to establish and protect our intellectual property rights. We are not currently engaged in any material intellectual property litigation, nor do we know of any material intellectual property claims outstanding.

Employees

As of August 31, 2016, we employed 5,995 people, of whom 5,219 were employed in France. The following table sets forth the number of employees as of December 31, 2013, 2014 and 2015.

	As of December 31,		
	2013	**2014**	**2015**
Administrative	900	899	864
Sales	2,075	2,158	2,133
Distribution, logistics and workshops	2,450	2,394	2,366
France	**5,425**	**5,451**	**5,359**
Other countries	**924**	**864**	**784**
All employees	**6,349**	**6,315**	**6,145**

In the last three years, we have not experienced any material disruption to our business as a result of strikes, work stoppages or other labor disputes that were specific to us. We believe that our relations with our employees are good.

We attach great importance to providing high-quality and expert service to our customers. Maintaining and repairing complex light vehicles and trucks requires well-trained and skillful employees. Selling light vehicle and truck spare parts and equipment and tools also requires expertise regarding the products and their use. We therefore provide our employees with a broad range of training.

To ensure the continued professional development of our employees, we have established a comprehensive training program. We have also created the Institut AD, which offers a number of technical training modules through specialized training organizations and equipment manufacturers.

Competition

We face numerous sources of competition in the highly fragmented French and Polish spare parts aftermarket in which we operate. See "*Industry*."

Our main competitor in France is Alliance Automotive Group, which operates under four main distribution networks in France: Groupauto, with 255 distribution sites; Precisium, with 292 distribution sites; Partner's, with 231 distribution sites; and GEFA, with 150 distribution sites. Alliance Automotive Group also operates ten different affiliation brands for light vehicle garages and one affiliation brand of truck garages. Although the overall number of competitors has decreased due to ongoing industry consolidation, the IAM remains very competitive. Customers select spare parts suppliers based on a number of factors, including product range and product availability, service level, price and value-added services.

Our main competitors in Poland include Inter Cars, Fota and Group Auto Union Polska.

Our main competitors in Benelux include VHIP (owned by LKQ) and BCC.

E-business provides limited competition in France and Poland, targeting mainly over-the-counter retail markets, representing a relatively small portion of the overall market. The strong development of the e-business during these last years has considerably impacted our "cash client" sales. We have taken several initiatives, including the aggressive price positioning of our ISOTECH products, to maintain a stable market share in this subsegment of the market. The ACR Acquisition also allowed us to address the business through internet purchases without directly competing with players in e-business.

Properties

As of August 31, 2016, we operate a network of 33 wholly-owned distributors. As of August 31, 2016, we lease substantially all of our warehouses and distribution sites.

Environment, health and safety

Although we do not manufacture the products we distribute, the storage of spare parts subjects our facilities and operations to environmental and occupational health and safety laws and regulations in each of the jurisdictions in which we operate. These laws govern, among other things, discharges of pollutants, the use, storage and disposal of hazardous substances and waste, and the clean-up of contaminated properties. Violations of environmental laws, applicable authorizations or permits can result in significant fines or civil or criminal sanctions. In addition, the discovery of contamination at our facilities could require us to incur substantial clean-up costs.

Environmental authorizations or permits required for some of our operations may be reviewed, modified or revoked by the issuing authorities. We believe that we are in material compliance with the environmental laws applicable to our business. Our environmental and occupational health and safety costs have not significantly affected our results of operations or financial position during the previous twelve months.

Insurance

We maintain insurance to cover risks associated with the ordinary operation of our business, including general liability, directors' and officers' liability, fleet, damages and losses, and IT risk insurance. All of our policies are underwritten with reputable insurance providers, and we conduct yearly reviews of our insurance coverage with our broker and our insurance providers. We believe that our insurance policies provide sufficient coverage of the risks facing our business.

Legal proceedings

We become involved from time to time in various claims and lawsuits arising in the ordinary course of our business, such as employee claims, disputes with our suppliers (such as the dispute described below), disputes with our lessors at the renewal of our commercial leases and intellectual property disputes. We are not currently involved in any legal proceedings which, either individually or in the aggregate, are expected to have a material adverse effect on our financial position or results of operations. We note, however, that the outcome of legal proceedings can be difficult to predict and we offer no assurance in this regard.

Klarius S.A.S. vs. Autodistributions S.A.

On September 10, 2008, Klarius S.A.S., a manufacturer of light vehicle spare parts for maintenance and repair in France, commenced proceedings against us and our subsidiaries before the Chartres Commercial Court (*Tribunal de Commerce*), claiming that we unfairly terminated our established commercial relationship with them. We argued that Klarius S.A.S.'s claim was not valid, since Klarius S.A.S. would have never started legal proceedings against us, but for its financial distress, because Klarius S.A.S. was declared bankrupt on March 26, 2008, and winding-up proceedings commenced in September 19, 2008. The Chartres Commercial Court, however, rejected our argument on June 5, 2012, and found that Klarius S.A.S. had a valid claim. This proceeding is still pending. Klarius S.A.S. is claiming €2.4 million in damages. We dispute the merits of this claim and no provision in respect thereof has been created in our financial accounts as of August 31, 2016.

Regulation

We are subject to a wide variety of laws and regulations. Some of the most pertinent to the business sector in which we operate are laws and regulations that pertain to the light vehicle and truck wholesale sector and light vehicle inspections. The paragraphs below briefly describe some of that laws and regulations (focusing on French and EU laws and regulations). This section does not purport to be a comprehensive description of all the laws and regulations to which we are subject and that may be relevant to a decision to purchase the Notes.

European Union

The sectors of light vehicle and truck spare parts' wholesale and repair and maintenance services are currently regulated in the European Union by Regulation (EU) No. 461/2010 (the "New BER"), which replaced Regulation (EC) No. 1400/2002 (the "BER 2002") in 2010. Unlike BER 2002, the New BER does not apply to the purchase, sale or resale of new motor vehicles, which are covered by Regulation 330/2010/EC. Accordingly, the material scope of the New BER is now limited to the distribution of spare parts and the provision of repair and maintenance services for motor vehicles.

The New BER also applies to (i) the general EU competition law and (ii) the General Vertical Block Exemption Regulation (Commission Regulation (EU) n°330/2010 of April 20, 2010 on the Application of the Treaty on the Functioning of the European Union to categories of vertical agreements and concerted practices (the "General BER")) and the corresponding EU Guidelines on Vertical Restraints.

These provisions aim to ensure fair competition in these markets in order to safeguard that original and equivalent spare parts competing with those branded by the light vehicle (referred to as "passenger cars" under the New BER) and trucks (referred to as "commercial vehicles" under the New BER) manufacturers have full access to the market.

Pursuant to these rules, agreements relating to the sale or distribution of light vehicle and truck spare parts and repair and maintenance services are exempted from the application of Article 101 (1) of the Treaty on the Functioning of the European Union (the "TFEU"), which prohibits anticompetitive agreements and concerted practices, if they comply with the provisions of both:

- the General BER, which only applies if:
  - both parties have less than 30% of the market share in their respective markets; and
  - the agreement does not contain any of the hardcore restrictions provided in the General BER; and
- the New BER, which implies that:
  - no restriction may be imposed on the business of independent garages by way of a selective distribution system under which a member of the network is prohibited from selling goods or services to independent garages;
  - no limitations may be imposed on any supplier of spare parts to freely sell such goods to independent or authorized distributors, garages or end-users; and
  - no restrictions may be imposed on suppliers of components for the initial assembly of motor vehicles limiting their ability to place their own trademark or logo effectively and easily on the components supplied or on spare parts.

Furthermore, the European Commission may declare that both the General BER and the New BER are not applicable where parallel networks with similar competition restraints cover more than 50% of a relevant market.

The agreements relating to the sale and distribution of spare parts that do not fulfill the conditions of the General BER and/or of the New BER (which, according to the European Commission, is likely to be the case for most agreements) may nonetheless benefit from an individual exemption if they fulfill the conditions provided in Article 101(3) of the TFEU.

In this regard, however, notice no. 2010/C 138/05 (European Commission's Supplementary Guidelines on Vertical Restraints in Agreements for the Sale and Repair of Vehicles and for the Distribution of Replacement Parts for Vehicles) ("notice 2010/C 138/05"), which provides some guidelines on the application and interpretation of the New BER, further specifies that it is very doubtful that selective distribution agreements that would contain any of the two following restrictions could benefit from an exemption under Article 101(3) of the TFEU:

- failure for the motor vehicle manufacturer to provide independent operators (including independent repairers, spare parts manufacturers and distributors, manufacturers of repair equipment or tools, publishers of technical information, automobile clubs, roadside assistance operators, operators offering inspection and testing services, and operators offering training for repairers) with appropriate access to the brand-specific technical information required to perform repair and maintenance work on branded motor vehicles in fair competition with authorized garages and distributors; and
- explicit or implicit reservation of repair services by the supplier to the members of its authorized network only. As Recital 69 of notice no. 2010/C 138/05 clarifies, the legal or extended warranty may not, for example, be conditioned either (i) on the obligation for the end-user to have the repair and maintenance services not covered by the warranty exclusively performed by a member of the network or (ii) on the obligation for the end-user to use spare parts branded by the manufacturer in respect of replacements not covered by the warranty.

The foregoing provisions aim essentially to foster access to the repair and maintenance services marketed by independent garages and facilitate the identification of compatible spare parts of alternative suppliers, thereby fostering competition between such articles (known as "equivalent" parts) and those bearing the manufacturer's trademark.

As further specified by the European Commission in notice no. 2010/C 138/05, the New BER also aims to protect access by spare parts suppliers to the motor vehicle aftermarkets, thereby ensuring that competing brands of spare parts continue to be available to both independent and authorized repairers, as well as to parts wholesalers. The European Commission emphasizes that the availability of such spare parts entails significant advantages for consumers especially since there are often large differences in price between parts sold by the manufacturer and alternative parts. In particular, the following may be employed as substitutes for spare parts bearing the manufacturer's trademark: (i) original parts manufactured and distributed by original equipment suppliers; and (ii) replacement parts of "equivalent quality" to the original components. In the same notice, the European Commission specifies that in order to be considered to be of "equivalent quality," spare parts must be "of a sufficiently high quality that their use does not endanger the reputation of the authorized network" that employs them. The European Commission places the burden of proving that a part does not satisfy the requirements for being considered of "equivalent quality" on the vehicle manufacturer.

In France, the New BER, as well as the General BER, are binding and directly applicable. Accordingly, the French courts and the French Competition Authority assess vertical agreements entered into in the sectors of light vehicle and truck spare parts wholesale and repair and maintenance services in light of these regulations and of the corresponding guidelines.

Inspection

European light vehicle inspections are currently regulated by the Directive of the European Parliament and the Council of Europe dated as of May 6, 2009 ("Directive 2009/40/EC"), as amended, providing for periodic technical inspections of each vehicle matriculated in a Member State.

With regard to light vehicles with fewer than eight seats (excluding the driver's seat) and trucks permitted to operate up to 3.5 tons, Directive 2009/40/EC requires inspections to be made (i) four years after the first utilization and (ii) every two years thereafter. With regard to light vehicles with more than eight seats (excluding the driver's seat), trucks authorized to carry more than 3.5 tons, taxis and ambulances, such controls must be performed within one year from the first utilization and every year thereafter.

In France, the requirements set forth in Directive 2009/40/EC have been provided for in the French Highway Code since 2004. If vehicles are not inspected when due, pecuniary penalties can be imposed and may be increased for repeated violation or for vehicles on the road that were suspended as a result of the inspection and may also entail the impoundment of the vehicle or the confiscation of the vehicle registration certificate (Articles R.323-1 *et seq.* of the French Highway Code).

Protection of design and models for "visible" parts

In the absence of EU harmonization, each Member State remains free to govern the legal protection of designs and models for "visible" parts. In France, according to the French Intellectual Property Code, the distribution of "visible" parts (such as wings, bumpers and windscreens) is protected by industrial design rights. Consequently, only the manufacturer has the right to distribute these parts to various repairers. However, it must be noted that the French Competition Authority has recently recommended the gradual removal of the restriction on the distribution of "visible" spare parts destined for repairs.

Management

The Issuer

The Issuer is a private limited liability company (*société anonyme*) organized and existing under the laws of France with registered number 086 380 706 RCS Créteil, having its registered office at 22 avenue Aristide Briand, 94110 Arcueil, France. The board of directors of the Issuer currently consists of 13 directors (*administrateurs*) and the business address of the directors is the same as the registered address of the Issuer. The board of directors of the Issuer determines the Issuer's business strategy and monitors its implementation thereof. Subject to the powers expressly attributed by law to shareholders' meetings and within the limits of its corporate purpose, the board of directors of the Issuer reviews all issues concerning the operations of the Issuer and acts on all matters over which it has authority. It also carries out any control and verification that it considers useful.

The following table sets forth the names, ages and positions of the current members of the board of directors of the Issuer.

Name	Age	Position
Olivier Roux	66	Chairman
Stéphane Antiglio	54	Group Chief Executive Officer
Christophe Gouthière	56	Group Chief Financial Officer
Michel Plantevin	59	Director
David Danon	35	Director
Jean-Paul Siney	62	Director
Thierry Talbot	57	Director
Jean-Francois Niort	52	Director
Thomas Allen	32	Director
Jay Corrigan	44	Director
Gregory Dulgarian	40	Director
Mandar Kulkarni	44	Director
Ivano Sessa	39	Director

Olivier Roux. Mr. Roux was appointed chairman of our board in 2010. Mr. Roux has served as the chairman of the board of Autodistribution S.A. since 2010. Mr. Roux has served as the chief executive officer of the Parent Guarantor from 2009 to 2015. Mr. Roux has extensive experience in the distribution business and has served on the board of numerous companies. Previously, Mr. Roux served as co-chairman of the Rhiag Group from 1998 to 2007. Mr. Roux has also served as chairman of Endeka Ceramics since 2010 and served on the boards of Metzeler Automotive Profiles from 2001 to 2007, EMPE Holding GmbH from 1996 to 2004 and JAC Holding Corporation from 1994 to 2008. Mr. Roux graduated from Ecole Supérieure de Commerce de Rouen, France.

Stéphane Antiglio. Mr. Antiglio was appointed chief executive officer of our Group in 2010. Mr. Antiglio is also the chairman of the executive board of Autodistribution S.A. and a director of the Issuer and Gobillot Rhône (previously Enssemble). Previously, Mr. Antiglio served as chief executive officer and member of the executive board of Pomona Passion Froid, the fresh and frozen food distribution subsidiary of the Pomona group from 1999 to 2009. Mr. Antiglio graduated from Ecole des Hautes Etudes Commerciales (HEC), Paris.

Christophe Gouthière. Mr. Gouthière was appointed chief financial officer of our Group in 2010. Previously, Mr. Gouthière served as chief financial officer of Dole Europe, a subsidiary of the Dole group, a leading distributor of fruits and vegetables, from 2001 to 2010. Mr. Gouthière also serves on the board of several subsidiaries of the Group. Mr. Gouthière graduated from Ecole des Hautes Etudes Commerciales (HEC), Paris.

Michel Plantevin. Mr. Plantevin was appointed director of the Issuer in 2015. Mr. Plantevin joined Bain Capital in 2003 as a managing director. Prior to joining Bain Capital, Mr. Plantevin was a managing director with Goldman Sachs International in London, initially in the investment banking division, then in the merchant banking division. Prior to Goldman Sachs, he was a consultant with Bain & Company in London and later headed the Bain & Company Paris office as a managing director. Mr. Plantevin received an MBA from Harvard Business School and an undergraduate and master's degree in engineering from the Ecole Supérieure d'Electricité (Supélec) in France.

David Danon. Mr. Danon was appointed director of the Issuer in 2015. Mr. Danon is a principal at Bain Capital, which he joined in 2007. Prior to joining Bain Capital, Mr. Danon worked in London for Lehman Brothers' middle-market buyout fund, Lehman Brothers Merchant Banking Partners. Mr. Danon received an MS from HEC in France.

Jean-Paul Siney. Mr. Siney was appointed director of the Issuer in 2010. Mr. Siney has served as chief executive officer of AD Normandie Maine, one of our wholly-owned distributors, since 2004. The Parent Guarantor holds a majority stake in AD Normandie Maine. Mr. Siney also controls SDNF S.A.S., a personal holding of several companies operating in the IAM. Mr. Siney graduated from Ecole Centrale de Lyon and holds a master's degree in mathematics from University Paris 6.

Thierry Talbot. Mr. Talbot was appointed director of the Issuer in 2010. Mr. Talbot has controlled AD Talbot, one of our affiliated independent distributors, since 1989. Mr. Talbot has also controlled SAGA Automobiles, a garage affiliated with Peugeot, since 1991. Previously, Mr. Talbot worked as the sales manager of Laboratoires Rivadis from 1983 to 1989. Mr. Talbot has been the president of the UDIAD since 2005. Mr. Talbot graduated from INSEEC Bordeaux, France.

Jean-Francois Niort. Mr. Niort was appointed director of the Issuer in 2010. Mr. Niort controls Niort Frères Distributeurs, which he joined in 1988, and AD Fortia, two of our affiliated independent distributors. Mr. Niort holds a *Diplôme d'études supérieures commerciales et d'administration des entreprises*.

Thomas Allen. Mr. Allen was appointed director of the Issuer in 2015. Mr. Allen is a vice president at Bain Capital, which he joined in 2011. Prior to joining Bain Capital, Mr. Allen was a consultant with Bain & Company in Southeast Asia and London, where he primarily worked on strategy and M&A projects and was a member of the private equity team. Mr. Allen received an MBA from Harvard Business School and a BA from University College London.

Jay Corrigan. Mr. Corrigan was appointed director of the Issuer in 2015. Mr. Corrigan is the Chief Financial Officer for Private Equity at Bain Capital, which he joined in 1996. Prior to joining Bain Capital, Mr. Corrigan worked at Ernst & Young for three years. Mr. Corrigan received a BS in accounting from Fordham University and is a Certified Public Accountant.

Gregory Dulgarian. Mr. Dulgarian was appointed director of the Issuer in 2015. Mr. Dulgarian is the Vice President of Finance for Private Equity at Bain Capital, which he joined in 2001. Prior to joining Bain Capital, Mr. Dulgarian worked at PricewaterhouseCoopers for three years. Mr. Dulgarian received a BS in accounting from Babson College and is a Certified Public Accountant.

Mandar Kulkarni. Mr. Kulkarni was appointed director of the Issuer in 2015. Mr. Kulkarni is a vice president at Bain Capital, which he joined in 2006. Prior to joining Bain Capital, Mr. Kulkarni worked in London at Cargill Inc. dealing with distressed loans and real estate, mainly on deal tax structures, regulatory and financial control. Prior to joining Cargill Inc., he worked as a consultant at Ernst & Young in their Entrepreneurial Services department, advising small and medium-sized companies on MBOs, performance improvements and business change. Mr. Kulkarni received an MBA from the Booth School of Business at the University of Chicago and a Bachelor of Commerce degree from Mumbai University. He also received his ACA from the Institute of Chartered Accountant of India.

Ivano Sessa. Mr. Sessa was appointed director of the Issuer in 2015. Mr. Sessa joined Bain Capital in 2004 and was named managing director in 2015. Prior to joining Bain Capital, Mr. Sessa was a consultant with Bain & Company in the New York, Atlanta and Milan offices where he provided strategic and operational advice to private equity, industrial and financial services clients. Mr. Sessa currently serves on the board of directors of Bravida, IMCD and TeamSystem. Mr. Sessa received a BS magna cum laude in Business Administration from Bocconi University in Milan.

Audit committee

Our audit committee is responsible for, among other matters: (i) supervising the appointment, retention and termination process of our independent registered auditors; (ii) reviewing with our auditors the scope and results of their audit; (iii) pre-reviewing all audit and permissible non-audit services to be performed by our independent auditors; (iv) overseeing the financial reporting process and discussing with our auditors the annual financial statements of the Parent

Guarantor; (v) reviewing and monitoring our accounting principles, accounting policies, financial and accounting controls and compliance with legal and regulatory requirements; and (vi) overseeing our compliance process. Our audit committee consists of Messrs. Ivano Sessa, David Danon, Olivier Roux, Stéphane Antiglio and Christophe Gouthière.

Compensation of directors and members of management

The aggregate salary and fees, performance-related remuneration and bonuses, pension contributions and other benefits in kind, such as company light vehicles and mobile phones, paid to our management, including the members of the executive committee, directors, area managers and general brand managers, was €12.7 million for the year ended December 31, 2015, excluding severance and other transition payments to directors and management who have left us during such period.

Compensation of directors and members of management

The aggregate salary and fees, performance-related remuneration and bonuses, pension contributions and other benefits in kind, such as company light vehicles and mobile phones, paid to our management, including the members of the executive committee, directors, area managers and general brand managers, was €12.7 million for the year ended December 31, 2015, excluding severance and other transition payments to directors and management who have left us during such period.

Management employment agreements

Our management is compensated with a fixed annual salary and an annual bonus. The annual bonus is typically determined based on certain defined objectives (both individually and Group-wide).

Share ownership

Certain members of our management own, directly or indirectly, shares in Dakar Holdings S.C.A., the indirect parent company of the Issuer. See "*Principal shareholders*."

Principal shareholders

The Issuer

As of the date of this Offering Memorandum, the issued share capital of the Issuer consists of 5,420,843,073 ordinary shares with a total par value of €54,208,430.73. All the issued share capital of the Issuer is held by the Parent Guarantor (ignoring any *de minimis* shareholdings), a private limited liability company (*société par actions simplifée*) organized and existing under the laws of France.

The Parent Guarantor

The Parent Guarantor is a private limited liability company (*société par actions simplifée*) organized and existing under the laws of France with registered number 488 077 165 RCS Créteil under the name Autodis Group S.A.S., having its registered office at 22 avenue Aristide Briand, 94110 Arcueil, France. The Parent Guarantor is held indirectly (through wholly-owned or majority-owned intermediate holding companies) by Bain Capital. Bain Capital owns a majority of the voting share capital of the Parent Guarantor, with the remainder held by management and certain affiliated distributors. Bain Capital owns through share capital and the PECs described below 92% of the economic and the voting rights in the Parent Guarantor.

Preferred Equity Certificates

In connection with the financing of the acquisition of the Parent Guarantor by Dakar Acquisition S.A., HoldCo, the indirect parent of Dakar Acquisition S.A., issued preferred equity certificates ("PECs") to Dakar Intermediate S.à r.l., an entity indirectly held by Bain Capital and certain other investors (see "*—Management equity plan*" below) through wholly-owned or majority-owned intermediate holding companies, some of which issued PECs concurrently with HoldCo. The PECs carry a yield at a fixed rate, which is automatically capitalized as and when it falls due. The PECs will be amended on or prior to the Issue Date so that they may not be retired before the later of (i) the date that is one year after the earlier of the maturity date of the Senior HoldCo Pay-If-You-Can Notes or the date on which all the Senior HoldCo Pay-If-You-Can Notes have been redeemed in full and (ii) the date that is one year after the earlier of the maturity date of the Notes and the date on which all Notes have been redeemed in full. They have other terms characteristic of subordinated shareholder obligations.

Management equity plan

We implemented a management equity participation program pursuant to which certain managers of the Group, including Stéphane Antiglio, Christophe Gouthière and Olivier Roux, and approximately 60 employees of the Group invested an amount of €5.7 million in Dakar Holdings S.C.A., which beneficially owns the entire share capital of the Parent Guarantor and the Issuer. Such investment by management comprises ordinary shares and preferred shares issued by Dakar Holdings S.C.A. and the terms thereof are included in a shareholders' agreement providing, *inter alios*, for customary put and call option provisions and tag-along and drag-along rights attached to the ordinary and preferred shares. Certain Affiliated Distributors have also invested in Dakar Holdings S.C.A. by subscribing for ordinary and preferred shares in an amount of approximately €8 million.

The sponsor

Bain Capital, LLC is a leading global private investment firm, which advises and manages capital across several asset classes, including private equity, venture capital, public equity and leveraged debt assets. Since its inception in 1984, Bain Capital, LLC and its affiliates have completed over 450 transactions in a broad range of industries including Industrials, Financial and Business Services, Consumer & Retail, Technology, Media & Telecommunications, and Healthcare. The firm has a strong track record of investments in the automotive industry (including investments in Apex Tool Group, Asimco, FCI, FTE, Hero, Sensata Technologies and TI Automotive) and distribution industries (including investments in Brakes, Brenntag and IMCD), as well as a number of market-leading companies globally such as Bellsystem24, Burger King, Burlington Coat Factory, Domino's Pizza, HCA, Novacap, Samsonite, Securitas Direct, SigmaKalon and Worldpay. Headquartered in Boston, Bain Capital, LLC and its affiliates have offices in New York, Chicago, Palo Alto, London, Luxembourg, Munich, Hong Kong, Mumbai, Shanghai, Tokyo and Melbourne.

Certain relationships and related party transactions

Contracts with affiliated independent distributors and affiliated garages

We regularly enter into commercial contracts with affiliated independent distributors and affiliated garages, some of which are owned by certain members of the board of directors of the Issuer.

Transaction and consulting services agreements

In December 2015, we entered into transaction and consulting services agreements with Bain Capital pursuant to which we will make certain payments to Bain Capital for management, consulting, monitoring or advisory services and related expenses.

Management services agreements

The chairman of the board of directors of the Issuer receives compensation for his services to us through Talisman Management Limited, a consulting company he co-founded. Talisman Management Limited has provided consultancy and management services to us under management services agreements between Talisman Management Limited and the Parent Guarantor.

Description of certain financing arrangements

Revolving Credit Facility Agreement

Overview and structure

On November 12, 2015, LuxCo 5 and LuxCo 6 entered into a Revolving Credit Facility Agreement among, *inter alios*, the Issuer (upon its accession on December 8, 2015), J.P. Morgan Limited, Credit Suisse International and BNP Paribas S.A. as Arrangers, the financial institutions named therein as original lenders, the institution named therein as Agent and U.S. Bank Trustees Limited as Security Agent (each as defined therein), which was amended on October 3, 2016 (the "Revolving Credit Facility Agreement"). Borrowings available under our Revolving Credit Facility have been increased to an aggregate principal amount of €50.0 million on a committed basis as of October 26, 2016.

The committed facility made available under the Revolving Credit Facility Agreement (the "Revolving Credit Facility") may be utilized by any current or future Borrower under the Revolving Credit Facility in euro, pounds sterling and U.S. dollars and any other currency approved by the lenders by the drawing of cash advances, the issuance of bank guarantees and letters of credit and by way of ancillary facilities. Subject to certain exceptions, amounts may be borrowed, repaid and reborrowed at any time. Borrowings will be available for the general corporate and working capital purposes of the Issuer and its Restricted Subsidiaries (as defined in the Revolving Credit Facility Agreement) and, without prejudice to the generality of the foregoing, for capital expenditure, acquisitions and investments not prohibited under the Revolving Credit Facility Agreement.

In addition, subject to certain conditions, the Total Commitments under and as defined in the Revolving Credit Facility Agreement may be increased at any time up to an amount which, together with any other credit facilities or debt securities ranking *pari passu* with the Revolving Credit Facility in right of payment and right to receive proceeds from an enforcement of the Collateral, would not exceed the basket for such permitted credit facilities or debt securities under the Indenture, including by way of (i) an increase in the total commitments in respect of the Revolving Credit Facility or (ii) the inclusion and making available of commitments in respect of one or more additional facilities.

Availability

The Revolving Credit Facility may, subject to the satisfaction of customary conditions precedent, be utilized until the date falling one month prior to the Termination Date (as defined below) of the Revolving Credit Facility.

Borrowers and Guarantors

The Issuer and the Subsidiary Guarantor are each a Borrower and Guarantor under and as defined in the Revolving Credit Facility Agreement. The Revolving Credit Facility is guaranteed by the Issuer and, subject to the Agreed Security Principles (as defined therein), the Guarantors. A mechanism is included in the Revolving Credit Facility Agreement to enable any of the Issuer's Restricted Subsidiaries in France, Luxembourg, the Netherlands and any other agreed jurisdiction to accede as an Additional Borrower under the Revolving Credit Facility subject to certain conditions.

Maturity and repayment requirements

The Revolving Credit Facility will mature on December 8, 2020 (the "Termination Date").

Each utilization of the Revolving Credit Facility will be repaid on the last day of the interest period relating thereto, subject to a netting mechanism against amounts to be drawn on such date. All outstanding amounts under the Revolving Credit Facility must be repaid in full on or prior to the maturity date for the Revolving Credit Facility.

Interest rate and fees

The interest rate on cash advances under the Revolving Credit Facility is the rate per annum equal to the aggregate of the applicable margin and EURIBOR or LIBOR (as applicable, subject to a 0% floor). The margin under the Revolving Credit Facility shall be 3.50% per annum for the first twelve months of its term. From the date falling twelve months from December 8, 2015 (the "Closing Date"), and subject to certain conditions, the margin on utilizations of the Revolving Credit Facility will be subject to a ratchet as follows:

Consolidated Senior Secured Leverage Ratio:	Margin (percent per annum)
Greater than 3.50:1	3.50%
Equal to or less than 3.50:1 but greater than 3.00:1	3.25%
Equal to or less than 3.00:1 but greater than 2.50:1	3.00%
Equal to or less than 2.50:1 but greater than 2.00:1	2.75%
Equal to or less than 2.00:1	2.50%

A commitment fee will be payable on the aggregate undrawn and uncancelled amount of the Revolving Credit Facility from (and including) the Closing Date to (and including) the last day of the availability period for the Revolving Credit Facility. The commitment fee is payable quarterly in arrears, on the last day of the availability period of the Revolving Credit Facility and on the date the Revolving Credit Facility is cancelled in full or on the date on which a lender cancels its commitment.

Default interest is calculated as an additional 1% on the overdue amount.

The Issuer is also required to pay customary agency fees to the agent under the Revolving Credit Facility Agreement (the "Revolving Credit Facility Agent") and the Security Agent in connection with the Revolving Credit Facility Agreement and/or the Intercreditor Agreement and fronting fees to the issuing bank under the Revolving Credit Facility Agreement and letter of credit fees to the Lenders (as defined in the Revolving Credit Facility Agreement) in an amount equal to the then applicable margin of the Revolving Credit Facility (and (if applicable) an additional facility loan) with respect to an issuance of letters of credit (subject to certain conditions and exclusions).

Guarantees

Each Guarantor under the Revolving Credit Facility Agreement has provided a senior secured guarantee of all amounts payable to the finance parties by each other obligor (including any additional borrowers that accede to the Revolving Credit Facility Agreement) (subject to the limitations described in "*Certain insolvency law considerations and limitations on the validity and enforceability of the Guarantees and the security interests*").

Security

The Revolving Credit Facility is secured by the Collateral. In addition, the Revolving Credit Facility may from time to time benefit from certain guarantees and security, in addition to the Collateral, which do not guarantee or secure the Notes.

Under the terms of the Intercreditor Agreement, proceeds from the enforcement of security in respect the Collateral (whether or not shared with the holders of the Notes) will be required to be applied to repay indebtedness outstanding under the Revolving Credit Facility in priority to the Notes.

Representations and warranties

The Revolving Credit Facility Agreement will contain certain customary representations and warranties, subject to certain customary materiality, actual knowledge and other qualifications, exceptions and baskets, and with certain representations and warranties being repeated, including in respect of: (i) status; (ii) binding obligations; (iii) no conflict; (iv) power and authority; (v) validity and admissibility in evidence; (vi) governing law and enforcement; (vii) insolvency; (viii) no default; (ix) taxation; (x) no misleading information; (xi) accounting reference date; (xii) financial statements; (xiii) no litigation; (xiv) no breach of laws; (xv) compliance with environmental laws; (xvi) no encumbrances, guarantees or indebtedness (other than as permitted); (xvii) ranking; (xviii) good title to assets; (xix) legal and beneficial ownership; (xx) shares; (xxi) intellectual property; (xxii) the COMI; (xxiii) holding company activities; (xxiv) acquisition documents; (xxv) pensions; and (xxvi) money laundering, anti-corruption laws and sanctions, in each case subject to exceptions and materiality thresholds.

Covenants

The Revolving Credit Facility Agreement will contain certain of the same incurrence covenants and related definitions (with certain adjustments) that apply to the Notes. In addition, the Revolving Credit Facility Agreement will also contain certain affirmative and negative covenants and a financial covenant. Set forth below is a brief description of such covenants, all of which are subject to customary materiality, actual knowledge and other qualifications, exceptions and baskets.

Notes purchase condition

The Revolving Credit Facility Agreement provides that the Issuer may prepay/redeem/repurchase/defease/otherwise retire for value any Existing Senior Secured Notes and Senior HoldCo Pay-If-You-Can Notes prior to their scheduled maturity (a "Note Purchase") without any obligation to make any pro rata prepayment of the Revolving Facility commitments where such redemption or repurchase is (a) made: (i) following a Change of Control (as defined in the Revolving Credit Facility Agreement and as further described in "*—Mandatory prepayment requirements upon a change of control or a sale*" below), provided that the obligations under the Revolving Credit Facility Agreement in respect of a Change of Control are complied with; (ii) from the proceeds of any indebtedness that refinances any Existing Senior Secured Notes or Senior HoldCo Pay-If-You-Can Notes that complies with the terms of the Revolving Credit Facility Agreement; or (iii) from the proceeds of new equity subscriptions, debt subordinated to the Revolving Credit Facility in right of payment, amounts available to be distributed to the Parent Guarantor in accordance with the Revolving Credit Facility Agreement, Intercreditor Agreement, Indenture, Existing Senior Secured Notes and Senior HoldCo Pay-If-You-Can Notes; or (b) in an amount not exceeding 50% of the aggregate amount in existence and uncancelled on the Closing Date of: the aggregate face value of the Existing Senior Secured Notes; and the aggregate face value of any Senior HoldCo Pay-If-You-Can Notes; over the life of the Revolving Credit Facility (excluding for these purposes (i) any fees, make-whole payments, call premiums and other amounts not constituting principal with respect to such Note Purchase and (ii) proceeds of any indebtedness that refinances any Existing Senior Secured Notes or Senior HoldCo Pay-If-You-Can Notes) (the "Note Purchase Basket").

Where the Issuer makes Note Purchases in excess of the Note Purchase Basket (an "Excess Redemption") and which are not otherwise made in accordance with paragraph (a) above, the total Revolving Credit Facility commitments shall be cancelled, and if applicable, prepaid in the same proportion until the total Revolving Credit Facility Commitments have been reduced to not more than €20,000,000.

Additional covenants

The additional covenants include, among others: (i) providing certain financial information, including annual audited and quarterly financial statements, compliance certificates and an annual budget and, upon request, certain information relating to the financial condition of the Group (as defined in the Indenture) and/or any member of the Group; (ii) authorizations; (iii) compliance with laws and regulations; (iv) anti-corruption and sanctions; (v) the maintenance of the Percentage Test (as defined in the Revolving Credit Facilities Agreement); (vi) further assurance; (vii) no change of COMI; and (viii) certain conditions subsequent, in each case subject to exceptions and materiality thresholds.

Covenant suspension

The provision for suspension of certain covenants upon the Notes achieving investment-grade status as set forth in the "*Description of the Senior Secured Notes,*" shall also apply equally to the Revolving Credit Facility.

Mandatory prepayment requirements upon a change of control or a sale

Upon a Change of Control (as defined in the Revolving Credit Facility Agreement which includes the sale of all or substantially all of the assets of the Issuer and its restricted subsidiaries and, subject to certain conditions, an Adverse Corporate Decision (as defined in the Revolving Credit Facility Agreement)) the lenders under the Revolving Credit Facility Agreement (the "Revolving Credit Facility Lenders") shall not be obligated to fund utilizations (other than rollover utilizations), and if a Revolving Credit Facility Lender requests and gives notice to the Revolving Credit Facility Agent, within 30 days of receiving notice of such Change of Control, that its commitments shall be cancelled and that it requires payment of all of its share of the outstanding utilizations and all other amounts owing to it, the Revolving Credit Facility Agent shall promptly notify the Issuer that such Revolving Credit Facility Lender shall be required to be prepaid or replaced and its commitments cancelled in full on the date falling 30 days after such Revolving Credit Facility Lender has given notice to the Revolving Credit Facility Agent.

Financial covenant

Under the Revolving Credit Facility Agreement, we will be required to test the drawn super senior leverage covenant, being the ratio of drawn super senior net debt under the Revolving Credit Facility Agreement to consolidated pro forma EBITDA, of 0.7:1 (the "Drawn Super Senior Leverage Covenant") if, on any Test Date (commencing on the first Test Date to occur after two full Test Periods have elapsed after the Closing Date), the Test Condition has been met. The financial covenant is calculated and tested quarterly, provided that exceeding the Drawn Super Senior Leverage Covenant on any Test Date should only result in a drawstop under the Revolving Credit Facility Agreement and shall not constitute or result in a default or an event of default and shall not operate as a drawstop in respect of any rollover loans or other rollover utilizations).

To the extent that the Drawn Super Senior Leverage Covenant has been exceeded on a Test Date, subject to certain limitations as more fully detailed in the Revolving Credit Facility Agreement, the Issuer may cure that covenant (i) automatically where the Drawn Super Senior Leverage Covenant is not exceeded on the following Test Date or the Test Condition is not met on the following Test Date or (ii) through the receipt of new shareholder injections and/or subordinated shareholders loans by the date falling no later than 20 business days after the date that the quarterly financial statements for that relevant period were due to be delivered, in an amount sufficient to, subject to certain limitations and at the election of the Issuer, ensure such Drawn Super Senior Leverage Covenant would have been met had the proceeds from such new shareholder injection or subordinated shareholder loan been applied (A) towards consolidated pro forma EBITDA or (B) in reduction of drawn super senior net debt immediately prior to the end of the relevant period.

"Relevant Period" means each period of twelve months ending on or about the last day of each Test Date.

"Test Condition" means, on any Test Date, the aggregate outstanding amount of all loans under the Revolving Credit Facility (excluding any utilizations of the Revolving Credit Facility by way of letters of credit (or bank guarantees) or ancillary facilities or any amounts utilized to fund any OID) on the last day of the Relevant Period exceeds 35% of the total Revolving Credit Facility commitments as of such date or if higher, the total Revolving Credit Facility commitments as at the date of the Revolving Credit Facility Agreement.

"Test Date" means each of March 31, June 30, September 30 and December 31.

"Test Period" means the period commencing on the day immediately following a Test Date and ending on the next occurring Test Date.

Events of default

The Revolving Credit Facility Agreement provides for the same events of default (with certain adjustments as necessary) as under the Notes.

In addition, the Revolving Credit Facility provides for customary events of default, all of which are subject to customary materiality, actual knowledge and other qualifications, exceptions, baskets and/or grace periods, as appropriate, including: (i) misrepresentation; (ii) unlawfulness and invalidity; (iii) breach of the Intercreditor Agreement; and (iv) the repudiation and rescission of finance documents.

Governing law

The Revolving Credit Facility Agreement and any non-contractual obligation arising out of or in connection with it are governed by and construed and enforced in accordance with English law although the restrictive covenants certain information undertakings and certain events of default, which are included in the Revolving Credit Facility Agreement, are interpreted in accordance with New York law (without prejudice to the fact that the Revolving Credit Facility Agreement is governed by, and shall be governed by, English law).

Intercreditor Agreement

The Issuer, the direct shareholder of the Issuer, the Guarantors and certain other subsidiaries of the Issuer have entered into an Intercreditor Agreement dated January 31, 2014, to govern the relationships and relative priorities among: (i) the lenders under the Revolving Credit Facility; (ii) any persons who accede to the Intercreditor Agreement as counterparties to certain hedging agreements (collectively, the "Hedging Agreements"; the liabilities under such Hedging Agreements, the "Hedging Liabilities"; and any persons that accede to the Intercreditor Agreement as counterparties to such Hedging Agreements being referred to in such capacity as the "Hedge Counterparties"); (iii) the Trustee, on its own behalf and on behalf of the holders of the Notes (for the purpose of this "*Description of certain financing arrangements*," the "Notes") (the "Noteholders") (the "Notes Trustee"); (iv) certain intragroup creditors and debtors; (v) certain direct or indirect shareholders of the Issuer in respect of certain structural debt that the Issuer or another member of the Group has incurred or may incur in the future (including any subordinated shareholder loans); and (vi) other lenders and creditors.

- In this description, "Group" refers to the Issuer and each of its subsidiaries.
- Each member of the Group that incurs any liability or provides any guarantee under the Revolving Credit Facility, in respect of the Notes or under any other Debt Document (as defined in "*—Further security and incremental borrowings*") is referred to as a "Debtor" and are collectively referred to as the "Debtors."

The Intercreditor Agreement will set forth:

- the relative ranking of certain indebtedness of the Debtors;
- the relative ranking of certain security granted by the Debtors;
- when payments can be made in respect of certain indebtedness of the Debtors;
- when enforcement actions can be taken in respect of that indebtedness;
- the terms pursuant to which that indebtedness will be subordinated upon the occurrence of certain insolvency events;
- turnover provisions; and
- when security and guarantees will be released to permit a sale of any assets subject to transaction security (such assets, the "Collateral"; such security, the "Transaction Security"; and the documents constituting such Transaction Security, the "Transaction Security Documents").

The Intercreditor Agreement will contain provisions relating to indebtedness that may be incurred by the members of the Group, which is permitted or not prohibited under the Credit Facility Documents (as defined below), the Notes Documents (as defined below), any Pari Passu Debt Document (as defined below) and any Senior Unsecured Notes Document (as defined below) to rank *pari passu* in right of payment with the liabilities under the Revolving Credit Facility Agreement, the liabilities under the Indenture (for the purposes of this section, the "Notes Liabilities" and any existing Pari Passu Liabilities (as defined below), then existing and to be secured on the Collateral, subject to the terms of the Intercreditor Agreement (such indebtedness (excluding, for the purposes of this section, any Notes Liabilities) being the "Pari Passu Debt"; the creditors in respect of such indebtedness being the "Pari Passu Creditors"; the liabilities of the Debtors in respect of such indebtedness being the "Pari Passu Liabilities"; and the documents creating or evidencing the Pari Passu Liabilities, the "Pari Passu Debt Documents").

The Intercreditor Agreement will also include provisions relating to indebtedness in the form of senior unsecured notes (such indebtedness being "Senior Unsecured Notes," the liabilities of the Debtors in respect of such indebtedness being "Senior Unsecured Notes Liabilities" and documents creating or evidencing the Senior Unsecured Notes Liabilities, the "Senior Unsecured Notes Documents") that may be incurred by a special purpose entity which is wholly-owned directly or indirectly by LuxCo 5 (other than the Issuer) and is neither a member of the Group nor a subsidiary of the Issuer (such entity, the "Senior Unsecured Notes Issuer") and provisions relating to the liabilities in respect of guarantees granted by each guarantor of the Senior Unsecured Notes (the "Senior Unsecured Notes Guarantee Liabilities"), that is permitted or not prohibited under the Credit Facility Documents, the Notes Documents, any existing Pari Passu Debt Document and any existing Senior Unsecured Note Document to rank equally with any existing Senior Unsecured Notes Liabilities, subject to the terms of the Intercreditor Agreement (the creditors in respect of such indebtedness being the "Senior Unsecured Notes Creditors").

The Intercreditor Agreement will also provide for any credit facility constituting a "Credit Facility" under the Notes Indenture, the creditors of which are entitled under the terms of the Notes Documents, any existing Pari Passu Debt Document and any existing Senior Unsecured Notes Document to receive priority in respect of the proceeds of the enforcement against the Collateral (each such facility being a "Credit Facility" and, together with the Revolving Credit Facility, the "Credit Facilities" and each finance document relating thereto (but excluding any Hedging Agreement), a "Credit Facility Document"). Each lender under a Credit Facility is a "Credit Facility Lender" and excluding any Hedging Liabilities, the liabilities of the Debtors to the Credit Facility Lenders are referred to as the "Credit Facility Lender Liabilities."

Unless expressly stated otherwise in the Intercreditor Agreement, in the event of a conflict between the terms of a Debt Document and the Intercreditor Agreement, the provisions of the Intercreditor Agreement will prevail.

By purchasing a Note, Noteholders shall be deemed to have agreed to, and accepted the terms and conditions of, the Intercreditor Agreement and to have authorized the Notes Trustee and the Senior Unsecured Notes Trustee to enter into the Intercreditor Agreement on their behalf.

The following description is a summary of certain provisions in the Intercreditor Agreement. It does not restate the Intercreditor Agreement in its entirety.

Ranking and priority

The Intercreditor Agreement will provide, subject to the provisions in respect of permitted payments described below, that (i) the Credit Facility Lender Liabilities; (ii) the liabilities of the Debtors with respect to Hedging Agreements entered into in relation to interest rate hedging in respect of (1) any Credit Facility, the Notes or any Senior Unsecured Notes or (2) in respect of Pari Passu Debt (the "Super Senior Hedging Liabilities" and, together with the Credit Facility Lender Liabilities and the Creditor Representative Liabilities owed to the Credit Facility Agent, the "Super Senior Liabilities" and the creditors of the Super Senior Liabilities, the "Super Senior Creditors"); (iii) the liabilities of the Debtors with respect to Hedging Agreements entered into in relation to foreign currency hedging in respect of (1) any Credit Facility, the Notes or the Senior Unsecured Notes or (2) in respect of Pari Passu Debt (the "Non-Super Senior Hedging Liabilities" and the creditors of the Non-Super Hedging Liabilities, the "Non-Super Senior Hedge Counterparties"); (iv) the liabilities of the Issuer and the Debtors in respect of the Notes (the "Notes Liabilities"); (v) the Pari Passu Liabilities (together with the Notes Liabilities and the Non- Super Senior Hedging Liabilities, the "Senior Secured Liabilities," and the creditors of the Senior Secured Liabilities, the "Senior Secured Creditors"); (vi) the liabilities of the Issuer and the Debtors in respect of the Senior Unsecured Notes (the "Senior Unsecured Notes Liabilities") and (vii) certain other unsecured liabilities, will rank in right and priority of payment in the following order:

- first, the Super Senior Liabilities, the liabilities of any Debtor to an arranger under the Revolving Credit Facility (the "Arranger Liabilities"), the Senior Secured Liabilities and the liabilities owed to the Security Agent will rank *pari passu* and without any preference between them; and
- second, the Senior Unsecured Notes Guarantee Liabilities will rank *pari passu* and without any preference between them.

The intercompany obligations (the "Intra Group Liabilities" and the documents creating or evidencing such Intra Group Liabilities being "Intra Group Debt Documents") of any member of the Group that is party to the Intercreditor Agreement in such capacity to any other member of the Group (each an "Intra Group Lender" and collectively the "Intra Group Lenders") which is party to the Intercreditor in such capacity are postponed and subordinated to the Liabilities owed by the Debtors to the Primary Creditors (as defined herein). The liabilities owed by any Debtor to any shareholder, direct or indirect, of the Issuer (or any holding company or subsidiary of the Issuer or any other subsidiary of any such holding company that is not a member of the Group) and any of their respective transferees or successors (the "Shareholder Liabilities" and the documents creating or evidencing such Shareholder Liabilities being "Shareholder Debt Documents") are postponed and subordinated to the Liabilities owed by the Debtors to the Primary Creditors.

In this section the Shareholder Liabilities and the Intra Group Liabilities are together referred to as the "Subordinated Liabilities."

The parties to the Intercreditor Agreement will agree in the Intercreditor Agreement that the Transaction Security ranks and secures the following liabilities (but only to the extent that such security is expressed to secure those liabilities) in the following order:

- first, the Super Senior Liabilities, the Arranger Liabilities and the Senior Secured Liabilities will rank and secure such liabilities first, *pari passu* and without any preference between them; and
- second (to the extent only of any security granted in favor of the Security Agent over the shares, loans, bonds or other equity or debt instruments issued by the Issuer to the Parent Guarantor or by any holding company of the Parent Guarantor to the Senior Unsecured Notes Issuer (the "SUN Shared Security"), the Senior Unsecured Notes Liabilities.

The Senior Unsecured Notes Liabilities and the Subordinated Liabilities will not be secured by any of the Transaction Security unless permitted by the Credit Facility Documents, the Notes Documents and any Pari Passu Debt Documents. Notwithstanding the foregoing, the Senior Unsecured Notes Liabilities shall be secured by the SUN Shared Security, if any. The Senior Unsecured Notes Liabilities are senior obligations of the Senior Unsecured Notes Issuer. Until the Senior Secured Debt Discharge Date, the Senior Unsecured Notes Creditors may not take any steps to appropriate the assets of the Senior Unsecured Notes Issuer in connection with any enforcement action other than as expressly permitted by the Intercreditor Agreement.

Under the Intercreditor Agreement, all Proceeds from Enforcement of the Collateral and certain other recoveries will be applied as provided under "*—Application of proceeds from Enforcement of Transaction Security*."

Further security and incremental borrowings

The creditors in respect of the Super Senior Liabilities and the Senior Secured Liabilities (the Super Senior Liabilities, the liabilities owed to Creditor Representatives (as defined herein, other than in paragraph (f) of that definition), the Senior Secured Liabilities and the Arranger Liabilities, together, the "Secured Liabilities," and the creditors thereof, the "Secured Parties" and the documents evidencing the Secured Liabilities, the "Secured Debt Documents") may take, accept or receive the benefit of additional security and additional guarantees, indemnities or other assurance against loss from any member of the Group in respect of the Secured Liabilities, provided that, if and to the extent legally possible, such security, guarantee, indemnity or other assurance against loss is also granted to the Security Agent as agent and trustee of the other Secured Parties. Any such additional security, guarantee, indemnity or other assurance against loss will rank in the same order of priority as referred to above and the proceeds of the enforcement of any such security will be applied as provided under "*—Application of proceeds from Enforcement of Transaction Security*."

The Intercreditor Agreement will contemplate the Debtors (or any of them): (i) incurring incremental borrowing liabilities and/or guarantee liabilities under; or (ii) refinancing the borrowing liabilities incurred under the documents creating or evidencing indebtedness under or in respect of any Credit Facility, the Notes, the Senior Unsecured Notes, the Hedging Liabilities, the Pari Passu Debt or the Subordinated Liabilities (such documents or instruments together with Transaction Security Documents, the Shareholder Debt Documents and the Intra Group Debt

Documents being referred to collectively as the "Debt Documents") and/or incurring guarantee liabilities in respect of any indebtedness incurred in connection with any such refinancing (such incremental borrowing liabilities, refinancing liabilities and/or guarantee liabilities being referred to as "Additional Indebtedness") which in any such case are intended to rank *pari passu* with and/or share *pari passu* in any Transaction Security with any existing liabilities and/or to rank behind any existing liabilities and/or to share in the Transaction Security behind such existing liabilities. The Secured Parties and the creditors in respect of the Subordinated Liabilities (the "Subordinated Creditors" and, collectively with the Secured Parties and the Senior Unsecured Notes Creditors, the "Creditors" and each a "Creditor") will confirm in the Intercreditor Agreement that, provided such financing or refinancing and such ranking and such security is permitted or not prohibited under the terms of the Debt Documents, they will (at the Debtors' cost) enter into such documentation as may be necessary (including entering into a new intercreditor agreement on substantially the same terms as the Intercreditor Agreement) to ensure that the Additional Indebtedness (and the liabilities and obligations of the Debtors in respect of such Additional Indebtedness) will have the ranking permitted to be conferred upon it in accordance with the terms of the Debt Documents, provided that such documentation does not in any significant respect have a material adverse effect on the interests of any of the Secured Parties.

Security: Pari Passu Creditors and Notes Creditors

The Pari Passu Creditors and Notes Creditors may take, accept or receive the benefit of:

(a) security in respect of the Pari Passu Liabilities and Notes Liabilities in addition to the Transaction Security if, at the same time, it is also granted either:

(i) to the Security Agent as trustee for the other Secured Parties in respect of their secured obligations;

(ii) in the case of any jurisdiction in which effective security cannot be granted in favor of the Security Agent as trustee for the Secured Parties:

A. to the other Secured Parties in respect of their secured obligations; or

B. to the Security Agent under a parallel debt structure for the benefit of the other Secured Parties; or

(iii) in the case of any security granted after the date of the Intercreditor Agreement, to some of the Secured Parties provided that such security is incremental to the Transaction Security that has already been granted in favor of all other Secured Parties and any proceeds derived from the enforcement of such security will be shared with the Secured Parties in accordance with the payment waterfalls set forth in "*—Application of proceeds from Enforcement of Transaction Security*."

and ranks in the same order of priority as that contemplated in "*—Ranking and Priority*"; and

(b) any guarantee, indemnity or other assurance against loss in respect of the Pari Passu Liabilities in addition to those in:

(i) the original form of the Pari Passu Debt Documents and the documents or instruments creating or evidencing the Notes Liabilities (the "Notes Documents");

(ii) the Intercreditor Agreement; or

(iii) any guarantee, indemnity or other assurance against loss given for the benefit of all the Secured Parties in respect of their Secured Liabilities;

only if, in each case (1) the grant of such security or the giving of such guarantee, indemnity or other assurance against loss is permitted by the Credit Facility Documents and (2) at the same time, it is also granted to the Credit Facility Lenders and granted to the other Secured Parties in respect of their respective Secured Liabilities and ranks in the same order of priority as that contemplated in "*—Ranking and priority*."

Permitted payments

The Intercreditor Agreement will permit, prior to the occurrence of an acceleration event in respect of a Credit Facility, the Pari Passu Liabilities and the Notes Liabilities (a "Secured Debt Acceleration Event"), payments to be made by the Debtors under the Revolving Credit Facility, the Notes Documents and Pari Passu Debt Documents, in each case, in accordance with the terms of the relevant Credit Facility Agreement, the Notes Documents and Pari Passu Debt Documents, but subject to, in the case of payments in respect of the Pari Passu Liabilities and Notes Liabilities, any restrictions under the Credit Facility Documents, the Notes Documents and any Pari Passu Debt Documents then outstanding. Following the occurrence of a Secured Debt Acceleration Event, subject to certain exceptions, payments can only be made by the Debtors applying the amounts received by the relevant Debtor under the process described under "*—Application of proceeds from Enforcement of Transaction Security*." The restriction in the foregoing sentence shall not apply (i) where, provided that the Majority Super Senior Creditors constitute the Instructing Group in accordance with "*—Enforcement decision*," a payment block suspension notice has been delivered by the Credit Facility Agent to the Security Agent in accordance with the terms of the Intercreditor Agreement or (ii) to the extent that such Secured Debt Acceleration Event has subsequently been cancelled and/or irrevocably revoked in writing by each relevant Creditor Representative.

The Intercreditor Agreement will also permit payments in respect of Senior Unsecured Notes Guarantee Liabilities prior to the Secured Debt Discharge Date (as defined below) to be made by the Debtors under the Senior Unsecured Notes Documents including if (a) (i) the payment is of any principal amount of the Senior Unsecured Notes Liabilities or the Senior Unsecured Notes Issuer Liabilities which is either not prohibited from being paid by the Credit Facility, the Notes Document and any Pari Passu Debt Document or is paid on or after the final maturity date of the Senior Unsecured Notes Liabilities (provided that such maturity date is a date not earlier than one year after the Termination Date at the time of issuance of such Senior Unsecured Notes) or is a payment of any amount that is not an amount of principal or capitalized interest or a corresponding amount under the relevant proceeds loan for the Senior Unsecured Notes (such amount including all scheduled interest payments, including if applicable, special interest or liquidated damages) and default interest on the Senior Unsecured Notes Liabilities accrued due and payable in cash in accordance with the terms of the relevant Debt Document, additional amounts payable as a result of the tax gross-up provisions relating to the Senior Unsecured Notes Liabilities and amounts in respect of currency indemnities in the relevant indenture for the Senior Unsecured Notes and/or applicable proceeds loan, (ii) no notice of a Secured Debt Event of Default (as defined herein) has been delivered by the Credit Facility Agent, the Notes Trustee or the Pari Passu Debt Representative (as the case may be); and (iii) no payment default under any Credit Facility, the Notes Indenture (above an agreed threshold) and the Pari Passu Debt Documents (above an agreed threshold) has occurred and is continuing; (b) the Majority Super Senior Creditors (as defined herein) and the Notes Trustee and the Pari Passu Debt Representative give prior consent to that payment being made; (c) the payment is of amounts owing to the Senior Unsecured Notes Trustee (the "Senior Unsecured Notes Trustee Amounts"); (d) the payment is of administrative and maintenance costs, fees, expenses and taxes of the Issuer (in acting as the issuer of the Senior Unsecured Notes) including any reporting or listing requirements, as permitted under the terms of the Credit Facilities; or (e) the payment is of costs, commissions, taxes, premiums and any expenses incurred in respect of (or reasonably incidental to) any refinancing of the Senior Unsecured Notes Documents in compliance with the Intercreditor Agreement, the Credit Facilities, the Notes Documents and the Pari Passu Debt Documents.

The Intercreditor Agreement will also permit payments to be made from time to time when due to lenders owed any Intra Group Liabilities ("Intra Group Liabilities Payments") if at the time of payment no Secured Debt Acceleration Event or an acceleration event in respect of the Senior Unsecured Notes Liabilities has occurred and is continuing (an "Acceleration Event"). The Intercreditor Agreement will permit Intra Group Liabilities Payments if (i) an Acceleration Event has occurred prior to the date on which the Super Senior Liabilities are discharged in full (the "Super Senior Discharge Date"), with the consent of the Instructing Group (as defined, and further described, in "*—Enforcement decision*"); (ii) an Acceleration Event has occurred after the Super Senior Discharge Date but prior to the date on which the Senior Secured Liabilities are discharged in full (the "Senior Secured Discharge Date"), with the consent of the Notes/Pari Passu Required Holders (acting through their Creditor Representatives); (iii) an Acceleration Event has occurred after the Senior Secured Discharge Date but prior to the later of the date on which the Senior Unsecured Notes Liabilities are discharged (the "Senior Unsecured Notes Discharge Date"), with the consent of the Senior Unsecured Notes Required Holders (as defined herein) (acting through their Creditor Representatives); (iv) that payment is made to facilitate payment of the Super Senior Liabilities or Senior Secured Liabilities; or (v) to the extent a Secured Debt Acceleration Event has subsequently been cancelled and/or irrevocably revoked in writing by each relevant Creditor Representative, the payment is made to facilitate payments of the Senior Unsecured Notes Liabilities that are permitted to be paid under the terms of the Intercreditor Agreement and, if such payment is made pursuant to Senior Unsecured Notes Guarantees, it would be permitted at such time. At any time prior to an Acceleration Event, each Debtor may convert its Intra Group Liabilities into equity.

Payments may be made on Shareholder Liabilities from time to time when due if: (i) the payment is not prohibited by a Credit Facility, the Notes Documents, the Pari Passu Debt Documents or the Senior Unsecured Notes Documents; (ii) the payment is to be made to the Senior Unsecured Notes Issuer in respect of any Senior Unsecured Notes Issuer Liabilities made in order to make a corresponding payment in Senior Unsecured Notes Liabilities which is then due and payable by the Senior Unsecured Issuer pursuant to the Senior Unsecured Notes Documents (or in the case of a payment in respect of scheduled interest, such payment will become due and payable within three business days) to be made at the time such payment of Shareholder Liabilities is made to the Senior Unsecured Notes Issuer; (iii) prior to the Super Senior Discharge Date, the Instructing Group (as defined below) gives written consent to such payment being made; (iv) on or after the Super Senior Discharge Date but prior to the Senior Secured Discharge Date, the Notes/Pari Passu Required Holders (acting through their Creditor Representative (as defined below)) give written consent to such payment being made; or (v) after the Secured Debt Discharge Date but prior to Senior Unsecured Discharge Date, the Senior Unsecured Notes Required Holders (acting through their Creditor Representative (as defined below)) give written consent to such payment being made. At any time prior to an Acceleration Event, Shareholder Liabilities may be converted into equity.

Creditor Representative

Under the Intercreditor Agreement, the parties will appoint various creditor representatives. "Creditor Representative" means:

(a) in relation to the lenders under the Revolving Credit Facility, the facility agent under the Revolving Credit Facility Agreement;

(b) in relation to the Credit Facility Lenders under any other Credit Facility, the facility agent in respect of that credit facility (an "Additional Credit Facility Agent," and, together with the facility agent under the Revolving Credit Facility Agreement, a "Credit Facility Agent");

(c) in relation to the Noteholders, the Notes Trustee;

(d) in relation to the Senior Unsecured Noteholders, the Senior Unsecured Notes Trustee;

(e) in relation to any Pari Passu Creditors, the creditor representative for those Pari Passu Creditors (the "Pari Passu Debt Representative"); and

(f) in relation to any Hedge Counterparty, such Hedge Counterparty (which shall be its own Creditor Representative).

Issue of Senior Unsecured Payment Stop Notice

(a) Until the later of the Super Senior Discharge Date and the Senior Secured Discharge Date (the "Secured Debt Discharge Date"), except with the prior consent of the Credit Facility Agent, the consent of the Notes Trustee and the Pari Passu Debt Representative(s), and subject to the provisions of the Intercreditor Agreement which will deal with the effects of an insolvency event, the Issuer shall ensure that no member of the Group shall make, and no Senior Unsecured Noteholder may receive from any member of the Group, any payment in respect of the Senior Unsecured Notes which would otherwise be permitted as referred to above (other than the Senior Unsecured Notes Trustee Amount) if:

(i) a payment default under the Secured Debt Documents (a "Secured Debt Payment Default") has occurred and is continuing; or

(ii) an event of default under a Credit Facility Document, the Notes Documents or the Pari Passu Debt Documents (other than a Secured Debt Payment Default) (a "Secured Debt Event of Default") has occurred and is continuing, from the date on which the Credit Facility Agent or the Notes Trustee or the Pari Passu Debt Representative (as the case may be) (the "Relevant Representative") delivers a notice (a "Senior Unsecured Payment Stop Notice") specifying the event or circumstance in relation to that Secured Debt Event of Default to the Senior Unsecured Notes Issuer, the Security Agent and the Senior Unsecured Notes Trustee, until the earliest of:

A. the date falling 179 days after delivery of that Senior Unsecured Payment Stop Notice;

B. the date on which a Senior Unsecured Notes Default occurs for failure to pay principal at the original scheduled maturity of the Senior Unsecured Notes;

C. in relation to payments of Senior Unsecured Notes Liabilities, if a Senior Unsecured Standstill Period (as defined below) is in effect at any time after delivery of that Senior Unsecured Payment Stop Notice, the date on which that Senior Unsecured Standstill Period expires;

D. the date on which the relevant Secured Debt Event of Default is no longer continuing and, if the relevant Secured Liabilities have been accelerated, such acceleration has been rescinded;

E. the date on which the Relevant Representative delivers a notice to the Senior Unsecured Notes Issuer, the Security Agent and the Senior Unsecured Notes Trustee cancelling the Senior Unsecured Payment Stop Notice;

F. the later of the Super Senior Discharge Date and the Senior Secured Discharge Date; and

G. the date on which the Senior Unsecured Notes Trustee takes any enforcement action that it is permitted to take under the Intercreditor Agreement.

(b) Unless the Senior Unsecured Notes Trustee waives this requirement:

(i) a new Senior Unsecured Payment Stop Notice may not be delivered unless and until 360 days have elapsed since the delivery of the immediately prior Senior Unsecured Payment Stop Notice; and

(ii) no Senior Unsecured Payment Stop Notice may be delivered in reliance on a Secured Debt Event of Default more than 60 days after the date the Credit Facility Agent, the Notes Trustee or the Pari Passu Debt Representative (as applicable) received notice of that Secured Debt Event of Default.

(c) The Credit Facility Agent, the Notes Trustee and the Pari Passu Debt Representative(s) may serve only one Senior Unsecured Payment Stop Notice with respect to the same event or set of circumstances but this shall not, subject to paragraph (b) above, affect the right of the Credit Facility Agent, the Notes Trustee or the Pari Passu Debt Representative(s) to issue a Senior Unsecured Payment Stop Notice in respect of any other event or set of circumstances.

(d) The Credit Facility Agent, the Notes Trustee and the Pari Passu Debt Representative(s) may not serve a Senior Unsecured Payment Stop Notice with respect to a Secured Debt Event of Default that had been notified to each of them at the time at which an earlier Senior Unsecured Payment Stop Notice was issued.

Cure of payment stop: Senior Unsecured Noteholders

If at any time following the issuance of a Senior Unsecured Payment Stop Notice or the occurrence of a Secured Debt Payment Default:

(a) the Senior Unsecured Payment Stop Notice ceases to be outstanding and/or the Secured Debt Payment Default ceases to be continuing, as the case may be; and

(b) the relevant Debtor then promptly pays to the Senior Unsecured Noteholders an amount equal to any payments which had accrued under the Senior Unsecured Notes Documents and which would have been permitted payments but for that Senior Unsecured Payment Stop Notice or Secured Debt Payment Default, then any Event of Default that may have occurred as a result of that suspension of payments shall be waived and any Senior Unsecured Enforcement Notice (as defined below) that may have been issued as a result of that event of default shall be waived, in each case without any further action being required on the part of the Senior Unsecured Noteholders.

Restrictions on Enforcement/certain challenges by Senior Unsecured Noteholders

Until the Secured Debt Discharge Date, except with the prior consent of or as required by the Instructing Group, no Senior Unsecured Noteholder shall take or require the taking of any enforcement action in relation to the Senior Unsecured Notes Guarantee Liabilities except as permitted under the Intercreditor Agreement (see "*—Permitted Senior Unsecured Notes Guarantee enforcement*" below.

Permitted Senior Unsecured Notes Guarantee enforcement

(a) The above restrictions on enforcement will not apply if:

(i) an event of default (or event or circumstance which would, with the expiration of a grace period, the giving of notice, the making of any determination provided for in the relevant definition of "Event of Default" in the Senior Unsecured Notes Indenture or any combination of the foregoing, be an event of default) under any Senior Unsecured Notes Indenture (a "Senior Unsecured Notes Default") (such default being a "Relevant Senior Unsecured Notes Default") is continuing;

(ii) the Credit Facility Agent, the Notes Trustee and the Pari Passu Debt Representative(s) have received a notice of the Relevant Senior Unsecured Notes Default specifying the event or circumstance in relation to the Relevant Senior Unsecured Notes Default from the Senior Unsecured Notes Trustee;

(iii) a Senior Unsecured Standstill Period (as defined below) has elapsed; and

(iv) the Relevant Senior Unsecured Notes Default is continuing at the end of the relevant Senior Unsecured Standstill Period.

(b) Promptly upon becoming aware of a Senior Unsecured Notes Default, the Senior Unsecured Notes Trustee may, by notice (a "Senior Unsecured Enforcement Notice") in writing notify the Credit Facility Agent, the Notes Trustee and the Pari Passu Debt Representative(s) of the existence of such Senior Unsecured Notes Default.

Senior Unsecured Standstill Period

In relation to a Relevant Senior Unsecured Notes Default, a Senior Unsecured Standstill Period shall mean the period beginning on the date (the "Senior Unsecured Standstill Start Date") the Senior Unsecured Notes Trustee serves a Senior Unsecured Enforcement Notice on the Credit Facility Agent, the Notes Trustee and the Pari Passu Debt Representative(s) in respect of such Relevant Senior Unsecured Notes Default and ending on the earliest to occur of:

(a) the date falling 179 days after the Senior Unsecured Standstill Start Date (the "Senior Unsecured Standstill Period");

(b) the date the Secured Parties take any enforcement action (excluding any action taken to preserve or perfect any Collateral as opposed to realizing it) in relation to a Senior Unsecured Notes Guarantor, provided that the Senior Unsecured Noteholders may then only take the same enforcement action in relation to the Senior Unsecured Notes Guarantor as the enforcement action taken by the Secured Parties against such Senior Unsecured Notes Guarantor and not against any other member of the Group;

(c) the date of an insolvency event in relation to a Senior Unsecured Notes Guarantor against whom enforcement action is to be taken;

(d) the date on which a Senior Unsecured Notes Default occurs for failure to pay principal at the original scheduled maturity of the Senior Unsecured Notes; and

(e) the expiration of any other Senior Unsecured Standstill Period outstanding at the date such first Senior Unsecured Standstill Period commenced (unless that expiration occurs as a result of a cure, waiver or other permitted remedy).

The Senior Unsecured Noteholders may take enforcement action as described above in relation to a Relevant Senior Unsecured Notes Default even if, at the end of any relevant Senior Unsecured Standstill Period or at any later time, a further Senior Unsecured Standstill Period has begun as a result of any other Relevant Senior Unsecured Notes Default.

If the Security Agent has notified the Senior Unsecured Notes Trustee that it is enforcing Transaction Security created over (directly or indirectly) shares of a Senior Unsecured Notes Guarantor, no Senior Unsecured Noteholder may take any action referred to in "*—Permitted Senior Unsecured Notes Guarantee enforcement*," against that Senior Unsecured Notes Guarantor while the Security Agent is, in accordance with the instructions of the Instructing Group, taking steps to enforce that Collateral where such action might be reasonably likely to adversely affect such enforcement or the amount of proceeds to be derived therefrom.

Enforcement instructions

The Security Agent may refrain from enforcing the Transaction Security or taking any other enforcement action unless otherwise instructed by the relevant Instructing Group (as further described in "*—Enforcement decision*" below).

Subject to the Transaction Security having become enforceable in accordance with its terms and subject to the terms of the Intercreditor Agreement, the Instructing Group may give instructions to the Security Agent as to the enforcement of the Transaction Security as they see fit provided that the instructions as to enforcement given by the Instructing Group are consistent with the Security Enforcement Principles (as defined herein).

Enforcement decision

If either the Majority Super Senior Creditors or the Notes/Pari Passu Required Holders (acting through their Creditor Representatives) (the "Instructing Group") wish to instruct the Security Agent to commence enforcement of any Transaction Security, such group of creditors must deliver a copy of the proposed instructions as to enforcement (the "Proposed Enforcement Instructions") to the Security Agent and the Creditor Representative for each of the Super Senior Creditors and the Senior Secured Creditors (as appropriate). The Security Agent shall promptly notify each Creditor Representative of the Super Senior Creditors, the Notes Trustee and each of the Pari Passu Representatives upon receipt of such Proposed Enforcement Instructions.

Prior to the Super Senior Discharge Date, if the Security Agent has received any Proposed Enforcement Instructions, then the Security Agent shall either enforce or refrain from enforcing the Transaction Security in accordance with the instructions of the Notes/Pari Passu Required Holders (and the Notes/Pari Passu Required Holders shall be the Instructing Group for the purpose of "*—Enforcement instructions*" above, in each case, acting through their respective Creditor Representative) provided that such instructions are consistent with certain Security Enforcement Principles (as referred to below) and failure to give instructions will be deemed to be an instruction not to take Enforcement steps.

In the event that:

(a) from the date that is three months after the date upon which the first Proposed Enforcement Instructions (including such instructions not to take Enforcement steps) are delivered, the Security Agent (acting on the instructions of the Notes/Pari Passu Required Holders) has not taken any Enforcement Action of the Transaction Security; or

(b) the Super Senior Liabilities have not been fully discharged in cash within six months of the date upon which the first such Proposed Enforcement Instructions (including any such instructions not to take Enforcement steps) are delivered,

then (with effect from the date of the earlier to occur of such events), the Majority Super Senior Creditors shall become the Instructing Group for the purposes of "*—Enforcement instructions*" above.

If at any time the Security Agent has not taken any Relevant Enforcement Action of the Transaction Security notwithstanding the Transaction Security having become enforceable in accordance with its terms, a Creditor Representative acting on behalf of the Majority Super Senior Creditors or the Notes/Pari Passu Required Holders, as the case may be, may at any time provide immediate instructions as to Enforcement to the Security Agent. If the Majority Super Senior Creditors or the Notes/Pari Passu Required Holders determine in good faith (and notify the Creditor Representatives of the other Super Senior Creditors and the Notes Creditors and the Pari Passu Creditors and the Security Agent) the delay in taking Enforcement Action of the Transaction Security could reasonably be expected to have a material adverse effect on:

(i) the Security Agent's ability to enforce the Transaction Security; or

(ii) the realization proceeds of any enforcement of the Transaction Security,

and the Security Agent shall act with respect to the relevant asset or Debtor that is the subject of the determination pursuant to (i) or (ii) above, in accordance with the first such notice of determination and instructions as to Enforcement received by the Security Agent (provided in each case that such instructions are consistent with certain Security Enforcement Principles (referred to herein).

If at any time an insolvency event has occurred with respect to any Debtor or Security Provider (other than an insolvency event which is the direct result of any action taken by the Security Agent acting on the instructions of the Majority Super Senior Creditors or the Notes/Pari Passu Required Holders), the Security Agent shall act, to the extent the Majority Super Senior Creditors have provided such instructions, in accordance with the instructions received from such Majority Super Senior Creditors, provided that in the event the Security Agent has received Proposed Enforcement Instructions from the Creditor Representative for the Notes/Pari Passu Required Holders and has commenced Relevant Enforcement Action pursuant to such instructions, the Security Agent shall continue to act in accordance with the instructions of the Creditor Representative for the Notes/Pari Passu Required Holders until such time as the Creditor Representative for the Majority Super Senior Creditors issues enforcement instructions to the Security Agent and such instructions shall override and supersede any such prior instructions given by the Creditor Representative for the Notes/Pari Passu Required Holders.

Other than where the preceding two paragraphs apply, if, prior to the Super Senior Discharge Date, the Majority Super Senior Creditors or the Notes/Pari Passu Required Holders (in each case, acting reasonably) consider that the Security Agent is enforcing the Transaction Security in a manner that is not consistent with the Security Enforcement Principles (as referred to herein), the Creditor Representatives for the relevant Super Senior Creditors or Senior Secured Creditors shall give notice to the Creditor Representatives for the other Super Senior Creditors and Senior Secured Creditors (as appropriate), after which the Creditor Representatives for the other Super Senior Creditors, the Notes Trustee and each Pari Passu Debt Representative shall consult with the Security Agent for a period of 15 days (or such lesser period as the relevant Creditor Representatives may agree) with a view to agreeing the manner of enforcement provided that such Creditors' Representatives shall not be obligated to consult in the manner referred to in this paragraph more than once in relation to each enforcement action.

After the Super Senior Discharge Date, the Security Agent shall either enforce or refrain from enforcing the Transaction Security in accordance with the instructions provided by the Notes/Pari Passu Required Holders.

Limitation on enforcement of shareholder liabilities

Creditors in respect of the Shareholder Liabilities will not be permitted to take any enforcement action in respect of such liabilities prior to the last to occur of the Super Senior Discharge Date, the Senior Secured Discharge Date and the Senior Unsecured Notes Discharge Date (the "Final Discharge Date") save that, prior to the Final Discharge Date and after the occurrence of an insolvency event in relation to any Debtor or member of the Group or grantor of Transaction Security, each such Creditor may only (unless otherwise directed by the Security Agent or unless the Security Agent has taken, or has given notice that it intends to take, action on behalf of that Creditor in accordance with the terms of the Intercreditor Agreement), and shall, if so directed by the Security Agent, exercise any right it may otherwise have against that member of the Group to:

(a) accelerate any of that member of the Group's Shareholder Liabilities or declare them prematurely due and payable or payable on demand;

(b) make a demand under any guarantee, indemnity or other assurance against loss given by that member of the Group in respect of any Shareholder Liabilities;

(c) exercise any right of set-off or take or receive any payment in respect of any Shareholder Liabilities of that member of the Group; or

(d) claim and prove in the liquidation of that member of the Group for the Shareholder Liabilities owing to it,

but shall not take any other enforcement action.

Limitation on enforcement of Intra Group Liabilities

Creditors in respect of the Intra Group Liabilities will not be permitted to take any enforcement action in respect of such liabilities prior to the Final Discharge Date except that, prior to the Final Discharge Date and after the occurrence of an insolvency event in relation to any member of the Group or grantor of Transaction Security, each Intra Group Lender may only (unless otherwise directed by the Security Agent or unless the Security Agent has taken, or has given notice that it intends to take, action on behalf of that Intra Group Lender in accordance with the Intercreditor Agreement) and shall, if so directed by the Security Agent, exercise any right it may otherwise have against that member of the Group to:

(a) accelerate any of that Group member's Intra Group Liabilities or declare them prematurely due and payable or payable on demand;

(b) make a demand under any guarantee, indemnity or other assurance against loss given by that member of the Group in respect of any Intra Group Liabilities;

(c) exercise any right of set-off or take or receive any payment in respect of any Intra Group Liabilities of that member of the Group; or

(d) file claims, or claim and prove in the liquidation of that member of the Group for the Intra Group Liabilities owing to it, but shall not take any other enforcement action.

Security Enforcement Principles

A Creditor Representative may only give enforcement instructions that are consistent with the following security enforcement principles (the "Security Enforcement Principles"):

(a) it shall be the primary and overriding aim of any enforcement of the Transaction Security to achieve the security enforcement objective, such objective being to maximize the recovery by the Super Senior Creditors and the Senior Secured Creditors so far as such recovery is consistent with prompt and expeditious realization of value from enforcement of the Transaction Security (the "Security Enforcement Objective");

(b) without prejudice to the Security Enforcement Objective, the Transaction Security will be enforced and other enforcement action will be taken such that either:

    (i) all proceeds of enforcement are received by the Security Agent in cash for distribution in accordance with the terms of the Intercreditor Agreement (as further described in "*—Application of proceeds from Enforcement of Transaction Security*"); or

(ii) in the case of enforcement by the Notes/Pari Passu Required Holders, sufficient proceeds from Enforcement will be received by the Security Agent in cash to ensure that when the proceeds are applied in accordance with the terms of the Intercreditor Agreement (see "*—Application of proceeds from Enforcement of Transaction Security*"), the Super Senior Liabilities are repaid and discharged in full in cash (unless the Majority Super Senior Creditors agree otherwise);

(c) to the extent that the Transaction Security that is the subject of the proposed enforcement action is:

(i) securing assets other than shares in a member of the Group where the aggregate book value of such assets exceeds EUR 1 million (or its equivalent); or

(ii) over some or all of the shares in a member of the Group,

then the Security Agent shall, if requested by the Instructing Group, and at the expense of the Issuer, (to the extent that financial advisors have not adopted a general policy of not providing such opinions) appoint an internationally recognized investment bank or accountancy firm or, if it is not practicable for the Security Agent to appoint any such bank or firm on commercially reasonable terms (including for reasons of conflicts of interest) as determined by the Security Agent (acting in good faith), another third-party professional firm that is regularly engaged in providing valuations in respect of the relevant type of assets (in each case not being the firm appointed as the relevant Debtor's administrator or other relevant officer holder) selected by the Security Agent (a "Financial Advisor") to opine as expert that the consideration received from any disposal is fair from a financial point of view taking into account all relevant circumstances (a "Financial Advisor's Opinion");

(d) the Security Agent shall be under no obligation to appoint a Financial Advisor or to seek the advice of a Financial Advisor, unless expressly required to do so by the Intercreditor Agreement. Prior to making any appointment of a Financial Advisor, the Security Agent is entitled to ensure that cost cover (at a level it is satisfied with, acting reasonably) has been provided;

(e) the Financial Advisor's Opinion (or any equivalent opinion obtained by the Security Agent in relation to any other enforcement of the Transaction Security that such action is fair from a financial point of view after taking into account all relevant circumstances) will be conclusive evidence that the Security Enforcement Objective has been met;

(f) where the Instructing Group is the Notes/Pari Passu Required Holders, the Notes/Pari Passu Required Holders may waive the requirement for a Financial Advisor's Opinion where sufficient Proceeds from Enforcement will be received by the Security Agent in cash to ensure that when the proceeds are applied in accordance with the terms of the Intercreditor Agreement (see "*—Application of proceeds from Enforcement of Transaction Security*"), the Super Senior Liabilities are repaid and discharged in full; and

(g) in the event that an enforcement of the Transaction Security is conducted by way of Public Auction (as defined below), no Financial Advisor shall be required to be appointed, and no Financial Advisor's Opinion shall be required, in relation to such enforcement, provided that the Security Agent shall be entitled (but not obligated) to appoint a Financial Advisor to provide such advice as the Security Agent deems appropriate in relation to such enforcement by way of Public Auction.

The Security Enforcement Principles may be amended, varied or waived with the prior written consent of the Majority Super Senior Creditors, the Notes Required Holders, the Pari Passu Debt Required Holders of each tranche of Pari Passu Debt and the Security Agent.

"Public Auction" means an auction or other competitive sale process of assets, by or on behalf of the Security Agent pursuant to an enforcement of Transaction Security (or by a member of the Group in circumstances that are a Distressed Disposal (as defined herein)), the process of such sale or disposal having been conducted as follows:

(a) prior to the sale or other disposal, the Security Agent shall, in respect of such auction or other competitive sale process, consult with an internationally recognized investment bank or accounting firm selected by the Security Agent (acting reasonably) with respect to the procedures which may reasonably be expected to be used to obtain a fair market price in the then prevailing market conditions (taking into account all relevant circumstances and in order to facilitate a prompt and expeditious sale at a fair market price in the prevailing market conditions although there shall be no obligation to postpone any such sale in order to achieve a higher price);

(b) the Security Agent shall have implemented (to the extent permitted by law) in all material respects the procedures recommended by such bank or firm in relation to such auction or process;

(c) the Secured Parties shall have a right to participate; and

(d) HoldCo shall not have the right to participate without the consent of the Majority Super Senior Creditors (excluding the Hedge Counterparties), the Notes Required Holders and the Pari Passu Debt Required Holders of each tranche of Pari Passu Debt if such auction or competitive sale process is in respect of SUN Shared Security or assets that were secured by such SUN Shared Security before foreclosure thereof.

For the purposes of paragraphs (a), (b), (c) and (d) above:

(i) the Security Agent shall be entitled to retain any such internationally recognized investment bank or accounting firm as its and/or any of the other Secured Parties' financial advisor to advise and assist in the proposed sale or disposition for such remuneration as the Security Agent in good faith determines is appropriate for the circumstances;

(ii) except as required by applicable law, the Security Agent shall not have any obligation to any person to engage in or to use reasonable efforts to engage in a listing of any or all of any equity interests the subject of such auction or other competitive sale process, including, without limitation, if recommended by such investment bank or accounting firm; and

(iii) by reason of certain prohibitions, or exemptive or safe-harbor provisions from suchprohibitions, contained in law or regulations of any applicable governmental authority, the Security Agent may, with respect to any sale of all or any part of such equity interests or assets:

A. limit purchasers to those who meet the requirements of such governmental authority or exemptive or safe-harbor provision (as applicable) and/or make representations and undertakings satisfactory to the Security Agent relating to compliance with such requirements and/or provisions; and/or

B. limit purchasers to persons who will agree, among other things to acquire such shares for their own account, for investment and not with a view to the distribution or resale thereof;

(iv) the Security Agent and other Secured Parties shall not under any circumstances be required to make representations, warranties or undertakings to any actual or proposed purchaser (other than customary representations in a security enforcement as to power to transfer the relevant equity interests pursuant to the Transaction Security Documents) or to indemnify any actual or proposed purchaser against any costs, liabilities or similar expenses or losses; and

(v) without limitation to the other circumstances of the sale or other disposition that the Security Agent and such investment bank or accounting firm may take into consideration, the Security Agent may (but is not required to) in all circumstances specify that no offer to purchase equity interest or other assets will be entertained unless such offer:

A. is for all (and not some only) of the equity interests being sold or otherwise disposed;

B. is for cash consideration payable at closing (and therefore not including, for the avoidance of doubt, any element of deferred compensation) and is not subject to any financing conditions; and/or

C. contemplates a closing of the sale of the equity interests or other assets in not more than three (3) months (or such longer period as the Security Agent may specify) from the time of initiation of the sale or disposition process; and

(vi) a "right to participate":

A. means any offer, or indication of a potential offer, that a Secured Party makes shall be considered by the Security Agent or such investment bank or accounting firm against the same criteria as any offer, or indication of a potential offer, by any other bidder or potential bidder. For the avoidance of doubt, if after having applied that same criteria, the offer or indication of a potential offer made by a Secured Party is not considered by the Security Agent or such investment bank or accounting firm to be sufficient to continue in the sale or disposal process, such consideration being against the same criteria as any offer, or indication of a potential offer, by any other bidder or potential bidder (such continuation may include being invited to review additional information or being invited to have an opportunity to make a subsequent or revised offer, whether in another round of bidding or otherwise) then the right to participate of that Secured Party under the Intercreditor Agreement shall be deemed to be satisfied; and

B. shall not apply if the Security Agent believes in good faith that it may (or there is a risk that it may) result in a violation of any applicable laws or that it may (or there is a risk that it may) result in a requirement for registration under any applicable securities laws.

For the purposes of paragraph (a) above, such investment bank or accounting firm may be instructed by the Security Agent to take the limitations set out in subparagraphs (i) to (vi) (inclusive) above into account and to formulate recommendations that are consistent with them.

Exercise of voting rights

Each Creditor (other than the Credit Facility Lenders, the Revolving Credit Facility Agent, the Notes Trustee, the Pari Passu Debt Representative and the Senior Unsecured Notes Trustee) will cast its vote in any proposal put to the vote by or under the supervision of any judicial or supervisory authority in respect of any insolvency, pre-insolvency or rehabilitation or similar proceedings relating to any member of the Group as instructed by the Security Agent and the Security Agent shall give instructions for these purposes as directed by the Instructing Group, provided that such instructions have been given in accordance with the terms of the Intercreditor Agreement.

Turnover

Turnover by Primary Creditors

The Intercreditor Agreement will provide that if any creditor in respect of the Super Senior Liabilities, the Non-Super Senior Holding Liabilities, the Notes Liabilities, the Pari Passu Liabilities or the Senior Unsecured Notes Liabilities (the "Primary Creditors") receives or recovers the proceeds of any enforcement of any Transaction Security (whether before or after an insolvency event) other than in accordance with the payment waterfall described in "*—Application of proceeds from Enforcement of Transaction Security*," that Primary Creditor will, subject to certain exceptions:

(a) in relation to receipts or recoveries not received or recovered by way of set-off, (i) hold that amount in trust for the Security Agent and promptly pay that amount to the Security Agent for application in accordance with the terms of the Intercreditor Agreement; and (ii) promptly pay an amount equal to the amount (if any) by which receipt or recovery exceeds the relevant liabilities owed to such creditor to the Security Agent for application in accordance with the terms of the Intercreditor Agreement; and

(b) in relation to receipts and recoveries received or recovered by way of set-off, promptly pay an amount equal to that recovery to the Security Agent for application in accordance with the terms of the Intercreditor Agreement.

Turnover by Senior Unsecured Notes Creditors and Subordinated Creditors

The Intercreditor Agreement will provide that if any Senior Unsecured Notes Creditor or any creditor of any Subordinated Liabilities receives or recovers:

(a) any payment or distribution of, or on account of, or in relation to any such liabilities that is not otherwise permitted under the Intercreditor Agreement or made in accordance with the payment waterfall described in "*—Application of proceeds from Enforcement of Transaction Security*" below;

(b) other than by way of set-off permitted under the Intercreditor Agreement, any amount by way of set-off in respect of any such liabilities which is not otherwise permitted under the Intercreditor Agreement or which does not give effect to a payment or enforcement action which is otherwise permitted to be made, received or taken by the relevant creditor under the Intercreditor Agreement;

(c) other than by way of set-off permitted under the Intercreditor Agreement, any amount on account of, or in relation to, any of such liabilities after the occurrence of an Secured Debt Acceleration Event or the enforcement of any Transaction Security (a "Distress Event") or as a result of any other litigation or proceedings against a Debtor or a member of the Group (other than after the occurrence of an insolvency event in respect of that Debtor or that member of the Group), other than, in each case, any amount received or recovered in accordance with the payment waterfall described in "*—Application of proceeds from Enforcement of Transaction Security*" below;

(d) other than by way of set-off permitted under the Intercreditor Agreement, any amount by way of set-off in respect of any of such liabilities after the occurrence of a Distress Event; or

(e) other than by way of set-off permitted under the Intercreditor Agreement, any distribution in cash or in kind or payment of, or on account of or in relation to, any of such liabilities that is not made in accordance with the payment waterfall described in "*—Application of proceeds from Enforcement of Transaction Security*" below and which is made as a result of, or after, the occurrence of an insolvency event in respect of that Debtor,

the relevant Senior Unsecured Notes Creditor or Subordinated Creditor (as applicable) will, subject to certain exceptions:

(i) in relation to receipts or recoveries not received or recovered by way of set-off, hold that amount on trust for the Security Agent and promptly pay that amount to the Security Agent for application in accordance with the terms of the Intercreditor Agreement; and (B) promptly pay an amount equal to the amount (if any) by which receipt or recovery exceeds the relevant liabilities owed to such creditor to the Security Agent for application in accordance with the terms of the Intercreditor Agreement; and

(ii) in relation to receipts and recoveries received or recovered by way of set-off, promptly pay an amount equal to that recovery to the Security Agent for application in accordance with the terms of the Intercreditor Agreement.

Application of proceeds from Enforcement of Transaction Security

The Intercreditor Agreement will provide that amounts received from the realization or enforcement of all or any part of the Transaction Security will be applied in the following order of priority:

(a) first, *pari passu* and pro rata in or towards payment of: (A) any sums owing to the Security Agent or any delegate appointed by the Security Agent or any receiver, any Pari Passu Debt Representative in respect of any Pari Passu Debt issued in the form of notes, any amounts owing to the Notes Trustee, any Senior Unsecured Notes Trustee Amounts payable to the Senior Unsecured Notes Trustee and (B) the liabilities owed to the Revolving Credit Facility Agent and each Creditor Representative (to the extent not included in the foregoing and excluding any Hedge Counterparty in its capacity as its own Creditor Representative) of any unpaid fees, costs, expenses and liabilities (and all interest thereon as provided in the relevant finance documents) of each such Creditor Representative and any receiver, attorney or agent appointed by such Creditor Representative under any Transaction Security Document or the Intercreditor Agreement (to the extent that such Transaction Security has been given in favor of such obligations);

(b) second, *pari passu* and pro rata in or toward payment of all costs and expenses incurred by the holders of Super Senior Liabilities and the holders of Senior Secured Liabilities in connection with any realization or enforcement of the Transaction Security taken in accordance with the terms of the Transaction Security Documents and the Intercreditor Agreement or any action taken at the request of the Security Agent;

(c) third, *pari passu* and pro rata in or toward payment to: (i) the Revolving Credit Facility Agent on behalf of the Revolving Credit Facility finance parties and on behalf of the arrangers under the Revolving Credit Facility and each Creditor Representative in respect of a Credit Facility on behalf of the arrangers and lenders under and in respect of that Credit Facility; and (ii) the Hedge Counterparties in respect of the Super Senior Hedging Liabilities, for application towards the discharge of (A) the Credit Facility Lender Liabilities and related liabilities owed to the arrangers under the Revolving Credit Facility and the Credit Facility Lender Liabilities and related liabilities owed to the arrangers under such Credit Facility in accordance with the terms of the Credit Facility Documents and (B) the Super Senior Hedging Liabilities on a *pari passu* and pro rata basis as between (A) and (B);

(d) fourth, *pari passu* and pro rata in or toward payment to: (i) the Notes Trustee on behalf of the Noteholders; (ii) the relevant Pari Passu Debt Representative on behalf of the Pari Passu Creditors; and (iii) to the Non-Super Senior Hedge Counterparties, for application towards the discharge of (A) the Notes Liabilities; (B) the Pari Passu Liabilities; and (C) the Non-Super Senior Hedging Liabilities on a *pari passu* and pro rata basis as between (A), (B) and (C); and

(e) fifth, to the extent paid out of enforcement proceeds resulting from the enforcement of SUN Shared Security, the Senior Unsecured Notes Guarantee or proceeds from a Distressed Disposal in relation to assets that were previously secured by such SUN Shared Security, in payment or distribution to each Senior Unsecured Notes Trustee on behalf of the Senior Unsecured Noteholders or, if there is no Senior Unsecured Notes Trustee acting on behalf of any relevant Senior Unsecured Noteholders, such Senior Unsecured Noteholders for application towards the discharge of the Senior Unsecured Notes Liabilities owed to the Senior Unsecured Noteholders (in accordance with the terms of the Senior Unsecured Notes Documents); and the balance, if any, in payment or distribution to the Security Providers, any member of the Group or any other party entitled to receive it.

Release of the Guarantees and the security

Non-distressed disposal

In circumstances where a disposal of an asset of the Group which is subject to the Transaction Security is not being effected (a) by enforcement of the Transaction Security; (b) at the request of the Instructing Group, after the Transaction Security has become enforceable; or (c) in the case of a disposal to a person or persons outside the Group, after a Secured Debt Acceleration Event or a Distress Event has occurred (each a "Distressed Disposal") and is otherwise permitted by the Credit Facility Documents, the Notes Documents, the Pari Passu Debt Documents and the Senior Unsecured Notes Documents (together the "Senior Debt Documents," and such disposal, a "Non-Distressed Disposal"), the Intercreditor Agreement will provide that the Security Agent is authorized (i) to release the Transaction Security or any other claim relating to a Debt Document over the relevant asset; and (ii) if the relevant asset consists of shares in the capital of a Debtor, to release the Transaction Security or any other claim relating to a Debt Document over the assets of that Debtor and the shares in and assets of any of its subsidiaries, provided that if an asset which is the subject of a Non-Distressed Disposal is transferred to another member of the Group the release of the Transaction Security must be permitted under the terms of the Credit Facilities, the Notes Documents and any Pari Passu Debt Documents and, to the extent that replacement Transaction Security is required from the transferee under the terms of the Debt Documents, such Transaction Security will (subject to any other requirements relating to the release, retaking, amendment or extension of the Transaction Security under the Debt Documents) be granted at the same time as (or before) the relevant disposals are effected.

If any proceeds from a Non-Distressed Disposal are required to be applied in mandatory prepayment of any of the Secured Liabilities or to be offered to any Secured Party pursuant to the terms of the Secured Debt Documents, then such proceeds will be applied in or towards payment of such Secured Liabilities or shall be offered to the relevant Secured Parties in accordance with the terms of the relevant Secured Debt Documents and the consent of any other party will not be required for that application.

Distressed Disposal

Where a Distressed Disposal of an asset is being effected, the Intercreditor Agreement will provide that the Security Agent is authorized: (a) if the asset being disposed of consists of shares in the capital of a Debtor, to release: (i) the Transaction Security over the assets of that Debtor or any subsidiary of that Debtor; (ii) that Debtor and any subsidiary of that Debtor from all or any part of its borrowing liabilities in respect of the Debt Documents (other than borrowing liabilities owed by the Issuer to the Primary Creditors), its liabilities as guarantor in respect of the Debt Documents and any trading or other liabilities it may have to an Intra Group Lender or another Debtor ("Other Liabilities"); and (iii) any other claim of a Subordinated Creditor or another Debtor over the relevant assets; and (b) if the asset being disposed of consists of shares in the capital of a holding company of a Debtor, to release: (i) the Transaction Security over the assets of that holding company and any subsidiary of that holding company; (ii) that holding company and any subsidiary of that holding company from all or any part of its borrowing liabilities in respect of the Debt Documents (other than borrowing liabilities owed by the Issuer to the Primary Creditors), its liabilities as guarantor in respect of the Debt Documents and any Other Liabilities; and (iii) any other claim of a Subordinated Creditor or another Debtor over the relevant assets.

Where a Distressed Disposal of an asset is being effected, the Intercreditor Agreement will also provide that the Security Agent is authorized:

(a) if the asset being disposed of consists of shares in the capital of a Debtor or a holding company of a Debtor and the Security Agent (acting in accordance with the terms of the Intercreditor Agreement) decides to dispose of all or any part of the liabilities of that Debtor or holding company or any subsidiary of that Debtor or holding company under the Debt Documents (other than borrowing liabilities owed by the Issuer to a Primary Creditor) or any liabilities owed by such Debtor, holding company or subsidiary to another Debtor ("Debtor Liabilities"):

  (i) if the Security Agent does not intend that the relevant transferee will be treated as a Primary Creditor or a Secured Party for the purposes of the Intercreditor Agreement, to enter into any agreement to dispose of all (but not part) of such liabilities owed to a Primary Creditor or all (but not part) of such Debtor Liabilities; or

  (ii) if the Security Agent does intend that the relevant transferee will be treated as a Primary Creditor or a Secured Party for the purposes of the Intercreditor Agreement, to enter into any agreement to dispose of all (but not part) of such liabilities owed to a Primary Creditor and all or any part of such Debtor Liabilities and any other liabilities under the Debt Documents, on behalf of the relevant creditors and Debtors.

Where a Distressed Disposal of an asset is being effected, the Intercreditor Agreement will also provide that the Security Agent is authorized, if the asset being disposed of consists of shares in the capital of a Debtor or a holding company of a Debtor (the "Disposed Entity") and the Security Agent decides to transfer to another Debtor all or any part of that Disposed Entity's obligations (or any obligations of any subsidiary of that Disposed Entity) in respect of Intra Group Liabilities or Debtor Liabilities, to enter into any agreement to agree the transfer and acceptance of all or part of the obligations in respect of those Intra Group Liabilities or Debtor Liabilities on behalf of the Debtors that owe such liabilities and the Debtors to which such liabilities are to be transferred.

In the case of a Distressed Disposal, the Security Agent shall take reasonable care to obtain a fair market price in the prevailing market conditions (although the Security Agent shall not have an obligation to postpone any Distressed Disposal or any disposal of Liabilities in order to achieve a higher price).

If on or after the first date on which Senior Unsecured Notes are issued but before the Senior Unsecured Notes Discharge Date, a Distressed Disposal is being effected such that the Senior Unsecured Notes Guarantees will be released, it is a further condition to the release that either:

(a) the Senior Unsecured Notes Trustee has approved the release on the instructions of the Senior Unsecured Notes Required Holders; or

(b) where shares or assets of a Senior Unsecured Notes Guarantor are sold:

(i) the proceeds of such sale or disposal are in cash (or substantially in cash);

(ii) all present and future obligations owed to the Secured Parties under the Credit Facility Documents, Hedging Agreements, the Notes Documents and the Pari Passu Debt Documents by a member of the Group, all or part of whose shares are pledged or charged in favor of the Secured Parties are sold or disposed of pursuant to such enforcement action, are unconditionally released and discharged or sold or disposed of concurrently with such sale (and are not assumed by the purchaser or one of its affiliates), and all security under the Transaction Security Documents in respect of the assets that are sold or disposed of is simultaneously and unconditionally released and discharged concurrently with such sale, provided that in the event of a sale or disposal of any such claim (instead of a release or discharge):

A. the Credit Facility Agent, the Notes Trustee and the Pari Passu Debt Representative determine acting reasonably and in good faith that the finance parties under the Revolving Credit Facility, the Note Creditors and the Pari Passu Creditors (respectively) will recover more than if such claim was released or discharged; and

B. the Credit Facility Agent, Notes Trustee and Pari Passu Debt Representative serve a notice on the Security Agent notifying the Security Agent of the same, in which case the Security Agent shall be entitled immediately to sell and transfer such claim to such purchaser (or an affiliate of such purchaser); and

(iii) such sale or disposal (including any sale or disposal of any claim) is made:

A. pursuant to a Public Auction; or

B. where a Financial Advisor confirms that the sale, disposal or transfer price is fair from a financial point of view after taking into account all relevant circumstances, although there shall be no obligation to postpone any such sale, disposal or transfer in order to achieve a higher price.

The net proceeds of each Distressed Disposal (and the net proceeds of any disposal of liabilities owed to a Primary Creditor or disposal of Debtor Liabilities) shall be paid to the Security Agent for application in accordance with the payment waterfall described in "*—Application of proceeds from Enforcement of Transaction Security*," as if those proceeds were the proceeds of an enforcement of the Transaction Security and, to the extent that any disposal of liabilities owed to a Primary Creditor or disposal of Debtor Liabilities has occurred, as if that disposal of liabilities or Debtor Liabilities had not occurred.

In this section:

For the avoidance of doubt, "Pari Passu Debt" shall, for the purposes of this section and the description of the Intercreditor Agreement only, not include the Notes Liabilities notwithstanding that the Notes shall be construed as Pari Passu Debt under the terms of the Intercreditor Agreement.

"Distressed Disposal" means a disposal of an asset subject to the Transaction Security of a member of the Group which is (a) being effected at the request of the Instructing Group in circumstances where the Transaction Security has become enforceable; (b) being effected by enforcement of the Transaction Security; or (c) being effected, after the occurrence of an Secured Debt Acceleration Event or the enforcement of any Transaction Security, to a person or persons which is, or are, not a member, or members, of the Group;

"Majority Super Senior Creditors" means those Super Senior Creditors whose super senior credit participations at that time aggregate more than 66 2/3% of the total super senior credit participations at that time;

"Pari Passu Debt Required Holders" means in respect of any direction, approval, consent or waiver to be granted by a tranche of the Pari Passu Debt, the Pari Passu Creditors of the principal amount of the relevant tranche of Pari Passu Debt required to vote in favor of such direction, consent or waiver under the terms of the relevant Pari Passu Debt Documents or, if the required amount is not specified, the holders holding at least the majority of the principal amount of the then outstanding relevant tranche of Pari Passu Debt, in accordance with the relevant Pari Passu Debt Documents. For the avoidance of doubt, in determining whether the Pari Passu Creditors of the required principal amount of relevant tranche of Pari Passu Debt have concurred in any direction, waiver or consent, relevant Pari Passu Debt owned by any Debtor, or by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with any Debtor (other than an independent fund established for the purpose of making, purchasing or investing in loans or debt securities and which has not been set up solely to make purchases of any of the commitments or amounts outstanding under the Debt Documents, and which is managed or controlled independently from the funds managed or controlled by the Sponsor or its affiliates which have an ownership interest in the Group (an "Independent Debt Fund")), will be considered as though not outstanding;

"Relevant Enforcement Action" means either (a) the determination by the Instructing Group of the method of enforcement of Transaction Security or (b) the appointment of a Financial Advisor by the Instructing Group to assist in such determination;

"Notes Creditors" means the Noteholders and the Notes Trustee;

"Notes/Pari Passu Required Holders" means the holders of the aggregate principal amount of the then outstanding Notes, creditors in respect of indebtedness ranking *pari passu* with the Notes and creditors in respect of certain non-priority hedging obligations (the "Senior Secured Credit Participations") that aggregate more than 50% of the total Senior Secured Credit Participations at that time;

"Notes Required Holders" means in respect of any direction, approval, consent or waiver, the relevant Noteholders of the principal amount of Notes required to vote in favor of such direction, approval, consent or waiver under the terms of the Indenture or, if the required amount is not specified, the holders holding at least the majority of the aggregate principal amount of the then outstanding Notes, in accordance with the Notes Indenture. For the avoidance of doubt, in determining whether the Noteholders of the required principal amount of Notes have concurred in any direction, approval, consent or waiver, Notes owned by any Debtor, or by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with any Debtor other than an Independent Debt Fund, will be considered as though not outstanding;

"Senior Unsecured Notes Guarantees" means each senior subordinated guarantee by a Senior Unsecured Notes Guarantor of the obligations of the Senior Unsecured Notes Issuer under the Senior Unsecured Notes Documents which shall be made expressly subject to the provisions of the Intercreditor Agreement in a legally binding manner; and

"Senior Unsecured Notes Required Holders" means, in respect of any direction, approval, consent or waiver, the Senior Unsecured Notes Trustee acting on behalf of the holders of the principal amount of the then outstanding Senior Unsecured Notes required under the terms of the relevant Senior Unsecured Notes Indenture to vote in favor of such direction, approval, consent or waiver, or, if the required amount is not specified, the holders holding at least a majority of the principal amount of the then outstanding Senior Unsecured Notes, in accordance with the relevant Senior Unsecured Notes Indenture. For the avoidance of doubt, in determining whether the Senior Unsecured Noteholders of the required principal amount of the relevant tranche of Senior Unsecured Notes have concurred in any direction, waiver or consent, Senior Unsecured Notes owned by any Debtor, or by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with any Debtor other than an Independent Debt Fund, will be considered as though not outstanding except that for the purpose of determining whether the Senior Unsecured Notes Trustee will be protected in relying on any such direction, approval, waiver or consent, only Senior Unsecured Notes that the Senior Unsecured Notes Trustee knows are so owned will be disregarded.

Amendment

In addition to customary minor, technical or administrative matter amendments by the Security Agent, the Intercreditor Agreement will provide that it may be amended with only the consent of the Majority Super Senior Creditors, the Notes Required Holders, the Pari Passu Debt Required Holders, the Senior Unsecured Notes Required Holders, the Issuer and the Security Agent, unless it is an amendment, waiver or consent that has the effect of changing or which relates to: (a) any amendment to the order of priority or subordination set forth in the Intercreditor Agreement; (b) any amendment to the payment waterfall, turnover provisions or enforcement provisions set forth in the Intercreditor Agreement; (c) certain provisions relating to the giving of instructions to the Security Agent or the exercise of discretion by the Security Agent; or (d) the amendment of provisions in the Intercreditor Agreement, which shall not be made without consent of:

(i) the Credit Facility Lenders;

(ii) the Notes Trustee (acting in accordance with the terms of the Indenture);

(iii) the Senior Unsecured Notes Trustee (acting in accordance with the terms of the relevant Senior Unsecured Notes Indenture), insofar as the amendment or waiver might adversely affect the rights, ranking, immunities or protections of the Senior Unsecured Notes Trustee or the Senior Unsecured Noteholders;

(iv) in the case of any Pari Passu Debt constituting an issuance of debt securities, the Pari Passu Debt Representative (acting in accordance with the terms of the relevant Pari Passu Debt Documents);

(v) in the case of any Pari Passu Debt constituting a credit facility, the Pari Passu Creditors in that tranche of Pari Passu Debt;

(vi) each Hedge Counterparty (to the extent that the amendment or waiver would adversely affect the Hedge Counterparty);

(vii) the Issuer; and

(viii) the Security Agent.

If, however, an amendment, waiver or consent affects only one class of Secured Party and could not reasonably be expected to materially and adversely affect the interests of the other classes of Secured Party, only agreement from the requisite affected class is required.

Subject to the paragraphs above and certain other exceptions, no amendment or waiver of the Intercreditor Agreement may impose new or additional obligations on or withdraw or reduce the rights of any party to the Intercreditor Agreement without the prior written consent of the affected party.

Option to purchase: Notes Creditors and Pari Passu Creditors

After a Distress Event, by giving not less than ten days' prior written notice to the Revolving Credit Facility Agent and, if applicable, the Hedge Counterparties, the Notes Trustee and the Pari Passu Creditor Representative, at the direction and expense of and having obtained all necessary approvals from the Noteholders and Pari Passu Creditors (as applicable) (the "Purchasing Senior Secured Creditors"), will have the right to acquire or procure that a nominee acquires by way of transfer all (but not part only) of the rights and obligations of the Credit Facility Lenders and the Super Senior Hedge Counterparties in respect of Super Senior Liabilities and the Super Senior Hedging Liabilities (the "Super Senior Acquisition Debt"). If more than one Purchasing Senior Secured Creditor wishes to exercise the option to purchase the Super Senior Acquisition Debt, each such Purchasing Senior Secured Creditor shall acquire the Super Senior Acquisition Debt pro rata, in the proportion that its principal amount outstanding under the Notes and its principal amount outstanding under the Pari Passu Debt Documents ("Senior Secured Credit Participations") bears to the aggregate Senior Secured Credit Participations of all the Purchasing Senior Secured Creditors.

Any such purchase will be on terms which will include, without limitation, payment in full in cash of an amount equal to the Credit Facility Lender Liabilities then outstanding and relevant hedging purchase amount (as determined in accordance with the Intercreditor Agreement), including in respect of any broken funding costs, as well as certain costs and expenses (including legal fees) of the Super Senior Creditors and Super Senior Hedge Counterparties; after the transfer, no Super Senior Creditor or Super Senior Hedge Counterparty will be under any actual or contingent liability to any Debtor or any other person under the Intercreditor Agreement, any Credit Facility Document or any Hedging Agreement (in relation to Super Senior Hedging Liabilities only) for which it is not holding cash collateral in an amount and on terms satisfactory to it; the purchasing holders of Notes and Pari Passu Creditors (other than the Notes Trustee and the Pari Passu Debt Representative) indemnify each Super Senior Creditor and Super Senior Hedge Counterparty for any actual or alleged obligation to repay or claw back any amount received by such Super Senior Creditor or Super Senior Hedge Counterparty; and the relevant transfer shall be without recourse to, or warranty from, any Super Senior Creditor, save that each Credit Facility Lender and Super Senior Hedge Counterparty will be deemed to have given the following representations and warranties on the date of the transfer:

(a) in the case of a Credit Facility Lender, it is the sole owner, free from all Security and third-party interests (other than any arising under the relevant finance documents or by operation of law), of all rights and interests under the Revolving Credit Facility finance documents or the Credit Facility Documents purporting to be transferred by it by that transfer;

(b) in the case of a Super Senior Hedge Counterparty, it is the sole owner, free from all Security and third-party interests (other than any arising under the relevant Hedging Agreements or by operation of law) of all rights and interests under the relevant Hedging Agreements purporting to be transferred by it by that transfer;

(c) it has the power to enter into and make, and has taken all necessary action to authorize its entry into and making of, that transfer;

(d) the Credit Facility Lenders and Super Senior Hedge Counterparties are satisfied with the results of any "know your client" or other similar checks relating to the identity of any person that they are required by law to carry out in relation to such a transfer; and

(e) the Senior Unsecured Noteholders have not exercised the purchase rights described in "*—Option to purchase: Senior Unsecured Noteholders*" below or, having exercised such rights, have failed to complete the acquisition of the Credit Facility Lender Liabilities, the Hedging Liabilities under the Hedging Agreements, the Notes Liabilities and the Pari Passu Liabilities.

Option to purchase: Senior Unsecured Noteholders

The Senior Unsecured Noteholders (the "Purchasing Senior Unsecured Notes Creditors") may, after a Distress Event, by giving not less than ten days' notice to the Credit Facility Agent, the Notes Trustee and the Pari Passu Debt Representative (together, the "Relevant Representatives"), require the transfer to them (or to a nominee or nominees) of all (but not part only) of the rights, benefits and obligations in respect of the Super Senior Liabilities and the Senior Secured Liabilities (the "Senior Secured Acquisition Debt"). If more than one Purchasing Senior Unsecured Notes Creditor wishes to exercise the option to purchase the Senior Secured Acquisition Debt, each such Purchasing Senior Unsecured Notes Creditor shall acquire the Senior Secured Acquisition Debt pro rata, in the proportion that its principal amount outstanding under the Senior Unsecured Notes Documents ("Senior Unsecured Credit Participations") bears to the aggregate Senior Unsecured Credit Participations of all the Purchasing Senior Unsecured Notes Creditors.

Any such purchase will be on terms that will include, without limitation, payment in full in cash of an amount equal to the Secured Liabilities then outstanding, including in respect of any broken funding costs, as well as certain costs and expenses (including legal fees) of the creditors in respect of the relevant Secured Liabilities; after the transfer, no Credit Facility Lender, Hedge Counterparty, Notes Creditor or Pari Passu Creditor will be under any actual or contingent liability to any Debtor or any other person under the Intercreditor Agreement, any Credit Facility

Document, any Hedging Agreement, any Notes Finance Document or any Pari Passu Debt Document for which it is not holding cash collateral in an amount and on terms satisfactory to it; the Purchasing Senior Unsecured Notes Creditors, other than the Senior Unsecured Notes Trustee (or if required by the Credit Facility Lenders, Hedge Counterparties, Noteholders or Pari Passu Creditors, a third party acceptable to the Credit Facility Lenders, Hedge Counterparties, Notes Creditors or Pari Passu Creditors), shall provide on the date of the transfer an indemnity to each Credit Facility Lender and each other finance party under such Credit Facility Document, Hedge Counterparty, Notes Creditor or Pari Passu Creditor (each, an "Indemnified Party") for any actual or alleged obligation to repay or claw back any amount received by such Indemnified Party; and the relevant transfer shall be without recourse to, or warranty from, any Primary Creditor, save that each such Primary Creditor will be deemed to have given the following representations and warranties on the date of the transfer:

(a) in the case of a Credit Facility Lender, it is the sole owner, free from all Security and third-party interests (other than any arising under the Credit Facility Documents or by operation of law), of all rights and interests under the Credit Facility Documents purporting to be transferred by it by that transfer;

(b) in the case of a Hedge Counterparty, it is the sole owner, free from all Security and third-party interests (other than any arising under the Hedging Agreements or by operation of law) of all rights and interests under the Hedging Agreements purporting to be transferred by it by that transfer;

(c) in the case of a Notes Creditor, it is the sole owner, free from all Security and third-party interests (other than any arising under the Notes Documents or by operation of law), of all rights and interests under the Notes Documents purporting to be transferred by it by that transfer;

(d) in the case of a Pari Passu Creditor, it is the sole owner, free from all Security and third-party interests (other than any arising under the relevant Pari Passu Debt Documents or by operation of law), of all rights and interests under the relevant Pari Passu Debt Documents purporting to be transferred by it by that transfer;

(e) it has the power to enter into and make, and has taken all necessary action to authorize its entry into and making of, that transfer; and

(f) the transferring Primary Creditors and Hedge Counterparties are satisfied with the results of any "know your client" or other similar checks relating to the identity of any person that they or any Representative are required by law to carry out in relation to such a transfer.

Governing law

The Intercreditor Agreement will be governed by and construed in accordance with English law.

Senior HoldCo Pay-If-You-Can Notes

On November 12, 2015, HoldCo issued the Senior HoldCo Pay-If-You-Can Notes. The Senior HoldCo Pay-If-You-Can Notes are governed by New York law. The Senior HoldCo Pay-If-You-Can Notes will mature on November 15, 2020, unless earlier redeemed or repurchased and cancelled. The Senior HoldCo Pay-If-You-Can Notes do not benefit from any Credit Support from the Parent Guarantor, the Issuer or any of their subsidiaries.

Interest on the Senior HoldCo Pay-If-You-Can Notes are payable semi-annually in arrears on each May 15 and November 15 of each year, commencing on May 15, 2016. The first interest payment on the Senior HoldCo Pay-If-You-Can Notes was, and the last interest payment on the Senior HoldCo Pay-If-You-Can Notes will be, made in cash. For each other interest payment, HoldCo will be required to pay interest on the Senior HoldCo Pay-If-You-Can Notes entirely in cash, unless certain conditions described in the Senior HoldCo Pay-If-You-Can Notes offering memorandum are satisfied, in which case HoldCo will be entitled to pay, to the extent described therein, interest for such interest period by increasing the principal amount of the Senior HoldCo Pay-If-You-Can Notes or by issuing Senior HoldCo Pay-If-You-Can Notes in a principal amount equal to such interest. Interest payable on the Senior HoldCo Pay-If-You-Can Notes accrues at a rate equal to 9.00% per annum for interest paid in cash and 9.75% per annum for interest paid in kind and capitalized yearly based on a 360-day year of twelve 30-day months.

The Senior HoldCo Pay-If-You-Can Notes are senior obligations of HoldCo and structurally subordinated to all existing and future obligations of the subsidiaries of HoldCo, including the Notes issued hereby, borrowings outstanding under the Revolving Credit Facility, trade payables and lease obligations.

The Senior HoldCo Pay-If-You-Can Notes are secured by way of first-priority pledges over: (i) the capital stock of HoldCo; (ii) the PECs owed by HoldCo; and (iii) the bank account of HoldCo. The Senior HoldCo Pay-If-You-Can Notes are not guaranteed.

The indenture governing the Senior HoldCo Pay-If-You-Can Notes contains covenants for the benefit of the holders of the Senior HoldCo Pay-If-You-Can Notes that, among other things, limit the ability of HoldCo and its restricted subsidiaries, including, among others, the Issuer, to:

- incur or guarantee additional indebtedness and issue certain preferred stock;
- pay dividends, redeem capital stock and make certain investments;
- make certain other restricted payments;
- create or permit to exist certain security interests;
- enter into sale and leaseback transactions;
- impose restrictions on the ability of HoldCo's subsidiaries to pay dividends or make other payments to HoldCo;
- transfer, lease or sell certain assets, including subsidiary stock;
- merge or consolidate with other entities;
- enter into certain transactions with affiliates; and
- impair the security interests for the benefit of the holders of the Senior HoldCo Pay-If-You-Can Notes.

These limitations are, however, subject to a number of important qualifications and exceptions. If the Senior HoldCo Pay-If-You-Can Notes are assigned an investment grade rating by Standard & Poor's and Moody's and no default has occurred and is continuing, certain covenants, including those governing the incurrence of debt and the limitation on restricted payments, will be suspended.

In connection with the issuance of the Senior HoldCo Pay-If-You-Can Notes, HoldCo entered into an intercreditor agreement dated as of November 12, 2015, with, *inter alios*, the parent company of HoldCo, the Security Agent and the Trustee, to govern the relationships and relative priorities among HoldCo and some of its creditors, including the holders of the Senior HoldCo Pay-If-You-Can Notes and HoldCo's shareholders.

Other financing arrangements

Factoring arrangements

Autodistribution, Groupe AD Sud Ouest, FIA and AD Grand Ouest are party to recourse factoring agreements pursuant to which they can assign trade receivables to Eurofactor for the face value of these receivables, up to a maximum aggregate amount for Autodistribution, Groupe AD Sud Ouest, FIA and AD Grand Ouest of €50.0 million. The factoring agreements have an initial period of three years, and thereafter may be terminated at any time by any party with a three-month notice period.

ACR Group S.A.S. entered into a recourse factoring agreement dated September 29, 2010, as amended on June 17, 2011 and February 20, 2012, pursuant to which it can assign trade receivables to Compagnie Générale d'Affacturage for the face value of such receivables, up to a maximum aggregate amount of €15 million. The agreement has no termination date and may be terminated at any time by any party with a three-month notice period.

As of August 31, 2016, the amounts drawn pursuant to our factoring arrangements represent €1.6 million.

Bilateral lending facilities

Gobillot Rhône

Porteret and Gobillot, Bugisy and SCI Lorat, three distributors of our subsidiary Autodistribution Gobillot Rhône (formerly Enssemble), have entered into several bilateral facilities (for an aggregate amount of €0.1 million outstanding as of August 31, 2016) with Société Générale, as well as an overall overdraft facility of €1.0 million, which was undrawn as of August 31, 2016.

FPLS

Our subsidiary FPLS has entered into several bilateral facilities (for an aggregate amount of €0.1 million) with Crédit Lyonnais and Banque Populaire de l'Ouest, as well as overdraft facilities of €1.2 million. As of August 31, 2016, €1.1 million had been drawn under these facilities. These facilities are guaranteed by Autodistribution S.A.

AD Polska Aftermarket

AD Polska Aftermarket, prior to its merger into AD Polska, entered into a working capital facility with Bank Polska Kasa Opieki Spolka Akcyjna (for an aggregate amount of €7.3 million). As of August 31, 2016, €6.8 million had been drawn under this facility. This facility is secured over inventory for a minimum aggregate amount of €16.8 million and over fixed assets for a minimum aggregate amount of €1.3 million.

ACR

ACR Group S.A.S. entered into two finance leases in October 2012 with Sogelease for an aggregate amount of €1.1 million. These two leases will terminate in September 2017. ACR Group S.A.S. has the option to purchase the goods leased three months prior the termination date. As of August 31, 2016, ACR Group S.A.S. had €0.3 million outstanding under these leases.

Doyen Auto financing arrangements

Factoring arrangements

Doyen Auto Nederland BV and Doyen Auto Belgium entered into a recourse factoring agreement dated June 13, 2012 and October 6, 2015, respectively, pursuant to which they can assign trade receivables to KBC Commercial Finance for the face value of such receivables, up to a maximum aggregate amount of €89.0 million. These agreements have no termination date and may be terminated at any time by any party with a three-month notice period. As of August 31, 2016, the amounts drawn pursuant to these factoring arrangements represent €6.6 million.

Doyen Auto France entered into a recourse factoring agreement dated August 8, 2010, as amended on July 7, 2015, pursuant to which it can assign trade receivables to BNP Paribas Factor S.A. for the face value of such receivables, up to a maximum aggregate amount of €78.0 million. This agreement has no termination date and may be terminated at any time by any party with a three-month notice period. As of August 31, 2016, the amounts drawn pursuant to this factoring arrangement represent €4.0 million.

Bilateral lending facilities

Doyen Auto Belgium S.A. and Doyen Auto S.A. have entered into bilateral facilities (for an aggregate amount of €3.8 million outstanding as of August 31, 2016) with BNP Paribas Fortis S.A., KBC Bank S.A. and ING Belgique S.A., as well as revolving credit facilities for an aggregate principal amount of €7.5 million. As of August 31, 2016, the amount outstanding under these revolving credit facilities represents €2.7 million.

Doyen Auto France S.A.S. has entered into bilateral facilities with Société Générale S.A. and Credit du Nord S.A. for an aggregate amount of €1.1 million outstanding as of August 31, 2016, and into an overall overdraft facility of €2.0 million with BNP Paribas.

Description of the Senior Secured Notes

You will find definitions of certain capitalized terms used in this "*Description of the Senior Secured Notes*" under the heading "*—Certain definitions.*" For purposes of this "*Description of the Senior Secured Notes,*" references to the "*Issuer*" refer only to Autodis S.A. and not to any of its Subsidiaries, references to "*we,*" "*our,*" and "*us*" refer to the Issuer and its Restricted Subsidiaries, references to the "*Parent Guarantor*" refer only to Autodis Group S.A.S. and not to any of its Subsidiaries, references to "*Luxco 6*" refer only to Dakar Acquisition S.A. and not to any of its Subsidiaries, references to "*Luxco 5*" refer only to Dakar (BC) LuxCo S.à r.l. and not to any of its Subsidiaries, and references to the "*Sponsor SPVs*" refer only to Luxco 6 and Luxco 5.

The Issuer will issue €510.0 million aggregate principal amount of Senior Secured Notes, consisting of € million aggregate principal amount of % Senior Secured Fixed Rate Notes due 2022 (the "*Senior Secured Fixed Rate Notes*") and € million aggregate principal amount of Senior Secured Floating Rate Notes due 2022 (the "*Senior Secured Floating Rate Notes*" and together with the Senior Secured Fixed Rate Notes, the "*Senior Secured Notes*"), under an indenture to be dated as of , 2016 (the "*Indenture*"), between, *inter alios*, the Issuer, the Parent Guarantor, the Sponsor SPVs, U.S. Bank Trustees Limited, as trustee (in such capacity the "*Trustee*"), and U.S. Bank Trustees Limited, as security agent (in such capacity, the "*Security Agent*"), in a private transaction that is not subject to the registration requirements of the Securities Act. The Indenture will not incorporate or include terms of, or be subject to any of the provisions of, the U.S. Trust Indenture Act of 1939, as amended. Unless the context otherwise requires, the term "*Senior Secured Notes*" also refers to "*book entry interests*" in the Senior Secured Notes, as defined herein. The Senior Secured Notes will be secured by the Collateral as described under "*—Security*."

The Issuer intends to use the proceeds from the Offering to (i) fund the Existing Senior Secured Notes Redemption; (ii) fund the Senior HoldCo Pay-If-You-Can Notes Redemption; (iii) repay all amounts outstanding under the Bridge Facility; and (iv) pay the fees and expenses Incurred in connection with the Refinancing.

The Indenture will be unlimited in aggregate principal amount, and we may issue an unlimited principal amount of additional Senior Secured Fixed Rate Notes (the "*Additional Senior Secured Fixed Rate Notes*") and additional Senior Secured Floating Rate Notes (the "*Additional Senior Secured Floating Rate Notes*" and together with the Additional Senior Secured Fixed Rate Notes, the "*Additional Senior Secured Notes*"), having identical terms and conditions as the Senior Secured Fixed Rate Notes and Senior Secured Floating Rate Notes, respectively, under the Indenture from time to time after this Offering. We will only be permitted to issue Additional Senior Secured Notes in compliance with the covenants contained in the Indenture, including the covenants restricting the Incurrence of Indebtedness and the Incurrence of Liens (as described below under "*—Certain covenants—Limitation on Indebtedness*" and "*—Certain covenants—Limitation on Liens*").

Each of the Senior Secured Fixed Rate Notes (together with any Additional Senior Secured Fixed Rate Notes) and Senior Secured Floating Rate Notes (together with any Additional Senior Secured Floating Rate Notes) will constitute a separate series of Senior Secured Notes, but shall be treated as a single class for all purposes under the Indenture, including in respect of any amendment, waiver or other modification of the Indenture or any other action by the holders of the Senior Secured Notes hereunder, except as otherwise provided in the Indenture; *provided* that, if the Additional Senior Secured Fixed Rate Notes or the Additional Senior Secured Floating Rate Notes, as applicable, are not fungible with the original Senior Secured Fixed Rate Notes or the original Senior Secured Floating Rate Notes, as applicable, for U.S. federal income tax purposes, such Additional Senior Secured Fixed Rate Notes or Additional Senior Secured Floating Rate Notes, as applicable, will be issued under a separate identification number. Unless the context otherwise requires, in this "*Description of the Senior Secured Notes,*" references to the "*Senior Secured Notes*" include the Senior Secured Notes and any Additional Senior Secured Notes that are actually issued.

The Indenture and the Senior Secured Notes will be subject to the terms of the Intercreditor Agreement and any Additional Intercreditor Agreements (as defined below). The terms of the Intercreditor Agreement are important to understanding the relative ranking of indebtedness and security, the ability to make payments in respect of the indebtedness, procedures for undertaking enforcement action, subordination of certain indebtedness, turnover obligations, release of security and guarantees and the payment waterfall for amounts received by the Security Agent. See "*Description of certain financing arrangements—Intercreditor Agreement*" for a description of certain terms of the Intercreditor Agreement.

This "*Description of the Senior Secured Notes*" is intended to be an overview of the material provisions of the Senior Secured Notes, the Indenture and the Security Documents. Since this description of the terms of the Senior Secured Notes is only a summary, you should refer to the Senior Secured Notes, the Indenture and the Security Documents for complete descriptions of the obligations of the Issuer and your rights. Copies of such documents are available from us upon request on and after the Issue Date.

The registered Holder of a Senior Secured Note will be treated as the owner of it for all purposes. Only registered Holders will have rights under the Indenture, including, without limitation, with respect to enforcement and the pursuit of other remedies. The Senior Secured Notes have not been, and will not be, registered under the Securities Act and are subject to certain transfer restrictions.

General

The Senior Secured Notes

The Senior Secured Notes will, upon issuance:

- be general senior obligations of the Issuer, secured as set forth under "*—Security*";
- rank *pari passu* in right of payment with any existing or future obligation of the Issuer that is not subordinated in right of payment to the Senior Secured Notes, including the obligations of the Issuer under the Revolving Credit Facility and certain future Hedging Obligations (if any);
- rank senior in right of payment to any existing or future obligation of the Issuer that is expressly subordinated in right of payment to the Senior Secured Notes;
- be effectively subordinated to any existing or future obligation of the Issuer and its Subsidiaries, including the obligations of the Issuer under the Revolving Credit Facility and certain future Hedging Obligations (if any), secured by property and assets that do not secure the Senior Secured Notes, to the extent of the value of such property and assets;
- be Guaranteed on a senior secured basis by the Guarantors;
- be structurally subordinated to any existing or future obligation of the Issuer's Subsidiaries that are not Guarantors, including obligations to trade creditors and, to the extent drawings are borrowed by such Subsidiaries, obligations under the Revolving Credit Facility;
- mature on , 2022; and
- be represented by one or more registered Senior Secured Notes in global form, but in certain circumstances may be represented by Definitive Registered Notes (see "*Book-entry, delivery and form*").

Under the terms of the Intercreditor Agreement, the Holders of the Senior Secured Notes will receive proceeds from the enforcement of the Collateral on a *pari passu* basis with all indebtedness that is not subordinated in right of payment to the Senior Secured Notes. The Intercreditor Agreement will provide that the Holders of the Senior Secured Notes will receive proceeds from the enforcement of the Collateral only after certain super senior priority obligations have been repaid in full, including (i) obligations under the Revolving Credit Facility, (ii) other Indebtedness Incurred pursuant to the terms of the Indenture that is entitled to rank senior to the Senior Secured Notes with respect to the proceeds of an enforcement of the Collateral and (iii) certain future Hedging Obligations (if any).

The Notes Guarantees

On the Issue Date, the obligations of the Issuer pursuant to the Senior Secured Notes will be Guaranteed, jointly and severally, by the Parent Guarantor and the Additional Guarantor (each, a "*Guarantor*" and each such Guarantee, a "*Notes Guarantee*"). In addition, if required by the covenant described under "*—Certain covenants—Additional Guarantees,*" certain other Restricted Subsidiaries may provide a Notes Guarantee in the future.

The Notes Guarantee of each of the Guarantors will:

- be a general senior obligation of that Guarantor, secured as set forth under "*—Security*";
- rank *pari passu* in right of payment with any existing and future Indebtedness of that Guarantor that is not subordinated in right of payment to such Notes Guarantee (including such Guarantor's obligations under the Revolving Credit Facility and certain future Hedging Obligations, if any);
- rank senior in right of payment to any existing and future Indebtedness of that Guarantor that is expressly subordinated in right of payment to such Notes Guarantee;
- be effectively subordinated to any existing or future Indebtedness or obligation of such Guarantor, including obligations under the Revolving Credit Facility and future Hedging Obligations (if any) that is secured by property and assets that do not secure such Notes Guarantee, to the extent of the value of such property and assets; and
- be structurally subordinated to any existing or future Indebtedness, including obligations to trade creditors, of the Subsidiaries of such Guarantor that are not Guarantors.

The obligations of a Guarantor under its Notes Guarantee will be limited as necessary to prevent the relevant Notes Guarantee from constituting a fraudulent conveyance or unlawful financial assistance under applicable law, or otherwise to reflect limitations under applicable law. By virtue of these limitations, a Guarantor's obligation under its Notes Guarantee could be significantly less than amounts payable with respect to the Senior Secured Notes, or a Guarantor may have effectively no obligation under its Notes Guarantee. In particular, the Notes Guarantee of the Additional Guarantor is expected to be limited in value to an amount not greater than the amount of the existing proceeds loans, which is approximately €134 million and corresponds to the aggregate of the existing proceeds loan of €54 million made available to on-lend the proceeds of the issuance of the Existing Senior Secured Notes and the existing proceeds loan of €80 million made available to on-lend the amount drawn under the Bridge Facility, in each case, to the Additional Guarantor. Other Indebtedness of the Guarantors may not be similarly limited. See "*Risk factors—Risks related to our indebtedness and the Notes—Corporate benefit, financial assistance laws and other limitations on the Guarantors or the Luxembourg Security Providers may adversely affect the validity and enforceability of the Guarantees of the Notes or security interests in the Collateral*" and "*Risk factors —Risks related to our indebtedness and the Notes—The insolvency and administrative laws of France and Luxembourg, as the case may be, may not be favorable to creditors, including investors in the Notes, and may limit your ability to enforce your rights under the Notes, the Guarantees or the security interests in the Collateral.*" The validity and enforceability of the Notes Guarantees and the liability of each Guarantor will be subject to the limitations described in "*Certain insolvency law considerations and limitations on the validity and enforceability of the Guarantees and the security interests.*"

As of the Issue Date, all of our Subsidiaries will be "*Restricted Subsidiaries*" for the purposes of the Indenture. However, under the circumstances described below under "*—Certain definitions—Unrestricted Subsidiary,*" we will be permitted to designate certain of our Subsidiaries as "*Unrestricted Subsidiaries.*" Any Unrestricted Subsidiaries will not be subject to any of the restrictive covenants in the Indenture and will not Guarantee the Senior Secured Notes.

As of August 31, 2016, after giving *pro forma* effect to the Doyen Acquisition and the Refinancing, the Issuer and its consolidated Subsidiaries would have had €543.0 million of third-party borrowings, €510.0 million of which is represented by the Senior Secured Notes. In addition, there would have been €50.0 million available for drawing under the Revolving Credit Facility.

Principal and maturity

On the Issue Date, the Issuer will issue €510.0 million aggregate principal amount of Senior Secured Notes, consisting of € million aggregate principal amount of Senior Secured Fixed Rate Notes and € million aggregate principal amount of Senior Secured Floating Rate Notes. The Senior Secured Notes will be issued in minimum denominations of €100,000 and in integral multiples of €1,000 in excess thereof.

Interest

The rights of Holders to receive the payments of interest on such Senior Secured Notes are subject to applicable procedures of Euroclear and Clearstream. If the due date for any payment in respect of any Senior Secured Notes is not a Business Day at the place at which such payment is due to be paid, the Holder thereof will not be entitled to payment of the amount due until the next succeeding Business Day at such place, and will not be entitled to any further interest or other payment as a result of any such delay.

Senior Secured Fixed Rate Notes

Interest on the Senior Secured Fixed Rate Notes will accrue at the rate of % per annum. Interest on the Senior Secured Fixed Rate Notes will be payable semi-annually in arrears on and of each year, commencing on , 2017. The Issuer will make each interest payment to the holders of record on the and immediately preceding the related interest payment date.

Interest on the Senior Secured Fixed Rate Notes will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Senior Secured Floating Rate Notes

Interest on the Senior Secured Floating Rate Notes will accrue at a rate per annum (the "*Applicable Rate*"), reset quarterly, equal to the sum of (i) three month EURIBOR plus (ii) %, as determined by the Calculation Agent. Interest on the Senior Secured Floating Rate Notes will be payable in cash quarterly in arrears on , , and of each year, commencing on , 2017. The Issuer will make each interest payment to the holders of record on , , and immediately preceding the related interest payment date.

Interest on the Senior Secured Floating Rate Notes will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest will be computed on the basis of a 365-day year and the actual number of days lapsed.

Set forth below is a summary of certain of the provisions from the Indenture relating to the calculation of interest on the Senior Secured Floating Rate Notes.

"*Calculation Agent*" means a financial institution appointed by the Issuer to calculate the interest rate payable on the Senior Secured Floating Rate Notes in respect of each interest period, which shall initially be Elavon Financial Services DAC, UK Branch.

"*Determination Date*" with respect to an Interest Period, means the day that is two TARGET Settlement Days preceding the first day of such Interest Period.

"*EURIBOR*" with respect to an Interest Period, means the rate (expressed as a percentage per annum) for deposits in euro for a three-month period beginning on the day that is two TARGET Settlement Days after the Determination Date that appears on Reuters Page 248 as of 11:00 a.m. Brussels time, on the Determination Date; *provided, however,* that EURIBOR shall never be less than 0%. If Reuters Page 248 does not include such a rate or is unavailable on a Determination Date, the Calculation Agent will request the principal London office of each of four major banks in the euro zone inter-bank market, as selected by the Calculation Agent, to provide such bank's offered quotation (expressed as a percentage per annum) as of approximately 11:00 a.m., Brussels time, on such Determination Date, to prime banks in the euro zone inter-bank market for deposits in a Representative Amount in euro for a three-month period beginning on the day that is two TARGET Settlement Days after the Determination Date. If at least two such offered quotations are so provided, the rate for the Interest Period will be the arithmetic mean of such quotations. If fewer than two such quotations are so provided, the Calculation Agent will request each of three major banks in London, as selected by the Calculation Agent, to provide such bank's rate (expressed as a percentage per annum), as of approximately 11:00 a.m., London time, on such Determination Date, for loans in a Representative Amount in euro to leading European banks for a three-month period beginning on the day that is two TARGET Settlement Days after the Determination Date. If at least two such rates are so provided, the rate for the Interest Period will be the arithmetic mean of such rates. If fewer than such rates are so provided then the rate for the Interest Period will be the rate in effect with respect to the immediately preceding Interest Period.

"*euro zone*" means the region comprised of member states of the European Union that adopt the euro as currency.

"*Interest Period*" means the period commencing on and including an interest payment date and ending on and including the day immediately preceding the next succeeding interest payment date, with the exception that the first Interest Period shall commence on and include the Issue Date and end on and exclude , 2017.

"*Representative Amount*" means the greater of (i) €1,000,000 and (ii) an amount that is representative for a single transaction in the relevant market at the relevant time.

"*Reuters Page 248*" means the display page so designated on Reuters (or such other page as may replace that page on that service, or such other service as may be nominated as the information vendor).

"*TARGET Settlement Day*" means any day on which the Trans European Automated Real Time Gross Settlement Express Transfer (TARGET) System is open.

The Calculation Agent shall, as soon as practicable after 11:00 a.m. (Brussels time) on each Determination Date, determine the Applicable Rate and calculate the aggregate amount of interest payable on the Senior Secured Floating Rate Notes in respect of the following Interest Period (the "*Interest Amount*"). The Interest Amount shall be calculated by applying the Applicable Rate to the principal amount of each Senior Secured Floating Rate Note outstanding at the commencement of the Interest Period, multiplying each such amount by the actual number of days in the Interest Period concerned divided by 365. All percentages resulting from any of the above calculations will be rounded, if necessary, to the nearest one hundred thousandth of a percentage point, with five one millionths of a percentage point being rounded upwards (e.g., 4.876545% (or .04876545) being rounded to 4.87655% (or .0487655). The determination of the Applicable Rate and the Interest Amount by the Calculation Agent shall, in the absence of willful default, bad faith or manifest error, be final and binding on all parties. In no event will the rate of interest on the Senior Secured Floating Rate Notes be higher than the maximum rate permitted by applicable law.

Methods of receiving payments on the Senior Secured Notes

Principal, interest and premium, and Additional Amounts, if any, on the Global Notes (as defined below) will be made by one or more Paying Agents by wire transfer of immediately available funds to the account specified by the registered Holder thereof (being the common depositary for Euroclear and Clearstream, or its nominee).

Principal, interest and premium, and Additional Amounts, if any, on any certificated securities ("*Definitive Registered Notes*") will be payable at the specified office or agency of one or more Paying Agents maintained for such purposes in the City of London. In addition, interest on the Definitive Registered Notes may be paid, at the option of the Issuer, by check mailed to the address of the Holder entitled thereto as shown on the register of Holders of Senior Secured Notes for the Definitive Registered Notes. See "*—Paying Agent and Registrar for the Senior Secured Notes*" below.

Paying Agent and Registrar for the Senior Secured Notes

The Issuer will maintain one or more Paying Agents for the Senior Secured Notes in the City of London. The initial Paying Agent will be Elavon Financial Services DAC, UK Branch (the "*Paying Agent*").

The Issuer will also maintain a registrar (the "*Registrar*") and a transfer agent (the "*Transfer Agent*"). The initial Registrar will be Elavon Financial Services DAC and the initial Transfer Agent will be Elavon Financial Services DAC, UK Branch. The Registrar and Transfer Agent will maintain a register reflecting ownership of the Senior Secured Notes outstanding from time to time, if any, and will make payments on and facilitate transfers of the Senior Secured Notes on behalf of the Issuer.

The Issuer may change any Paying Agents, Registrars or Transfer Agents for the Senior Secured Notes without prior notice to the Holders of such Senior Secured Notes. For so long as Senior Secured Notes are listed on the Official List of the Exchange, and if and to the extent that the rules of the Exchange so require, the Issuer will notify the Exchange of any change of Paying Agent, Registrar or Transfer Agent. The Issuer or any of its Subsidiaries may act as Paying Agent or Registrar in respect of the Senior Secured Notes.

Notes Guarantees

General

The obligations of the Issuer pursuant to the Senior Secured Notes, including any payment obligation resulting from a Change of Control, will be Guaranteed, jointly and severally, on the Issue Date by the Guarantors.

The Guarantors also guarantee our obligations under the Revolving Credit Facility subject to certain guarantee limitations as set out therein.

For the twelve months ended August 31, 2016, the Issuer and the Guarantors (excluding equity investments in wholly-owned subsidiaries and intercompany receivables and loans) generated 17.4% of our consolidated revenue and 35.2% of our consolidated EBITDA and as of August 31, 2016 accounted for 56.4% of our consolidated total assets (excluding equity investment in wholly-owned Subsidiaries and intercompany receivables and loans).

In addition, as described below under "*—Certain covenants—Additional Guarantees*" and subject to the Intercreditor Agreement and the Agreed Security Principles, certain Subsidiaries of the Issuer that Guarantee the Revolving Credit Facility in the future or certain other Indebtedness permitted under the Indenture may also be required under the Indenture to enter into a supplemental indenture as a Guarantor of the Senior Secured Notes and accede to the Intercreditor Agreement.

Each Notes Guarantee will be limited to the maximum amount that would not render the Guarantor's obligations subject to avoidance under applicable fraudulent conveyance provisions or to comply with corporate benefit, financial assistance and other laws. By virtue of this limitation, a Guarantor's obligation under its Notes Guarantee could be significantly less than amounts payable with respect to the Senior Secured Notes, or a Guarantor may have effectively no obligation under its Notes Guarantee. In particular, under French corporate benefit rules, each of the guarantees by the French Guarantors which are subsidiaries of the Issuer and the amounts recoverable thereunder will be limited, at any time, to an amount equal to the aggregate of the proceeds of the Notes to the extent directly or indirectly on-lent by the Issuer, or used to refinance any indebtedness previously directly or indirectly on-lent, to that French Guarantor or any of its subsidiaries under intercompany loans or similar arrangements and outstanding on the date a payment is requested to be made by such French Guarantor under its Guarantees. As a consequence, in particular, the Guarantee of the Additional Guarantor is expected to be limited in value to an amount not greater than the aggregate of the existing proceeds loan of €54 million made available to on-lend the proceeds of the issuance of the Existing Senior Secured Notes and the existing proceeds loan of €80 million made available to on-lend the amount drawn under the Bridge Facility, in each case, to the Additional Guarantor. See "*Risk factors—Risks related to our indebtedness and the Notes—Corporate benefit, financial assistance laws and other limitations on the Guarantors or the Luxembourg Security Providers may adversely affect the validity and enforceability of the Guarantees of the Notes or security interests in the Collateral*" and "*Risk factors—Risks related to our indebtedness and the Notes—The insolvency and administrative laws of France and Luxembourg, as the case may be, may not be favorable to creditors, including investors in the Notes, and may limit your ability to enforce your rights under the Notes, the Guarantees or the security interests in the Collateral*." In addition, he validity and enforceability of the Notes Guarantees and the liability of each Guarantor will be subject to the limitations described in "*Certain insolvency law considerations and limitations on the validity and enforceability of the Guarantees and the security interests.*"

The operations of the Issuer are conducted through its Subsidiaries, and therefore the Issuer depends on the cash flow of its Subsidiaries to meet its obligations, including its obligations under the Senior Secured Notes. Claims of creditors of non-Guarantor Restricted Subsidiaries, including trade creditors and creditors holding debt and guarantees issued by those Restricted Subsidiaries, and claims of preferred stockholders (if any) of those Restricted Subsidiaries and minority stockholders of Subsidiaries of non-Guarantor Restricted Subsidiaries (if any) generally will have priority with respect to the assets and earnings of those Restricted Subsidiaries over the claims of creditors of the Issuer and the Guarantors, including Holders of the Senior Secured Notes. The Senior Secured Notes and each Notes Guarantee therefore will be structurally subordinated to creditors (including trade creditors) and preferred stockholders (if any) of Restricted Subsidiaries of the Issuer (other than any Guarantors) and minority stockholders of Subsidiaries of non-Guarantor Restricted Subsidiaries (if any). As at and for the twelve months ended August 31, 2016, the total assets (excluding equity investments in wholly-owned subsidiaries and intercompany receivables and loans), revenue and EBITDA of the non-Guarantor Restricted Subsidiaries represented 82.6%, 64.8% and 43.6% of the consolidated revenue, consolidated EBITDA and consolidated total assets of the Parent Guarantor, respectively, and, after giving *pro forma* effect to the Doyen Acquisition and the Refinancing, the non-Guarantor Restricted Subsidiaries would have had €23.4 million of Indebtedness. Although the Indenture will limit the Incurrence of Indebtedness, Disqualified Stock and Preferred Stock of Restricted Subsidiaries, the limitation is subject to a number of significant exceptions. Moreover, the Indenture will not impose any limitation on the Incurrence by Restricted Subsidiaries of liabilities that are not considered Indebtedness, Disqualified Stock or Preferred Stock under the Indenture. See "*—Certain covenants—Limitation on Indebtedness.*"

Notes Guarantees release

The Notes Guarantee of a Guarantor (other than the Parent Guarantor) will terminate and release upon:

- a sale or other disposition (including by way of consolidation or merger) of any Capital Stock of the relevant Guarantor (whether by direct sale or sale of a holding company as a result of which such Guarantor would no longer be a Restricted Subsidiary), or the sale or disposition of all or substantially all the assets of the Guarantor (other than to the Issuer or a Restricted Subsidiary), if the sale or other disposition does not violate the Indenture;
- the designation in accordance with the Indenture of the Guarantor as an Unrestricted Subsidiary;
- legal defeasance, covenant defeasance or satisfaction and discharge of the Senior Secured Notes in accordance with the Indenture, as provided in "*—Defeasance*" and "*—Satisfaction and discharge";*
- in accordance with an enforcement action pursuant to the provisions of the Intercreditor Agreement or any Additional Intercreditor Agreement;
- as described under "*—Amendments and waivers*";
- as described in the second paragraph of the covenant described below under "*—Certain covenants—Additional Guarantees*"; or
- with respect to a Guarantor that is not the continuing or surviving Person in the relevant consolidation or merger, as a result of a transaction permitted by "*—Certain covenants—Merger and consolidation—The Subsidiary Guarantors.*"

The Notes Guarantee of the Parent Guarantor will terminate and be released upon the circumstances described in the third, fourth and fifth bullet point set forth above and under "*—Certain covenants—Merger and consolidation—The Parent Guarantor*."

Upon any occurrence giving rise to the release of a Notes Guarantee, as specified above, the Trustee, subject to the receipt of certain documentation requested pursuant to the Indenture, shall take all reasonably necessary actions, including the granting of releases or waivers under the Intercreditor Agreement or any Additional Intercreditor Agreement, to effectuate any release of a Notes Guarantee in accordance with these provisions, subject to customary protections and indemnifications. Each of the releases set forth above shall be effected by the Trustee without any additional consent of the Holders or any other action or consent on the part of the Trustee.

Transfer and exchange

The Senior Secured Notes will be issued in the form of several registered notes in global form without interest coupons, as follows:

- each series of Senior Secured Notes sold within the United States to qualified institutional buyers pursuant to Rule 144A under the Securities Act will initially be represented by one or more global notes in registered form without interest coupons attached (the "*144A Global Notes*"). The 144A Global Notes will, on the Issue Date, be deposited with and registered in the name of the nominee of the common depositary for the accounts of Euroclear and Clearstream.
- each series of Senior Secured Notes sold outside the United States pursuant to Regulation S under the Securities Act will initially be represented by one or more global notes in registered form without interest coupons attached (the "*Regulation S Global Notes*" and, together with the 144A Global Notes, the "*Global Notes*"). The Regulation S Global Note will, on the Issue Date, be deposited with and registered in the name of the nominee of the common depositary for the accounts of Euroclear and Clearstream.
- Ownership of interests in the Global Notes ("*Book-Entry Interests*") will be limited to persons that have accounts with Euroclear and Clearstream or persons that may hold interests through such participants.
- Ownership of interests in the Book-Entry Interests and transfers thereof will be subject to the restrictions on transfer and certification requirements summarized below and described more fully under "*Transfer restrictions*." In addition, transfers of Book-Entry Interests between participants in Euroclear or participants in Clearstream will be effected by Euroclear and Clearstream pursuant to customary procedures and subject to the applicable rules and procedures established by Euroclear or Clearstream and their respective participants.

Book-Entry Interests in the 144A Global Notes (the "*144A Book-Entry Interests*") may be transferred to a person who takes delivery in the form of Book-Entry Interests in the Regulation S Global Notes (the "*Regulation S Book-Entry Interests*") denominated in the same currency only upon delivery by the transferor of a written certification (in the form provided in the Indenture) to the effect that such transfer is being made in accordance with Regulation S under the Securities Act.

Regulation S Book-Entry Interests may be transferred to a person who takes delivery in the form of 144A Book-Entry Interests only upon delivery by the transferor of a written certification (in the form provided in the Indenture) to the effect that such transfer is being made to a person who the transferor reasonably believes is a "*qualified institutional buyer*" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A or otherwise in accordance with the transfer restrictions described under "*Transfer restrictions*" and in accordance with any applicable securities law of any other jurisdiction.

No Book Entry Interest in any Global Note representing the Senior Secured Fixed Rate Notes (the "*Global Senior Secured Fixed Rate Notes*"), and no Definitive Registered Note issued in exchange for a Book Entry Interest in the Global Senior Secured Fixed Rate Notes (the "*Definitive Registered Senior Secured Fixed Rate Notes*"), may be transferred or exchanged for any Book Entry Interest in any Global Note representing the Senior Secured Floating Rate Notes (the "*Global Senior Secured Floating Rate Notes*") or any Definitive Registered Note issued in exchange for a Book Entry Interest in the Global Senior Secured Floating Rate Notes (the "*Definitive Registered Senior Secured Floating Rate Notes*"), and no Book Entry Interest in the Global Senior Secured Floating Rate Notes and no Definitive Registered Senior Secured Floating Rate Note may be transferred or exchanged for any Book Entry Interest in any Global Senior Secured Fixed Rate Note or any Definitive Registered Senior Secured Fixed Rate Note.

Any Book-Entry Interest that is transferred as described in the preceding paragraphs will, upon transfer, cease to be a Book-Entry Interest in the Global Note from which it was transferred and will become a Book-Entry Interest in the Global Note to which it was transferred. Accordingly, from and after such transfer, it will become subject to all transfer restrictions, if any, and other procedures applicable to Book-Entry Interests in the Global Note to which it was transferred.

If Definitive Registered Notes are issued, they will be issued only in minimum denominations of €100,000 principal amount, and integral multiples of €1,000 in excess thereof, upon receipt by the Registrar of instructions relating thereto and any certificates, opinions and other documentation required by the Indenture. It is expected that such instructions will be based upon directions received by Euroclear or Clearstream, as applicable, from the participant that owns the relevant Book-Entry Interests. Definitive Registered Notes issued in exchange for a Book-Entry Interest will, except as set forth in the Indenture or as otherwise determined by the Issuer in compliance with applicable law, be subject to, and will have a legend with respect to, the restrictions on transfer summarized below and described more fully under "*Transfer Restrictions.*"

Subject to the restrictions on transfer referred to above, Notes issued as Definitive Registered Notes may be transferred or exchanged, in whole or in part, in minimum denominations of €100,000 in principal amount and integral multiples of €1,000 in excess thereof. In connection with any such transfer or exchange, the Indenture will require the transferring or exchanging Holder to, among other things, furnish appropriate endorsements and transfer documents, to furnish information regarding the account of the transferee at Euroclear or Clearstream, where appropriate, to furnish certain certificates and opinions, and to pay any Taxes in connection with such transfer or exchange. Any such transfer or exchange will be made without charge to the Holder, other than any Taxes payable in connection with such transfer.

Notwithstanding the foregoing, the Registrar and the Transfer Agent are not required to register the transfer or exchange of any Senior Secured Notes:

(1) for a period of 15 days prior to any date fixed for the redemption of the Senior Secured Notes;

(2) for a period of 15 days immediately prior to the date fixed for selection of Senior Secured Notes to be redeemed in part;

(3) for a period of 15 days prior to the record date with respect to any interest payment date; or

(4) which the Holder has tendered (and not withdrawn) for repurchase in connection with a Change of Control Offer or an Asset Disposition Offer.

The Issuer, the Trustee, the Paying Agents, the Transfer Agent and the Registrar will be entitled to treat the registered Holder of a Senior Secured Note as the owner thereof for all purposes.

Restricted Subsidiaries and Unrestricted Subsidiaries

Immediately after the issuance of the Senior Secured Notes, all of the Issuer's Subsidiaries will be Restricted Subsidiaries. However, in the circumstances described below under "*—Certain definitions—Unrestricted Subsidiary,*" the Issuer will be permitted to designate Restricted Subsidiaries as Unrestricted Subsidiaries. Unrestricted Subsidiaries will not be subject to any of the restrictive covenants in the Indenture.

Security

General

On the Issue Date, subject to the Intercreditor Agreement, the Agreed Security Principles and certain perfection requirements, the Senior Secured Notes will be secured by first-priority security interests over:

(1) all issued Capital Stock of Luxco 6;

(2) all issued Capital Stock of the Parent Guarantor;

(3) the Parent Guarantor's material bank account and the Parent Guarantor's material intragroup receivables;

(4) all issued Capital Stock of the Issuer (other than certain *de minimis* shareholdings);

(5) certain assets of the Issuer, including the Capital Stock of the Additional Guarantor, Magenta Auto Pièces S.A. and SDFM S.A. held by the Issuer, the Issuer's material bank accounts and the Issuer's material intragroup receivables;

(6) the Capital Stock of Commerce Rechange Automobiles S.A.S., Cofirhad S.A.S. and AD Grand Ouest S.A.S. held by the Additional Guarantor;

(7) the Additional Guarantor's material bank accounts; and

(8) the Additional Guarantor's material intragroup receivables (collectively, the "*Collateral*").

The assets that comprise the Collateral will also secure on a first-ranking basis the obligations of the Issuer and the Guarantors under the Revolving Credit Facility and certain future Hedging Obligations. Subject to certain conditions, including compliance with the covenants described under "*—Certain covenants—Impairment of Security Interest*" and "*—Certain covenants—Limitations on Liens,*" the relevant security providers will be permitted to grant security over the Collateral in connection with future issuances of Indebtedness or Indebtedness of the Restricted Subsidiaries, including Additional Senior Secured Notes, as permitted under the Indenture and the Intercreditor Agreement. Under the terms of the Intercreditor Agreement, the Holders of the Senior Secured Notes will receive proceeds from the enforcement of the Collateral only after certain super senior priority obligations have been repaid in full, including (i) obligations under the Revolving Credit Facility, (ii) other Indebtedness Incurred pursuant to the terms of the Indenture that is entitled to rank senior to the Senior Secured Notes with respect to the proceeds of an enforcement of the Collateral and (iii) certain future Hedging Obligations.

The Collateral will be pledged pursuant to the Security Documents to the Security Agent on behalf of the Holders of the Senior Secured Notes and holders of the other secured obligations that are secured by the Collateral. Any other security interests that may in the future be granted to secure obligations under the Senior Secured Notes, any Notes Guarantees and the Indenture would also constitute "*Collateral.*" All Collateral will be subject to any Permitted Collateral Liens.

The Liens on the Collateral will be limited as necessary to recognize certain limitations arising under or imposed by local law and defenses generally available to providers of Collateral (including those that relate to fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose or benefit, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally) or other considerations under applicable law. For a brief description of such limitations, see "*Certain insolvency law considerations and limitations on the validity and enforceability of the Guarantees and the security interests.*"

Subject to the terms of the Security Documents and prior to enforcement of any such Collateral, the Issuer, the Guarantors, and the Sponsor SPVs, as the case may be, will have the right to remain in possession and retain exclusive control of the Collateral securing the Senior Secured Notes and the Notes Guarantees, to freely operate the Collateral and to collect, invest and dispose of any income therefrom and, in respect of the shares that are part of the Collateral, will be entitled to exercise any and all voting rights and to receive and retain any and all cash dividends, stock dividends, liquidating dividends, non-cash dividends, shares of stock resulting from stock splits or reclassifications, rights issue, warrants, options and other distributions (whether similar or dissimilar to the foregoing).

As described above, all of the Collateral will also secure the liabilities under the Revolving Credit Facility as well as certain Hedging Obligations and any Additional Senior Secured Notes and may also secure certain future Indebtedness, certain of which is entitled to payment from the proceeds of an enforcement of the Collateral in priority to the Senior Secured Notes. The proceeds from the enforcement of the Collateral may not be sufficient to satisfy the obligations owed to the Holders of the Senior Secured Notes.

No appraisals of the Collateral have been made in connection with this offering of the Senior Secured Notes on the Issue Date. By its nature, some or all of the Collateral will be illiquid and may have no readily ascertainable market value. Accordingly, the Collateral may not be able to be sold in a short period of time, or at all. See "*Risk factors—Risks related to our indebtedness and the Notes—The value of the Collateral securing the Notes may not be sufficient to satisfy our obligations under the Notes and such Collateral may be reduced or diluted under certain circumstances.*"

Priority

The relative priority with regard to the security interests in the Collateral that are created by the Security Documents (the "*Security Interests*" and each, a "*Security Interest*") as between (a) the lenders under the Revolving Credit Facility, (b) the counterparties under certain future Hedging Obligations, (c) the Trustee and the Holders of the Senior Secured Notes under the Indenture and (d) the creditors of certain other Indebtedness permitted to be secured by the Collateral, respectively, will be established by the terms of the Intercreditor Agreement, which provides, among other things, that the obligations under the Revolving Credit Facility, certain future Hedging Obligations and the Senior Secured Notes are secured equally and ratably by first-ranking Security Interests; *provided*, however, that the Holders of Senior Secured Notes will only receive proceeds from the enforcement of the Collateral after certain super senior priority obligations have been paid in full, including (i) obligations under the Revolving Credit Facility, (ii) other Indebtedness Incurred pursuant to the terms of the Indenture that is entitled to rank senior to the Senior Secured Notes with respect to the proceeds of an enforcement of the Collateral and (iii) certain future Hedging Obligations. See "*Description of certain financing arrangements—Intercreditor Agreement.*" In addition, pursuant to the Intercreditor Agreements or Additional Intercreditor Agreements entered into after the Issue Date, the Collateral may be pledged to secure other Indebtedness, including Indebtedness that is entitled to rank senior to the Senior Secured Notes with respect to the proceeds of an enforcement of the Collateral. See "*—Release of Liens,*" "*—Certain covenants—Impairment of Security Interest*" and "*—Certain definitions—Permitted Collateral Liens.*"

Security Documents

Under the Security Documents, the Sponsor SPVs, the Issuer and the Guarantors will grant security over the Collateral to secure the payment when due of the Issuer's and the Guarantors' payment obligations under the Senior Secured Notes, the Notes Guarantees and the Indenture. The Security Documents will be entered into by the relevant security provider and the Security Agent as agent for the secured parties. When entering into the Security Documents, the Security Agent will act in its own name, but for the benefit of the secured parties (including itself, the Trustee and the Holders of Senior Secured Notes from time to time). Under the Intercreditor Agreement, the Security Agent will also act as an agent of the lenders under the Revolving Credit Facility and the counterparties under certain Hedging Obligations in relation to the Security Interests created in favor of such parties.

In certain jurisdictions, including France, due to the laws and other jurisprudence governing the creation and perfection of security interests, the relevant Security Documents will secure "*parallel debt*" obligations created under the Intercreditor Agreement in favor of the Security Agent (and not the obligations under the Senior Secured Notes and the Notes Guarantees). The parallel debt construct has not been fully tested under law in certain of these jurisdictions. See "*Risk factors—Risks related to our indebtedness and the Notes—The security over the Collateral is not granted directly to the holders of the Notes.*"

Each of the Sponsor SPVs, the Issuer and the Guarantors shall, and shall procure that each of their respective Subsidiaries shall, at their own expense, execute and do all such acts and things and provide such assurances as the Security Agent may require (i) for registering any Security Document relating to the Collateral in any required register and for perfecting or protecting the security intended to be afforded by such Security Document relating to the Collateral; and (ii) if such Security Document is enforced in accordance with the terms of the Indenture, the relevant Security Document and the Intercreditor Agreement, for facilitating the realization of all or any part of the assets which are subject to such Security Document and for facilitating the exercise of all powers, authorities and discretions vested in the Security Agent or in any receiver of all or any part of the Collateral. Each of the Sponsor SPVs, the Issuer and the Guarantors shall, and shall procure that each of their respective Subsidiaries, if any, shall, execute such transfers, conveyances, assignments and releases of that property whether to the Security Agent or to its nominees and give such notices, orders and directions which the Security Agent may request.

The Indenture will also provide that the Security Documents may be enforced only in accordance with the Intercreditor Agreement. The Indenture and the Intercreditor Agreement will provide that, to the extent permitted by the applicable laws, only the Security Agent will have the right to enforce the Security Documents on behalf of the Trustee and the Holders of the Senior Secured Notes. As a consequence of such contractual provisions, Holders of the Senior Secured Notes will not be entitled to take enforcement action in respect of the Collateral securing the Senior Secured Notes, except through the Trustee under the Indenture, who will (subject to the provisions of the Indenture) provide instructions to the Security Agent for the Collateral. Each Holder, by accepting a Senior Secured Note, appoints the Security Agent as its agent under the Security Documents and authorizes it to act as such. Neither the Trustee nor the Holders may, individually or collectively, take any direct action to enforce any rights in their favor under the Security Documents. The Holders may only act through the Security Agent. The Security Agent will agree to any release of the security interest created by the Security Documents that is in accordance with the Indenture without requiring any consent of the Holders.

The Indenture will provide that, subject to the terms thereof and of the Security Documents and the Intercreditor Agreement, the Senior Secured Notes and the Indenture, as applicable, will be secured by Security Interests in the Collateral until all obligations under the Senior Secured Notes and the Indenture have been discharged. However, the Security Interests with respect to the Senior Secured Notes and the Indenture may be released under certain circumstances as provided under "*—Release of Liens.*"

In the event that the Sponsor's SPV's, the Parent Guarantor or its Subsidiaries enter into insolvency, bankruptcy or similar proceedings, the Security Interests created under the Security Documents or the rights and obligations enumerated in the Intercreditor Agreement could be subject to potential challenges. If any challenge to the validity of the Security Interests or the terms of the Intercreditor Agreement was successful, the Holders may not be able to recover any amounts under the Security Documents. See "*Risk factors—Risks related to our indebtedness and the Notes.*"

Enforcement of Security Interest

The Indenture and the Intercreditor Agreement will restrict the ability of the Holders and the Trustee, on behalf of the Holders, to enforce the Security Interests and provide for the release of the Security Interests created by the Security Documents in certain circumstances upon enforcement by the lenders under the Revolving Credit Facility, certain hedging counterparties and certain future indebtedness permitted under the terms of the Indenture and the Intercreditor Agreement to rank senior to the Senior Secured Notes. These limitations are described under "*Description of certain financing arrangements—Intercreditor Agreement*" and "*Certain insolvency law considerations and limitations on the validity and enforceability of the Guarantees and the security interests.*" The ability to enforce may also be restricted by similar arrangements in relation to future Indebtedness that is secured on the Collateral in compliance with the Indenture and the Intercreditor Agreement.

The creditors under the Revolving Credit Facility, the counterparties to Hedging Obligations secured by the Collateral and the Trustee have and, by accepting a Senior Secured Note, each Holder will be deemed to have, appointed the Security Agent to act as its agent under the Intercreditor Agreement and the security documents securing such Indebtedness, including the Security Documents. The creditors under the Revolving Credit Facility, the Holders of Senior Secured Notes, the counterparties to Hedging Obligations secured by the Collateral and the Trustee have and, by accepting a Senior Secured Note, each Holder will be deemed to have, authorized the Security Agent to (i) perform the duties and exercise the rights, powers and discretions that are specifically given to it under the Intercreditor Agreement and the security documents securing such Indebtedness, together with any other incidental rights, power and discretions; and (ii) execute each Security Document, waiver, modification, amendment, renewal or replacement expressed to be executed by the Security Agent on its behalf.

Intercreditor Agreement; Additional intercreditor agreements; agreement to be bound

The Indenture will provide that the Issuer and the Trustee will be authorized (without any further consent of the Holders of the Senior Secured Notes) to enter into the Intercreditor Agreement to give effect to the provisions described in the section entitled "*Description of certain financing arrangements—Intercreditor Agreement.*"

The Indenture will also provide that each Holder of the Senior Secured Notes, by accepting such Note, will be deemed to have:

(1) appointed and authorized the Security Agent and the Trustee to give effect to the provisions in the Intercreditor Agreement, any Additional Intercreditor Agreements and the Security Documents;

(2) agreed to be bound by the provisions of the Intercreditor Agreement, any Additional Intercreditor Agreements and the Security Documents; and

(3) irrevocably appointed the Security Agent and the Trustee to act on its behalf to enter into and comply with the provisions of the Intercreditor Agreement, any Additional Intercreditor Agreements and the Security Documents.

See the sections entitled "*Risk factors—Risks related to our indebtedness and the Notes—The security over the Collateral is not granted directly to the holders of the Notes*" and "*Description of certain financing arrangements—Intercreditor Agreement.*"

Similar provisions to those described above may be included in any Additional Intercreditor Agreement (as defined below) entered into in compliance with the covenant described under "*—Certain covenants—Additional intercreditor agreements.*"

Release of Liens

The Collateral will be released from the Liens over such Collateral under any one or more of the following circumstances:

(1) in connection with any sale or other disposition of Collateral to (a) a Person that is not the Issuer or a Restricted Subsidiary (but excluding any transaction subject to "*—Certain covenants—Merger and consolidation*"), if such sale or other disposition does not violate the covenant described under "*—Certain covenants—Limitation on sales of assets and Subsidiary stock*" or is otherwise permitted in accordance with the Indenture or (b) any Restricted Subsidiary; *provided* that this clause 1(b) shall not be relied upon in the case of a transfer of Capital Stock or of accounts receivable (including intercompany loan receivables and hedging receivables) to a Restricted Subsidiary (except to a Receivables Subsidiary) unless the relevant property and assets remain subject to, or otherwise become subject to a Lien in favor of the Senior Secured Notes following such sale or disposal (and subject to the Agreed Security Principles);

(2) in the case of a Guarantor that is released from its Notes Guarantee pursuant to the terms of the Indenture, the release of the property and assets, and Capital Stock, of such Guarantor;

(3) as described under "*—Amendments and waivers*";

(4) upon payment in full of principal, interest and all other obligations on the Senior Secured Notes or legal defeasance, covenant defeasance or satisfaction and discharge of the Senior Secured Notes, as provided in "*—Defeasance*" and "*—Satisfaction and discharge*";

(5) if the Issuer designates any Restricted Subsidiary to be an Unrestricted Subsidiary in accordance with the applicable provisions of the Indenture, the release of the property and assets, and Capital Stock, of such Unrestricted Subsidiary;

(6) with respect to the Collateral granted by the Sponsor SPVs only, as may be permitted by the covenant described under "*Certain covenants—Maintenance of Double Luxco structure*";

(7) in respect of Collateral granted by a Sponsor SPV, upon a Change of Control (other than in the context of an enforcement of Collateral granted by a Sponsor SPV not involving a release in accordance with the next paragraph below); or

(8) as otherwise permitted in accordance with the Indenture.

In addition, the Security Interests created by the Security Documents will be released (a) in accordance with an enforcement action pursuant to the Intercreditor Agreement or any Additional Intercreditor Agreement and (b) as may be permitted by the covenant described under "*—Certain covenants—Impairment of Security Interest.*"

The Security Agent and the Trustee (but only if required) will take all necessary action requested by the Issuer to effectuate any release of Collateral securing the Senior Secured Notes and the Notes Guarantees, in accordance with the provisions of the Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement, or the relevant Security Document, as applicable. Each of the releases set forth above shall be effected by the Security Agent without the consent of the Holders or any action on the part of the Trustee (unless action is required by it to effect such release). The Security Agent and the Trustee shall be entitled to request and rely solely upon an Officer's Certificate and Opinion of Counsel, each certifying which circumstance, as described above, giving rise to a release of Liens has occurred, and that such release complies with the Indenture.

Optional redemption

Except as described below and except as described under "*Redemption for taxation reasons,*" the Senior Secured Fixed Rate Notes are not redeemable until , 2018 and the Senior Secured Floating Rate Notes are not redeemable until , 2017.

Senior secured fixed rate notes

On and after , 2018, the Issuer may redeem all or, from time to time, part of the Senior Secured Fixed Rate Notes upon not less than 10 nor more than 60 days' notice, at the following redemption prices (expressed as a percentage of principal amount) plus accrued and unpaid interest and Additional Amounts (as defined below), if any, to, but not including, the applicable redemption date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date), if redeemed during the periods indicated below:

Year	**Redemption Price**
from , 2018 until , 2018	%
from , 2018 until , 2019	%
from , 2019 and thereafter	100.000%

Prior to , 2018, the Issuer may on any one or more occasions redeem up to 40% of the original principal amount of the Senior Secured Fixed Rate Notes issued under the Indenture (including the original principal amount of any Additional Senior Secured Fixed Rate Notes), upon not less than 10 nor more than 60 days' notice, with funds in an aggregate amount not exceeding the Net Cash Proceeds of one or more Equity Offerings at a redemption price of of the principal amount of the Senior Secured Fixed Rate Notes so redeemed, plus accrued and unpaid interest and Additional Amounts, if any, to, but not including, the applicable redemption date; (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date) *provided* that:

(1) at least 50% of the original principal amount of the Senior Secured Fixed Rate Notes (including the original principal amount of any Additional Senior Secured Fixed Rate Notes) issued under the Indenture (excluding Senior Secured Fixed Rate Notes held by the Issuer and its Subsidiaries) remain outstanding after each such redemption; and

(2) the redemption occurs within 180 days after the closing of such Equity Offering.

Prior to , 2018, the Issuer may on any one or more occasions redeem during each calendar year up to 10% of the original principal amount of the Senior Secured Fixed Rate Notes (including the original principal amount of any Additional Senior Secured Fixed Rate Notes), upon not less than 10 nor more than 60 days' notice, at a redemption price of 103.000% of the principal amount of the Senior Secured Fixed Rate Notes so redeemed, plus accrued and unpaid interest and Additional Amounts, if any, to, but not including, the applicable redemption date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date).

In addition, prior to , 2018, the Issuer may redeem all or, from time to time, part of the Senior Secured Fixed Rate Notes upon not less than 10 nor more than 60 days' notice at a redemption price equal to 100% of the principal amount of the Senior Secured Fixed Rate Notes, plus the Applicable Premium plus accrued and unpaid interest and Additional Amounts, if any, to, but not including, the applicable redemption date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date).

Senior Secured Floating Rate Notes

On and after , 2017, the Issuer may redeem all or, from time to time, part of the Senior Secured Floating Rate Notes upon not less than 10 nor more than 60 days' notice, at the following redemption prices (expressed as a percentage of principal amount) plus accrued and unpaid interest and Additional Amounts (as defined below), if any, to, but not including, the applicable redemption date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date), if redeemed during the twelve-month period beginning on of the years indicated below:

Year	Redemption Price
2017	101.000%
2018 and thereafter	100.000%

Calculation of the Applicable Premium

"*Applicable Premium*" means,

(x) with respect to any Senior Secured Fixed Rate Note the greater of:

(a) 1% of the principal amount of such Senior Secured Fixed Rate Note; and

(b) the excess (to the extent positive) of:

(i) the present value at such redemption date of (1) the redemption price of such Senior Secured Fixed Rate Note at , 2018 (such redemption price (expressed in percentage of principal amount) being set forth in the table above under the first paragraph of the section entitled "*—Optional Redemption—Senior Secured Fixed Rate Notes*" (excluding accrued and unpaid interest)), *plus* (2) all required interest payments due on such Senior Secured Fixed Rate Note to and including , 2018 (excluding accrued but unpaid interest), computed upon the redemption date using a discount rate equal to the Bund Rate at such redemption date plus 50 basis points; over

(ii) the outstanding principal amount of such Senior Secured Fixed Rate Note; and

(y) with respect to any Senior Secured Floating Rate Note on any redemption date, the greater of:

(a) 1% of the principal amount of such Senior Secured Floating Rate Note; and

(b) the excess (to the extent positive) of:

(i) the present value at such redemption date of (1) the redemption price of such Senior Secured Floating Rate Note at , 2017 (such redemption price (expressed in percentage of principal amount) being set forth in the table above under "*—Optional redemption—Senior Secured Floating Rate Notes*" (excluding accrued and unpaid interest)), *plus* (2) all required interest payments due on such Senior Secured Floating Rate Note to and including , 2017 (excluding accrued but unpaid interest), computed upon the redemption date using a discount rate equal to the Bund Rate at such redemption date plus 50 basis points; over

(ii) the outstanding principal amount of such Senior Secured Floating Rate Note,

in each case, as calculated by the Issuer or on behalf of the Issuer by such Person as the Issuer shall designate.

For the avoidance of doubt, calculation of Applicable Premium shall not be an obligation or duty of the Trustee, the Calculation Agent or any Paying Agent.

"*Bund Rate*" as selected by the Issuer, means the yield to maturity at the time of computation of direct obligations of the Federal Republic of Germany (Bunds or Bundesanleihen) with a constant maturity (as officially compiled and published in the most recent financial statistics that have become publicly available at least two Business Days (but not more than five Business Days) prior to the redemption date (or, if such financial statistics are not so published or available, any publicly available source of similar market data selected in good faith by the Board of Directors or a member of Senior Management of the Issuer) most nearly equal to the period from the redemption date to , 2018 with respect to the Senior Secured Fixed Rate Notes, and , 2017 with respect to the Senior Secured Floating Rate Notes; *provided*, however, that if the period from the redemption date to , 2018 with respect to the Senior Secured Fixed Rate Notes, and , 2017 with respect to the Senior Secured Floating Rate Notes, is not equal to the constant maturity of a direct obligation of the Federal Republic of Germany for which a weekly average yield is given, the Bund Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of direct obligations of the Federal Republic of Germany for which such yields are given, except that if the period from such redemption date to , 2018 with respect to the Senior Secured Fixed Rate Notes, and , 2017 with respect to the Senior Secured Floating Rate Notes, is less than one year, the weekly average yield on actually traded direct obligations of the Federal Republic of Germany adjusted to a constant maturity of one year shall be used; *provided further*, that in no case shall the Bund Rate be less than zero.

Any such redemption and notice may, in the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent. In addition, if such redemption or notice is subject to satisfaction of one or more conditions precedent, such notice may state that, in the Issuer's discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied (*provided,* however, that, in any case, such redemption date shall be no more than 60 days from the date on which such notice is first given), or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied by the redemption date, or by the redemption date so delayed.

Notwithstanding the foregoing, in connection with any tender offer for the Senior Secured Notes at a price of at least 100.000% of the principal amount of the Senior Secured Notes tendered, plus accrued and unpaid interest thereon to, but excluding, the applicable tender settlement date, if Holders of Senior Secured Notes of not less than 90% in aggregate principal amount of the applicable outstanding Senior Secured Notes validly tender and do not withdraw such Senior Secured Notes in such tender offer and the Issuer, or any third party making such a tender offer in lieu of the Issuer, purchases, all of the Senior Secured Notes validly tendered and not withdrawn by such Holders, the Issuer or such third party will have the right upon not less than 10 nor more than 60 days' prior notice, given not more than 30 days following such tender offer expiration date, to redeem the Senior Secured Notes that remain outstanding in whole, but not in part following such purchase at a price equal to the price offered to each other Holder of Senior Secured Notes in such tender offer, plus, to the extent not included in the tender offer payment, accrued and unpaid interest, if any, thereon, to, but excluding, such redemption date.

The Issuer or its Affiliates may at any time and from time to time purchase Senior Secured Notes. Any such purchases may be made through open market or privately negotiated transactions with third parties or pursuant to one or more tender or exchange offers or otherwise, upon such terms and at such prices as well as with such consideration as the Issuer or any such Affiliate may determine.

General

We may repurchase the Senior Secured Notes at any time and from time to time in the open market or otherwise.

Notice of redemption will be provided as set forth under **"***—Selection and notice***"** below. If the optional redemption date is on or after an interest record date and on or before the related interest payment date, the accrued and unpaid interest will be paid to the Person in whose name the Senior Secured Note is registered at the close of business on such record date, and no additional interest will be payable to Holders whose Senior Secured Notes will be subject to redemption by the Issuer.

No sinking fund

The Issuer is not required to make mandatory redemption payments or sinking fund payments with respect to the Senior Secured Notes.

Redemption at maturity

On , 2022, the Issuer will redeem the Senior Secured Notes that have not been previously redeemed or purchased and canceled at 100% of their principal amount plus accrued and unpaid interest thereon and Additional Amounts, if any, to the redemption date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date).

Selection and notice

If less than all of the Senior Secured Notes are to be redeemed at any time, the Paying Agent or the Registrar will select Senior Secured Notes for redemption on a pro rata basis (or, in the case of Senior Secured Notes issued in global form as discussed under "*Book-entry, delivery and form,*" based on a method that most nearly approximates a pro rata selection as the Paying Agent or the Registrar deems fair and appropriate), unless otherwise required by law or applicable stock exchange or depository requirements. The Trustee, the Paying Agent and the Registrar will not be liable for any selections made in accordance with this paragraph.

For Senior Secured Notes which are represented by global certificates held on behalf of Euroclear or Clearstream, notices may be given by delivery of the relevant notices to Euroclear for communication to entitled account Holders in substitution for the aforesaid mailing. If and for so long as any Senior Secured Notes are listed on the Official List of the Exchange and if and to the extent the rules of the Exchange so require, the Issuer will notify the Exchange of any such notice to the Holders of the relevant Senior Secured Notes and, in connection with any redemption, the Issuer will notify the Exchange of any change in the principal amount of Senior Secured Notes outstanding.

If any Senior Secured Note is to be redeemed in part only, the notice of redemption that relates to that Senior Secured Note shall state the portion of the principal amount thereof to be redeemed. In the case of a Definitive Registered Note, a new Definitive Registered Note in principal amount equal to the unredeemed portion of any Definitive Registered Note redeemed in part will be issued in the name of the Holder thereof upon cancellation of the original Definitive Registered Note. In the case of a Global Note, an appropriate notation will be made on such Global Note to decrease the principal amount thereof to an amount equal to the unredeemed portion thereof. Subject to the terms of the applicable redemption notice, Senior Secured Notes called for redemption become due on the date fixed for redemption. Unless the Issuer defaults in the payment of the redemption price, on and after the redemption date interest will cease to accrue on Senior Secured Notes or portions of Senior Secured Notes called for redemption.

Redemption for taxation reasons

The Issuer may redeem the Senior Secured Notes in whole, but not in part, at any time upon giving not less than 10 nor more than 60 days' prior notice to the Holders of the Senior Secured Notes (which notice will be irrevocable) at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest, if any, to the date fixed for redemption (a "*Tax Redemption Date*") (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date) and all Additional Amounts (as defined below under "*—Withholding taxes*"), if any, then due and which will become due on the Tax Redemption Date as a result of the redemption or otherwise if the Issuer determines in good faith that, as a result of:

(1) any change in, or amendment to, the law or treaties (or any regulations or rulings promulgated thereunder) of a Relevant Taxing Jurisdiction (as defined below) affecting taxation; or

(2) any amendment to, or change in an official application, administration or written interpretation of such laws, treaties, regulations or rulings (including by reason of a

holding, judgment or order by a court of competent jurisdiction or a change in published practice) (each of the foregoing in clauses (1) and (2), a "*Change in Tax Law*"),

a Payor (as defined below) is, or on the next interest payment date in respect of the Senior Secured Notes would be, required to pay Additional Amounts with respect to the Senior Secured Notes (but, in the case of a Guarantor, only if the payment giving rise to such requirement cannot be made by the Issuer or another Guarantor who can make such payment without the obligation to pay Additional Amounts), and such obligation cannot be avoided by taking reasonable measures available to the Payor (including, for the avoidance of doubt, the appointment of a new Paying Agent where this would be reasonable). Such Change in Tax Law must be publicly announced and become effective on or after the Issue Date (or if the applicable Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction on a date after the Issue Date, such later date). The foregoing provisions shall apply (a) to a Guarantor only after such time as such Guarantor is obligated to make at least one payment on the Senior Secured Notes and (b) mutatis mutandis to any successor Person, after such successor Person becomes a party to the Indenture, with respect to a change or amendment occurring after the time such successor Person becomes a party to the Indenture.

Notice of redemption for taxation reasons will be published in accordance with the procedures described under "*—Selection and notice.*" Notwithstanding the foregoing, no such notice of redemption will be given earlier than 60 days prior to the earliest date on which the Payor would be obligated to make such payment of Additional Amounts. Prior to the publication or mailing of any notice of redemption of Senior Secured Notes pursuant to the foregoing, the Issuer will deliver to the Trustee (a) an Officer's Certificate stating that it is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to its right to so redeem have been satisfied and that the Payor cannot avoid its obligation to pay Additional Amounts by taking reasonable measures available to it and (b) an opinion of an independent tax counsel of internationally recognized standing and reasonably satisfactory to the Trustee (such approval not to be unreasonably withheld, conditioned or delayed) to the effect that the Payor has been or will become obligated to pay Additional Amounts as a result of a Change in Tax Law. The Trustee will accept and shall be entitled to rely absolutely and without further inquiry on such Officer's Certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent described above, in which event it will be conclusive and binding on the Holders.

Withholding taxes

All payments made by or on behalf of the Issuer or any Guarantor (including any successor entity) (each, a "*Payor*") in respect of the Senior Secured Notes or with respect to any Notes Guarantee, as applicable, will be made free and clear of and without withholding or deduction for, or on account of, any Taxes unless the withholding or deduction of such Taxes is then required by law. If any deduction or withholding for, or on account of, any Taxes imposed or levied by or on behalf of:

(1) any jurisdiction from or through which payment on any such Senior Secured Note is made or any political subdivision or governmental authority thereof or therein having the power to tax (including the jurisdiction of any Paying Agent); or

(2) any other jurisdiction in which a Payor is organized, engaged in business for tax purposes, or otherwise considered to be a resident for tax purposes, or any political subdivision or governmental authority thereof or therein having the power to tax (each of clause (1) and (2), a "*Relevant Taxing Jurisdiction*"),

will at any time be required by law to be made from any payments made by or on behalf of the Payor or the Paying Agent with respect to any Senior Secured Note or any Notes Guarantee, including payments of principal, redemption price, interest or premium, if any, the Payor will pay (together with such payments) such additional amounts (the "*Additional Amounts*") as may be necessary in order that the net amounts received by each Holder (or beneficial owner) in respect of such payments, after such withholding or deduction (including any such deduction or withholding from such Additional Amounts), will not be less than the amounts which would have been received by each Holder (or beneficial owner) in respect of such payments on any such

Senior Secured Note or Notes Guarantee in the absence of such withholding or deduction; *provided*, however, that no such Additional Amounts will be payable for or on account of:

(1) any Taxes, to the extent such Taxes would not have been so imposed but for the existence of any present or former connection between the relevant Holder (or between a fiduciary, settlor, beneficiary, member, partner or shareholder of, or possessor of power over the relevant Holder, if the relevant Holder is an estate, nominee, trust, partnership, limited liability company or corporation) and the Relevant Taxing Jurisdiction (including, without limitation, being resident for tax purposes, or being a citizen or resident or national of, or carrying on a business or maintaining a permanent establishment in, or being physically present in, the Relevant Taxing Jurisdiction) but excluding, in each case, any connection arising solely from the acquisition, ownership or holding of such Senior Secured Note or the receipt of any payment or the exercise or enforcement of rights under such Senior Secured Note, the Indenture or a Notes Guarantee;

(2) any Taxes, to the extent such Taxes are imposed or withheld by reason of the failure by the Holder or the beneficial owner of the Senior Secured Note to comply with a reasonable written request of the Payor addressed to the Holder or beneficial owner, after reasonable notice (at least 30 days before any such withholding or deduction would be payable), to provide certification, information, documents or other evidence concerning the nationality, residence or identity of the Holder or such beneficial owner or to make any declaration or similar claim or satisfy any other reporting requirement relating to such matters, which is required by a statute, treaty, regulation or administrative practice of the Relevant Taxing Jurisdiction as a precondition to exemption from all or part of such Tax but only to the extent the Holder or beneficial owner is legally entitled to provide such certification or documentation;

(3) any Taxes, to the extent that such Taxes are imposed as a result of the presentation of the Senior Secured Note for payment (where Notes are in the form of Definitive Registered Notes and presentation is required) more than 30 days after the later of the applicable payment date or the date on which the relevant payment is first made available for payment to the Holder (except to the extent that the Holder would have been entitled to Additional Amounts had the Senior Secured Notes been presented on the last day of such 30 day period);

(4) any Taxes that are payable otherwise than by deduction or withholding from a payment on the Senior Secured Notes or with respect to any Notes Guarantee;

(5) any estate, inheritance, gift, sales, excise, transfer, personal property or similar Taxes;

(6) any Taxes imposed in connection with a Senior Secured Note presented for payment by or on behalf of a Holder or beneficial owner who would have been able to avoid such Taxes by presenting the relevant Senior Secured Note to, or otherwise accepting payment from, another Paying Agent in a member state of the European Union;

(7) any Taxes imposed pursuant to section 1471(b) of the U.S. Internal Revenue Code or otherwise imposed pursuant to sections 1471 through 1474 of the U.S. Internal Revenue Code as of the Issue Date (or any amended or successor version that is substantively comparable), any regulations or agreements thereunder, official interpretations thereof, or any similar law or regulation implementing an intergovernmental agreement relating thereto; or

(8) any combination of the items (1) through (7) above.

In addition, no Additional Amounts shall be paid with respect to a Holder who is a fiduciary or a partnership or any person other than the beneficial owner of the Senior Secured Notes, to the extent that the beneficiary or settlor with respect to such fiduciary, the member of such partnership or the beneficial owner would not have been entitled to Additional Amounts had such beneficiary, settlor, member or beneficial owner held such Senior Secured Notes directly.

The Payor will (i) make any required withholding or deduction and (ii) remit the full amount deducted or withheld to the Relevant Taxing Jurisdiction in accordance with applicable law. The Payor will provide certified copies of tax receipts evidencing the payment of any Taxes so deducted or withheld from each Relevant Taxing Jurisdiction imposing such Taxes, or if such tax receipts are not available, certified copies or other reasonable evidence of such payments as soon as reasonably practicable to the Trustee. Such copies shall be made available to the Holders upon reasonable request and will be made available at the offices of the Paying Agent.

If any Payor is obligated to pay Additional Amounts under or with respect to any payment made on any Senior Secured Note or any Notes Guarantee, at least 30 days prior to the date of such payment, the Payor will deliver to the Trustee an Officer's Certificate stating the fact that Additional Amounts will be payable and the amount estimated to be so payable and such other information necessary to enable the Paying Agent to pay Additional Amounts on the relevant payment date (unless such obligation to pay Additional Amounts arises less than 45 days prior to the relevant payment date, in which case the Payor may deliver such Officer's Certificate as promptly as practicable thereafter). The Trustee shall be entitled to rely solely on such Officer's Certificate as conclusive proof that such payments are necessary.

Wherever in the Indenture, the Senior Secured Notes or this "*Description of the Senior Secured Notes*" there is mentioned, in any context:

(1) the payment of principal;

(2) purchase prices in connection with a purchase of Senior Secured Notes;

(3) interest; or

(4) any other amount payable on or with respect to any of the Senior Secured Notes or any Notes Guarantee,

such reference shall be deemed to include payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

The Payor will pay and (where applicable) reimburse each applicable Holder for any present or future stamp, issue, registration, court or documentary taxes, or similar charges or levies (including any related interest or penalties with respect thereto) or any other excise, property or similar taxes or similar charges or levies (including any related interest or penalties with respect thereto) that arise in a Relevant Taxing Jurisdiction from the execution, delivery, issuance, registration, initial resale, enforcement of, or receipt of payments with respect to any Senior Secured Notes, any Notes Guarantee, the Indenture, or any other document or instrument in relation thereto (other than in each case, in connection with a transfer of the Senior Secured Notes after this Offering and limited, solely to the extent of such Taxes or similar charges or levies that arise from the receipt of any payments of principal or interest on the Senior Secured Notes, to any such Taxes or similar charges or levies that are not excluded under clauses (1) through (3) and (5) through (7)).

The foregoing obligations will survive any termination, defeasance or discharge of the Indenture, any transfer by a Holder or beneficial owner, and will apply mutatis mutandis to any jurisdiction in which any successor to a Payor is organized, engaged in business for tax purposes or otherwise resident for tax purposes, or any jurisdiction from or through which any payment under, or with respect to the Senior Secured Notes (or any Notes Guarantee) is made by or on behalf of such Payor, or any political subdivision or taxing authority or agency thereof or therein.

Change of control

If a Change of Control occurs, subject to the terms of the covenant described under this heading "*—Change of Control,*" each Holder will have the right to require the Issuer to repurchase all or any part (equal to €100,000 or integral multiples of €1,000 in excess thereof; *provided* that Senior Secured Notes of €100,000 or less may only be redeemed in whole and not in part) of such Holder's Senior Secured Notes at a purchase price in cash equal to 101% of the principal amount of the Senior Secured Notes repurchased, plus accrued and unpaid interest and Additional Amounts, if any, to the date of purchase (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date); *provided*, however, that the Issuer shall not be obligated to repurchase Senior Secured Notes as described under this heading "*—Change of control,*" in the event and to the extent that it has unconditionally exercised its right to redeem all of the Senior Secured Notes and given notice of redemption as described under "*—Optional redemption*" and that all conditions to such redemption have been satisfied or waived.

Unless the Issuer has unconditionally exercised its right to redeem all the Senior Secured Notes and given notice of redemption as described under "*—Optional redemption*" and all conditions to such redemption have been satisfied or waived, no later than the date that is 60 days after any Change of Control, the Issuer will mail a notice (the "*Change of Control Offer*") to each Holder of any such Senior Secured Notes, with a copy to the Trustee:

(1) stating that a Change of Control has occurred or may occur and that such Holder has the right to require the Issuer to purchase all or any part of such Holder's Senior Secured Notes at a purchase price in cash equal to 101% of the principal amount of such Senior Secured Notes plus accrued and unpaid interest and Additional Amounts, if any, to, but not including, the date of purchase (subject to the right of Holders of record on a record date to receive interest on the relevant interest payment date) (the "*Change of Control Payment*");

(2) stating the repurchase date (which shall be no earlier than 10 days nor later than 60 days from the date such notice is mailed) (the "*Change of Control Payment Date*");

(3) stating that any Senior Secured Note accepted for payment pursuant to the Change of Control Offer will cease to accrue interest on the Change of Control Payment Date unless the Change of Control Payment is not paid, and that any Senior Secured Notes or part thereof not tendered will continue to accrue interest;

(4) describing the circumstances and relevant facts regarding the transaction or transactions that constitute the Change of Control;

(5) describing the procedures determined by the Issuer, consistent with the Indenture, that a Holder must follow in order to have its Senior Secured Notes repurchased (including that Holders will be entitled to withdraw their election if the Paying Agent receives, not later than the close of business on the second Business Day preceding the Change of Control Payment Date, a facsimile transmission or letter setting forth the name of the Holder, the principal amount of Senior Secured Notes delivered for purchase and proof of such delivery or holding, and a statement that such Holder is withdrawing his election to have such Senior Secured Notes purchased); and

(6) if such notice is mailed prior to the occurrence of a Change of Control, stating that the Change of Control Offer is conditional on the occurrence of such Change of Control.

On the Change of Control Payment Date, if the Change of Control shall have occurred, the Issuer will, to the extent lawful:

(1) accept for payment all Senior Secured Notes or portion thereof properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Senior Secured Notes so tendered;

(3) deliver or cause to be delivered to the Trustee (with a copy to the Paying Agent) an Officer's Certificate stating the aggregate principal amount of Senior Secured Notes or portions of the Senior Secured Notes being purchased by the Issuer in the Change of Control Offer;

(4) in the case of Global Notes, deliver, or cause to be delivered, to the Trustee (or an authenticating agent) the Global Notes in order to reflect thereon the portion of such Senior Secured Notes or portions thereof that have been tendered to and purchased by the Issuer; and

(5) in the case of Definitive Registered Notes, deliver, or cause to be delivered, to the relevant Registrar for cancellation all Definitive Registered Notes accepted for purchase by the Issuer.

If any Definitive Registered Notes have been issued, the Paying Agent will promptly mail to each Holder of Definitive Registered Notes so tendered the Change of Control Payment for such Senior Secured Notes, and the Trustee (or an authenticating agent) will, at the cost of the Issuer, promptly authenticate and mail (or cause to be transferred by book-entry) to each Holder of Definitive Registered Notes a new Definitive Registered Note equal in principal amount to the unpurchased portion of the Senior Secured Notes surrendered, if any; *provided* that each such new Senior Secured Note will be in a principal amount that is at least €100,000 and integral multiples of €1,000 in excess thereof.

If and for so long as the Senior Secured Notes are listed on the Official List of the Exchange and if and to the extent that the rules of the Exchange so require, the Issuer will notify the Exchange of any Change of Control Offer.

Except as described above with respect to a Change of Control, the Indenture does not contain provisions that permit the Holders to require that the Issuer repurchase or redeem the Senior Secured Notes in the event of a takeover, recapitalization or similar transaction. Holders' right to require the Issuer to repurchase Senior Secured Notes upon the occurrence of a Change of Control may deter a third party from seeking to acquire the Issuer or its Subsidiaries in a transaction that would constitute a Change of Control.

The Issuer will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Issuer and purchases all Senior Secured Notes validly tendered and not withdrawn under such Change of Control Offer. Notwithstanding anything to the contrary contained herein, a Change of Control Offer may be made in advance of a Change of Control, conditioned upon the consummation of such Change of Control, if a definitive agreement is in place providing for the Change of Control at the time the Change of Control Offer is made.

The Issuer will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Senior Secured Notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations conflict with provisions of the Indenture, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Change of Control provisions of the Indenture by virtue of such compliance.

The Issuer's ability to repurchase Senior Secured Notes issued by it pursuant to a Change of Control Offer may be limited by a number of factors. The occurrence of certain of the events that constitute a Change of Control would require a mandatory prepayment of Indebtedness under the Revolving Credit Facility. In addition, certain events that may constitute a change of control under the Revolving Credit Facility and require a mandatory prepayment of Indebtedness under such agreement may not constitute a Change of Control under the Indenture. Future Indebtedness of the Issuer or its Subsidiaries may also contain prohibitions of certain events that would constitute a Change of Control or require such Indebtedness to be repurchased upon a Change of Control. Moreover, the exercise by the Holders of their right to require the Issuer to repurchase the Senior Secured Notes could cause a default under, or require a repurchase of, such Indebtedness, even if the Change of Control itself does not, due to the financial effect of such repurchase on the Issuer. Finally, the Issuer's ability to pay cash to the Holders upon a repurchase may be limited by the Issuer's then existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make any required repurchases. See "*Risk factors—Risks related to our indebtedness and the Notes—We may not have the ability to raise the funds necessary to finance an offer to repurchase the Notes upon the occurrence of certain events constituting a change of control as required by the Indenture, and the change of control provision contained in the Indenture may not necessarily afford you protection in the event of certain important corporate events.*"

In addition, in the case of an event that constitutes a Change of Control, the definitions of "*Change of Control*" and "*Permitted Holders*" expressly permit a third party to obtain control of the Issuer in a transaction which is a Specified Change of Control Event without any obligation to make a Change of Control Offer.

The definition of "*Change of Control*" includes a disposition, in one or a series of related transactions, of all or substantially all of the assets of the Issuer and its Restricted Subsidiaries taken as a whole to specified other Persons. Although there is a limited body of case law interpreting the phrase "*substantially all,*" there is no precise established definition of the phrase "*substantially all*" under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of "*all or substantially all*" of the assets of the Issuer and its Restricted Subsidiaries taken as a whole. As a result, it may be unclear as to whether a Change of Control has occurred and whether a Holder may require the Issuer to make an offer to repurchase the Senior Secured Notes as described above.

The provisions of the Indenture relating to the Issuer's obligation to make an offer to repurchase the Senior Secured Notes as a result of a Change of Control may be waived or modified with the written consent of Holders of a majority in outstanding principal amount of the Senior Secured Notes.

Certain covenants

Limitation on Indebtedness

The Issuer will not, and will not permit any Restricted Subsidiary to, Incur any Indebtedness (including Acquired Indebtedness); *provided*, however, that the Issuer and any Restricted Subsidiary may Incur Indebtedness (including Acquired Indebtedness), if on the date of such Incurrence, after giving *pro forma* effect to the Incurrence of such Indebtedness (including *pro forma* application of the proceeds thereof), (1) the Fixed Charge Coverage Ratio for the Issuer and its Restricted Subsidiaries would have been at least 2.0 to 1.0; and (2) to the extent that the Indebtedness is Senior Secured Indebtedness, the Consolidated Senior Secured Net Leverage Ratio for the Issuer and its Restricted Subsidiaries would have been no greater than 5.0 to 1.0; *provided* that the aggregate principal amount of such Indebtedness that may be incurred pursuant to this paragraph by Restricted Subsidiaries that are not Guarantors will not exceed the greater of €20.0 million and 2.6% of Total Assets.

The first paragraph of this covenant will not prohibit the Incurrence of the following Indebtedness ("*Permitted Debt*"):

(1) Indebtedness Incurred by the Issuer or any Restricted Subsidiary pursuant to any Credit Facility (including in respect of letters of credit or bankers' acceptances issued or created thereunder), and any Refinancing Indebtedness in respect thereof and Guarantees in respect of such Indebtedness in a maximum aggregate principal amount at any time outstanding not exceeding (i) the greater of €60.0 million and 75% of Consolidated EBITDA, plus (ii) in the case of any refinancing of any Indebtedness permitted under this clause (1) or any portion thereof, the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses Incurred in connection with such refinancing;

(2)

(a) (i) Guarantees by the Issuer or any Restricted Subsidiary of Indebtedness of the Issuer or any Restricted Subsidiary, so long as the Incurrence of such Indebtedness is permitted to be Incurred by another provision of this covenant; and (ii) Guarantees by the Issuer or any Restricted Subsidiary of Indebtedness of any joint venture in a maximum aggregate principal amount at any time outstanding not exceeding the greater of €15.0 million and 1.9% of Total Assets; or

(b) without limiting the covenant described under "*—Limitation on Liens*," Indebtedness arising by reason of any Lien granted by or applicable to such Person securing Indebtedness of the Issuer or any Restricted Subsidiary so long as the Incurrence of such Indebtedness is permitted under the terms of the Indenture;

(3) Indebtedness of the Issuer owing to and held by any Restricted Subsidiary or Indebtedness of a Restricted Subsidiary owing to and held by the Issuer or any Restricted Subsidiary; *provided*, however, that:

(a) if the Issuer or a Guarantor is the obligor on any such Indebtedness and the obligee is not the Issuer or a Guarantor, such Indebtedness is unsecured and if the aggregate principal amount of such Indebtedness of the Issuer or such Guarantor exceeds €10.0 million, to the extent legally permitted (the Issuer and the Restricted Subsidiaries having completed all procedures required in the reasonable judgment of directors or officers of the obligee or obligor to protect such Persons from any penalty or civil or criminal liability in connection with the subordination of such Indebtedness) and except if in respect of intercompany current liabilities Incurred in the ordinary course of business in connection with the cash management operations of the Issuer and its Restricted Subsidiaries, it is expressly subordinated to the prior payment in full in cash of all obligations with respect to the Senior Secured Notes, in the case of the Issuer, or the applicable Notes Guarantee, in the case of a Guarantor, pursuant to the Intercreditor Agreement or any Additional Intercreditor Agreement; and

(b) any subsequent issuance or transfer of Capital Stock or any other event which results in any such Indebtedness being beneficially held by a Person other than the Issuer or a Restricted Subsidiary and any sale or other transfer of any such Indebtedness to a Person other than the Issuer or a Restricted Subsidiary shall be deemed, in each case, to constitute an Incurrence of such Indebtedness not permitted by this clause (3) by the Issuer or such Restricted Subsidiary, as the case may be;

(4)

(a) Indebtedness represented by the Senior Secured Notes (other than any Additional Senior Secured Notes) and any "*parallel debt*" obligations related to the Senior Secured Notes under the Intercreditor Agreement or any Additional Intercreditor Agreement, as well "*parallel debt*" obligations related to any other Indebtedness permitted to be Incurred pursuant to this Indenture;

(b) (i) any Indebtedness of the Issuer or a Restricted Subsidiary (other than Indebtedness Incurred under the Revolving Credit Facility or Indebtedness described in clause (3) of this paragraph) outstanding on the Issue Date;

(c) Refinancing Indebtedness Incurred in respect of any Indebtedness described in clauses 4(a), 4(b), this clause 4(c), (5) and (13) of this paragraph or Incurred pursuant to the first paragraph of this covenant;

(d) Management Advances; and

(e) any loan or other instrument that is subordinated in right of payment to the Senior Secured Notes in compliance with the terms of the Indenture contributing or on-lending the proceeds of any Indebtedness permitted to be Incurred pursuant to the Indenture (including for the avoidance of doubt, Parent Senior Notes) to the Issuer or a Restricted Subsidiary of the Issuer; *provided*, however, that (i) any such Proceeds that are so received or contributed shall be excluded for purposes of making Restricted Payments under the first paragraph and clauses (1), (6), and (10) of the third paragraph of the covenant described below under "*—Limitation on Restricted Payments*";

(5) Indebtedness of any Person (a) outstanding on the date on which such Person becomes a Restricted Subsidiary of the Issuer or any Restricted Subsidiary or is merged, consolidated, amalgamated or otherwise combined with (including pursuant to any acquisition of assets and assumption of related liabilities) the Issuer or any Restricted Subsidiary or (b) Incurred to provide all or a portion of the funds utilized to consummate a transaction or series of related transactions pursuant to which (i) any Person became a Restricted Subsidiary or is otherwise acquired by the Issuer or a Restricted Subsidiary or (ii) any assets are acquired and related liabilities are assumed by the Issuer or any Restricted Subsidiary; *provided,* that, with respect to this clause (5), at the time of such acquisition or other transaction and after giving *pro forma* effect to such acquisition or other transaction and to the related Incurrence of Indebtedness, (x) either (A) the Issuer would have been able to Incur €1.00 of additional Indebtedness pursuant to the first paragraph of this covenant or (B) the Fixed Charge Coverage Ratio for the Issuer and its Restricted Subsidiaries would not be less than it was immediately prior to giving effect to such acquisition or other transaction and to the related Incurrence of Indebtedness and (y) to the extent that the Indebtedness Incurred under sub-clause (b) of this clause (5) constitutes Senior

Secured Indebtedness, either (A) the Issuer would have been able to Incur €1.00 of additional Senior Secured Indebtedness pursuant to the first paragraph of this covenant or (B) the Consolidated Senior Secured Net Leverage Ratio for the Issuer and its Restricted Subsidiaries would not be greater than it was immediately prior to giving effect to such acquisition or other transaction and to the related Incurrence of Indebtedness;

(6) Indebtedness under Currency Agreements, Interest Rate Agreements and Commodity Hedging Agreements not for speculative purposes (as determined in good faith by the Board of Directors or a member of Senior Management of the Issuer);

(7) Indebtedness consisting of (a) Capitalized Lease Obligations, mortgage financings, Purchase Money Obligations or other financings, Incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of property, plant or equipment used or useful in a Similar Business or (b) Indebtedness otherwise Incurred to finance the purchase, lease, rental or cost of design, construction, installation or improvement of property (real or personal) or equipment that is used or useful in a Similar Business, whether through the direct purchase of assets or the Capital Stock of any Person owning such assets, and any Indebtedness which refinances, replaces or refunds such Indebtedness, in an aggregate outstanding principal amount which, when taken together with the principal amount of all other Indebtedness Incurred pursuant to this clause (7) and then outstanding, will not exceed at any time outstanding the greater of €15.0 million and 1.9% of Total Assets; *provided* that the Indebtedness exists on the date of such purchase, lease, rental or improvement or is created within 365 days thereafter;

(8) Indebtedness in respect of (a) workers' compensation claims, self-insurance obligations, unemployment insurance (including premiums related thereto), other types of social security, pension obligations, vacation pay, health, disability or other employee benefits, performance, indemnity, surety, judgment, appeal, advance payment, customs, VAT or other tax (including interest and penalties with respect thereto) or other guarantees or other similar bonds, instruments or obligations and completion guarantees and warranties provided by the Issuer or a Restricted Subsidiary or relating to liabilities, obligations or guarantees Incurred in the ordinary course of business or in respect of any governmental requirement; (b) letters of credit, bankers' acceptances, guarantees or other similar instruments or obligations issued or relating to liabilities or obligations Incurred in the ordinary course of business or in respect of any governmental requirement, *provided*, however, that upon the drawing of such letters of credit or other similar instruments, the obligations are reimbursed within 30 days following such drawing; (c) the financing of insurance premiums in the ordinary course of business; (d) any customary cash management, cash pooling or netting or setting off arrangements, including customary credit card facilities, in the ordinary course of business; and (e) Indebtedness representing (i) deferred compensation to current or former directors, officers, employees, members of management, managers and consultants of any Parent, the Issuer or any of its Subsidiaries in the ordinary course of business or (ii) deferred compensation or other similar arrangements in connection with the Refinancing or any other Investment or acquisition permitted hereby;

(9) Indebtedness arising from agreements providing for customary guarantees, indemnification, obligations in respect of earn-outs or other adjustments of purchase price or, in each case, similar obligations, in each case, Incurred or assumed in connection with the acquisition or disposition of any business or assets or Person or any Capital Stock of a Subsidiary (other than Guarantees of Indebtedness Incurred by any Person acquiring or disposing of such business or assets or such Subsidiary for the purpose of financing such acquisition or disposition); *provided* that the maximum liability of the Issuer and its Restricted Subsidiaries in respect of all such Indebtedness shall at no time exceed the gross proceeds, including the fair market value of non-cash proceeds (measured at the time received and without giving effect to any subsequent changes in value), actually received by the Issuer and its Restricted Subsidiaries in connection with such disposition;

(10) (a) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business; *provided*, however, that such Indebtedness is extinguished within 30 Business Days of Incurrence;

(b) (i) customer deposits and advance payments received for good faith commercial reasons from customers for goods or services purchased and (ii) Indebtedness consisting of obligations owing under any customer or supplier incentive, supply, license or similar agreements entered into for good faith commercial reasons;

(c) Indebtedness owed on a short-term basis of no longer than 30 days to banks and other financial institutions Incurred in the ordinary course of business of the Issuer and its Restricted Subsidiaries with such banks or financial institutions that arises in connection with ordinary banking arrangements to manage cash balances of the Issuer and its Restricted Subsidiaries; and

(d) Indebtedness Incurred by the Issuer or a Restricted Subsidiary in connection with bankers' acceptances, discounted bills of exchange or the discounting or factoring of receivables for credit management of bad debt purposes, in each case Incurred or undertaken in the ordinary course of business;

(11) Indebtedness in an aggregate outstanding principal amount which, when taken together with any Refinancing Indebtedness in respect thereof and the principal amount of all other Indebtedness Incurred pursuant to this clause (11) and then outstanding, will not exceed the greater of €35.0 million and 4.4% of Total Assets;

(12) Indebtedness Incurred by the Issuer or any Restricted Subsidiary in a Qualified Receivables Financing;

(13) Indebtedness of the Issuer and any Restricted Subsidiary in an aggregate outstanding principal amount which, when taken together with any Refinancing Indebtedness in respect thereof and the principal amount of all other Indebtedness Incurred pursuant to this clause (13) and then outstanding, will not exceed 100% of the Net Cash Proceeds received by the Issuer from the issuance or sale (other than to a Restricted Subsidiary) of its Subordinated Shareholder Funding or Capital Stock (other than Disqualified Stock, Designated Preference Shares or an Excluded Contribution or an Excluded Amount) or otherwise contributed to the equity (other than through the issuance of Disqualified Stock, Designated Preference Shares or an Excluded Contribution or an Excluded Amount) of the Issuer, in each case, subsequent to the Issue Date; *provided*, however, that (i) any such Net Cash Proceeds that are so received or contributed shall be excluded for purposes of making Restricted Payments under the first paragraph and clauses (1), (6) and (10) of the third paragraph of the covenant described below under "*—Limitation on Restricted Payments*" to the extent the Issuer or any Restricted Subsidiary Incurs Indebtedness in reliance thereon and (ii) any Net Cash Proceeds that are so received or contributed shall be excluded for purposes of Incurring Indebtedness pursuant to this clause (13) to the extent the Issuer or any Restricted Subsidiary makes a Restricted Payment under the first paragraph and clauses (1), (6) and (10) of the third paragraph of the covenant described under "*—Limitation on Restricted Payments*" in reliance thereon;

(14) Indebtedness Incurred by the Issuer or any Restricted Subsidiary pursuant to any CICE Financing in an aggregate outstanding principal amount which, when taken together with any Refinancing Indebtedness in respect thereof and the principal amount of all other Indebtedness Incurred pursuant to this clause (14) and then outstanding, will not exceed the greater of €45.0 million and 5.6% of Total Assets; and

(15) the Incurrence by the Issuer or any Restricted Subsidiary of Indebtedness consisting of local lines of credit or working capital facilities not exceeding the greater of €15.0 million and 1.9% of Total Assets.

For purposes of determining compliance with, and the outstanding principal amount of any particular Indebtedness Incurred pursuant to and in compliance with, this covenant:

(1) in the event that Indebtedness meets the criteria of more than one of the types of Indebtedness described in the first and second paragraphs of this covenant, the Issuer,

in its sole discretion, will classify, and may from time to time reclassify, such item of Indebtedness and only be required to include the amount and type of such Indebtedness in one (or more, if applicable) of the clauses of the second paragraph or the first paragraph of this covenant;

(2) (a) all Indebtedness Incurred under clause (1) of the second paragraph of this covenant that is secured by a Lien on the Collateral that is accorded super senior priority status with respect to proceeds of enforcement of Collateral under the Intercreditor Agreement or any Additional Intercreditor Agreement may not be reclassified, and (b) all Indebtedness outstanding on the Issue Date under the Revolving Credit Facility shall be deemed initially Incurred under clause (1) of the second paragraph of this covenant and not the first paragraph or clause (4)(b) of the second paragraph of this covenant and may not be reclassified;

(3) in any case where the amount of Indebtedness that may be Incurred pursuant to any provision of this covenant or secured pursuant to the covenant set forth in "*—Limitation on Liens*" is or may be based on Total Assets or Consolidated EBITDA, the amount that may be Incurred and/or secured under such provisions shall be deemed to include all amounts necessary to renew, refund, refinance, replace, restructure, defease or discharge any Indebtedness Incurred and/or secured pursuant to such provisions. Notwithstanding any other provision of this covenant or secured pursuant to the covenant set forth in "*—Limitation on Liens,*" the maximum amount that the Issuer or a Restricted Subsidiary may Incur and/or secured pursuant to this covenant and/or the covenant set forth in "*—Limitation on Liens*" shall not be deemed to be exceeded, with respect to such Incurrence or grant of Lien, due solely to the result of fluctuations in the amount of Total Assets or Consolidated EBITDA (and, for the avoidance of doubt, such Indebtedness and such Lien will be permitted to be refinanced or replaced notwithstanding that, after giving effect to such refinancing or replacement, such excess will continue);

(4) Guarantees of, or obligations in respect of letters of credit, bankers' acceptances or other similar instruments relating to, or Liens securing, Indebtedness that is otherwise included in the determination of a particular amount of Indebtedness shall not be included;

(5) if obligations in respect of letters of credit, bankers' acceptances or other similar instruments are Incurred pursuant to any Credit Facility and are being treated as Incurred pursuant to clause (1), (7), (11), (13), (14) or (15) of the second paragraph above or the first paragraph above and the letters of credit, bankers' acceptances or other similar instruments relate to other Indebtedness, then such other Indebtedness shall not be included;

(6) the principal amount of any Disqualified Stock of the Issuer or a Restricted Subsidiary, or Preferred Stock of a Restricted Subsidiary, will be equal to the greater of the maximum mandatory redemption or repurchase price (not including, in either case, any redemption or repurchase premium) or the liquidation preference thereof;

(7) Indebtedness permitted by this covenant need not be permitted solely by reference to one provision permitting such Indebtedness but may be permitted in part by one such provision and in part by one or more other provisions of this covenant permitting such Indebtedness;

(8) the amount of Indebtedness issued at a price that is less than the principal amount thereof will be equal to the amount of the liability in respect thereof determined on the basis of IFRS; and

(9) accrual of interest, accrual of dividends, the accretion of accreted value, the accretion or amortization of original issue discount, the payment of interest in the form of additional Indebtedness, the payment of dividends in the form of additional shares of Preferred Stock or Disqualified Stock or the reclassification of commitments or obligations not treated as Indebtedness due to a change in IFRS will not be deemed to be an Incurrence of Indebtedness for purposes of this covenant, nor to be the Incurrence of a Lien under the covenant set forth in "*—Limitation on Liens*"; *provided*

that the Lien securing such originally Incurred Preferred Stock or Indebtedness was secured in accordance with the Indenture. The amount of any Indebtedness outstanding as of any date shall be (a) the accreted value thereof in the case of any Indebtedness issued with original issue discount and (b) the principal amount, or liquidation preference thereof, in the case of any other Indebtedness.

If at any time an Unrestricted Subsidiary becomes a Restricted Subsidiary, any Indebtedness of such Subsidiary shall be deemed to be Incurred by such Restricted Subsidiary as of such date (and, if such Indebtedness is not permitted to be Incurred as of such date under the covenant described under this "*—Limitation on Indebtedness,*" the Issuer shall be in Default of this covenant).

For purposes of determining compliance with any euro-denominated restriction on the Incurrence of Indebtedness, the Euro Equivalent of the principal amount of Indebtedness denominated in another currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was Incurred, in the case of term Indebtedness, or first committed or first Incurred (whichever yields the lower Euro Equivalent), in the case of Indebtedness Incurred under a revolving credit facility; *provided* that (a) if such Indebtedness is Incurred to refinance other Indebtedness denominated in a currency other than euro, and such refinancing would cause the applicable euro-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such euro-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the amount set forth in clause (2) of the definition of "*Refinancing Indebtedness*"; (b) the Euro Equivalent of the principal amount of any such Indebtedness outstanding on the Issue Date shall be calculated based on the relevant currency exchange rate in effect on the Issue Date; and (c) if any such Indebtedness that is denominated in a different currency is subject to a Currency Agreement (with respect to the euro) covering principal amounts payable on such Indebtedness, the amount of such Indebtedness expressed in euro will be adjusted to take into account the effect of such agreement.

Notwithstanding any other provision of this covenant, the maximum amount of Indebtedness that the Issuer or a Restricted Subsidiary may Incur pursuant to this covenant shall not be deemed to be exceeded solely as a result of fluctuations in the exchange rate of currencies. The principal amount of any Indebtedness Incurred to refinance other Indebtedness, if Incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such Refinancing Indebtedness is denominated that is in effect on the date of such refinancing.

Neither the Issuer nor any Subsidiary Guarantor will Incur any Indebtedness (including Permitted Debt) that is contractually subordinated in right of payment to any other Indebtedness of the Issuer or any Subsidiary Guarantor unless such Indebtedness is also contractually subordinated in right of payment to the Senior Secured Notes and the applicable Notes Guarantee, if any, on substantially identical terms; *provided*, *however*, that no Indebtedness will be deemed to be contractually subordinated in right of payment to any other Indebtedness of the Issuer or any Subsidiary Guarantor solely by virtue of being unsecured or by virtue of being secured with different collateral or by virtue of being secured on a junior priority basis or by virtue of the application of waterfall or other payment ordering provisions affecting different tranches of Indebtedness.

No Indebtedness will be deemed to be contractually subordinated in right of payment to any other Indebtedness of the Issuer or any Subsidiary Guarantor solely by virtue of being unsecured or by virtue
of being secured on a first or junior Lien basis.

Limitation on restricted payments

The Issuer will not, and will not permit any Restricted Subsidiary, directly or indirectly, to:

(1) declare or pay any dividend or make any other payment or distribution on or in respect of the Issuer's or any Restricted Subsidiary's Capital Stock (including any payment in connection with any merger or consolidation involving the Issuer or any Restricted Subsidiary) except:

(a) dividends or distributions payable in Capital Stock of the Issuer (other than Disqualified Stock) or in Subordinated Shareholder Funding; and

(b) dividends or distributions payable to the Issuer or a Restricted Subsidiary (and, in the case of any such Restricted Subsidiary making such dividend or distribution, to holders of its Capital Stock other than the Issuer or another Restricted Subsidiary on no more than a pro rata basis);

(2) purchase, redeem, retire or otherwise acquire for value any Capital Stock of the Issuer or any direct or indirect Parent of the Issuer held by Persons other than the Issuer or a Restricted Subsidiary (other than in exchange for Capital Stock of the Issuer (other than Disqualified Stock));

(3) make any principal payment on, or purchase, repurchase, redeem, defease or otherwise acquire or retire for value, prior to scheduled maturity, scheduled repayment or scheduled sinking fund payment, any Subordinated Indebtedness (other than (a) any such payment, purchase, repurchase, redemption, defeasance or other acquisition or retirement or in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case, due within one year of the date of payment, purchase, repurchase, redemption, defeasance or other acquisition or retirement and (b) any Indebtedness Incurred pursuant to clause (3) of the second paragraph of the covenant described under "*—Limitation on Indebtedness*");

(4) make any payment (whether of principal, interest or other amounts) on, or purchase, repurchase, redeem, defease or otherwise acquire or retire for value any Subordinated Shareholder Funding (other than any payment of interest thereon in the form of additional Subordinated Shareholder Funding); or

(5) make any Restricted Investment in any Person (each such dividend, distribution, payment, purchase, redemption, repurchase, defeasance, other acquisition, retirement or Restricted Investment referred to in clauses (1) through (5) is referred to herein as a "*Restricted Payment*").

Notwithstanding the foregoing, the Issuer or any Restricted Subsidiary may make Restricted Payments, if at the time the Issuer or such Restricted Subsidiary makes such Restricted Payment:

(a) no Default shall have occurred and be continuing (or would result immediately thereafter therefrom);

(b) the Issuer would have been permitted to Incur at least an additional €1.00 of Indebtedness pursuant to the first paragraph of the covenant described under "*—Limitation on Indebtedness*" after giving effect, on a *pro forma* basis, to such Restricted Payment; and

(c) the aggregate amount of such Restricted Payment and all other Restricted Payments made subsequent to the Issue Date (and not returned or rescinded) (including Permitted Payments permitted below by clauses (5) and (17)(b) of the second succeeding paragraph, but excluding all other Restricted Payments permitted by the second succeeding paragraph) would not exceed the sum of (without duplication):

(i) 50% of Consolidated Net Income for the period (treated as one accounting period) from the first day of the fiscal quarter commencing immediately prior to the AD Acquisition Completion Date to the end of the most recent fiscal quarter ending prior to the date of such Restricted Payment for which internal consolidated financial statements of the Issuer are available (or, in the case such Consolidated Net Income is a deficit, minus 100% of such deficit);

(ii) 100% of the aggregate Net Cash Proceeds, and the fair market value (as determined in accordance with the next succeeding paragraph) of property or assets or marketable securities, received by the Issuer from the issue or sale of its Capital Stock (other than Disqualified Stock or Designated Preference Shares) or Subordinated Shareholder Funding subsequent to the AD Acquisition Completion Date or otherwise contributed to the equity (other than through the issuance of Disqualified Stock or Designated Preference Shares) of the Issuer subsequent to the AD Acquisition Completion Date (other than (w) Subordinated Shareholder Funding or Capital Stock in each case sold to a Subsidiary of the Issuer, (x) Net Cash Proceeds or property or assets or marketable securities received from an issuance or sale of such Capital Stock to a Restricted Subsidiary or an employee stock ownership plan or trust established by the Issuer or any Subsidiary of the Issuer for the benefit of its employees to the extent funded by the Issuer or any Restricted Subsidiary, (y) Net Cash Proceeds or property or assets or marketable securities to the extent that any Restricted Payment has been made from such proceeds in reliance on clauses (1) or (6) of the second succeeding paragraph and (z) Excluded Contributions);

(iii) 100% of the aggregate Net Cash Proceeds, and the fair market value (as determined in accordance with the next succeeding paragraph) of property or assets or marketable securities, received by the Issuer or any Restricted Subsidiary from the issuance or sale (other than to the Issuer or a Restricted Subsidiary of the Issuer or an employee stock ownership plan or trust established by the Issuer or any Subsidiary of the Issuer for the benefit of its employees to the extent funded by the Issuer or any Restricted Subsidiary) by the Issuer or any Restricted Subsidiary subsequent to the AD Acquisition Completion Date of any Indebtedness that has been converted into or exchanged for Capital Stock of the Issuer (other than Disqualified Stock or Designated Preference Shares) or Subordinated Shareholder Funding (plus the amount of any cash, and the fair market value (as determined in accordance with the next succeeding paragraph) of property or assets or marketable securities received by the Issuer or any Restricted Subsidiary upon such conversion or exchange) but excluding (x) Disqualified Stock or Indebtedness issued or sold to a Subsidiary of the Issuer, (y) Net Cash Proceeds to the extent that any Restricted Payment has been made from such proceeds in reliance on clauses (1) or (6) of the second succeeding paragraph and (z) Excluded Contributions;

(iv) 100% of the aggregate Net Cash Proceeds, and the fair market value (as determined in accordance with the next succeeding paragraph) of property or assets or marketable securities, received by the Issuer or any Restricted Subsidiary (other than to the Issuer or a Restricted Subsidiary of the Issuer or an employee stock ownership plan or trust established by the Issuer or any Subsidiary of the Issuer for the benefit of its employees to the extent funded by the Issuer or any Restricted Subsidiary) from the disposition of any Unrestricted Subsidiary or the disposition or repayment of any Investment constituting a Restricted Payment made after the AD Acquisition Completion Date;

(v) in the case of the designation of an Unrestricted Subsidiary as a Restricted Subsidiary or all of the assets of such Unrestricted Subsidiary are transferred to the Issuer or a Restricted Subsidiary, or the Unrestricted Subsidiary is merged or consolidated into the Issuer or a Restricted Subsidiary, 100% of such amount received in cash and the fair market value of any property or marketable securities received by the Issuer or any Restricted Subsidiary in respect of such redesignation, merger, consolidation or transfer of assets, excluding the amount of any Investment in such Unrestricted Subsidiary that constituted a Permitted Investment made pursuant to clause (11) of the definition of "*Permitted Investment*"; and

(vi) 100% of any dividends or distributions received by the Issuer or a Restricted Subsidiary after the AD Acquisition Completion Date from an Unrestricted Subsidiary, to the extent that such dividend or distribution does not reduce the amount of Investments outstanding under clauses (11) or (18) of the definition of "*Permitted Investment,*"

provided, however, that no amount will be included in Consolidated Net Income for purposes of the preceding clause (i) to the extent that it is (at the Issuer's option) included in the foregoing clauses (iv), (v) or (vi). The fair market value of property or assets other than cash covered by the preceding sentence shall be the fair market value thereof as determined in good faith by an Officer of the Issuer.

Notwithstanding the foregoing, any amounts (such amounts, the "*Excluded Amounts*") that would otherwise be included in the calculation of the amount available for Restricted Payments pursuant to sub-clauses (ii) or (iii) of the preceding clause (c) will be excluded to the extent (1) such amounts result from the receipt of Net Cash Proceeds, property or assets or marketable securities received in contemplation of, or in connection with, an event that would otherwise constitute a Change of Control pursuant to the definition thereof, (2) the purpose of, or the effect of, the receipt of such Net Cash Proceeds, property or assets or marketable securities was to reduce the Consolidated Senior Secured Net Leverage Ratio of the Issuer so that there would be an occurrence of a Specified Change of Control Event that would not have been achieved without the receipt of such Net Cash Proceeds, property or assets or marketable securities and (3) no Change of Control Offer is made in accordance with the requirements of the Indenture.

The foregoing provisions will not prohibit any of the following (collectively, "*Permitted Payments*"):

(1) any Restricted Payment made by exchange (including any such exchange pursuant to the exercise of a conversion right or privilege in connection with which cash is paid in lieu of the issuance of fractional shares pursuant to clause (12) of this paragraph) for, or out of the proceeds of the substantially concurrent sale (other than to a Subsidiary of the Issuer) of, Capital Stock of the Issuer (other than Disqualified Stock or Designated Preference Shares), Subordinated Shareholder Funding or a substantially concurrent contribution to the equity (other than the issuance of Disqualified Stock or Designated Preference Shares or as an Excluded Contribution or Excluded Amount) of the Issuer; *provided*, however, that to the extent so applied, the Net Cash Proceeds, or fair market value (as determined in accordance with the preceding sentence) of property or assets or of marketable securities, from such sale of Capital Stock or Subordinated Shareholder Funding or such contribution will be excluded from clause (c)(ii) of the first paragraph of this covenant;

(2) any purchase, repurchase, redemption, defeasance or other acquisition or retirement of Subordinated Indebtedness made by exchange for, or out of the proceeds of the substantially concurrent sale of, Refinancing Indebtedness permitted to be Incurred pursuant to the covenant described under "*—Limitation on Indebtedness*" above;

(3) any purchase, repurchase, redemption, defeasance or other acquisition or retirement of Disqualified Stock of the Issuer or Preferred Stock of the Issuer or a Restricted Subsidiary made by exchange for or out of the proceeds of the substantially concurrent sale of Disqualified Stock of the Issuer or Preferred Stock of the Issuer or a Restricted Subsidiary, as the case may be, that, in each case, is permitted to be Incurred pursuant to the covenant described under "*—Limitation on Indebtedness*" above;

(4) any purchase, repurchase, redemption, defeasance or other acquisition or retirement of Subordinated Indebtedness:

    (a) (i) from Net Available Cash to the extent permitted under "*—Limitation on sales of assets and Subsidiary stock,*" but only if the Issuer shall have first complied with the terms described under "*—Limitation on sales of assets and Subsidiary stock*" and purchased all Senior Secured Notes tendered pursuant to any offer to repurchase all the Senior Secured Notes required thereby, prior to purchasing, repurchasing, redeeming, defeasing or otherwise acquiring or retiring such Subordinated Indebtedness and (ii) at a purchase price not greater than 100.00% of the principal amount of such Subordinated Indebtedness plus accrued and unpaid interest;

    (b) following the occurrence of a Change of Control (or other similar event described therein as a "*change of control*"), but only (i) if the Issuer shall have first complied with the terms described under "*—Change of control*" and purchased all Senior Secured Notes tendered pursuant to the offer to repurchase all the Senior Secured Notes required thereby, prior to purchasing, repurchasing, redeeming, defeasing or otherwise acquiring or retiring such Subordinated Indebtedness and (ii) at a purchase price not greater than 101.00% of the principal amount of such Subordinated Indebtedness plus accrued and unpaid interest; or

(c) consisting of Acquired Indebtedness (other than Indebtedness Incurred (i) to provide all or any portion of the funds utilized to consummate the transaction or series of related transactions pursuant to which such Person became a Restricted Subsidiary or was otherwise acquired by the Issuer or a Restricted Subsidiary or any assets are acquired and related liabilities assumed by the Issuer or any Restricted Subsidiary or (ii) otherwise in connection with or contemplation of such transaction or series of transactions) at a purchase price not greater than 100% of the principal amount of such Subordinated Indebtedness plus accrued and unpaid interest and any premium required by the terms of such Acquired Indebtedness;

(5) any dividends paid within 60 days after the date of declaration if at such date of declaration such dividend would have complied with this covenant;

(6) the purchase, repurchase, redemption, defeasance or other acquisition, cancellation or retirement for value of Capital Stock of the Issuer, any Restricted Subsidiary or any Parent (including any options, warrants or other rights in respect thereof) and loans, advances, dividends or distributions by the Issuer to any Parent to permit any Parent to purchase, repurchase, redeem, defease or otherwise acquire, cancel or retire for value Capital Stock of the Issuer, any Restricted Subsidiary or any Parent (including any options, warrants or other rights in respect thereof), or payments to purchase, repurchase, redeem, defease or otherwise acquire, cancel or retire for value Capital Stock of the Issuer, any Restricted Subsidiary or any Parent (in each case, including any options, warrants or other rights in respect thereof), in each case from Management Investors; *provided* that such payments, loans, advances, dividends or distributions do not exceed an amount (net of repayments of any such loans or advances) equal to (x) €5.0 million, plus €3.0 million multiplied by the number of calendar years that have commenced since the AD Acquisition Completion Date (with any amount unused in any calendar year being carried over in the following years), plus (y) the Net Cash Proceeds received by the Issuer or its Restricted Subsidiaries since the Issue Date (including through receipt of proceeds from the issuance or sale of its Capital Stock or Subordinated Shareholder Funding to a Parent) from, or as a contribution to the equity (in each case under this clause (6), other than through the issuance of Disqualified Stock or Designated Preference Shares) of the Issuer from, the issuance or sale to Management Investors of Capital Stock (including any options, warrants or other rights in respect thereof), plus (z) the Net Cash Proceeds of key man life insurance policies, to the extent such Net Cash Proceeds in (y) and (z) are not included in any calculation under clause (c)(i) or (c)(ii) of the first paragraph describing this covenant and are not Excluded Contributions or Excluded Amounts;

(7) the declaration and payment of dividends to holders of any class or series of Disqualified Stock, or of any Preferred Stock of a Restricted Subsidiary, Incurred in accordance with the terms of the covenant described under "*—Limitation on Indebtedness*";

(8) purchases, repurchases, redemptions, defeasances or other acquisitions or retirements of Capital Stock deemed to occur upon the exercise of stock options, warrants or other rights in respect thereof if such Capital Stock represents a portion of the exercise price thereof;

(9) dividends, loans, advances or distributions to any Parent or other payments by the Issuer or any Restricted Subsidiary in amounts equal to (without duplication):

(a) the amounts required for any Parent, without duplication, to pay any Parent Expenses or any Related Taxes; and

(b) (i) amounts constituting or to be used for purposes of making payments of fees and expenses Incurred (A) in connection with the Refinancing or disclosed in this Offering Memorandum or (B) to the extent specified in clauses (2), (3), (5), (7) and (11) of the second paragraph under "*—Limitation on Affiliate Transactions*"; and (ii) the amounts necessary to effect the Senior HoldCo Pay-If-You-Can Redemption, as described in more detail in the Offering Memorandum under "*Use of proceeds";*

(10) [*Reserved*.]

(11) so long as no Default or Event of Default has occurred and is continuing (or would result from), Restricted Payments in an aggregate amount outstanding at any time not to exceed the greater of €30.0 million and 3.8% of Total Assets;

(12) payments by the Issuer, or loans, advances, dividends or distributions to any Parent to make payments, to holders of Capital Stock of the Issuer or any Parent in lieu of the issuance of fractional shares of such Capital Stock, *provided*, however, that any such payment, loan, advance, dividend or distribution shall not be for the purpose of evading any limitation of this covenant or otherwise to facilitate any dividend or other return of capital to the holders of such Capital Stock (as determined in good faith by the Board of Directors or a member of Senior Management of the Issuer);

(13) Restricted Payments in an aggregate amount outstanding at any time not to exceed the aggregate amount of Excluded Contributions, or Investments in exchange for or using as consideration Investments previously made under this clause (13);

(14) payment of any Receivables Fees and purchases of Receivables Assets and related assets pursuant to a Receivables Repurchase Obligation in connection with a Qualified Receivables Financing;

(15) (i) the declaration and payment of dividends to holders of any class or series of Designated Preference Shares of the Issuer issued after the Issue Date; and (ii) the declaration and payment of dividends to any Parent or any Affiliate thereof, the proceeds of which will be used to fund the payment of dividends to holders of any class or series of Designated Preference Shares of such Parent or Affiliate issued after the Issue Date; *provided* that, in the case of clauses (i) and (ii), the amount of all dividends declared or paid pursuant to this clause (15) shall not exceed the Net Cash Proceeds received by the Issuer or the aggregate amount contributed in cash to the equity (other than through the issuance of Disqualified Stock or an Excluded Contribution or Excluded Amounts or, in the case of Designated Preference Shares by such Parent or Affiliate, the issuance of Designated Preference Shares) of the Issuer or contributed as Subordinated Shareholder Funding to the Issuer, as applicable, from the issuance or sale of such Designated Preference Shares;

(16) dividends or other distributions of Capital Stock, Indebtedness or other securities of Unrestricted Subsidiaries;

(17) so long as no Default or Event of Default has occurred and is continuing (or would result therefrom), (a) dividends, distributions, loans or other payments to any Parent the proceeds of which are used by Dakar Finance S.A. to redeem, in whole or in part, Senior Holdco Pay-If-You-Can Notes; *provided* that, on the date of any such dividend, distribution, loan or other payment, the Consolidated Senior Secured Net Leverage Ratio for the Issuer and its Restricted Subsidiaries does not exceed 5.0 to 1.0 on a *pro forma* basis after giving effect thereto; and (b) any dividend, distribution, loan or other payment to any Parent; *provided* that, on the date of any such dividend, distribution, loan or other payment, the Consolidated Senior Secured Net Leverage Ratio for the Issuer and its Restricted Subsidiaries does not exceed 4.25 to 1.0 on a *pro forma* basis after giving effect thereto;

(18) advances or loans to (a) any future, present or former officer, director, employee or consultant of the Issuer or a Restricted Subsidiary or any Parent to pay for the purchase or other acquisition for value of Capital Stock of the Issuer or any Parent (other than Disqualified Stock or Designated Preference Shares), or any obligation under a forward sale agreement, deferred purchase agreement or deferred payment arrangement pursuant to any management equity plan or stock option plan or any other management or employee benefit or incentive plan or other agreement or arrangement or (b) any management equity plan or stock option plan or any other management or employee benefit or incentive plan or unit trust or the trustees of any such plan or trust to pay for the purchase or other acquisition for value of Capital Stock of the Issuer or any Parent (other than Disqualified Stock or Designated Preference Shares); *provided,* however, that the total aggregate amount of Restricted

Payments made under this clause (18) does not exceed €5.0 million at any time outstanding; and

(19) (a) dividends or other distributions to the issuer of Parent Senior Notes to fund the substantially concurrent, regularly scheduled payment of interest or additional amounts, if any, as such amounts come due under the Parent Senior Notes, other than at any time when a Secured Debt Payment Default has occurred and is continuing or a Senior Unsecured Notes Payment Stop Notice is outstanding (in each case as such terms, or equivalent terms, are defined in the Intercreditor Agreement or any Additional Intercreditor Agreement); *provided* that the entire net proceeds of such Parent Senior Notes have been contributed to the equity of or lent to the Issuer as Subordinated Shareholder Funding or Indebtedness that is contractually subordinated in right of payment to the Senior Secured Notes in compliance with the terms of the Indenture; *provided further*, that in no event shall any such proceeds be included in the calculation of amounts available under clause (c) of the first paragraph of this covenant or used to make a Restricted Payment pursuant to clauses (1), (6) or (10) of this paragraph and (b) the Guarantee by the Issuer and any Guarantor of such Parent Senior Notes.

The amount of all Restricted Payments (other than cash) shall be the fair market value on the date of such Restricted Payment of the asset(s) or securities proposed to be paid, transferred or issued by the Issuer or such Restricted Subsidiary, as the case may be, pursuant to such Restricted Payment. The fair market value of any cash Restricted Payment shall be its face amount, and the fair market value of any non-cash Restricted Payment shall be determined conclusively by the Board of Directors or a member of Senior Management of the Issuer acting in good faith.

Limitation on Liens

None of the Sponsor SPVs, the Parent Guarantor and the Issuer will, and the Issuer will not and will not permit any Restricted Subsidiary to, directly or indirectly, create, Incur or suffer to exist any Lien upon any of its property or assets (including Capital Stock of a Restricted Subsidiary), whether owned on the Issue Date or acquired after that date, or any interest therein or any income or profits therefrom, which Lien is securing any Indebtedness (such Lien, the "*Initial Lien*"), except (a) in the case of any property or asset that does not constitute Collateral, (1) Permitted Liens or (2) Liens on property or assets that are not Permitted Liens if the Senior Secured Notes and all payments due under the Indenture are directly secured equally and ratably with, or prior to (in the case of Liens with respect to Subordinated Indebtedness) the Indebtedness secured by such Initial Lien for so long as such Indebtedness is so secured, and (b) in the case of any property or asset that constitutes Collateral, Permitted Collateral Liens.

Any such Lien created in favor of the Senior Secured Notes will be automatically and unconditionally released and discharged upon (i) the release and discharge of the Initial Lien to which it relates, and (ii) otherwise as set forth under "*—Security—Release of Liens.*"

Limitation on restrictions on distributions from restricted subsidiaries

The Issuer will not, and will not permit any Restricted Subsidiary to, create or otherwise cause or permit to exist or become effective any consensual encumbrance or consensual restriction on the ability of any Restricted Subsidiary to:

(A) pay dividends or make any other distributions in cash or otherwise on its Capital Stock or pay any Indebtedness or other obligations owed to the Issuer or any Restricted Subsidiary, or with respect to any other interest or participation in, or measured by, its profits, or pay any Indebtedness owed to the Issuer or any other Restricted Subsidiary;

(B) make any loans or advances to the Issuer or any Restricted Subsidiary; or

(C) sell, lease or transfer any of its property or assets to the Issuer or any Restricted Subsidiary,

provided that (x) the priority of any Preferred Stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on common stock and (y) the subordination of (including the application of any standstill requirements to) loans or advances made to the Issuer or any Restricted Subsidiary to other Indebtedness Incurred by the Issuer or any Restricted Subsidiary shall not be deemed to constitute such an encumbrance or restriction.

The provisions of the preceding paragraph will not prohibit:

(1) any encumbrance or restriction pursuant to (a) any Credit Facility (including the Revolving Credit Facility), (b) the Indenture, the Senior Secured Notes, the Intercreditor Agreement or the Security Documents, or (c) any other agreement or instrument, in each case in effect at or entered into on the Issue Date;

(2) any encumbrance or restriction pursuant to an agreement or instrument of a Person or relating to any Capital Stock or Indebtedness of a Person, entered into on or before the date on which such Person was acquired by or merged, consolidated or otherwise combined with or into the Issuer or any Restricted Subsidiary, or on which such agreement or instrument is assumed by the Issuer or any Restricted Subsidiary in connection with an acquisition of assets (other than Capital Stock or Indebtedness Incurred as consideration in, or to provide all or any portion of the funds utilized to consummate, the transaction or series of related transactions pursuant to which such Person became a Restricted Subsidiary or was acquired by the Issuer or was merged, consolidated or otherwise combined with or into the Issuer or any Restricted Subsidiary) and outstanding on such date; *provided* that, for the purposes of this clause (2), if another Person is the Successor Issuer, the Successor Issuer or the Successor Subsidiary Guarantor (each as defined under "*—Merger and consolidation*"), any Subsidiary thereof or agreement or instrument of such Person or any such Subsidiary shall be deemed acquired or assumed by the Issuer or any Restricted Subsidiary when such Person becomes the Successor Issuer or the Successor Subsidiary Guarantor;

(3) any encumbrance or restriction pursuant to an agreement or instrument effecting a refinancing of Indebtedness Incurred pursuant to, or that otherwise refinances, an agreement or instrument referred to in clauses (1) or (2) of this paragraph or this clause (3) (an "*Initial Agreement*") or contained in any amendment, supplement or other modification to an agreement referred to in clauses (1) or (2) of this paragraph or this clause (3); *provided*, however, that the encumbrances and restrictions with respect to such Restricted Subsidiary contained in any such agreement or instrument are (i) no less favorable in any material respect to the Holders taken as a whole than the encumbrances and restrictions contained in the Initial Agreement or Initial Agreements to which such refinancing or amendment, supplement or other modification relates (as determined in good faith by the Board of Directors or a member of Senior Management of the Issuer) or (ii) customary in comparable financings and where, in the case of this sub-clause (ii), the Issuer determines at the time of Incurrence of such Indebtedness that such encumbrances or restrictions would not adversely affect, in any material respect, the Issuer's ability to make principal or interest payments on the Senior Secured Notes (as determined in good faith by the Board of Directors or a member of Senior Management of the Issuer);

(4) any encumbrance or restriction:

   (a) that restricts in a customary manner the subletting, assignment or transfer of any property or asset that is subject to a lease, license or similar contract, or the assignment or transfer of any lease, license or other contract;

   (b) contained in mortgages, charges, pledges or other security agreements permitted under the Indenture or securing Indebtedness of the Issuer or a Restricted Subsidiary permitted under the Indenture to the extent such encumbrances or restrictions restrict the transfer of the property or assets subject to such mortgages, charges, pledges or other security agreements; or

   (c) pursuant to customary provisions restricting dispositions of real property interests set forth in any reciprocal easement agreements of the Issuer or any Restricted Subsidiary;

(5) any encumbrance or restriction pursuant to Purchase Money Obligations and Capitalized Lease Obligations permitted under the Indenture, in each case, that impose encumbrances or restrictions on the property so acquired in the nature of clause (c) of the preceding paragraph, or any encumbrance or restriction pursuant to a joint venture agreement that imposes restrictions on the distribution or transfer of the assets or Capital Stock of the joint venture;

(6) any encumbrance or restriction with respect to a Restricted Subsidiary (or any of its property or assets) imposed pursuant to an agreement entered into for the direct or indirect sale or disposition to a Person of all or substantially all the Capital Stock or assets of such Restricted Subsidiary (or the property or assets that are subject to such restriction) pending the closing of such sale or disposition;

(7) customary provisions in leases, licenses, joint venture agreements and other similar agreements and instruments entered into in the ordinary course of business;

(8) encumbrances or restrictions arising or existing by reason of applicable law or any applicable rule, regulation or order, or required by any regulatory authority;

(9) any encumbrance or restriction on cash or other deposits or net worth imposed by customers under agreements entered into in the ordinary course of business;

(10) any encumbrance or restriction pursuant to Currency Agreements, Interest Rate Agreements or Commodity Hedging Agreements;

(11) any encumbrance or restriction arising pursuant to an agreement or instrument (a) relating to any Indebtedness permitted to be Incurred subsequent to the Issue Date pursuant to the provisions of the covenant described under "*—Limitation on Indebtedness*" if the encumbrances and restrictions contained in any such agreement or instrument taken as a whole are not materially less favorable to the Holders of the Senior Secured Notes than (i) the encumbrances and restrictions contained in the Revolving Credit Facility, the Senior Secured Notes or the Indenture, together with the security documents associated therewith, and the Intercreditor Agreement, in each case, as in effect on the Issue Date or (ii) as is customary in comparable financings (as determined in good faith by the Board of Directors or a member of Senior Management of the Issuer) or (b) constituting an Additional Intercreditor Agreement;

(12) any encumbrance or restriction effected in connection with a Qualified Receivables Financing or a CICE Financing that, in the good faith determination of the Board of Directors or a member of Senior Management of the Issuer are customarily Incurred in connection with a Qualified Receivables Financing or a CICE Financing and that are necessary or advisable to effect such Qualified Receivables Financing or CICE Financing, as applicable; or

(13) any encumbrance or restriction existing by reason of any lien permitted under "*—Limitation on Liens.*"

Limitation on sales of assets and subsidiary stock

The Issuer will not, and will not permit any Restricted Subsidiary to, consummate any Asset Disposition unless:

(1) the consideration the Issuer or such Restricted Subsidiary receives for such Asset Disposition is not less than the fair market value of the Capital Stock, property or other assets subject to such Asset Disposition (as determined by the Issuer's Board of Directors); and

(2) at least 75% of the consideration the Issuer or such Restricted Subsidiary receives in respect of such Asset Disposition consists of:

   (a) cash (including any Net Cash Proceeds received from the conversion within 180 days of such Asset Disposition of securities, notes or other obligations received in consideration of such Asset Disposition);

   (b) Cash Equivalents;

(c) the assumption by the purchaser of (x) any liabilities recorded on the Issuer's or a Restricted Subsidiary's balance sheet or the notes thereto (or, if Incurred since the date of the latest balance sheet, that would be recorded on the next balance sheet) (other than Subordinated Indebtedness), as a result of which neither the Issuer nor any of the Restricted Subsidiaries remains obligated in respect of such liabilities or (y) Indebtedness of a Restricted Subsidiary (other than Subordinated Indebtedness and Indebtedness owed to the Issuer or any Restricted Subsidiary) that is no longer a Restricted Subsidiary as a result of such Asset Disposition, if the Issuer and each other Restricted Subsidiary is released from any Guarantee of such Indebtedness as a result of such Asset Disposition;

(d) Replacement Assets;

(e) any Capital Stock or assets of the kind referred to in clause (4) or (6) in the second paragraph of this covenant;

(f) consideration consisting of Indebtedness of the Issuer or any Guarantor received from Persons who are not the Issuer or any Restricted Subsidiary, but only to the extent that such Indebtedness (i) has been extinguished by the Issuer or the applicable Guarantor, and (ii) is not Subordinated Indebtedness of the Issuer or such Guarantor;

(g) any Designated Non-Cash Consideration received by the Issuer or any Restricted Subsidiary, having an aggregate fair market value, taken together with all other Designated Non-Cash Consideration received pursuant to this covenant that is at any one time outstanding, not to exceed the greater of €17.5 million and 2.2% of Total Assets (with the fair market value of each issue of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value); or

(h) a combination of the consideration specified in sub-clauses (a) through (g) of this clause (2).

If the Issuer or any Restricted Subsidiary consummates an Asset Disposition, the Net Cash Proceeds of the Asset Disposition, within 365 days of the later of (i) the date of the consummation of such Asset Disposition and (ii) the receipt of such Net Cash Proceeds, may be used by the Issuer or such Restricted Subsidiary, as applicable, to:

(1) (i) prepay, repay, purchase or redeem any Indebtedness Incurred under clause (1) of the second paragraph of the covenant described under "*—Limitation on Indebtedness*"; *provided*, however, that, in connection with any prepayment, repayment, purchase or redemption of Indebtedness pursuant to this clause (1), the Issuer or such Restricted Subsidiary will retire such Indebtedness and will cause the related commitment (if any) to be permanently reduced in an amount equal to the principal amount so prepaid, repaid, purchase or redeemed; (ii) unless included in the preceding clause (1)(i), prepay, repay, purchase or redeem Indebtedness (other than the Senior Secured Notes, Subordinated Indebtedness or Indebtedness owed to the Issuer or any Restricted Subsidiary) that is secured by a Lien on the Collateral on a *pari passu* basis with the Senior Secured Notes (including Indebtedness with super priority status in respect of the proceeds from the enforcement of the Collateral) at a price of no more than 100% of the principal amount of such applicable Indebtedness, plus accrued and unpaid interest to the date of such prepayment, repayment, purchase or redemption; or (iii) prepay, repay, purchase or redeem any Indebtedness of a Restricted Subsidiary of the Issuer that is not a Guarantor or any Indebtedness that is secured by Liens on assets which do not constitute Collateral (in each case other than Subordinated Indebtedness of the Issuer or a Guarantor or Indebtedness owed to the Issuer or any Restricted Subsidiary) and at a price of no more than 100% of the principal amount of such applicable Indebtedness, plus accrued and unpaid interest to the date of such prepayment, repayment, purchase or redemption; *provided* that the Issuer shall prepay, repay, purchase or redeem Indebtedness pursuant to clause (ii) or (iii) only if the Issuer makes (at such time or in compliance with this covenant) an offer to Holders to purchase their Senior Secured Notes in accordance with the provisions

set forth below for an Asset Disposition Offer for an aggregate principal amount of Senior Secured Notes equal to the proportion that (x) the total aggregate principal amount of Senior Secured Notes outstanding bears to (y) the sum total aggregate principal amount of the Senior Secured Notes outstanding plus the total aggregate principal amount outstanding of such Indebtedness (other than the Senior Secured Notes);

(2) purchase Senior Secured Notes pursuant to an offer to all Holders of the Senior Secured Notes at a purchase price in cash equal to at least 100% of the principal amount thereof, plus accrued and unpaid interest thereon and Additional Amounts, if any, to, but not including, the date of purchase (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date);

(3) invest in any Replacement Assets;

(4) acquire all or substantially all of the assets of, or any Capital Stock of, another Similar Business, if, after giving effect to any such acquisition of Capital Stock, the Similar Business is or becomes a Restricted Subsidiary;

(5) make a capital expenditure;

(6) acquire other assets (other than Capital Stock and cash or Cash Equivalents) that are used or useful in a Similar Business;

(7) consummate any combination of the foregoing; or

(8) enter into a binding commitment to apply the Net Cash Proceeds pursuant to clauses (1) through (6) of this paragraph or a combination thereof; *provided* that a binding commitment shall be treated as a permitted application of the Net Cash Proceeds from the date of such commitment until the earlier of (x) the date on which such investment is consummated and (y) the 180th day following the expiration of the aforementioned 365-day period, if the investment has not been consummated by that date.

The amount of such Net Cash Proceeds not so used as set forth in this paragraph constitutes "*Excess Proceeds.*" Pending the final application of any such Net Cash Proceeds, the Issuer may temporarily reduce revolving credit borrowings or otherwise invest such Net Cash Proceeds in any manner that is not prohibited by the terms of the Indenture.

On the 366th day (or the 546th day, if a binding commitment as described in clause (8) above has been entered into after an Asset Disposition, or at such earlier time if the Issuer elects, if the aggregate amount of Excess Proceeds exceeds €20.0 million, the Issuer will be required within 10 Business Days thereof to make an offer ("*Asset Disposition Offer*") to all Holders and, to the extent the Issuer elects, to all holders of other outstanding Pari Passu Indebtedness, to purchase the maximum principal amount of Senior Secured Notes and any such Pari Passu Indebtedness to which the Asset Disposition Offer applies that may be purchased out of the Excess Proceeds, at an offer price in respect of the Senior Secured Notes in an amount equal to (and, in the case of any Pari Passu Indebtedness, an offer price of no more than) 100% of the principal amount of the Senior Secured Notes and 100% of the principal amount of Pari Passu Indebtedness, in each case, plus accrued and unpaid interest thereon and Additional Amounts, if any, to, but not including, the date of purchase, in accordance with the procedures set forth in the Indenture or the agreements governing the Pari Passu Indebtedness, as applicable, in minimum denominations of €100,000 and in integral multiples of €1,000 in excess thereof.

To the extent that the aggregate amount of Senior Secured Notes and Pari Passu Indebtedness so validly tendered and not properly withdrawn pursuant to an Asset Disposition Offer is less than the Excess Proceeds, the Issuer may use any remaining Excess Proceeds for general corporate purposes, subject to other covenants contained in the Indenture. If the aggregate principal amount of the Senior Secured Notes surrendered in any Asset Disposition Offer by Holders and other Pari Passu Indebtedness surrendered by holders or lenders, collectively, exceeds the amount of Excess Proceeds, the Excess Proceeds shall be allocated among the Senior Secured Notes and Pari Passu Indebtedness to be purchased on a pro rata basis on the basis of the aggregate principal amount of tendered Senior Secured Notes and Pari Passu Indebtedness. For the purposes of calculating the principal amount of any such Indebtedness not denominated in euro, such Indebtedness shall be calculated by converting any such principal amounts into their Euro Equivalent determined as of a date selected by the Issuer that is within the Asset Disposition Offer Period (as defined below). Upon completion of any Asset Disposition Offer, the amount of Excess Proceeds shall be reset at zero.

To the extent that any portion of Net Available Cash payable in respect of the Senior Secured Notes is denominated in a currency other than the currency in which the relevant Senior Secured Notes are denominated, the amount thereof payable in respect of such Senior Secured Notes shall not exceed the net amount of funds in the currency in which such Senior Secured Notes are denominated that is actually received by the Issuer upon converting such portion of the Net Available Cash into such currency.

The Asset Disposition Offer, in so far as it relates to the Senior Secured Notes, will remain open for a period of not less than 20 Business Days following its commencement (the "*Asset Disposition Offer Period*"). No later than five Business Days after the termination of the Asset Disposition Offer Period (the "*Asset Disposition Purchase Date*"), the Issuer will purchase the principal amount of Senior Secured Notes and, to the extent it elects, Pari Passu Indebtedness required to be purchased by it pursuant to this covenant (the "*Asset Disposition Offer Amount*") or, if less than the Asset Disposition Offer Amount has been so validly tendered, all Senior Secured Notes and Pari Passu Indebtedness validly tendered in response to the Asset Disposition Offer.

On or before the Asset Disposition Purchase Date, the Issuer will, to the extent lawful, accept for payment, on a pro rata basis to the extent necessary, the Asset Disposition Offer Amount of Senior Secured Notes and Pari Passu Indebtedness or portions of Senior Secured Notes and Pari Passu Indebtedness so validly tendered and not properly withdrawn pursuant to the Asset Disposition Offer, or if less than the Asset Disposition Offer Amount has been validly tendered and not properly withdrawn, all Senior Secured Notes and Pari Passu Indebtedness so validly tendered and not properly withdrawn and in minimum denominations of €100,000 and in integral multiples of €1,000 in excess thereof. The Issuer will deliver to the Trustee an Officer's Certificate stating that such Senior Secured Notes or portions thereof were accepted for payment by the Issuer in accordance with the terms of this covenant. The Issuer or the Paying Agent, as the case may be, will promptly (but in any case not later than five Business Days after termination of the Asset Disposition Offer Period) mail or deliver to each tendering Holder an amount equal to the purchase price of the Senior Secured Notes so validly tendered and not properly withdrawn by such Holder, and accepted by the Issuer for purchase, and the Issuer will promptly issue a new Senior Secured Note (or amend the applicable Global Note), and the Trustee (or an authenticating agent), upon delivery of an Officer's Certificate from the Issuer, will authenticate and mail or deliver (or cause to be transferred by book entry) such new Senior Secured Note to such Holder, in a principal amount equal to any unpurchased portion of the Senior Secured Note surrendered; *provided* that each such new Senior Secured Note will be in a principal amount with a minimum denomination of €100,000. Any Senior Secured Note not so accepted will be promptly mailed or delivered (or transferred by book entry) by the Issuer to the Holder thereof.

The Issuer will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Senior Secured Notes pursuant to the Indenture. To the extent that the provisions of any securities laws or regulations conflict with provisions of this covenant, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Indenture by virtue of such compliance.

The Issuer or a Restricted Subsidiary, as the case may be, may make an Asset Disposition offer prior to the expiration of the 365-day (or 545-day, as applicable) period mentioned in this covenant.

Limitation on Affiliate Transactions

The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, enter into or conduct any transaction or series of related transactions (including the purchase, sale, lease or exchange of any property or the rendering of any service) with any Affiliate of the Issuer (any such transaction or series of related transactions being an "*Affiliate Transaction*") involving aggregate value in excess of €7.5 million unless:

(1) the terms of such Affiliate Transaction taken as a whole are not materially less favorable to the Issuer or such Restricted Subsidiary, as the case may be, than those that could be obtained in a comparable transaction at the time of such transaction or the execution of the agreement providing for such transaction in arm's-length dealings with a Person who is not such an Affiliate; and

(2) in the event such Affiliate Transaction involves an aggregate value in excess of €15.0 million, the terms of such transaction or series of related transactions have been approved by a resolution of the majority of the disinterested members of the Board of Directors of the Issuer resolving that such transaction complies with clause (1) above.

The provisions of the preceding paragraph will not apply to:

(1) any Restricted Payment permitted to be made pursuant to the covenant described under "*—Limitation on Restricted Payments*" (other than pursuant to clause (9)(b)(ii) of the third paragraph of the covenant described under "*—Limitations on Restricted Payments*") and any agreement related to such Restricted Payments or any Permitted Investment (other than Permitted Investments as defined in paragraphs (1)(b), (2), (11) and (14) of the definition thereof);

(2) any issuance or sale of Subordinated Shareholder Funding, Capital Stock, options, other equity-related investments or other securities, or other payments, awards or grants in cash, securities or otherwise pursuant to, or the funding of, or entering into, or maintenance of, any employment, consulting, collective bargaining or benefit plan, program, agreement or arrangement, related trust or other similar agreement and other compensation arrangements, restricted stock plans, long-term incentive plans, stock appreciation rights plans, participation plans or similar employee benefits or consultants' plans (including valuation, health, insurance, deferred compensation, severance, retirement, savings or similar plans, programs or arrangements) or indemnities provided on behalf of officers, employees, directors or consultants approved by the Board of Directors of the Issuer;

(3) any Management Advances and any waiver or transaction with respect thereto, or Parent Expenses;

(4) any transaction between or among the Issuer and any Restricted Subsidiary (or with an entity that is not an Affiliate that becomes a Restricted Subsidiary as a result of such transaction), or between or among Restricted Subsidiaries or any Receivables Subsidiary;

(5) the payment of reasonable fees and reimbursement of expenses to, and customary indemnities and employee benefit and pension expenses provided on behalf of, directors, officers, consultants or employees of the Issuer, any Restricted Subsidiary of the Issuer or any Parent (whether directly or indirectly and including through any Person owned or controlled by any of such directors, officers or employees);

(6) (i) the Refinancing, (ii) the entry into and performance of obligations of the Issuer or any Restricted Subsidiary under the terms of any transaction pursuant to or contemplated by, and any payments pursuant to or for purposes of funding, any agreement or instrument in effect as of or on the Issue Date, as these agreements and instruments may be amended, modified, supplemented, extended, renewed, replaced or refinanced from time to time in accordance with the other terms of this covenant or to the extent not more disadvantageous to the Holders in any material respect, and (iii) the entry into and performance of any registration rights or other listing agreement;

(7) the execution, delivery and performance of any Tax Sharing Agreement or any arrangement pursuant to which the Issuer or any Restricted Subsidiary is required or permitted to file a consolidated tax return, or the formation and maintenance of any consolidated group for tax, accounting or cash pooling or management purposes in the ordinary course of business; *provided* that payments under such Tax Sharing Agreement shall not exceed, and shall not be duplicative of, the amounts described under clause (7) of the definition of "*Parent Expenses*" and that the related tax liabilities of the Issuer and its Restricted Subsidiaries are relieved thereby;

(8) transactions with customers, clients, suppliers or purchasers or sellers of goods or services which are fair to the Issuer or the relevant Restricted Subsidiary in the reasonable determination of the Board of Directors or an Officer of the Issuer or the relevant Restricted Subsidiary, or are on terms no less favorable than those that could reasonably have been obtained at such time from an unaffiliated party;

(9) any transaction between or among the Issuer or any Restricted Subsidiary and any Affiliate of the Issuer (other than an Unrestricted Subsidiary) or an Associate or similar entity, including any joint venture, that would constitute an Affiliate Transaction solely because the Issuer or a Restricted Subsidiary owns an equity interest in or otherwise controls such Affiliate, Associate or similar entity;

(10) (a) issuances or sales of Capital Stock (other than Disqualified Stock or Designated Preference Shares) of the Issuer or options, warrants or other rights to acquire such Capital Stock, or Subordinated Shareholder Funding; *provided* that the interest rate and other financial terms of such Subordinated Shareholder Funding are approved by a majority of the members of the Board of Directors in their reasonable determination and (b) any amendment, waiver or other transaction with respect to any Subordinated Shareholder Funding in compliance with the other provisions of the Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement, as applicable; *provided further* that such Subordinated Shareholder Funding, as amended or otherwise modified, will be deemed to be Subordinated Shareholder Funding for all purposes under the indenture;

(11) without duplication of the payments referred to under items 6(b) and 6(c) of the definition of "*Parent Expenses,*" (a) payments by the Issuer or any Restricted Subsidiary to any Permitted Holder (whether directly or indirectly, including through any Parent) of annual management, consulting, monitoring or advisory fees in an aggregate amount not to exceed (i) prior to the second anniversary of the AD Acquisition Completion Date, €2.5 million per annum and (ii) thereafter, the greater of €2.5 million and 3.0% of Consolidated EBITDA per annum and, in each case, related expenses and (b) customary payments by the Issuer or any Restricted Subsidiary to any Permitted Holder (whether directly or indirectly, including through any Parent) for financial advisory, financing, underwriting or placement services or in respect of other investment banking activities, including in connection with loans, capital market transactions, acquisitions or divestitures, and payments related to the reimbursement of reasonable out-of-pocket expenses Incurred by a Permitted Holder in connection with its Investment in the Issuer or any Restricted Subsidiary, which payments (or agreements providing for such payments) in respect of this clause (11) are approved by a majority of the Board of Directors of the Issuer in good faith;

(12) any transactions in respect of which the Issuer or a Restricted Subsidiary delivers a written opinion (in form and substance reasonably satisfactory to the Trustee) to the Trustee from an Independent Financial Advisor stating that such transaction is (i) fair to the Issuer or such Restricted Subsidiary from a financial point of view or (ii) on terms not less favorable than might have been obtained in a comparable transaction at such time on an arm's-length basis from a Person who is not an Affiliate;

(13) any contribution to the equity of the Issuer in exchange for Capital Stock (other than Disqualified Stock and Preferred Stock) or any investments by any of the Permitted Holders in securities of any Restricted Subsidiary (and the payment of reasonable out-of-pocket expenses of the Permitted Holders in connection therewith);

(14) pledges of Capital Stock of Unrestricted Subsidiaries;

(15) any transaction effected as part of a Qualified Receivables Financing or a CICE Financing; and

(16) Investments by Affiliates in Indebtedness or Preferred Stock of the Issuer or any of its Subsidiaries, so long as (i) the investment complies with clause (1) of the preceding paragraph, (ii) non-Affiliates were also offered the opportunity to invest in such Indebtedness or Preferred Stock on the same or more favorable terms and (iii) in the case of securities, the investment constitutes less than 5% of the issue amount of such

securities, and transactions with Affiliates solely in their capacity as holders of Indebtedness or Preferred Stock of the Issuer or any of its Subsidiaries, so long as such transaction is with all holders of such class (and there are such non-Affiliate holders) and such Affiliates are treated no more favorably than all other holders of such class generally.

Reports

So long as any Senior Secured Notes are outstanding, the Issuer will furnish to the Trustee the following report:

(1) within 120 days after the end of the Parent Guarantor's fiscal year beginning with the fiscal year ending December 31, 2016, (a) annual reports containing: (i) information with a level and type of detail that is substantially comparable in all material respects to information in the sections entitled "*Management's discussion and analysis of financial condition and results of operations*" and "*Business*" in this Offering Memorandum; (ii) unaudited *pro forma* income statement and balance sheet information of the Parent Guarantor together with explanatory footnotes, for any material acquisitions, dispositions or recapitalizations that have occurred since the beginning of the most recently completed fiscal year as to which such annual report relates (unless such *pro forma* information has been provided in a previous report pursuant to clause 2(b) or (2)(c) below); *provided* that such *pro forma* financial information will be provided only to the extent available without unreasonable expense or burden, in which case the Issuer will provide, in the case of a material acquisition, acquired company financials; and (iii) the audited consolidated balance sheet of the Parent Guarantor as at the end of the most recent two fiscal years and audited consolidated income statements and statements of cash flow of the Parent Guarantor for the most recent two fiscal years, including appropriate footnotes to such financial statements, for and as at the end of such fiscal years and the report of the independent auditors on the financial statements; (b) a description of the management and shareholders of the Parent Guarantor, all material affiliate transactions and a description of all material debt instruments; (c) a description of material risk factors and material subsequent events; and (d) Consolidated EBITDA; *provided* that the information described in clauses (b), (c) and (d) may be provided in the footnotes to the audited financial statements;

(2) within 60 days following the end of each of the first three fiscal quarters in each fiscal year of the Parent Guarantor, beginning with the quarter ended September 30, 2016, quarterly financial statements containing the following information: (a) the Parent Guarantor's unaudited condensed consolidated balance sheet as at the end of such quarter and unaudited condensed statements of income and cash flow for the most recent quarter year to date period ending on the unaudited condensed balance sheet date and the comparable prior period, together with condensed footnote disclosure; (b) unaudited *pro forma* income statement and balance sheet information of the Parent Guarantor, together with explanatory footnotes, for any material acquisitions, dispositions or recapitalizations that have occurred since the beginning of the most recently completed fiscal year as to which such quarterly report relates; *provided* that such *pro forma* financial information will be provided only to the extent available without unreasonable expense or burden, in which case the Issuer will provide, in the case of a material acquisition, acquired company financials; and (c) an operating and financial review of the unaudited financial statements; and

(3) promptly after the occurrence of a material event that the Issuer or the Parent Guarantor announces publicly or any acquisition, disposition or restructuring, merger or similar transaction that is material to the Issuer and the Restricted Subsidiaries, taken as a whole, or a senior executive officer or director changes at the Issuer or the Parent Guarantor or a change in auditors of the Issuer or the Parent Guarantor, a report containing a description of such event.

provided that the reports required in each of clause (1) and (2) above shall include in such report a reasonably detailed description of material differences between the financial statements of the Parent Guarantor and the Issuer for any period after the Issue Date.

In addition, the Issuer shall furnish to the Holders and to prospective investors, upon the request of such parties, any information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act for so long as the Senior Secured Notes are not freely transferable under the Securities Act.

Contemporaneously with the furnishing of each such report discussed above, the Issuer will also post such report on the Issuer's website. The Issuer will also provide copies of all reports required by clauses (1) through (3) of the first paragraph of this covenant, if and for so long as the Senior Secured Notes are listed on the Official List of the Exchange and if and to the extent the rules of the Exchange so require, at the offices of the Listing Sponsor in Jersey.

All financial statement information shall be prepared in accordance with IFRS as in effect on the date of such report or financial statement and on a consistent basis for the periods presented, except as may otherwise be described in such information; *provided*, however, that the reports set forth in clauses (1), (2) and (3) above may, in the event of a change in IFRS, present earlier periods on a basis that applied to such periods. Except as provided below, no report need include separate financial statements for the Issuer or any Subsidiaries of the Issuer or any disclosure with respect to the results of operations or any other financial or statistical disclosure not of a type included in this Offering Memorandum. In addition, the reports set forth above will not be required to contain any reconciliation to U.S. GAAP.

For purposes of this covenant, an acquisition or disposition shall be deemed to be material if the entity or business acquired or disposed of represents greater than 20% of the Parent Guarantor's (a) total revenue or Consolidated EBITDA for the most recent four quarters for which annual or quarterly financial reports have been delivered to the Trustee or (b) consolidated assets as of the last day of the most recent quarter for which annual or quarterly financial reports have been delivered to the Trustee.

At any time that any of the Issuer's Subsidiaries are Unrestricted Subsidiaries and any such Unrestricted Subsidiary or a group of Unrestricted Subsidiaries, taken as a whole, constitutes a Significant Subsidiary of the Issuer, then the quarterly and annual financial information required by the first paragraph of this "Reports" will include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, of the financial condition and results of operations of the Issuer and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Issuer.

In the event that (i) the Issuer or any Parent becomes subject to the reporting requirements of Section 13(a) or 15(d) of the Exchange Act, or elects to comply with such provisions, for so long as it continues to file the reports required by Section 13(a) with the SEC or (ii) the Issuer elects to provide to the Trustee reports which, if filed with the SEC, would satisfy (in the good faith judgment of the Issuer) the reporting requirements of Section 13(a) or 15(d) of the Exchange Act (other than the provision of U.S. GAAP information, certifications, exhibits or information as to internal controls and procedures), for so long as it elects, the Issuer will make available to the Trustee such annual reports, information, documents and other reports that the Issuer or such Parent, as applicable, is, or would be, required to file with the SEC pursuant to such Section 13(a) or 15(d).

The Issuer may comply with the requirements of clauses (1) and (2) of this covenant by providing consolidated financial information and reports of the Issuer and its Subsidiaries instead of the Parent Guarantor. The Issuer may also comply with any requirement to provide reports or financial statements under this covenant by providing any report or financial statements of a direct or indirect Parent of the Issuer (if such entity is different from the Parent Guarantor) so long as such reports (if an annual or quarterly report) (a) meet the requirements (including as to content and time of delivery) of clause (1) and (2) of this covenant as if references to the Parent Guarantor therein were references to such Parent and (b) include condensed consolidated financial information together with separate columns for: (i) such Parent; (ii) the Parent Guarantor, the Issuer and the Restricted Subsidiaries on a combined basis; (iii) any other Subsidiaries of the Issuer on a combined basis; (iv) consolidating adjustments; and (v) the total consolidated amounts. Upon complying with the foregoing requirement, the Issuer will be deemed to have complied with the provisions contained in the preceding paragraphs.

Additionally, in the event that, and for so long as, the equity securities of the Issuer or any Parent or IPO Entity are listed on the Main Market of the London Stock Exchange (or one or more of the equivalent regulated markets of the Frankfurt Stock Exchange or the Paris Stock Exchange) and the Issuer or such Parent or IPO Entity is subject to the Admission and Disclosure Standards applicable to issuers of equity securities admitted to trading on the Main Market of the London Stock Exchange (or the equivalent standards applicable to issuers of equity securities admitted to trading on one or more of the equivalent regulated markets of the Frankfurt Stock Exchange or the Paris Stock Exchange), for so long as it elects, the Issuer will make available to the Trustee such annual reports, information, documents and other reports that the Issuer or such Parent or IPO Entity is, or would be, required to file with the London Stock Exchange pursuant to such Admission and Disclosure Standards (or the applicable standards of one or more of the equivalent regulated markets of the Frankfurt Stock Exchange or the Paris Stock Exchange, as applicable). Upon complying with the foregoing requirements, and *provided,* that such requirements require the Issuer or any Parent or IPO Entity to prepare and file annual reports, information, documents and other reports with the Main Market of the London Stock Exchange, or one or more of the equivalent regulated markets of the Frankfurt Stock Exchange or the Paris Stock Exchange, as applicable, the Issuer will be deemed to have complied with the provisions contained in the preceding paragraphs.

Delivery of any information, documents and reports to the Trustee pursuant to this "*Reports*" covenant is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein, including the Issuer's compliance with any of its covenants under the Indenture.

All reports provided pursuant to this "Reports" covenant shall be made in the English language.

Merger and consolidation

The Issuer

The Issuer will not, directly or indirectly, consolidate with or merge with or into, or assign, convey, transfer, lease, sell or otherwise dispose all or substantially all its assets as an entirety or substantially as an entirety, in one transaction or a series of related transactions to, any Person, unless:

(1) either the Issuer is the surviving entity or the resulting, surviving or transferee Person (the "*Successor Issuer*") will be a Person organized and existing under the laws of any member state of the European Union, any State of the United States of America or the District of Columbia, Canada or any province of Canada, Norway or Switzerland and the Successor Issuer (if not the Issuer) will expressly assume, (a) by supplemental indenture, executed and delivered to the Trustee, in a form reasonably satisfactory to the Trustee, all the obligations of the Issuer under the Senior Secured Notes and the Indenture and (b) all obligations of the Issuer under the Intercreditor Agreement, any Additional Intercreditor Agreement and the Security Documents, as applicable;

(2) immediately after giving effect to such transaction (and treating any Indebtedness that becomes an obligation of the Successor Issuer or any Subsidiary of the Successor Issuer as a result of such transaction as having been Incurred by the Successor Issuer or such Subsidiary at the time of such transaction), no Default or Event of Default shall have occurred and be continuing;

(3) immediately after giving effect to such transaction, either (a) the Issuer or the Successor Issuer, as applicable, would be able to Incur at least an additional €1.00 of Indebtedness pursuant to the first paragraph of the covenant described under "*—Limitation on Indebtedness*" or (b) the Fixed Charge Coverage Ratio would not be less than it was immediately prior to giving effect to such transaction; and

(4) the Issuer or the Successor Issuer, as applicable, shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each to the effect that such consolidation, merger or transfer and such supplemental indenture (if any) comply with the terms of the Indenture and an Opinion of Counsel to the effect that in the case of the Successor Issuer, such supplemental indenture (if any) has been duly authorized, executed and delivered and is a legal, valid and binding agreement

enforceable against the Successor Issuer (in each case, in form and substance reasonably satisfactory to the Trustee); *provided* that in giving an Opinion of Counsel, counsel may rely on an Officer's Certificate as to any matters of fact.

For purposes of this covenant, the sale, lease, conveyance, assignment, transfer, or other disposition of all or substantially all of the properties and assets of one or more Subsidiaries of the Issuer, which properties and assets, if held by the Issuer instead of such Subsidiaries, would constitute all or substantially all of the properties and assets of the Issuer on a consolidated basis, shall be deemed to be the transfer of all or substantially all of the properties and assets of the Issuer.

The Successor Issuer will succeed to, and be substituted for, and may exercise every right and power of, the Issuer under the Indenture but in the case of a lease of all or substantially all its assets, the predecessor Person will not be released from its obligations under the Indenture or the Senior Secured Notes.

There is no precise established definition of the phrase "*substantially all*" under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve "*all or substantially all*" of the property or assets of a Person.

The foregoing provisions (other than the requirements of clause (2) of the first paragraph of this "*Merger and consolidation—The Issuer*" covenant) shall not apply to the creation of a new subsidiary as a Restricted Subsidiary of the Issuer.

The Parent Guarantor

The Parent Guarantor will not, directly or indirectly, consolidate with or merge with or into, or assign, convey, transfer, lease, sell or otherwise dispose of all or substantially all its assets as an entirety or substantially as an entirety, in one transaction or a series of related transactions to, any Person, unless:

(1) either the Parent Guarantor is the surviving entity or the resulting, surviving or transferee Person (the "*Successor Parent Guarantor*") will be a Person organized and existing under the laws of any member state of the European Union, any State of the United States of America or the District of Columbia, Canada or any province of Canada, Norway or Switzerland and the Successor Parent Guarantor (if not the Parent Guarantor) will expressly assume, (a) by supplemental indenture, executed and delivered to the Trustee, in a form reasonably satisfactory to the Trustee, all the obligations of the Parent Guarantor under its Notes Guarantee and the Indenture and (b) all obligations of the Parent Guarantor under the Intercreditor Agreement, any Additional Intercreditor Agreement and the Security Documents (or the Successor Parent Guarantor shall have entered into security documents creating Liens over the relevant Collateral on substantially the same terms as the corresponding Security Documents then in force), as applicable;

(2) immediately after giving effect to such transaction (and treating any Indebtedness that becomes an obligation of the Successor Parent Guarantor or any Subsidiary of the Successor Parent Guarantor as a result of such transaction as having been Incurred by the Successor Parent Guarantor or such Subsidiary at the time of such transaction), no Default or Event of Default shall have occurred and be continuing; and

(3) the Parent Guarantor or the Successor Parent Guarantor, as applicable, shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each to the effect that such consolidation, merger or transfer and such supplemental indenture (if any) comply with the terms of the Indenture and an Opinion of Counsel to the effect that, in the case of the Successor Parent Guarantor, such supplemental indenture (if any) has been duly authorized, executed and delivered and is a legal, valid and binding agreement enforceable against the Successor Issuer (in each case, in form and substance reasonably satisfactory to the Trustee); *provided* that in giving an Opinion of Counsel, counsel may rely on an Officer's Certificate as to any matters of fact.

For purposes of this covenant, the sale, lease, conveyance, assignment, transfer, or other disposition of all or substantially all of the properties and assets of one or more Subsidiaries of the Parent Guarantor, which properties and assets, if held by the Parent Guarantor instead of such Subsidiaries, would constitute all or substantially all of the properties and assets of the Parent Guarantor on a consolidated basis, shall be deemed to be the transfer of all or substantially all of the properties and assets of the Parent Guarantor.

The Successor Parent Guarantor will succeed to, and be substituted for, and may exercise every right and power of, the Parent Guarantor under the Indenture but in the case of a lease of all or substantially all its assets, the predecessor Person will not be released from its obligations under the Indenture or its Notes Guarantee.

There is no precise established definition of the phrase "*substantially all*" under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve "*all or substantially all*" of the property or assets of a Person.

The Subsidiary Guarantors

No Subsidiary Guarantor (other than a Subsidiary Guarantor whose Notes Guarantee is to be released in accordance with the terms of the Indenture or the Intercreditor Agreement substantially concurrently with such consolidation, merger, sale, assignment, conveyance, transfer, lease or other disposition) will, directly or indirectly, consolidate with or merge with or into, or assign, convey, transfer, lease, sell or otherwise dispose of all or substantially all its assets as an entirety or substantially as an entirety, in one transaction or a series of related transactions to, any Person, unless:

(1) the other Person is the Issuer or, in the case of a Subsidiary Guarantor, any Restricted Subsidiary that is a Subsidiary Guarantor or becomes a Subsidiary Guarantor substantially concurrently with such consolidation, merger, sale, assignment, conveyance, transfer, lease, sell or other disposition;

(2) (a) either (x) a Subsidiary Guarantor is the continuing Person or (y) the resulting, surviving or transferee Person expressly assumes all of the obligations of the Subsidiary Guarantor under its Notes Guarantee and the Indenture (pursuant to a supplemental indenture executed and delivered in a form reasonably satisfactory to the Trustee) and all obligations of the Subsidiary Guarantor under the Intercreditor Agreement, any Additional Intercreditor Agreement and the Security Documents, as applicable (such resulting, surviving or transferee Person, the "*Successor Subsidiary Guarantor*"); and (b) immediately after giving effect to the transaction, no Default or Event of Default shall have occurred and is continuing; or

(3) the transaction constitutes a sale or other disposition (including by way of consolidation or merger) of a Subsidiary Guarantor or the sale or disposition of all or substantially all the assets of a Subsidiary Guarantor (in each case other than to the Issuer or a Restricted Subsidiary) otherwise permitted by the Indenture.

The provisions set forth in this "*Merger and consolidation*" covenant shall not restrict (and shall not apply to): (i) any Restricted Subsidiary that is not the Issuer or a Guarantor from consolidating with, merging or liquidating into or transferring all or substantially all of its properties and assets to the Issuer, a Subsidiary Guarantor or any other Restricted Subsidiary that is not the Issuer or a Guarantor; (ii) any Subsidiary Guarantor from merging or liquidating into or transferring all or part of its properties and assets to the Issuer or another Subsidiary Guarantor; (iii) any consolidation or merger of the Issuer into any Guarantor; *provided* that, if the Issuer is not the surviving entity of such merger or consolidation, the relevant Guarantor will assume the obligations of the Issuer under the Senior Secured Notes, the Indenture, the Intercreditor, any Additional Intercreditor Agreement and the Security Documents and clauses (1) and (4) under the heading "*—The Issuer*" shall apply to such transaction; and (iv) the Issuer or any Guarantor consolidating into or merging or combining with an Affiliate incorporated or organized for the purpose of changing the legal domicile of such entity, reincorporating such entity in another jurisdiction, or changing the legal form of such entity; *provided*, however, that clauses (1) and (4) under the heading "*—The Issuer*" or clauses (1) through (3) under the heading "*—The Subsidiary Guarantors,*" as the case may be, shall apply to any such transaction.

Maintenance of Double Luxco Structure

(1) Prior to a Change of Control, Luxco 5 or any successor Person will not sell, assign, convey, transfer, lease or otherwise dispose of any voting power of the Capital Stock and Voting Stock of Luxco 6 or any successor Person and will not otherwise cease to own and hold directly all of the total voting power of the Voting Stock of Luxco 6 or such successor Person and all of the Capital Stock of Luxco 6 or such successor Person shall constitute Collateral.

(2) Prior to a Change of Control, Luxco 6 or any successor Person will not sell, assign, convey, transfer, lease or otherwise dispose of any voting power of the Capital Stock and Voting Stock of the Parent Guarantor or any successor Person and will not otherwise cease to own and hold directly all of the total voting power of the Voting Stock of the Parent Guarantor or such successor Person (other than voting power in respect of directors' qualifying shares or shares (or other voting power in the Voting Stock) required by applicable law to be held by a Person other than Luxco 6 or such successor Person), and Luxco 6 or such successor Person will ensure that all of the Capital Stock of the Parent Guarantor or its successor Person (other than directors' qualifying shares or shares (or other Capital Stock) required by applicable law to be held by a Person other than Luxco 6 or its successor Person) constitutes Collateral.

(3) Prior to a Change of Control, the Parent Guarantor or any Successor Parent Guarantor will not sell, assign, convey, transfer, lease or otherwise dispose of any voting power of the Voting Stock of the Issuer or any Successor Issuer and will not otherwise cease to own and hold directly all of the Capital Stock and total voting power of the Voting Stock of the Issuer or such Successor Issuer (other than voting power in respect of directors' qualifying shares or shares (or other voting power in the Voting Stock) required by applicable law to be held by a Person other than the Parent Guarantor or such the Successor Parent Guarantor), and the Parent Guarantor or such Successor Parent Guarantor will ensure that all of the Capital Stock of the Issuer or any Successor Issuer (other than directors' qualifying shares or shares (or other Capital Stock) required by applicable law to be held by a Person other than the Parent Guarantor or the Successor Parent Guarantor) constitutes Collateral.

(4) Any requirement for Capital Stock to constitute Collateral in this covenant is a requirement that such Collateral secures the Indebtedness under the Senior Secured Notes and the Indenture in accordance with the terms thereof and with the terms of the Intercreditor Agreement and any Additional Intercreditor Agreement. Nothing in this covenant shall restrict or prohibit (a) any Liens created by the Indenture or the Senior Secured Notes, any Permitted Liens or Permitted Collateral Liens or (b) any release of Liens over the Collateral that may otherwise be permitted under the Indenture, the Senior Secured Notes or the Intercreditor Agreement.

(5) Notwithstanding clauses (1) through (3) above, each of the Sponsor SPVs may sell, convey, transfer, lease or dispose of all or substantially all their respective assets or consolidate with or merge into any Person, so long as:

(a) in the case of Luxco 5, (i) the resulting, surviving or transferee person (the "*successor Person*" of Luxco 5) will be a Person organized and existing under the laws of The Grand Duchy of Luxembourg or The Netherlands; (ii) the successor Person expressly assumes all of the obligations of Luxco 5 under the Indenture and the Senior Secured Notes (pursuant to an accession or supplemental agreement executed and delivered in a form reasonably satisfactory to the Trustee) and all obligations of Luxco 5 under the Intercreditor Agreement, any Additional Intercreditor Agreement and the Security Documents (or the successor Person shall have entered into a security document creating a Lien over the relevant Collateral on substantially the same terms as the corresponding Security Document then in force), as applicable; and (iii) immediately after giving effect to the transaction, no Default or Event of Default shall have occurred and is continuing; and

(b) in the case of Luxco 6, (a) the resulting, surviving or transferee Person (the "*successor Person*" of Luxco 6) will be a Person organized and existing under the laws of The Grand Duchy of Luxembourg or The Netherlands; (2) the successor Person expressly assumes all of the obligations of Luxco 6 under the Indenture and the Senior Secured Notes (pursuant to an accession or supplemental agreement executed and delivered in a form reasonably satisfactory to the Trustee) and all obligations of Luxco 6 under the Intercreditor Agreement, any Additional Intercreditor Agreement and the Security Documents (or the successor Person shall have entered into a security document creating a Lien over the relevant Collateral on substantially the same terms as the corresponding Security Document then in force), as applicable; (3) immediately after giving effect to the transaction, no Default or Event of Default shall have occurred and is continuing; and (4) Luxco 5 shall comply with the provisions of clause (a) of this clause (5).

Centre of main interest

Prior to a Change of Control, each of the Sponsor SPVs (and any successor Person) will, for the purposes of The Council of the European Union Regulation No. 1346/2000 on Insolvency Proceedings (the "*Insolvency Proceedings Regulation*") or otherwise, ensure that its "centre of main interests" (as that term is used in Article 3(1) of the Insolvency Proceedings Regulation) is situated in its original respective jurisdiction of organization and ensure that it has no "establishment" (as that term is used in Article 2(b) of the Insolvency Proceedings Regulation) in any other jurisdiction where to do so could reasonably be expected to adversely affect the interests of the holders of the Senior Secured Notes. Notwithstanding the foregoing, each of the Sponsor SPVs may sell, convey, transfer, lease or dispose of all or substantially all their respective assets or consolidate with or merge into any person to the extent permitted by clause (5) of the covenant described under "*—Maintenance of Double Luxco structure*."

Without prejudice to the generality of the foregoing, prior to a Change of Control each of the Sponsor SPVs (and any successor Person) will:

(1) hold all meetings of its board of directors or managers, as applicable, in the Grand Duchy of Luxembourg;

(2) keep any share register, preferred equity certificates, notes register or any other securities register, official corporate books and account records in the Grand Duchy of Luxembourg, in the Grand Duchy of Luxembourg; and

(3) exercise its administration in the Grand Duchy of Luxembourg.

Limitation on the Parent Guarantor

The Parent Guarantor shall not trade, carry on any business or own any assets other than:

(1) the ownership of shares of the Issuer and any finance subsidiary issuer of Parent Senior Notes (*provided* that such finance subsidiary shall not trade, carry on any business or own any assets other than those which the Parent Guarantor is permitted under this covenant (other than this clause (1) and clause (4)(a)(i) and (iii) of this covenant);

(2) making an investment in the Issuer in the form of Subordinated Shareholder Funding, purchases of Capital Stock of the Issuer or otherwise contributed to the equity of the Issuer;

(3) the provision of services substantially similar to those provided prior to the Issue Date and the provision of other headquarters services, administrative services, legal, accounting and management services to its Subsidiaries of a type customarily provided by a holding company to its Subsidiaries and the ownership of assets necessary to provide such services;

(4) (a) Incurring (i) Indebtedness outstanding on the Issue Date, (ii) Parent Senior Notes in aggregate principal amount outstanding at any time equal to the aggregate principal amount of Indebtedness that may be Incurred by the Issuer at the time of such Incurrence as permitted by the covenant set forth under "*—Limitation on Indebtedness*" after giving *pro forma* effect to the Incurrence of such Parent Senior

Notes (including *pro forma* application of the proceeds thereof), (iii) Guarantees of Indebtedness of the Issuer or any Restricted Subsidiary, so long as the Incurrence of such Indebtedness is permitted by the covenant set forth under "*—Limitation on Indebtedness,*" and (iv) Subordinated Shareholder Funding (including, in each case, activities reasonably incidental thereto, including performance of the terms and conditions of such Indebtedness or Subordinated Shareholder Funding, to the extent such activities are otherwise permissible under the Indenture and the Senior Secured Notes); and (b) the granting of Liens permitted under the covenant set forth under "*Limitation on Liens";*

(5) rights and obligations arising under the Indenture, the Senior Secured Notes, the Notes Guarantees, the Revolving Credit Facility and the Intercreditor Agreement, any Indebtedness permitted by the covenant set forth under "*—Limitation on Indebtedness*" and any agreement pursuant to which Refinancing Indebtedness in relation to such Indebtedness is Incurred by the Issuer or its Restricted Subsidiaries and other ancillary documents or instruments related thereto, including liabilities under any "*parallel debt*" obligations under the Indenture, the Senior Secured Notes, the Notes Guarantees, the Revolving Credit Facility, the Intercreditor Agreement or any security document in respect of Permitted Liens or Permitted Collateral Liens, or any Liens Incurred in accordance with the covenant set forth under "*—Limitation on Liens*" or any other agreement existing on the Issue Date to which it is a party;

(6) the ownership of (i)(A) cash and Cash Equivalents and (B) other property, in each case to the extent contributed substantially concurrently to a Parent in compliance with the covenant set forth under "*—Limitation on Restricted Payments,*" (ii) Parent Senior Notes and (iii) assets owned by it on the Issue Date;

(7) paying dividends, making distributions and other payments, including the servicing, purchase, redemption or retirement of Subordinated Shareholder Funding, to direct shareholders (a) to the extent funded out of the proceeds received from the Issuer pursuant to a payment made by it in accordance with the terms of the Indenture, the Notes Guarantees or the Intercreditor Agreement, and (b) with the proceeds of any Parent Senior Notes Incurred pursuant to clause (4) of this covenant, and in each case as permitted or not prohibited under the Indenture, the Senior Secured Notes, the Revolving Credit Facility, the Intercreditor Agreement and any other security documents to which the Parent Guarantor is a party for the pledge of assets permitted to be secured under the Indenture, the Senior Secured Notes or the Revolving Credit Facility;

(8) directly related or reasonably incidental to the establishment and/or maintenance of its or its Subsidiaries corporate existence;

(9) pursuant to or in connection with the Refinancing;

(10) (a) the listing of its Capital Stock and the issuance, offering and sale of its Capital Stock (including in a Public Offering), including compliance with applicable regulatory and other obligations in connection therewith, (b) using the net cash proceeds of such issuance, or exchanging or converting such instruments, to fund the purchase, repurchase or redemption of, any Indebtedness or other equity or debt instrument of the Parent Guarantor or the Issuer, or to contribute to the common equity of the Issuer, to the extent permitted or not prohibited by the Indenture, the Senior Secured Notes, the Revolving Credit Facility and the Intercreditor Agreement; and (c) any purchase, repurchase, redemption, or the performance of the terms and conditions of, and exercise of rights in respect of, the foregoing, to the extent such activities are otherwise permitted or not prohibited by the Indenture, the Senior Secured Notes, the Revolving Credit Facility, the Intercreditor Agreement and the relevant Security Documents, in each case, in relation to transactions authorized or not prohibited by the Indenture, the Senior Secured Notes, the Revolving Credit Facility and the Intercreditor Agreement;

(11) conducting activities directly related or reasonably incidental to any Initial Public Offering or Equity Offering, including the maintenance of any listing of equity interests issued by any IPO Entity;

(12) making investments in any Parent Senior Notes;

(13) any liabilities or obligations in connection with any employee or participation scheme operated by the Parent Guarantor, including any management equity plan, incentive plan or other similar scheme operated by, for the benefit of, on behalf of or in respect of Luxco 5, Luxco 6, the Parent Guarantor, the Issuer or any Restricted Subsidiary (and/or any current or past employees, directors or members of management thereof and any related corporate entity established for such purpose);

(14) the sale, conveyance, transfer, lease or disposition of all or substantially all of its assets to the extent permitted by the covenant set forth under *"—Merger and consolidation";* and

(15) other activities not specifically enumerated above that are *de minimis* in nature (including any CICE Financing).

Limitation on the Sponsor SPVs

Neither of the Sponsor SPVs shall trade, carry on any business or own any assets other than:

(1) in the case of Luxco 5, the ownership of shares of Luxco 6 to the extent that they form part of the Collateral; in the case of Luxco 6, the ownership of shares of the Parent Guarantor to the extent that they form part of the Collateral;

(2) in the case of Luxco 5, making an investment in Luxco 6 in the form of Subordinated Shareholder Funding to the extent that they form part of the Collateral; in the case of Luxco 6, making an investment in the Parent Guarantor in the form of Subordinated Shareholder Funding to the extent that they form part of the Collateral;

(3) the provision of administrative services (excluding treasury services), legal, accounting and management services to its Subsidiaries of a type customarily provided by a holding company to its Subsidiaries and the ownership of assets necessary to provide such services;

(4) (a) Incurring (i) in the case of Luxco 6, Parent Senior Notes in aggregate principal amount outstanding at any time equal to the aggregate principal amount of Indebtedness that may be Incurred by the Issuer at the time of such Incurrence as permitted by the covenant set forth under "*—Limitation on Indebtedness*" after giving *pro forma* effect to the Incurrence of such Parent Senior Notes (including *pro forma* application of the proceeds thereof), and (ii) Subordinated Shareholder Funding (including in each case activities reasonably incidental thereto, including performance of the terms and conditions of Parent Senior Notes and such Subordinated Shareholder Funding, to the extent such activities are otherwise permissible under the Finance Documents); and (b) the granting of Liens permitted by the covenant set forth under "*—Limitation on Liens*";

(5) rights and obligations arising under the Indenture, the Senior Secured Notes and the Notes Guarantees, and any agreement pursuant to which Refinancing Indebtedness in relation to the above Indebtedness is incurred by the Issuer or its Restricted Subsidiaries and other ancillary documents or instruments related thereto, including liabilities under any "parallel debt" obligations under the Indenture or any other Indebtedness permitted to be Incurred by the Issuer and its Restricted Subsidiaries pursuant to the covenant set forth under "*—Limitation on Indebtedness*" any security document in respect of Permitted Liens or Permitted Collateral Liens or any Liens Incurred in accordance with the covenant set forth under "*—Limitation on Liens*";

(6) the ownership of (i)(A) cash and Cash Equivalents and (B) other property, in each case to the extent contributed substantially concurrently to a Parent in compliance with the covenant set forth under "*—Limitation on Restricted Payments*" and (ii) assets owned by it on the AD Acquisition Completion Date;

(7) paying dividends, making distributions and other payments to direct shareholders, including the servicing, purchase, redemption or retirement of Subordinated Shareholder Funding (a) to the extent (i) in the case of Luxco 6, to Luxco 5 or (ii) in the

case of Luxco 5, to its Parent and (b) with the proceeds of any Parent Senior Notes Incurred pursuant to clause (4) of this covenant, and in each case as permitted or not prohibited under the Intercreditor Agreement, any Additional Intercreditor Agreement and the Security Documents and the Indenture or any other security documents to which such Sponsor SPV is a party for the pledge of assets permitted to be secured under the Indenture;

(8) directly related or reasonably incidental to the establishment and/or maintenance of its or its Subsidiaries' corporate existence;

(9) pursuant to or in connection with the Refinancing;

(10) (a) the listing of its Capital Stock and the issuance, offering and sale of its Capital Stock (including in a Public Offering), including compliance with applicable regulatory and other obligations in connection therewith, (b) using the net cash proceeds of such issuance, or exchanging or converting such instruments, to fund the purchase, repurchase or redemption of, any Indebtedness or other equity or debt instrument of the Parent Guarantor or the Issuer, or to contribute to the common equity of the Issuer, to the extent permitted or not prohibited by the Indenture; and (c) any purchase, repurchase, redemption, or the performance of the terms and conditions of, and exercise of rights in respect of, the foregoing, to the extent such activities are otherwise permitted or not prohibited by the Indenture. in each case, in relation to transactions authorized or not prohibited by the Indenture;

(11) conducting activities directly related or reasonably incidental to any Initial Public Offering or Equity Offering, including the maintenance of any listing of equity interests issued by any IPO Entity;

(12) the performance of obligations and exercise of rights under contracts or arrangements with any Management Investors entered into in compliance with the Indenture;

(13) any liabilities or obligations in connection with any employee or participation scheme operated by the Parent Guarantor, including any management equity plan, incentive plan or other similar scheme operated by, for the benefit of, on behalf of or in respect of the Sponsor SPVs, the Parent Guarantor, the Issuer or any Restricted Subsidiary (and/or any current or past employees, directors or members of management thereof and any related corporate entity established for such purpose);

(14) the sale, conveyance, transfer, lease or disposition of all or substantially all of its assets to the extent permitted by the covenant set forth under "*—Maintenance of Double Luxco structure*"; and

(15) other activities not specifically enumerated above that are *de minimis* in nature.

Disapplication of covenants and release of Liens on a Qualifying IPO

In connection with a Qualifying IPO, but (subject to clause (1) of the succeeding paragraph) not earlier than the date of completion of such Qualifying IPO, (a) the Liens over, or granted by, any Sponsor SPV will be released by the Security Agent without any consent from the Holders and (b) the covenants specifically listed under the following captions under "*—Certain covenants*" will no longer apply or have any effect:

(1) "*—Centre of main interest*";

(2) "*—Maintenance of Double Luxco structure";*

(3) "*—Limitation on the Sponsor SPVs*"; and

(4) "*—Limitation on Liens*" (but only with respect to the Sponsor SPVs).

In addition, the release (including any partial release) of any Lien over any Collateral under any Security Document and/or the making of any material amendments to any Security Document will be validly given or made (as applicable) by the Security Agent acting alone and on behalf of the Holders if such amendment or partial release (i) relates to Liens granted under Security

Documents over securities issued by one or more Sponsor SPVs or the Parent Guarantor and, (ii) is made or given (as applicable) in connection with a Qualifying IPO and for the purpose of allowing:

(1) in respect of a Qualifying IPO of the Parent Guarantor, the holders of securities issued by the Parent Guarantor to debit, and dispose of, any such securities that are credited on the securities accounts opened in their name and pledged under Security Documents; or

(2) in respect of a Qualifying IPO of a Sponsor SPV, the holders of securities issued by that Sponsor SPV to transfer any such securities free of any charge or lien; and

(3) in each case up to the maximum number of such securities required for the purpose of implementing that Qualifying IPO, provided that: (a) no such amendment or partial release may be implemented or granted more than ten (10) Business Days prior to the relevant Qualifying IPO completion date; and (b) if the Qualifying IPO is not completed as at the initially contemplated Qualifying IPO completion date (unless postponed to a subsequent date falling no later than fifteen (15) Business Days after such initially contemplated completion date, in which case the following sentence shall apply as at such postponed date), the relevant security holders shall promptly credit back all shares debited from the pledged securities account or (as the case may be) transferred free of any Lien and, if required, enter into any Security Documents as may be reasonably requested by the Security Agent and any other relevant representatives of the relevant secured parties (as the case may be), acting reasonably, to ensure that such secured parties benefit from the same scope of Collateral under Security Documents as the one existing prior to the amendment or partial release mentioned above.

Impairment of Security Interest

None of the Sponsor SPVs, the Parent Guarantor or the Issuer shall, and the Issuer shall not permit any Restricted Subsidiary to, take or knowingly or negligently omit to take any action that would have the result of materially impairing the Security Interest with respect to the Collateral (it being understood, subject to the proviso below, that the Incurrence of Permitted Collateral Liens shall under no circumstances be deemed to materially impair the Security Interest with respect to the Collateral) for the benefit of the Trustee and the Holders, and none of the Sponsor SPVs, the Parent Guarantor or the Issuer shall, and the Issuer shall not permit any Restricted Subsidiary to, grant to any Person other than the Security Agent, for the benefit of the Trustee and the Holders and the other beneficiaries described in the Security Documents and the Intercreditor Agreement or any Additional Intercreditor Agreement, any interest whatsoever in any of the Collateral, except that (i) the Sponsor SPVs, the Parent Guarantor, Issuer and its Restricted Subsidiaries, and the Security Agent may amend, extend, renew, restate, supplement, release or otherwise modify or replace any Security Documents for the purposes of Incurring Permitted Collateral Liens, (ii) the Sponsor SPVs, the Parent Guarantor, Issuer and its Restricted Subsidiaries, and the Security Agent may amend, extend, renew, restate, supplement, release or otherwise modify or replace any Security Documents for the purposes of undertaking a Permitted Reorganization, (iii) the Collateral may be discharged and released in accordance with the Indenture, the applicable Security Documents or the Intercreditor Agreement or any Additional Intercreditor Agreement, (iv) the applicable Security Documents may be amended from time to time to cure any ambiguity, mistake, omission, defect, error or inconsistency therein and (v) the Sponsor SPVs, the Parent Guarantor, Issuer and its Restricted Subsidiaries may amend the Security Interests in any manner that does not adversely affect Holders of the Senior Secured Notes in any material respect; *provided, however*, that in the case of clause (i) and (ii) above, the Security Documents may not be amended, extended, renewed, restated, supplemented, released or otherwise modified or replaced, unless contemporaneously with any such action, the Issuer delivers to the Trustee, either (a) a solvency opinion, reasonably satisfactory to the Trustee from an Independent Financial Advisor confirming the solvency of the Issuer and its Subsidiaries, taken as a whole, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, release, modification or replacement, (b) a certificate from the Board of Directors of the relevant Person, in a form reasonably satisfactory to the Trustee, which confirms the solvency of the Issuer or the relevant Person granting such Security Interest, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, release, modification or replacement, or (c) an Opinion of Counsel, in form and substance reasonably satisfactory to the Trustee, confirming that, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, release, modification or replacement, the Lien or Liens created under the Security Documents, so amended, extended, renewed, restated, supplemented, released, modified or replaced are valid Liens not otherwise subject to any limitation, imperfection or new hardening period, in equity or at law, that such Lien or Liens were not otherwise subject to immediately prior to such amendment, extension, renewal, restatement, supplement, release, modification or replacement.

In the event that the Issuer complies with the requirements of this covenant, the Trustee and the Security Agent shall (subject to each of the Trustee and the Security Agent being indemnified and secured to its satisfaction) consent to such amendments without the need for instructions from the Holders.

Additional Guarantees

Notwithstanding anything to the contrary in this covenant, no Restricted Subsidiary shall Guarantee the Indebtedness of the Issuer or a Guarantor Incurred pursuant to a Credit Facility (including, for the avoidance of doubt, the Revolving Credit Facility) unless such Restricted Subsidiary is or becomes a Guarantor on the date on which the Guarantee is Incurred and, if applicable, executes and delivers to the Trustee a supplemental indenture in the form attached to the Indenture pursuant to which such Restricted Subsidiary will provide a Notes Guarantee; *provided*, *however*, that such Restricted Subsidiary shall not be obligated to become such a Guarantor to the extent and for so long as the Incurrence of such Notes Guarantee would be inconsistent with the Agreed Security Principles or may reasonably be expected to give rise to or result in (1) any breach or violation of statutory limitations, corporate benefit, financial assistance, fraudulent preference, thin capitalization rules, capital maintenance rules, guidance and coordination rules or the laws, rules or regulations (or analogous restrictions) of any applicable jurisdiction; (2) any risk or liability for the officers, directors or shareholders of such Restricted Subsidiary; or (3) any cost, expense, liability or obligation (including with respect to any Taxes) other than reasonable out of pocket expenses and other than reasonable expenses Incurred in connection with any governmental or regulatory filings required as a result of, or any measures pursuant to clause (2) undertaken in connection with, such Notes Guarantee which cannot be avoided through measures reasonably available to the Issuer or any Restricted Subsidiary. At the option of the Issuer, any Notes Guarantee may contain limitations on such Guarantor's liability to the extent reasonably necessary to recognize certain defenses generally available to guarantors (including those that relate to fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally) or other considerations under applicable law.

Future Notes Guarantees granted pursuant to this provision shall be released as set forth under "*—Notes Guarantees—Notes Guarantees releases.*" A Notes Guarantee of a future Guarantor may also be released at the option of the Issuer if at the date of such release either (1) there is no Indebtedness of such Guarantor outstanding which was Incurred after the Issue Date and which could not have been Incurred in compliance with the Indenture if such Guarantor had not been designated as a Guarantor or (2) there is no Indebtedness of such Guarantor outstanding which was Incurred after the Issue Date and which could not have been Incurred in compliance with the Indenture as at the date of such release if such Guarantor were not designated as a Guarantor as at that date. The Trustee and the Security Agent shall each take all necessary actions, including the granting of releases or waivers under the Intercreditor Agreement or any Additional Intercreditor Agreement, to effectuate any release of a Notes Guarantee in accordance with these provisions, subject to each of the Trustee and the Security Agent being indemnified and secured to its satisfaction.

The validity and enforceability of the Notes Guarantees and the Security Interests and the liability of each Guarantor will be subject to the limitations as described and set out in "*Certain insolvency law considerations and limitations on the validity and enforceability of the Guarantees and the security interests.*"

Additional intercreditor agreements

The Indenture will provide that, at the request of the Issuer, in connection with the Incurrence by the Issuer or its Restricted Subsidiaries of any (x) Indebtedness permitted pursuant to the first paragraph of the covenant described under "*—Limitation on Indebtedness*" or clause (1), (4), (5), (6), (7) (other than with respect to Capitalized Lease Obligations), (11) or (13) of the second paragraph of the covenant described under "*—Limitation on Indebtedness*" and (y) any Refinancing Indebtedness in respect of Indebtedness referred to in the foregoing clause (x), the Issuer, the relevant Restricted Subsidiaries, the Trustee and the Security Agent shall enter into with the holders of such Indebtedness (or their duly authorized Representatives) an intercreditor agreement (an "*Additional Intercreditor Agreement*") or a restatement, amendment or other modification of the existing Intercreditor Agreement on substantially the same terms as the Intercreditor Agreement (or terms not materially less favorable to the Holders), including containing substantially the same terms with respect to release of Guarantees and priority and release of the Security Interests; provided that such Additional Intercreditor Agreement will not impose any personal obligations on the Trustee or Security Agent or, in the opinion of the Trustee or Security Agent, as applicable, adversely affect the rights, duties, liabilities or immunities of the Trustee or Security Agent under the Indenture or the Intercreditor Agreement.

The Indenture also will provide that, at the direction of the Issuer and without the consent of Holders, the Trustee and the Security Agent shall from time to time enter into one or more amendments to any Intercreditor Agreement to: (1) cure any ambiguity, omission, defect, manifest error or inconsistency of any such agreement, (2) increase the amount or types of Indebtedness covered by any such agreement that may be Incurred by the Issuer or any Restricted Subsidiary that is subject to any such agreement (including with respect to any Intercreditor Agreement or Additional Intercreditor Agreement, the addition of provisions relating to new Indebtedness ranking junior in right of payment to the Senior Secured Notes), (3) add Restricted Subsidiaries to the Intercreditor Agreement or an Additional Intercreditor Agreement, (4) further secure the Senior Secured Notes (including Additional Senior Secured Notes), (5) make provision for equal and ratable pledges of the Collateral to secure Additional Senior Secured Notes, (6) implement any Permitted Collateral Liens, (7) amend the Intercreditor Agreement or any Additional Intercreditor Agreement in accordance with the terms thereof or (8) make any other change to any such agreement that does not adversely affect the Holders in any material respect. In formulating its opinion on such matters, the Trustee shall be entitled to request and rely absolutely on such evidence as it deems appropriate, including an Officer's Certificate and an Opinion of Counsel. The Issuer shall not otherwise direct the Trustee or the Security Agent to enter into any amendment to any Intercreditor Agreement without the consent of the Holders of the majority in aggregate principal amount of the Senior Secured Notes then outstanding, except as otherwise permitted below under "*—Amendments and waivers,*" and the Issuer may only direct the Trustee and the Security Agent to enter into any amendment to the extent such amendment does not impose any personal obligations on the Trustee or Security Agent or, in the opinion of the Trustee or Security Agent, adversely affect their respective rights, duties, liabilities or immunities under the Indenture or the Intercreditor Agreement or any Additional Intercreditor Agreement.

The Indenture shall also provide that, in relation to any Intercreditor Agreement or Additional Intercreditor Agreement, the Trustee (and Security Agent, if applicable) shall consent on behalf of the Holders to the payment, repayment, purchase, repurchase, defeasance, acquisition, retirement or redemption of any obligations subordinated to the Senior Secured Notes thereby; provided, however, that such transaction would comply with the covenant described under "*—Limitation on Restricted Payments.*"

The Indenture also will provide that each Holder, by accepting a Note, shall be deemed to have agreed to and accepted the terms and conditions of the Intercreditor Agreement or any Additional Intercreditor Agreement, (whether then entered into or entered into in the future pursuant to the provisions described herein) and to have directed the Trustee and the Security Agent to enter into any such Additional Intercreditor Agreement. A copy of the Intercreditor Agreement or any Additional Intercreditor Agreement shall be made available for inspection during normal business hours on any Business Day upon prior written request at our offices.

Payments for consent

The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any holder of Senior Secured Notes for or as in inducement to any consent, waiver or amendment of any of the terms of the provisions of the Indenture or the Senior Secured Notes unless such consideration is offered to be paid and is paid to all holders of the Senior Secured Notes that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement. Notwithstanding the foregoing, the Issuer and its Restricted Subsidiaries shall be permitted, in any offer or payment of consideration for, or as an inducement to, any consent, waiver or amendment of any of the terms or provisions of the Indenture or the Senior Secured Notes, to exclude holders of the Senior Secured Notes in any jurisdiction where the solicitation of such consent, waiver or amendment, including in connection with an offer to purchase for cash, or the payment of the consideration therefor, would require the Issuer or any Restricted Subsidiary to file a registration statement, prospectus or similar document under any applicable securities laws (including, but not limited to, the United States federal securities laws and the laws of the European Union or its member states), which the Issuer in its sole discretion determines (acting in good faith) (x) would be materially burdensome (it being understood that it would not be materially burdensome to file the consent document(s) used in other jurisdictions, any substantially similar documents or any summary thereof with the securities or financial services authorities in such jurisdiction); or (y) such solicitation would otherwise not be permitted under applicable law in such jurisdiction.

Suspension of covenants on achievement of investment Grade Status

If on any date following the Issue Date, the Senior Secured Notes have achieved Investment Grade Status and no Default or Event of Default has occurred and is continuing (a "*Suspension Event*"), then, beginning on that day and continuing until such time, if any, at which the Senior Secured Notes cease to have Investment Grade Status (the "*Reversion Date*"), the provisions of the Indenture summarized under the following captions will not apply to the Senior Secured Notes:

(1) *"—Limitation on Restricted Payments";*

(2) *"—Limitation on Indebtedness";*

(3) *"—Limitation on restrictions on distributions from Restricted Subsidiaries";*

(4) *"—Limitation on Affiliate transactions";*

(5) *"—Limitation on sales of assets and Subsidiary stock";*

(6) the provisions of clause (3) of the covenant described under *"—Merger and consolidation—The Issuer";*

(7) "*—Maintenance of Double Luxco structure*";

(8) *"—Limitation on Sponsor SPVs";*

(9) *"—Impairment of Security Interest";* and

(10) the second, third and fourth paragraphs of the definition of "*Unrestricted Subsidiary.*"

and, in each case, any related default provision of the Indenture will cease to be effective and will not be applicable to the Issuer and its Restricted Subsidiaries.

Such covenants and any related default provisions will again apply according to their terms from the first day on which a Suspension Event ceases to be in effect. Such covenants will not, however, be of any effect with regard to actions of the Issuer properly taken during the continuance of the Suspension Event, and no action taken prior to the Reversion Date will constitute a Default or Event of Default. The covenant set forth under "*—Limitation on Restricted Payments*" and the second, third and fourth paragraphs of the definition of "*Unrestricted Subsidiary*" will be interpreted as if it has been in effect since the date of the Indenture but not during the continuance of the Suspension Event. On the Reversion Date, all Indebtedness of the Issuer and its Restricted Subsidiaries Incurred during the continuance of the Suspension Event will be deemed to have been outstanding on the Issue Date, so that it is classified as permitted under clause (4)(b) of the second paragraph of the covenant described under "*—Limitation on Indebtedness.*"

Furthermore, (a) any transactions prohibited by the covenant set forth under "*—Limitation on Affiliate transactions*" entered into after the Reversion Date pursuant to an agreement entered into during any Suspension Period shall be deemed to be permitted pursuant to clause (6)(ii) of the second paragraph of the covenant set forth under "*—Limitation on Affiliate transactions,*" and (b) any encumbrance or restriction on the ability of any Restricted Subsidiary to take any action described in clauses (A) through (C) of the first paragraph of the covenant described under "*—Limitation on restrictions on distribution from Restricted Subsidiaries*" that becomes effective during any Suspension Period shall be deemed to be permitted pursuant to clause (1)(c) of the second paragraph of the covenant set forth under "*—Limitation on restrictions on distribution from Restricted Subsidiaries.*"

In addition, the Indenture will also permit, without causing a Default or Event of Default, the Issuer or any of the Restricted Subsidiaries to honor any contractual commitments or take actions in the future after any date on which the Senior Secured Notes cease to have an Investment Grade Status as long as the contractual commitments were entered into during the Suspension Event and not in anticipation of the Senior Secured Notes no longer having an Investment Grade Status. The Issuer shall notify the Trustee that the conditions set forth in the first paragraph under this caption has been satisfied, provided that, no such notification shall be a condition for the suspension of the covenants described under this caption to be effective. The Trustee shall not be obliged to notify Holders of a Suspension Event or, if applicable, upon the occurrence of a Reversion Date.

There can be no assurance that the Senior Secured Notes will ever achieve or maintain an Investment Grade Status.

Financial calculations for Limited Condition Acquisitions

When calculating the availability under any basket or ratio under the Indenture, in each case in connection with a Limited Condition Acquisition, the date of determination of such basket or ratio and of any Default or Event of Default shall, at the option of the Issuer, be the date the definitive agreements for such Limited Condition Acquisition are entered into, and such baskets or ratios shall be calculated with such *pro forma* adjustments as are appropriate and consistent with the *pro forma* provisions set forth in the definition of Fixed Charge Coverage Ratio and Consolidated Net Leverage Ratio after giving effect to such Limited Condition Acquisition and the other transactions to be entered into in connection therewith (including any Incurrence of Indebtedness and the use of proceeds thereof) as if they occurred at the beginning of the applicable period for purposes of determining the ability to consummate any such Limited Condition Acquisition (and not for purposes of any subsequent availability of any basket or ratio), and, for the avoidance of doubt, (x) if any of such baskets or ratios are exceeded as a result of fluctuations in such basket or ratio (including due to fluctuations in the Total Assets or Consolidated EBITDA of the Issuer or the target company) subsequent to such date of determination and at or prior to the consummation of the relevant Limited Condition Acquisition, such baskets or ratios will not be deemed to have been exceeded as a result of such fluctuations solely for purposes of determining whether the Limited Condition Acquisition is permitted hereunder and (y) such baskets or ratios shall not be tested at the time of consummation of such Limited Condition Acquisition or related transactions; *provided* that if the Issuer elects to have such determinations occur at the time of entry into such definitive agreement, any such transactions (including any Incurrence of Indebtedness and the use of proceeds therefrom) shall be deemed to have occurred on the date the definitive agreements are entered and outstanding thereafter for purposes of calculating any baskets or ratios under the Indenture after the date of such agreement and before the consummation of such Limited Condition Acquisition.

Events of Default

Each of the following is an "*Event of Default*" under the Indenture:

(1) default in any payment of interest on any Senior Secured Note issued under the Indenture when due and payable, continued for 30 days;

(2) default in the payment of the principal amount of or premium, if any, on any Senior Secured Note issued under the Indenture when due at its Stated Maturity, upon optional redemption, upon required repurchase, upon declaration or otherwise;

(3) failure by the Issuer, the Parent Guarantor, any Sponsor SPV or any Restricted Subsidiary to comply for 60 days after notice by the Trustee or the Holders of at least 25% in principal amount of the outstanding Notes with the agreements contained in the Indenture;

(4) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Issuer or any Restricted Subsidiary (or the payment of which is Guaranteed by the Issuer or any Restricted Subsidiary) other than Indebtedness owed to the Issuer or a Restricted Subsidiary whether such Indebtedness or Guarantee now exists, or is created after the Issue Date, which default: (a) is caused by a failure to pay principal at stated maturity on such Indebtedness, immediately upon the expiration of the grace period provided in such Indebtedness ("*payment default*"); or (b) results in the acceleration of such Indebtedness prior to its maturity (the "*cross acceleration provision*"), and, in each case the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a payment default or the maturity of which has been so accelerated, aggregates €25.0 million or more;

(5) certain events of bankruptcy, insolvency or court protection of the Issuer, the Parent Guarantor or a Significant Subsidiary or group of Restricted Subsidiaries that, taken together (as of the latest audited consolidated financial statements for the Parent Guarantor and its Subsidiaries), would constitute a Significant Subsidiary (the "*bankruptcy provisions*") (but excluding, for the avoidance of doubt, any Permitted Reorganization);

(6) failure by the Issuer, the Parent Guarantor or any Significant Subsidiary or group of Restricted Subsidiaries that, taken together (as of the latest audited consolidated financial statements for the Parent Guarantor and its Subsidiaries), would constitute a Significant Subsidiary to pay final judgments aggregating in excess of €25.0 million (exclusive of any amounts that a solvent insurance company has acknowledged liability for), which judgments are not paid, discharged or stayed for a period of 60 days after the judgment becomes final (the "*judgment default provision*");

(7) any security interest under the Security Documents shall, at any time, cease to be in full force and effect (other than in accordance with the terms of the relevant Security Document, the Intercreditor Agreement, any Additional Intercreditor Agreement and the Indenture) with respect to Collateral having a fair market value in excess of €10.0 million for any reason other than the satisfaction in full of all obligations under the Indenture or the release of any such security interest in accordance with the terms of the Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement or the Security Documents, or any such security interest created thereunder shall be declared invalid or unenforceable or the Issuer or any Restricted Subsidiary shall assert in writing that any such security interest is invalid or unenforceable and any such Default continues for 10 days;

(8) any Notes Guarantee of the Parent Guarantor or a Guarantor that is a Significant Subsidiary ceases to be in full force and effect (other than in accordance with the terms of such Notes Guarantee or the Indenture) or is declared invalid or unenforceable in a judicial proceeding or the Parent Guarantor or any Guarantor that is a Significant Subsidiary denies or disaffirms in writing its obligations under its Notes Guarantee and any such Default continues for 10 days; and

(9) failure by the Issuer, the Parent Guarantor or a Sponsor SPV, as applicable, to comply with the provisions of the covenant described under the caption "*—Certain Covenants—Centre of main interest,*" "*—Certain covenants—Maintenance of Double Luxco structure,*" "*—Certain covenants—Limitation on Holdco*" and "*—Certain covenants—Limitation on Sponsor SPVs*".

If an Event of Default (other than an Event of Default described in clause (5) above) occurs and is continuing, the Trustee by notice to the Issuer or the Holders of at least 25% in principal amount of the outstanding Senior Secured Notes under the Indenture by written notice to the Issuer and the Trustee, may, and the Trustee at the request of such Holders shall, declare the principal of, premium, if any, and accrued and unpaid interest on all the Senior Secured Notes under the Indenture to be due and payable. Upon such a declaration, such principal, premium and accrued and unpaid interest will be due and payable immediately. In the event of a declaration of acceleration of the Senior Secured Notes because an Event of Default described in clause (4) under the immediately preceding paragraph has occurred and is continuing, the declaration of acceleration of the Senior Secured Notes shall be automatically annulled if the event of default or payment default triggering such Event of Default pursuant to clause (4) shall be remedied or cured, or waived by the holders of the Indebtedness, or the Indebtedness that gave rise to such Event of Default shall have been discharged in full, within 30 days after the declaration of acceleration with respect thereto and if (1) the annulment of the acceleration of the Senior Secured Notes would not conflict with any judgment or decree of a court of competent jurisdiction and (2) all existing Events of Default, except nonpayment of principal, premium or interest on the Senior Secured Notes that became due solely because of the acceleration of the Senior Secured Notes, have been cured or waived.

If an Event of Default described in clause (5) above occurs and is continuing, the principal of, premium, if any, and accrued and unpaid interest on all the Senior Secured Notes will become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holders.

Holders of the Senior Secured Notes may not enforce the Indenture or the Senior Secured Notes except as provided in the Indenture and may not enforce the Security Documents except as provided in such Security Documents and the Intercreditor Agreement or any Additional Intercreditor Agreement. Additionally, the Indenture shall not include any provisions incorporating, giving effect to, or otherwise reflecting the provisions of Section 316(b) of the U.S. Trust Indenture Act of 1939, as amended.

The Holders of a majority in principal amount of the outstanding Senior Secured Notes under the Indenture by notice to the Trustee may, on behalf of all Holders, waive all past or existing Defaults or Events of Default (except with respect to nonpayment of principal, premium, interest or Additional Amounts, if any) and rescind any such acceleration with respect to such Senior Secured Notes and its consequences if rescission would not conflict with any judgment or decree of a court of competent jurisdiction.

The Trustee may withhold from Holders notice of any continuing Default or Event of Default if it determines that withholding notice is in their interest, except a Default or Event of Default relating to the payment of principal, interest or Additional Amounts or premium, if any, on the Senior Secured Notes.

Subject to the provisions of the Indenture relating to the duties of the Trustee, if an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any of the Holders unless such Holders have offered to the Trustee indemnity and/or security satisfactory to the Trustee in its sole discretion against any loss, liability or expense caused by taking or not taking such action. Except to enforce the right to receive payment of principal or interest when due, no Holder may pursue any remedy with respect to the Indenture or the Senior Secured Notes unless:

(1) such Holder has previously given the Trustee notice that an Event of Default is continuing;

(2) Holders of at least 25% in principal amount of the outstanding Notes have requested the Trustee to pursue the remedy;

(3) such Holders have offered the Trustee security and/or indemnity satisfactory to it in its sole discretion against any loss, liability or expense;

(4) the Trustee has not complied with such request within 60 days after the receipt of the request and the offer of such security and/or indemnity; and

(5) the Holders of a majority in principal amount of the outstanding Notes have not given the Trustee a direction that, in the opinion of the Trustee, is inconsistent with such request within such 60-day period.

Subject to certain restrictions, the Holders of a majority in principal amount of the outstanding Notes are given the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee.

The Indenture will provide that, in the event an Event of Default has occurred and is continuing, the Trustee will be required in the exercise of its powers to use the degree of care that a prudent person would use in the conduct of its own affairs. The Trustee, however, may refuse to follow any direction that conflicts with law or the Indenture or that the Trustee determines is unduly prejudicial to the rights of any other Holder or that would involve the Trustee in personal liability. Prior to taking any action under the Indenture, the Trustee will be entitled to indemnification or security satisfactory to it in its sole discretion against all losses and expenses caused by taking or not taking such action. The Indenture will provide that if a Default occurs and is continuing and the Trustee is informed of such occurrence by the Issuer, the Trustee must give notice of the Default to the Holders within 60 days after being notified by the Issuer. Except in the case of a Default in the payment of principal of, or premium, if any, or interest on any Senior Secured Note, the Trustee may withhold notice if and so long as the Trustee determines that withholding notice is in the interests of the Holders. The Issuer is required to deliver to the Trustee, within 120 days after the end of each fiscal year, an Officer's Certificate indicating whether the signers thereof know of any Default or Event of Default that occurred during the previous year. The Issuer is required to deliver to the Trustee, within 30 days after the occurrence thereof, written notice of any events of which it is aware which would constitute certain Defaults, their status and what action the Issuer is taking or proposes to take in respect thereof.

The Indenture will provide that (i) if a Default occurs for a failure to deliver a required certificate in connection with another default (an "*Initial Default*") then at the time such Initial Default is cured, such Default for a failure to report or deliver a required certificate in connection with the Initial Default will also be cured without any further action and (ii) any Default or Event of Default for the failure to comply with the time periods prescribed in the covenant entitled "*—Certain Covenants —Reports*" or otherwise to deliver any notice or certificate pursuant to any other provision of this Indenture shall be deemed to be cured upon the delivery of any such report required by such covenant or notice or certificate, as applicable, even though such delivery is not within the prescribed period specified in the Indenture.

The Indenture will provide for the Trustee to take action on behalf of the Holders in certain circumstances, but only if the Trustee is indemnified or secured to its satisfaction in its sole discretion. It may not be possible for the Trustee to take certain actions in relation to the Senior Secured Notes and, accordingly, in such circumstances the Trustee will be unable to take action, notwithstanding the provision of an indemnity to it, and it will be for Holders to take action directly.

Amendments and waivers

Subject to certain exceptions, the Senior Secured Notes Documents may be amended, supplemented or otherwise modified with the consent of Holders of at least a majority in principal amount of the Senior Secured Notes then outstanding (including consents obtained in connection with a purchase of, or tender offer or exchange offer for, Senior Secured Notes) and, subject to certain exceptions, any default or compliance with any provisions thereof may be waived with the consent of the Holders of at least a majority in principal amount of the Senior Secured Notes then outstanding (including consents obtained in connection with a purchase of, or tender offer or exchange offer for, Senior Secured Notes). If any amendment, supplement or waiver will only affect the Senior Secured Fixed Rate Notes or the Senior Secured Floating Rate Notes, only the holders of a majority in aggregate principal amount of the then outstanding Senior Secured Fixed Rate Notes or Senior Secured Floating Rate Notes (and not the consent of the holders of the majority of all Senior Secured Notes), as the case may be, shall be required.

However, without the consent of Holders holding not less than 90% (or, in the case of clause (8) of this paragraph, 75%) of the then outstanding principal amount of the Senior Secured Notes affected (or alternatively, with respect to the Senior Secured Notes held by such Holder only, the consent of an affected Holder) (*provided*, however that if any amendment, supplement, waiver or other modification or consent will only affect the Senior Secured Fixed Rate Notes or the Senior Secured Floating Rate Notes, only the consent of the holders of at least 90% (or, in the case of clause (8) of this paragraph, 75%) of the aggregate principal amount of the then outstanding Senior Secured Fixed Rate Notes or Senior Secured Floating Rate Notes will be required), an amendment or waiver may not, with respect to any Senior Secured Notes held by a non-consenting Holder:

(1) reduce the principal amount of Senior Secured Notes whose Holders must consent to an amendment, waiver or modification;

(2) reduce the stated rate of or extend the stated time for payment of interest on any Senior Secured Note;

(3) reduce the principal of or extend the Stated Maturity of any Senior Secured Note;

(4) reduce the premium payable upon the redemption of any Senior Secured Note or change the time at which any Senior Secured Note may be redeemed, in each case as described under "*—Optional redemption*";

(5) make any Senior Secured Note payable in money other than that stated in the Senior Secured Note;

(6) impair the right of any Holder to receive payment of principal of and interest or Additional Amounts, if any, on such Holder's Senior Secured Notes on or after the due dates therefor or to institute suit for the enforcement of any such payment on or with respect to such Holder's Senior Secured Notes;

(7) make any change in the provision of the Indenture described under "*—Withholding taxes*" that adversely affects the right of any Holder of such Senior Secured Notes in any material respect or amends the terms of such Senior Secured Notes in a way that would result in a loss of an exemption from any of the Taxes described thereunder or an exemption from any obligation to withhold or deduct Taxes so described thereunder unless the Issuer agrees to pay Additional Amounts, if any, in respect thereof;

(8) release any security interests granted for the benefit of the Holders in the Collateral other than in accordance with the terms of the Security Documents, the Intercreditor Agreement, any applicable Additional Intercreditor Agreement or the Indenture;

(9) waive a Default or Event of Default with respect to the nonpayment of principal, premium or interest or Additional Amounts, if any, on the Senior Secured Notes (except pursuant to a rescission of acceleration of the Senior Secured Notes by the Holders of at least a majority in aggregate principal amount of such Senior Secured Notes and a waiver of the payment default that resulted from such acceleration);

(10) release any Guarantor from any of its obligations under its Notes Guarantee or the Indenture, except in accordance with the terms of the Indenture and the Intercreditor Agreement; or

(11) make any change in the amendment or waiver provisions which require the Holders' consent described in this sentence.

For the avoidance of doubt, changes to the governing law of the Indenture and the Senior Secured Notes shall be permitted pursuant to the first sentence of the first paragraph of this section entitled "*Amendment and waivers*."

Notwithstanding the foregoing, without the consent of any Holder, the Issuer, the Trustee, the Security Agent and the other parties thereto, as applicable, may amend or supplement any Senior Secured Notes Documents to:

(1) cure any ambiguity, omission, defect, error or inconsistency;

(2) provide for the assumption by a successor Person of the obligations of the Issuer or any Restricted Subsidiary under any Senior Secured Notes Document;

(3) add to the covenants or provide for a Notes Guarantee for the benefit of the Holders or surrender any right or power conferred upon the Issuer or any Restricted Subsidiary;

(4) make any change that would provide additional rights or benefits to the Trustee or the Holders or that does not adversely affect the rights or benefits to the Trustee or any of the Holders in any material respect under the Senior Secured Notes Documents;

(5) make such provisions as necessary (as determined in good faith by an Officer of the Issuer) for the issuance of Additional Senior Secured Notes;

(6) to provide for a Notes Guarantee by any Restricted Subsidiary in accordance with the covenant described under "*—Certain Covenants—Limitation on Indebtedness*" or "*—Additional Guarantees,*" to add Notes Guarantees with respect to the Senior Secured Notes, to add security to or for the benefit of the Senior Secured Notes, or to confirm and evidence the release, termination, discharge or retaking of any Notes Guarantee or Lien (including the Collateral and the Security Documents) or any amendment in respect thereof with respect to or securing the Senior Secured Notes when such release, termination, discharge or retaking or amendment is provided for under the Indenture, the Security Documents, the Intercreditor Agreement or any Additional Intercreditor Agreement;

(7) to conform the text of the Indenture, the Security Documents or the Senior Secured Notes to any provision of this "*Description of the Senior Secured Notes*" to the extent that such provision in this "*Description of the Senior Secured Notes*" was intended to be a verbatim recitation of a provision of the Indenture, the Security Documents or the Senior Secured Notes;

(8) to evidence and provide for the acceptance and appointment under the Indenture or the Intercreditor Agreement or any Additional Intercreditor Agreement of a successor Trustee or Security Agent pursuant to the requirements thereof or to provide for the accession by the Trustee or Security Agent to any Senior Secured Notes Document;

(9) in the case of the Security Documents, to mortgage, pledge, hypothecate or grant a security interest in favor of the Security Agent for the benefit of the Holders or parties to the Revolving Credit Facility, in any property which is required by the Security Documents or the Revolving Credit Facility (as in effect on the Issue Date) to be mortgaged, pledged or hypothecated, or in which a security interest is required to be granted to the Security Agent, or to the extent necessary to grant a security interest in the Collateral for the benefit of any Person; *provided that* the granting of such security interest is not prohibited by the Indenture or the Intercreditor Agreement or any Additional Intercreditor Agreement and the covenant described under "*—Certain Covenants—Impairment of Security Interest*" is complied with;

(10) as provided in "*—Certain Covenants—Additional Intercreditor Agreement*" or "*—Certain Covenants—Additional Intercreditor Agreements*"; or

(11) to provide for uncertificated Senior Secured Notes in addition to or in place of certificated Senior Secured Notes (*provided* that the uncertificated Senior Secured Notes are issued in registered form for purposes of 163(f) of the U.S. Internal Revenue Code).

In formulating its decision on such matters, the Trustee shall be entitled to require and rely absolutely on such evidence as it deems appropriate, including Officer's Certificates and Opinions of Counsel.

The consent of the Holders is not necessary under the Indenture to approve the particular form of any proposed amendment of any Senior Secured Notes Document. It is sufficient if such consent approves the substance of the proposed amendment. A consent to any amendment or waiver under the Indenture by any Holder of Senior Secured Notes given in connection with a tender of such Holder's Senior Secured Notes will not be rendered invalid by such tender.

Acts by Holders

In determining whether the Holders of the required principal amount of the Senior Secured Notes have concurred in any direction, waiver or consent, the Senior Secured Notes owned by the Issuer or by any Person directly or indirectly controlled, or controlled by, or under direct or indirect common control with, the Issue will be disregarded and deemed not to be outstanding.

Defeasance

The Issuer at any time may terminate all obligations of the Issuer and each Guarantor under the Senior Secured Notes and the Indenture ("*legal defeasance*") and cure all then existing Defaults and Events of Default, except for certain obligations, including those respecting the defeasance trust, the rights, powers, trusts, duties, immunities and indemnities of the Trustee and the obligations of the Issuer in connection therewith and obligations concerning issuing temporary Senior Secured Notes, registration of Senior Secured Notes, mutilated, destroyed, lost or stolen Senior Secured Notes and the maintenance of an office or agency for payment and money for security payments held in trust. Subject to the foregoing, if the Issuer exercises its legal defeasance option, the Security Documents and the rights of the Trustee and the Holders under the Intercreditor Agreement or any Additional Intercreditor Agreement in effect at such time will terminate (other than with respect to the defeasance trust).

The Issuer at any time may terminate its and the Guarantors' obligations under the covenants described under "*—Certain covenants*" (other than clauses (1), (2) and (4) of the covenant described under "*—Certain covenants—Merger and consolidation—The Issuer*") and "*—Change of control*" and the default provisions relating to such covenants described under "*—Events of Default*" above, the operation of the cross-default upon a payment default, the cross acceleration provisions, the bankruptcy provisions with respect to Significant Subsidiaries, the judgment default provision, the guarantee provision (other than in respect of the Issuer) and the security default provision described under "*—Events of Default*" ("*covenant defeasance*").

The Issuer at its option at any time may exercise its legal defeasance option notwithstanding its prior exercise of its covenant defeasance option. If the Issuer exercises its legal defeasance option, payment of the Senior Secured Notes may not be accelerated because of an Event of Default with respect to such Senior Secured Notes. If the Issuer exercises its covenant defeasance option with respect to the Senior Secured Notes, payment of the Senior Secured Notes may not be accelerated because of an Event of Default specified in clause (3) (other than with respect to clauses (1), (2) and (4) of the covenant described under "*—Certain covenants—Merger and consolidation—The Issuer*"), (4), (5) (other than with respect to the Issuer, the Parent Guarantor and the Sponsor SPVs), (6), (7) or (8) under "*—Events of Default.*"

In order to exercise either defeasance option, the Issuer must irrevocably deposit in trust (the "*defeasance trust*") with the Trustee (or another entity designated or appointed (as agent) by the Trustee for this purpose) cash in euros or euro-denominated European Government Obligations or a combination thereof sufficient, in the opinion of a nationally recognized investment bank, appraisal firm or firm of independent public accountants, for the payment of principal, premium, if any, and interest on the Senior Secured Notes to redemption or maturity, as the case may be, and must comply with certain other conditions, including delivery to the Trustee of:

(1) an opinion of tax counsel in the United States to the effect that Holders and beneficial owners of the relevant Senior Secured Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such deposit and defeasance and will be subject to U.S. federal income tax on the same amount and in the same manner and at the same times as would have been the case if such deposit and defeasance had not occurred (and in the case of legal defeasance only, such opinion of tax counsel in the United States must be based on a ruling received from, or published by, the U.S. Internal Revenue Service or other change in applicable U.S. federal income tax law occurring after the Issue Date);

(2) an Officer's Certificate stating that the deposit was not made by the Issuer with the intent of defeating, hindering, delaying, defrauding or preferring any creditors of the Issuer and the Guarantors;

(3) an Officer's Certificate and an Opinion of Counsel (which opinion of counsel may be subject to customary assumptions and exclusions), each stating that all conditions precedent provided for or relating to legal defeasance or covenant defeasance, as the case may be, have been complied with;

(4) an Opinion of Counsel to the effect that the trust resulting from the deposit does not constitute, or is qualified as, a regulated investment company under the U.S. Investment Company Act of 1940; and

(5) the Issuer delivers to the Trustee all other documents or other information that the Trustee may reasonably require in connection with either defeasance option.

Satisfaction and discharge

The Indenture, and the rights of the Trustee and the Holders under the Intercreditor Agreement and any Additional Intercreditor Agreement and the Security Documents will be discharged and cease to be of further effect (except as to surviving rights of conversion or transfer or exchange of the Senior Secured Notes, as expressly provided for in the Indenture) as to all outstanding Senior Secured Notes when (1) either (a) all the Senior Secured Notes previously authenticated and delivered (other than certain lost, stolen or destroyed Senior Secured Notes, and certain Senior Secured Notes for which provision for payment was previously made and thereafter the funds have been released to the Issuer) have been delivered to the Paying Agent for cancellation; or (b) all Senior Secured Notes not previously delivered to the Paying Agent for cancellation (i) have become due and payable, (ii) will become due and payable at their Stated Maturity within one year or (iii) are to be called for redemption within one year under arrangements reasonably satisfactory to the Trustee for the giving of notice of redemption by the Paying Agent in the name, and at the expense, of the Issuer; (2) the Issuer has deposited or caused to be deposited with the Trustee (or another entity designated or appointed (as agent) by the Trustee for this purpose), money or euro-denominated European Government Obligations, or a combination thereof, as applicable, in an amount sufficient to pay and discharge the entire Indebtedness on the Senior Secured Notes not previously delivered to the Paying Agent for cancellation, for principal, premium, if any, and interest to the date of deposit (in the case of Senior Secured Notes that have become due and payable), or to the Stated Maturity or redemption date, as the case may be; (3) the Issuer has paid or caused to be paid all other sums payable under the Indenture and all sums payable to the Trustee under the Intercreditor Agreement, any Additional Intercreditor Agreement and the Security Documents; (4) the Issuer has delivered irrevocable instructions to the Trustee under the Indenture to apply the deposited money toward the payment of the Senior Secured Notes at maturity or on the redemption date, as the case may be; and (5) the Issuer has delivered to the Trustee an Officer's Certificate and an Opinion of Counsel each to the effect that all conditions precedent under the "*Satisfaction and Discharge*" section of the Indenture relating to the satisfaction and discharge of the Indenture have been complied with, provided that any such counsel may rely on any Officer's Certificate as to matters of fact (including as to compliance with the foregoing clauses (1), (2), (3) and (5)).

No personal liability of directors, officers, employees and shareholders

No director, officer, employee, incorporator or shareholder of the Issuer, the Issuer or any of their respective Subsidiaries or Affiliates, as such, shall have any liability for any obligations of the Issuer, the Issuer or any Guarantor under the Senior Secured Notes Documents or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Senior Secured Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Senior Secured Notes. Such waiver may not be effective to waive liabilities under the U.S. federal securities laws and it is the view of the SEC that such a waiver is against public policy.

Concerning the Trustee and certain agents

U.S. Bank Trustees Limited is to be appointed as Trustee under the Indenture. The Indenture will provide that, except during the continuance of an Event of Default, the Trustee will perform only such duties as are set forth specifically in the Indenture. During the existence of an Event of Default, the Trustee will exercise such of the rights and powers vested in it under the Indenture and use the same degree of care that a prudent Person would use in conducting its own affairs. The permissive rights of the Trustee to take or refrain from taking any action enumerated in the Indenture will not be construed as an obligation or duty.

The Trustee, any Paying Agent or any other such agent will be permitted to engage in other transactions with the Issuer and its Affiliates and Subsidiaries. If the Trustee or any Agent becomes the Holder, beneficial owner or pledgee of any Notes, it may deal with the Issuer with the same rights it would have if it were not the Trustee, any Paying Agent or any other such Agent.

The Indenture will set out the terms under which the Trustee may retire or be removed, and replaced. Such terms will include, among others, (1) that the Trustee may be removed at any time by the Holders of a majority in principal amount of the then outstanding Notes, or may resign at any time by giving written notice to the Issuer and (2) that if the Trustee at any time (a) has or acquires a conflict of interest that is not eliminated, or (b) becomes incapable of acting as Trustee or becomes insolvent or bankrupt, then the Issuer may remove the Trustee, or any Holder who has been a bona fide Holder for not less than six months may petition any court for removal of the Trustee and appointment of a successor Trustee.

Any removal or resignation of the Trustee shall not become effective until the acceptance of appointment by the successor Trustee.

The Indenture will contain provisions for the indemnification of the Trustee for any loss, liability, Taxes or expenses Incurred without gross negligence, willful default or fraud on its part, arising out of or in connection with the acceptance or administration of the Indenture.

Notices

For so long as any Senior Secured Notes are represented by Global Notes, all notices to Holders of the Senior Secured Notes will be delivered by or on behalf of the Issuer to Euroclear and Clearstream. Each such notice shall be deemed to have been given on the day the notice is given to Euroclear or Clearstream.

Any notice or communication mailed to a Holder shall be mailed to such Person by first-class mail or other equivalent means and shall be deemed to have been given on the later date of its publication and the seventh day after being so mailed. Failure to mail a notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders. If a notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it.

Prescription

Claims against the Issuer and the Guarantors for the payment of principal, or premium, if any, on the Senior Secured Notes will be prescribed ten years after the applicable due date for payment thereof. Claims against the Issuer and the Guarantors for the payment of interest on the Senior Secured Notes will be prescribed six years after the applicable due date for payment of interest.

Currency indemnity and calculation of euro-denominated restrictions

The euro is the sole currency of account and payment for all sums payable by the Issuer and the Guarantors, if any, under or in connection with the Senior Secured Notes and the Notes Guarantees, if any, including damages. Any amount received or recovered in a currency other than euro, whether as a result of, or the enforcement of, a judgment or order of a court of any jurisdiction, in the winding-up or dissolution of the Issuer, any Guarantor or otherwise by any Holder or by the Trustee, in respect of any sum expressed to be due to it from the Issuer or a Guarantor will only constitute a discharge to the Issuer or such Guarantor, as applicable, to the extent of the euro amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).

If that euro amount is less than the euro amount expressed to be due to the recipient or the Trustee under any Senior Secured Note (as applicable), the Issuer and the Guarantors will indemnify them against any loss sustained by such recipient or the Trustee as a result. In any event, the Issuer and the Guarantors will indemnify the recipient or the Trustee on a joint and several basis against the cost of making any such purchase. For the purposes of this currency indemnity provision, it will be *prima facie* evidence of the matter stated therein for the Holder of a Senior Secured Note or the Trustee to certify in a manner reasonably satisfactory to the Issuer (indicating the sources of information used) the loss it Incurred in making any such purchase. These indemnities constitute a separate and independent obligation from the Issuer's and the Guarantors' other obligations, will give rise to a separate and independent cause of action, will apply irrespective of any waiver granted by any Holder of a Senior Secured Note or the Trustee (other than a waiver of the indemnities set out herein) and will continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Senior Secured Note or any Notes Guarantee, or to the Trustee.

Except as otherwise specifically set forth herein, for purposes of determining compliance with any euro-denominated restriction herein, the Euro Equivalent amount for purposes hereof that is denominated in a non-euro currency shall be calculated based on the relevant currency exchange rate in effect on the date such non-euro amount is Incurred or made, as the case may be.

Listing

Application will be made to list the Senior Secured Notes on the Official List of the Exchange and for permission to be granted to deal in the Senior Secured Notes on the Official List of the Exchange. There can be no assurance that the application to list the Senior Secured Notes on the Official List of the Exchange will be approved or that permission to deal in the Senior Secured Notes thereon will be granted, and settlement of the Senior Secured Notes is not conditioned on obtaining this listing or permission.

Enforceability of judgments

Since substantially all of the assets of the Issuer and the Guarantors are located outside the United States, any judgment obtained in the United States against the Issuer or the Guarantors, including judgments with respect to the payment of principal, premium, interest, Additional Amounts, if any, and any redemption price and any purchase price with respect to the Senior Secured Notes, may not be collectable within the United States.

Consent to jurisdiction and service

In relation to any legal action or proceedings arising out of or in connection with the Indenture and the Senior Secured Notes, the Issuer and the Guarantors will in the Indenture irrevocably submit to the jurisdiction of the federal and state courts in the Borough of Manhattan in the City of New York, County and State of New York, United States. The Senior Secured Indenture will provide that the Issuer, the Sponsor SPVs and each Guarantor will appoint CT Corporation System as their agent for service of process in any suit, action or proceeding with respect to the Indenture, the Senior Secured Notes and the Notes Guarantees brought in any U.S. federal or New York state court located in the City of New York. For the avoidance of doubt, changes to this "*Consent to Jurisdiction and* "*Service*" paragraph may be effected pursuant to the first sentence of the paragraph entitled "*—Amendments and waivers*."

Governing law

The Indenture and the Senior Secured Notes, and the rights and duties of the parties thereunder, shall be governed by and construed in accordance with the laws of the State of New York. For the avoidance of doubt, changes to this "*Governing law*" paragraph may be effected pursuant to the first sentence of the paragraph entitled "*—Amendments and waivers*."

Certain definitions

"*Acquired Indebtedness*" means Indebtedness (1) of a Person or any of its Subsidiaries existing at the time such Person becomes a Restricted Subsidiary, or (2) assumed in connection with the acquisition of assets from such Person, in each case whether or not Incurred by such Person in connection with such Person becoming a Restricted Subsidiary of the Issuer or such acquisition or

(3) of a Person at the time such Person merges with or into or consolidates or otherwise combines with the Issuer or any Restricted Subsidiary. Acquired Indebtedness shall be deemed to have been Incurred, with respect to clause (1) of the preceding sentence, on the date such Person becomes a Restricted Subsidiary and, with respect to clause (2) of the preceding sentence, on the date of consummation of such acquisition of assets and, with respect to clause (3) of the preceding sentence, on the date of the relevant merger, consolidation or other combination.

"*AD Acquisition Completion Date*" means December 8, 2015.

"*Additional Guarantor*" means Autodistribution S.A.

"*Affiliate*" of any specified Person means any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "*control*" when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "*controlling*" and "*controlled*" have meanings correlative to the foregoing.

"*Agreed Security Principles*" means the agreed security principles appended to the Revolving Credit Facility, as of the Issue Date, as applied *mutatis mutandis* with respect to the Senior Secured Notes in good faith by the Issuer.

"*Asset Disposition*" means any direct or indirect sale, lease (other than an operating lease entered into in the ordinary course of business), transfer, issuance or other disposition, or a series of related sales, leases (other than operating leases entered into in the ordinary course of business), transfers, issuances or dispositions that are part of a common plan, of shares of Capital Stock of a Subsidiary, property or other assets (each referred to for the purposes of this definition as a "*disposition*") by the Issuer or any Restricted Subsidiary, including any disposition by means of a merger, consolidation or similar transaction. Notwithstanding the preceding provisions of this definition, the following items shall be deemed not to be Asset Dispositions:

(1) a disposition by a Restricted Subsidiary to the Issuer or by the Issuer or a Restricted Subsidiary to a Restricted Subsidiary;

(2) a disposition of cash, Cash Equivalents, Temporary Cash Investments or Investment Grade Securities, and the closure of bank accounts;

(3) a disposition of inventory, trading stock, security equipment or other equipment or assets in the ordinary course of business;

(4) a disposition of obsolete, damaged, retired, surplus or worn out equipment or assets or equipment, facilities or other assets that are no longer useful in the conduct of the business of the Issuer and the Restricted Subsidiaries and any transfer, termination, unwinding or other disposition of hedging instruments or arrangements not for speculative purposes;

(5) transactions permitted under "*—Certain covenants—Merger and consolidation*" or a transaction that constitutes a Change of Control;

(6) an issuance of Capital Stock by a Restricted Subsidiary to the Issuer or to another Restricted Subsidiary or as part of or pursuant to an equity incentive or compensation plan approved by the Board of Directors or the issuance of directors' qualifying shares and shares issued to individuals as required by applicable law;

(7) any dispositions of Capital Stock, properties or assets in a single transaction or series of related transactions with a fair market value (as determined in good faith by the Board of Directors or a member of Senior Management of the Issuer) of less than €10.0 million;

(8) any Restricted Payment that is permitted to be made, and is made, under the covenant described above under "*—Certain covenants—Limitation on Restricted Payments*" and the making of any Permitted Payment or Permitted Investment or asset dispositions (or portions thereof) to the extent the proceeds thereof are used to make such Restricted Payments or Permitted Investments;

(9) the granting of Liens not prohibited by the covenant described above under the caption "*—Certain covenants—Limitation on Liens*";

(10) dispositions of receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings and exclusive of factoring or similar arrangements or any sale of assets received by the Issuer or a Restricted Subsidiary upon the foreclosure of a Lien granted in favor of the Issuer or any Restricted Subsidiary;

(11) the licensing or sub-licensing of intellectual property or other general intangibles and licenses, sub- licenses, leases or subleases of other property, in each case, in the ordinary course of business;

(12) foreclosure, condemnation, taking by eminent domain or any similar action with respect to any property or other assets;

(13) the sale or discount (with or without recourse, and on customary or commercially reasonable terms) of accounts receivable or notes receivable arising in the ordinary course of business, or the conversion or exchange of accounts receivable for notes receivable;

(14) sales or dispositions of receivables and related assets in connection with any Qualified Receivables Financing or any factoring transaction or otherwise in the ordinary course of business;

(15) any issuance, sale or disposition of Capital Stock, Indebtedness or other securities of an Unrestricted Subsidiary;

(16) any disposition of Capital Stock of a Restricted Subsidiary pursuant to an agreement or other obligation with or to a Person (other than the Issuer or a Restricted Subsidiary) from whom such Restricted Subsidiary was acquired, or from whom such Restricted Subsidiary acquired its business and assets (having been newly formed in connection with such acquisition), made as part of such acquisition and in each case comprising all or a portion of the consideration in respect of such sale or acquisition;

(17) any surrender or waiver of contract rights or the settlement, release or surrender of contract, tort or other claims of any kind;

(18) an issuance or sale by a Restricted Subsidiary of Preferred Stock or Redeemable Capital Stock that is permitted by the covenant described above under *"—Certain covenants—Limitation on Indebtedness";*

(19) any disposition with respect to property built, owned or otherwise acquired by the Issuer or any Restricted Subsidiary pursuant to customary sale and lease-back transactions, asset securitizations and other similar financings permitted by the Indenture;

(20) any disposition of assets to a Person who is providing services related to such assets, the provision of which has been or is to be outsourced by the Issuer or any Restricted Subsidiary to such Person; provided, however, that the Board of Directors shall certify that in the opinion of the Board of Directors, the outsourcing transaction will be economically beneficial to the Issuer and its Restricted Subsidiaries (considered as a whole); provided, further, that the fair market value of the assets disposed of, when taken together with all other dispositions made pursuant to this clause (20), does not exceed €30.0 million;

(21) any disposition of Investments in joint ventures to the extent required by, or made pursuant to, customary buy/sell arrangements between the joint venture parties set forth in joint venture arrangements and similar binding agreements; provided that any cash or Cash Equivalents received in such disposition is applied in accordance with the covenant entitled *"—Certain covenants—Limitation on sales of assets and Subsidiary stock";* and

(22) any exchange of assets (including a combination of assets and Cash Equivalents) for assets related to a Similar Business of comparable or greater fair market value or usefulness to the business of the Issuer and its Restricted Subsidiaries as a whole, as determined in good faith by the Board of Directors or a member of Senior Management of the Issuer.

"*Associate*" means (i) any Person engaged in a Similar Business of which the Issuer or its Restricted Subsidiaries are the legal and beneficial owners of between 20% and 50% of all outstanding Voting Stock and (ii) any joint venture entered into by the Issuer or any Restricted Subsidiary of the Issuer.

"*Board of Directors*" means (1) with respect to the Issuer or any corporation, the board of directors or managers, as applicable, of the corporation, or any duly authorized committee thereof; (2) with respect to any partnership, the board of directors or other governing body of the general partner of the partnership or any duly authorized committee thereof; and (3) with respect to any other Person, the board or any duly authorized committee of such Person serving a similar function. Whenever any provision of the Indenture requires any action or determination to be made by, or any approval of, a Board of Directors, such action, determination or approval shall be deemed to have been taken or made if approved by a majority of the directors (excluding employee representatives, if any) on any such Board of Directors (whether or not such action or approval is taken as part of a formal board meeting or as a formal board approval).

"*Bridge Facility*" means the €85.0 million term loan facility established under the Bridge Facility Agreement, €80.0 million of which was drawn to finance the acquisition of Doyen Auto.

"*Bridge Facility Agreement*" means the bridge facility agreement dated as of September 28, 2016, by and among, *inter alios*, the Issuer, the Parent Guarantor, BNP Paribas S.A., as arranger, and the Security Agent.

"*Business Day*" means each day that is not a Saturday, Sunday or other day on which banking institutions in Paris, France, New York City, New York or London, United Kingdom are authorized or required by law to close.

"*Capital Stock*" of any Person means any and all shares of, rights to purchase, warrants or options for, or other equivalents of or partnership or other interests in (however designated), equity of such Person, including any Preferred Stock, but excluding any debt securities convertible into such equity.

"*Capitalized Lease Obligations*" means an obligation that is required to be classified and accounted for as a capitalized lease for financial reporting purposes on the basis of IFRS (as in effect on the Issue Date for purposes of determining whether a lease is a capitalized lease). The amount of Indebtedness will be, at the time any determination is to be made, the amount of such obligation required to be capitalized on a balance sheet (excluding any notes thereto) prepared in accordance with IFRS, and the stated maturity thereof will be the date of the last payment of rent or any other amount due under such lease prior to the first date such lease may be terminated without penalty.

"*Cash Equivalents*" means:

(1) securities issued or directly and fully Guaranteed or insured by the United States or Canadian governments, a member state of the European Union (other than Greece), Switzerland or Norway or, in each case, any agency or instrumentality thereof (provided that the full faith and credit of such country or such member state is pledged in support thereof), having maturities of not more than two years from the date of acquisition;

(2) certificates of deposit, time deposits, eurodollar or other recognized time deposits, overnight bank deposits or bankers' acceptances having maturities of not more than one year from the date of acquisition thereof issued by any lender party to the Revolving Credit Facility or by any bank or trust company (a) whose commercial paper is rated at least "*A-2*" or at least "*F2*" or the equivalent thereof (or has an equivalent long-term rating by Fitch), or the equivalent thereof by S&P or at least "*P-2*" or the equivalent thereof (or has an equivalent long-term rating) by Moody's (or if at the time none of the foregoing is issuing comparable ratings, then a comparable rating of another Nationally Recognized Statistical Rating Organization) or (b) (in the event that the bank or trust company does not have commercial paper which is rated) having combined capital and surplus in excess of €250 million;

(3) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clauses (1) and (2) entered into with any bank meeting the qualifications specified in clause (2) above;

(4) commercial paper rated at the time of acquisition thereof at least "*A-2*" or the equivalent thereof by S&P, at least "*P-2*" or the equivalent thereof by Moody's, or at least "*F-2*" or the equivalent thereof by Fitch or carrying an equivalent rating by a Nationally Recognized Statistical Rating Organization, if the three named rating agencies cease publishing ratings of investments or, if no rating is available in respect of the commercial paper, the issuer of which has an equivalent rating in respect of its long-term debt, and in any case maturing within one year after the date of acquisition thereof;

(5) readily marketable direct obligations issued by the United States of America, any state of the United States of America, Canada, any province of Canada, any member of the European Union, Switzerland or Norway or any political subdivision thereof, in each case, having one of the two highest rating categories obtainable from either Moody's or S&P (or, if at the time, none of the foregoing is issuing comparable ratings, then a comparable rating of another Nationally Recognized Statistical Rating Organization) with maturities of not more than two years from the date of acquisition;

(6) Indebtedness or preferred stock issued by Persons with a rating of "*BBB-*" or higher from S&P or "*Baa3*" or higher from Moody's (or, if at the time, neither is issuing comparable ratings, then a comparable rating of another Nationally Recognized Statistical Rating Organization) with maturities of 12 months or less from the date of acquisition;

(7) bills of exchange issued in the United States, Canada, a member state of the European Union, Switzerland, Norway or Japan eligible for rediscount at the relevant central bank and accepted by a bank (or any dematerialized equivalent);

(8) interests in any investment company, money market or enhanced high yield fund which invests 95% or more of its assets in instruments of the type specified in clauses (1) through (7) above; and

(9) for purposes of clause (2) of the definition of "*Asset Disposition,*" the marketable securities portfolio owned by the Issuer and its Subsidiaries on the Issue Date.

"*Change of Control*" means the occurrence of any of the following:

(1) the Issuer becoming aware that (by way of a report or any other filing pursuant to Section 13(d) of the Exchange Act, proxy, vote, written notice or otherwise) any "*person*" or "*group*" of related persons (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act as in effect on the Issue Date), other than one or more Permitted Holders, is or becomes the "*beneficial owner*" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act as in effect on the Issue Date), directly or indirectly, of more than 50% of the total voting power of the Voting Stock of the Issuer; *provided* that any Voting Stock of which any Permitted Holder is the "*beneficial owner*" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act as in effect on the Issue Date) (other than deemed beneficial ownership derived from membership in a group) shall not be included in any Voting Stock of which any other person or group is the "beneficial owner" (as so defined), unless that person or group is not an affiliate of a Permitted Holder and has the sole voting power with respect to that Voting Stock; or

(2) the sale, lease, transfer, conveyance or other disposition (other than by way of merger, consolidation or other business combination transaction), in one or a series of related transactions, of all or substantially all of the assets of the Issuer and its Restricted Subsidiaries taken as a whole to a Person, other than a Restricted Subsidiary or one or more Permitted Holders,

provided that, in each case, a Change of Control shall not be deemed to have occurred if such Change of Control is also a Specified Change of Control Event.

"*CICE*" means the competitive and employment tax credit pursuant to the French 3rd Amended Finance Law for 2012 (*3ème loi de finances rectificative pour 2012*) no 2012-1510 dated December 29, 2012.

"*CICE Financing*" means Indebtedness under an agreement pursuant to which current or future CICE payments or claims of the Issuer or any Restricted Subsidiary are assigned.

"*Clearstream*" means Clearstream Banking, société anonyme, as currently in effect or any successor securities clearing agency.

"*Collateral*" means any and all assets from time to time in which a security interest has been or will be granted on the Issue Date or thereafter pursuant to any Security Document to secure the obligations under the Indenture, the Senior Secured Notes and/or any Notes Guarantee.

"*Commodity Hedging Agreements*" means, in respect of a Person, any commodity purchase contract, commodity futures or forward contract, commodities option contract or other similar contract (including commodities derivative agreements or arrangements), to which such Person is a party or a beneficiary.

"*Consolidated EBITDA*" for any period means, without duplication, the Consolidated Net Income for such period, plus the following to the extent deducted in calculating such Consolidated Net Income:

(1) Consolidated Interest Expense;

(2) Consolidated Income Taxes;

(3) depreciation, amortization (including, without limitation, amortization of intangibles and deferred financing fees) and other non-cash charges and expenses (including without limitation write-downs and impairment of property, plant, equipment and intangibles (including goodwill) and other long-lived assets and the impact of purchase accounting on the Issuer and its Restricted Subsidiaries for such period) of the Issuer and its Restricted Subsidiaries (excluding any such non-cash charge or expense to the extent that it represents an accrual of or reserve for cash charges or expenses in any future period or amortization of a prepaid cash charge or expense that was paid in a prior period) for such period;

(4) any expenses, charges or other costs (including bank fees) related to any issuance of Capital Stock, listing of Capital Stock, Investment, acquisition (including amounts paid in connection with the acquisition or retention of one or more individuals comprising part of a management team retained to manage the acquired business and any expenses, charges or other costs related to deferred or contingent payments), disposition, recapitalization or the Incurrence of any Indebtedness permitted by the Indenture (whether or not successful) (including any such fees, expenses or charges related to the Refinancing (including any expenses in connection with related due diligence activities)), in each case, as determined in good faith by the Board of Directors or a member of Senior Management of the Issuer;

(5) any minority interest expense (whether paid or not) consisting of income attributable to minority equity interests of third parties in such period or any prior period or any net earnings, income or share of profit of any Associates, associated company or undertaking;

(6) (a) the amount of management, monitoring, consulting and advisory fees, termination payments and related expenses paid to the Permitted Holders (or any accruals relating to such fees and related expenses) during such period to the extent permitted by the covenant described under "*—Certain covenants—Limitation on Affiliate transactions*" and (b) the amount of expenses relating to payments made to option holders (or employees holding other rights tied to the equity value of the Issuer or any Parent) of the Issuer or any Parent in connection with, or as a result of, any distribution being made to shareholders of such Person or its direct or indirect Parent, which payments are being made to compensate such option holders as though they were shareholders at the time of, and entitled to share in, such distribution, in each case to the extent permitted under the Indenture;

(7) other non-cash charges or expenses, write-downs or items reducing Consolidated Net Income (excluding any non-cash items related to CICE and any such non-cash charge, write-down or item to the extent it represents an accrual of or reserve for cash charges

expected to be paid in any future period) and any items classified by the Issuer as special, extraordinary, exceptional, unusual or non-recurring items, including start-up costs for any project or new product line, division or new line of business, less other non-cash items of income increasing Consolidated Net Income (excluding any such non-cash item of income to the extent it represents a receipt of cash expected to be paid in any future period);

(8) any Receivables Fees and discounts on the sale of accounts receivables in connection with any Qualified Receivables Financing representing, in the Issuer's reasonable determination, the implied interest component of such discount for such period;

(9) the proceeds of any loss of profit, business interruption or equivalent insurance received or that become receivable during such period to the extent the associated losses arising out of the event that resulted in the payment of such business interruption insurance proceeds were included in computing Consolidated Net Income; and

(10) payments received, or that become receivable with respect to, expenses that are covered by the indemnification provisions in any agreement entered into by such Person in connection with an acquisition to the extent such expenses were included in computing Consolidated Net Income.

"*Consolidated Income Taxes*" means Taxes or other payments, including deferred taxes, based on income, profits or capital of any of the Issuer and its Restricted Subsidiaries whether or not paid, estimated, accrued or required to be remitted to any governmental authority.

"*Consolidated Interest Expense*" means, for any period (in each case, determined on the basis of IFRS), the consolidated net interest income (expense) of the Issuer and its Restricted Subsidiaries, whether paid or accrued, plus or including (without duplication) any interest, costs and charges consisting of:

(1) interest expense attributable to Capitalized Lease Obligations;

(2) amortization of original issue discount (but not including deferred financing fees, debt issuance costs, commissions, fees and expenses) and any other consideration given by the Issuer and its Restricted Subsidiaries during the relevant period, and relating to that period, in connection with any acceptance credit, bill discounting debt factoring or other like arrangement;

(3) non-cash interest expense;

(4) (i) commissions, discounts and other fees and charges owed with respect to financings not included in clause (2) above and (ii) commitment, non-utilization fees, annual agency fees and other recurring fees, to the extent not otherwise included;

(5) costs associated with (i) Hedging Obligations (excluding amortization of fees or any non-cash interest expense attributable to the movement in mark-to-market valuation of such obligations) and (ii) exchange rate gains or losses arising due to the re-translation of balance sheet items;

(6) the product of (a) all dividends or other distributions in respect of all Disqualified Stock of the Issuer and all Preferred Stock of any Restricted Subsidiary, to the extent held by Persons other than the Issuer or a subsidiary, multiplied by (b) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined national, state and local statutory tax rate of such Person, expressed as a decimal, as estimated in good faith by a responsible accounting or financial officer of the Issuer;

(7) the consolidated interest expense that was capitalized during such period (but excluding any interest capitalized, accrued, accreted or paid in respect of any Subordinated Shareholder Funding); and

(8) interest actually paid by the Issuer or any Restricted Subsidiary under any Guarantee of Indebtedness or other obligation of any other Person,

minus (i) accretion or accrual of discounted liabilities other than Indebtedness, (ii) any expense resulting from the discounting of any Indebtedness in connection with the application of purchase accounting in connection with any acquisition and (iii) interest with respect to Indebtedness of any Parent of such Person appearing upon the balance sheet of such Person solely by reason of push-down accounting under IFRS and (iv) any Additional Amounts with respect to the Senior Secured Notes or similar tax gross-up on any Indebtedness, which is included in interest expense under IFRS.

"*Consolidated Net Income*" means, with respect to any specified Person for any period (subject to the proviso to the definition of Limited Condition Acquisition) for any period, the net income (loss) of such Person and its Restricted Subsidiaries determined on a consolidated basis on the basis of IFRS; *provided*, however, that there will not be included in such Consolidated Net Income:

(1) any net income (loss) of any Person if such Person is not a Restricted Subsidiary, except that the Issuer's equity in the net income of any such Person for such period will be included in such Consolidated Net Income up to the aggregate amount of cash or Cash Equivalents actually distributed by such Person during such period to the Issuer or a Restricted Subsidiary as a dividend or other distribution or return on investment (subject, in the case of a dividend or other distribution or return on investment to a Restricted Subsidiary, to the limitations contained in clause (2) below); provided that, for the purposes of clause (c)(i) of the first paragraph of the covenant described under "*—Certain covenants—Limitation on Restricted Payments,*" such dividend, other distribution or return on investment does not reduce the amount of Investments outstanding under clause (11) of the definition of "*Permitted Investments";*

(2) solely for the purpose of determining the amount available for Restricted Payments under clause (c)(i) of the second paragraph of the covenant described under "*—Certain covenants—Limitation on Restricted Payments,*" any net income (but not loss) of any Restricted Subsidiary (other than a Guarantor) or dividends or distributions received by a Restricted Subsidiary from an Unrestricted Subsidiary if such Subsidiary is subject to restrictions on the payment of dividends or the making of distributions by such Restricted Subsidiary to the Issuer by operation of the terms of such Restricted Subsidiary's charter or any agreement, instrument, judgment, decree, order, statute or governmental rule or regulation applicable to such Restricted Subsidiary or its shareholders (other than (a) restrictions that have been waived or otherwise released, (b) restrictions pursuant to the Senior Secured Notes or the Indenture, (c) contractual restrictions in effect on the Issue Date with respect to a Restricted Subsidiary (including pursuant to the Revolving Credit Facility and the Intercreditor Agreement), and other restrictions with respect to such Restricted Subsidiary that, taken as a whole, are not materially less favorable to the Holders than such restrictions in effect on the Issue Date, and (d) restrictions specified in clause (11) of the second paragraph of the covenant described under "*—Certain covenants—Limitation on restrictions on distributions from Restricted Subsidiaries,*" except that the Issuer's equity in the net income of any such Restricted Subsidiary for such period will be included in such Consolidated Net Income or dividends or distributions from an Unrestricted Subsidiary up to the aggregate amount of cash or Cash Equivalents actually distributed or that could have been distributed by such Restricted Subsidiary during such period to the Issuer or another Restricted Subsidiary as a dividend or other distribution (subject, in the case of a dividend to another Restricted Subsidiary, to the limitation contained in this clause);

(3) any net gain (or loss) realized upon the sale or other disposition of any asset or disposed operations of the Issuer or any Restricted Subsidiaries (including pursuant to any sale/leaseback transaction) which is not sold or otherwise disposed of in the ordinary course of business (as determined in good faith by an Officer or the Board of Directors of the Issuer) and any net gains, charges or losses with respect to (a) disposed, abandoned and discontinued operations (other than assets held for sale) and any accretion or accrual of discontinued liabilities on the disposal of such disposed, abandoned and discontinued operations and (b) facilities, plants, stores or distribution centers that have been closed during such period;

(4) any extraordinary, one-off, non-recurring, exceptional or unusual gain, loss, expense or charge, including any charges or reserves in respect of any restructuring,

redundancy, relocation, refinancing, integration or severance or other post-employment arrangements (including any one-time compensation changes), signing, retention or completion bonuses, transaction costs (including costs related to the Refinancing or any Investments), acquisition costs, business optimization system establishment, software or information technology implementation and development costs, rebranding costs, costs related to governmental investigations and curtailments or modifications to pension or post-retirement benefits schemes litigation, any asset impairment or the financial impacts of natural disasters (including fire, flood and storm and related events);

(5) the cumulative effect of a change in accounting principles;

(6) any non-cash compensation charge or expense arising from any grant of stock, stock options or other equity based awards, any non-cash deemed finance charges in respect of any pension liabilities or other provisions, any non-cash net after tax gains or losses attributable to the termination or modification of any employee pension benefit plan and any charge or expense relating to any payment made to holders of equity based securities or rights in respect of any dividend sharing provisions of such securities or rights to the extent such payment was made pursuant to the covenant described under "*—Certain covenants—Limitation on Restricted Payments*";

(7) all deferred financing costs written off and premiums paid or other expenses Incurred directly in connection with any early extinguishment of Indebtedness or Hedging Obligations and any net gain (loss) from any write-off or forgiveness of Indebtedness;

(8) any unrealized gains or losses in respect of Hedging Obligations or other financial instruments or any ineffectiveness recognized in earnings related to qualifying hedge transactions or the fair value or changes therein recognized in earnings for derivatives that do not qualify as hedge transactions, in each case, in respect of Hedging Obligations;

(9) any unrealized foreign currency transaction gains or losses in respect of Indebtedness or other obligations of the Issuer or any Restricted Subsidiary denominated in a currency other than the functional currency of such Person and any unrealized foreign exchange gains or losses resulting from remeasuring assets and liabilities denominated in foreign currencies;

(10) any unrealized foreign currency translation or transaction gains or losses in respect of Indebtedness or other obligations of the Issuer or any Restricted Subsidiary owing to the Issuer or any Restricted Subsidiary;

(11) any one-time non-cash charges or any amortization or depreciation, in each case to the extent related to the Refinancing, purchase accounting or any acquisition of or merger or consolidation with another Person or business or resulting from any reorganization or restructuring involving the Issuer or its Subsidiaries;

(12) any goodwill or other intangible asset impairment charges and the amortization of intangibles arising from the application of IFRS (excluding any non-cash item to the extent that it represents an accrual of or reserve for cash expenditures in any future period except to the extent such item is subsequently reversed); and

(13) the impact of capitalized, accrued or accreting or pay-in-kind interest or principal on Subordinated Shareholder Funding.

"*Consolidated Net Leverage*" means the sum of the aggregate outstanding Indebtedness of the Issuer and its Restricted Subsidiaries (excluding Hedging Obligations entered into for bona fide hedging purposes and not for speculative purposes (as determined in good faith by the Board of Directors or a member of Senior Management of the Issuer), plus the aggregate principal amount of any outstanding Parent Senior Notes Incurred pursuant to clause (4) of the covenant set forth under "*—Certain covenants—Limitations on the Parent Guarantor*" or clause (4) of the covenant set forth under "*—Certain covenants—Limitation on Sponsor SPVs,*" less the amount of cash and Cash Equivalents that would be stated on the balance sheet of the Issuer and its Restricted Subsidiaries as of such date in accordance with IFRS.

"*Consolidated Net Leverage Ratio*" means, as of any date of determination, the ratio of (x) Consolidated Net Leverage at such date to (y) the aggregate amount of Consolidated EBITDA for the period of the four most recent fiscal quarters ending prior to the date of such determination for which internal consolidated financial statements of the Issuer are available. In the event that the Issuer or any of its Restricted Subsidiaries Incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness subsequent to the commencement of the period for which the Consolidated Net Leverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Consolidated Net Leverage Ratio is made (the "*Calculation Date*"), then the Consolidated Net Leverage Ratio will be calculated giving *pro forma* effect (as determined in good faith by a responsible accounting or financial officer of the Issuer) to such Incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period and may give effect to cost savings or cost reduction synergies that have occurred; *provided*, however, that the *pro forma* calculation shall not give effect to (i) any Indebtedness Incurred on the Calculation Date pursuant to the provisions described in the second paragraph of the covenant set forth under "*—Certain covenants—Limitation on Indebtedness*" or (ii) the discharge on the Calculation Date of any Indebtedness to the extent that such discharge results from the proceeds Incurred pursuant to the provisions described in the second paragraph of the covenant set forth under "*—Certain covenants—Limitation on Indebtedness.*"

In addition, for purposes of calculating the Consolidated Net Leverage Ratio:

(1) acquisitions and Investments that have been made by the Issuer or any of its Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Subsidiaries which are Restricted Subsidiaries acquired by the Issuer or any of its Restricted Subsidiaries, and including all related financing transactions and including increases in ownership of Subsidiaries which are Restricted Subsidiaries, during the reference period or subsequent to such reference period and on or prior to the Calculation Date, or that are to be made on or substantially concurrently with the Calculation Date or with all or a portion of the proceeds of any Indebtedness Incurred on the Calculation Date, will be given *pro forma* effect (as determined in good faith by a responsible accounting or financial officer of the Issuer) as if they had occurred on the first day of the reference period;

(2) the Consolidated EBITDA (whether positive or negative) attributable to discontinued operations, as determined in accordance with IFRS, and operations, businesses or group of assets constituting a business or operating unit (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded on a *pro forma* basis as if such disposition occurred on the first day of such period (taking into account anticipated cost reduction synergies resulting from any such disposal, as determined in good faith by a responsible accounting or financial officer of the Issuer responsible for accounting or financial reporting);

(3) the Consolidated Interest Expense attributable to discontinued operations, as determined in accordance with IFRS, and operations, businesses or group of assets constituting a business or operating unit (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded on a *pro forma* basis as if such disposition occurred on the first day of such period, but only to the extent that the obligations giving rise to such Consolidated Interest Expense will not be obligations of the Issuer or any of its Restricted Subsidiaries following the Calculation Date;

(4) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such reference period;

(5) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such reference period;

(6) if any Indebtedness bears a floating rate of interest, the interest expense on such Indebtedness will be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any Interest Rate Agreement applicable to such Indebtedness), and if any Indebtedness is not

denominated in the Issuer's functional currency, that Indebtedness for purposes of the calculation of Consolidated Net Leverage shall be treated in accordance with IFRS; and

(7) the difference between: (i) the total *pro forma* consolidated amount received or receivable pursuant to CICE for the four-quarter reference period as determined on the basis of CICE applicable to all relevant entities of the Group as at the end of the period, and (ii) the total amount received or receivable pursuant to CICE already included in Consolidated EBITDA for that period, shall be added to Consolidated EBITDA.

For the purposes of this definition and the definitions of Consolidated EBITDA, Consolidated Senior Secured Net Leverage Ratio, Fixed Charge Coverage Ratio and Consolidated Net Income, (a) calculations will be as determined in good faith by a responsible financial or accounting officer of the Issuer (including in respect of anticipated expense and cost reductions and synergies as though the full effect of such expense and cost reductions and synergies were realized on the first day of the relevant period and shall also include the reasonably anticipated full run rate cost savings effect (as calculated in good faith by a responsible financial or chief accounting officer of the Issuer) of cost savings programs, business optimization programs, centralized purchasing programs or other restructurings or reorganizations that have been initiated by the Issuer or any of its Restricted Subsidiaries as though programs, restructurings or reorganizations had been fully implemented on the first day of the relevant reference period (regardless of whether these cost savings and expense and cost reduction and expense and cost synergies could then be reflected in *pro forma* financial statements to the extent prepared); provided that such anticipated expense and cost reductions and synergies and cost savings are reasonably anticipated to be realized within 18 months after the consummation of the cost savings program, business optimization program, centralized purchasing program, restructuring, reorganizations or any operational change or the purchase or sale or other event which is expected to result in such anticipated expense and cost reductions and synergies and cost savings), and (b) in determining the amount of Indebtedness outstanding on any date of determination and Fixed Charges for the relevant period, *pro forma* effect shall be given to any Incurrence, repayment, repurchase, defeasance or other acquisition, retirement or discharge of Indebtedness as if such transaction had occurred on the first day of the relevant period.

For the avoidance of doubt, the Consolidated EBITDA and all outstanding Indebtedness of any company or business to be acquired pursuant to a signed purchase agreement (which may be subject to one or more conditions precedent) may be given *pro forma* effect for the purpose of calculating the Consolidated Net Leverage Ratio, Consolidated Senior Secured Net Leverage Ratio and Fixed Charge Coverage Ratio of the Issuer.

"*Consolidated Senior Secured Net Leverage*" means the sum of the aggregate outstanding Senior Secured Indebtedness of the Issuer and its Restricted Subsidiaries (excluding Hedging Obligations entered into for *bona fide* hedging purposes and not for speculative purposes (as determined in good faith by an Officer or the Board of Directors of the Issuer)), plus the aggregate principal amount of any outstanding Parent Senior Notes Incurred pursuant to clause (4) of the covenant set forth under "*—Certain covenants—Limitations on the Parent Guarantor*" or clause (4) of the covenant set forth under "*—Certain covenants—Limitation on the Sponsor SPVs,*" in either case that is secured by a Lien on (a) the Collateral (excluding Indebtedness to the extent secured on a junior priority basis) or (b) assets or property of the Issuer or a Guarantor that do not constitute Collateral, *less* the amount of cash and Cash Equivalents that would be stated on the balance sheet of the Issuer and its Restricted Subsidiaries as of such date in accordance with IFRS.

"*Consolidated Senior Secured Net Leverage Ratio*" means, as of any date of determination, the ratio of (x) the Consolidated Senior Secured Net Leverage at such date to (y) the aggregate amount of Consolidated EBITDA for the period of the four most recent fiscal quarters ending prior to the date of such determination for which internal consolidated financial statements of the Issuer are available, in each case calculated with such *pro forma* and other adjustments as are consistent with the *pro forma* provisions set forth in the definition of Consolidated Net Leverage Ratio; provided, however, that the *pro forma* calculation shall not give effect to (i) any Indebtedness Incurred on the Calculation Date pursuant to the provisions described in the second paragraph of the covenant set forth under "*—Certain covenants—Limitation on Indebtedness*" (other than for the purposes of the calculation of the Consolidated Senior Secured Net Leverage

Ratio under clause (5) of the second paragraph of the covenant set forth under "*—Certain covenants—Limitation on Indebtedness*") or (ii) the discharge on the Calculation Date of any Indebtedness to the extent that such discharge results from the proceeds Incurred pursuant to the provisions described in the second paragraph of the covenant set forth under "*—Certain covenants—Limitation on Indebtedness.*"

"*Contingent Obligations*" means, with respect to any Person, any obligation of such Person guaranteeing in any manner, whether directly or indirectly, any operating lease, dividend or other obligation that does not constitute Indebtedness ("*primary obligations*") of any other Person (the "*primary obligor*"), including any obligation of such Person, whether or not contingent:

(1) to purchase any such primary obligation or any property constituting direct or indirect security therefor;

(2) to advance or supply funds:

 (a) for the purchase or payment of any such primary obligation; or

 (b) to maintain the working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor; or

(3) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

"*Credit Facility*" means, with respect to the Issuer or any of its Subsidiaries, one or more debt facilities, arrangements, instruments, trust deeds, or indentures (including the Revolving Credit Facility or commercial paper facilities and overdraft facilities) with banks, institutions or investors providing for revolving credit loans, performance guarantees, term loans, receivables financing (including through the sale of receivables to such institutions or to special purpose entities formed to borrow from such institutions against such receivables), notes, letters of credit or other Indebtedness, in each case, as amended, restated, modified, renewed, refunded, replaced, restructured, refinanced, repaid, increased or extended in whole or in part from time to time (and whether in whole or in part and whether or not with the original administrative agent and lenders or another administrative agent or agents or other banks, institutions or investors and whether provided under the original Revolving Credit Facility or one or more other credit or other agreements, indentures, financing agreements or otherwise) and in each case including all agreements, instruments and documents executed and delivered pursuant to or in connection with the foregoing (including any notes and letters of credit issued pursuant thereto and any Notes Guarantee and collateral agreement, patent and trademark security agreement, mortgages or letter of credit applications and other Guarantees, pledges, agreements, security agreements and collateral documents). Without limiting the generality of the foregoing, the term "*Credit Facility*" shall include any agreement or instrument (1) changing the maturity of any Indebtedness Incurred thereunder or contemplated thereby, (2) adding Subsidiaries of the Issuer as additional borrowers or guarantors thereunder, (3) increasing the amount of Indebtedness Incurred thereunder or available to be borrowed thereunder or (4) otherwise altering the terms and conditions thereof.

"*Currency Agreement*" means, in respect of a Person, any foreign exchange contract, currency swap agreement, currency futures contract, currency option contract, currency derivative or other similar arrangement or agreement to which such Person is a party or beneficiary.

"*Default*" means any event which is, or after notice or passage of time or both would be, an Event of Default.

"*Designated Non-Cash Consideration*" means the fair market value (as determined in good faith by the Board of Directors or a member of Senior Management of the Issuer) of non-cash consideration received by the Issuer or one of its Restricted Subsidiaries in connection with an Asset Disposition that is so designated as Designated Non-Cash Consideration pursuant to an Officer's Certificate, setting forth the basis of such valuation, less the amount of cash, Cash Equivalents or Temporary Cash Investments received in connection with a subsequent payment, redemption, retirement, sale or other disposition of such Designated Non-Cash Consideration. A particular item of Designated Non-Cash Consideration will no longer be considered to be outstanding when and to the extent it has been paid, redeemed or otherwise retired or sold or otherwise disposed of in compliance with the covenant described under "*—Certain covenants—Limitation on sales of assets and Subsidiary stock.*"

"*Designated Preference Shares*" means, with respect to the Issuer or any Parent, Preferred Stock (other than Disqualified Stock) (a) that is issued for cash (other than to the Issuer or a Subsidiary of the Issuer or an employee stock ownership plan or trust established by the Issuer or any such Subsidiary for the benefit of their employees to the extent funded by the Issuer or such Subsidiary) and (b) that is designated as "*Designated Preference Shares*" pursuant to an Officer's Certificate of the Issuer at or prior to the issuance thereof, the Net Cash Proceeds of which are excluded from the calculation set forth in clause (c)(ii) and (c)(iii) of the second paragraph of the covenant described under "*—Certain covenants—Limitation on Restricted Payments.*"

"*Disqualified Stock*" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, in each case on or prior to the date that is 90 days after the earlier of (a) the Stated Maturity of the Senior Secured Notes or (b) the date on which there are no Senior Secured Notes outstanding. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the issuer thereof to repurchase such Capital Stock upon the occurrence of a Change of Control or an Asset Disposition will not constitute Disqualified Stock if the terms of such Capital Stock provide that the issuer thereof may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with the covenant described under the caption "*—Certain covenants—Restricted Payments.*" For purposes hereof, the amount of Disqualified Stock which does not have a fixed repurchase price shall be calculated in accordance with the terms of such Disqualified Stock as if such Disqualified Stock were purchased on any date on which Indebtedness shall be required to be determined pursuant to the Indenture, and if such price is based upon, or measured by, the fair market value of such Disqualified Stock, such fair market value to be determined as set forth herein. Only the portion of Capital Stock which so matures or is mandatorily redeemable, is so convertible or exchangeable or is so redeemable at the option of the holder thereof prior to such date will be deemed to be Disqualified Stock.

"*Equity Offering*" means (x) a sale of Capital Stock of the Issuer or any Parent (other than Disqualified Stock and other than offerings registered on Form S-8 (or any successor form) under the Securities Act or any similar offering in other jurisdictions), or (y) the sale of Capital Stock or other securities by any Person, the proceeds of which are contributed as Subordinated Shareholder Funding or to the equity (other than through the issuance of Disqualified Stock or Designated Preference Shares or through Excluded Contributions or Excluded Amounts) of the Issuer or any of its Restricted Subsidiary.

"*Escrowed Proceeds*" means the proceeds from the offering of any debt securities or other Indebtedness paid into one or more escrow accounts with an independent escrow agent on the date of the applicable offering or Incurrence pursuant to escrow arrangements that permit the release of amounts on deposit in such escrow accounts upon satisfaction of certain conditions or the occurrence of certain events. The term "*Escrowed Proceeds*" shall include any interest earned on the amounts held in escrow.

"*Euroclear*" means Euroclear Bank SA/NV or any successor securities clearing agency.

"*European Government Obligations*" means any security denominated in euro that is (1) a direct obligation of any country that is a member of the European Monetary Union and whose long-term debt is rated "*A-1*" or higher by Moody's or "*A+*" or higher by S&P or the equivalent rating category of another Nationally Recognized Statistical Rating Organization on the date of the Indenture, for the payment of which the full faith and credit of such country is pledged or (2) an obligation of a person controlled or supervised by and acting as an agency or instrumentality of any such country the payment of which is unconditionally Guaranteed as a full faith and credit obligation by such country, which, in either case under the preceding clause (1) or (2), is not callable or redeemable at the option of the issuer thereof.

"*European Union*" means the European Union as of January 1, 2016, including, for the avoidance of doubt, the United Kingdom.

"*Exchange*" means the Channel Islands Securities Exchange Authority Limited.

"*Exchange Act*" means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder, as amended.

"*Excluded Contribution*" means Net Cash Proceeds or property or assets (other than Excluded Amounts) received by the Issuer as capital contributions to the equity (other than through the issuance of Disqualified Stock or Designated Preference Shares) of the Issuer after the Issue Date or from the issuance or sale (other than to a Restricted Subsidiary or an employee stock ownership plan or trust established by the Issuer or any Subsidiary of the Issuer for the benefit of its employees to the extent funded by the Issuer or any Restricted Subsidiary) of Capital Stock (other than Disqualified Stock or Designated Preference Shares) or Subordinated Shareholder Funding of the Issuer, in each case, to the extent designated as an Excluded Contribution pursuant to an Officer's Certificate of the Issuer.

"*Existing Senior Secured Notes*" means the €270.0 million aggregate principal amount of 6.5% senior secured Notes due 2019 issued by the Issuer on January 31, 2014 and May 15, 2015 pursuant to an indenture dated as of January 31, 2014.

"*Existing Senior Secured Notes Redemption*" means the redemption of the entire outstanding principal amount of Existing Senior Secured Notes (including for the avoidance of doubt, accrued and unpaid interest and premium, if any) on the Issue Date.

"*fair market value*" wherever such term is used in this "*Description of the Senior Secured Notes*" or the Indenture (except in relation to an enforcement action pursuant to the Intercreditor Agreement and except as otherwise specifically provided in this "*Description of the Senior Secured Notes*" or the Indenture), may be conclusively established by means of an Officer's Certificate or a resolution of the Board of Directors of the Issuer setting out such fair market value as determined by such Officer or such Board of Directors in good faith.

"*Fitch*" means Fitch Ratings Inc., or any of its successors or assigns that is a Nationally Recognized Statistical Rating Organization.

"*Fixed Charge Coverage Ratio*" means, as of any date of determination, the ratio of (x) the aggregate amount of Consolidated EBITDA of such Person for the period of the four most recent fiscal quarters prior to the date of such determination for which internal financial statements are available immediately preceding the date on which such Indebtedness is Incurred to (y) the Fixed Charges of such Person for such four fiscal quarters.

In the event that the specified Person or any of its Restricted Subsidiaries Incurs, assumes, guarantees, repays, repurchases, redeems, defeases, retires, extinguishes or otherwise discharges any Indebtedness (other than Indebtedness Incurred under any revolving credit facility unless such Indebtedness has been permanently repaid and has not been replaced or ordinary working capital borrowings) or issues, repurchases or redeems Disqualified Stock or Preferred Stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Fixed Charge Coverage Ratio is made (the "*Calculation Date*"), then the Fixed Charge Coverage Ratio will be calculated giving *pro forma* effect (as determined in good faith by a responsible accounting or financial officer of such Person), including in respect of anticipated expense and cost reductions and synergies, to such Incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance, retirement, extinguishment or other discharge of Indebtedness, or such issuance, repurchase or redemption of Disqualified Stock or Preferred Stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period; provided, however, that the *pro forma* calculation of Fixed Charges shall not give effect to (i) any Indebtedness Incurred on the Calculation Date pursuant to the provisions described in the second paragraph of the covenant described under "*—Certain covenants—Limitation on Indebtedness*" (or (ii) the discharge on the Calculation Date of any Indebtedness to the extent that such discharge results from the proceeds Incurred pursuant to the provisions described in the second paragraph of the covenant described under "*—Certain covenants—Limitation on Indebtedness.*"

In addition, for purposes of calculating the Fixed Charge Coverage Ratio:

(1) acquisitions or Investments that have been made by the specified Person or any of its Restricted Subsidiaries, including through mergers or consolidations, or by any Person or any of its Restricted Subsidiaries acquired by the specified Person or any of its Subsidiaries which are Restricted Subsidiaries, and including all related financing transactions and including increases in ownership of Restricted Subsidiaries, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date, or that are to be made on the Calculation Date, will be given *pro forma* effect (as determined in good faith by a responsible accounting or financial officer of such Person) including in respect of anticipated expense and cost reduction synergies, as if they had occurred on the first day of the four-quarter reference period;

(2) the Consolidated EBITDA attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(3) the Fixed Charges attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded, but only to the extent that the obligations giving rise to such Fixed Charges will not be obligations of the specified Person or any of its Restricted Subsidiaries following the Calculation Date;

(4) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period;

(5) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period;

(6) if any Indebtedness bears a floating rate of interest and is being given *pro forma* effect, the interest expense on such Indebtedness will be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as at the Calculation Date in excess of 12 months, or, if shorter, at least equal to the remaining term of such Indebtedness);

(7) Interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a responsible financial or accounting officer of the Issuer to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with IFRS; and

(8) the Fixed Charges of an issuer of Parent Senior Notes that is attributable to Parent Senior Notes Incurred pursuant to clause (4) of the covenant described under "*—Certain covenants—Limitations on the Parent Guarantor*" and any Parent Senior Notes Incurred pursuant to clause (4) of the covenant described under "*—Certain covenants—Limitations on the Sponsor SPVs*" shall be added to the Fixed Charges of the Issuer when calculating the Fixed Charge Coverage Ratio of the Issuer and its Restricted Subsidiaries for any purpose under the Indenture.

"*Fixed Charges*" means, with respect to any specified Person for any period, the sum, without duplication, of:

(1) the Consolidated Interest Expense of such Person for such period; plus

(2) all dividends, whether paid or accrued and whether or not in cash, on or in respect of all Disqualified Stock of the Issuer or any series of Preferred Stock of any Restricted Subsidiary and other than dividends on any equity interests payable to the Issuer or a Restricted Subsidiary.

"*Guarantee*" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness of any other Person, including any such obligation, direct or indirect, contingent or otherwise, of such Person:

(1) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness of such other Person (whether arising by virtue of partnership arrangements, or by agreements to keep- well, to purchase assets, goods, securities or services, to take-or-pay or to maintain financial statement conditions or otherwise); or

(2) entered into primarily for purposes of assuring in any other manner the obligee of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part), provided, however, that the term "*Guarantee*" will not include endorsements for collection or deposit in the ordinary course of business. The term "*Guarantee*" used as a verb has a corresponding meaning.

"*Guarantors*" means the Parent Guarantor, the Additional Guarantor and any additional Guarantor that executes a supplemental indenture in accordance with the provisions of the Indenture, and their respective successors and assigns, in each case, until the Notes Guarantee of such Person has been released in accordance with the provisions of the Indenture.

"*Hedging Obligations*" of any Person means the obligations of such Person pursuant to any Interest Rate Agreement, Currency Agreement or Commodity Hedging Agreement.

"*Holder*" means each Person in whose name the Senior Secured Notes are registered on the Registrar's books, which shall initially be the respective nominee of Euroclear or Clearstream, as applicable.

"*IFRS*" means International Financial Reporting Standards (formerly International Accounting Standards) endorsed by the European Union or any variation thereof with which the Parent Guarantor, the Issuer or any of its Restricted Subsidiaries are required to comply as in effect on the Issue Date, or solely with respect to the covenant described under the heading "*—Certain covenants—Reports,*" as in effect from time to time.

"*Incur*" means issue, create, assume, enter into any Guarantee of, Incur or otherwise become liable for; provided, however, that any Indebtedness or Capital Stock of a Person existing at the time such Person becomes a Restricted Subsidiary (whether by merger, consolidation, acquisition or otherwise) will be deemed to be Incurred by such Restricted Subsidiary at the time it becomes a Restricted Subsidiary and the terms "*Incurred*" and "*Incurrence*" have meanings correlative to the foregoing and any Indebtedness pursuant to any revolving credit or similar facility shall only be "*Incurred*" at the time any funds are borrowed thereunder, *provided* that any rollover utilization that does not increase the amount of Indebtedness (save for an amount equal to the fees associated with such rollover utilization) shall not be construed as the "*Incurrence*" of Indebtedness (without prejudice to the calculation of the amount of Indebtedness outstanding under such facility).

"*Indebtedness*" means, with respect to any Person on any date of determination (without duplication):

(1) the principal of indebtedness of such Person for borrowed money;

(2) the principal of obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;

(3) all reimbursement obligations of such Person in respect of letters of credit, bankers' acceptances or other similar instruments (the amount of such obligations being equal at any time to the aggregate then undrawn and unexpired amount of such letters of credit or other instruments plus the aggregate amount of drawings thereunder that have been reimbursed) (except to the extent such reimbursement obligations relate to trade payables or other obligations not constituting Indebtedness and such obligations are satisfied within 30 days of Incurrence);

(4) the principal component of all obligations of such Person to pay the deferred and unpaid purchase price of property (except trade payables), where the deferred payment is arranged primarily as a means of raising finance, which purchase price is due more than one year after the date of placing such property in service or taking final delivery and title thereto;

(5) Capitalized Lease Obligations of such Person;

(6) the principal component of all obligations, or liquidation preference, of such Person with respect to any Disqualified Stock or, with respect to any Restricted Subsidiary, any Preferred Stock (but excluding, in each case, any accrued dividends);

(7) the principal component of all Indebtedness of other Persons secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; (the

amount of any such Indebtedness being equal to the lesser of (a) the fair market value of such asset at such date of determination (as determined in good faith by the Board of Directors or a member of Senior Management of the Issuer) and (b) the amount of such Indebtedness of such other Persons);

(8) Guarantees by such Person of the principal component of Indebtedness of other Persons to the extent Guaranteed by such Person; and

(9) to the extent not otherwise included in this definition, net obligations of such Person under Currency Agreements, Interest Rate Agreements and Commodity Hedging Agreements (the amount of any such obligations to be equal at any time to the termination value of such agreement or arrangement giving rise to such obligation that would be payable by such Person at such time).

The amount of Indebtedness of any Person at any time in the case of a revolving credit or similar facility shall be the total amounts of funds borrowed and then outstanding. The amount of Indebtedness of any Person at any date shall be determined as set forth above or otherwise provided in the Indenture, and (other than with respect to letters of credit or Guarantees or Indebtedness specified in clause (7), (8) or (9) above) shall equal the amount thereof that would appear on a balance sheet of such Person (excluding any notes thereto) prepared on the basis of IFRS.

Notwithstanding the above provisions, in no event shall the following constitute Indebtedness:

(1) Contingent Obligations Incurred in the ordinary course of business, obligations under or in respect of Qualified Receivables Financings and accrued liabilities Incurred in the ordinary course of business that are not more than 90 days past due;

(2) in connection with the purchase by the Issuer or any of its Restricted Subsidiaries of any business, any post-closing payment adjustments to which the seller may become entitled to the extent such payment is determined by a final closing balance sheet or such payment depends on the performance of such business after the closing; *provided*, *however*, that, at the time of closing, the amount of any such payment is not determinable and, to the extent such payment thereafter becomes fixed and determined, the amount is paid within 180 days thereafter;

(3) any contingent obligations in respect of workers' compensation claims, early retirement or termination obligations, pension fund obligations or contributions or similar claims, obligations or contributions or social security or wage Taxes or under any Tax Sharing Agreement;

(4) Subordinated Shareholder Funding;

(5) prepayments of deposits received from clients or customers in the ordinary course of business;

(6) obligations under any license, permit or other approval (or Guarantees given in respect of such obligations) Incurred prior to the Issue Date or in the ordinary course of business;

(7) any contingent obligations in respect of workers' compensation claims, early retirement or termination obligations, pension fund obligations or contributions or similar claims, obligations or contributions or social security or wage Taxes;

(8) deferred or prepaid revenues;

(9) obligations under or in respect of CICE Financing or Qualified Receivables Financings and accrued liabilities Incurred in the ordinary course of business that are not more than 90 days past due;

(10) non-interest bearing instalment obligations and accrued liabilities Incurred in the ordinary course of business that are not more than 120 days past due;

(11) Indebtedness in respect of the Incurrence by the Issuer or any Restricted Subsidiary of Indebtedness in respect of standby letters of credit, performance bonds or surety bonds provided by the Issuer or any Restricted Subsidiary in the ordinary course of

business to the extent such letters of credit or bonds are not drawn upon or, if and to the extent drawn upon are honored in accordance with their terms and if to be reimbursed, are reimbursed no later than the fifth Business Day following receipt by such Person of a demand for reimbursement following payment on the letter of credit or bond;

(12) Indebtedness Incurred by the Issuer or one of the Restricted Subsidiaries in connection with a transaction where (A) such indebtedness is borrowed from a bank or trust company, having capital and surplus in excess of €250 million (or the foreign currency equivalent thereof) or whose long term debt is rated at least "*A*" by S&P or Fitch or "*A-3*" by Moody's (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P, Fitch or Moody's then exists, the equivalent of such rating by any Nationally Recognized Statistical Rating Organization) immediately prior to the time such transaction is entered into and (B) a substantially concurrent Investment is made by the Issuer or a Restricted Subsidiary in the form of cash deposited with the lender of such indebtedness, or a Subsidiary or Affiliate thereof, in amount equal to such Indebtedness; or

(13) any liability for Taxes.

"*Independent Financial Advisor*" means an investment banking or accounting firm of international standing or any third party appraiser of international standing; provided, however, that such firm or appraiser is not an Affiliate of the Issuer.

"*Initial Investors*" means any funds or limited partnerships managed or advised by Bain Capital Europe LLP or any of its Affiliates or direct or indirect Subsidiaries or any trust, fund, company or partnership owned, managed or advised by Bain Capital Europe LLP or any of its Affiliates or direct or indirect Subsidiaries or any entity controlled by all or substantially all of the managing directors of such fund or Bain Capital Europe LLP from time to time.

"*Initial Public Offering*" means an Equity Offering of common stock or other common equity interests of the Issuer or any Parent or any successor of the Issuer or any Parent (the "*IPO Entity*") following which there is a Public Market and, as a result of which, the shares of common stock or other common equity interests of the IPO Entity in such offering are listed on an internationally recognized exchange or traded on an internationally recognized market.

"*Intercreditor Agreement*" means the intercreditor agreement dated as of January 31, 2014, by and among, *inter alios*, the lenders and agents under the Revolving Credit Facility, certain hedge counterparties, the Issuer, U.S. Bank Trustees Limited, as notes trustee (upon accession) for the Notes and U.S. Bank Trustees Limited, as security agent, as amended on the Issue Date and as may be amended from time to time;

"*Interest Rate Agreement*" means, with respect to any Person, any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement or other similar agreement or arrangement to which such Person is party or a beneficiary.

"*Investment*" means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the form of any advance, loan or other extensions of credit (other than advances or extensions of credit to customers, suppliers, directors, officers or employees of any Person in the ordinary course of business, and excluding any debt or extension of credit represented by a bank deposit other than a time deposit) or capital contribution to (by means of any transfer of cash or other property to others or any payment for property or services for the account or use of others), or the Incurrence of a Guarantee of any obligation of, or any purchase or acquisition of Capital Stock, Indebtedness or other similar instruments issued by, such other Persons and all other items that are or would be classified as investments on a balance sheet (excluding any notes thereto) prepared on the basis of IFRS; provided, however, that endorsements of negotiable instruments and documents in the ordinary course of business will not be deemed to be an Investment. If the Issuer or any Restricted Subsidiary issues, sells or otherwise disposes of any Capital Stock of a Person that is a Restricted Subsidiary such that, after giving effect thereto, such Person is no longer a Restricted Subsidiary, any Investment by the Issuer or any Restricted Subsidiary in such Person remaining after giving effect thereto will be deemed to be a new Investment equal to the fair market value of the Capital Stock of such Subsidiary not sold or disposed of in an amount determined as provided in the final paragraph of the covenant described under the caption "*—Certain covenants—Limitation on Restricted Payments.*"

For purposes of "*—Certain covenants—Limitation on Restricted Payments*":

(1) "*Investment*" will include the portion (proportionate to the Issuer's equity interest in a Restricted Subsidiary to be designated as an Unrestricted Subsidiary) of the fair market value of the net assets of such Restricted Subsidiary of the Issuer at the time that such Restricted Subsidiary is designated an Unrestricted Subsidiary; and

(2) any property transferred to or from an Unrestricted Subsidiary will be valued at its fair market value at the time of such transfer, in each case as determined in good faith by the Board of Directors or a member of Senior Management of the Issuer.

The amount of any Investment outstanding at any time shall be the original cost of such Investment, reduced (at the Issuer's option) by any dividend, distribution, interest payment, return of capital, repayment or other amount or value received in respect of such Investment.

"*Investment Grade Securities*" means:

(1) securities issued or directly and fully Guaranteed or insured by the United States or Canadian government or any agency or instrumentality thereof (other than Cash Equivalents);

(2) securities issued or directly and fully guaranteed or insured by a member of the European Union (other than Greece, Portugal or Spain), Switzerland or Norway or any agency or instrumentality thereof (other than Cash Equivalents);

(3) debt securities or debt instruments with a rating of "*BBB-*" or higher from S&P, "*Baa3*" or higher by Moody's or "*BBB-*" or higher from Fitch, or the equivalent of such rating by such rating organization or, if no rating of Moody's, Fitch or S&P then exists, the equivalent of such rating by any other Nationally Recognized Statistical Rating Organization, but excluding any debt securities or instruments constituting loans or advances among the Issuer and its Subsidiaries;

(4) investments in any fund that invests exclusively in investments of the type described in clauses (1), (2) and (3) above which fund may also hold cash and Cash Equivalents pending investment or distribution; and

(5) any investment in repurchase obligations with respect to any securities of the type described in clauses (1), (2) and (3) above, which are collateralized at par or over.

"*Investment Grade Status*" shall occur when all of the Senior Secured Notes receive both of the following:

(1) a rating of "*BBB-*" or higher from S&P; and

(2) a rating of "*Baa3*" or higher from Moody's or the equivalent of such rating by either such rating organization or, if no rating of Moody's or S&P then exists, the equivalent of such rating by any other Nationally Recognized Statistical Rating Organization.

"*IPO Entity*" has the meaning given to it in the definition of "*Initial Public Offering*."

"*IPO Market Capitalization*" means an amount equal to (i) the total number of issued and outstanding shares of common stock or common equity interests of the IPO Entity at the time of closing of the Initial Public Offering multiplied by (ii) the price per share at which such shares of common stock or common equity interests are sold in such Initial Public Offering.

"*Issue Date*" means , 2016.

"*Issuer*" means Autodis S.A.

"*Lien*" means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including any conditional sale or other title retention agreement or lease in the nature thereof).

"*Limited Condition Acquisition*" means any acquisition, including by way of merger, amalgamation or consolidation, by the Issuer or one or more of its Restricted Subsidiaries whose consummation is not conditioned upon the availability of, or on obtaining, third party financing; *provided*, that the Consolidated Net Income (and any other financial term derived therefrom), other than for purposes of calculating any ratios in connection with the Limited Condition Acquisition, shall not include any Consolidated Net Income of or attributable to the target company or assets associated with any such Limited Condition Acquisition unless and until the closing of such Limited Condition Acquisition shall have actually occurred.

"*Listing Sponsor*" means the sponsor for the Issuer in respect of the listing of the Senior Secured Notes on the Exchange as the Issuer may appoint, which will initially be Carey Olsen Corporate Finance Limited.

"*Management Advances*" means loans or advances made to, or Guarantees with respect to loans or advances made to, directors, officers, employees or consultants of any Parent, the Issuer or any Restricted Subsidiary:

(1) in respect of travel, entertainment or moving related expenses Incurred either (i) in the ordinary course of business and consistent with past practice or (ii) in connection with any closing or consolidation of any facility or office;

(2) to fund the purchase of Capital Stock or other equity interests of the Issuer or any Parent; or

(3) (in the case of this clause (3)) not exceeding €5.0 million in the aggregate outstanding at any time.

"*Management Investors*" means (i) members of the management team of the Parent Guarantor, the Issuer or any of its Subsidiaries investing, or committing to invest, directly or indirectly, in the Issuer from time to time and (ii) any entity that may hold shares transferred by departing members of the management team of the Parent Guarantor, the Issuer or any of its Subsidiaries for future redistribution to the management team. For the avoidance of doubt, "*management team*" shall include, but not be limited to, any managers, officers and (executive and non-executive) directors of the Parent Guarantor, the Issuer and its Subsidiaries.

"*Market Capitalization*" means an amount equal to (i) the total number of issued and outstanding shares of common stock or common equity interests of the IPO Entity on the date of the declaration of the relevant dividend multiplied by (ii) the arithmetic mean of the closing prices per share of such common stock or common equity interests for the 30 consecutive trading days immediately preceding the date of declaration of such dividend.

"*Moody's*" means Moody's Investors Service, Inc. or any of its successors or assigns that is a Nationally Recognized Statistical Rating Organization.

"*Nationally Recognized Statistical Rating Organization*" means a nationally recognized statistical rating organization within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act.

"*Net Available Cash*" from an Asset Disposition means cash payments received (including any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise and net proceeds from the sale or other disposition of any securities received as consideration, but only as and when received, but excluding any other consideration received in the form of assumption by the acquiring person of Indebtedness or other obligations relating to the properties or assets that are the subject of such Asset Disposition or received in any other non-cash form) therefrom, in each case net of:

(1) all legal, accounting, investment banking, title and recording tax expenses, commissions and other fees and expenses Incurred, and all Taxes paid or required to be paid or accrued as a liability under IFRS (after taking into account any available tax credits or deductions and any Tax Sharing Agreements), as a consequence of such Asset Disposition;

(2) all payments made on any Indebtedness which is secured by any assets subject to such Asset Disposition (other than Capitalized Lease Obligations), in accordance with the terms of any Lien upon such assets, or which must by its terms, or in order to obtain a necessary consent to such Asset Disposition, or by applicable law, be repaid out of the proceeds from such Asset Disposition;

(3) all distributions and other payments required to be made to minority interest holders (other than any Parent, the Issuer or any of their respective Subsidiaries) in Subsidiaries or joint ventures as a result of such Asset Disposition; and

(4) the deduction of appropriate amounts required to be provided by the seller as a reserve, on the basis of IFRS, against any liabilities associated with the assets disposed of in such Asset Disposition and retained by the Issuer or any Restricted Subsidiary after such Asset Disposition.

"*Net Cash Proceeds,*" with respect to any issuance or sale of Capital Stock or Subordinated Shareholder Funding, means the cash proceeds of such issuance or sale net of contingent earn-out payments, attorneys' fees, accountants' fees, underwriters' or placement agents' fees, listing fees, discounts or commissions and brokerage, consultant and other fees and charges actually Incurred in connection with such issuance or sale and net of Taxes paid or payable as a result of such issuance or sale (after taking into account any available tax credit or deductions and any Tax Sharing Agreements).

"*Offering*" means this offering of Senior Secured Notes.

"*Offering Memorandum*" means this offering memorandum in relation to the Senior Secured Notes.

"*Officer*" means, with respect to any Person, (1) any member of the Board of Directors, the Chief Executive Officer, the President, the Chief Financial Officer, any Vice President, the Treasurer or the Secretary (a) of such Person or (b) if such Person is owned or managed by a single entity, of such entity, or (2) any other individual designated as an "*Officer*" for the purposes of the Indenture by the Board of Directors of such Person.

"*Officer's Certificate*" means, with respect to any Person, a certificate signed by one Officer of such Person.

"*Opinion of Counsel*" means a written opinion from legal counsel reasonably satisfactory to the Trustee. The counsel may be an employee of or counsel to the Issuer or its Subsidiaries.

"*Parent*" means any Person of which the Issuer at any time is or becomes a direct or indirect Subsidiary after the Issue Date and any holding companies established by any Permitted Holder for purposes of holding, directly or indirectly, its investment in any Parent.

"*Parent Expenses*" means:

(1) costs (including all professional fees and expenses) Incurred by any Parent in connection with reporting obligations under or otherwise Incurred in connection with compliance with applicable laws, rules or regulations of any governmental, regulatory or self-regulatory body or stock exchange, the Indenture or any other agreement or instrument relating to Indebtedness of the Issuer or any Restricted Subsidiary, including in respect of any reports filed with respect to the Securities Act, Exchange Act or the respective rules and regulations promulgated thereunder;

(2) customary indemnification obligations of any Parent owing to directors, officers, employees or other Persons under its charter or by-laws or pursuant to written agreements with any such Person to the extent relating to the Issuer and its Subsidiaries;

(3) obligations of any Parent in respect of director and officer insurance (including premiums therefor) to the extent relating to the Issuer and its Subsidiaries;

(4) fees and expenses payable by any Parent in connection with the Refinancing;

(5) general corporate overhead expenses and administrative costs, including (a) professional fees and expenses, regulatory costs and other operational expenses of any Parent related to the ownership or operation of the business of the Issuer or any of its Restricted Subsidiaries, (b) costs and expenses with respect to the ownership, directly or indirectly, of the Issuer and its Restricted Subsidiaries by any Parent, (c) any Taxes of any Parent to the extent arising from an investment in the equity interests or equity-like interests of such Parent, or shareholder loans extended to or by such Parent, in connection with the Refinancing or another investment in the Issuer and its

Restricted Subsidiaries, (d) any Taxes and other fees and expenses required to maintain such Parent's corporate existence and to provide for other ordinary course operating costs, including customary salary, bonus and other benefits payable to, and indemnities provided on behalf of, officers and employees of such Parent, (e) to reimburse reasonable out-of-pocket expenses of the Board of Directors of such Parent, and (f) any unsuccessful equity or debt offering, any disposition or acquisition or any investment transaction by the Issuer or any of its Restricted Subsidiaries (or any acquisition of or investment in any business, assets or property that will be contributed to the Issuer or any Restricted Subsidiary as part of the same or a related transaction) permitted by the Indenture;

(6) other fees, expenses and costs (a) relating directly or indirectly to activities of the Issuer and its Subsidiaries or any Parent or any other Person established for purposes of or in connection with the Refinancing or which holds directly or indirectly any Capital Stock or Subordinated Shareholder Funding of the Issuer, in an amount not to exceed €1.5 million in any fiscal year, *plus* prior to the second anniversary of the AD Acquisition Completion Date, €2.5 million per annum and (ii) thereafter, the greater of €2.5 million and 3.0% of Consolidated EBITDA per annum and (b) for any financial advisory, financing, underwriting or placement services or in respect of other investment banking activities, including, without limitation, in connection with acquisitions or divestitures, including in connection with the consummation of the Refinancing which payments are approved in respect of such activities by a majority of the Board of Directors of the Issuer in good faith;

(7) any Taxes, to the extent such Taxes are referable to the income of the Issuer and its Restricted Subsidiaries and, to the extent of the amount actually received in cash from its Unrestricted Subsidiaries, in amounts required to pay such taxes to the extent referable to the income of such Unrestricted Subsidiaries; *provided*, however, that the amount of such payments in any fiscal year do not exceed the amount that the Issuer and its Subsidiaries would be required to pay in respect of such taxes on a consolidated basis on behalf of an affiliated group consisting only of the Issuer and its Subsidiaries; and

(8) expenses Incurred by any Parent in connection with any public offering or other sale of Capital Stock or Indebtedness:

(a) where the net proceeds of such offering or sale are intended to be received by or contributed to the Issuer or a Restricted Subsidiary;

(b) in a pro-rated amount of such expenses in proportion to the amount of such net proceeds intended to be so received or contributed; or

(c) otherwise on an interim basis prior to completion of such offering so long as any Parent shall cause the amount of such expenses to be repaid to the Issuer or the relevant Restricted Subsidiary out of the proceeds of such offering promptly if completed.

"*Parent Senior Notes*" means senior notes issued by Luxco 6 or the Parent Guarantor (or a finance subsidiary thereof) as "*Senior Unsecured Notes*" under the Intercreditor Agreement or any Additional Intercreditor Agreement.

"*Pari Passu Indebtedness*" means Indebtedness of (i) the Issuer that ranks equally in right of payment with the Senior Secured Notes or (ii) any Guarantor that ranks equally in right of payment with such Guarantor's Notes Guarantee.

"*Paying Agent*" means any Person authorized by the Issuer to pay the principal of (and premium, if any) or interest on any Note on behalf of the Issuer.

"*Permitted Business*" means (a) any businesses, services or activities engaged in by the Issuer or any Restricted Subsidiary on the Issue Date or which is contemplated by the Issuer on the Issue Date and (b) any businesses, services and activities engaged in by the Issuer or any Restricted Subsidiary that are related, complementary, incidental, ancillary or similar to any of the foregoing or are extensions or developments of any thereof.

"*Permitted Collateral Liens*" means Liens on the Collateral:

(a) that are described in one or more of clauses (3), (4), (5), (6), (8), (9), (11), (12), (14), (18), (20), (23) and (24) of the definition of "*Permitted Liens*" and, in each case, arising by law or that would not materially interfere with the ability of the Security Agent to enforce the Security Interests in the Collateral;

(b) to secure:

(i) the Senior Secured Notes (including any Additional Senior Secured Notes permitted to be Incurred under the Indenture);

(ii) Indebtedness permitted to be Incurred under the first paragraph of the covenant described under "*—Certain covenants—Limitation on Indebtedness*";

(iii) Indebtedness described under clause (1) of the second paragraph of the covenant described under "*—Certain covenants—Limitation on Indebtedness*," which Indebtedness may have super senior priority status in respect of the proceeds from the enforcement of the Collateral not materially less favorable to the Holders than that accorded to the Revolving Credit Facility on the Issue Date pursuant to the Intercreditor Agreement;

(iv) Indebtedness described under clause (2) of the second paragraph of the covenant described under "*—Certain covenants—Limitation on Indebtedness,*" to the extent Incurred by the Issuer or a Guarantor and to the extent such Guarantee is in respect of Indebtedness otherwise permitted to be secured and specified in this definition of Permitted Collateral Liens;

(v) Indebtedness described under clause (5) of the second paragraph of the covenant described under "*—Certain covenants—Limitation on Indebtedness*" and that is Incurred by the Issuer or a Guarantor;

(vi) Indebtedness described under clause (6) of the second paragraph of the covenant described under "*—Certain covenants—Limitation on Indebtedness*"; *provided* that Currency Agreements and Interest Rate Agreements entered into with respect to the Senior Secured Notes, any Indebtedness Incurred under the Revolving Credit Facility, or any Refinancing Indebtedness in respect thereof that is Incurred in compliance with the covenant described under "*—Certain covenants—Limitation on Indebtedness*" that is not subordinated in right of payment to the Senior Secured Notes and that is permitted under the Indenture to be secured by a Permitted Collateral Lien which ranks *pari passu* with the Lien on the Collateral securing the Senior Secured Notes may have super senior priority status not materially less favorable to the Holders than that accorded to the Revolving Credit Facility on the Issue Date pursuant to the Intercreditor Agreement;

(vii) Indebtedness described under clauses (7) (other than with respect to Capitalized Lease Obligations), (11), (13) or (14) of the second paragraph of the covenant described under "*—Certain covenants—Limitation on Indebtedness*";

(viii) to secure on a junior priority basis to the Senior Secured Notes, any Parent Senior Notes Incurred pursuant to clause (4) of the covenant described under "*—Certain covenants—Limitation on the Parent Guarantor*" or clause (4) of the covenant described under "*—Certain covenants—Limitation on Sponsor SPVs*" solely with respect to the share capital of, and any intercompany receivable from, such Parent Senior Notes issuer's directly owned Subsidiary (or, in the case such Parent Senior Notes are issued by a finance subsidiary of the Parent Guarantor or Luxco 6, the share capital of, and any intercompany receivable from, the Parent Guarantor or Luxco 6's directly owned Subsidiary, as applicable, and such finance subsidiary); and

(ix) any Refinancing Indebtedness in respect of Indebtedness referred to in the foregoing clauses (i) to (viii);

(c) Incurred in the ordinary course of business of the Issuer or any Restricted Subsidiary with respect to obligations that in total do not exceed €15.0 million at any one time outstanding and that (i) are not Incurred in connection with the borrowing of money and (ii) do not in the aggregate materially detract from the value of the property or materially impair the use thereof or the operation of the Issuer's or such Restricted Subsidiary's business;

provided, that, in the case of clauses (b) and (c) of this definition of "*Permitted Collateral Liens,*" each of the secured parties to any such Indebtedness (acting directly or through its respective creditor representative) will have entered into the Intercreditor Agreement or an Additional Intercreditor Agreement;

"*Permitted Holders*" means, collectively, (a) the Initial Investors, (b) the Management Investors, (c) any Related Person of any Persons specified in clauses (a) and (b), (d) any Person who is acting as an underwriter in connection with a public or private offering of Capital Stock of any Parent or the Issuer, acting in such capacity, and (e) any group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act or any successor provision (which, for the avoidance of doubt includes any such group that includes a Permitted Holder)) of which any of the foregoing (including any Persons mentioned in the following sentence) are members.

"*Permitted Investment*" means (in each case, by the Issuer or any of its Restricted Subsidiaries):

(1) Investments in (a) a Restricted Subsidiary (including the Capital Stock of a Restricted Subsidiary) or the Issuer or (b) a Person (including the Capital Stock of any such Person) if such Person will, upon the making of such Investment, become a Restricted Subsidiary;

(2) Investments in another Person if as a result of such Investment such other Person is merged, consolidated or otherwise combined with or into, or transfers or conveys all or substantially all its assets to, the Issuer or a Restricted Subsidiary;

(3) Investments in cash, Cash Equivalents, Temporary Cash Investments or Investment Grade Securities;

(4) Investments in receivables owing to the Issuer or any Restricted Subsidiary created or acquired in the ordinary course of business, including Investments in connection with any Qualified Receivables Financing or any CICE Financing;

(5) Investments in payroll, travel, relocation, entertainment and similar advances to cover matters that are expected at the time of such advances ultimately to be treated as expenses for accounting purposes and that are made in the ordinary course of business;

(6) Management Advances;

(7) Investments in Capital Stock, obligations or securities received in settlement of debts created in the ordinary course of business and owing to the Issuer or any Restricted Subsidiary, or as a result of foreclosure, perfection or enforcement of any Lien, or in satisfaction of judgments or pursuant to any plan of reorganization or similar arrangement including upon the bankruptcy or insolvency of a debtor;

(8) Investments made as a result of the receipt of non-cash consideration from a sale or other disposition of property or assets, including an Asset Disposition, in each case, that was made in compliance with "*—Certain covenants—Limitation on sales of assets and Subsidiary stock*";

(9) Investments in existence on, or made pursuant to legally binding commitments in existence on, the Issue Date, and any extension, modification or renewal of any such Investment; *provided*, that the amount of the Investment may be increased (a) as required by the terms of the Investment as in existence on the Issue Date or (b) as otherwise permitted under the Indenture;

(10) Currency Agreements, Interest Rate Agreements, Commodity Hedging Agreements and related Hedging Obligations, which transactions or obligations are Incurred in compliance with "*—Certain covenants—Limitation on Indebtedness*";

(11) Investments, taken together with all other Investments made pursuant to this clause (11) and at any time outstanding, in an aggregate amount at the time of such

Investment (net of any distributions, dividends, payments or other returns in respect of such Investments) not to exceed the greater of €35.0 million and 4.4% of Total Assets; *provided,* that, if an Investment is made pursuant to this clause in a Person that is not a Restricted Subsidiary and such Person subsequently becomes a Restricted Subsidiary or is subsequently designated a Restricted Subsidiary pursuant to the covenant described under "*—Certain covenants—Limitation on Restricted Payments,*" such Investment shall thereafter be deemed to have been made pursuant to clause (1) or (2) of the definition of "*Permitted Investments*" and not this clause;

(12) pledges or deposits with respect to leases or utilities provided to third parties in the ordinary course of business or Liens otherwise described in the definition of "*Permitted Liens*" or made in connection with Liens permitted under the covenant described under "*—Certain covenants—Limitation on Liens*";

(13) any Investment to the extent made using Capital Stock of the Issuer (other than Disqualified Stock), Subordinated Shareholder Funding or Capital Stock of any Parent as consideration;

(14) any transaction to the extent constituting an Investment that is permitted and made in accordance with the provisions of clauses (4), (6) or (14) of the second paragraph of the covenant described under "*—Certain covenants—Limitation on Affiliate transactions*";

(15) (a) Guarantees of (i) Indebtedness of the Issuer or its Restricted Subsidiaries and (ii) Indebtedness of any joint venture, in each case permitted to be Incurred by the covenant set forth under "*—Certain covenants—Limitation on Indebtedness*," and (b) (other than with respect to Indebtedness) guarantees, keepwells and similar arrangements in the ordinary course of business; including guarantees of the obligations of, and loans to, franchisees;

(16) Investments in loans under the Revolving Credit Facility, the Senior Secured Notes and any Additional Senior Secured Notes;

(17) Investments in joint ventures or a Similar Business, taken together with all other Investments made pursuant to this clause (17) and at any time outstanding, in an aggregate amount at the time of such Investment (net of any distributions, dividends, payments or other returns in respect of such Investments) not to exceed the greater of €15.0 million and 1.9% of Total Assets; *provided*, that, if an Investment is made pursuant to this clause (17) in a Person that is not a Restricted Subsidiary and such Person subsequently becomes a Restricted Subsidiary or is subsequently designated a Restricted Subsidiary pursuant to the covenant set forth under "*—Certain covenants—Limitation on Restricted Payments*," such Investment shall thereafter be deemed to have been made pursuant to clause (1) or (2) of this definition of "*Permitted Investment*" and not this clause (17); and

(18) Investments in Unrestricted Subsidiaries, taken together with all other Investments made pursuant to this clause (18) and at any time outstanding, in an aggregate amount at the time of such Investment (net of any distributions, dividends, payments or other returns in respect of such Investments) not to exceed the greater of €15.0 million and 1.9% of Total Assets; *provided*, that, if an Investment is made pursuant to this clause (18) in a Person that is not a Restricted Subsidiary and such Person subsequently becomes a Restricted Subsidiary or is subsequently designated a Restricted Subsidiary pursuant to the covenant set forth under "*—Certain covenants—Limitation on Restricted Payments*," such Investment shall thereafter be deemed to have been made pursuant to clause (1) or (2) of the definition of "*Permitted Investments*" and not this clause (18).

"*Permitted Liens*" means, with respect to any Person:

(1) Liens on assets or property of a Restricted Subsidiary that is not a Guarantor securing Indebtedness of (a) any Restricted Subsidiary that is not a Guarantor permitted by the covenant described under "*—Certain covenants—Limitation on Indebtedness*" or (b) the Issuer or a Guarantor; *provided* that such Restricted Subsidiary that is not a

Guarantor is not required to Guarantee the Senior Secured Notes pursuant to the covenant described under "*—Certain covenants—Additional Guarantees*";

(2) pledges, deposits or Liens under workmen's compensation laws, unemployment insurance laws, social security laws or similar legislation, or insurance related obligations (including pledges or deposits securing liability to insurance carriers under insurance or self-insurance arrangements), or in connection with bids, tenders, completion guarantees, contracts (other than for borrowed money) or leases, or to secure utilities, licenses, public or statutory obligations, or to secure surety, indemnity, judgment, appeal or performance bonds, guarantees of government contracts (or other similar bonds, instruments or obligations), or as security for contested Taxes or import or customs duties or for the payment of rent, or other obligations of like nature, in each case Incurred in the ordinary course of business;

(3) Liens imposed by law, including carriers', warehousemen's, mechanics', landlords', materialmen's and repairmen's or other similar Liens, in each case for sums not yet overdue for a period of more than 60 days or that are bonded or being contested in good faith by appropriate proceedings;

(4) Liens for Taxes, assessments or other governmental charges not yet delinquent or which are being contested in good faith by appropriate proceedings; *provided* that appropriate reserves required pursuant to IFRS have been made in respect thereof;

(5) Liens in favor of issuers of surety, performance or other bonds, guarantees or letters of credit or bankers' acceptances (not issued to support Indebtedness for borrowed money) issued pursuant to the request of and for the account of the Issuer or any Restricted Subsidiary in the ordinary course of its business, and Liens to secure cash management services or to implement cash pooling arrangements or to cash collateralize letters of credit or similar instruments in the ordinary course of business;

(6) encumbrances, ground leases, easements (including reciprocal easement agreements), survey exceptions, or reservations of, or rights of others for, licenses, rights of way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning, building codes or other restrictions (including minor defects or irregularities in title and similar encumbrances) as to the use of real properties or Liens incidental to the conduct of the business of the Issuer and its Restricted Subsidiaries or to the ownership of its properties which do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of the Issuer and its Restricted Subsidiaries;

(7) Liens on assets or property of the Issuer or any Restricted Subsidiary (other than Collateral) securing Hedging Obligations permitted under the Indenture and relating to Indebtedness permitted to be Incurred under the Indenture and which is secured by a Lien on the same assets or property that secures such Indebtedness;

(8) leases, licenses, subleases and sublicenses of assets (including real property and intellectual property rights), in each case entered into in the ordinary course of business;

(9) Liens arising out of judgments, decrees, orders or awards not giving rise to an Event of Default so long as any appropriate legal proceedings which may have been duly initiated for the review of such judgment, decree, order or award have not been finally terminated or the period within which such proceedings may be initiated has not expired;

(10) Liens on assets or property of the Issuer or any Restricted Subsidiary for the purpose of securing Capitalized Lease Obligations or Purchase Money Obligations, or securing the payment of all or a part of the purchase price of, or securing other Indebtedness Incurred to finance or refinance the acquisition, improvement or construction of, assets or property acquired or constructed in the ordinary course of business; *provided*, that (a) the aggregate principal amount of Indebtedness secured by such Liens is otherwise permitted to be Incurred under clause (7) of the covenant described above under "*—Certain covenants—Limitation on Indebtedness*" and (b) any such Lien may

not extend to any assets or property of the Issuer or any Restricted Subsidiary other than assets or property acquired, improved, constructed or leased with the proceeds of such Indebtedness and any improvements or accessions to such assets and property;

(11) Liens arising by virtue of any statutory or common law provisions relating to banker's Liens, rights of set-off or similar rights and remedies as to deposit accounts or other funds maintained with a depositary or financial institution;

(12) Liens arising from New York Uniform Commercial Code financing statement filings (or similar filings in other applicable jurisdictions) regarding operating leases entered into by the Issuer and its Restricted Subsidiaries in the ordinary course of business;

(13) Liens existing on, or provided for or required to be granted under written agreements existing on, the Issue Date;

(14) Liens on property, other assets or shares of stock of a Person at the time such Person becomes a Restricted Subsidiary (or at the time the Issuer or a Restricted Subsidiary acquires such property, other assets or shares of stock, including any acquisition by means of a merger, consolidation or other business combination transaction with or into the Issuer or any Restricted Subsidiary), including Liens created, Incurred or assumed in connection with, or in contemplation of such acquisition or transaction; *provided* that such Liens are limited to all or part of the same property, other assets or stock (plus improvements, accession, proceeds or dividends or distributions in connection with the original property, other assets or stock) that secured (or, under the written arrangements under which such Liens arose, could secure) the obligations to which such Liens relate;

(15) Liens on assets or property of the Issuer or any Restricted Subsidiary securing Indebtedness or other obligations of such Restricted Subsidiary owing to the Issuer or another Restricted Subsidiary, or Liens in favor of the Issuer or any Restricted Subsidiary;

(16) Liens securing Refinancing Indebtedness Incurred to refinance Indebtedness that was previously so secured, and permitted to be secured under the Indenture; *provided* that any such Lien is limited to all or part of the same property or assets (plus improvements, accessions, proceeds or dividends or distributions in respect thereof) that secured (or, under the written arrangements under which the original Lien arose, could secure) the Indebtedness being refinanced or is in respect of property that is or could be the security for or subject to a Permitted Lien hereunder;

(17) any interest or title of a lessor under any Capitalized Lease Obligation or operating lease;

(18) (a) mortgages, liens, security interests, restrictions, encumbrances or any other matters of record that have been placed by any government, statutory or regulatory authority, developer, landlord or other third party on property over which the Issuer or any Restricted Subsidiary of the Issuer has easement rights or on any leased property and subordination or similar arrangements relating thereto and (b) any condemnation or eminent domain proceedings affecting any real property;

(19) any encumbrance or restriction (including put and call arrangements) with respect to Capital Stock of, or assets owned by, any joint venture or similar arrangement pursuant to any joint venture or similar agreement;

(20) Liens on property or assets under construction (and related rights) in favor of a contractor or developer or arising from progress or partial payments by a third party relating to such property or assets;

(21) Liens on Receivables Assets Incurred in connection with a Qualified Receivables Financing;

(22) Liens on Escrowed Proceeds for the benefit of the related holders of debt securities or other Indebtedness (or the underwriters or arrangers thereof) or on cash set aside at the time of the Incurrence of any Indebtedness or government securities purchased with such cash, in either case to the extent such cash or government securities prefund

the payment of interest on such Indebtedness and are held in one or more escrow accounts or similar arrangements to be applied for such purpose;

(23) Liens securing or arising by reason of any netting or set-off arrangement entered into in the ordinary course of banking or other trading activities;

(24) Liens arising out of conditional sale, title retention, hire purchase, consignment or similar arrangements for the sale of goods entered into in the ordinary course of business;

(25) Liens on Capital Stock or other securities or assets of any Unrestricted Subsidiary that secure Indebtedness of such Unrestricted Subsidiary;

(26) any security granted over the marketable securities portfolio described in clause (9) of the definition of "*Cash Equivalents*" in connection with the disposal thereof to a third party;

(27) limited recourse Liens in respect of the ownership interests in, or assets owned by, any joint ventures which are not Restricted Subsidiaries securing obligations of such joint ventures;

(28) (a) Liens created for the benefit of or to secure, directly or indirectly, the Senior Secured Notes, (b) Liens pursuant to the Intercreditor Agreement and the security documents entered into pursuant to the Revolving Credit Facility and (c) Liens in respect of property and assets securing Indebtedness if the recovery in respect of such Liens is subject to loss-sharing as among the Holders of the Senior Secured Notes and the creditors of such Indebtedness pursuant to the Intercreditor Agreement or an Additional Intercreditor Agreement;

(29) other Liens; *provided* that the maximum amount of Indebtedness secured in the aggregate at any one time pursuant to this clause (29) does not exceed the greater of €10.0 million and 1.3% of Total Assets; and

(30) (a) Liens over cash paid into an escrow account pursuant to any purchase price retention arrangement as part of any permitted disposal by the Issuer or a Restricted Subsidiary; (b) Liens over cash paid into an escrow account to fund an acquisition or pay related fees and expenses pending the closing of such acquisition by the Issuer or any Restricted Subsidiary; and (c) Liens over cash paid into an escrow account pursuant to any purchase price retention arrangement or deferred consideration in connection with the acquisition by the Issuer or any Restricted Subsidiary.

"*Permitted Reorganization*" means any amalgamation, demerger, merger, voluntary liquidation, consolidation, reorganization, winding up or corporate reconstruction involving the Issuer or any of its Restricted Subsidiaries (a "*Reorganization*") that is made on a solvent basis; *provided* that: (a) any payments or assets distributed in connection with such Reorganization remain within the Issuer and its Restricted Subsidiaries; and (b) if any shares or other assets form part of the Collateral, substantially equivalent Liens must be granted over such shares or assets of the recipient such that they form part of the Collateral.

"*Person*" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company, government or any agency or political subdivision thereof or any other entity.

"*Preferred Stock,*" as applied to the Capital Stock of any Person, means Capital Stock of any class or classes (however designated) which is preferred as to the payment of dividends or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Capital Stock of any other class of such Person.

"*Public Market*" means any time after:

(1) an Equity Offering has been consummated; and

(2) shares of common stock or other common equity interests of the IPO Entity having a market value in excess of €40.0 million on the date of such Equity Offering have been distributed pursuant to such Equity Offering.

"*Public Offering*" means any offering, including an Initial Public Offering, of shares of common stock or other common equity interests that are listed on an exchange or publicly offered (which shall include an offering pursuant to Rule 144A or Regulation S under the Securities Act to professional market investors or similar persons).

"*Purchase Money Obligations*" means any Indebtedness Incurred to finance or refinance the acquisition, leasing, construction or improvement of property (real or personal) or assets (including Capital Stock), and whether acquired through the direct acquisition of such property or assets or the acquisition of the Capital Stock of any Person owning such property or assets, or otherwise.

"*Qualified Receivables Financing*" means any transaction or series of transactions that may be entered into by the Issuer or any of its Subsidiaries pursuant to which the Issuer or any of its Subsidiaries may sell, convey or otherwise transfer to (a) a Receivables Subsidiary (in the case of a transfer by the Issuer or any of its Subsidiaries), or (b) any other Person, or may grant a security interest in, Receivables Assets, any accounts receivable (whether now existing or arising in the future) of the Issuer or any of its Subsidiaries, and any assets related thereto, including all collateral securing such accounts receivable, all contracts and all guarantees or other obligations in respect of such accounts receivable, proceeds of such accounts receivable and other assets which are customarily transferred or in respect of which security interests are customarily granted in connection with asset securitization transactions or invoice discounting involving accounts receivable, asset securitizations and invoice discounting facilities, and any Hedging Obligations entered into by the Issuer or any such Subsidiary in connection with such accounts receivable.

"*Qualifying IPO*" means an Initial Public Offering, if no Default or Event of Default is outstanding at the time of such Initial Public Offering (or would result from such Initial Public Offering), and upon consummation of such Initial Public Offering and the application of the proceeds therefrom, either: (a) the Consolidated Net Leverage Ratio of the Issuer and its Subsidiaries is less than 3.5 to 1.0 or (b) the Senior Secured Notes shall have achieved Investment Grade Status.

"*Receivable*" means a right to receive payment arising from a sale or lease of goods or services by a Person pursuant to an arrangement with another Person pursuant to which such other Person is obligated to pay for goods or services under terms that permit the purchase of such goods and services on credit, as determined on the basis of IFRS.

"*Receivables Assets*" means any assets (including receivables pursuant to CICE) that are or will be the subject of a Qualified Receivables Financing.

"*Receivables Fees*" means distributions or payments made directly or by means of discounts with respect to any participation interest issued or sold in connection with, and other fees paid to a Person that is not a Restricted Subsidiary in connection with, any Qualified Receivables Financing.

"*Receivables Repurchase Obligation*" means any obligation of a seller of receivables in a Qualified Receivables Financing to repurchase receivables arising as a result of a breach of a representation, warranty or covenant or otherwise, including as a result of a receivable or portion thereof becoming subject to any asserted defense, dispute, off-set or counterclaim of any kind as a result of any action taken by, any failure to take action by or any other event relating to the seller.

"*Receivables Subsidiary*" means a Wholly Owned Subsidiary of the Issuer (or another Person formed for the purposes of engaging in a Qualified Receivables Financing with the Issuer in which the Issuer or any Subsidiary of the Issuer makes an Investment and to which the Issuer or any Subsidiary of the Issuer transfers accounts receivable and related assets) which engages in no activities other than in connection with the financing of accounts receivable of the Issuer and its Subsidiaries, all proceeds thereof and all rights (contractual or other), collateral and other assets relating thereto, and any business or activities incidental or related to such business, and which is designated by the Board of Directors of the Issuer (as provided below) as a Receivables Subsidiary and:

(1) no portion of the Indebtedness or any other obligations (contingent or otherwise) of which (i) is guaranteed by the Issuer or any other Restricted Subsidiary of the Issuer (excluding guarantees of obligations (other than the principal of, and interest on, Indebtedness) pursuant to Standard Securitization Undertakings), (ii) is subject to

terms that are substantially equivalent in effect to a guarantee of any losses on securitized or sold receivables by the Issuer or any other Restricted Subsidiary of the Issuer, (iii) is recourse to or obligates the Issuer or any other Restricted Subsidiary of the Issuer in any way other than pursuant to Standard Securitization Undertakings, or (iv) subjects any property or asset of the Issuer or any other Restricted Subsidiary of the Issuer, directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to Standard Securitization Undertakings;

(2) with which neither the Issuer nor any other Restricted Subsidiary of the Issuer has any material contract, agreement, arrangement or understanding other than on terms which the Issuer reasonably believes to be no less favorable to the Issuer or such Restricted Subsidiary than those that might be obtained at the time from Persons that are not Affiliates of the Issuer; and

(3) to which neither the Issuer nor any other Restricted Subsidiary of the Issuer has any obligation to maintain or preserve such entity's financial condition or cause such entity to achieve certain levels of operating results.

Any such designation by the Board of Directors of the Issuer shall be evidenced to the Trustee by filing with the Trustee a copy of the resolution of the Board of Directors of the Issuer giving effect to such designation and an Officer's Certificate certifying that such designation complied with the foregoing conditions.

"*refinance*" means refinance, refund, replace, renew, repay, modify, restate, defer, substitute, supplement, reissue, resell, extend or increase (including pursuant to any defeasance or discharge mechanism) and the terms "*refinances,*" "*refinanced*" and "*refinancing*" as used for any purpose in the Indenture shall have a correlative meaning.

"*Refinancing*" means this Offering and the application of the proceeds therefrom, as described in more detail in this Offering Memorandum under "*Use of proceeds*."

"*Refinancing Indebtedness*" means Indebtedness that is Incurred to refund, refinance, replace, exchange, renew, repay or extend (including pursuant to any defeasance or discharge mechanism) any Indebtedness existing on the date of the Indenture or Incurred in compliance with the Indenture (including Indebtedness of the Issuer that refinances Indebtedness of any Restricted Subsidiary and Indebtedness of any Restricted Subsidiary that refinances Indebtedness of the Issuer or another Restricted Subsidiary), including Indebtedness that refinances Refinancing Indebtedness; *provided*, however, that:

(1) if the Indebtedness being refinanced constitutes Subordinated Indebtedness, the Refinancing Indebtedness has a final stated maturity at the time such Refinancing Indebtedness is Incurred that is the same as or later than the final stated maturity of the Indebtedness being refinanced or, if shorter, the Stated Maturity of the Senior Secured Notes;

(2) such Refinancing Indebtedness is Incurred in an aggregate principal amount (or if issued with original issue discount, an aggregate issue price) that is equal to or less than the sum of the aggregate principal amount (or if issued with original issue discount, the aggregate accreted value) then outstanding of the Indebtedness being refinanced (plus, without duplication, any additional Indebtedness Incurred to pay interest or premiums required by the instruments governing such existing Indebtedness and costs, expenses and fees Incurred in connection therewith); and

(3) if the Indebtedness being refinanced is expressly subordinated to the Senior Secured Notes, such Refinancing Indebtedness is subordinated to the Senior Secured Notes on terms at least as favorable to the Holders as those contained in the documentation governing the Indebtedness being refinanced,

provided further, however, that Refinancing Indebtedness shall not include (i) Indebtedness of the Issuer or a Restricted Subsidiary that refinances Indebtedness of an Unrestricted Subsidiary or (ii) Indebtedness of a Restricted Subsidiary that is not a Guarantor that refinances Indebtedness of the Issuer or a Guarantor. Refinancing Indebtedness in respect of any Credit Facility or any other Indebtedness may be Incurred from time to time after the termination, discharge or repayment of any such Credit Facility or other Indebtedness.

"*Related Person*" with respect to any Permitted Holder, means:

(1) any controlling equity holder, majority (or more) owned Subsidiary or partner or member of such Person;

(2) in the case of an individual, any spouse, family member or relative of such individual, any trust or partnership for the benefit of one or more of such individual and any such spouse, family member or relative, or the estate, executor, administrator, committee or beneficiaries of any thereof;

(3) any trust, corporation, partnership or other Person for which one or more of the Permitted Holders and other Related Persons of any thereof constitute the beneficiaries, stockholders, partners or owners thereof, or Persons beneficially holding in the aggregate a majority (or more) controlling interest therein; or

(4) any investment fund or vehicle managed, sponsored or advised by such Person or any successor thereto, or by any Affiliate of such Person or any such successor.

"*Related Taxes*" means any Taxes, including sales, use, transfer, rental, ad valorem, value added, stamp, property, consumption, franchise, license, capital, registration, business, customs, net worth, gross receipts, excise, occupancy, intangibles or similar Taxes (other than (x) Taxes measured by income and (y) withholding imposed on payments made by any Parent), required to be paid (provided such Taxes are in fact paid) by any Parent by virtue of its:

(a) being incorporated or otherwise being established or having Capital Stock outstanding (but not by virtue of owning stock or other equity interests of any corporation or other entity other than, directly or indirectly, the Issuer or any of the Issuer's Subsidiaries);

(b) issuing or holding Subordinated Shareholder Funding;

(c) being a holding company parent, directly or indirectly, of the Issuer or any of the Issuer's Subsidiaries;

(d) receiving dividends from or other distributions in respect of the Capital Stock of, directly or indirectly, the Issuer or any of the Issuer's Subsidiaries; or

(e) having made any payment with respect to any of the items for which the Issuer is permitted to make payments to any Parent pursuant to "*—Certain covenants—Limitation on Restricted Payments.*"

"*Replacement Assets*" means properties and assets that replace the properties and assets that were the subject of an Asset Disposition or properties and assets that will be used in the Issuer's business or in that of the Restricted Subsidiaries as of the Issue Date or any and all other businesses that in the good faith judgment of the Board of Directors or any member of Senior Management of the Issuer are related thereto.

"*Representative*" means any trustee, agent or representative (if any) for an issue of Indebtedness or the provider of Indebtedness (if provided on a bilateral basis), as the case may be.

"*Restricted Investment*" means any Investment other than a Permitted Investment.

"*Restricted Subsidiary*" means any Subsidiary of the Issuer other than an Unrestricted Subsidiary.

"*Revolving Credit Facility*" means the senior secured revolving credit facility established pursuant to the revolving facility agreement, dated as of November 12, 2015, by and among, *inter alios*, the Issuer, the Guarantors, J.P. Morgan Limited, as mandated lead arranger, the senior lenders (as named therein), J.P. Morgan Europe Limited, Credit Suisse International and BNP Paribas S.A., as mandated lead arrangers, the original lenders (as named therein), the agent (as named therein) and U.S. Bank Trustee Limited, as security agent, as amended, restated, modified, renewed, refunded, replaced, restructured, refinanced, repaid, increased or extended in whole or in part from time to time.

"*S&P*" means Standard & Poor's Ratings Services, a division of S&P Global, Inc., or any of its successors or assigns that is a Nationally Recognized Statistical Rating Organization.

"*SEC*" means the U.S. Securities and Exchange Commission.

"*Securities Act*" means the U.S. Securities Act of 1933, as amended and the rules and regulations of the SEC promulgated thereunder, as amended.

"*Security Documents*" means the security agreements, pledge agreements, collateral assignments, and any other instrument and document executed and delivered pursuant to the Indenture or otherwise or any of the foregoing, as the same may be amended, supplemented or otherwise modified from time to time, creating the security interests in the Collateral as contemplated by the Indenture.

"*Senior HoldCo Pay-If-You-Can Notes*" means the €239.0 million aggregate principal amount of 9.000% / 9.750% Senior HoldCo Pay-If-You-Can Notes due 2020 issued by Dakar Finance S.A. pursuant to an indenture dated November 12, 2015.

"*Senior HoldCo Pay-If-You-Can Notes Redemption*" means the redemption of €140.0 million outstanding aggregate principal amount of Senior HoldCo Pay-If-You-Can Notes (including for the avoidance of doubt, accrued and unpaid interest and premium, if any) on the Issue Date.

"*Senior Management*" means the officers, directors, and other members of senior management of the Issuer or any of its Subsidiaries,

"*Senior Secured Indebtedness*" means, with respect to any Person as of any date of determination, any Indebtedness for borrowed money that (a) is secured by a Lien on the Collateral (excluding Indebtedness to the extent secured on a junior priority basis), (b) is secured by a Lien on assets or property of the Issuer or a Guarantor that do not constitute Collateral or (c) is Incurred by a Restricted Subsidiary that is not a Guarantor and that in the case of each of (a), (b) and (c), is Incurred under the first paragraph of the covenant described under "*—Certain covenants—Limitation on Indebtedness*" or clauses (1), (4)(a), (4)(b), 4(c), (5), (7), (11) or (13) of the second paragraph of the covenant described under "*—Certain covenants—Limitation on Indebtedness*") and any Refinancing Indebtedness in respect thereof.

"*Senior Secured Notes Documents*" means the Senior Secured Notes (including Additional Senior Secured Notes), the Indenture, the Security Documents, the Intercreditor Agreement and any Additional Intercreditor Agreements.

"*Significant Subsidiary*" means any Restricted Subsidiary that meets any of the following conditions:

(1) the Issuer's and its Restricted Subsidiaries' investments in and advances to the Restricted Subsidiary exceed 10% of the total assets of the Issuer and its Restricted Subsidiaries on a consolidated basis as of the end of the most recently completed fiscal year;

(2) the Issuer's and its Restricted Subsidiaries' proportionate share of the total assets (after intercompany eliminations) of the Restricted Subsidiary exceeds 10% of the total assets of the Issuer and its Restricted Subsidiaries on a consolidated basis as of the end of the most recently completed fiscal year; or

(3) the Issuer's and its Restricted Subsidiaries' proportionate share of the Consolidated EBITDA of the Restricted Subsidiary exceeds 10% of the Consolidated EBITDA of the Issuer and its Restricted Subsidiaries on a consolidated basis for the most recently completed fiscal year.

"*Similar Business*" means (a) any businesses, services or activities engaged in by the Issuer or any of its Subsidiaries or any Associates on the Issue Date and (b) any businesses, services and activities that are related, complementary, incidental, ancillary or similar to any of the foregoing or are extensions or developments of any thereof.

"*Specified Change of Control Event*" means the occurrence of any event that would constitute a Change of Control pursuant to the definition thereof; *provided*, that giving *pro forma* effect thereto, the Consolidated Senior Secured Net Leverage Ratio of the Issuer and the Restricted Subsidiaries would have been less than 4.0 to 1.0. Notwithstanding the foregoing, only one Specified Change of Control Event shall be deemed to be an exception to the definition of "Change of Control" after the Issue Date.

"*Standard Securitization Undertakings*" means representations, warranties, covenants, indemnities and guarantees of performance entered into by the Issuer or any Subsidiary of the Issuer which are reasonably customary in securitization of Receivables transactions.

"*Stated Maturity*" means, with respect to any security, the date specified in such security as the fixed date on which the payment of principal of such security is due and payable, including pursuant to any mandatory redemption provision, but shall not include any contingent obligations, including those described in "*—Change of Control*" and the covenant under "*—Certain covenants—Limitation on sales of assets and Subsidiary stock*," to repay, redeem or repurchase any such principal prior to the date originally scheduled for the payment thereof.

"*Subordinated Indebtedness*" means, with respect to any Person, any Indebtedness (whether outstanding on the Issue Date or thereafter Incurred) which is expressly subordinated in right of payment to the Senior Secured Notes or any Notes Guarantee pursuant to a written agreement, including any Subordinated Shareholder Funding.

"*Subordinated Shareholder Funding*" means, collectively, any funds directly or indirectly provided to the Issuer by any Parent or any Permitted Holder, in exchange for or pursuant to any security, instrument or agreement other than Capital Stock, in each case issued to and held by any of the foregoing Persons, together with any such security, instrument or agreement and any other security or instrument other than Capital Stock issued in payment of any obligation under any Subordinated Shareholder Funding; *provided*, however, that such Subordinated Shareholder Funding:

(1) does not mature or require any amortization, redemption or other repayment of principal or any sinking fund payment prior to the first anniversary of the Stated Maturity of the Senior Secured Notes (other than through conversion or exchange of such funding into Capital Stock (other than Disqualified Stock) of the Issuer or any funding meeting the requirements of this definition) or the making of any such payment prior to the first anniversary of the Stated Maturity of the Senior Secured Notes is restricted by the Intercreditor Agreement, an Additional Intercreditor Agreement or another intercreditor agreement;

(2) does not require, prior to the first anniversary of the Stated Maturity of the Senior Secured Notes, payment of cash interest, cash withholding amounts or other cash gross-ups, or any similar cash amounts or the making of any such payment prior to the first anniversary of the Stated Maturity of the Senior Secured Notes is restricted by the Intercreditor Agreement or an Additional Intercreditor Agreement;

(3) contains no change of control, asset sale or similar provisions and does not accelerate and has no right to declare a default or event of default or take any enforcement action or otherwise require any cash payment, in each case, prior to the first anniversary of the Stated Maturity of the Senior Secured Notes or the payment of any amount as a result of any such action or provision or the exercise of any rights or enforcement action, in each case, prior to the first anniversary of the Stated Maturity of the Senior Secured Notes is restricted by the Intercreditor Agreement or an Additional Intercreditor Agreement;

(4) does not provide for or require any security interest or encumbrance over any asset of the Issuer or any of its Subsidiaries; and

(5) pursuant to its terms or to the Intercreditor Agreement, an Additional Intercreditor Agreement or another intercreditor agreement, is fully subordinated and junior in right of payment to the Senior Secured Notes pursuant to subordination, payment blockage and enforcement limitation terms which are customary in all material respects for similar funding or are no less favorable in any material respect to Holders than those contained in the Intercreditor Agreement as in effect on the Issue Date with respect to the "*Shareholder Liabilities*" (as defined therein) *mutatis mutandis*.

"*Subsidiary*" means, with respect to any Person:

(1) any corporation, association, or other business entity (other than a partnership, joint venture, limited liability company or similar entity) of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time of determination owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof; or

(2) any partnership, joint venture, limited liability company or similar entity of which:

(a) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general or limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof whether in the form of membership, general, special or limited partnership interests or otherwise; and

(b) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

"*Subsidiary Guarantor*" means any Guarantor that is a Subsidiary of the Issuer.

"*Taxes*" means all present and future taxes, levies, imposts, deductions, charges, duties and withholdings and any charges of a similar nature (including interest and penalties with respect thereto) that are imposed by any government or other taxing authority, and "*Tax*" shall be construed accordingly.

"*Tax Sharing Agreement*" means any tax sharing or profit and loss pooling or similar agreement with customary or arm's-length terms entered into with any Parent or Unrestricted Subsidiary, as the same may be amended, supplemented, waived or otherwise modified from time to time in accordance with the terms thereof and of the Indenture, and any arrangements or transactions made between the Issuer and/or any of its Subsidiaries and any Parent in order to satisfy the obligations arising under any such Tax Sharing Agreement (including, for the avoidance of doubt, distributions for purposes of compensating accounting losses in relation to a profit and loss pooling agreement and/or upstream loans to any Parent to enable a Parent to compensate the Issuer or such Subsidiary for losses Incurred which may need to be compensated by a Parent under any profit and loss pooling agreement).

"*Temporary Cash Investments*" means any of the following:

(1) any investment in:

(a) direct obligations of, or obligations Guaranteed by, (i) the United States of America or Canada, (ii) any member state of the European Union (other than Greece), (iii) Switzerland or Norway, (iv) any country in whose currency funds are being held specifically pending application in the making of an investment or capital expenditure by the Issuer or a Restricted Subsidiary in that country with such funds or (v) any agency or instrumentality of any such country or member state; or

(b) direct obligations of any country recognized by the United States of America rated at least "*A*" by S&P, "*A*" by Fitch or "*A-1*" by Moody's (or, in each case, the equivalent of such rating by such organization or, if no rating of S&P, Fitch or Moody's then exists, the equivalent of such rating by any Nationally Recognized Statistical Rating Organization);

(2) overnight bank deposits, and investments in time deposit accounts, certificates of deposit, bankers' acceptances and money market deposits (or, with respect to foreign banks, similar instruments) maturing not more than one year after the date of acquisition thereof issued by:

(a) any lender under the Revolving Credit Facility;

(b) any institution authorized to operate as a bank in any of the countries or member states referred to in clause (1)(a) above; or

(c) any bank or trust company organized under the laws of any such country or member state or any political subdivision thereof,

in each case, having capital and surplus aggregating in excess of €250 million (or the foreign currency equivalent thereof) and whose long-term debt is rated at least "*A*" by S&P or Fitch or "*A-3*" by Moody's (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P, Fitch or Moody's then exists, the equivalent of such rating by any Nationally Recognized Statistical Rating Organization) at the time such Investment is made;

(3) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clause (1) or (2) above entered into with a Person meeting the qualifications described in clause (2) above;

(4) Investments in commercial paper, maturing not more than 270 days after the date of acquisition, issued by a Person (other than the Issuer or any of its Subsidiaries), with a rating at the time as of which any Investment therein is made of "*P-2*" (or higher) according to Moody's or "*A-2*" (or higher) according to S&P (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any Nationally Recognized Statistical Rating Organization);

(5) Investments in securities maturing not more than one year after the date of acquisition issued or fully Guaranteed by any state, commonwealth or territory of the United States of America, Canada, any European Union member state or Switzerland, Norway or by any political subdivision or taxing authority of any such state, commonwealth, territory, country or member state, and rated at least "*BBB-*" by S&P or "*Baa3*" by Moody's (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any Nationally Recognized Statistical Rating Organization);

(6) bills of exchange issued in the United States, Canada, a member state of the European Union, Switzerland, Norway or Japan eligible for rediscount at the relevant central bank and accepted by a bank (or any dematerialized equivalent);

(7) any money market deposit accounts issued or offered by a commercial bank organized under the laws of a country that is a member of the Organization for Economic Co-operation and Development, in each case, having capital and surplus in excess of €250 million (or the foreign currency equivalent thereof) or whose long term debt is rated at least "*A*" by S&P or Fitch or "*A3*" by Moody's (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P, Fitch or Moody's then exists, the equivalent of such rating by any Nationally Recognized Statistical Rating Organization) at the time such Investment is made;

(8) investment funds investing 95% of their assets in securities of the type described in clauses (1) through (7) above (which funds may also hold reasonable amounts of cash pending investment or distribution); and

(9) investments in money market funds complying with the risk limiting conditions of Rule 2a-7 (or any successor rule) of the SEC under the U.S. Investment Company Act of 1940, as amended.

"*Total Assets*" means the consolidated total assets of the Parent Guarantor, the Issuer and its Restricted Subsidiaries, as shown on the most recent balance sheet of the Parent Guarantor prepared on the basis of IFRS, and may give *pro forma* effect to any acquisition (other than goodwill attributable to such acquisition) under the conditions, *mutatis mutandis*, set forth under clause (1) of the second paragraph of the definition of "*Consolidated Net Leverage Ratio*."

"*U.S. GAAP*" means generally accepted accounting principles in the United States of America as in effect from time to time.

"*Unrestricted Subsidiary*" means:

(1) any Subsidiary of the Issuer that at the time of determination is an Unrestricted Subsidiary (as designated by the Board of Directors of the Issuer in the manner provided below); and

(2) any Subsidiary of an Unrestricted Subsidiary.

The Board of Directors of the Issuer may designate any Subsidiary of the Issuer (including any newly acquired or newly formed Subsidiary or a Person becoming a Subsidiary through merger, consolidation or other business combination transaction, or Investment therein) to be an Unrestricted Subsidiary only if:

(1) such Subsidiary or any of its Subsidiaries does not own any Capital Stock or Indebtedness of, or own or hold any Lien on any property of, the Issuer or any other

Subsidiary of the Issuer which is not a Subsidiary of the Subsidiary to be so designated or otherwise an Unrestricted Subsidiary; and

(2) such designation and the Investment of the Issuer in such Subsidiary complies with "*—Certain covenants—Limitation on Restricted Payments.*"

Any such designation by the Board of Directors of the Issuer shall be evidenced to the Trustee by filing with the Trustee a copy of the resolution of the Board of Directors of the Issuer giving effect to such designation and an Officer's Certificate certifying that such designation complies with the foregoing conditions.

The Board of Directors of the Issuer may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided* that immediately after giving effect to such designation (1) no Default or Event of Default would result therefrom and (2)(x) the Issuer could Incur at least €1.00 of additional Indebtedness under the first paragraph of the covenant described under "*—Certain covenants—Limitation on Indebtedness*" or (y) the Fixed Charge Coverage Ratio would not be less than it was immediately prior to giving effect to such designation, in each case, on a *pro forma* basis taking into account such designation. Any such designation by the Board of Directors shall be evidenced to the Trustee by promptly filing with the Trustee a copy of the resolution of the Board of Directors giving effect to such designation or an Officer's Certificate certifying that such designation complied with the foregoing provisions.

"*Uniform Commercial Code*" means the New York Uniform Commercial Code.

"*Voting Stock*" of a Person means all classes of Capital Stock of such Person then outstanding and normally entitled to vote in the election of directors.

"*Wholly Owned Subsidiary*" means a Restricted Subsidiary of the Issuer, all of the Capital Stock of which (other than directors' qualifying shares or shares required by any applicable law or regulation to be held by a Person other than the Issuer or another Wholly Owned Subsidiary) is owned by the Issuer or another Wholly Owned Subsidiary.

Book-entry, delivery and form

General

Notes sold within the United States to qualified institutional buyers in reliance on Rule 144A (the "Rule 144A Notes") under the U.S. Securities Act will be represented by one or more global Notes in registered form without interest coupons attached (collectively, the "Rule 144A Global Notes"). The Rule 144A Global Notes will be deposited with, or on behalf of, a common depositary (the "Common Depositary") for the accounts of Euroclear, and Clearstream and registered in the name of the nominee of the Common Depositary.

Notes sold outside the United States in reliance on Regulation S (the "Regulation S Notes") under the U.S. Securities Act will be represented by one or more global Notes in registered form without interest coupons attached (collectively, the "Regulation S Global Notes" and, together with the Rule 144A Global Notes, the "Global Notes"). The Regulation S Global Notes will be deposited with, or on behalf of, the Common Depositary for the accounts of Euroclear and Clearstream and registered in the name of the nominee of the Common Depositary.

Ownership of interests in the Rule 144A Global Notes (the "Restricted Book-Entry Interests") and in the Regulation S Global Notes (the "Regulation S Book-Entry Interests" and, together with the Restricted Book-Entry Interests, the "Book-Entry Interests") will be limited to persons who have accounts with Euroclear and/or Clearstream, or persons who hold interests through such participants or otherwise in accordance with applicable transfer restrictions set forth in the Indenture and any applicable securities laws of any state of the United States or any other jurisdiction. Euroclear and Clearstream will hold interests in the Global Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositaries. Except under the limited circumstances described below, owners of beneficial interests in the Global Notes will not be entitled to receive physical delivery of certificated Notes.

Book-Entry Interests will be shown on, and transfers thereof will be done only through, records maintained in book-entry form by Euroclear and Clearstream and their respective participants. The laws of some jurisdictions, including certain states of the United States, may require that certain purchasers of securities take physical delivery of such securities in definitive certificated form. The foregoing limitations may impair your ability to own, transfer or pledge Book-Entry Interests. In addition, while the Notes are in global form, holders of Book-Entry Interests will not be considered the owners or "holders" of Notes for any purpose.

So long as the Notes are held in global form, the Common Depositary for Euroclear and/or Clearstream (or their respective nominees), as applicable, will be considered the sole holders of Global Notes for all purposes under the Indenture. In addition, participants in Euroclear and/or Clearstream must rely on the procedures of Euroclear and/or Clearstream, as the case may be, and indirect participants must rely on the procedures of Euroclear, Clearstream and the participants through which they own Book-Entry Interests, to transfer their interests or to exercise any rights of holders of the Notes under the Indenture.

Neither we nor the Trustee nor any of our or its respective agents and neither the Paying Agent, the Registrar, nor the Transfer Agent will have any responsibility or be liable for any aspect of the records relating to the Book-Entry Interests.

Definitive Registered Notes

Under the terms of the Indenture, owners of Book-Entry Interests will receive Definitive Registered Notes if:

- Euroclear or Clearstream notifies us that it is unwilling or unable to continue as depositary for the Global Notes, and we fail to appoint a successor;
- Euroclear or Clearstream so requests following an event of default under the Indenture; or
- the owner of a Book-Entry Interest requests such exchange in writing delivered through either Euroclear or Clearstream, as applicable, following an event of default under the Indenture.

Euroclear has advised the Issuer that upon request by an owner of a Book-Entry Interest, its current procedure is to request that the Issuer issue or cause to be issued Notes in definitive registered form to all owners of Book-Entry Interests.

In such an event, the Registrar will issue Definitive Registered Notes, registered in the name or names and issued in any approved denominations, requested by or on behalf of Euroclear and/or Clearstream, as applicable (in accordance with their respective customary procedures and based upon directions received from participants reflecting the beneficial ownership of Book-Entry Interests), and such Definitive Registered Notes will bear the restrictive legend set forth in "*Transfer restrictions*," unless that legend is not required by the Indenture or applicable law.

To the extent permitted by law, the Issuer, the Trustee, the Paying Agent, the Registrar and the Transfer Agent shall be entitled to treat the registered holder of any Global Note as the absolute owner thereof and no person will be liable for treating the registered holder as such. Ownership of the Global Notes will be evidenced through registration from time to time at the registered office of the Issuer, and such registration is a means of evidencing title to the Notes.

In the case of the issuance of Definitive Registered Notes, the holder of a Definitive Registered Note may transfer such Note by surrendering it to the Registrar. In the event of a partial transfer or a partial redemption of a holding of Definitive Registered Notes represented by one Definitive Registered Note, a Definitive Registered Note will be issued to the transferee in respect of the part transferred, and a new Definitive Registered Note in respect of the balance of the holding not transferred or redeemed will be issued to the transferor or the holder, as applicable; provided that no Definitive Registered Note in a denomination less than €100,000 and in integral multiples of €1 in excess thereof will be issued. We will bear the cost of preparing, printing, packaging and delivering the Definitive Registered Notes. Holders of the Book-Entry Interests may incur fees normally payable in respect of the maintenance and operation of accounts in Euroclear and/or Clearstream.

If Definitive Registered Notes are issued and a holder thereof claims that such Definitive Registered Notes have been lost, destroyed or wrongfully taken or if such Definitive Registered Notes are mutilated and are surrendered to the Registrar or at the office of a transfer agent, we will issue and the Trustee (or its appointed agent) will authenticate a replacement Definitive Registered Note if the Trustee's and our requirements are met. We or the Trustee may require a holder requesting replacement of a Definitive Registered Note to furnish an indemnity bond sufficient in the judgment of both the Trustee and us to protect us, the Trustee, the Paying Agent and the Registrar appointed pursuant to the Indenture from any loss that any of them may suffer if a Definitive Registered Note is replaced. We may charge for the expenses of replacing a Definitive Registered Note.

If any such mutilated, destroyed, lost or stolen Definitive Registered Note has become or is about to become due and payable, or is about to be redeemed or purchased by us pursuant to the provisions of the Indenture, we in our discretion may, instead of issuing a new Definitive Registered Note, pay, redeem or purchase such Definitive Registered Note, as the case may be.

Definitive Registered Notes may be transferred and exchanged for Book-Entry Interests in a Global Note only in accordance with the Indenture and, if required, only after the transferor first delivers to the Transfer Agent a written certification (in the form provided in the Indenture) to the effect that such transfer will comply with the transfer restrictions applicable to such Notes. See "*Transfer restrictions*."

Redemption of the Global Notes

In the event any Global Note (or any portion thereof) is redeemed, Euroclear and/or Clearstream (or their respective nominees), as applicable, will redeem an equal amount of the Book-Entry Interests in such Global Note from the amount received by it in respect of the redemption of such Global Note. The Common Depositary will surrender such Global Note to the Registrar for cancellation or, in the case of a partial redemption, the Common Depositary will request the Registrar or the Trustee to mark down, endorse and return the applicable Global Note to reflect the reduction in the principal amount of such Global Note as a result of such partial redemption. The redemption price payable in connection with the redemption of such Book-Entry Interests will be equal to the amount received by Euroclear and Clearstream, as applicable, in connection with the redemption of such Global Note (or any portion thereof). We understand that, under existing practices of Euroclear and Clearstream, if fewer than all the Notes are to be redeemed at any time, Euroclear and Clearstream will credit their respective participants' accounts on a proportionate basis (with adjustments to prevent fractions) or by lot or on such other basis as they deem fair and appropriate; provided, however, that no Book-Entry Interest of less than €100,000 in principal amount may be redeemed in part.

Payments on Global Notes

We will make payments of any amounts owing in respect of the Global Notes (including principal, premium, if any, interest and additional interest, if any) to the Paying Agent, which will in turn make such payments to the Common Depositary or its nominee for Euroclear and Clearstream, which will distribute such payments to participants in accordance with their customary procedures. We will make payments of all such amounts without deduction or withholding for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature, except as may be required by law and as described under "*Description of the Senior Secured Notes—Withholding taxes*." If any such deduction or withholding is required to be made, then, to the extent described under "*Description of the Senior Secured Notes—Withholding taxes*," we will pay additional amounts as may be necessary in order that the net amounts received by any holder of the Global Notes or owner of Book-Entry Interests after such deduction or withholding will equal the net amounts that such holder or owner would have otherwise received in respect of such Global Note or Book-Entry Interest, as the case may be, absent such withholding or deduction. We expect that standing customer instructions and customary practices will govern payments by participants to owners of Book-Entry Interests held through such participants.

Under the terms of the Indenture, we and the Trustee, the Registrar, the Transfer Agent and the Paying Agent will treat the registered holders of the Global Notes (i.e., Euroclear or Clearstream (or their respective nominees)) as the owners thereof for the purpose of receiving payments and for all other purposes. Consequently, none of us, the Trustee, the Registrar, the Transfer Agent or the Paying Agent or any of our or their respective agents has or will have any responsibility or liability for:

- any aspect of the records of Euroclear, Clearstream or any participant or indirect participant relating to, or payments made on account of, a Book-Entry Interest or for maintaining, supervising or reviewing the records of Euroclear, Clearstream or any participant or indirect participant relating to, or payments made on account of, a Book-Entry Interest;
- any other matters relating to the actions and practices of Euroclear, Clearstream or any participant or indirect participant; or
- the records of the common depositary.

Payments by participants to owners of Book-Entry Interests held through participants are the responsibility of such participants.

Currency of payment for the Global Notes

Except as may otherwise be agreed between Euroclear and/or Clearstream and any holder, the principal of, premium, if any, and interest on, and all other amounts payable in respect of the Notes will be paid to holders of interests in such Notes through Euroclear and/or Clearstream in euro.

Payments will be subject in all cases to any fiscal or other laws and regulations (including any regulations of the applicable clearing system) applicable thereto. Neither we nor the Trustee nor the Initial Purchasers nor any of our or their respective agents will be liable to any holder of a Global Note or any other person for any commissions, costs, losses or expenses in relation to or resulting from any currency conversion or rounding effected in connection with any such payment.

Action by owners of Book-Entry Interests

Euroclear and Clearstream have advised us that they will take any action permitted to be taken by a holder of Notes (including the presentation of Notes for exchange as described above) only at the direction of one or more participants to whose account the Book-Entry Interests in the Global Notes are credited and only in respect of such portion of the aggregate principal amount of Notes as to which such participant or participants has or have given such direction. Euroclear and Clearstream will not exercise any discretion in the granting of consents, waivers or the taking of any other action in respect of the Global Notes. However, if there is an event of default under the Notes, each of Euroclear and Clearstream, at the request of the holders of the Notes, reserves the right to exchange the Global Notes for definitive registered Notes in certificated form (the "Definitive Registered Notes"), and to distribute such Definitive Registered Notes to its participants.

Transfers

Transfers of beneficial interests in the Global Notes will be subject to the applicable rules and procedures of Euroclear and Clearstream and their respective direct or indirect participants, which rules and procedures may change from time to time. If a holder of Notes requires physical delivery of Definitive Registered Notes for any reason, including to sell Notes to persons in states that require physical delivery of such securities or to pledge such securities, such holder of Notes must transfer its interests in the Global Notes in accordance with the procedures set forth in the Indenture.

The Global Notes will bear a legend to the effect set forth in "*Transfer restrictions*." Book-Entry Interests in the Global Notes will be subject to the restrictions on transfers and certification requirements discussed in "*Transfer restrictions*."

Transfers of Restricted Book-Entry Interests to persons wishing to take delivery of Restricted Book-Entry Interests will at all times be subject to the transfer restrictions contained in the legend appearing on the face of the Rule 144A Global Note, as set forth in "*Transfer restrictions*."

Restricted Book-Entry Interests may be transferred to a person who takes delivery in the form of a Regulation S Book-Entry Interest only upon delivery by the transferor of a written certification (in the form provided in the Indenture) to the effect that such transfer is being made in accordance with Regulation S or Rule 144A or any other exemption (if available) under the U.S. Securities Act.

Regulation S Book-Entry Interests may be transferred to a person who takes delivery in the form of a Rule 144A Book-Entry Interest only upon delivery by the transferor or a written certification (in the form provided in the Indenture) to the effect that such transfer is being made to a person who the transferor reasonably believes is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A or otherwise in accordance with the transfer restrictions described under "*Transfer restrictions*" and in accordance with any applicable securities law of any other jurisdiction.

In connection with transfers involving an exchange of a Regulation S Book-Entry Interest for a Restricted Book-Entry Interest, appropriate adjustments will be made to reflect a decrease in the principal amount of the Regulation S Global Note and a corresponding increase in the principal amount of the Rule 144A Global Note.

Definitive Registered Notes may be transferred and exchanged for Book-Entry Interests in Global Notes only as described under "*Description of the Senior Secured Notes—Transfer and exchange*" and, if required, only if the transferor first delivers to the Trustee a written certificate (in the form provided in the Indenture) to the effect that such transfer will comply with the appropriate transfer restrictions applicable to such Notes. See "*Transfer restrictions*."

Any Book-Entry Interest in one of the Global Notes that is transferred to a person who takes delivery in the form of a Book-Entry Interest in any other Global Note will, upon transfer, cease to be a Book-Entry Interest in the first-mentioned Global Note and become a Book-Entry Interest in such other Global Note and, accordingly, will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to Book-Entry Interests in such other Global Note for as long as it remains such a Book-Entry Interest.

Application will be made to list the Notes represented by the Global Notes on the Official List of the Exchange. Transfers of interests in the Global Notes between participants in Euroclear and

Clearstream will be effected in the ordinary way in accordance with their respective rules and operating procedures, which rules and operating procedures may change from time to time.

Although Euroclear and Clearstream currently follow the foregoing procedures in order to facilitate transfers of interests in the Global Notes among participants in Euroclear or Clearstream, as the case may be, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or modified at any time. None of the Issuer, the Trustee, the Paying Agent or any of our or their respective agents will have any responsibility for the performance by Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Global clearance and settlement under the book-entry system

Although Euroclear and Clearstream currently follow the foregoing procedures in order to facilitate transfers of interests in the Global Notes among participants in Euroclear or Clearstream, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or modified at any time. Neither we nor the Trustee nor the Initial Purchasers nor any of our or their respective agents will be liable or will have any responsibility for the performance by Euroclear, Clearstream or their participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Initial settlement

Initial settlement for the Notes will be made in euro. Book-Entry Interests owned through Euroclear or Clearstream accounts will follow the settlement procedures applicable to conventional bonds in registered form. Book-Entry Interests will be credited to the securities custody accounts of Euroclear and Clearstream holders on the business day following the settlement date against payment for value of the settlement date.

Secondary market trading

The Book-Entry Interests will trade through participants of Euroclear or Clearstream and will settle in same-day funds. Since the purchase determines the place of delivery, it is important to establish at the time of trading of any Book-Entry Interests where both the purchaser's and the seller's accounts are located to ensure that settlement can be made on the desired value date.

Special timing considerations

You should be aware that investors will only be able to make and receive deliveries, payments and other communications involving Notes through Euroclear or Clearstream on days when those systems are open for business.

In addition, because of time-zone differences, there may be complications with completing transactions involving Clearstream and/or Euroclear on the same business day as in the United States. U.S. investors who wish to transfer their interests in the Notes, or to receive or make a payment or delivery of Notes, on a particular day, may find that the transactions will not be performed until the next business day in Luxembourg if Clearstream is used, or in Brussels if Euroclear is used.

Clearing information

We expect that the Notes will be accepted for clearance through the facilities of Euroclear and Clearstream. The international securities identification numbers and common codes for the Notes are set forth under "*Listing and general information—Clearing information*."

Information concerning Euroclear and Clearstream

The following description of the operations and procedures of Euroclear and Clearstream are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them. Neither we nor the Initial Purchasers take any responsibility for these operations and procedures and we urge investors to contact the systems or their participants directly to discuss these matters.

We understand as follows with respect to Euroclear and Clearstream:

Euroclear and Clearstream hold securities for participating organizations. They also facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in the accounts of such participants. Euroclear and Clearstream provide various services to their participants, including the safekeeping, administration, clearance, settlement, lending and borrowing of internationally traded securities. Euroclear and Clearstream also interface with domestic securities markets in several countries. Euroclear and Clearstream participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and certain other organizations. Indirect access to Euroclear or Clearstream is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Euroclear or Clearstream participant, either directly or indirectly.

Euroclear and Clearstream have no record of or relationship with persons holding through their account holders. Since Euroclear and Clearstream only act on behalf of participants, who in turn act on behalf of indirect participants and certain banks, the ability of an owner of a beneficial interest to pledge such interest to persons or entities that do not participate in the Euroclear or Clearstream systems, or otherwise take action in respect of such interest, may be limited by the lack of a definite certificate for that interest. We understand that, under existing industry practices, if either the Issuer or the Trustee requests any action by owners of Book-Entry Interests or if an owner of a Book-Entry Interest desires to give or take any action that a holder is entitled to give or take under the Indenture, Euroclear and Clearstream would authorize participants owning the relevant Book-Entry Interest to give or take such action, and such participants would authorize indirect participants to give or take such action or would otherwise act upon the instructions of such indirect participants.

The laws of some jurisdictions require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests to such persons may be limited. In addition, owners of beneficial interests through the Euroclear or Clearstream systems will receive distributions attributable to the Rule 144A Global Notes only through Euroclear or Clearstream participants.

Tax considerations

Certain French tax considerations

The following is a summary of certain material French tax considerations relating to the purchase, ownership and disposition of the Notes by an investor who is not a French tax resident for French tax purposes, who does not hold the Notes in connection with a permanent establishment or a fixed base in France and who is neither a shareholder of the Issuer nor a related party of the Issuer within the meaning of Article 39, 12 of the French Tax Code (*Code général des impôts*).

This summary is based on the French tax laws and regulations, as currently in effect and applied by the French tax authorities, all of which are subject to change, possibly with retroactive effect, or to different interpretations.

This summary is for general information only and does not purport to be a comprehensive description of all of the French tax considerations that may be relevant to any prospective investor.

Prospective investors in the Notes are urged to consult their own professional tax advisors as to the French tax consequences of purchasing, owning and disposing of the Notes in light of their particular circumstances.

Payments of interest and other revenues with respect to the Notes

Payments of interest and assimiliated revenues made by a debtor that is established in France with respect to a particular debt (including debt in the form of notes as the Notes) are not subject to the withholding tax set forth under Article 125 A-III of the French Tax Code unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French Tax Code (a "Non-Cooperative State"). If such payments are made in a Non-Cooperative State, a 75% mandatory withholding tax is applicable (subject to certain exceptions, certain of which are set forth below and to the more favorable provisions of any applicable double tax treaty). The 75% withholding tax is applicable irrespective of the noteholder's tax residence or registered headquarters. The list of Non-Cooperative States is published by a ministerial executive order (*arrêté*) which is updated yearly.

Furthermore, according to Article 238 A of the French Tax Code, interest on debt and other assimilated revenues paid by a debtor or an issuer of notes that is established in France may not be deductible from the debtor's or the issuer's taxable income if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid to a bank account opened in a financial institution located in such a Non-Cooperative State. Under certain conditions, any such nondeductible interest or other revenues may be recharacterized as constructive dividends pursuant to Article 109 *et seq.* of the French Tax Code, in which case it may be subject to the withholding tax set out under Article 119 *bis* 2 of the French Tax Code, at a rate of 30% or 75% (subject to the more favorable provisions of any applicable double tax treaty).

Notwithstanding the foregoing, neither the 75% withholding tax provided by Article 125 A-III of the French Tax Code nor, to the extent the relevant interest and other revenues relate to genuine transactions and is not in an abnormal or exaggerated amount, the nondeductibility set out under Article 238 A of the French Tax Code and the withholding tax set out under Article 119 *bis* 2 of the French Tax Code which may be levied as a consequence of such nondeductibility, will apply in respect of a particular issue of debt instruments (including debt in the form of notes such as the Notes) provided that the debtor or the issuer can prove that the main purpose and effect of such issuance is not to enable payments of interest or other assimilated revenues to be made in a Non-Cooperative State (the "Exception").

Pursuant to the *Bulletin Officiel des Finances Publiques-Impôts* (French administrative guidelines) referenced as BOI-INT-DG-20-50-20140211 n°550 and 990, BOI-RPPM-RCM-30-10-20-40-20140211 n°70 and BOI-IR-DOMIC-10-20-20-60-20150320 n°10 (the "Administrative Guidelines"), an issue of debt securities benefits from the Exception without the issuer having to provide any evidence supporting the main purpose and effect of such issuance of debt securities (the "Safe Harbor"), if such notes are:

- offered by means of a public offer within the meaning of Article L. 411-1 of the French Monetary and Financial Code or pursuant to an equivalent offer in a State that is not a

Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority); or

- admitted to trading on a French or foreign regulated market or a multilateral securities trading system, provided that such market or system is not located in a Non-Cooperative State and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or
- admitted, at the time of their issue, to the operations of a central depositary or of a securities clearing and delivery and payments systems operator within the meaning of Article L. 561-2 of the French Monetary and Financial Code, or of one or more similar foreign depositaries or operators, provided that such depositary or operator is not located in a Non-Cooperative State.

The Notes qualify as debt securities under French commercial law. Considering that (i) as of the date of their admission to trading, the Notes will be admitted to trading on the Official List of the Exchange, which is not a Non-Cooperative State, and such market is operated by a market operator that is not located in a Non-Cooperative State, and/or (ii) at the time of their issue, the Notes will be admitted to the operations of Euroclear and Clearstream, the Notes will fall under the Exception.

Accordingly, payments of interest and other assimilated revenues with respect to the Notes will be exempt from the withholding tax set forth under Article 125 A-III of the French Tax Code. Moreover, under the same conditions and to the extent that the relevant interest and other assimilated revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, they will be subject neither to the nondeductibility set forth under Article 238 A nor to the withholding tax set forth under Article 119 *bis* 2 of the French Tax Code solely on account of their being paid to a bank account opened in a financial institution located in a Non-Cooperative State or accrued or paid to persons established or domiciled in such a Non-Cooperative State.

Withholding tax applicable to French tax resident individuals

Pursuant to Article 125 A of the French Tax Code (i.e., where the paying agent (*établissement payeur*) is located in France), subject to certain exceptions, interest received by French tax resident individuals is subject to a 24% levy withheld at source, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and other related contributions) are also levied at source at an aggregate rate of 15.5% on interest paid to French tax resident individuals. Holders of Notes who are French tax resident individuals are urged to consult with their usual tax advisor on the way the 24% levy and the 15.5% social contributions are collected, where the paying agent is not located in France.

Taxation on disposal

A Noteholder who is not a resident of France for French tax purposes and who does not hold the Notes in connection with a permanent establishment or a fixed place of business in France should not be subject to any income or withholding taxes in France in respect of the gains realized on the sale, exchange or disposal of the Notes.

Transfer tax

No transfer taxes or similar duties are payable in France in connection with the transfer of Notes, provided that such transfers are not recorded in a deed registered with the French tax authorities and that the FTT does not become applicable.

Certain general tax considerations—payments by a Guarantor

If a Guarantor makes any payment in respect of the Notes, it is possible that such payments may be subject to withholding tax at applicable rates, subject to such relief as may be available under the provisions of any applicable double taxation treaty, or to any other exemption which may apply.

Certain U.S. federal income tax considerations

The following is a summary of certain U.S. federal income tax consequences of the purchase, ownership and disposition of Notes, but does not purport to be a complete analysis of all potential tax effects. This summary is limited to consequences relevant to a U.S. holder (as defined below), except for the discussion under "*—U.S. Holders are urged to consult their tax advisors regarding the application of the foregoing disclosure requirements to their ownership of the Notes, including the significant penalities for non-compliance—Foreign Account Tax Compliance Act*," and does not address the effects of any U.S. federal tax laws other than U.S. federal income tax laws (such as estate and gift tax laws) or any state, local or non-U.S. tax laws. This summary deals only with Notes that are held as capital assets (generally, property held for investment) within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the "Code"), by a U.S. holder who acquires the Notes pursuant to this Offering for cash at the price indicated on the cover page of this Offering Memorandum.

For purposes of this discussion, a "U.S. holder" means a beneficial owner of a Note that is, for U.S. federal income tax purposes, any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation (or any other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust if it (i) is subject to the primary supervision of a court within the United States and one or more U.S. persons have the authority to control all substantial decisions of the trust or (ii) has a valid election in effect under applicable U.S. Treasury Regulations (the "Treasury Regulations") to be treated as a U.S. person.

This summary is based upon the tax laws of the United States, including provisions of the Code, the Treasury Regulations, judicial authority, published administrative positions of the U.S. Internal Revenue Service (the "IRS") and other applicable authorities, all as in effect on the date of this Offering Memorandum, all of which are subject to change at any time. Changes in such rules, or new interpretations thereof, may have retroactive effect and could significantly affect the U.S. federal income tax consequences described below. We have not sought and will not seek any ruling from the IRS with respect to the statements made and the conclusions reached in the following summary and there can be no assurance that the IRS or a court will agree with our statements and conclusions or that a court would not sustain any challenge by the IRS in the event of litigation. A different tax treatment of the purchase, ownership or disposition of the Notes from those discussed below could adversely affect the amount, timing and character of income, gain or loss in respect of an investment in the Notes.

This summary is general in nature and does not purport to address all aspects of U.S. federal taxation or all tax considerations that may be relevant to a U.S. holder in light of its particular circumstances. In addition, it does not address the U.S. federal income tax consequences applicable to you if you are subject to special treatment under the U.S. federal income tax laws. For example, this summary does not address:

- tax consequences to holders who are dealers in securities or currencies, traders in securities that elect to use the mark-to-market method of accounting for their securities, banks, financial institutions, individual retirement and other tax-deferred accounts, regulated investment companies, real estate investment trusts, S corporations, partnerships or other pass-through entities and investors in such entities, tax-exempt entities or insurance companies;
- tax consequences to holders who are members of an "expanded group" or "modified expanded group" with the Issuer within the meaning of the proposed Treasury regulations under Code Section 385;
- tax consequences to persons holding the Notes as part of a hedging, integrated, constructive sale or conversion transaction, or a straddle;

- tax consequences to a U.S. holder whose "functional currency" is not the U.S. dollar;
- tax consequences to U.S. expatriates or entities covered by the U.S. anti-inversion rules;
- tax consequences to persons who are not U.S. holders;
- persons who are resident in France or any other jurisdiction other than the United States or who have a taxable presence therein;
- persons who actually or constructively own more than 5% of our voting stock;
- alternative minimum tax consequences and tax consequences of the 3.8% Medicare tax on net investment income; or
- any state, local or non-U.S. tax consequences.

If an entity treated as a partnership for U.S. federal income tax purposes holds the Notes, the U.S. tax treatment of a partner in such partnership generally will depend upon the status of the partner and the activities of the partner and the partnership. If you are a partnership considering an investment in the Notes, or a partner in such a partnership, you should consult your own tax advisor regarding the U.S. federal income tax consequences of the purchase, ownership and disposition of the Notes.

The following discussion of certain U.S. federal income tax considerations is for informational purposes only and is not a substitute for careful tax planning and advice. If you are considering the purchase of Notes, you should consult your own tax advisor concerning the particular U.S. federal income tax consequences to you of the purchase, ownership and disposition of the Notes, as well as the consequences to you arising under any other tax laws, under the laws of any other taxing jurisdiction or due to changes in tax law.

Characterization of the Notes

We may be required to pay additional amounts if certain taxes are withheld or deducted from payments on the Notes (as described under "*Description of the Senior Secured Notes—Withholding taxes*") or make additional payments in redemption of the Notes in addition to their stated principal amount and accrued interest (as described under "*Description of the Senior Secured Notes—Change of control*"). Although the issue is not free from doubt, we intend to take the position that the possibility of paying such additional amounts, or making additional payments in redemption of the Notes, does not result in the Notes being treated as contingent payment debt instruments under the applicable Treasury Regulations. This position will be based in part on our determination that, as of the date of the issuance of the Notes, the possibility that additional amounts will have to be paid is a remote or incidental contingency within the meaning of the applicable Treasury Regulations.

Our determination that the Notes are not contingent payment debt instruments is binding on a U.S. holder, unless the U.S. holder explicitly discloses to the IRS on its tax return for the year during which such U.S. holder acquires the Notes that it is taking a different position. However, our position is not binding on the IRS. If the IRS takes a contrary position to that described above, a U.S. holder may be required to accrue interest income on its Notes based upon a comparable yield, regardless of its method of accounting. The "comparable yield" is the yield at which we would issue a fixed rate debt instrument with no contingent payments, but with terms and conditions otherwise similar to those of the Notes. In addition, any gain on the sale, exchange, redemption or other taxable disposition of the Notes generally would be recharacterized as ordinary income. Each U.S. holder should consult its own tax advisor regarding the tax consequences of the Notes being treated as contingent payment debt instruments. The remainder of this discussion assumes that the Notes will not be treated as contingent payment debt instruments.

Interest

Interest on a Note (including any non-U.S. taxes withheld from payments thereof and any additional amounts paid in respect of such withholding taxes) generally will be taxable to a U.S. holder as ordinary income at the time it is received or accrued, in accordance with the U.S. holder's method of accounting for U.S. federal income tax purposes.

The amount of income recognized by a cash basis U.S. holder that receives an interest payment in foreign currency will be the U.S. dollar value of the interest payment, based on the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars.

An accrual basis U.S. holder may determine the amount of income recognized with respect to an interest payment denominated in foreign currency in accordance with either of two methods. Under the first method, the amount of interest income accrued will be based on the average exchange rate in effect during the interest accrual period (or, in the case of an accrual period that spans two taxable years of a U.S. holder, the part of the period within the taxable year).

Under the second method, the U.S. holder may elect to determine the amount of income accrued on the basis of the exchange rate in effect on the last day of the accrual period (or, in the case of an accrual period that spans two taxable years, the exchange rate in effect on the last day of the part of the period within the taxable year). Additionally, if a payment of interest is actually received within five business days of the last day of the accrual period, an electing accrual basis U.S. holder may instead translate the accrued interest into U.S. dollars at the exchange rate in effect on the day of actual receipt. Any such election will apply to all debt instruments held by the U.S. holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. holder, and will be irrevocable without the consent of the IRS.

Whether or not such election is made, upon receipt of the interest payment (including a payment attributable to accrued but unpaid interest upon the sale or other disposition of a Note) denominated in foreign currency, an accrual basis U.S. holder may recognize exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. dollars at the exchange rate on the date of receipt) in respect of an accrual period and the amount previously accrued during such accrual period (as described above), regardless of whether the payment is in fact converted into U.S. dollars. Such gain or loss generally will constitute U.S. source gain or loss.

Foreign tax credit

A U.S. holder may be entitled to deduct or credit foreign taxes, if any, imposed on interest (including additional amounts), subject to certain limitations (including that the election to deduct or credit taxes applies to all of such U.S. holder's other applicable foreign taxes for a particular tax year). Interest on a Note generally will constitute foreign source income and generally will be considered "passive category income" in computing the foreign tax credit allowable to U.S. holders under U.S. federal income tax laws. There are significant complex limitations on a U.S. holder's ability to claim foreign tax credits. The rules governing the calculation of foreign tax credits are complex and depend on a U.S. holder's particular circumstances. U.S. holders should consult their tax advisors regarding the creditability or deductibility of any withholding taxes.

Sale, exchange, retirement, redemption or other taxable disposition of Notes

If you sell or exchange a Note, or if a Note that you hold is retired, you generally will recognize gain or loss equal to the difference between the amount you realize on the transaction (less any amount attributable to accrued but unpaid interest that you have not previously included in income, which amount will be taxable as interest income to the extent not previously included in income) and your adjusted tax basis in the Note. If a U.S. holder receives foreign currency on such a sale, exchange, retirement, redemption or other taxable disposition of a Note, the amount realized generally will be based on the U.S. dollar value of such foreign currency based on the spot rate on the date of disposition. In the case of a Note that is considered to be traded on an established securities market, a cash basis U.S. holder and, if it so elects, an accrual basis U.S. holder, will determine the U.S. dollar value of such foreign currency by translating such amount at the spot rate of exchange on the settlement date of the disposition. The special election available to accrual basis U.S. holders with regard to the sale or other disposition of Notes traded on an established securities market must be applied consistently to all debt instruments held by the U.S. holder and cannot be changed without the consent of the IRS. An accrual basis U.S. holder that does not make the special election will recognize exchange gain or loss to the extent that there are exchange rate fluctuations between the sale date and the settlement date, and such gain or loss generally will constitute ordinary income or loss.

Except as discussed below with respect to foreign currency exchange gain or loss, any gain or loss that you recognize on the sale, exchange or retirement of an Note generally will be U.S.-source capital gain or loss, and generally will be long-term capital gain or loss if you have held the Note for more than one year on the date of disposition. Long-term capital gains of non-corporate U.S. holders (including individuals) generally are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

Gain or loss realized upon the sale, exchange, redemption, retirement or other taxable disposition of the Note that is attributable to fluctuations in currency exchange rates with respect to the principal amount of such Note generally will be treated as U.S. source income or as an offset to U.S. source income, respectively, and generally will be treated as ordinary income or loss and not be treated as interest income or expense. For these purposes, the "principal amount" of a Note is the U.S. holder's foreign currency purchase price of the Note. Gain or loss attributable to fluctuations in currency exchange rates with respect to the principal amount of such Note generally will equal the difference, if any, between (i) the U.S. dollar value of the principal amount of the Note, determined at the spot rate on the date the U.S. holder disposes of the Note and (ii) the U.S. dollar value of the principal amount of the Note, determined at the spot rate on the date the U.S. holder purchased such Note. In addition, upon the sale, exchange, redemption, retirement or other taxable disposition of a Note, a U.S. holder may realize exchange gain or loss attributable to amounts received with respect to accrued interest, which will be treated as discussed under "—*Interest*." However, upon a sale, exchange, redemption, retirement or other taxable disposition of a Note, a U.S. holder will realize any foreign currency exchange gain or loss (including with respect to principal amount and accrued interest) only to the extent of total gain or loss realized by such U.S. holder on such disposition.

Disposition of foreign currency

Foreign currency received as interest on a Note or on the sale, exchange, redemption or retirement of a Note will have a tax basis equal to the U.S. dollar value at the time the foreign currency is received. Any gain or loss recognized on a sale or other disposition of foreign currency (including their use to purchase Notes or upon exchange for U.S. dollars) generally will be U.S. source ordinary income or loss.

Tax return disclosure requirements

Treasury Regulations issued under the Code meant to require the reporting to the IRS of certain tax shelter transactions cover certain transactions generally not regarded as tax shelters, including certain foreign currency transactions giving rise to losses in excess of a certain minimum amount (e.g., $50,000 in the case of an individual or a trust), such as the receipt or accrual of interest or a sale, exchange, retirement or other taxable disposition of a foreign currency note or foreign currency received in respect of a foreign currency note. U.S. holders should consult their tax advisors to determine the tax return disclosure obligations, if any, with respect to an investment in the Notes, including any requirement to file IRS Form 8886 (Reportable Transaction Disclosure Statement).

Individuals (and, under proposed Treasury Regulations, certain entities) who own "specified foreign financial assets" with an aggregate value exceeding certain threshold amounts, generally are required to file an information report with respect to such assets with their tax returns. The Notes generally will constitute specified foreign financial assets subject to these reporting requirements, unless the Notes are held in a financial account at certain financial institutions.

U.S. holders are urged to consult their tax advisors regarding the application of the foregoing disclosure requirements to their ownership of the Notes, including the significant penalties for noncompliance

Backup withholding and information reporting

In general, information reporting requirements will apply to payments of principal and stated interest on the Notes and to the proceeds of the sale or other disposition (including a retirement or redemption) of a Note paid to a U.S. holder unless such U.S. holder is an exempt recipient (such as a corporation), and, when required, provides evidence of such exemption. The payor (which may be us or an intermediate payor) will be required to impose backup withholding, currently at a rate of 28%, on such payments if: (i) the U.S. holder fails to furnish an accurate taxpayer identification number or to establish an exemption from backup withholding; (ii) the IRS notifies the payor that the taxpayer identification number furnished by the U.S. holder is incorrect; (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code; or (iv) the U.S. holder has not certified under penalties of perjury that it has furnished a correct taxpayer identification number, that it is a U.S. person, and that the IRS has not notified such U.S. holder that it is subject to backup withholding under the Code.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against your U.S. federal income tax liability. You may obtain a refund of any excess amounts withheld under the backup withholding rules by timely filing the appropriate claim for a refund with the IRS and furnishing any required information.

Foreign Account Tax Compliance Act

Pursuant to Sections 1471 through 1474 of the Code (provisions commonly known as "FATCA"), a "foreign financial institution" may be required to withhold U.S. tax on certain "foreign passthru payments" made after December 31, 2018 to the extent such payments are treated as attributable to certain U.S. source payments. Obligations issued on or prior to the date that is six months after the date on which applicable final Treasury Regulations defining "foreign passthru payments" are filed generally would be "grandfathered" unless such obligations are materially modified after such date. As of the date of this Offering Memorandum, applicable final Treasury Regulations have not yet been filed. Accordingly, if the Issuer is treated as a foreign financial institution, FATCA would apply to payments on the Notes only if there is a significant modification of the Notes for U.S. federal income tax purposes after the expiration of this grandfathering period. Non-U.S. governments have entered into, and others are expected to enter into, intergovernmental agreements with the United States to implement FATCA in a manner that alters the rules described herein. U.S. holders should consult their own tax advisors on how these rules may apply to their investment in the Notes. In the event any withholding under FATCA is imposed with respect to any payments on the Notes, there generally will be no additional amounts payable to compensate for the withheld amount.

Certain Luxembourg tax considerations

The following is a summary of certain material Luxembourg tax consequences of purchasing, owning and disposing of the Notes. It does not purport to be a complete analysis of all possible tax situations that may be relevant to a decision to purchase, own or dispose of the Notes. It is included herein solely for preliminary information purposes. It is not intended to be, nor should it construed to be, legal or tax advice. This summary does not allow any conclusion to be drawn with respect to issues not specifically addressed. The following description of Luxembourg tax law is based on the Luxembourg law and regulations as in effect and as interpreted by the Luxembourg tax authorities on the date of this Offering Memorandum. These laws and interpretations are subject to change that may occur after such date, even with retroactive or retrospective effect.

Prospective purchasers of the Notes should consult their own tax advisors as to the particular tax consequences of subscribing, purchasing, holding and disposing the Notes, including the application and effect of any federal, state or local taxes under the tax laws of the Grand Duchy of Luxembourg and each country of which they are residents or citizens.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*) and personal income tax (*impôt sur le revenu*) as well as a temporary equalization tax (*impôt d'équilibrage budgétaire temporaire*). A corporate taxpayer may further be subject to net wealth tax (*impôt sur la fortune*), as well as other duties, levies or taxes. Corporate income tax, municipal business tax, as well as the solidarity surcharge, invariably apply to most corporate taxpayers resident of Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax, to the solidarity surcharge and to the temporary equalization tax. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

Luxembourg taxation of non-resident holders

Holders of the Notes will not be deemed to be resident, domiciled or carrying on business in Luxembourg solely by reason of the holding, execution, performance, delivery, exchange and/or enforcement of the Notes.

Subject to FATCA described above, under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, or on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

Non-resident holders of Notes not having a permanent establishment or a permanent representative with whom the holding of the Notes are connected are not subject to any other taxation in relation with the Notes.

Luxembourg taxation of Luxembourg resident holders

Luxembourg resident individuals

Subject to the discussion of FATCA contained herein, under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident corporate holder of Notes by the Issuer or the Guarantors.

Under the law of December 23, 2005, as amended (the "Relibi Law"), payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial holder who is resident of Luxembourg will be subject to a withholding tax of 10% (in principle increased to 20% as from January 1, 2017). Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Relibi Law would be subject to withholding tax of 10% (in principle increased to 20% as from January 1, 2017).

An individual holder of Notes may also opt for the application of a 10% tax (in principle increased to 20% as from January 1, 2017) in full discharge of income tax in accordance with the Relibi Law, which applies if a payment of interest on the Notes has been made or ascribed by a paying agent established in an EU Member State (other than Luxembourg), or in a member state of the European Economic Area (other than an EU Member State). The option for this levy must cover all interest payments made by the paying agent to the Luxembourg resident beneficial owner during the entire civil year. The Luxembourg resident individual who is the beneficial owner of interest is responsible for the declaration and the payment of such final levy.

An individual Luxembourg holder, acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax in respect of interest received, redemption premiums or issue discounts under the Notes, except if a final withholding tax has been levied on such payments in accordance with the Relibi Law.

Under Luxembourg domestic tax law, gains realized upon the sale, disposal or redemption of the Notes by a Luxembourg holder, who is a resident of Luxembourg for tax purposes and who acts in the course of the management of his/her private wealth, are not subject to Luxembourg income tax, provided this sale or disposal took place more than six months after the acquisition of the Notes and the Notes do not constitute zero coupon notes.

An individual Luxembourg holder, who acts in the course of the management of his/her private wealth and who is a resident of Luxembourg for tax purposes, must further include the portion of the gain corresponding to accrued but unpaid interest income in respect of the Notes in his/her taxable income, insofar as the accrued but unpaid interest is indicated separately in the agreement, except if a final withholding tax or levy has been levied in accordance with the Relibi Law.

Luxembourg resident individual holders acting in the course of the management of a professional or business undertaking to which the Notes are attributable, must include any interest received or accrued, as well as any gain realized on the sale or disposal of the Notes, in any form whatsoever, in their taxable income for Luxembourg income tax and municipal business tax assessment purposes. Taxable gains are defined as the difference between the sale, repurchase or redemption price (including accrued but unpaid interest) and the lower of the cost or book value of the Notes sold or redeemed.

Luxembourg resident companies

Luxembourg corporate holders must include any interest received or accrued, as well as any gain realised on the sale or disposal of the Notes, in their taxable income for Luxembourg income tax and municipal business tax assessment purposes. Taxable gains are defined as the difference between the sale, repurchase or redemption price (including but unpaid interest) and the lower of the cost or book value of the Notes sold or redeemed.

Net wealth tax

Luxembourg resident holders and non-resident holders who have a permanent establishment or a permanent representative in Luxembourg to which or to whom the Notes are attributable, are subject to Luxembourg net wealth tax on such Notes, except if the holder is (i) an individual, (ii) an undertaking for collective investment subject to the amended law of December 17, 2010, (iii), a securitization company governed by the amended law of March 22, 2004, (iv) a company governed by the amended law of June 15, 2004, on venture capital vehicles, (v) a specialized investment fund governed by the amended law of February 13, 2007, (vi) a family wealth management company governed by the amended law of May 11, 2007, (vii) a professional pension institution governed by the amended law of July 13, 2005 and (viii) a reserved alternative investment fund vehicle governed by the law of July 23, 2016.

However, (i) a Luxembourg resident securitization company governed by the amended law of March 22, 2004, on securitization, (ii) a professional pension institution governed by the amended law of July 13, 2005, (iii) a reserved alternative investment fund vehicle (opting for the treatment as a venture capital vehicle) governed by the law of July 23, 2016, and (iv) and a Luxembourg resident company governed by the amended law of June 15, 2004, on venture capital vehicles shall be subject to the minimum net wealth tax ("MNWT") charge according to the amended law of October 16, 1934, on net wealth tax.

The MNWT levied on companies having their statutory seat or central administration in Luxembourg. For entities for which the sum of fixed financial assets, transferable securities, such as the Notes, and cash at bank exceeds 90% of their total gross assets and €350,000, the MNWT is set at €3,210 (in principle increased to €4,815 as from January 1, 2017). For all other companies having their statutory seat or central administration in Luxembourg which do not fall within the scope of the €3,210 MNWT, the MNWT ranges from €535 to €32,100, depending on the company's total gross assets.

Other taxes

There is no Luxembourg registration tax, stamp duty or any other similar tax or duty payable in Luxembourg by the holders as a consequence of the issuance of the Notes, nor will any of these taxes be payable as a consequence of a subsequent transfer, redemption or repurchase of the Notes (except in the case of voluntary registration in Luxembourg).

Under Luxembourg tax law, where an individual holder is a resident of Luxembourg for inheritance tax purposes at the time of his/her death, the Notes are included in his/her taxable base for inheritance tax purposes. On the contrary, no estate or inheritance taxes are levied on the transfer of the Notes upon death of a holder in cases where the deceased was not a resident of Luxembourg for inheritance tax purposes at the time of his/her death. Luxembourg gift tax may be due on a gift or donation of the Notes if the gift is recorded in a deed executed before a Luxembourg notary or otherwise registered in Luxembourg.

Certain insolvency law considerations and limitations on the validity and enforceability of the guarantees and the security interests

Set forth below is a summary of certain limitations on the enforceability of the Guarantees and the security interests in some of the jurisdictions in which the Guarantees or the Collateral is being provided. It is a summary only, and proceedings of bankruptcy, insolvency or a similar event could be initiated in any of these jurisdictions and in the jurisdiction of organization of a future guarantor of the Notes. The application of these various laws in multiple jurisdictions could trigger disputes over which jurisdiction's law should apply and could adversely affect your ability to enforce your rights and to collect payment in full under the Notes, the Guarantees and the security interests in the Collateral. Also set forth below is a brief description of certain aspects of insolvency law in France and Luxembourg.

European Union

The Issuer and the Guarantors in France and the security providers in France and Luxembourg are incorporated under the laws of Member States of the European Union.

Pursuant to Council Regulation (EC) no. 1346/2000 of May 29, 2000, on insolvency proceedings, as amended (the "EU Insolvency Regulation"), which applies within the European Union, other than Denmark, the courts of the Member State in which a company's "centre of main interests" (as that term is used in Article 3(1) of the EU Insolvency Regulation) is situated have jurisdiction to commence main insolvency proceedings relating to such debtor. The determination of where a debtor has its COMI is a question of fact on which the courts of the different Member States may have differing and even conflicting views.

Although there is a rebuttable presumption under Article 3(1) of the EU Insolvency Regulation that a debtor has its COMI in the Member State in which it has its registered office in the absence of proof to the contrary, Preamble 13 of the EU Insolvency Regulation states that the COMI of a "debtor should correspond to the place where the debtor conducts the administration of its interests on a regular basis and is therefore ascertainable by third parties." The courts have taken into consideration a number of factors in determining the COMI of a debtor, including, in particular, where board meetings are held, the location where the debtor conducts the majority of its business or has its head office and the location where the majority of the debtor's creditors are established. A debtor's COMI is not a static concept and may change from time to time but is determined for the purposes of deciding which courts have competent jurisdiction to commence insolvency proceedings at the time of the filing of the insolvency petition.

If the COMI of a debtor is and will remain located in the state in which it has its registered office, the main insolvency proceedings in respect of the debtor under the EU Insolvency Regulation would be commenced in such jurisdiction and accordingly a court in such jurisdiction would be entitled to commence the types of insolvency proceedings referred to in Annex A of the EU Insolvency Regulation. Insolvency proceedings commenced in one Member State under the EU Insolvency Regulation are to be recognized in the other EU Member States (other than Denmark), although secondary proceedings may be commenced in another Member State.

If the COMI of a debtor is in a Member State (other than Denmark), under Article 3(2) of the EU Insolvency Regulation, the courts of another Member State (other than Denmark) have jurisdiction to commence secondary (territorial) insolvency proceedings against that debtor only if such debtor has an "establishment" (within the meaning and as defined in Article 2(h) of the EU Insolvency Regulation) in the territory of such other Member State. An "establishment" is defined to mean a place of operations where the debtor carries on non-transitory economic activity with human means and goods.

Where main proceedings have been commenced in the Member State in which the debtor has its COMI, any proceedings commenced subsequently in another Member State in which the debtor has an establishment (secondary proceedings) are limited to "winding-up proceedings" listed in

Annex B of the EU Insolvency Regulation. The effects of those territorial proceedings are restricted to the assets of the debtor situated in the territory of such other Member State. Where main proceedings in the Member State in which the debtor has its COMI have not yet been commenced, territorial insolvency proceedings may only be commenced in another Member State where the debtor has an establishment where either (a) insolvency proceedings cannot be commenced in the Member State in which the debtor's COMI is situated under that Member State's law; or (b) the territorial insolvency proceedings are commenced at the request of a creditor which is domiciled, habitually resident or has its registered office in the other Member State or whose claim arises from the operation of the establishment. Irrespective of whether the insolvency proceedings are main or secondary insolvency proceedings, such proceedings will, subject to certain exceptions, be governed by the *lex fori concursus,* i.e., the local insolvency law of the court that has assumed jurisdiction over the insolvency proceedings of the debtor.

The courts of all Member States (other than Denmark) must recognize the judgment of the court commencing main proceedings, which will be given the same effect in the other Member States so long as no secondary proceedings have been commenced there. The insolvency administrator appointed by a court in a Member State that has jurisdiction to commence main proceedings (because the debtor's COMI is there) may exercise the powers conferred on it by the laws of that Member State in another Member State (such as to remove assets of the debtor from that other Member State) subject to certain limitations, as long as no insolvency proceedings have been commenced in that other Member State or no preservation measures have been taken to the contrary further to a request to commence insolvency proceedings in that other Member State where the debtor has assets.

A new Council Regulation (EC) no. 2015/848 of May 20, 2015, on insolvency proceedings (the "New EU Insolvency Regulation") came into force on June 26, 2015, and will gradually replace the EU Insolvency Regulation although, for the most part, but its main provisions will only become effective on June 26, 2017. One of the main changes introduced by the New EU Insolvency Regulation consists in an increased scrutiny in situations where there has been a recent COMI shift. Where a company's COMI has shifted in the preceding three months the rebuttable presumption that its COMI is at the place of its registered office will no longer apply. Also, the opening commencement of secondary proceedings in another EU Member State—which will no longer be limited only to "winding-up proceedings"—will be possible not only if the debtor has an establishment in such EU Member State at the time of the opening of main insolvency proceedings, but also if the debtor had an establishment in such EU Member State in the three-month period prior to the request of opening of main insolvency proceedings.

France

Insolvency

We conduct part of our business activity in France and, to the extent that the COMI of the Issuer or any of the Guarantors is deemed to be in France, it would be subject to French proceedings affecting creditors, including court-assisted proceedings (*mandat ad hoc* or *conciliation* proceedings) and court-administered proceedings being either safeguard proceedings, accelerated safeguard proceedings or accelerated financial safeguard proceedings (*sauvegarde*, *sauvegarde accélérée* or *sauvegarde financière accélérée*), judicial reorganization proceedings (*redressement judiciaire*) or judicial liquidation proceedings (*liquidation judiciaire*). In general, French insolvency legislation favors the continuation of a business and protection of employment over the payment of creditors and could limit your ability to enforce your rights under the Notes and/or the Notes Guarantees granted by the French Guarantors and corresponding security interests in the Collateral.

Under the European Council Regulation (EC) No. 1346/2000 on insolvency proceedings, if a debtor is located in the European Union (other than Denmark), French courts shall have jurisdiction over the main insolvency proceedings if the debtor's COMI is situated in France. In the case of a debtor that is a legal person, the place of the registered office shall be presumed to be its COMI in the absence of proof to the contrary. In determining whether the COMI of a debtor is in France, French courts will take into account a broad range of factual elements.

The following is a general discussion of insolvency proceedings governed by French law for informational purposes only and does not address all the French legal considerations that may be relevant to holders of the Notes.

Grace periods

In addition to insolvency laws discussed below, you could, like any other creditors, be subject to Article 1343-5 of the French Civil Code (*Code civil*) ("Article 1343-5").

Pursuant to the provisions of this article, French courts may, in any civil or commercial proceedings involving the debtor, whether initiated by the debtor or the creditor, taking into account the debtor's financial position and the creditor's needs, defer or otherwise reschedule over a maximum period of two years the payment dates of payment obligations and decide that any amounts, the payment date of which is thus deferred or rescheduled, will bear interest at a rate that is lower than the contractual rate (but not lower than the legal rate, as published annually by the French government) or that payments made shall first be allocated to repayment of principal. A court order made under Article 1343-5 will suspend any pending enforcement measures, and any contractual default interest or penalty for late payment will not accrue or be due during the grace periods ordered by the relevant judge.

With respect to grace periods under Article 1343-5, pursuant to Article L. 611-10-1 of the French Commercial Code, the judge having commenced conciliation proceedings may, during the execution period of a conciliation agreement, impose grace periods on creditors that have participated in the conciliation proceedings (other than the tax and social security administrations) for their claims that were not dealt with in the conciliation agreement.

Insolvency test

Under French law, a debtor is considered to be insolvent (*en état de cessation des paiements*) when it is unable to pay its due debts with its immediately available assets taking into account available credit lines, existing debt rescheduling agreements and moratoria.

The date of insolvency (*état de cessation des paiements*) is generally deemed to be the date of the court ruling commencing the insolvency proceedings, unless the court sets an earlier date, which may be carried back up to 18 months before the date of such court ruling. Except for fraud, the date of insolvency may not be fixed at an earlier date than the date of the final court decision that approved an agreement (*homologation*) in the context of conciliation proceedings. The date of insolvency marks the beginning of the hardening period (see below).

Court-assisted proceedings—mandat ad hoc and conciliation

A French debtor facing difficulties may in certain conditions request the commencement of court-assisted proceedings (*mandat ad hoc* or *conciliation*), the aim of which is to reach an agreement with the debtor's main creditors and stakeholders (e.g., an agreement to reduce or reschedule its indebtedness).

Mandat ad hoc proceedings may only be initiated by the debtor itself, in its sole discretion. In practice, *mandat ad hoc* proceedings are used by debtors that are facing any type of difficulties but are not insolvent (see "*—Insolvency test*" above). The proceedings are informal and confidential by law. They are carried out under the aegis of a court-appointed officer (*mandataire ad hoc*), whose name may be suggested by the debtor itself, under the supervision of the president of the court. The proceedings are not limited in time. The duties of the *mandataire ad hoc* are determined by the competent court (usually the commercial court) that appoints him or her, usually to facilitate negotiations with creditors. Any agreement between the debtor and its creditors will be negotiated on a purely consensual and voluntary basis: those creditors not willing to take part cannot be bound by the agreement or forced to accept it. *Mandat ad hoc* proceedings do not automatically stay any pending proceedings and creditors are not barred from taking legal action against the debtor to recover their claims but those that have accepted to take part in the proceedings usually agree not to do so. In any event, the debtor retains the right to petition the relevant judge for a grace period under Article 1343-5 (see "*—Grace periods*" above). The agreement reached is reported to the president of the court but is not formally approved by him/her. The order of the president of the court appointing a *mandataire ad hoc* is notified for information purposes to the debtor's auditors.

Conciliation proceedings may only be initiated by the debtor itself if it faces actual or foreseeable difficulties of a legal, economic or financial nature and is not insolvent (see "—*Insolvency test*") or has not been insolvent for more than 45 calendar days. The proceedings are confidential by law. They are carried out under the aegis of a court-appointed conciliator (*conciliateur*), whose name may be suggested by the debtor itself, under the supervision of the president of the court. The proceedings may last up to four months (with the *conciliateur* being able to request a one-month extension). The duties of the *conciliateur* are to assist the debtor in negotiating an agreement with all or part of its creditors and/or trade partners that puts an end to its difficulties, e.g. providing for the restructuring of its indebtedness. Any agreement between the debtor and its creditors will be negotiated on a purely consensual and voluntary basis: those creditors not willing to take part cannot be bound by the agreement nor forced to accept it. Conciliation proceedings do not automatically stay any pending proceedings and creditors are not barred from taking legal action against the debtor to recover their claims but those that have accepted to take part in the proceedings usually agree not to do so. In any event, the debtor retains the right to petition the judge who commenced the conciliation proceedings for a grace period under Article 1343-5 (see "—*Grace periods*"), such decision being taken after hearing the *conciliateur*.

The conciliation agreement reached between the parties may be acknowledged (*constaté*) by the president of the Commercial Court at the request of the parties, which makes the agreement binding upon them (in particular, performance of the conciliation agreement prevents any action by the creditors party thereto against the debtor to obtain payment of claims governed by the conciliation agreement) and enforceable without further recourse to a judge (*force exécutoire*), but the conciliation proceedings remain confidential.

Alternatively, the conciliation agreement may be approved (*homologué*) by the Commercial Court at the request of the debtor, if (i) the debtor is not cash-flow insolvent or the conciliation agreement has the effect of putting an end to the debtor's cash-flow insolvency, (ii) the conciliation agreement effectively ensures that the company will survive as a going concern and (iii) the conciliation agreement does not impair the rights of the non-signatory creditors. Such approval will have the same effect as its acknowledgement (*constatation*) as described above, except that in addition:

- creditors that, in the context of the conciliation proceedings, provide new money, goods or services designed to ensure the continuation of the business of the debtor (other than shareholders providing new equity in the context of a capital increase) will enjoy a priority of payment over all pre-commencement and post-proceedings claims (except with respect to certain pre-commencement employment claims and procedural costs) (the "New Money Lien"), in the event of subsequent safeguard proceedings, judicial reorganization proceedings or judicial liquidation proceedings;

- in the event of subsequent safeguard proceedings or judicial reorganization proceedings, the court may not reschedule the payment date of claims benefiting from the New Money Lien without their holders' consent to a date later than the date on which the safeguard or reorganization plan is adopted;

- the works council or employee representatives are informed of the content of the conciliation agreement and may have access to the full conciliation agreement at the clerk's office (*greffe*) of the court. The publicly available court decision approving such agreement will, however, only disclose the amount of any New Money Lien and the guarantees and security interests granted to secure the same;

- when the debtor is submitted to statutory auditing, the conciliation agreement is transmitted to its statutory auditors; and

- in the event of subsequent judicial reorganization proceedings or judicial liquidation proceedings, the date of insolvency (see "—*Insolvency test*"), and therefore the starting date of the hardening period (as defined herein—see "—*The hardening period (période suspecte) in judicial reorganization and liquidation proceedings*"), cannot be set by the court as of a date earlier than the date of the approval (*homologation*) of the agreement by the court (except in the case of fraud).

Whether the conciliation agreement is acknowledged or approved, the court may, at the request of the debtor, appoint the *conciliateur* to monitor the implementation of the agreement (*mandataire à l'exécution de l'accord*) during its execution, and while the agreement is in force:

- interest accruing on the claims that are the subject to the conciliation agreement may not be compounded;
- the debtor retains the right to petition the court that commenced the conciliation proceedings for a grace period pursuant to Article 1343-5 of the French Civil Code (see "—*Grace periods*"), in relation to claims of creditors (other than public creditors) party to the conciliation proceedings that are not already subject to the conciliation agreement, in which case the decision would be taken after having heard the *conciliateur* (provided that the terms of his or her appointment included monitoring the implementation of the agreement, as referred to above); and
- a third party that had previously granted credit support (a guarantee or security interest) with respect to the debtor's obligations may benefit from the provisions of the conciliation agreement as well as from grace periods granted in the context of conciliation proceedings.

If the debtor breaches the terms of the conciliation agreement, any party to it may petition the president of the court for its termination. If such termination is granted, grace periods granted in relation to the conciliation proceedings may be revoked. Conversely, provided the conciliation agreement is duly performed, any individual proceedings by creditors with respect to obtaining payment of the claims dealt with by the conciliation agreement are suspended and/or forbidden. The commencement of subsequent insolvency proceedings will automatically put an end to the conciliation agreement, in which case the creditors will recover their claims (decreased by the payments already received) and pre-existing security interests or guarantees.

Conciliation proceedings in which a draft plan is supported by a large majority of creditors that is likely to meet the threshold requirements for creditors' consent in safeguard, will be a mandatory preliminary step of accelerated safeguard proceedings or accelerated financial safeguard proceedings, as described below.

At the request of the debtor and after the creditors taking part in the conciliation proceedings have been consulted on the matter, the *conciliateur* may be appointed with a mission to organize the partial or total sale of the debtor, in particular through a "plan for the disposal of the business" (*plan de cession*) which could be implemented in the context of subsequent safeguard, judicial reorganization or liquidation proceedings. Provided that they comply with certain requirements, any offers received in this context by the *conciliateur* may be directly considered by the court in the context of safeguard, reorganization or liquidation proceedings after consultation of the State prosecutor.

As a matter of law, any contractual provision that (i) modifies the conditions for the continuation of an ongoing contract by reducing the debtors' rights or increasing its obligations simply by reason of the designation of a *mandataire ad hoc* or of the commencement of conciliation proceedings or of a request submitted to this end or (ii) requires the debtor to bear, by reason only of the appointment of a *mandataire ad hoc* or of the commencement of conciliation proceedings, more than three-quarters of the fees of the professional advisers retained by creditors in connection with these proceedings, is deemed null and void.

Court-administered proceedings—safeguard

A debtor that experiences difficulties that it is not able to overcome may, in its sole discretion, initiate safeguard proceedings (*procédure de sauvegarde*) with respect to itself, provided that it is not insolvent (see "—*Insolvency test*"). Creditors of the debtor are not notified of, nor invited to attend the hearing before the court at which the commencement of safeguard proceedings is requested. Following the commencement of safeguard proceedings, a court-appointed administrator (*administrateur judiciaire*) is (except for small companies where the court considers that such appointment is not necessary) appointed to investigate the business of the debtor during an "observation period" (being the period starting on the date of the court decision commencing the proceedings and ending on the date on which the court makes a decision on the outcome of the proceedings), which may last up to 18 months. The role of the court-appointed administrator is also to assist the debtor in preparing a draft safeguard plan (*projet de plan de sauvegarde*) that it will circulate among its creditors. Creditors do not have effective control over the proceedings, which remain in the hands of the debtor assisted by the court-appointed administrator. The court-appointed administrator will, in accordance with the terms of the judgment appointing him or her, exercise *ex post facto* control over decisions made by the debtor (*mission de surveillance*) or assist the debtor to make all or some of the management decisions (*mission d'assistance*), all under the supervision of the court.

In addition, the court may convert such proceedings into judicial reorganization proceedings (i) after commencement of the proceedings, at the request of the debtor, the administrator, the creditors' representative or the public prosecutor, if it appears that the debtor was insolvent (*en état de cessation des paiements*) before commencement of the proceedings, (ii) at any time during the observation period upon its own initiative or upon request of the debtor, the judicial administrator, the creditors' representative or the public prosecutor in the case where the debtor is insolvent, or (iii) upon request of the debtor, the administrator, the creditors' representative or the public prosecutor in case no plan has been adopted by the relevant creditors' committee and, if any, the bondholders' assembly (as described below), if the approval of a safeguard plan is manifestly impossible and if the company would shortly become insolvent should safeguard proceedings end. At any time during the observation period, the court may also convert such proceedings into liquidation proceedings if the debtor is insolvent and its recovery is manifestly impossible.

As soon as insolvency proceedings are commenced, any unpaid amount of share capital of the debtor becomes immediately due and payable.

During the safeguard proceedings, payment by the debtor of any debts incurred prior to the commencement of the proceedings is prohibited, subject to very limited exceptions. For example, the court can authorize payments for prior debts in order to discharge a lien on property needed for the continued operation of the debtor's business or to recover goods or rights transferred as collateral in a fiduciary estate (*patrimoine fiduciaire*).

Creditors must be consulted on the manner in which the debtor's liabilities will be settled under the safeguard plan (debt forgiveness, payment terms or debt-for-equity swaps) prior to the plan being approved by the court. The rules governing consultation will vary depending on the size of the business.

Standard consultation: This applies to debtors whose accounts are not certified by a statutory auditor or prepared by a chartered accountant, and who have 150 employees or less or a turnover of €20 million or less.

In such a case, the administrator notifies the proposals for the settlement of debts to the court-appointed creditors' representative, who obtains the agreement of each creditor who filed a claim, regarding the debt remissions and payment times proposed. Creditors are consulted individually or collectively.

French law does not state whether the debt settlement proposals can vary according to the creditor and whether the principle of equal treatment of creditors is applicable at this consultation stage. According to legal commentaries and established practice, differing treatment as between creditors is possible, provided that it is justified by the difference in the situation of the creditors and approved by the court-appointed creditors' representative. In practice, it is also possible at the consultation stage to make a proposal for a partial payment of claims over a shorter time period instead of a full payment of such claims over the maximum possible length of the plan (ten years).

Creditors whose payment terms are not affected by the plan or who are paid in cash in full as soon as the plan is approved are not required to be consulted.

Creditors who do not respond within 30 days of their receipt of the debt settlement proposal (other than debt-for-equity-swap) made to them are deemed to have accepted it. The creditors' representative keeps a list of the responses from creditors, which is notified to the debtor, the court-appointed administrator and the controllers.

Within the framework of a standard consultation, if the creditors refuse the proposals that were submitted to them, the court that approves the safeguard plan (*plan de sauvegarde*) can impose on them a uniform rescheduling of their claims (subject to the specific regime of claims benefiting from the New Money Lien) over a maximum period of ten years (except for claims with maturity dates of more than the deferral period set by the court, in which case the maturity date shall remain the same), but no waiver of any claim or debt-for-equity swap may be imposed without the relevant creditor's individual acceptance.

Following a court-imposed rescheduling, the first payment must be made within a year of the judgment adopting the plan (in the third and subsequent years, the amount of each annual instalment must be of at least 5% of the amount of each debt claim (except for agricultural businesses)) or on the first payment date following the initial maturity of the claim if it is later than the first payment date provided for by the plan, in which case the amount of such first payment is equal to what the creditor would have received had he or she been paid in accordance with the uniform payment rescheduling applying to the other creditors.

Committee-based consultation: This applies to large companies, the accounts of which are certified by a statutory auditor (*commissaire aux comptes*) or established by a chartered accountant (*expert-comptable*) and with more than 150 employees or a turnover greater than €20 million), or upon the debtor's or the administrator's request and with the consent of the court in the case of debtors that do not exceed the aforementioned thresholds.

The consultation involves the submission of a proposed safeguard plan for consideration by two creditors' committees which are established by the court-appointed administrator on the basis of the claims that arose prior to the judgment commencing the proceedings:

- one for credit institutions or assimilated institutions and entities having granted credit or advances in favor of the debtor (the "credit institutions committee"); and
- the other one for suppliers having a claim that represents more than 3% of the total amount of the claims of all the debtor's suppliers and other suppliers invited to participate in such committee by the court-appointed administrator (the "major suppliers committee").

If there are any outstanding debt securities in the form of *obligations* (such as bonds or notes and including capital market debt instruments such as the Notes), a single general meeting of all holders of such debt securities will be established (the "bondholders' general meeting"), in which all such holders are to take part irrespective of whether or not there are different issuances or of the governing law(s) of those *obligations*.

As a general matter, only the legal owner of the debt claim will be invited onto the committee. Accordingly, a person holding only an economic interest therein will not itself be a member of the committee.

The proposed plan:

- must "take into account" subordination agreements entered into by the creditors before the commencement of the proceedings;
- may treat creditors differently if it is justified by their differences in situation; and
- may, *inter alia*, include a rescheduling or cancellation of debts (subject to the specific regime of claims benefiting from the New Money Lien), and/or debt-for-equity swaps (debt-for-equity swaps requiring the relevant shareholder consent).

If the plan provides for a share capital increase, the creditors may subscribe to such share capital increase by way of a set-off against their claims against the debtor (as reduced according to the provisions of the plan, where applicable).

Creditors who are members of the credit institutions committee or of the major suppliers committee may also prepare an alternative safeguard plan that will also be put to the vote of the committees and of the bondholders' general meeting, it being specified that approval of any such alternative plan is subject to the same two-thirds majority vote in each committee and in the bondholders' general meeting and gives rise to a report by the court-appointed administrator (*administrateur judiciaire*)). Bondholders are not permitted to present their own alternative plan.

The committees must approve or reject the safeguard plan within 20 to 30 days of its submission. The period may be extended or shortened but may never be shorter than 15 days. The plan must be approved by a majority vote of each committee (two-thirds of the outstanding claims of the creditors casting a vote).

Each member of a creditors' committee or of the bondholders' general meeting must, if applicable, inform the court-appointed administrator of the existence of any agreement relating to (i) the exercise of its vote or (ii) the full or total payment of its claim by a third party as well as of any subordination agreement. The court-appointed administrator shall then submit to such person a proposal for the computation of its voting rights in the creditors' committees/ bondholders' general meeting. In the event of disagreement, the matter may be ruled upon by the president of the Commercial Court in summary proceedings at the request of the creditor or of the court-appointed administrator.

The amounts of claims secured by a trust (*fiducie*) granted by the debtor do not give rise to voting rights. In addition, creditors whose repayment schedule is not modified by the plan, or for which the plan provides for a payment of their claims in cash in full as soon as the plan is adopted or as soon as their claims are admitted, do not need to be consulted on the plan or take part in the vote.

Following the approval of the plan by the two creditors' committees, the plan will be submitted for approval to the bondholders' general meeting at the same two-thirds majority vote. Following approval by the creditors' committees and the bondholders' general meeting, and determination of the rescheduling of the claims of creditors that are not members of the committees or bondholders (see below), the plan has to be approved (*arrêté*) by the court. The court must verify that the interests of all creditors are "sufficiently protected" and that required shareholder consent (if applicable) has been obtained. Once so approved by the relevant court, the safeguard plan will be binding on all the members of the committees and all bondholders (including those who did not vote or voted against the adoption of the plan).

Creditors outside the creditors' committees or the bondholders' general meeting are consulted in accordance with the standard consultation process referred to above.

If the debtor's proposed plan is not approved by both committees and the bondholders' general meeting within the first six months of the observation period (either because they do not vote on the plan or because they reject it), this six-month period may be extended by the court at the request of the court-appointed administrator for a period not exceeding the duration of the observation period, in order for the plan to be approved through the committee-based consultation process. Absent such extension, the court can still adopt a safeguard plan within the time remaining until the end of the observation period. In such a case, the rules are the same as the ones applicable for the standard consultation process described above.

If the court empowers the court-appointed administrator to convene a shareholders' meeting in order to take corporate resolutions with respect to the modification of the debtor's by-laws (including modifications of its share capital) required by a safeguard plan, the court may order that, under certain conditions, the shareholders' decisions be adopted by a majority vote of the shareholders attending or represented, as long as such shareholders own at least half of the shares with voting rights.

If no proposed safeguard plan is adopted by the committees and, if applicable, the bondholders' general meeting, at the request of the debtor, the court-appointed administrator, the *mandataire judiciaire* or the State prosecutor, the court may convert the safeguard proceedings into judicial reorganization proceedings if it appears that the adoption of a safeguard plan is impossible and if the end of the safeguard proceedings would certainly lead to the debtor shortly becoming insolvent.

Specific case—Creditors that are public institutions: Public creditors (financial administrations, social security and unemployment insurance organizations) may agree to grant debt remissions under conditions that are similar to those that would be granted under normal market conditions by a private economic operator placed in a similar position. Public creditors may also decide to enter into subordination agreements for liens or mortgages, or relinquish these security interests. Public creditors examine possible remissions within the framework of a local administrative committee (*Commission des Chefs de Services Financiers*). The tax administrations may grant relief from all direct taxes. With regard to indirect taxes, relief may only be granted from default interest, adjustments, penalties or fines.

Court-administered proceedings—accelerated safeguard and accelerated financial safeguard

A debtor that is the subject of conciliation proceedings may request the commencement of accelerated safeguard proceedings (*procédure de sauvegarde accélérée*) or accelerated financial safeguard proceedings (*procédure de sauvegarde financière accélérée*).

The accelerated safeguard proceedings and accelerated financial safeguard proceedings have been designed to "fast-track" difficulties faced by large companies, i.e., those:

- which publish consolidated accounts in accordance with Article L. 233-16 of the French Commercial Code; or
- which publish accounts certified by a statutory auditor or established by a certified public accountant and have (i) more than 20 employees, (ii) a turnover greater than €3 million (excluding VAT) or (iii) whose total balance sheet exceeds €1.5 million.

The regime applicable to standard safeguard proceedings regime is broadly applicable to accelerated safeguard or accelerated financial safeguard proceedings, to the extent compatible with the accelerated timing, since the total duration of accelerated safeguard proceedings is three months and the duration of accelerated financial safeguard proceedings is only one month (unless the court decides to extend it by an additional month). However, certain provisions relating to ongoing contracts and provisions relating to the recovery of assets by owners benefiting from title retention clauses do not apply in accelerated safeguard proceedings.

In particular, the creditors' committees and the bondholders' general meeting are required to vote on the proposed safeguard plan within a minimum period of 15 days of its being notified to them in the case of accelerated safeguard proceedings, or within eight days in the case of accelerated financial safeguard proceedings.

The plan in the context of accelerated safeguard proceedings or accelerated financial safeguard proceedings is adopted following the same majority rules as in standard safeguard proceedings and may notably provide for rescheduling, debt cancellation and conversion of debt into equity capital of the debtor (debt-for-equity swaps requiring relevant shareholder consent). No debt rescheduling or cancellation may be imposed, without their consent, on creditors that do not belong to one of the committees or are not bondholders.

While accelerated safeguard proceedings apply to all creditors, accelerated financial safeguard proceedings apply only to "financial creditors" (i.e., creditors that belong to the credit institutions committee and bondholders' general meeting), the payment of whose debt is suspended until adoption of a plan through accelerated financial safeguard proceedings. The debtor will be prohibited from paying any amounts (including interest) relating to debts incurred prior to the commencement of the proceedings, to any creditor to whom the accelerated safeguard or accelerated financial safeguard proceedings (as the case may be) apply. Such amounts may be paid only after the judgment of the court approving the safeguard plan and in accordance with its terms. Creditors other than financial creditors (such as public creditors, the tax or social security administration and suppliers) are not directly impacted by accelerated financial safeguard proceedings. Their debts will continue to be due and payable in the ordinary course of business according to their contractual or legal terms.

To be eligible to accelerated safeguard proceedings or accelerated financial safeguard proceedings, the debtor must fulfil the following conditions:

- the debtor must not be cash-flow insolvent for more than 45 days when it initially requested the opening of conciliation;
- the debtor must be subject to ongoing conciliation proceedings when it applies for the commencement of the proceedings;
- as is the case for regular safeguard proceedings, the debtor must face difficulties that it is not in a position to overcome;
- the debtor must exceed the thresholds provided for to constitute creditors' committee (see above) or the court shall have authorized such constitution in the opening decision; and
- the debtor must have prepared a draft safeguard plan ensuring the continuation of its business as a going concern which is supported by enough of its creditors involved in the

proceedings to render likely its adoption by the relevant committees (credit institutions' committee only for financial accelerated safeguard proceedings) and bondholders general assembly, if any, within a maximum of three months following the commencement of accelerated safeguard proceedings, or within a maximum of two months, following the commencement of accelerated financial safeguard proceedings.

If a plan is not adopted by the creditors and approved by the court within the applicable deadline, the court shall terminate the proceedings. The court cannot reschedule amounts owed to the creditors outside of the committee process.

The list of claims of creditors party to the conciliation proceedings certified by the statutory auditor shall be deemed to constitute the filing of such claims for the purpose of accelerated safeguard proceedings or, as applicable, accelerated financial safeguard proceedings (see below) unless the creditors otherwise elect to make such a filing (see below).

Court-administered proceedings—judicial reorganization or liquidation proceedings

Judicial reorganization (*redressement judiciaire*) or liquidation (*liquidation judiciaire*) proceedings may be initiated against or by a debtor only if it is insolvent and, in the case of liquidation proceedings only, if the debtor's recovery is manifestly impossible. The debtor is required to petition for judicial reorganization or liquidation proceedings (or for conciliation proceedings, as discussed above) within 45 days of becoming insolvent; *de jure* managers (including directors) and, as the case may be, *de facto* managers are exposed to civil liability if it fails to do so.

Where the debtor requested the commencement of judicial reorganization proceedings and the court, after having heard the debtor, considers that judicial liquidation proceedings would be more appropriate, it may order the commencement of the proceedings that it determines to be most appropriate. The same would apply if the debtor requested the commencement of judicial liquidation proceedings and the court considered that judicial reorganization proceedings would be more appropriate. In addition, at any time during the safeguard proceedings observation period, upon request of the debtor, the court-appointed administrator, the creditors' representative (*mandataire judiciaire*) or the State prosecutor, the court may convert safeguard proceedings into judicial reorganization proceedings or liquidation proceedings if it appears that the debtor was already insolvent at the time of the court decision opening the proceedings. In all cases, the court's decision is only taken after having heard the debtor, the court-appointed administrator, the creditors' representative, the State prosecutor and the workers' representatives (if any).

In the event of judicial reorganization, an administrator (*administrateur judiciaire*) is usually appointed by the court to investigate the business of the debtor during an observation period, which may last up to 18 months, and make proposals either for the reorganization of the debtor with the debtor's help, or for the sale of the business or the liquidation of the debtor. The court-appointed administrator will assist the debtor in making management decisions (*mission d'assistance*) or may be empowered by the court to take over the management and control of the debtor (*mission d'administration*).

Committees of creditors and a bondholders' general meeting may be created under the same conditions as in safeguard proceedings (see above). At any time during the observation period, the court can, at the request of the debtor, the court-appointed administrator, the creditors' representative (*mandataire judiciaire*), the State prosecutor or at its own initiative, order the partial stop of the activity (*cessation partielle de l'activité*) or order the liquidation of the debtor if its recovery is manifestly impossible. At the end of the observation period, the outcome of the proceedings is decided by the court.

In judicial reorganization proceedings, if a shareholders' meeting needs to vote to bring the shareholders' equity to a level equal to at least one-half of the share capital as required by Article L. 626-3 of the French Commercial Code, the court may appoint a trustee (*mandataire de justice*) to convene a shareholders' meeting and to vote on behalf of the shareholders who refuse to vote in favor of such a resolution if the draft restructuring plan provides for a modification of the equity to the benefit of a third party(ies) undertaking to comply with the reorganization plan.

If the proposed reorganization plans are manifestly not likely to ensure that the debtor will recover or if no reorganization plan is proposed, the court, upon the request of the court-appointed administrator, can order the total or partial transfer of the business.

In judicial reorganization proceedings if (i) the company has at least 150 employees, or if it controls (within the meaning of the French labor code) one or more companies having together at least 150 employees, (ii) the disappearance of the company is likely to cause serious harm to the national or regional economy and (iii) the modification of the company's share capital seems to be the only credible way to avoid harm to the national or regional economy and allows the continued operation of the business as a going concern, then following (x) the review of the options for a total or partial sale of the business and at the request of the court-appointed administrator or of the State prosecutor and (y) at least three months having elapsed from the court decision commencing the proceedings, provided that the shareholders' meetings required to approve the modification of the company's share capital required for adoption of the reorganization plan have refused such modification, the insolvency court may either:

- appoint a court officer (*mandataire*) in order to convene the shareholders' meeting and vote the share capital increase in lieu of the shareholders having refused to do so, up to the amount provided for in the reorganization plan; or
- order, in favor of the persons who have undertaken to perform the reorganization plan, the sale of all or part of the share capital held by the shareholders having refused the share capital increase and holding, directly or indirectly, a portion of the share capital providing them with a majority of the voting rights (including as a result of an agreement with other shareholders) or a blocking minority in the company's shareholders' meetings; the minority shareholders have the right to withdraw from the company and request that their shares be purchased by the transferees.

In the event of a sale ordered by the court, the price of the shares shall, failing agreement between the parties, be set by an expert designated by the court in summary proceedings.

In either of the above cases, the reorganization plan shall be subject to the undertaking of the new shareholders to hold their shares for a certain time period set by the court which may not exceed the duration of the reorganization plan.

If the court decides to order the judicial liquidation of the debtor, the court will appoint a liquidator, which is generally the former creditors' representative (*mandataire judiciaire*). No maximum time period is provided by law to limit the duration of the judicial liquidation process. The liquidator is vested with the power to represent the debtor and perform the liquidation operations (mainly to liquidate the assets and settle the liabilities to the extent the proceeds from the liquidated assets are sufficient, in accordance with the creditors' priority order for payment). The liquidator will take over the management and control of the debtor and the managers of the debtor are no longer in charge of its management.

Concerning the liquidation of the assets of the debtor, there are two possible outcomes:

(a) an asset sale plan (in which case a court-appointed administrator (*administrateur judiciaire*) will usually be appointed to manage the debtor and organize such sale of the business as a going concern); or

(b) a sale of the individual assets of the debtor, in which case the liquidator may decide to:

  (i) launch auction sales (*vente aux enchères* (or *adjudication amiable* for real estate assets only));

  (ii) sell on an amicable basis (*vente de gré à gré*) each asset for which spontaneous purchase offers have been received (the formal authorization of the bankruptcy judge being necessary to conclude the sale agreement with the bidder); or

  (iii) in practice, request, under the supervision of the bankruptcy judge, all potential interested purchasers to bid on each asset, as the case may be, by way of a private competitive process whereby the bidders submit their offers only at the hearing without the proposed prices being disclosed before such hearing (*procédure des plis cachetés*). However, the possibility of implementing such process is questioned by certain legal authors and case law in this respect has varied.

The court will end the proceedings when either no due liabilities remain, the liquidator has sufficient funds to pay off the creditors (*extinction du passif*) or continuation of the liquidation process becomes impossible due to an insufficiency of assets (*insuffisance d'actif*).

The court may also terminate the proceedings:

- when the interest of the continuation of the liquidation process is disproportionate compared to the difficulty of selling the assets; or
- in the event where there are insufficient funds to pay off the creditors, by appointing a *mandataire* in charge of continuing ongoing lawsuits and allocating the amounts received from these lawsuits between the remaining creditors.

The "hardening period" (période suspecte) in judicial reorganization and liquidation proceedings

The date of insolvency (*cessation des paiements*) of a debtor is deemed to be the date of the court order commencing the proceedings, unless the court sets an earlier date, which may be no earlier than 18 months before the date of such court order. Also, except in the case of fraud, the insolvency date may not be set at a date earlier than the date of the final court decision that approved an agreement (*homologation*) in the context of conciliation proceedings (see above). The insolvency date is important because it marks the beginning of the hardening period (*période suspecte*), which runs from the insolvency date of the debtor until the date of the court decision commencing the judicial reorganization or liquidation proceedings.

Certain transactions entered into during the hardening period are automatically void while others are voidable by the court.

- Automatically void transactions include transactions or payments entered into during the hardening period that may constitute voluntary preferences for the benefit of some creditors to the detriment of other creditors. These include transfers of assets for no consideration or for a nominal consideration, contracts under which the obligations of the debtor significantly exceed the obligations of the other party, payments of debts due but not payable at the time of payment, payments of matured debts in a manner that is not commonly used in the ordinary course of business and security granted for previously incurred obligations, provisional attachment or seizure measures (unless the attachment or seizure predates the date of insolvency), operations relating to stock options, the transfer of any assets or rights to a trust arrangement (*fiducie*) (unless such transfer is made by way of security for a debt simultaneously incurred), any amendment to a trust arrangement (*fiducie*) that affects assets or rights already transferred in the trust as security for debt incurred prior to such amendment, and notarized declarations of exemption of assets from seizure (*déclaration d'insaisissabilité*).
- Transactions that are voidable by the court include payments made on debts that are payable, transactions for consideration and notices of attachments made to third parties (*avis à tiers détenteur*), seizures (*saisie attribution*) and oppositions made during the hardening period, in each case if the court determines that the creditor knew that the debtor was insolvent at the relevant time. Transactions relating to the transfer of assets for no consideration are also voidable when entered into during the six-month period prior to the beginning of the hardening period.

There is no hardening period prior to the opening of safeguard, accelerated safeguard or SFA proceedings.

Status of creditors during safeguard, accelerated safeguard, accelerated financial safeguard, judicial reorganization or judicial liquidation proceedings

Contractual provisions pursuant to which the commencement of the proceedings triggers the acceleration of the debt (except with respect to judicial liquidation proceedings in which the court does not order the continued operation of the business) or the termination or cancellation of an ongoing contract are not enforceable against the debtor. Nor are "*contractual provisions modifying the conditions of continuation of an ongoing contract, diminishing the rights or increasing the obligations of the debtor solely upon the opening of reorganization proceedings*" (in accordance with a decision of the French Supreme Court dated January 14, 2014, n° 12-22.909, which case law is likely to be extended to safeguard, accelerated safeguard or accelerated financial safeguard proceedings). However, the court-appointed administrator can unilaterally decide to terminate ongoing contracts (*contrats en cours*) that it believes the debtor will not be able to continue to perform. Conversely, the court-appointed administrator can require that other parties to a contract continue to perform their obligations even though the debtor may have been in default, but on the condition that the debtor fully performs its contractual obligations post-filing (and provided that, in the case of reorganization proceedings, absent consent to other terms of payment, the debtor pays cash on delivery). The commencement of liquidation proceedings, however, automatically accelerates the maturity of all of a debtor's obligations unless the court orders the continued operation of the business with a view to the adoption of a "plan for the sale of the business" (*plan de cession*) (which it may do for a period of three months, renewable once); in such case, the acceleration of the obligations will only occur on the date of the court decision adopting the "plan for the sale of the business" or on the date on which the continued operation of the business ends.

As from the court decision commencing the proceedings:

(a) accrual of interest is suspended, except in respect of loans for a term of at least one year, or of contracts providing for a payment that is deferred for at least one year (however, accrued interest can no longer be compounded);

(b) the debtor is prohibited from paying debts incurred prior to the commencement of the proceedings, subject to specified exceptions (which essentially cover the set-off of related (*connexes*) debts and payments authorized by the insolvency judge (*juge commissaire*) to recover assets for which recovery is justified by the continued operation of the business);

(c) the debtor is prohibited from paying debts having arisen after the commencement of the proceedings unless they were incurred for the purposes of the proceedings or of the observation period or in consideration of services rendered or goods provided to the debtor;

(d) debts duly arising after the commencement of the proceedings and which were incurred for the purposes of the proceedings or of the observation period, or in consideration of services rendered or goods provided to the debtor during this period, must be paid as and when they fall due and, if not, will be given priority over debts incurred prior to the commencement of the proceedings (with certain limited exceptions, such as claims secured by a New Money Lien), provided that they are duly filed within one year of the expiration of the observation period;

(e) creditors may not pursue any individual legal action against the debtor (or a guarantor of the debtor where such guarantor is a natural person and the proceedings are safeguard, accelerated safeguard or accelerated financial safeguard proceedings) with respect to any claim arising prior to the court decision commencing the proceedings, if the objective of such legal action is: (i) to obtain an order for payment of a sum of money by the debtor to the creditor (however, the creditor may require that a court determine the amount due in order to file a proof of claim, as described below); (ii) to terminate a contract for nonpayment of amounts owed by the creditor; or (iii) to enforce the creditor's rights against any assets of the debtor except where such asset—whether tangible or intangible, movable or immovable—is located in another EU Member State, in which case the rights *in rem* of creditors thereon would not be affected by the insolvency proceedings, in accordance with the terms of Article 5 of the EU Insolvency Regulation; and

(f) in the context of reorganization or liquidation proceedings only, absent consent to other terms of payment, immediate cash payment for services rendered pursuant to an ongoing contract (*contrat en cours*), will be required.

In accelerated financial safeguard proceedings, the above rules only apply to the creditors who fall within the scope of the proceedings (see above).

As a general rule, creditors domiciled in France whose debts arose prior to the commencement of proceedings must file a claim with the court-appointed creditors' representative within two months of the publication of the court decision in an official gazette (*Bulletin Officiel des annonces civiles et commerciales*); this period is extended to four months for creditors domiciled outside France. Creditors must also file a claim for the post-commencement non-privileged debts, with respect to which the two- or four-month period referred to above starts to run as from their maturity date. Creditors on whose behalves no claims have been submitted during the relevant period are, except for limited exceptions, barred from receiving distributions made in connection with the proceedings. Employees are not subject to such limitations and are preferred creditors under French law.

At the beginning of the proceedings, the debtor must provide the judicial administrator and the creditors' representative with the list of all of its creditors and all of their claims. Where the debtor has informed the creditors' representative of the existence of a claim, the claim as reported by the debtor is deemed to be a filing of the claim with the creditors' representative on behalf of the creditor. Creditors are allowed to ratify or amend a proof of claim so made on their behalf until the insolvency judge rules on the admissibility of the claim. They may also file their own proofs of claim.

In accelerated safeguard and accelerated financial safeguard proceedings, however, the debtor draws a list of the claims of its creditors having taken part in the conciliation proceedings, which is certified by its statutory auditors or accountant. Although such creditors may file proofs of claim as part of the regular process, they may also avail themselves of this simplified alternative and merely adjust if necessary the amounts of their claims as set forth in the list prepared by the debtor (within the above two- or four-months' time limit). Creditors who did not take part in the conciliation proceedings must file their proofs of claim within the aforementioned deadlines.

In accelerated financial safeguard proceedings, debts owed to creditors other than banks, financial institutions or bondholders continue to be payable in the ordinary course.

If the court adopts a safeguard plan, accelerated safeguard plan, accelerated financial safeguard plan or reorganization plan, claims of creditors included in the plan will be paid according to the terms of the plan.

If the court adopts a plan for the sale of the business (*plan de cession*) of the debtor in judicial reorganization or judicial liquidation proceedings, the proceeds of the sale will be allocated towards the repayment of its creditors according to the ranking of the claims. If the court decides to order the judicial liquidation of the debtor, the court will appoint a liquidator (usually the former creditor's representative) in charge of selling the assets of the debtor and settling the relevant debts in accordance with their ranking. However, in practice, where the sale of the business is considered, the court will usually appoint an administrator to manage the debtor during the temporary continuation of the business operations (see above) and to organize the sale of the business process.

If the court adopts a plan for the sale of the business, it can also set a time period during which the assets that it deems to be essential to the continuation of the business of the debtor may not be sold without its consent.

French insolvency law assigns priority to the payment of certain preferred creditors, including employees, post-commencement legal costs (essentially, court officials' fees), creditors who benefit from a New Money Lien (see above), post-commencement creditors and the French State (taxes and social charges). In the event of judicial liquidation proceedings only, certain pre-commencement secured creditors whose claim is secured by real estate are paid prior to post-commencement creditors.

Creditors' liability

Pursuant to Article L. 650-1 of the French Commercial Code (as interpreted by case law), where safeguard, judicial reorganization or judicial liquidation proceedings have been commenced, creditors may only be held liable for the losses suffered as a result of facilities granted to the debtor, if the granting of such facilities was wrongful, in the case of (i) fraud, (ii) interference with the management of the debtor or (iii) if the security or guarantees taken to support the facilities are disproportionate to such facilities. In addition, any security or guarantees taken to support facilities in respect of which a creditor is found liable on any of these grounds can be cancelled or reduced by the court.

Limitations on Guarantees

The liabilities and obligations of each French Guarantor are subject to:

- certain exceptions, including to the extent of any obligations that would constitute prohibited financial assistance within the meaning of Article L. 225 216 of the French Commercial Code or infringement of the provisions of Articles L. 241 3, L. 242 6 or L. 244 1 of the French Commercial Code; and
- French corporate benefit rules.

Under French financial assistance rules, a company is prohibited from extending credit or guaranteeing indebtedness of another company that is used, directly or indirectly, for the purpose of its acquisition.

Under French corporate benefit rules, a guarantor must receive an actual and adequate benefit from the transaction involving the granting by it of the guarantee, taken as a whole. A court could declare any guarantee unenforceable and, if payment had already been made under the relevant guarantee, require that the recipient return the payment to the relevant guarantor, if it found that these criteria were not fulfilled. The existence of a real and adequate benefit to the guarantor and whether the amounts guaranteed are commensurate with the benefit received are matters of fact as to which French case law provides no clear guidance.

Accordingly, each of the guarantees by the French Guarantors which are subsidiaries of the Issuer and the amounts recoverable thereunder will be limited, at any time, to an amount equal to the aggregate of the proceeds of the Notes to the extent directly or indirectly on-lent by the Issuer, or used to refinance any indebtedness previously directly or indirectly on-lent, to that French Guarantor or any of its subsidiaries under intercompany loans or similar arrangements and outstanding on the date a payment is requested to be made by such French Guarantor under its Guarantees. As a consequence, in particular, the Guarantee of the Subsidiary Guarantor is expected to be limited in value to an amount not greater than the aggregate of the existing proceeds loan of €54 million made available to on-lend the proceeds of the issuance of the Existing Senior Secured Notes and the existing proceeds loan of €80 million made available to on-lend the amount drawn under the Bridge Facility, in each case, to the Subsidiary Guarantor. Any payment made by such French Guarantor under its Guarantees in respect of the obligations of any other obligor shall reduce *pro tanto* the outstanding amount of the intercompany loans due by such French Guarantor or its subsidiaries under the intercompany loan arrangements referred to above. By virtue of this limitation, a French Guarantor's obligation under the Guarantees could be significantly less than amounts payable with respect to the Notes, or a French Guarantor may have effectively no obligation under its Guarantees.

In addition, if a French Guarantor receives, in return for issuing the Guarantee, an economic return that is less than the economic benefit such French Guarantor would obtain in a transaction entered into on an arm's-length basis, the difference between the actual economic benefit and that in a comparable arm's length transaction could be taxable under certain circumstances.

Rights in the Collateral may be adversely affected by the failure to perfect security interests in the Collateral

Under French law, a security interest in certain assets can only be properly perfected, and its priority retained, through certain actions undertaken by the secured party and/or the grantor of the security. The liens on the Collateral securing the Notes may not be perfected with respect to the claims of the Notes if we, or the Security Agent, fail or are unable to take the actions required to perfect any of these liens. Furthermore, it should be noted that neither the Trustee nor the Security Agent shall have any obligation to take any steps or action to perfect any of these liens. In particular, pledges over the securities of French subsidiaries in the form a stock company (*société par actions*) that are governed by French law consist of pledges over a securities account (*nantissement de compte de titres*) in which the relevant securities are registered. The securities account pledges will be validly established after execution of a statement of pledge (*déclaration de nantissement de compte de titres financiers*) by each security provider in favor of the Security Agent. Each statement of pledge will have to be registered in the relevant shareholder's account (*compte d'actionnaire*) and shares registry (*registre de mouvement de titres*) of each French Guarantor. In France, no lien searches are available for security interests that are not publicly registered, with the result that no assurance can be given on the priority of a security interest if it is not publicly registered.

Limitations on enforcement of security interests and cash amount ("soulte")

Security interests governed by French law may only secure a creditor up to the secured amount that is due and unpaid to it. Pledges over securities (whether in the form of a pledge over securities account or in the form of a pledge over shareholding interests (*parts sociales*)) may generally be enforced at the option of the secured creditors either (i) by way of a sale of the pledged securities in a public auction (the proceeds of the sale being paid to the secured creditors) or (ii) by way of judicial foreclosure (*attribution judiciaire*) or contractual foreclosure (*pacte commissoire*) of the pledged securities to the secured creditors, following which the secured creditors become the legal owner of the pledged securities. If the secured creditors choose to enforce by way of foreclosure (whether a judicial foreclosure or contractual foreclosure), the secured liabilities would be deemed extinguished up to the value of the foreclosed securities. Such value is determined either by the court in the context of a judicial attribution or by a pre-contractually agreed expert in the context of a contractual foreclosure. If the value of the Collateral exceeds the amount of secured debt, the secured creditor may be required to pay the pledgor a cash amount (*soulte*) equal to the difference between the value of the securities as so determined and the amount of the secured debt. This is true regardless of the actual amount of proceeds ultimately received by the secured creditor from a subsequent on-sale of the Collateral.

If the value of such securities is less than the amount of the secured debt, the relevant amount owed to the relevant creditors will be reduced by an amount equal to the value of such securities, and the remaining amount owed to such creditors will be unsecured in that respect.

An enforcement of the pledged securities could be undertaken through a public auction in accordance with applicable law. If enforcement is implemented through a public auction procedure, it is possible that the sale price received in any such auction might not reflect the value of the securities since the latter will not be sold pursuant to a competitive bid process and/or a private sale organized by an investment bank and controlled by the vendor on the basis of a value determined pursuant to the methods usually used for the purpose of the acquisition of companies or groups of companies.

Parallel debt—trust

Under French law, the pledgee of a French law security interest and the creditor of the claim secured by such security interest are required to be the same person. Such security interest cannot be held on behalf of third parties who do not hold the secured claim, unless they act as fiduciary (*fiduciaire*) under Article 2011 of the French Civil Code. The beneficial holders of interests in the Notes from time to time will not be parties to the Security Documents. In order to permit the beneficial holders of the Notes to benefit from a secured claim, there will be provided for the creation of "parallel debt" obligations in favor of the Security Agent (the "Parallel Debt") that mirror the obligations of the Issuer and the Guarantors (as principal obligors) to the holders of the Notes under or in connection with the Indenture (the "Principal Obligations").

The Parallel Debt will at all times be in the same amount and payable at the same time as the Principal Obligations. Any payment in respect of the Principal Obligations shall discharge the corresponding Parallel Debt and any payment in respect of the Parallel Debt shall discharge the corresponding Principal Obligations. Pursuant to the Parallel Debt, the Security Agent becomes the holder of a claim equal to each amount payable by an obligor under the Notes. The pledges governed by French law will directly secure the Parallel Debt, and may not directly secure the obligations under the Notes and the other indebtedness secured by the Collateral. The holders of the Notes will not be entitled to take enforcement actions in respect of such security interests except through the Security Agent (even if they are in some instances direct beneficiaries of the security interests in the Collateral).

There is one published decision of the French Supreme Court (*Cour de cassation*) on Parallel Debt mechanisms (Cass. com. September 13, 2011 n°10-25533 *Belvédère*) relating to a bond documentation governed by New York law. Such a decision recognized the enforceability in France of certain rights (especially the filing of claims in safeguard proceedings) of a security agent benefiting from a Parallel Debt. In particular, the French Supreme Court upheld the proof of claim of the legal holders of a Parallel Debt claim, considering that it did not contravene French international public policy (*ordre public international*) rules. The ruling was made on the basis that the French debtor was not exposed to double payment or artificial liability as a result of the Parallel Debt mechanism. Although this court decision is generally viewed by legal practitioners and academics as a recognition by French courts of Parallel Debt structures in such circumstances, there can be no assurance that such a structure will be effective in all cases before French courts. Indeed, it should be noted that the legal issue addressed by it is limited to the proof of claims. The French court was not asked to generally uphold French security interests securing a Parallel Debt. It is also fair to say that case law on this matter is scarce and based on a case-by-case analysis. Such a decision should not be considered as a general recognition of the enforceability in France of the rights of a security agent benefiting from a Parallel Debt claim. There is no certainty that the Parallel Debt construction will eliminate the risk of unenforceability under French law.

To the extent that the security interests in the Collateral created to the benefit of the Security Agent as Parallel Debt creditor under the Parallel Debt construction are successfully challenged by other parties, holders of the Notes will not be entitled to receive on this basis any proceeds from an enforcement of the security interests in the Collateral. In addition, the holders of the Notes will bear the risks associated with the possible insolvency or bankruptcy of the Security Agent as the beneficiary of the Parallel Debt.

The Trustee has certain assigned duties and rights under the Indenture that become particularly important following Defaults or Events of Default (each as defined therein), and acts as trustee in the interests of the holders of the Notes.

The concept of "trust" has been recognized by the French Tax Code and the French Supreme Court (*Cour de cassation*), which has held, in the same published decision referred to above (Cass. com. September 13, 2011 n°10-25533 *Belvédère*) that a trustee validly appointed under a trust governed by the laws of the State of New York could validly be regarded as a creditor in safeguard proceedings commenced in France. However, while substantial comfort may be derived from the above, France has not ratified the Hague Convention of July 1, 1985 on the law applicable to trusts and on their recognition, so that the concept of "trust" has not been generally recognized under French law.

The Security Documents are granted to the benefit of, *inter alia*, the Security Agent. To the extent that the security interests in the Collateral created to the benefit of the Security Agent are successfully challenged by other parties, holders of the Notes will not be entitled to receive on this basis any proceeds from an enforcement of the security interests in the Collateral. In addition, the holders of the Notes will bear the risks associated with the possible insolvency or bankruptcy of the Trustee or the Security Agent.

Fraudulent conveyance

French law contains specific, *action paulienne* provisions dealing with fraudulent conveyance both in and outside insolvency proceedings. The *action paulienne* offers creditors protection against a decrease in their means of recovery. A legal act performed by a debtor (including, without limitation, an agreement pursuant to which such debtor guarantees the performance of the obligations of a third party or agrees to provide or provides security for any of such debtor's or a third party's obligations, enters into additional agreements benefiting from existing security or any other legal act having similar effect) can be challenged in or outside insolvency proceedings of such debtor by the creditors' representative (*mandataire judiciaire*), the commissioner of the safeguard or reorganization plan (*commissaire à l'exécution du plan*), or by any of the creditors of such debtor outside the insolvency proceedings or any creditor who was prejudiced in its means of recovery as a consequence of the act in or outside insolvency proceedings. Any such legal act may be declared unenforceable against third parties if: (i) the debtor performed such act without an obligation to do so; (ii) the relevant creditor or (in the case of the debtor's insolvency proceedings) any creditor was prejudiced in its means of recovery as a consequence of the act; and (iii) at the time the legal act was performed, both the debtor and the counterparty to the transaction knew or should have known that one or more of such debtor's creditors (existing or future) would be prejudiced in their means of recovery (where the legal act was entered into for no consideration (*à titre gratuit*), no such knowledge of the counterparty is necessary). If a court found that the issuance of the Notes, the grant of the security interests in the Collateral or the granting of a Guarantee involved a fraudulent conveyance that did not qualify for any defense under applicable law, then the issuance of the Notes, the granting of the security interests in the Collateral or the granting of such Guarantee could be declared unenforceable against third parties or declared unenforceable against the creditor who lodged the claim in relation to the relevant act. As a result of such successful challenges, holders of the Notes may not enjoy the benefit of the Notes, the Notes Guarantees or the security interests in the Collateral and the value of any consideration that holders of the Notes received with respect to the Notes, the security interests in the Collateral or the Guarantees could also be subject to recovery from the holders of the Notes and, possibly, from subsequent transferees. In addition, under such circumstances, holders of the Notes might be held liable for any damages incurred by prejudiced creditors of the Issuer or the Guarantors as a result of the fraudulent conveyance.

Recognition of intercreditor arrangements by French courts

There is no law or published decision of the French courts of appeal or of the French Supreme Court (*Cour de cassation*) on the validity or enforceability of the obligations of an agreement such as the Intercreditor Agreement, except for Article L. 626-30-2 of the French Commercial Code which states that, in the context of safeguard or judicial reorganization proceedings, the safeguard or continuation plan which is put to the vote of the creditors' committees takes into consideration (*prend en compte*) the provisions of subordination agreements between creditors which were entered into prior to the commencement of the proceedings. As a consequence, except to the extent referred to above (which, as at the date of this Offering Memorandum, has received no judicial interpretation), we cannot rule out that a French court would not give effect to certain provisions of the Intercreditor Agreement.

Recognition of validity of second or lower ranking financial securities account pledges by French courts

The Intercreditor Agreement provides for a mechanism allowing the implementation of second or lower ranking pledges over financial securities accounts.

A pledge over the shares of a stock company (*société par actions*) governed by French law is a pledge over the relevant securities account (*nantissement de compte de titres financiers*) in which the shares of such company are registered. In France, no lien searches are available for security interests that are not registered, in official ledgers such as pledges over securities accounts (*nantissements de comptes de titres financiers*). As a result, no assurance can be given on the priority of a pledge over a securities account in which the shares of such a company are registered.

Moreover, a pledge over securities accounts is deemed, under French law, to remove the securities account from the possession of the grantor, thereby preventing such grantor from granting a second or lower ranking pledge thereon. The second or lower ranking pledge over the shares of such a company will therefore provide that the possession of the securities account is transferred to the custody of an agreed third party as "*tiers convenu*" (*entiercement*), that the first ranking and second or lower ranking secured parties have consented to the creation of second or lower ranking pledge and that the first ranking secured parties have accepted their appointment as *tiers convenu* and hold the pledged securities as custodian for the benefit of both the first ranking and the second or lower ranking secured parties. This structure has not been tested before the French courts and no assurance can be given that such second or lower ranking pledges would be upheld if tested. Therefore, there is a risk that the second or lower ranking pledge over the securities account in which the shares of such company are respectively registered may be held void or unenforceable by a French court, which in turn could materially adversely affect the recovery under the Notes or Guarantees (as applicable) following an enforcement event.

Assumptions as to the enforceability of second ranking bank accounts pledges over the bank accounts

Certain pledges over the bank accounts are governed by French law. In France, no lien searches are available for security interests that are not registered in official ledgers, such as pledges over bank accounts. As a result, no assurance can be given on the priority of the pledges over the relevant bank accounts of a company.

Although French law does not expressly prohibit the grantor of a pledge over a bank account from granting a second or lower ranking pledge over the same bank account, this structure has not been tested before the French courts and no assurance can be given that such second or lower ranking pledges would be upheld if tested.

Grand Duchy of Luxembourg

The Luxembourg Security Providers are incorporated under the laws of Luxembourg and are in principle also subject to Luxembourg insolvency law. The following is a brief description of certain aspects of Luxembourg insolvency laws.

Under Luxembourg law, the following types of proceedings (collectively referred to as "insolvency proceedings") may be commenced against a company with a registered office in Luxembourg having its COMI in Luxembourg or an establishment in Luxembourg within the meaning of Council Regulation (EC) No. 1346/2000 of May 29, 2000, or the EU Insolvency Regulation (in relation to secondary proceedings):

- insolvency proceedings (*faillite*), the opening of which may be requested by the company or by any of its creditors. Following such a request, the courts having jurisdiction may commence insolvency proceedings if the Issuer: (i) is in a state of cessation of payments (*cessation des paiements*) and (ii) has lost its commercial creditworthiness (*ébranlement de crédit*). If a court finds that these conditions are satisfied, it may open insolvency proceedings *ex officio* (absent a request made by the company or a creditor). The main effect of such proceedings is the suspension of all measures of enforcement against the company, except, subject to certain limited exceptions, for enforcement by secured creditors and the payment of the secured creditors in accordance with their rank upon foreclosure of the assets;
- controlled management proceedings (*gestion contrôlée*), the opening of which may only be requested by the company and not by its creditors and under which a court may order a provisional suspension of payments, including a stay of enforcement of claims by secured creditors. A reorganization order requires the prior approval by more than 50% of the creditors representing more than 50% of the relevant Luxembourg company's liabilities in order to take effect. Furthermore, declarations of default and subsequent acceleration (such as acceleration upon the occurrence of an event of default) may not be enforceable during controlled management proceedings; or
- composition proceedings (*concordat préventif de faillite*), the opening of which may only be requested by the company (subject to obtaining the prior consent of the majority of its creditors holding 75% at least of the claims against such company) and not by its creditors themselves. The court's decision to admit a company to composition proceedings triggers a provisional stay on enforcement of claims by creditors.

In addition to these insolvency proceedings, your ability to receive payment on the relevant Notes may be affected by a decision of a court to grant a reprieve from payments (*sursis de paiement*) or to put the Issuer into judicial liquidation (*liquidation judiciaire*). Judicial liquidation proceedings may be opened at the request of the public prosecutor against companies pursuing an activity that violates criminal laws or that are in serious breach or violation of the commercial code or of the Luxembourg law dated August 10, 1915 on commercial companies, as amended. The management of such liquidation proceedings generally will follow rules similar to those applicable to insolvency proceedings. Liability of the Issuer in respect of the relevant Notes will, in the event of a liquidation of the Issuer following insolvency or judicial liquidation proceedings, only rank after the cost of liquidation (including any debt incurred for the purpose of such liquidation) and those debts of the relevant entity that are entitled to priority under Luxembourg law. Preferential debts under Luxembourg law include, among others:

- certain amounts owed to the Luxembourg revenue authorities;
- value-added taxes and other taxes and duties owed to the Luxembourg customs and excise authorities;
- social security contributions; and
- remuneration owed to employees.

For the avoidance of doubt, the above list is not exhaustive.

Assets over which a security interest has been granted will in principle not be available for distribution to unsecured creditors (except after enforcement and to the extent a surplus is foreclosed upon), and subject to application of the relevant priority rule and liens and privileges arising mandatorily by law.

Luxembourg insolvency laws may affect transactions entered into or payments made by the Issuer during the period before insolvency, or the suspect period (*période suspecte*), which is a maximum of six months from the date on which the Luxembourg Commercial Court formally adjudicates a person insolvent and, as for specific payments and transactions, during an additional period of ten days before the commencement of such period preceding the judgment declaring insolvency, except that in certain specific situations the court may set the start of the suspect period at an earlier date, if the insolvency judgment was preceded by another insolvency proceeding (e.g., a suspension of payments or controlled management proceedings) under Luxembourg law.

In particular:

- pursuant to Article 445 of the Luxembourg Code of Commerce (*Code de Commerce*), specified transactions (such as the granting of a security interest for antecedent debts; the payment of debts that have not fallen due; whether payment is made in cash or by way of assignment, sale, set-off or by any other means; the payment of debts that have fallen due by any means other than in cash or by a bill of exchange; or the sale of assets without consideration or with substantially inadequate consideration) entered into during the suspect period (or the ten days preceding it) must be set aside or declared null and void, if so requested by the insolvency receiver;
- pursuant to Article 446 of the Luxembourg Code of Commerce, payments made for matured debts as well as other transactions concluded during the suspect period are subject to cancellation by the court upon proceedings instituted by the insolvency receiver if they were concluded with the knowledge of the insolvent party's cessation of payments;
- regardless of the suspect period, Article 448 of the Luxembourg Code of Commerce and Article 1167 of the Luxembourg Civil Code (*action paulienne*) give any creditor the right to challenge any fraudulent payments and transactions made prior to the insolvency; and
- pursuant to Article 21(2) of the Luxembourg Act dated August 5, 2005 concerning financial collateral arrangements, as amended (the "Financial Collateral Law"), a financial collateral arrangement entered into after the opening of liquidation proceedings or the coming into force of reorganization measures or the entry into force of such measures is valid and binding against third parties, administrators, insolvency receivers or liquidators notwithstanding the suspect period referred to in Articles 445 and 446 of the Luxembourg Code of Commerce, if the secured party proves that it was unaware of the fact that such proceedings had been opened or that such measures had been taken or that it could not reasonably be aware of it.

In principle, an insolvency order rendered by a Luxembourg court does not result in automatic termination of contracts except for *intuitu personae* contracts, that is, contracts for which the identity of the company or its solvency were crucial. The contracts, therefore, subsist after the insolvency order. However, the insolvency receiver may choose to terminate certain contracts so as to avoid worsening the financial situation of the company. As of the date of adjudication of insolvency, no interest on any unsecured claim will accrue vis-à-vis the insolvency estate. Insolvency proceedings may therefore have a material adverse effect on a Luxembourg company's business and assets and on the Issuer's obligations under the Notes.

The insolvency receiver decides whether or not to continue performance under ongoing contracts (i.e., contracts existing before the insolvency order). The insolvency receiver may elect to continue the business of the debtor, provided the insolvency receiver obtains the authorization of the court and such continuation does not cause any prejudice to the creditors. However, two exceptions apply:

- the parties to an agreement may contractually agree that the occurrence of an insolvency constitutes an early termination or acceleration event; and
- *intuitu personae* contracts (i.e., contracts where the identity of the other party constitutes an essential element upon the signing of the contract) are automatically terminated as of the insolvency judgment since the debtor is no longer responsible for the management of the company. Parties can agree to continue to perform under such contracts.

The insolvency receiver may elect not to perform the obligations of the insolvent party that are still to be performed after the insolvency under any agreement validly entered into by the insolvent party prior to the insolvency. The counterparty to that agreement may make a claim for damages in the insolvency and such claim will rank *pari passu* with claims of all other unsecured creditors and/or seek a court order to have the relevant contract dissolved. The counterparty may not require specific performance of the contract.

International aspects of Luxembourg insolvency, controlled management or voluntary arrangement with creditors' proceedings may be subject to the EU Insolvency Regulation.

Pursuant to the EU Insolvency Regulation, the court that shall have jurisdiction to open insolvency proceedings in relation to a company is the court of the Member State (other than Denmark) where the company concerned has its "centre of main interests" (as that term is used in Article 3(1) of the EU Insolvency Regulation). The determination of where any such company has its COMI is a question of fact on which the courts of the different Member States may have differing and even conflicting views.

The term "centre of main interests" is not a static concept and may change from time to time. Although there is a rebuttable presumption under Article 3(1) of the EU Insolvency Regulation that any such company has its COMI in the Member State in which it has its registered office, Preamble 13 of the EU Insolvency Regulation states that the COMI of a debtor should correspond to the place where the debtor conducts the administration of its interests on a regular basis and "is therefore ascertainable by third parties." In that respect, factors such as where board meetings are held, the location where a company conducts the majority of its business and the location where the majority of a company's creditors are established may all be relevant in the determination of the place where a company has its COMI. The time when a company's COMI is determined is at the time that the relevant insolvency proceedings are opened.

If the COMI of a company is and will remain located in the state in which it has its registered office, the main insolvency proceedings in respect of the company under the EU Insolvency Regulation would be opened in such jurisdiction, and, accordingly, a court in such jurisdiction would be entitled to open the types of insolvency proceedings referred to in Annex A to the EU Insolvency Regulation. Insolvency proceedings opened in one Member State under the EU Insolvency Regulation are to be recognized in the other Member States (other than Denmark), although secondary proceedings may be opened in another Member State. If the COMI of a debtor is in one Member State (other than Denmark) under Article 3(2) of the EU Insolvency Regulation, the courts of another Member State (other than Denmark) have jurisdiction to open "secondary proceedings" only in the event that such debtor has an "establishment" (in the meaning of the EU Insolvency Regulation) in the territory of such other Member State. The effects of those secondary proceedings are restricted to the assets of the debtor situated in the territory of such other Member State. If a company does not have an establishment in any other Member State, no court of any other Member State has jurisdiction to open territorial proceedings in respect of such company under the EU Insolvency Regulation.

If the Issuer's COMI is deemed to be outside Luxembourg, courts of such other jurisdictions may have jurisdiction over the insolvency proceedings of the Issuer.

Security interests considerations

According to Luxembourg conflict of law rules, the courts in Luxembourg will generally apply the *lex rei sitae* or *lex situs* (the law of the place where the assets or subject matter of the pledge or security interest is situated) in relation to the creation, perfection and enforcement of security interests over such assets. As a consequence, Luxembourg law will apply in relation to the creation, perfection and enforcement of security interests over assets located or deemed to be located in Luxembourg, such as registered shares in Luxembourg companies, bank account held with a Luxembourg bank, receivables or claims governed by Luxembourg law or having debtors located in Luxembourg, tangible assets located in Luxembourg, securities that are held through an account located in Luxembourg, bearer securities physically located in Luxembourg, etc.

If there are assets located or deemed to be located in Luxembourg, the security interests over such assets will be governed by Luxembourg law and must be created, perfected and enforced in accordance with Luxembourg law. The Luxembourg Collateral Law governs the creation, validity, perfection and enforcement of pledges over shares, bank account and receivables located or deemed to be located in Luxembourg.

Under the Luxembourg Collateral Law, the perfection of security interests depends on certain registration, notification and acceptance requirements. Article 11 of the Luxembourg Collateral Law sets forth the following enforcement remedies available upon the occurrence of an enforcement event:

- the direct appropriation of the pledged assets at (i) a value determined in accordance with a valuation method agreed upon by the parties or (ii) the listing price of the pledged assets;
- a sale of the pledged assets (i) in a private transaction on commercially reasonable terms (*conditions commerciales normales*), (ii) by a public sale at the stock exchange or (iii) by way of a public auction;
- a court allocation of the pledged assets to the pledgee in discharge of the secured obligations following a valuation made by a court-appointed expert; or
- set-off between the secured obligations and the pledged assets.

As the Luxembourg Collateral Law does not provide any specific time periods and depending on (i) the method chosen, (ii) the valuation of the pledged assets, (iii) any possible recourse and (iv) the possible need to involve third parties, such as, e.g., courts, stock exchanges and appraisers, the enforcement of the security interests might be substantially delayed.

Foreign law-governed security interests and the powers of any receivers or administrators may not be enforceable in respect of assets located or deemed to be located in Luxembourg. Security interests or arrangements, which are not expressly recognized under Luxembourg law and the powers of any receivers or administrators, might not be recognized or enforced by the Luxembourg courts, particularly where the Luxembourg security grantor becomes subject to Luxembourg insolvency proceedings or where the Luxembourg courts otherwise have jurisdiction because of the actual or deemed location of the relevant rights or assets, except if “main insolvency proceedings” (as defined in the EU Insolvency Regulation) are opened under Luxembourg law and such security interests or arrangements constitute rights *in rem* over assets located in another Member State in which the EU Insolvency Regulation applies, and in accordance of Article 5 of the EU Insolvency Regulation.

The perfection of the security interests created pursuant to the pledge agreements does not prevent any third-party creditor from seeking attachment or execution against the assets, which are subject to the security interests created under the pledge agreements, to satisfy their unpaid claims against the pledgor. Such creditor may seek the forced sale of the assets of the pledgors through court proceedings, although the beneficiaries of the pledges will in principle remain entitled to priority over the proceeds of such sale (subject to preferred rights by operation of law).

Under Luxembourg law, certain creditors of an insolvent party have rights to preferred payments arising by operation of law, some of which may, under certain circumstances, supersede the rights to payment of secured or unsecured creditors, and most of which are undisclosed preferences (*privilèges occultes*). This includes, in particular, the rights relating to fees and costs of the insolvency official as well as any legal costs, the rights of employees to certain amounts of salary, and the rights of the Treasury and certain assimilated parties (such as social security bodies), which preferences may extend to all or part of the assets of the insolvent party. This general privilege takes in principle precedence over the privilege of a pledgee in respect of pledged assets.

Financial assistance

Any security interests granted by Luxembourg entities, which constitute breach of the provisions on financial assistance as defined by Article 49-6 of the Luxembourg Companies Act or any other similar provisions, might not be enforceable.

Registration in Luxembourg

The registration of the Notes, the Security Documents, the Indenture and the transaction documents (and any document in connection therewith) with the *Administration de l'Enregistrement et des Domaines* in Luxembourg may be required in the case of legal proceedings before Luxembourg courts or in the case that the Notes, the security interest agreements, the indentures and the transaction documents (and any document in connection therewith) must be produced before an official Luxembourg authority (*autorité constituée*). In such a case, either a nominal registration duty or an *ad valorem* duty (or, for instance, 0.24% of the amount of the payment obligation mentioned in the document so registered) will be payable depending on the nature of the document to be registered. No *ad valorem* duty is payable in respect of security interest agreements, which are subject to the Luxembourg Collateral law.

The Luxembourg courts or the official Luxembourg authority may require that the Notes, the security documents, the Indenture and the transaction documents (and any document in connection therewith) and any judgment obtained in a foreign court be translated into French or German.

Service of process

As there is no treaty in force on the reciprocal recognition and enforcement of judgments in civil and commercial matters between the United States and Luxembourg, courts in Luxembourg will not automatically recognize and enforce a final judgment rendered by a U.S. court. A valid judgment against an issuer incorporated in Luxembourg with respect to the Notes obtained from a court of competent jurisdiction in the United States, which judgment remains in full force and effect after all appeals that may be taken in the relevant state or federal jurisdiction with respect thereto have been taken, may be entered and enforced through a court of competent jurisdiction of Luxembourg, subject to compliance with the enforcement procedures (*exequatur*) set forth in Article 678 *et seq*. of the Luxembourg New Code of Civil Procedure (*Nouveau Code de Procédure Civile*), being:

- the U.S. court has applied to the dispute the substantive law as designated by the Luxembourg conflict of laws rules;
- the U.S. court has acted in accordance with its own procedural laws;
- the U.S. court order or judgment must not result from an evasion of Luxembourg law (*fraude à la loi*);
- the U.S. court awarding the judgment has jurisdiction to adjudicate the respective matters under its applicable rules, and such jurisdiction is recognized by Luxembourg private international and local law;
- the judgment is enforceable (*exécutoire*) in the jurisdiction in which the decision has been rendered;
- the judgment was obtained in compliance with the rights of the defendant, i.e., following proceedings at which the defendant had the opportunity to appear, was granted the necessary time to prepare its case and, if it appeared, could present a defense; and
- the judgment does not contravene international public policy as understood under the laws of Luxembourg or has been given in proceedings of a criminal or tax nature.

If an original action is brought in Luxembourg, Luxembourg courts may refuse to apply the designated law and notably if its application contravenes Luxembourg's international public policy. In an action brought in Luxembourg on the basis of U.S. federal or state securities laws, Luxembourg courts may not have the requisite power to grant the remedies sought. Also, an *exequatur* may be refused in respect of punitive damages. Furthermore, in the event of any proceedings being brought in a Luxembourg court in respect of a monetary obligation expressed to be payable in a currency other than euro, a Luxembourg court would have the power to give judgment expressed as an order to pay in a currency other than euro. However, enforcement of the judgment against any party in Luxembourg would be available only in euro and for such purposes all claims or debts would be converted into euro.

Plan of distribution

General

The Issuer, the Guarantors and the Initial Purchasers have entered into a purchase agreement dated on or about , 2016. Subject to the terms and conditions set forth in the Purchase Agreement, the Issuer has agreed to sell to the Initial Purchasers and the Initial Purchasers have agreed, severally and not jointly, to purchase from the Issuer, the entire principal amount of the Notes.

The Initial Purchasers initially propose to offer the Notes for resale at the issue price that appears on the cover page of this Offering Memorandum. The Initial Purchasers may change the prices at which the Notes are offered and any other selling terms at any time without notice. The Initial Purchasers may offer and sell the Notes through certain of their affiliates and agents, including in respect of sales into the United States.

The Purchase Agreement provides that the obligations of the Initial Purchasers to pay for and accept delivery of the Notes are subject to, among other conditions, the delivery of certain legal opinions by their counsel and our counsel. The Purchase Agreement also provides that the Issuer and the Guarantors will indemnify and hold harmless the Initial Purchasers against certain liabilities, including liabilities under the U.S. Securities Act, and will contribute to payments that the Initial Purchasers may be required to make in respect thereof.

Persons who purchase Notes from the Initial Purchasers may be required to pay stamp duty, taxes and other charges in accordance with the laws and practices of the country of purchase in addition to the issue price set forth on the cover page hereof. Sales of the Notes may be made through affiliates of the Initial Purchasers or through registered brokers.

Investment funds or accounts advised or managed by entities affiliated with Bain Capital LLC may purchase Notes in the Offering at a purchase price per Note equal to the issue price set forth on the cover page of this Offering Memorandum and in the case of investment funds registered under the Investment Company Act of 1940, as amended (the "1940 Act"), subject to the limitations of the 1940 Act. The Purchase Agreement between the Issuer and the Initial Purchasers will not restrict the ability of the funds and the affiliates of Bain Capital LLC to buy or sell the Notes in the future and, as a result, these investment funds and affiliates of Bain Capital LLC may buy or sell Notes, subject to applicable securities laws, in open market transactions at any time following the consummation of the Offering.

Notes are not being registered

The Notes and the Guarantees have not been, and will not be, registered under the U.S. Securities Act or any state securities laws. The Initial Purchasers propose to offer the Notes for resale in transactions not requiring registration under the U.S. Securities Act or applicable state securities laws, including sales pursuant to Rule 144A and Regulation S. Any offer or sale of Notes in the United States in reliance on Rule 144A will be made by broker-dealers who are registered as such under the U.S. Securities Exchange Act of 1934, as amended (the "U.S. Exchange Act"). Each purchaser of the Notes will be deemed to have made acknowledgements, representations and agreements described under "*Transfer restrictions*." The Initial Purchasers will not offer or sell the Notes except to persons they reasonably expect to be qualified institutional buyers or pursuant to offers and sales in offshore transactions in reliance on Regulation S. Resales of the Notes are restricted as described under "*Transfer restrictions*."

Each Initial Purchaser has represented that it (i) has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the "FSMA") received by it in connection with the issuance or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer and (ii) has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

No action has been taken in any jurisdiction, including the United States and the United Kingdom, by us or the Initial Purchasers that would permit a public offering of the Notes or the possession, circulation or distribution of this Offering Memorandum or any other material relating to us or the Notes in any jurisdiction where action for this purpose is required. Accordingly, the Notes and the Guarantees may not be offered or sold, directly or indirectly, and neither this Offering Memorandum nor any other offering material or advertisements in connection with the Notes may be distributed or published, in or from any country or jurisdiction, except in compliance with any applicable rules and regulations of any such country or jurisdiction. This Offering Memorandum does not constitute an offer to sell or a solicitation of an offer to purchase Notes in any jurisdiction where such offer or solicitation would be unlawful. Persons into whose possession this Offering Memorandum comes are advised to inform themselves about and to observe any restrictions relating to this Offering, the distribution of this Offering Memorandum and the resale of the Notes. See "*Transfer restrictions.*"

The Issuer and the Guarantors have also agreed that they will not at any time offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any securities under circumstances in which such offer, sale, pledge, contract or disposition would cause the exemption afforded by the U.S. Securities Act or the safe harbors of Rule 144A and Regulation S to cease to be applicable to the offer and sale of the Notes.

No sale of similar securities

We have agreed not to offer, sell, contract to sell or otherwise dispose of, except as provided under the Purchase Agreement, any debt securities of, or guarantee by, the Issuer and the Guarantors or any of their respective subsidiaries or affiliates (other than any securities issued by any funds managed or controlled by Bain Capital or entities controlled by such funds that have no relationship or connection otherwise with the Issuer, the Guarantors or their respective subsidiaries or holding companies but are affiliates solely due to the fact that Bain Capital has an equity interest in such entity) that are substantially similar to the Notes during the period from the date of the Purchase Agreement through and including the date falling 30 days after the date of this Offering Memorandum without prior written consent.

New issue of securities

Currently there is no public market for the Notes. Application will be made to list the Notes on the on the Official List of the Exchange. No certainty can be given that this application will be granted, and we cannot assure you that an active trading market for the Notes will develop.

The Initial Purchasers of the Notes have advised us that they intend to make a market in the Notes as permitted by applicable law. The Initial Purchasers are not obligated, however, to make a market in the Notes, and any market-making activity may be discontinued at any time at the sole discretion of the Initial Purchasers without notice. In addition, any such market-making activity will be subject to the limits imposed by the U.S. Exchange Act. Accordingly, we cannot assure you that any market for the Notes will develop, that it will be liquid if it does develop or that you will be able to sell any Notes at a particular time or at a price that will be favorable to you. See "*Risk factors—Risks related to our indebtedness and the Notes—There may not be an active trading market for the Notes, in which case your ability to sell the Notes will be limited.*"

Initial settlement

We expect that delivery of the Notes will be made against payment on the respective Notes on or about the date specified on the cover page of this Offering Memorandum, which will be the business day (as such term is used for purposes of Rule 15(c)6-1 of the U.S. Exchange Act) following the date of pricing of the Notes (such settlement cycle being referred to as "T+ "). Under Rule 15c6-1 under the U.S. Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to such trades expressly agree otherwise. Accordingly, purchasers who wish to trade the Notes on the date of pricing or the next succeeding business days will be required, by virtue of the fact that the Notes will initially settle in T+ , to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to trade the Notes on the date of pricing should consult their own advisors.

Price stabilization and short positions

In connection with this Offering, the Stabilizing Manager, or persons acting on its behalf, may engage in transactions that stabilize, maintain or otherwise affect the price of the Notes. Specifically, the Stabilizing Manager, or persons acting on its behalf, may over-allot the Notes or effect transactions, for a limited period after the Issue Date, with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. The Stabilizing Manager may bid for and purchase Notes in the open market for the purpose of pegging, fixing or maintaining the price of the Notes. The Stabilizing Manager may also create syndicate short positions, and may bid for and purchase Notes in the open market to cover the syndicate short position. In addition, the Stabilizing Manager may bid for and purchase Notes in market-making transactions as permitted by applicable laws and regulations and impose penalty bids. These activities may stabilize or maintain the market price of the Notes above market levels that may otherwise prevail. The Stabilizing Manager is not required to engage in these activities and may end these activities at any time. Accordingly, no assurance can be given as to the liquidity of, or trading markets for, the Notes. See "*Risk factors—Risks related to our indebtedness and the Notes—There may not be an active trading market for the Notes, in which case your ability to sell the Notes will be limited.*"

These stabilizing transactions, covering transactions and penalty bids may cause the price of the Notes to be higher than it would otherwise be in the absence of these transactions. Any such stabilizing action, if begun, may be ended at any time, but must end no later than the earlier of 30 calendar days after the Issue Date and 60 calendar days after the date of the allotment of the Notes. These transactions may be effected in the over-the-counter market or otherwise. See "*Risk factors—Risks related to our indebtedness and the Notes—There may not be an active trading market for the Notes, in which case your ability to sell the Notes will be limited.*"

Other relationships

Certain of the Initial Purchasers and/or their affiliates are mandated lead arrangers and original lenders under our Revolving Credit Facility Agreement and are or will be counterparties in the hedging arrangements we expect to roll over and carry forward or enter into in connection with the Notes. The Initial Purchasers and their affiliates receive customary fees and commissions in such capacities. J.P. Morgan Europe Limited acts as arranger and lender under the Revolving Credit Facility Agreement.

In addition, the Initial Purchasers or their respective affiliates from time to time have provided in the past and may currently be providing and may provide in the future, investment banking, commercial lending, consulting and advisory services to us and our affiliates in the ordinary course of business, for which they have received or may receive customary fees and commissions. Also, certain Initial Purchasers and/or their respective affiliates have various bilateral commitments and exposures to entities in our Group.

In the ordinary course of their business activities, the Initial Purchasers and their affiliates may also make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments, securities or financial instruments activities may involve securities and/or instruments of ours or our affiliates. Certain of the Initial Purchasers or their affiliates that have a lending relationship with us or our affiliates routinely hedge their credit exposure consistent with their customary risk management policies. Typically, such Initial Purchasers and their affiliates would hedge such exposure by entering into transactions that consist of either the purchase of credit default swaps or the creation of short positions in our securities, including (potentially) the Notes offered hereby. Any such short positions could adversely affect future trading prices of the Notes offered hereby. The Initial Purchasers and their affiliates may also make investment recommendations or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long or short positions in such securities and instruments.

Transfer restrictions

You are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of any of the Notes offered hereby.

General

The Issuer has not registered and will not register the Notes under the U.S. Securities Act or any state securities laws and, therefore, the Notes may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Notes are only being offered and sold:

- in the United States to "qualified institutional buyers" or "QIBs" (as defined in Rule 144A) in compliance with Rule 144A; and
- outside the United States in offshore transactions in accordance with Regulation S.

We use the terms "offshore transaction" and "United States" with the meanings given to them in Regulation S.

Important information about this Offering

If you purchase Notes, you will be deemed to have acknowledged, represented to and agreed with the Issuer and the Initial Purchasers as follows:

(1) You understand and acknowledge that the Notes have not been, and will not be, registered under the U.S. Securities Act or any state securities laws and that the Notes are being offered for resale in transactions not requiring registration under the U.S. Securities Act or any other state securities laws, including sales pursuant to Rule 144A and, unless so registered, may not be offered, sold or otherwise transferred except in compliance with the registration requirements of the U.S. Securities Act or any other applicable state securities laws, pursuant to an exemption therefrom, or in a transaction not subject thereto, and in each case in compliance with the conditions for transfer set forth in paragraph (4) below.

(2) You are not an "affiliate" (as defined in Rule 144A) of the Issuer or acting on behalf of the Issuer and you are either:

(a) a QIB and are aware that any sale of these Notes to you will be made in reliance on Rule 144A and such acquisition will be for your own account or for the account of another QIB; or

(b) purchasing the Notes in an offshore transaction in accordance with Regulation S.

(3) You acknowledge that none of the Issuer, the Guarantors or the Initial Purchasers or any person representing any of them has made any representation to you with respect to the offer or sale of any of the Notes, other than the information contained in this Offering Memorandum, which Offering Memorandum has been delivered to you and upon which you are relying in making your investment decision with respect to the Notes. You acknowledge that no person, including none of the Initial Purchasers or any person representing the Initial Purchasers, other than the Issuer makes any representation or warranty as to the accuracy or completeness of this Offering Memorandum. You have had access to such financial and other information concerning us and our subsidiaries and the Notes as you deemed necessary in connection with your decision to purchase any of the Notes, including an opportunity to ask questions of, and request information from, the Issuer and the Initial Purchasers.

(4) You are purchasing these Notes for your own account, or for one or more investor accounts for which you are acting as a fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the U.S. Securities Act, subject to any requirement of law that the disposition of your property or the property of such investor account or accounts be at

all times within your or their control and subject to your or their ability to resell these Notes pursuant to Rule 144A, Regulation S or any other available exemption from registration available under the U.S. Securities Act. You agree on your own behalf and on behalf of any investor account for which you are purchasing Rule 144A Notes, and each subsequent holder of the Rule 144A Notes by its acceptance thereof will agree, to offer, sell or otherwise transfer such Rule 144A Notes prior to the date (the "Resale Restriction Termination Date") that is one year after the later of the Issue Date and the last date on which we or any of our affiliates were the owner of such Notes (or any predecessor thereto) only:

(a) to us, the Guarantors or any of our subsidiaries;

(b) pursuant to a registration statement that has been declared effective under the U.S. Securities Act;

(c) for so long as these Notes are eligible for resale pursuant to Rule 144A, to a person you reasonably believe is a QIB who purchases for its own account or for the account of a QIB to whom you give notice that the transfer is being made in reliance on Rule 144A;

(d) pursuant to offers and sales occurring outside the United States within the meaning of Regulation S; or

(e) pursuant to any other available exemption from the registration requirements of the U.S. Securities Act;

subject, in each of the foregoing cases, to any requirements of law that the disposition of your property or the property of your investor account or accounts be at all times within your or their control, and in compliance with any applicable state securities laws, and any applicable local laws and regulations.

You acknowledge that the Issuer, the Trustee, the Registrar and Transfer Agent reserve the right prior to any such offer, sale or transfer of the relevant Notes (i) pursuant to clause (d) or (e) above to require the delivery of an opinion of counsel, certification and/or other information satisfactory to each of them and (ii) in each of the foregoing cases, to require that a certificate of transfer in the form appearing on the reverse of the security is completed and delivered by the transferor to the Trustee. The foregoing restrictions on resale will not apply subsequent to the Resale Restriction Termination Date.

Each purchaser acknowledges that each 144A Note will contain a legend substantially in the following form:

"THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS NOTE NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT.

THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT), (2) AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH NOTES, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") THAT IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE ISSUER OR ANY AFFILIATE OF THE ISSUER WAS THE OWNER OF THE NOTES (OR ANY PREDECESSOR OF THE NOTES) ONLY (A) TO THE ISSUER OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE U.S. SECURITIES ACT, (C) FOR SO LONG AS THE NOTES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE U.S. SECURITIES ACT, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON

RULE 144A UNDER THE U.S. SECURITIES ACT, (D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES WITHIN THE MEANING OF REGULATION S UNDER THE U.S. SECURITIES ACT OR (E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND; SUBJECT TO THE ISSUER'S AND THE TRUSTEE'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (I) PURSUANT TO CLAUSE (D) OR (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM, (II) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE REVERSE OF THIS NOTE IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE; AND AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. AS USED HEREIN, THE TERMS "OFFSHORE TRANSACTION" AND "UNITED STATES" HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE U.S. SECURITIES ACT."

If you purchase Notes, you will also be deemed to acknowledge that the foregoing restrictions apply to holders of beneficial interests in these Notes as well as to holders of these Notes.

(5) You acknowledge that the Registrar will not be required to accept for registration of transfer any Notes acquired by you, except upon presentation of evidence satisfactory to us and the Registrar that the restrictions set forth herein have been complied with.

(6) You acknowledge that:

(a) the Issuer, the Initial Purchasers and others will rely upon the truth and accuracy of your acknowledgments, representations and agreements set forth herein and you agree that, if any of your acknowledgments, representations or agreements herein cease to be accurate and complete, you will notify us and the Initial Purchasers promptly in writing; and

(b) if you are acquiring any Notes as a fiduciary or agent for one or more investor accounts, you represent with respect to each such account that:

1. you have sole investment discretion; and

2. you have full power to make, and make, the foregoing acknowledgments, representations and agreements.

(7) You agree that you will give to each person to whom you transfer these Notes notice of any restrictions on the transfer of the Notes.

(8) You understand that no action has been taken in any jurisdiction (including the United States) by the Issuer or the Initial Purchasers that would permit a public offering of the Notes or the possession, circulation or distribution of this Offering Memorandum or any other material relating to the Issuer or the Notes in any jurisdiction where action for such purpose is required. Consequently, any transfer of the Notes will be subject to the selling restrictions set forth under "*Plan of distribution*."

(9) You acknowledge that until 40 days after the commencement of this Offering, any offer, sale or transfer of the Notes within the United States by a dealer (whether or not participating in this Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A under the U.S. Securities Act.

(10) You acknowledge that we, the Initial Purchasers and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations, warranties and agreements and agrees that if any of the acknowledgements, representations, warranties and agreements deemed to have been made upon your purchase of the Notes are no longer accurate, you shall promptly notify the Initial Purchasers in writing. If you are acquiring any Notes as a fiduciary or agent for one or more investor accounts, you represent that you have sole investment discretion with respect to such investor account and that you have full power to make the foregoing acknowledgements, representations, warranties and agreements on behalf of each such investor account.

Legal matters

Certain legal matters will be passed upon for us by Kirkland & Ellis International LLP, as to matters of U.S. federal law and New York state law and English law; Arendt & Medernach S.A., as to matters of Luxembourg law; and Latham & Watkins A.A.R.P.I., as to matters of French law. Certain partners in Kirkland & Ellis LLP and Kirkland & Ellis International LLP are members of a limited partnership that is an investor in one or more investment funds affiliated with Bain Capital. Kirkland & Ellis LLP and Kirkland & Ellis International LLP represent entities affiliated with Bain Capital in connection with certain other legal matters. Certain legal matters will be passed upon for the Initial Purchasers by Shearman & Sterling (London) LLP, as to matters of U.S. federal law, New York state law, English law and French law; and Elvinger Hoss Prussen, as to matters of Luxembourg law.

Independent auditors

The consolidated financial statements of the Parent Guarantor as of and for the years ended December 31, 2013, 2014 and 2015, have been audited by Constantin Associés (a member of Deloitte Touche Tohmatsu Limited) and Ernst & Young et Autres, independent auditors, as stated in their reports, an English-language translation of which is included herein. The interim condensed consolidated financial statements of the Parent Guarantor as of and for the eight months ended August 31, 2016, have been reviewed by such auditors.

Constantin Associés (a member of Deloitte Touche Tohmatsu Limited) and Ernst & Young et Autres are members of the *Compagnie régionale des commissaires aux comptes* of Versailles.

Enforceability of judgments

The Issuer and the Guarantors are organized under the laws of France and certain security providers are incorporated under the laws of Luxembourg. Each of the documents relating to the Collateral for the Notes will be governed by the laws of France or Luxembourg, as applicable. The Indenture (including the Guarantees) and the Notes are governed by New York law. The Intercreditor Agreement is governed by English law. All of the directors and executive officers of the Issuer and the Guarantors are nonresidents of the United States. Since substantially all the assets of the Issuer and the Guarantors, and their directors and executive officers, are located outside the United States, any judgment obtained in the United States against the Issuer or the Guarantors or any such other person, including judgments with respect to the payment of principal, premium (if any) and interest on the Notes or any judgment of a U.S. court predicated upon civil liabilities under U.S. federal or state securities laws, may not be collectible in the United States. Furthermore, although the Issuer and the Guarantors will appoint an agent for service of process in the United States and will submit to the jurisdiction of New York courts, in each case in connection with any action in relation to the Notes and the Indenture or under U.S. securities laws, it may not be possible for investors to effect service of process on us or on such other persons mentioned above within the United States in any action, including actions predicated upon the civil liability provisions of U.S. federal securities laws.

If a judgment is obtained in a U.S. court against the Issuer, the Guarantors or a security provider, investors will need to enforce such judgment in jurisdictions in which the relevant company has assets. Even though the enforceability of U.S. court judgments outside the United States is described below for the countries in which the Issuer, the Guarantors and certain security providers are located, you should consult your own advisors in any pertinent jurisdictions as needed to enforce a judgment in those countries or elsewhere outside the United States.

France

The following is a summary of certain legal aspects of French law regarding the enforcement of civil law claims connected with the Notes against French entities and/or French individuals.

The United States and France are not parties to a treaty providing for the reciprocal recognition and enforcement of judgments, other than arbitral awards rendered in civil and commercial matters. Accordingly, a judgment rendered by any U.S. federal or state court based on civil liability, whether or not predicated solely upon U.S. federal or state securities laws, would not directly be recognized or enforceable in France.

A party in whose favor such judgment was rendered could initiate enforcement proceedings (*exequatur*) in France before the relevant civil court (*Tribunal de Grande Instance*) that has exclusive jurisdiction over such matter.

Enforcement in France of such U.S. judgment could be obtained following proper (i.e., *non ex parte*) proceedings if such U.S. judgment is enforceable in the United States and if the French civil court is satisfied that the following conditions have been met (which conditions, under prevailing French case law as of the date of this Offering Memorandum, do not include a review by the French court of the merits of the foreign judgment):

- such U.S. judgment was rendered by a court having jurisdiction over the matter because the dispute is clearly connected to the jurisdiction of such court (i.e., there was no international forum shopping), the choice of the U.S. court was not fraudulent and the French courts did not have exclusive jurisdiction over the matter;
- such U.S. judgment does not contravene French international public policy rules, both pertaining to the merits and to the procedure of the case, including fair trial rights; and
- such U.S. judgment is not tainted with fraud under French law.

In addition to these conditions, it is well established that only final and binding foreign judicial decisions (i.e., those having a *res judicata* effect) can benefit from an *exequatur* under French law, that such U.S. judgment should not conflict with a French judgment or a foreign judgment that has become effective in France, and there is no proceedings pending before French courts at the time enforcement of the U.S. judgment is sought and having the same or similar subject matter as such U.S. judgment.

If the French civil court is satisfied that such conditions are met, the U.S. judgment will benefit from the *res judicata* effect as of the date of the decision of the French civil court and will thus be declared enforceable in France. However, the decision granting the *exequatur* is subject to appeal.

In addition, the discovery process under actions filed in the United States could be adversely affected under certain circumstances by French law No. 68-678 of July 26, 1968, as modified by French law No. 80-538 of July 16, 1980 and French Ordinance No. 2000-916 of September 19, 2000 (relating to the communication of documents and information of an economic, commercial, industrial, financial or technical nature to foreign authorities or persons), which could prohibit or restrict obtaining evidence in France or from French persons in connection with a judicial or administrative U.S. action. Pursuant to the regulations above, the U.S. authorities would have to comply with international (the 1970 Hague Convention on the Taking of Evidence Abroad) or French procedural rules to obtain evidence in France or from French persons.

Similarly, French data protection rules (law No. 78-17 of January 6, 1978 on data processing, data files and individual liberties, as amended) can limit under certain circumstances the possibility of obtaining information in France or from French persons in connection with a judicial or administrative U.S. action in a discovery context.

Furthermore, if an original action is brought in France, French courts may refuse to apply foreign law designated by the applicable French rules of conflict (including the law chosen by the parties to govern their contract) if the application of such law (in the case at hand) is deemed to contravene French international public policy (as determined on a case-by-case basis by French courts). Furthermore, in an action brought in France on the basis of U.S. federal or state securities laws, French courts may not have the requisite power to grant all the remedies sought.

Pursuant to Article 14 of the French Civil Code, a French national (either a company or an individual) can sue a foreign defendant before French courts in connection with the performance of obligations contracted by the foreign defendant in France with a French person or in a foreign country with French individuals. Pursuant to Article 15 of the French Civil Code, a French national can be sued by a foreign claimant before French courts in connection with the performance of obligations contracted by the French national in a foreign country with the foreign claimant (Article 15). For a long time, case law has interpreted these provisions as meaning that a French national, either claimant or defendant, could not be forced against its will to appear before a jurisdiction other than French courts. However, according to case law, the French courts' jurisdiction over French nationals is not mandatory to the extent an action has been commenced before a court in a jurisdiction that has sufficient contact with the dispute and the choice of jurisdiction is not fraudulent. In addition, a French national may waive its rights to benefit from the provisions of Articles 14 and 15 of the French Civil Code, including by way of conduct by voluntarily appearing before the foreign court.

It must be noted that under Regulation (EU) No. 1215/2012 of the European Parliament and of the Council of December 12, 2012, regarding legal actions falling within the scope of said Regulation, the privileges granted to French nationals pursuant to Articles 14 and 15 of the French Civil Code may not be invoked against a person domiciled in an EU Member State. Conversely, pursuant to Article 6.2 of Regulation (EU) No. 1215/2012, the privilege granted by Article 14 of the French Civil Code may be invoked by a claimant domiciled in France, regardless of the claimant's nationality, to sue before French courts a defendant domiciled outside the European Union. The French Supreme Court (*Cour de cassation*) has recently held that a contractual provision submitting one party to the exclusive jurisdiction of a court and giving another party the discretionary option to choose any competent jurisdiction was invalid. Accordingly, any provisions to the same effect in any relevant documents would not be binding on the party submitted to the exclusive jurisdiction of the court or prevent a French party from bringing an action before the French courts.

Luxembourg

The Luxembourg Security Providers are incorporated and established under the laws of the Grand Duchy of Luxembourg. All of their assets are located outside the United States. Furthermore, none of their directors or managers resides in the United States. As a result, investors may find it difficult to effect service of process within the United States upon the Luxembourg Security

Providers or these persons or to enforce outside the U.S. judgments obtained against the Luxembourg Security Providers or these persons in U.S. courts, including judgments in actions predicated upon the civil liability provisions of the U.S. federal securities laws. Likewise, it may also be difficult for an investor to enforce in U.S. courts judgments obtained against the Luxembourg Security Providers or these persons in courts located in jurisdictions outside the United States, including actions predicated upon the civil liability provisions of the U.S. federal securities laws. It may also be difficult for an investor to bring an original action in a Luxembourg court predicated upon the civil liability provisions of the U.S. federal securities laws against the Luxembourg Security Providers or these persons. Luxembourg law, furthermore, does not recognize a shareholder's right to bring a derivative action on behalf of the Issuer. Furthermore, a contractual provision allowing the service of process against a party to a service agent could be overridden by Luxembourg statutory provisions allowing the valid serving of process against a party in accordance with applicable laws at the domicile of the party.

The Indenture is, and the Notes will be, governed by the laws of the State of New York. According to Luxembourg case law, a judgment rendered in respect of the Notes by a court of competent jurisdiction in the State of New York would be recognized and enforced by a Luxembourg court, without reconsideration of the merits, subject to the following conditions:

- the judgment of the U.S. court must be enforceable (*exécutoire*) in the United States;
- the U.S. court must have had jurisdiction according to the Luxembourg conflict of jurisdiction rules;
- the U.S. court must have applied to the matter submitted to it the proper law designated by the Luxembourg conflict of laws rules (although some first instance decisions rendered in Luxembourg, which have not been confirmed by the Luxembourg Court of Appeals, no longer apply this condition);
- the judgment of the U.S. court must not have been obtained fraudulently, and must have been made in compliance with procedural rules of the country in which it was rendered and, in particular, the rights of the defendant; and
- the judgment of the U.S. court must not be contrary to Luxembourg public policy.

The enforcement in Luxembourg of a judgment rendered in respect of the Indenture or the Notes by a court of competent jurisdiction in the State of New York will be subject to the rules of civil and commercial procedure as applied by the courts of Luxembourg. The term "enforceable" as used above is subject to all limitations by reason of liquidation, bankruptcy, insolvency, moratorium, controlled management, general settlement with creditors, reorganization or similar laws affecting the rights of creditors of the Issuer generally.

Furthermore, a foreign jurisdiction clause does not prevent the parties from initiating legal action in Luxembourg courts to the extent that summary proceedings (*référé*) seeking urgent provisional measures are concerned. Finally, notwithstanding a foreign governing law clause, Luxembourg courts would in principle have jurisdiction over any urgent provisional measures in connection with assets located in Luxembourg and such action would most likely be governed by Luxembourg law.

Where you can find other information

Each purchaser of Notes from an Initial Purchaser will be furnished with a copy of this Offering Memorandum and any related amendments or supplements to this Offering Memorandum. Each person receiving this Offering Memorandum and any related amendments or supplements to this Offering Memorandum acknowledges that:

(i) such person has been afforded an opportunity to request from the Issuer, and to review and has received, all additional information considered by it to be necessary to verify the accuracy and completeness of the information contained herein;

(ii) such person has not relied on the Initial Purchasers or any person affiliated with the Initial Purchasers in connection with its investigation of the accuracy of such information or its decision to invest in the Notes; and

(iii) except as provided pursuant to (i) above, no person has been authorized to give any information or to make any representation concerning the Notes offered hereby other than those contained herein and, if given or made, such other information or representation should not be relied upon as having been authorized by us or the Initial Purchasers.

We have agreed in the Indenture that, if at any time we are not subject to Section 13 or Section 15(d) of the U.S. Exchange Act, or are exempt from reporting pursuant to Rule 12g3-2(b) of the U.S. Exchange Act, we will, upon request of a holder of the Notes, furnish to such holder or beneficial owner or to the Trustee or the Paying Agent for delivery to such holder, beneficial owner or prospective purchaser of the Notes, as the case may be, the information required to be delivered pursuant to Rule 144A(d)(4) under the U.S. Securities Act, to permit compliance with Rule 144A thereunder in connection with resales of the Notes. Any such request should be directed to the Issuer at 22 avenue Aristide Briand, 94110 Arcueil, France.

The Issuer is not currently subject to the periodic reporting and other information requirements of the U.S. Exchange Act. Pursuant to the Indenture, the Issuer will, however, agree to furnish periodic information to the holders of the Notes. See "*Description of the Senior Secured Notes—Certain covenants—Reports*."

Listing and general information

Listing

We currently intend to list the Notes on the Official List of the Exchange. There can be no assurance that such application will be granted. Neither the admission of the Notes to the Official List nor the approval of this Offering Memorandum pursuant to the listing requirements of the Exchange shall constitute a warranty or representation by the Exchange as to the competence of the service providers to, or any other party connected with, the Issuer, the adequacy and accuracy of information contained in this Offering Memorandum or the suitability of the Issuer for investment or for any other purpose. The Notes are only intended to be offered in the primary market to, and held by, investors who are particularly knowledgeable in investment matters.

Clearing information

The Notes have been, or will be, accepted for clearance through the facilities of Euroclear and Clearstream. Certain trading information with respect to the Notes is set forth below.

	ISIN	Common codes
Rule 144A Global Fixed Rate Notes		
Regulation S Global Fixed Rate Notes		
Rule 144A Global Floating Rate Notes		
Regulation S Global Floating Rate Notes		

The Issuer

The Issuer is a private limited liability company (*société anonyme*) organized and existing under the laws of France pursuant to the French Commercial Code, with registered number 086 380 706 RCS Créteil, under the name Autodis S.A., having its registered office at 22 avenue Aristide Briand, 94110 Arcueil, France. The principal activity of the Issuer is to act as a holding company for the Group. The Issuer is not aware of any potential conflict of interest between the duties of the persons listed as its current managers and their private interests or other duties. See "*Management*." For a full description of the principal shareholders of the Issuer, see "*Principal shareholders.*" Except as disclosed in this Offering Memorandum, there has been no material adverse changes to: (i) the Issuer; (ii) the Issuer's business or accounting policies; (iii) the Issuer's group structure; or (iv) the financial or trading position of the Issuer, since the end of the period covered by the unaudited condensed interim consolidated financial statements of the Issuer as of and for the eight months ended August 31, 2016.

The Parent Guarantor

The Parent Guarantor is a private limited liability company (*société par actions simplifée*) organized and existing under the laws of France with registered number 488 077 165 RCS Créteil under the name Autodis Group S.A.S., having its registered office at 22 avenue Aristide Briand, 94110 Arcueil, France. The Parent Guarantor is the direct sole shareholder of the Issuer; see "*Principal shareholders.*"

Autodistribution S.A.

Autodistribution S.A., is a public limited liability company (*société anonyme*) organized and existing under the laws of France with registered number 962 227 351 RCS Créteil, having its registered office at 22 avenue Aristide Briand, 94110 Arcueil, France. Autodistribution S.A. is direct wholly-owned subsidiary of the Issuer.

Resolutions, authorizations and approvals by virtue of which the Notes have been issued

The Issuer and the Guarantors have obtained all necessary consents, approvals and authorizations (if any) in connection with the issuance of the Notes. The issuance of the Notes was approved by resolutions of the board of directors of the Issuer on October 26, 2016.

Material adverse change in the Issuer's financial position

Except as disclosed elsewhere in this Offering Memorandum, there has been no material adverse change in our consolidated financial position since the date of our last unaudited interim condensed consolidated financial statements.

Litigation

Except as disclosed elsewhere in this Offering Memorandum, the Issuer is not involved, nor has it been involved during the twelve months preceding the date of this Offering Memorandum, in any litigation, arbitration, governmental or administrative proceedings which would, individually or in the aggregate, have a material adverse effect on our results of operations, condition (financial or other) or general affairs and, so far as each is aware, having made all reasonable inquiries, there are no such litigation, arbitration or administrative proceedings pending or threatened.

Post-issuance reporting

Except as otherwise provided in this Offering Memorandum, we do not intend to provide post-issuance information regarding the Notes. For so long as the Notes are listed on the Official List of the Exchange and the rules of such exchange shall so require, the organizational documents of the Issuer, along with this Offering Memorandum, the Indenture and the audited financial statements of the Parent Guarantor and related notes included herein, will be available for inspection at the office of the Paying Agent during normal business hours.

Index to financial statements

Autodis Group S.A.S

Unaudited Condensed Interim Consolidated Financial Statements 31 August 2016

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Unaudited Condensed Interim Consolidated Income Statement

In millions of euros	Notes	August 31, 2016 8 months	August 31, 2015 8 months
REVENUE	*8.1*	**813.8**	**806.2**
Cost of goods for sale		(496.7)	(494.8)
Personnel costs	*8.2*	(159.6)	(164.0)
Other purchases and external expenses	*8.3*	(92.5)	(88.6)
Taxes		(6.5)	(6.7)
Other operating income and expenses	*8.4*	2.7	2.8
EBITDA		**61.2**	**54.8**
Depreciation/amortisation expense	*10 & 11*	(12.1)	(12.2)
RECURRING OPERATING INCOME		**49.1**	**42.7**
Other income from operations	*8.5*	6.3	2.1
Other expenses from operations	*8.5*	(6.8)	(5.7)
OPERATING INCOME		**48.6**	**39.2**
Financial Income	*8.6*	0.6	0.4
Financial expenses	*8.7*	(14.9)	(17.4)
Share of income of associates		0.1	0.0
INCOME BEFORE TAX		**34.5**	**22.1**
Income tax	*8.8*	(0.8)	2.2
NET INCOME FROM CONTINUING OPERATIONS		**33.6**	**24.4**
Net income (loss) from discontinued operations		0.0	0.0
NET INCOME FOR THE PERIOD		**33.6**	**24.4**
Attributable to :			
Owners of the parent :			
Net income (loss) from continued operations		33.4	24.4
Net income (loss) from discontinued operations		—	—
Net income attributable to owners of the parent		**33.4**	**24.4**
Non-controlling interests :			
Net income (loss) from continued operations		0.2	(0.1)
Net income (loss) from discontinued operations		—	—
Net income attributable to non-controlling interests		**0.2**	**(0.1)**
Earnings per share from continuing and discontinued operations			
Basic	*17*	0.252	0.182
Diluted	*17*	0.252	0.182
Earnings per share from continuing operations			
Basic	*17*	0.252	0.182
Diluted	*17*	0.252	0.182

Unaudited Condensed Interim Consolidated Statement of Comprehensive Income

In millions of euros	August 31, 2016 8 months	August 31, 2015 8 months
NET INCOME	**33.6**	**24.4**
Other comprehensive income :		
Items that will not be reclassified subsequently to profit and loss		
Actuarial gains (losses) on defined benefit plans	(3.7)	1.2
Deferred taxes on actuarial gains and losses	0.3	
Items that will not be reclassified subsequently to profit and loss		
Foreign exchange gains (losses)	(0.2)	0.1
Share in comprehensive income of associates		
OTHER COMPREHENSIVE INCOME	**(3.6)**	**1.3**
TOTAL COMPREHENSIVE INCOME	**30.0**	**25.7**
Attributable to :		
Owners of the parents	29.8	25.8
Non-controlling interests	0.2	(0.1)

Foreign exchange gains and losses for the eight-month periods ended August 31, 2016 and August 31, 2015 are attributable to fluctuations in the Polish zloty exchange rate and are shown in the table below:

	2016	2015
Closing rate as of 31 August	4.3533	4.2289
Average rate for the eight-month period ended 31 August	4.3615	4.1482

The Group has not put in place any foreign exchange hedging instruments for this currency.

Unaudited Condensed Interim Consolidated Statement of Financial Position

In millions of euros	Notes	August 2016	December 2015
ASSETS			
Goodwill, net	*9*	49.7	51.8
Intangible assets, net	*10*	152.9	153.1
Property, plants and equipments, net	*11*	70.0	59.0
Investments in associates		2.4	0.4
Available-for-sale financial assets		0.2	1.4
Other non-current assets, net	*12*	18.1	15.6
Deferred tax assets		36.8	33.9
TOTAL NON-CURRENT ASSETS		**330.2**	**315.2**
Inventories, net	*13*	219.8	207.5
Trade receivables, net	*14*	179.8	178.6
Other current assets, net	*15*	32.2	30.4
Cash and cash equivalents	*16*	34.1	44.2
Current tax receivables		—	—
TOTAL CURRENT ASSETS		**465.9**	**460.6**
Non-current assets held for sale			
TOTAL ASSETS		**796.1**	**775.8**
EQUITY AND LIABILITIES			
Share capital	*17*	129.5	129.5
Other reserves		90.9	57.8
Net income attributable to the owners of the parent		33.3	37.0
SHAREHOLDERS' EQUITY		**253.8**	**224.3**
NON-CONTROLLING INTERESTS		**(0.7)**	**(0.5)**
- Reserves attributable to non-controlling interests		(0.9)	(0.6)
- Net Income (loss) attributable to non-controlling interests		0.2	0.1
TOTAL EQUITY		**253.1**	**223.8**
Non-current borrowings and debts	*19.2*	271.2	270.0
Non-current provisions	*22.2*	—	0.7
Liabilities relating to employee benefits	*20*	26.5	21.7
Deferred tax liabilities		—	—
Other non-current liabilities	*21*	4.6	4.5
TOTAL NON-CURRENT LIABILITIES		**302.3**	**296.9**
Current borrowings and debts	*19.2*	22.6	36.3
Current provisions	*22.1*	6.2	7.5
Trade payables	*23*	159.4	140.2
Other current liabilities	*23*	51.7	71.2
Derivative financial instruments		0.7	—
TOTAL CURRENT LIABILITIES		**240.6**	**255.2**
Liabilities directly associated with assets held for sale			
TOTAL EQUITY AND LIABILITIES		**796.1**	**775.8**

Unaudited Condensed Interim Consolidated Statement of Changes in Equity

	Attributable to owners of the parent							
In millions of euros	**Share Capital**	**Additional paid-in capital**	**Foreign exchange gains**	**Actuarial gains (losses) on defined benefit plans**	**Consolidated reserves**	**Total shareholders equity**	**Non-controlling interests**	**Total equity**
At 1st january 2016	**129.5**		**(2.4)**	**7.5**	**89.7**	**224.3**	**(0.5)**	**223.8**
Net income for the period					33.4	**33.4**	0.2	**33.6**
Other comprehensive income (expense)			(0.2)	(3.4)		**(3.6)**		**(3.6)**
Comprehensive income (expense)	**129.5**		**(2.6)**	**4.1**	**123.1**	**254.1**	**(0.3)**	**253.8**
Dividends paid							(0.4)	**(0.4)**
Other changes					(0.3)	**(0.3)**		**(0.3)**
At 31 August 2016	**129.5**		**(2.6)**	**4.1**	**122.8**	**253.8**	**(0.7)**	**253.1**

	Attributable to owners of the parent							
In millions of euros	**Share Capital**	**Additional paid-in capital**	**Foreign exchange gains**	**Actuarial gains (losses) on defined benefit plans**	**Consolidated reserves**	**Total shareholders equity**	**Non-controlling interests**	**Total equity**
At 1st january 2015	**148.0**		**(2.4)**	**5.7**	**74.8**	**226.1**	**(0.3)**	**225.8**
Net income for the period					24.4	**24.4**		**24.4**
Other comprehensive income (expense)			0.1	1.2		**1.3**		**1.3**
Comprehensive income (expense)	**148.0**		**(2.4)**	**6.9**	**99.2**	**251.8**	**(0.3)**	**251.4**
Dividends paid							(0.3)	**(0.3)**
Decrease in share capital	(18.5)				(21.5)	**(40.0)**		**(40.0)**
Other changes								
At 31 August 2015	**129.5**		**(2.4)**	**6.9**	**77.7**	**211.7**	**(0.6)**	**211.0**

Unaudited Condensed Interim Consolidated Statement of Cash Flows

In millions of euros	Notes	2016 8 months	2015 8 months
Cash flows from (used in) operating activities			
Net Income		**33.6**	**24.4**
Adjustment for non-cash income and expenses			
- Depreciation/amortisation		*12.1*	*12.2*
- Provisions (net of reversals)		*0.7*	*(1.8)*
- Share in earnings of associates		*(0.1)*	—
- Gains or losses on disposal of fixed assets		*(3.5)*	*(0.3)*
- Financial expenses without a cash effect		*3.4*	*5.5*
- Other income and expenses without a cash effect		*(0.8)*	*(0.4)*
Financial expenses and income with a cash effect		10.2	11.5
Income tax charges (incomes)		0.8	(2.2)
Changes in working capital			
- Inventories		*(10.4)*	*(10.8)*
- Receivables		*1.3*	*(18.6)*
- Payables		*18.1*	*18.1*
- Other receivables and payables		*(20.5)*	*(17.1)*
Other items with a cash effect			
- Income tax		*(5.0)*	*(3.3)*
Net cash from (used in) operating activities — continuing operations		**40.1**	**17.2**
Net cash from (used in) operating activities — discontinued operations		—	—
Cash flows from (used in) investing activities			
Acquisitions of fixed assets	*10 & 11*	(24.6)	(16.8)
Changes in other financial assets		(2.3)	(6.2)
Disposal of fixed assets		7.6	0.6
Advances paid		—	—
Business acquisitions		(3.6)	—
- Acquisitions net of cash acquired		*(3.8)*	—
- Disposals net of cash transferred		*0.3*	—
Net cash from (used in) investing activities — continuing operations		**(22.9)**	**(22.4)**
Net cash from (used in) investing activities — discontinued operations		—	—
Cash flows from (used in) financing activities			
Dividends paid to non-controlling interests of consolidated companies		(0.4)	(0.3)
Dividends received from associates		0.3	—
Capital decrease in cash		—	(40.0)
Financial expenses and income with a cash effect (incl. repayment of py SSN accrued interest charge)		(18.3)	(18.0)
Increase of borrowings		—	62.9
Factoring variance		(6.8)	4.2
Repayment of borrowings		(0.7)	(0.7)
Change in other financial liabilities		—	0.3
Net cash from (used in) financing activities — continuing operations		**(25.8)**	**8.4**
Net cash from (used in) financing activities — discontinued operations		—	—
Change in cash and cash equivalents — continuing operations		**(8.6)**	**3.2**
Change in cash and cash equivalents — discontinued operations		—	—
Cash and cash equivalents at the beginning of the period	*16*	**34.7**	**61.0**
Impact of currency rate fluctuation		(0.1)	—
Cash and cash equivalents at the end of the period	*16*	**26.2**	**64.2**

Notes to the Condensed Interim Consolidated Financial Statements

1. Approval of the condensed interim consolidated financial statements

On 26 October 2016, the Chairman approved Autodis Group S.A.S.'s unaudited condensed interim consolidated financial statements for the eight-month period ended 31 August 2016 ("The Interim Financial Statements").

Autodis Group is a simplified joint-stock company (*Société par Actions Simplifiée* — S.A.S.) with a sole shareholder. It was incorporated on 18 January 2006 and specializes in the distribution of automotive spare parts for light and heavy vehicles.

2. Information relating to the parent company

Autodis Group

A simplified joint-stock company with capital of €129,544,122.74

Registered office: 22 Avenue Aristide Briand, 94110 Arcueil, France

Registered with the Créteil Trade and Companies Registry under number 488 077 165

Further to the Group's acquisition on 8 December 2015, Autodis Group and its subsidiaries are included in the consolidated financial statements of Dakar Acquisition SA, a Luxembourg-based joint-stock company *(société anonyme)* and subsidiary of Bain Capital whose registered office is located at 4, rue Lou Hemmer, L-1748 Luxembourg Findel (Luxembourg), registered with the Luxembourg Trade and Companies Registry under number B201035 as the sole shareholder of Autodis Group.

3. Summary of significant accounting policies

3.1. Statement of compliance

The Interim Financial Statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union on 31 August 2016 and available on the following website:

http://ec.europa.eu/internal_market/accounting/ias/index_en.htm.

In particular, these Interim Financial Statements have been prepared in accordance with IAS 34 "Interim Financial Reporting". They do not include all the information and disclosures required in the annual IFRS Financial Statements. They should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2015, approved by the Chairman on 31 March 2016.

The Group's Interim Financial Statements have been drawn up using the historical cost convention, with the exception of derivative financial instruments and financial assets available for sale, which are measured at fair value. The Interim Financial Statements are presented in millions of euros and all values are rounded up to the nearest million unless when otherwise stated.

3.2. Basis of preparation

In accordance with IAS 1 "Presentation of Financial Statements", the Interim Financial Statements have been prepared on the going concern basis that Autodis Group S.A.S. will continue its operation for the foreseeable future.

Except as described below, the accounting principles and adopted methods applied in the following Interim Financial Statements are identical to those used and described in the notes to Group's consolidated financial statements for the year ended 31 December 2015.

These Interim Financial Statements of the Group have been prepared in accordance with IAS 34 "Interim Financial Reporting" for purposes of the listing on the Irish Stock Exchange of Senior Secured Notes by Autodis S.A., a wholly-owned subsidiary of the Group with the guaranty of Autodis Group S.A.S.

New accounting standards and standards and interpretations with effect starting from 2016.

Accounting standards, amendments or interpretations	Effective dates
Standards	
IFRS 14 'Regulatory deferral accounts'	1 January 2016
Amendments	
Amendments to IFRS 11 'Accounting for acquisitions of interests in joint operations'	1 January 2016
Amendments to IAS 16 and IAS 38 'Clarification of Acceptable Methods of Depreciation and Amortization'	1 January 2016
Amendments to IAS 16 and IAS 41 'Agriculture : Bearer Plants'	1 January 2016
Amendments to IAS 27 'Equity method in separate financial statements'	1 January 2016
Annual improvements to IFRSs 2012-2014 cycle	1 January 2016
Amendments to IAS 1 'Disclosure initiative'	1 January 2016

The adoption of these standards and amendments did not have a material impact on the Company's financial Statements.

Standards and interpretations adopted by the IASB but not yet applicable at 31 August 2016.

The Group does not apply the following new and revised IFRS that have been issued but are not yet effective or adopted by the European Union:

Accounting standards, amendments or interpretations	Effective dates
Standards	
IFRS 9 'Financial instruments'	1 January 2018
IFRS 14 'Regulatory deferral accounts'	
IFRS 15 'Revenue from contracts with customers'	1 January 2018
IFRS 16 ' Leases'	1 January 2019
Amendments	
Amendment	
Amendments to IFRS 10 and IAS 28 : sale or contribution of assets between an Investor and its associate or joint venture	Postponed
Amendments to IFRS 10, IFRS 12 and IAS 28 : investment entities : applying the consolidation exception	3rd quarter 2016
Amendment ot IAS7 'disclosures initiatives'	1 January 2017
Amendment to IAS 12 'recognition of deferred tax assets for unrealized losses related to debt instrument measured at fair value'	1 January 2017
Clarifications to IFRS 15 'revenue from contracts with customers'	1 January 2018
Amendments to IFRS 2 'classification and measurement of share-based payment transactions'	1 January 2018

The Group will apply the above standards, amendment and interpretations on their respective effective dates as endorsed by the European Union.

The Group did not exercise the option to adopt in advance these standards, amendments and interpretations in the Interim Financial Statements as of and for the eight-month period ended August 31, 2016.

3.3. Significant judgments and estimates

The preparation of Interim Financial Statements requires the Group to use judgments and make estimates that can affect the carrying amounts of certain assets and liabilities, income and expense items, and disclosures in the accompanying notes. Estimates made at the reporting date are based on key assumptions relating to future events and other sources of uncertainty which are regularly reviewed. Changes in estimates are recorded as soon as they are known.

As of August, 2016 the significant judgments and estimates are the same as those presented in the annual consolidated financial statements as of and for the period ended December 31, 2015.

The key assumptions relating to the future events and other sources of uncertainty have been regularly reviewed during the eight-month period ended August 31, 2016. Changes in these assumptions during the interim financial period involving a material change in the carrying amount of assets and liabilities, are presented below.

Impairment of non-financial assets

At the end of each reporting period, the Group assesses whether there is any indication that a non-financial asset might be impaired. Goodwill and other intangible assets with indefinite useful lives are tested for impairment at least once a year and whenever there is an indication that they may be impaired. Other non-financial assets are tested for impairment when there is an indication of the possibility that the carrying amount of the asset exceeds its recoverable amount.

The impairment tests were carried out on each of the six Cash-Generating Units (CGUs) corresponding to reportable operating segments as defined by IFRS 8, based on projections of EBITDA as set out in the five-year plan defined by the Group.

Impairment of goodwill

For the purposes of impairment testing goodwill is allocated to the CGU or group of CGUs. The CGUs correspond to subsidiaries or group of subsidiaries that are included in the same operating segment whose continued use generates cash-flows that are largely independent of cash flows generated by other CGUs.

As of June 30, 2016, the Group identified indication of impairment of the Heavy Vehicles segment. As a consequence, an impairment test was carried out on the goodwill allocated to the Heavy Vehicles segment and resulted to a fully impairment in the amount of €2.1 million.

As of August 31, 2016 no indication of impairment appeared.

Valuation of AD brand

A valuation of the AD brand is also performed separately to determine if an impairment reversal may be recorded.

Income tax rate

For the purpose of these Interim Financial Statements and in accordance with IAS 34 “Interim Financial Reporting”, the Group applied a projected income tax rate based on the best estimate of the weighted average annual income tax expected for the full financial year ended December 31, 2016.

4. Financial risk management and financial instruments

4.1. Financial risk factors

The Group is exposed to a variety of financial risks related to its activities: market risk (including cash flow interest rate risks, foreign exchange risks), credit risk and liquidity risk. The Interim Financial Statements do not include all financial risk management information and disclosures required in the annual financial statements, they should be read in conjunction with the Group’s annual financial statements as of December 31, 2015. No change occurred in the risk management or in any risk management policies since the 2015 year end.

4.2. Fair value measurement

All fair value measurements of financial instruments are presented in Note 18 *"Presentation of financial assets and liabilities"*. According to IFRS 13, a fair value hierarchy consisting of three levels has been defined as follows:

- Level 1: prices on the valuation date for identical instruments to those being valued, quoted on an active market to which the entity has access;
- Level 2: directly observable market inputs other than Level 1 inputs;
- Level 3: inputs not based on observable market data (for example, data derived from extrapolations). This level applies when there is no observable market or data and the entity is obliged to rely on its own assumptions to assess the data that other market participants would have applied to price other instruments.

5. Seasonality of operations

Due to the seasonal nature of the Group operations, lower revenue is usually expected in the month of August and December of each year.

6. Business combinations and acquisition of non-controlling interests

The scope of consolidation is set out in Note 24 and the amount of goodwill in Note 9.

6.1. Changes in the scope of consolidation for the eight-month period ended 31 August 2016

6.1.1. Acquisitions and newly-consolidated companies

- On February 3, 2016 ACR Group acquired a 70% majority interest in Automax Marseille for €1.7 million, with retroactive effect to January 01, 2016.

In 2015, Automax generated an annual revenue of €12 million and employed 25 people. The combination with ACR will create a leading platform in automotive parts in Marseille.

As of August 31, 2016 a €0.7 million minority put (included in the purchase agreement) is recognized in debt.

The fair value measurement of the subsidiary is currently in progress.

- On March 31, 2016, Autodistribution purchased 34% of SLPA (Société Lyonnaise de Pneumatiques et Accessoires) for €1.4 million.

As of August 31, 2016 SLPA is consolidated on the financial statements according to the equity method and a €0.7 million minority put (included in the purchase agreement) is recognized in derivative financial instruments.

The fair value measurement of the subsidiary is currently in progress.

- On July 01, 2016 Autodistribution Poids Lourds (included in the Heavy Vehicles operating segment) purchased 100% of EDS (Electro Diesel Service) for €1.3 million (€0.7 million net of cash transferred). EDS, specialized in commercial & utility vehicles repair and maintenance, generated an annual revenue of €4 million and employed 33 people in 2015. EDS is located in Northern France.

The fair value measurement of the subsidiary is currently in progress.

6.1.2. Mergers within the Group

The Group pressed ahead with its cost streamlining plan during 2016, by carrying out full asset transfers *(transmission universelle du patrimoine)* and simplified mergers as summarized in the following table.

Companies dissolved via full asset transfers or simplified mergers	Merging company
Bugisy	SAS Enssemble renamed Autodistribution Gobillot Rhône
Porteret et Gobillot	

None of the aforementioned transactions had an impact on the Group's condensed Interim consolidated Financial Statements.

6.1.3. Disposals

The Group fully disposed their 20% shares held in Neoparts on August 01, 2016 in the amount of €0.3 million with no impact on the consolidated net income.

APS Berwald (10 businesses in Moselle) was sold to an Autodistribution Group Independent Distributor on January 01, 2016. This disposal generated a gain of €3.5 million in the condensed interim consolidated income statement related to the APS Berwald goodwill net value. No impact occurred in the condensed interim consolidated statement of financial position as this goodwill was previously eliminated.

6.2. Changes in the scope of consolidation for the eight-month period ended August 31, 2015

6.2.1. Acquisitions and newly-consolidated companies

There was no change in the scope of consolidation in the eight-month period ended August 31, 2015.

Establishments B. Machu (a member of the Autodistribution Network and major multi-brand automotive spare parts distributor in the Manche and Calvados regions of north-western France) assets were taken over by the Group at end of February 2015.

6.2.2. Mergers within the Group

The following full asset transfers or simplified mergers were carried out at the end of August 2015:

Companies dissolved via full asset transfers or simplified mergers	Merging company
Comptoir du frein	AM Développement renamed Comptoir du frein
Comptoir technique VI	
Boury VI	
H.I.S	
Comptoir technique du Limousin	

None of the aforementioned transactions had an impact on the Group's condensed Interim consolidated Financial Statements.

7. Segment information

The reportable operating segments reflect the segmentation used for internal reporting purposes, which is disclosed and monitored by the chief operating decision makers. The chief operating decision makers are responsible for managing resources and assessing the profitability of each operating segment and were identified as members of the Executive Committee in charge of strategic decisions.

In March 2016, the segmentation has been updated to reflect the internal reporting changes: ACR previously included in the Central Purchasing Unit segment is now disclosed as a full segment and Bremstar previously presented as a full segment is now included in the Heavy Vehicles segment.

The Executive Committee bases its analyses on six operating segments: Purchasing (including Logisteo and Digital Aftermarket), Cora, ACR, Light Vehicles, Heavy Vehicles (including Bremstar) and International (Poland). Activities of the holding companies and support functions are not broken out by segment but included under "**Holding companies**". A short description of each operating segment is provided below:

Central Puchasing Unit (Including Logisteo and Digital Aftermarket): The Group's distribution system is organized around a central purchasing department, which purchases spare parts for light and heavy vehicles from its suppliers and sells these spare parts to both wholly-owned distributors and independent affiliated distributors. Such reporting segment includes:

- Logisteo — Central warehouse from which spare parts for light vehicles are distributed
- Digital Aftermarket — Online business-to-end customer platform

Cora: Cora operating segment relates to a French distributor of light vehicle body parts for collision repairs;

ACR: ACR operating segment relates to a multi-specialist distributor of aftermarket parts;

Light Vehicles: Light Vehicles operating segment relates to our French wholly-owned distributors which sell spare parts for light vehicles to garages and provide vehicles repair and maintenance services;

Heavy Vehicles: This reporting segment includes:

- Heavy Vehicles — relates to our French wholly-owned distributors that sell spare parts for heavy vehicles to garages and provide truck repair and maintenance services.
- Bremstar — relates to truck spare parts distributors;

International: International operating segment relates to operations in Poland through Autodistribution Polska.

Segment revenue for the eight-month period ended 31 August 2016 and 31 August 2015 were as follows:

	2016 8 months		
In millions of euros	**Total revenue**	**Revenue inter-segment**	**Revenue third parties**
Central Purchasing Unit[1]	412.2	265.4	146.8
Cora	73.2	45.6	27.6
ACR	62.6	7.1	55.4
Light Vehicles	431.7	3.9	427.8
Heavy Vehicles[2]	84.6	3.3	81.3
International	74.9	0.0	74.9
Revenue	**1,139.2**	**325.4**	**813.8**

(1) Including Logisteo and Digital Aftermarket
(2) Including Bremstar

In millions of euros	2015* 8 months Total revenue	Revenue inter-segment	Revenue third parties
Central Purchasing Unit[(1)]	413.4	276.8	136.5
Cora	61.4	38.7	22.7
ACR	54.1	4.5	49.6
Light Vehicles	444.5	2.6	441.9
Heavy Vehicles[(2)]	84.7	4.1	80.6
International	74.9	0.0	74.9
Revenue	**1,133.0**	**326.7**	**806.2**

[(1)] Including Logisteo and Digital Aftermarket
[(2)] Including Bremstar

* Comparative financial statements reflect the change in segmentation disclosed in Note 7 "Segment information". This change impacts the revenue inter-segment and, as a consequence, the total revenue but has no impact on the revenue third parties.

Segment EBITDA for the eight-month period ended 31 August 2016 and 31 August 2015 were as follows:

In millions of euros	2016 8 months	2015 8 months
Central Purchasing Unit	26.8	22.7
Cora	6.5	5.5
ACR	5.7	5.3
Light Vehicles	23.8	19.8
Heavy Vehicles	(1.4)	0.5
International	1.4	1.3
Holding cos.	(1.6)	(0.3)
EBITDA	**61.2**	**54.8**

8. INCOME AND EXPENSES

8.1. Revenue

In millions of euros	2016 8 months	2015 8 months
Sales of goods held for resale	777.9	766.7
Rendering of services	35.9	39.5
Revenue	**813.8**	**806.2**

8.2. Personnel costs

In millions of euros	2016 8 months	2015 8 months
Wages	(114.8)	(118.1)
Social security contributions	(40.1)	(41.5)
Profit-sharing plans	(4.0)	(3.5)
Pension costs	(0.7)	(0.9)
Personnel costs	**(159.6)**	**(164.0)**

The Group's workforce at the periods end is as follows:

Number of employees	31 Aug. 2016	31 Dec. 2015	31 Aug. 2015
Total workforce	**5,995**	**6,145**	**6,136**

8.3. Other purchases and external expenses

In millions of euros	2016 8 months	2015 8 months
Rental expenses	(26.3)	(27.4)
Shipping expenses	(30.7)	(28.6)
Maintenance and repairs	(9.2)	(9.4)
Legal and other fees	(6.8)	(5.5)
IT expenses	(5.2)	(5.3)
Advertising expenses	(3.0)	(1.5)
Subcontracting	(3.9)	(3.5)
Travelling expenses	(2.3)	(2.1)
Other expenses	(5.1)	(5.3)
Other purchases and external expenses	**(92.5)**	**(88.6)**

8.4. Other operating income and expenses

In millions of euros	2016 8 months	2015 8 months
Net (allocation to)/reversal of impairment of receivables	0.3	0.6
Net (allocation to)/reversal of current provisions for liabilities	0.0	0.2
Other	2.4	2.0
Revenue	**2.7**	**2.8**

8.5. Other income and expenses from operations

"Recurring Operating Income" is defined as the Group operating income excluding other income and expenses from operations. Other income and expenses are defined under Recommendation 2009-R.03 of the French CNC, and comprises significant items that, because of their exceptional nature, cannot be viewed as inherent to current activities. These mainly include capital gains and losses on disposals of fully consolidated companies, impairment charges on goodwill, significant costs related to strategic restructuring and major external growth transactions, and costs related to major litigation.

Other income from operations could be detailed as follows:

In millions of euros	2016 8 months	2015 8 months
Gains on the disposal of property, plants and equipment and intangible assets(*)	5.6	0.6
Reversal of provision for risk	0.5	1.5
Other income	0.2	—
Other income from operations	**6.3**	**2.1**

(*) Mostly related to APS Berwald disposal in 2016 — see note 6.1.3

Other expenses from operations could be detailed as follows:

In millions of euros	2016 8 months	2015 8 months
Disposal of property, plants and equipment and intangible assets(*)	(2.1)	(0.4)
Heavy Vehicules CGU additional Goodwill Impairment	(2.1)	—
Allocation to provisions and expenses for restructuring, and employee and tax disputes	(0.2)	(0.4)
Other expenses	(2.4)	(4.9)
Other expenses from operations	**(6.8)**	**(5.7)**

(*) Mostly related to APS Berwald disposal in 2016 — see note 6.1.3

8.6. Financial income

In millions of euros	2016 8 months	2015 8 months
Income from financial investments	0.1	0.2
Foreign exchange gains	0.1	0.2
Gains on the disposal of financial assets	0.4	—
Total financial income	**0.6**	**0.4**

8.7. Financial expenses

In millions of euros	2016 8 months	2015 8 months
Cost of external loans and bank overdrafts	(12.1)	(11.8)
Discounting of borrowings and debt	(1.6)	(1.5)
Expenses related to financial instruments	(0.3)	—
Discounted cost on retirement provision	(0.3)	(0.2)
Foreign exchange losses	(0.3)	(0.4)
Other financial expenses	(0.3)	(3.5)
Total financial expenses	**(14.9)**	**(17.4)**

8.8. Income tax

The Group opted for tax consolidation in France. This option concerns all the Group's French subsidiaries with the exception of non-material ones.

Income tax expense for the eight-month periods ended 31 August 2016 and 31 August 2015 is recognized based on the best estimate of the weighted average annual income tax rate expected for the full financial year.

The income tax for the reference eight-month periods ended 31 August is as follows:

In millions of euros	2016 8 months	2015 8 months
Current tax expense	0.4	(1.5)
Deferred tax income (expense)	2.6	8.1
Company Value-Added Contribution (CVAE)	(3.9)	(4.4)
Income tax	**(0.8)**	**2.2**

9. Goodwill

9.1. Analysis of changes in gross value and goodwill impairment

In millions of euros	Gross value	Impairment	Net value
At 1 January 2016	436.3	(384.5)	**51.8**
Business combinations	0.3		**0.4**
Disposals	(0.3)		**(0.3)**
Impairment for the period		(2.1)	**(2.1)**
Foreign exchange gains (losses)	(0.5)	0.5	—
At 31 August 2016	**435.8**	**(386.1)**	**49.7**

Changes in Goodwill in 2016

- The acquisition of Automax generated goodwill of €0.4 million of which the fair value measurement is currently in progress.

- Impairment of goodwill allocated to the Heavy Vehicles operating segment in the amount of €2.1 million due to the segmentation change including Bremstar into the Heavy Vehicles segment and impairment test carried out.
- The disposal of the 20% shares held in Neoparts generated a decrease of gross value in €0.3 million.

9.2. Impairment tests

Impairment tests on goodwill were carried out in accordance with the methodology set out in Note 3.4.8. of the consolidated financial statements for the year ended December 31, 2015.

As of August 31, 2016, the Group identified indication of impairment of the Heavy Vehicles segment. As a consequence, an impairment test was carried out and the goodwill allocated to the Heavy Vehicles segment was fully impaired in the amount of €2.1 million.

10. Intangible assets

In millions of euros	Softwares and licenses	AD brand	Customer relationships	Other	Total
Gross value					
At 1 January 2016	**71.5**	**156.9**	**2.7**	**1.6**	**232.6**
Acquisitions	3.0			0.6	3.6
Reclassification	0.7			(0.7)	0.0
Disposals	(0.1)				(0.1)
Business combinations	0.1				0.1
Foreign exchange gains (losses)					
At 31 August 2016	**75.2**	**156.9**	**2.7**	**1.4**	**236.2**
Amortisation / impairment					
At 1 January 2016	**65.3**	**12.9**	**0.9**	**0.5**	**79.6**
Amortization	3.4		0.3		3.7
Disposals	(0.1)				(0.1)
Business combinations	0.1				0.1
Foreign exchange gains (losses)					
At 31 August 2016	**68.7**	**12.9**	**1.2**	**0.5**	**83.3**
Net value					
At 1 January 2016	6.2	144.0	1.8	1.1	**153.1**
At 31 August 2016	**6.5**	**144.0**	**1.5**	**0.9**	**152.9**

11. Property, plant and equipment

In millions of euros	Land	Property and fixtures	Technical fittings	Vehicles	IT equipment	Furniture	Assets under construction	Total
Gross value								
At 1 January 2016	**5.2**	**96.7**	**46.5**	**13.1**	**22.7**	**5.2**	**3.8**	**193.2**
Acquisitions		4.1	2.2	0.7	1.3	0.2	12.4	**20.9**
Reclassification		(2.0)	(1.2)	(0.1)			(0.1)	**(3.4)**
Disposals	(0.8)	(4.0)	(1.4)	(1.5)	(0.3)	(0.1)		**(8.1)**
Business combinations		1.1	0.6	0.2	0.2			**2.1**
Foreign exchange gains (losses)			(0.1)	(0.1)				**(0.2)**
At 31 August 2016	**4.4**	**95.9**	**46.6**	**12.3**	**23.9**	**5.3**	**16.1**	**204.5**
Amortisation / impairment								
At 1 January 2016	**1.7**	**62.5**	**37.0**	**9.4**	**19.3**	**4.3**	**—**	**134.2**
Depreciation		4.1	1.9	0.9	1.2	0.2		**8.3**
Reclassification		(2.0)	(1.2)	(0.2)	(0.1)			**(3.5)**
Disposals	(0.1)	(3.0)	(1.3)	(1.3)	(0.2)			**(5.9)**
Business combinations		0.8	0.4	0.1	0.2			**1.5**
Foreign exchange gains (losses)			(0.1)					**(0.1)**
At 31 August 2016	**1.6**	**62.4**	**36.7**	**8.9**	**20.4**	**4.5**	**—**	**134.5**
Net value								
At 1 January 2016	3.5	34.2	9.6	3.6	3.4	0.9	3.8	**59.0**
At 31 August 2016	**2.8**	**33.5**	**9.9**	**3.4**	**3.5**	**0.8**	**16.1**	**70.0**

12. Other non-current assets

In millions of euros	Loans	Guarantees and deposits	Other	Total
Gross value				
At 1 January 2016	**7.6**	**8.0**	**—**	**15.6**
Acquisitions	2.8	1.5	0.2	4.5
Reclassification				
Disposals	(0.7)	(1.4)	(0.3)	(2.4)
Business acquisitions			0.4	0.4
At 31 August 2016	**9.7**	**8.1**	**0.3**	**18.1**
Amortisation, depreciation & impairment	—	0.1	(0.1)	—
Net value at 31 August 2016	**9.7**	**8.2**	**0.2**	**18.1**

13. Inventories

In millions of euros	31 Aug. 2016	31 Dec. 2015
Gross value	238.2	229.4
Impairment	(18.4)	(21.9)
Net value	**219.8**	**207.5**

14. Trade and other receivables

In millions of euros	31 Aug. 2016	31 Dec. 2015
Trade receivables	209.1	210.8
Discounts, rebates and funds	(18.8)	(21.4)
Impairment	(10.5)	(10.8)
Net value	**179.8**	**178.6**

The Autodistribution group entered into factoring agreements with Eurofactor and CGA for a total of €65.0 million. The factored receivables remain in the consolidated financial statements.

At August 31, 2016 the Group sold receivables amounting to € 55.1 million while keeping drawdowns to € 1.6 million.

Changes in impairment of trade and other receivables can be broken down as follows:

In millions of euros	Trade receivables	Other receivables
Balance at 1 January 2016	**10.8**	**—**
Allocation	1.4	—
Reversal	(1.7)	—
Balance at 31 August 2016	**10.5**	**—**

15. Other currents assets

In millions of euros	31 Aug. 2016	31 Dec. 2015
Prepaid income	10.6	10.8
Other receivables	1.7	1.3
Accrued income	—	0.5
CICE tax credit receivables	19.3	17.6
Other	0.6	0.2
Total	**32.2**	**30.4**

16. Cash and cash equivalents

In millions of euros	31 Aug. 2016	31 Dec. 2015
Cash equivalents	3.6	35.6
Cash on hands and at bank	30.5	8.6
Total	**34.1**	**44.2**

Cash equivalents include money-market funds (SICAV) taken out with BNPP for € 3.6 million. These investments meet the cash equivalent criteria.

For the purposes of the condensed interim consolidated statement of cash flows, the "Cash and cash equivalents" heading includes the following items:

In millions of euros	31 Aug. 2016	31 Dec. 2015
Cash equivalents	3.6	35.6
Cash on hands and at bank	30.5	8.6
Restricted cash	—	—
Bank overdrafts	(7.9)	(9.5)
Net cash and cash equivalents	**26.2**	**34.7**

17. Issued capital and reserves

Autodis Group S.A.S was incorporated on 18 January 2006 via a fully paid-up cash subscription of €37,000. In connection with the acquisition of the Autodis Group, its capital was increased on 1 March 2006 by a cash contribution of €55,900,00 and on 23 June 2006 by converting a shareholder current account of €1,100,000 into equity, thereby bringing total capital to €57,037,000. As a result of refinancing on 21 April 2009, the capital increased to €152,598,261. The company was wholly owned by Parts Holdings Coöperatief U.A. until mid-December 2015, and is now owned by Bain Capital Europe, LLP.

As a result of refinancing transactions on 31 January 2014, Autodis Group's capital decreased by €4,577,947.83. As the number of shares comprising the share capital remains unchanged, the par value of the shares has been reduced from €1 to €0.97.

On 11 June 2015, the Group's sole shareholder decided on the buyback of ordinary shares in the company: Parts holdings Coöperatief UA for an amount of €18,476,190.43 through a capital decrease in the same amount, which led to a €21,523,810 decrease in the Group's consolidated reserves.

At 31 December 2015 and 31 August 2016, the share capital of Autodis Group amounted to €129,544,122.74, represented by 133,550,642 shares with a par value of €0.97. No preference shares were issued.

18. Presentation of financial assets and liabilities

At 31 August 2016:

In millions of euros	Assets/liabilities at fair value	Assets/ liabilities at amortised cost	Available-for-sale assets at fair value	Total net book value	Total fair value
Available for sale financial assets			0.2	**0.2**	**0.2**
Other net non-current assets		18.1		**18.1**	**18.1**
Trade receivables		179.8		**179.8**	**179.8**
Other current assets		32.2		**32.2**	**32.2**
Cash and cash equivalents	3.6	30.5		**34.1**	**34.1**
Financial assets	**3.6**	**260.6**	**0.2**	**264.4**	**264.4**
Borrowings and debts (current and non-current)	2.0	291.7		**293.7**	**293.7**
Trade payables		159.4		**159.4**	**159.4**
Other non-current liabilities		4.6		**4.6**	**4.6**
Other current liabilities(1)		9.5		**9.5**	**9.5**
Derivative financial instruments		0.7		**0.7**	**0.7**
Financial liabilities	**2.0**	**465.9**		**467.9**	**467.9**

(1) Excluding tax and social security liabilities outside the scope of IAS 39

Cash and cash equivalents are measured at level 1 of the fair value hierarchy.

At 31 December 2015:

In millions of euros	Assets/liabilities at fair value	Assets/ liabilities at amortised cost	Available-for-sale assets at fair value	Total net book value	Total fair value
Available for sale financial assets			1.4	**1.4**	**1.4**
Other net non-current assets		15.6		**15.6**	**15.6**
Trade receivables		178.6		**178.6**	**178.6**
Other current assets		30.4		**30.4**	**30.4**
Cash and cash equivalents	44.2			**44.2**	**44.2**
Financial assets	**44.2**	**224.6**	**1.4**	**270.2**	**270.2**
Borrowings and debts (current and non-current)	2.0	304.3		**306.3**	**306.3**
Trade payables		140.2		**140.2**	**140.2**
Other non-current liabilities		4.5		**4.5**	**4.5**
Other current liabilities[(1)]		10.0		**10.0**	**10.0**
Financial liabilities	**2.0**	**459.0**	**—**	**461.0**	**461.0**

(1) Excluding tax and social security liabilities outside the scope of IAS 39

Cash and cash equivalents are measured at level 1 of the fair value hierarchy.

19. Borrowings and debt

19.1. Group financing

On 31 January 2014, the Group refinanced its long-term debt by means of €240 million bond issue on the Irish stock exchange. These bonds pay interest at 6.5% on 1 February and 1 August each year, and mature on 1 February 2019.

On 15 may 2015, the Group completed its corporate restructuring and refinancing by issuing an additional €60 million tranche of bonds on the Irish stock exchange.

Taken together with the original €240 million issue, this brought the total amount of bond issuance to €300 million.

The gross value of the additional tranche of bonds is €61.95 million, reflecting an issue premium of 103.25%.

The conditions for the additional issue were identical to the original bond, i.e., interest at 6.5% payable on 1 February and 1 August each year, and maturing on 1 February 2019.

This transaction generated an expense of €2.3 million. In the Group's financial statements, these expenses are included in the value of the loan and are amortized over its term.

In early December 2015, the Group redeemed €30 million in bonds in connection with the acquisition of Autodis Group by Bain Capital.

Accordingly, the nominal amount of outstanding bonds at 31 December 2015 totaled €270 million.

The Group has also negotiated a revolving credit facility with JP Morgan for €40.0 million, paying interest at Euribor +3.5%.

For the eight-month period ended August 31, 2016 the Group financing broke down as follows:

Type of borrowings and debt	Nominal value (€m)	Fair value at 31 Aug. 2016 (€m)	Value at amortised cost at 31 August 2016 (€m)	Fixed interest rate	Maturity	Comments
Senior secured notes	270.0	280.1	263.7	6.5%	February 2019	Fully underwritten
Sup bonds	2.0	2.0				Fully underwritten

19.2. Breakdown of borrowings and debt by type

In millions of euros	Notes	31 Aug. 2016	31 Dec. 2015
Non-current			
Senior Secured Notes		263.7	262.1
Amounts owed under finance leases (more than one year)	(1)	0.0	0.2
CICE tax credit financing		5.9	5.9
Other borrowings and accrued interests	(2)	1.5	1.8
Sub-total of non-current borrowings and debt		**271.2**	**270.0**
Current			
Senior Secured Notes Interests		1.5	7.3
Sup bonds		2.0	2.0
Value of put option held by minority shareholders		5.3	4.6
Amounts owed under finance leases (less than one year)	(1)	0.2	0.2
CICE tax credit financing with Bpifrance		3.7	3.7
Other borrowings (less than one year)	(2)	0.4	0.7
CGA and Eurofactor factoring		1.6	8.3
Bank overdrafts	(3)	7.9	9.5
Sub-total of current borrowings and debt		**22.6**	**36.3**
Total borrowings and debt		**293.7**	**306.3**

(1) Amounts owed under finance lease are the result of leases and sale and leaseback agreements for financing the purchase of vehicles and certain investments in real estate, IT and furniture

(2) Borrowings and debt incurred by some of the Group's subsidiaries

(3) Bank overdrafts used by our subsidiary in Poland and liabilities bank account debit balances resulting from standard time lags between recording date for banking purposes and entry dates in the account

Bank overdrafts

Interest on bank overdrafts used by the Group and its subsidiaries is charged at market rates. At August 31, 2016 the Group had available credit line of €114.5 million as follows:

	Conditions	Drawdowns
Poland — Pekao Bank	PLN 32.0 million (i.e, €7.3 million at 31 August 2016) at 1-month Wibor +1%	Partial drawdown of PLN 29.6 million (i.e., €6.8 million)
Eurofactor Autodistribution, Gadso, FIA, AD Grand Ouest	€50.0 million at 3-month Euribor +0.75%	Undrawn
Revolving Credit Facility — JP Morgan	€40.0 million at Euribor +3.5%	Undrawn
Gobillot Rhône — SG	Short-term overdrafts: €1 million	Undrawn
FPLS — LCL, BPO	Short-term overdrafts: €1.2 million	Drawdown of 1.1M€
Group ACR — CGA factoring	15.0M€ at CGA rate 0.60%	Partial drawdown of 1.6M€

19.3. Breakdown of non-current borrowings and debt by maturity

The amounts below include contractual cash flows net of projected repayments plus interest payable.

At 31 August 2016

	Interest payment				Gross repayments				
In millions of euros	**Less than 1 year**	**Between 1 and 5 years**	**More than 5 years**	**Total**	**Less than 1 year**	**Between 1 and 5 years**	**More than 5 years**	**Total**	**Total**
Senior Secured Notes	17.6	26.3	—	**43.9**		270.0		**270.0**	**313.9**
Sup bonds			—		2.0			**2.0**	**2.0**
Amounts owed under finance leases			—		0.2			**0.2**	**0.2**
CICE tax credit financing			—		3.7	5.9		**9.6**	**9.6**
Other borrowings and accrued interests	—	0.1	—	**0.1**	0.4	1.1	0.5	**2.0**	**2.1**
Total non-current borrowings and debts	**17.6**	**26.4**	**—**	**44.0**	**6.3**	**277.0**	**0.5**	**283.8**	**327.8**

At 31 December 2015

In millions of euros	Interest payment: Less than 1 year	Interest payment: Between 1 and 5 years	Interest payment: More than 5 years	Interest payment: Total	Gross repayments: Less than 1 year	Gross repayments: Between 1 and 5 years	Gross repayments: More than 5 years	Gross repayments: Total	Total
Senior Secured Notes	18.2	43.9	—	**62.1**	—	270.0	—	**270.0**	**332.1**
Sup bonds	—	—	—	—	2.0	—	—	**2.0**	**2.0**
Amounts owed under finance leases	—	—	—	—	0.2	0.2	—	**0.4**	**0.4**
CICE tax credit financing	—	—	—	—	3.7	5.9	—	**9.6**	**9.6**
Other borrowings and accrued interests	—	0.1	—	**0.1**	0.6	1.4	0.5	**2.5**	**2.6**
Total non-current borrowings and debts	**18.2**	**44.0**	**—**	**62.2**	**6.5**	**277.5**	**0.5**	**284.5**	**346.7**

20. Liabilities relating to employee benefits

The net benefit expense recognized in the condensed interim consolidated income statement for the eight-month period ended August 31, 2016 has been determined based on a *pro rata* of net benefit expense projected as of December 31, 2016 and using assumptions as of December 31, 2015 (see Note 23.3 of the consolidated financial statements as of December 31, 2015). Such net benefit expense breaks down as follows:

In millions of euros	2016 8 months	2015 8 months
Service cost	(0.7)	(0.8)
Discounting cost	(0.3)	(0.2)
Total	**(1.0)**	**(1.0)**

The movement in the defined benefit obligation recognized in the condensed interim consolidated statement of financial position for the eight-month period ended August 31, 2016 is as follows:

In millions of euros	Defined benefit obligation
At 1 January 2016	**21.7**
Service cost	0.7
Discounting cost	0.3
Recognised actuarial gain (loss)	3.7
Benefits paid by the fund	—
Change in scope	—
At 31 August 2016	**26.5**

21. Other non-current liabilities

In millions of euros	31 Aug. 2016	31 Dec. 2015
Guarantees and deposits received	2.1	2.0
Amounts payable on non-current assets	1.0	2.1
Other	1.5	0.4
Total	**4.6**	**4.5**

22. Current and non-current provisions

22.1. Current provisions

Movements in current provisions were as follows:

In millions of euros	At 1st January 2016	Business combinations	Reclassifications	Allocations	Reversals (used provisions)	Reversals (Surplus provisions)	Total reversals	At 31 Aug. 2016
Industrial disputes	**3.2**		(0.2)	0.4	*0.6*	*0.2*	0.8	**2.5**
Site closures(*)	**1.7**		0.9		*1.2*	*0.1*	1.3	**1.3**
Repairs — major work	**0.2**							**0.2**
Tax risk	**0.4**							**0.4**
Supplier disputes	**0.1**			0.1				**0.2**
Customer disputes	**0.3**			0.1	*0.1*		0.1	**0.3**
Other provision	**1.6**				*0.3*		0.3	**1.3**
Total	**7.5**		**0.7**	**0.6**	***2.2***	***0.3***	**2.5**	**6.2**

In the ordinary course of its operations, the Group may be involved in legal procedures relating to industrial disputes, commercial disputes, etc. In these cases, in conjunction with its legal advisors, the Group analyses the circumstances of the disputes and assesses the probability that an outflow of resources will be required to settle them.

(*) The provision for site closures relates to the closure of Logisteo's "B" site at Moissy Cramayel. Reclassifications from non-current to current occurred for €0.7 million.

22.2. Non-current provisions

Movements in non-current provisions were as follows:

In millions of euros	At 1st January 2016	Business combinations	Reclassifications	Allocations	Reversals (used provisions)	Reversals (Surplus provisions)	Total reversals	At 31 Aug. 2016
Site closures	**0.7**		(0.7)					0.0
Total	**0.7**		**(0.7)**					**0.0**

23. Trade payables and other current liabilities

In millions of euros	31 Aug. 2016	31 Dec. 2015
Trade payables	**159.4**	**140.2**
Other current liabilities		
Tax and social security liabilities, employees	42.2	61.2
Employee profit-sharing (current)	1.7	2.5
Other payables	4.8	4.8
Prepaid income	3.0	2.7
Sub-total	51.7	71.2
Total	**211.1**	**221.4**

24. Scope of consolidation

	Consolidation method	Country	% interest 31 Aug. 2016	% interest 31 Dec. 2015
AUTODIS GROUP SAS	Parent	France	100	100
ACR Holding	Full	France	100	100
ACR Group	Full	France	100	100
AD Bassin Parisien Nord	Full	France	99.99	99.99
AUTO CONTROLE SARL	Full	France	100	100
AUTODIS	Full	France	100	100
AUTODISTRIBUTION SOGO	Full	France	99.95	99.95
AUTODISTRIBUTION	Full	France	100	100
AUTODISTRIBUTION POIDS LOURDS	Full	France	100	100
AUTOMAX	Full	France	70	
AD GRAND OUEST	Full	France	100	100
AD MANCHE CALVADOS	Full	France	79.40	79.40
AD NORMANDIE MAINE	Full	France	79.40	79.40
ALES PL	Full	France	50.50	50.50
BREMSTAR	Full	France	100	100
BUGISY	Full	France		100
BUSNENGO	Full	France	99.98	99.98
COFIRHAD	Full	France	100	100
COGEMAD	Full	France	100	100
COMPTOIR DU FREIN	Full	France	100	100
COMPTOIR V.I.	Full	France	50.50	50.50
CORA SAS	Full	France	100	100
DIGITAL AFTERMARKET	Full	France	100	100
AUTODISTRIBUTION GOBILLOT — RHONE	Full	France	100	100
ELECTRO DIESEL SERVICE	Full	France	100	
ETABLISSEMENTS REMBAUD	Full	France	100	100
ETABLISSEMENT ROUGON QUEYREL	Full	France	100	100
FIA	Full	France	100	100
FRA SARL	Full	France	100	100
GADEST	Full	France	100	100
GADSO	Full	France	100	100
GIBELIN	Full	France	99.92	99.92
GIRDE	Full	France	100	100
FPLS GROUPE	Full	France	100	100
HOLDING SAP	Full	France	100	100
ILE DE FRANCE POIDS LOURDS	Full	France	100	100
LOGISTEO	Full	France	100	100
LORAT SCI	Full	France	100	100
MAGENTA AUTOS PIECES	Full	France	99.97	99.97
PAO	Full	Belgium	100	100
PLATEFORME TECHNIQUE NATIONALE MONTAJAULT	Full	France	100	100
PORTERET ET GOBILLOT	Full	France		100
ROUGON QUEYREL 04	Full	France	95.10	95.10
RM DISTRIBUTION	Full	France	100	100
SDFM	Full	France	100	100
STATION TECHNIQUE AUTO CARROSSERIE	Full	France	100	100
SYLMART Belgique	Full	Belgium	100	100

	Consolidation method	Country	% interest 31 Aug. 2016	% interest 31 Dec. 2015
SYNIMALAU SCI	Full	France	100	100
TC26	Full	France	100	100
TRUCK & CAR SERVICES	Full	France	100	100
VAL DE LOIRE PL	Full	France	100	100
AD POLSKA	Full	Poland	100	100
AD INTERNATIONAL	Equity method	Belgium	20.00	20.00
NEOPARTS	Equity method	France		20.00
PARTS Distribuzione Italia	Equity method	Italie	18.16	18.16
PARTS HOLDINGS Italie	Equity method	Italie	20.00	20.00
SLPA	Equity method	France	34	

25. Transactions with related parties

Relationship with the shareholder

The sole shareholder of Autodis Group SAS is Dakar Acquisition SA, subsidiary of Bain Capital.

During the year the Group paid management fees of €0.4 million per quarter to Bain Capital.

Relations with equity-accounted companies

AD International is a company governed by Belgian law that negotiates preferential tariffs with suppliers for all members of the AD network. Each year, the Group receives end-of-year discounts depending on the volumes it has purchased.

Parts Holdings Italy was a wholly-owned subsidiary until the Group sold 80% of the shares to Giadi in 2013.

There are no restrictions on the transfer of funds with these entities or any unrecognised share of losses, in accordance with the equity method.

Relationship with Autodis Group managers

Upon acquisition, the new main shareholder of the Company — [Bain Capital] entered into an arrangement with certain managers of the Group (the Autodis Group managers''). The Autodis Group managers subscribed for shares in Dakar Holding at a price that approximates the market price of the underlying shares at the date of grant.

The Autodis Group managers further agreed, in the same agreement, to sell back to Bain Capital, the main shareholder of Autodis Group, the shares owned in Dakar Holding in the event they cease to be an employee and/or a corporate officer of the Group before a certain service period or exit event. The selling price of the shares is determined on the basis of a number of conditions including the service period and whether the Autodis Group manager qualifies as good leaver or bad leaver.

In the consolidated financial statement of the Group, this arrangement has been classified as equity settled transaction because the Group has no obligation to settle the transaction with the Autodis Group managers. Moreover since the amount paid by the Autodis Group managers for the subscription of the shares in Dakar Holding was assessed to be the fair value, no expense is recognized in the profit or loss for the period.

26. Management compensation

The key management personnel of a group within the meaning of IAS 24 "related parties disclosures" are those persons having authority and responsibility for planning, directing and supervising the activities of the entity, directly or indirectly, including any director (executive or otherwise) of that entity.

The Group's key management personnel are the members of Executive Committee, directors, area managers and brand general managers. Compensation expenses recorded in Autodis Group for the eight-month periods ended 31 August 2016 and 31 August 2015 are set out in the table below:

In millions of euros	2016 8 months	2015 8 months
Basic salaries	4.8	4.7
Bonuses	1.6	1.4
Payroll costs (excl. paid leave and termination benefits)	2.5	2.5
Pensions, provision for paid leave and benefits in kind	(0.2)	(0.2)
Profit-sharing and incentive plans	0.1	0.1
Termination benefits	0.1	0.1
Net personnel costs	**8.9**	**8.6**

No directors' fees have been paid or are due to be paid in respect of the eight-month period ended August 31, 2016.

27. Commitments

27.1. Guarantees relating to the Senior Secured Notes and the Revolving Credit Facility

The assets pledged as collateral are those of Autodis Group and Autodistribution

Pledges

Four categories of asset have been pledged as part of the Senior Secured Notes and Super Senior Revolving Facility Agreement financing arrangements:

- Pledge of equity interests

The following securities have been pledged as collateral under the financing arrangements:

Pledged securities (In number of shares)	Autodis Group	Autodis	SDFM	Magenta Auto Pièces	Auto-distribution	ACR Holding
Autodis	5,420,840,892					
Autodistribution		3,790,300	158,472	149,996		
SDFM		175,297				
Magenta Auto Pièces		8,557				
Cora					5,883	
Cofirhad					195,170	
AD Grand Ouest					1,815,040	
ACR Holding					17,570,934	
ACR Group						1,770

- Pledge of bank accounts

The following corporate bank accounts have been pledged as collateral under the financing arrangements:

	Pledged bank accounts
Autodis Group	BNP Paribas
Autodis	BNP Paribas
Autodistribution	BNP Paribas, Crédit Agricole CIB, Crédit Lyonnais, Natixis
Cora	Crédit Lyonnais
Cofirhad	BNP Paribas, La Banque Postale
AD Grand Ouest	BNP Paribas, Crédit Lyonnais
ACR Holding	Société Générale, Crédit Lyonnais
ACR Group	Société Générale, Crédit Lyonnais

• Pledged receivables

The following intragroup receivables have been pledged as collateral under the financing arrangements:

	Pledged intragroup receivables
Autodis Group	Autodis
Autodis	Autodistribution, AD Polska
Autodistribution	Magenta Auto Pièces, SDFM, Gibelin Espace Auto, Ile de France Poids Lourds, FPLS, FIA, Gadest, Autodistribution SOGO, Gadso, AD Grand Ouest, Etablissements Rembaud, AD Normandie Maine, AM Développement, Logisteo, Bremstar, Comptoir VI, Girde, Cogemad, Cofirhad, TCS, AD BPN, Val de Loire PL, Cora, Busnengo, Digital Aftermarket, STAC, TSO, Ales PL, Plateforme Technique Nationale Montajault, Autodistribution Gobillot Rhône

• Pledge of the brands owned by Autodistribution:

  • "L'Autodistribution" (term) in France under registration number 1629230;
  • "Autodistribution" (semi-figurative) in France under registration number 1554818;
  • "AD" (term and design) in France under registration number 1629231.

Assignments of receivables

85% of the CICE tax credit receivables for 2013 and 2014 were financed with Bpifrance in 2014. The sale of the receivables did not lead to their derecognition, and they are not therefore offset against the debt with respect to Bpifrance.

Bank covenants

The Revolving Facility Agreement includes a draw stop threshold defined as "drawn super senior facilities debt" divided by "consolidated proforma Ebitda" not to exceed 0.7:1. The threshold is tested at the end of each quarter if more than 35% of the RCF commitments are drawn as of the last day of any such quarter.

27.2. Other Group guarantees

Bank overdrafts in Poland are secured by:

• pledges of inventories for a total value of €16.8 million;

• pledges of non-current assets for a total value of €1.3 million.

The guarantees below were given by Autodistribution SA to FPLS group banks:

• Banque Populaire de l'Ouest: €1.2 million in respect of overdrafts + €0.5 million in respect of the discounting line.

• LCL: €0.4 million in respect of loans.

An agreement was also signed with the supplier Akzo Nobel in June 2012 in which Autodistribution commits to minimum cumulative purchases of €55 million up to 2019.

27.3. Litigations

In collective proceedings, Klarius France, a manufacturer of automotive spare parts in France, sued Autodistribution and some of its subsidiaries before the Commercial Court (Tribunal de Commerce) for the sudden termination of an established commercial relationship. Their claim is for approximately €2.4 million. No provision was booked in the Group's condensed interim consolidated financial statements as of August 31, 2016 as management and its advisors considered that, in view of the facts of the case, there is currently no likelihood of an outflow of resources.

28. Events after the end of the reporting period

In July 2016, Group announced that it has signed an agreement with the shareholders of the Doyen Auto Group in respect of the acquisition of the entire share capital of the Doyen Auto Group.

On September 30, 2016 Autodistribution announced that the acquisition of Doyen Auto Group has been completed following the approval received from the employee representative bodies and the relevant competition authorities.

Established in 1922, the Doyen Auto Group is a major actor of the aftermarket spare parts for vehicles and operates in France, Belgium, Luxembourg and the Netherlands. In these markets, the Doyen Auto Group sells spare parts, provides services to independent garages and operates a network of almost 800 garages.

In 2015, the Doyen Auto Group had €194 million in revenue and 339 employees.

Autodis Group SAS

Consolidated Financial Statements
31 December 2015

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Consolidated Income Statement

In millions of euros

	Notes	2015 12 months	2014 12 months (restated)*
REVENUE	*7.1*	**1,222.1**	**1,169.5**
Cost of goods for sale		(750.8)	(721.2)
Personnel costs	*7.2*	(249.5)	(245.4)
Other purchases and external expenses	*7.3*	(134.3)	(133.2)
Taxes		(8.9)	(9.1)
Other operating income and expenses	*7.4*	3.1	3.7
EBITDA		**81.7**	**64.3**
Depreciation/amortisation expense	*11.1*	(18.6)	(18.3)
RECURRING OPERATING INCOME		**63.2**	**46.0**
Other income from operations	*7.5*	1.4	12.1
Other expenses from operations	*7.6*	(6.2)	(18.8)
OPERATING INCOME		**58.4**	**39.3**
Financial income	*7.7*	1.9	11.6
Financial expenses	*7.8*	(29.0)	(21.6)
Share of income (losses) of associates		0.0	(0.0)
INCOME BEFORE TAX		**31.4**	**29.3**
Income tax	*7.9*	5.7	1.8
NET INCOME FROM CONTINUING OPERATIONS		**37.0**	**31.1**
Net income from discontinued operations	6	—	—
NET INCOME FOR THE YEAR		**37.0**	**31.1**
Attributable to:			
Owners of the parent:			
Net income from continuing operations		36.9	30.9
Net income from discontinued operations		—	—
Net income attributable to owners of the parent		36.9	30.9
Non-controlling interests:			
Net income from continuing operations		0.1	0.2
Net income from discontinued operations		—	—
Net income attributable to non-controlling interests		0.1	0.2
Earnings per share from continuing operations		€ 0.277	€ 0.204
Earnings per share		€ 0.277	€ 0.204

The Group did not issue any dilutive equity instruments in 2015.

* Comparative data from the 2014 consolidated financial statements were restated to reflect the application of IFRIC 21. The impacts of these restatements are described in Note 3.2, "Basis of preparation of financial information".

Consolidated Statement of Comprehensive Income

In millions of euros

	2015 12 months	2014 12 months (restated)*
NET INCOME	**37.0**	**31.1**
Other comprehensive income (expense):		
Items not to be reclassified to income		
Actuarial gains and losses on defined benefit plans	2.0	(5.6)
Deferred taxes on actuarial gains and losses	(0.2)	(0.4)
Items to be reclassified to income		
Foreign exchange gains and losses	—	(0.7)
Share of comprehensive income of equity-accounted companies		
OTHER COMPREHENSIVE INCOME (EXPENSE)	**1.8**	**(6.7)**
TOTAL COMPREHENSIVE INCOME	**38.8**	**24.4**
Attributable to:		
Owners of the parent:	**38.7**	**24.2**
Non-controlling interests	**0.1**	**0.2**

* Comparative data from the 2014 consolidated financial statements were restated to reflect the application of IFRIC 21. The impacts of these restatements are described in Note 3.2, "Basis of preparation of financial information".

Foreign exchange gains and losses for 2015 are attributable to fluctuations in the Polish zloty exchange rate and are shown in the table below:

	2015	2014
Closing rate	4.2639	4.2732
Average rate	4.1827	4.1854

The Group has not put in place any foreign exchange hedging instruments for this currency.

Consolidated Statement of Financial Position

In millions of euros

ASSETS	Notes	31 December 2015	31 December 2014 (restated)*
Goodwill, net	*9*	51.8	51.8
Intangible assets, net	*10*	153.1	154.3
Property, plant and equipment, net	*11*	59.0	50.9
Investments in equity-accounted companies	*12*	0.4	0.5
Available-for-sale financial assets	*13*	1.4	0.2
Other non-current assets, net	*14*	15.6	10.8
Deferred tax assets	*7.9.2*	33.9	18.0
TOTAL NON-CURRENT ASSETS		**315.2**	**286.5**
Inventories, net	*15*	207.5	201.1
Trade receivables, net	*16*	178.6	165.1
Other current assets, net	*17*	30.4	21.0
Cash and cash equivalents	*18*	44.2	67.7
Current tax receivables		—	1.9
Derivative financial instruments			—
TOTAL CURRENT ASSETS		**460.6**	**456.7**
Non-current assets held for sale	*6*		
TOTAL ASSETS		**775.8**	**743.2**
EQUITY AND LIABILITIES			
Share capital	*19*	129.5	148.0
Other reserves	*19*	57.8	47.2
Net income attributable to owners of the parent		37.0	30.9
SHAREHOLDERS' EQUITY		**224.3**	**226.1**
NON-CONTROLLING INTERESTS		**(0.5)**	**(0.3)**
- Net assets		(0.6)	(0.5)
- Net income		0.1	0.2
TOTAL EQUITY		**223.8**	**225.8**
Non-current borrowings and debt	*21.2*	270.0	242.0
Non-current provisions	*25.2*	0.7	2.1
Liabilities relating to employee benefits	*23.1*	21.7	22.5
Deferred tax liabilities	*7.9.2*	—	—
Other non-current liabilities	*24*	4.5	3.9
TOTAL NON-CURRENT LIABILITIES		**296.9**	**270.5**
Current borrowings and debt	*21.2*	36.3	19.5
Current provisions	*25.1*	7.5	12.4
Trade payables	*26*	140.2	148.5
Other current liabilities	*26*	71.2	66.5
Derivative financial instruments			
TOTAL CURRENT LIABILITIES		**255.2**	**246.9**
Liabilities directly associated with assets held for sale	6		
TOTAL EQUITY AND LIABILITIES		**775.8**	**743.2**

* Comparative data from the 2014 consolidated financial statements were restated to reflect the application of IFRIC 21. The impacts of these restatements are described in Note 3.2, "Basis of preparation of financial information".

Consolidated Statement of Changes in Equity

In millions of euros

For the year ended 31 December 2014

In millions of euros	Share capital	Additional paid-in capital	Foreign exchange gains and losses	Actuarial gains (losses) on defined benefit pension plans	Consolidated reserves	Total attributable to owners of the parent	Non-controlling interests	Total equity
	Attributable to owners of the parent							
At 31 December 2013	**152.6**	**—**	**(1.7)**	**11.7**	**45.7**	**208.3**	**(0.2)**	**208.1**
IFRIC 21 restatement					1.8	**1.8**		**1.8**
At 31 December 2013 (restated)*	**152.6**	**—**	**(1.7)**	**11.7**	**47.5**	**210.1**	**(0.2)**	**209.9**
Net income for the year					30.9	**30.9**	0.2	**31.1**
Other comprehensive income (expense)			(0.7)	(6.0)	—	**(6.7)**		**(6.7)**
Comprehensive income	**152.6**	**—**	**(2.4)**	**5.7**	**78.4**	**234.3**	**0.0**	**234.3**
Other changes	(4.6)				(3.6)	**(8.2)**	(0.1)	**(8.3)**
Dividends paid							(0.2)	**(0.2)**
At 31 December 2014 (restated)	**148.0**		**(2.4)**	**5.7**	**74.8**	**226.1**	**(0.3)**	**225.8**

* The comparative financial statements were restated to reflect the application of IFRIC 21. The impacts of these restatements are described in Note 3.2, "Basis of preparation of financial information".

For the year ended 31 December 2015

In millions of euros	Share capital	Additional paid-in capital	Foreign exchange gains and losses	Actuarial gains (losses) on defined benefit pension plans	Consolidated reserves	Total attributable to owners of the parent	Non-controlling interests	Total equity
	Attributable to owners of the parent							
At 31 December 2014 (restated)	**148.0**	**—**	**(2.4)**	**5.7**	**74.8**	**226.1**	**(0.3)**	**225.8**
Net income for the year					36.9	**36.9**	0.1	**37.0**
Other comprehensive income				1.8		**1.8**		**1.8**
Comprehensive income	**148.0**	**—**	**(2.4)**	**7.5**	**111.7**	**264.8**	**(0.2)**	**264.6**
Capital decrease	(18.5)				(21.5)	**(40.0)**		**(40.0)**
Other changes					(0.5)	**(0.5)**		**(0.5)**
Dividends paid							(0.3)	**(0.3)**
At 31 December 2015	**129.5**	**—**	**(2.4)**	**7.5**	**89.7**	**224.3**	**(0.5)**	**223.8**

Consolidated Statement of Cash Flows

	Notes	2015 12 months	2014 12 months (restated)
Cash flows from operating activities			
Net income		**37.0**	**31.1**
o/w Net income from discontinued operations		—	—
Cancellation of income and expenses with no cash impact		26.3	17.9
- Depreciation/amortisation	*11.1*	*18.5*	*18.3*
- Provisions (net of reversals)		*(4.7)*	*0.5*
- Share of income (losses) of equity-accounted companies	*12*	—	—
- Gains or losses on disposals of non-current assets		*0.0*	*0.9*
- Reversal of impairment of the Autodistribution brand	*10*	—	*(9.0)*
- Allocation of goodwill impairment	*9.2*	—	*5.8*
- Financial income and expenses with no cash impact		*12.1*	*1.2*
- Other income and expenses with no cash impact		*0.4*	*0.2*
Financial expenses and income with a cash impact		15.2	8.8
Taxes other than on income	*7.9.1*	(5.7)	(1.8)
Changes in working capital, net		(34.3)	(9.9)
- Inventories		*(6.6)*	*(4.2)*
- Receivables		*(12.9)*	*9.0*
- Payables		*(8.9)*	*(9.7)*
- Other receivables and payables		*(5.9)*	*(5.2)*
Other items with a cash impact		*(7.0)*	*(7.2)*
- Income tax		*(7.0)*	*(7.2)*
Net cash from operating activities — continuing operations		**31.5**	**38.7**
Net cash from operating activities — discontinued operations	*6*	—	—
Cash flows from investing activities			
Acquisitions of non-current assets	*11.2*	(26.7)	(18.7)
Changes in other financial assets		(6.7)	2.9
Disposals of non-current assets		1.3	0.4
Advances paid		—	—
Business acquisitions		—	(52.5)
- Acquisitions net of cash acquired	*4.1.1*	—	*(54.9)*
- Disposals net of cash transferred		—	*2.4*
Net cash used in investing activities — continuing operations		**(32.1)**	**(67.9)**
Net cash from investing activities — discontinued operations	*6*	—	—
Cash flows from financing activities			
Dividends paid to owners of the parent company	*8*	—	—
Dividends paid to non-controlling interests of consolidated companies		(0.3)	(0.3)
Repayment of capital		(40.0)	(3.1)
Financial expenses with a cash impact		(22.1)	(9.4)
Financial income with a cash impact		0.5	0.5
Increase in borrowings	*21.1*	70.2	238.6
Repayment of borrowings	*21.1*	(34.3)	(161.7)
Change in other financial liabilities		0.3	0.1
Net cash from (used in) financing activities — continuing operations		**(25.7)**	**64.7**
Net cash from financing activities — discontinued operations	*6*	—	—
Change in cash and cash equivalents — continuing operations		**(26.3)**	**35.7**
Change in cash and cash equivalents — discontinued operations		—	—
Cash and cash equivalents at beginning of year	*18*	**61.0**	**25.3**
Impact of currency rate fluctuations		—	(0.1)
Decrease in cash and cash equivalents of discontinued operations at end of year		—	—
Cash and cash equivalents at end of year	*18*	**34.7**	**61.0**

Notes to the Consolidated Financial Statements

1 Approval of the financial statements

On 31 March 2016, the Chairman approved Autodis Group SAS's consolidated financial statements for the year ended 31 December 2015. Autodis Group is a simplified joint-stock company (*société par actions simplifiée*) with a sole shareholder. It was incorporated on 18 January 2006 under the corporate name Parts Holdings (France) SAS.

The change in corporate name of "Parts Holdings (France) SAS" to "Autodis Group" was decided on 29 January 2015 and was effective as of 1 March 2015.

The purpose of changing the corporate name of Parts Holdings (France) is to make it more easily identifiable and readable and to distinguish the Group from its independent distributor members within the Autodistribution purchasing unit.

2 Information relating to the parent company

Autodis Group

Simplified joint-stock company with capital of €129,544,122.74

Registered office: 22 Avenue Aristide Briand, 94110 Arcueil, France

Registered with the Créteil Trade and Companies Registry under number 488 077 165

Further to the Group's acquisition on 8 December 2015, Autodis Group and its subsidiaries are included in the consolidated financial statements of Dakar Acquisition SA, a Luxembourg-based joint-stock company (*société anonyme*) and subsidiary of Bain Capital whose registered office is located at 4, rue Lou Hemmer, L-1748 Luxembourg Findel (Luxembourg), registered with the Luxembourg Trade and Companies Registry under number B201035 as the sole shareholder of Autodis Group.

3 Accounting rules and methods

The consolidated financial statements of Autodis Group SAS and all its subsidiaries (the "Group") have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union on 31 December 2015 and available on the following website:

http://ec.europa.eu/internal_market/accounting/ias/index_en.htm

The consolidated financial statements have been drawn up using the historical cost convention, except for certain categories of assets and liabilities, in accordance with IFRS principles.

The consolidated financial statements are presented in euros and all values are rounded to the nearest million unless otherwise stated.

3.1 Applicable standards

The accounting principles applied are consistent with those used to prepare the annual consolidated financial statements for the year ended 31 December 2014, with the exception of the adoption of the following new standards and amendments:

- Annual Improvements to IFRS — 2011-2013 Cycle, for amendments applicable to financial periods beginning on or after 1 July 2014. These improvements concern:
  - IFRS 1, which clarifies the version of IFRS to be used by first-time adopters;
  - IFRS 3, which excludes from its scope accounting for the formation of a joint arrangement (as defined in IFRS 11 — Joint Arrangements) and prescribes other scope exclusions;
  - IFRS 13, which clarifies the fair value measurement exception for a group of financial assets and liabilities measured on a net basis;
  - IAS 40, which introduces the notion of judgement when acquiring investment property.

The adoption of these standards and amendments did not have a material impact on the Company's financial statements.

- Due to the application of IFRIC 21 — Levies at 31 December 2015, recognition of the "organic" tax has been deferred by one year. The related restatements to the 2014 consolidated financial statements are described in Note 3.2, "Basis of preparation of financial information".

The Group has not elected to early adopt the following standards and interpretations adopted by the European Union at 31 December 2015:

- Amendment to IAS 1 — Disclosure Initiative.
- Annual Improvements to IFRS — 2010-2012 Cycle, for amendments applicable to financial periods beginning on or after 1 July 2014. These improvements concern:
  - IFRS 2, which defines vesting conditions for share-based payments;
  - IFRS 3, which clarifies the accounting for contingent consideration in a business combination;
  - IFRS 8, which provides additional guidance on aggregating operating segments and requires entities to provide reconciliations of the total of the reportable segments' assets to the entity's assets only;
  - IFRS 13, which defines fair value measurements for short-term receivables and payables;
  - IAS 16 and IAS 38, which clarify the revaluation method for property, plant and equipment and intangible assets along with the proportionate restatement of accumulated depreciation/amortisation;
  - IAS 24, which defines key management personnel for the purposes of related-party reporting.
- Annual Improvements to IFRS — 2012-2014 Cycle, for amendments applicable to financial periods beginning on or after 1 January 2016. These improvements concern:
  - IFRS 5, which states that the change in method of disposal of an asset or group of assets does not alter the accounting treatment under the standard;
  - IFRS 7, which clarifies whether a servicing contract implies continuing involvement for the purpose of determining the disclosures required in sections IFRS 7.42D to 42H;
  - IFRS 7, which eliminates the requirement to include offsetting disclosures in interim financial statements and clarifies when this information is desirable;
  - IAS 19, which concerns the discount rate applied to actuarial assumptions in a regional market consisting of multiple countries with the same currency;
  - IAS 34, which defines the disclosure of cross-references in the interim financial report.
- Amendments to IAS 16 and IAS 38 — Clarification of Acceptable Methods of Depreciation and Amortisation.
- Amendments to IFRS 11 — Accounting for Acquisitions of Interests in Joint Operations.
- Amendments to IAS 16 and IAS 41 — Agriculture: Bearer Plants.
- Amendments to IAS 19 — Defined Benefit Plans: Employee Contributions.

These standards and improvements to standards will be applied by the Group as from their entry into force on 1 January 2016, in accordance with European Union rules.

Lastly, the Group has not applied the following standards and amendments which the European Union had not adopted as of 31 December 2015:

- IFRS 9 — Financial Instruments.
- IFRS 14 — Regulatory Deferral Accounts.

- IFRS 15 — Revenue from Contracts with Customers.
- IFRS 16 — Leases.
- Amendments to IFRS 10, IFRS 12 and IAS 28 — Investment Entities: Applying the Consolidation Exception.
- Amendment to IFRS 10 and IAS 28 — Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture.
- Amendment to IAS 27 — Equity Method in Separate Financial Statements.

The Group is reviewing all of these standards and amendments in order to measure their potential impact on its results, financial position and consolidated cash flows, and to assess their impact on disclosures.

The Group is analysing IFRS15 "Revenue from contracts with customers" (published in 2015, to be applied starting 1 January 2018, but not endorsed by the UE yet) impacts.

3.2 Basis of preparation of financial information

In accordance with IAS 8 — Accounting Policies, Changes in Accounting Estimates and Errors, the impacts on the 2014 consolidated financial statements of retroactively applying IFRIC 21 are set out in the tables below.

Restatement of the consolidated statement of financial position:

	31 Dec. 2014 (published)	Impact of IFRIC 21	31 Dec. 2014 (restated)
ASSETS			
Goodwill, net	51.8		51.8
Intangible assets, net	154.3		154.3
Property, plant and equipment, net	50.9		50.9
Investments in equity-accounted companies	0.5		0.5
Available-for-sale financial assets	0.2		0.2
Other non-current assets, net	10.8		10.8
Deferred tax assets	18.0		18.0
TOTAL NON-CURRENT ASSETS	**286.5**		**286.5**
Inventories, net	201.1		201.1
Trade receivables, net	165.1		165.1
Other current assets, net	21.0		21.0
Cash and cash equivalents	67.7		67.7
Current tax receivables	1.9		1.9
Derivative financial instruments	—		—
TOTAL CURRENT ASSETS	**456.7**		**456.7**
Non-current assets held for sale	—		—
TOTAL ASSETS	**743.2**		**743.2**
EQUITY AND LIABILITIES			
Share capital	148.0		148.0
Other reserves	45.4	1.8	47.2
Net income attributable to owners of the parent	30.7	0.2	30.9
SHAREHOLDERS' EQUITY	**224.1**	**2.0**	**226.1**
NON-CONTROLLING INTERESTS	**(0.3)**		**(0.3)**
- Net assets	(0.5)		(0.5)
- Net income	0.2		0.2
TOTAL EQUITY	**223.8**	**2.0**	**225.8**
Non-current borrowings and debt	242.0		242.0
Non-current provisions	2.1		2.1
Liabilities relating to employee benefits	22.5		22.5
Deferred tax liabilities	—		—
Other non-current liabilities	3.9		3.9
TOTAL NON-CURRENT LIABILITIES	**270.5**		**270.5**
Current borrowings and debt	19.5		19.5
Current provisions	12.4		12.4
Trade payables	148.5		148.5
Other current liabilities	68.5	(2.0)	66.5
Derivative financial instruments			
TOTAL CURRENT LIABILITIES	**248.9**	**(2.0)**	**246.9**
Liabilities directly associated with assets held for sale	—		
TOTAL EQUITY AND LIABILITIES	**743.2**	**—**	**743.2**

Restatement of the consolidated income statement:

	2014 12 months (published)	Impact of IFRIC 21	2014 12 months (restated)
REVENUE	**1,169.5**		**1,169.5**
Cost of goods for sale	(721.2)		(721.2)
Personnel costs	(245.4)		(245.4)
Other purchases and external expenses	(133.2)		(133.2)
Taxes	(9.3)	0.2	(9.1)
Other operating income and expenses	3.7		3.7
EBITDA	**64.1**	**0.2**	**64.3**
Depreciation/amortisation expense	(18.3)		(18.3)
RECURRING OPERATING INCOME	**45.8**	**0.2**	**46.0**
Other income from operations	12.1		12.1
Other expenses from operations	(18.8)		(18.8)
OPERATING INCOME	**39.1**	**0.2**	**39.3**
Financial income	11.6		11.6
Financial expenses	(21.6)		(21.6)
Share of income (losses) of equity-accounted companies	(0.0)		(0.0)
INCOME BEFORE TAX	**29.1**	**0.2**	**29.3**
Income tax	1.8		1.8
NET INCOME FROM CONTINUING OPERATIONS	**30.9**	**0.2**	**31.1**
Net income from discontinued operations			
NET INCOME FOR THE YEAR	**30.9**	**0.2**	**31.1**
Attributable to:			
- Owners of the parent	30.7	0.2	30.9
- Non-controlling interests	0.2		0.2
Earnings per share	€ 0.203	€0.001	€ 0.204

Restatement of the consolidated statement of changes in equity:

	Attributable to owners of the parent							
In millions of euros	Share capital	Additional paid-in capital	Foreign exchange gains and losses	Actuarial gains (losses) on defined benefit pension plans	Consolidated reserves	Total attributable to owners of the parent	Non-controlling interests	Total equity
At 1 January 2014 (published)	**152.6**	—	**(1.7)**	**11.7**	**45.7**	**208.3**	**(0.2)**	**208.1**
Impact of IFRIC 21					1.8	**1.8**		**1.8**
At 1 January 2014 (restated)	**152.6**	—	**(1.7)**	**11.7**	**47.5**	**210.1**	**(0.2)**	**209.9**

Restatement of the consolidated statement of cash flows:

	2014 12 months (published)	IFRIC 21 restatement	2014 12 months (restated)
Net income	**30.9**	**0.2**	**31.1**
Cancellation of income and expenses with no cash impact	**17.9**		**17.9**
- Depreciation/amortisation	18.3		18.3
- Provisions (net of reversals)	0.5		0.5
- Reversal of impairment of the Autodistribution brand	(9.0)		(9.0)
- Gains or losses on disposals of non-current assets	0.9		0.9
- Allocation of goodwill impairment	5.8		5.8
- Financial income and expenses with no cash impact	1.2		1.2
- Other income and expenses with no cash impact	0.2		0.2
Financial expenses and income with a cash impact	**8.8**		**8.8**
Taxes other than on income	**(1.8)**		**(1.8)**
Changes in working capital, net	**(9.7)**	**(0.2)**	**(9.9)**
- Inventories	(4.2)		(4.2)
- Receivables	9.0		9.0
- Payables	(9.7)		(9.7)
- Other receivables and payables	(5.0)	(0.2)	(5.2)
Other items with a cash impact	**(7.2)**		**(7.2)**
- Income tax	(7.2)		(7.2)
Net cash from operating activities — continuing operations	**38.7**	**—**	**38.7**
Net cash used in investing activities — continuing operations	**(67.9)**		**(67.9)**
Net cash from financing activities — continuing operations	**64.7**		**64.7**
Change in cash and cash equivalents — continuing operations	**35.7**		**35.7**
Cash and cash equivalents at beginning of year	**25.3**		**25.3**
Impact of currency rate fluctuations	(0.1)		(0.1)
Decrease in cash and cash equivalents of discontinued operations at end of year	—		—
Cash and cash equivalents at end of year	**61.0**		**61.0**

3.3 Significant judgements and estimates

The preparation of consolidated financial statements on a going-concern basis requires the Group to use judgements and make estimates that can affect the carrying amount of certain assets and liabilities, income and expense items, and disclosures in the accompanying notes.

Estimates made at the reporting date are based on key assumptions relating to future events and other sources of uncertainty. Changes in these assumptions in a given period could result in a significant risk of a material change in the carrying amount of assets and liabilities, as presented below.

3.3.1 Impairment of non-financial assets

At the end of each reporting period, the Group assesses whether there is any indication that a non-financial asset might be impaired. Goodwill and other intangible assets with indefinite useful lives are tested for impairment at least once a year and whenever there is an indication that they may be impaired. Other non-financial assets are tested for impairment when there is an indication of the possibility that the carrying amount of the asset exceeds its recoverable amount.

The value in use of the assets was calculated using the discounted cash flows method based on the five-year business plan approved by the Executive Committee.

Impairment tests were carried out on each of the six CGUs corresponding to reportable operating segments as defined by IFRS 8, based on projections of EBITDA as set out in the five-year business plan. Tests are then performed to determine the sensitivity of these amounts to changes in the key assumptions used (see Note 3.4.8).

Valuation of the AD brand

The "Autodistribution" brand recognised at the time of the acquisition of Autodis on 28 February 2006 by Autodis Group (formerly Parts Holdings) is allocated to the France CGUs. At 31 December 2014, the gross value of the AD brand stood at €156.9 million in the consolidated financial statements. Its net value stood at €144 million.

In 2015, the Group carried out a valuation of the AD brand using the same method as it had in the past, i.e., the revenue approach (royalty method). This method is based on revenue generated over five years by the AD brand, i.e., by the Group's subsidiaries or by affiliated distributors. The assumptions used include a discount rate of 10.5%, a royalty rate of 1.5% and a perpetuity growth rate of 1%.

This valuation showed a brand value of €154 million. This increase can be largely explained by the change in the discount rate applied which was 10.9% in 2014 and 10.5% in 2015 owing to the change of the weighted average cost of capital.

Accordingly, no impairment reversal was recorded at 31 December 2015 and the net value of the AD brand in the consolidated financial statements remained at €144.0 million.

The table below shows the sensitivity of the valuation to changes in the discount rate and royalty rate assumptions:

		Discount rate					
		8.0%	9.0%	10.0%	10.5%	11.5%	12.0%
Royalty rate	**1.00%**	**137**	**121**	**108**	**102**	**93**	**89**
	1.50%	**206**	**181**	**162**	**154**	**140**	**134**
	2.00%	**275**	**242**	**216**	**205**	**186**	**178**

3.3.2 Deferred tax assets

Deferred tax assets are recorded in respect of tax loss carryforwards when it is likely that the Group will have future taxable profits against which they can be utilised. The calculation of the amount of deferred tax assets that can be recognised requires management to estimate how long it will take to use up the losses carried over and the level of future taxable profits in light of tax management strategies.

Recognised deferred tax assets are calculated on the basis of the Group's five-year business plan (the first year of the plan corresponding to the 2016 budget). Further details are provided in Notes 3.4.18 and 7.9.2.

3.3.3 Pensions and other post-employment benefits

The cost of defined benefit plans is calculated on the basis of actuarial valuations. These valuations are based on assumptions as regards the discount, salary increase, staff turnover and mortality rates. Owing to the long-term nature of such plans, there is considerable uncertainty about these estimates. Further details are provided in Note 23. There are no other post-employment benefits.

3.3.4 Value of Sup Bonds

In December 2015, following the Group's acquisition by Bain Capital, the value of the Sup Bonds was determined and fixed based on the Group's sale price and debt.

3.3.5 Inventory impairment

Inventory impairment is calculated by applying an impairment rate for each category of unsold products based on the depletion of items and their last date of sale.

3.4 Significant accounting policies

3.4.1 Principles and scope of consolidation

The consolidated financial statements include the financial statements of Autodis Group SAS and its subsidiaries at 31 December of each year. The subsidiaries' financial statements are prepared over the same reporting period as those of the parent company, using consistent accounting methods.

All intragroup balances and transactions as well as unrealised income, expenses, gains and losses that are included in the carrying amounts of the assets and which are generated by internal transactions are eliminated.

Subsidiaries are consolidated as from the acquisition date, which corresponds to the date on which the Group assumed control. Control is assessed as being the power over the investee through voting rights or similar rights, exposure to variable returns from involvement with the investee, and the ability to use power over the investee to affect the amount of the investor's returns, until such time as the Group ceases to exercise control. The financial statements of companies over which the Group has significant influence (associates) are accounted for by the equity method.

The Group does not own any jointly controlled companies — either joint arrangements or joint ventures.

Significant transactions between consolidated companies and unrealised internal profits are eliminated.

Non-controlling interests represent the share of income or loss and of net assets that the Group does not own. In the consolidated income statement and in equity in the consolidated statement of financial position, non-controlling interests are shown separately from the share attributable to owners of the parent. Transactions conducted with non-controlling interests are recorded directly in equity.

3.4.2 Foreign currency translation

(a) Translation of foreign companies' financial statements

The consolidated financial statements are presented in euros, which is the parent company's functional currency and the currency in which it presents its financial statements.

The financial statements of entities that use a functional currency other than the euro are translated as follows:

- assets and liabilities are translated at the exchange rate prevailing at the reporting date;
- income statement and statement of cash flow items are translated at the average exchange rate for the year.

The resulting foreign exchange gains or losses are allocated directly to a separate line item under equity. On the disposal of a foreign operation, the cumulative amount of the related deferred foreign exchange gains or losses carried in the separate item of equity is recognised in the income statement.

In the Group, the only subsidiaries that use a functional currency other than the euro are located in Poland and therefore use the zloty.

(b) Goodwill arising from foreign acquisitions

Any goodwill arising from the acquisition of a foreign operation and any fair value adjustment of the carrying amount of the assets and liabilities derived from the acquisition of said foreign operation is recorded as an asset or liability of the foreign operation and is therefore translated into euros at the closing rate.

(c) Translation of foreign currency transactions

Foreign currency transactions are initially recorded in the functional currency at the exchange rate prevailing at the transaction date. At the reporting date, the monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at that date. The resulting differences are recorded in the income statement.

3.4.3 Property, plant and equipment

Items of property, plant and equipment, including land, property and the corresponding fixtures, are carried at cost less accumulated depreciation and impairment losses.

Routine maintenance costs are expensed as incurred.

An item of property, plant and equipment is derecognised when it is disposed of or when no further future economic benefits are expected from its use. Any gain or loss resulting from derecognising an asset (calculated on the basis of the difference between the net proceeds on disposal and the carrying amount) is recorded in the income statement in the year in which it is derecognised.

Items of property, plant and equipment are depreciated on a straight-line basis over the following useful lives:

Property	25 years
General fixtures and fittings	5 years
Equipment and machinery	10 years
IT equipment	2 years
Transportation equipment	5 years
Furnishings	5 years

The useful lives of the assets and the depreciation methods are reviewed and modified where necessary on each annual reporting date.

3.4.4 Intangible assets

Intangible assets acquired separately are valued at acquisition cost.

Intangible assets acquired in connection with a business combination are recorded at fair value on the acquisition date.

After initial recognition, intangible assets are valued at their acquisition cost less accumulated amortisation and impairment.

Costs relating to intangible assets created internally are recorded under assets when the criteria set out in IAS 38 are met.

The Group decides whether the useful life of an intangible asset is finite or indefinite.

a) Intangible assets with a finite useful life

These non-current assets are amortised over their useful lives for accounting purposes and are tested for impairment whenever there is an indication that they may be impaired. The amortisation period and method for intangible assets with finite useful lives are reviewed at least once a year at the reporting date. Any change in the estimated useful life or expected pattern of consumption of the future economic benefits associated with the asset is recorded by adjusting the useful life or amortisation method, whichever is appropriate. Such changes are treated as changes in estimates. Amortisation of intangible assets with finite useful lives is recorded in the income statement in the appropriate expense category based on the intangible asset's function.

The Group's intangible assets fall into this category and primarily comprise Movex accounting software licences.

These assets are amortised on a straight-line basis over the following estimated useful life:

Software	5 years

b) Intangible assets with an indefinite useful life

These assets are not amortised but are subject to annual impairment tests, either individually or at the level of the cash-generating unit to which they belong. The useful life of an intangible asset with an indefinite useful life is reviewed annually in order to determine whether the indefinite useful life assessment is still justified. If it is not, the change in assessment of the nature of the useful life from indefinite to finite is recorded prospectively.

3.4.5 Leases

Determining whether an arrangement is a lease, or contains a lease, depends on the substance of the agreement at inception. This requires assessing whether performance of the agreement depends on the use of a specific asset or assets, and whether the agreement grants a right to use the asset.

Leases in the Group's financial statements where the Group is lessee

Finance leases that transfer to the Group substantially all the risks and rewards incidental to ownership of the leased asset are recorded in the statement of financial position at the beginning of the lease term at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Payments in respect of the lease are apportioned between the finance cost and the reduction of the debt so as to obtain a constant periodic interest rate on the outstanding liability. Finance costs are recorded directly in the income statement.

Assets held under a finance lease are depreciated over either their useful life or the lease term, whichever is shorter, if the Group cannot be reasonably certain that it will become the owner of the asset when the lease expires.

Payments under operating leases are recorded as expenses on a straight-line basis until the lease expires.

At 31 December 2015, the Group held finance leases under which it acts as lessee (see Notes 30.1 and 30.2).

3.4.6 Non-current assets held for sale and discontinued operations

A non-current asset (or group of assets and associated liabilities) is "held for sale" when its carrying amount will be recovered primarily through sale rather than continued use. In order to fall into this category, the asset (or group of assets) must be available for immediate sale and the sale must be highly probable. This asset or group of assets and associated liabilities are presented separately in the statement of financial position when they are significant, without restatement for previous periods. Assets or groups of assets are measured at the lower of their carrying amount and fair value less costs to sell.

A discontinued operation is defined as a component of an entity that represents a separate major line of business or geographical area of operations for the Group. This component must either (i) be discontinued or (ii) classified as held for sale or (iii) form part of an overall plan to sell a separate major line of business or geographical area of operations for the Group, or (iv) be a significant subsidiary acquired solely for the purpose of resale. Income statement and statement of cash flow items relating to discontinued operations are presented separately in the financial statements for all periods presented if they are significant. Statement of financial position items relating to previous years are not presented separately; only the components of the last period shown are classified as discontinued operations.

At 31 December 2015, the Group has no discontinued operations and no operations were sold during the year then ended.

3.4.7 Impairment of non-financial assets (excluding goodwill)

At the end of each annual reporting period, the Group assesses whether there is an indication that an asset is impaired. If there is such a presumption, or when an annual impairment test is required for an asset, the Group estimates the recoverable amount of the asset. Intangible assets with an indefinite useful life are tested annually on 31 December, either individually or at the level of the cash-generating unit to which they are allocated.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. It is determined for each asset separately, unless the asset generates cash flows that are largely dependent on the cash flows generated by other assets or groups of assets. If the carrying amount of an asset exceeds its recoverable amount, the asset is deemed to have lost some of its value and its carrying amount is reduced to its recoverable amount. Value in use is determined on the basis of projected future cash flows and discounted by applying a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An appropriate valuation model is used to determine the fair value less costs to sell.

Impairment of continuing operations is recorded in the income statement in the appropriate expenses category with regard to the function of the impaired asset.

An assessment is made on each reporting date in order to identify whether a previously identified indication of impairment has decreased or no longer exists. In this case, the Group estimates the recoverable amount. An impairment loss previously recorded is also reversed in the event of a change in the estimates made when determining the recoverable amount of the asset.

In this case, the carrying amount of the asset is increased to the asset's recoverable amount. When an impairment loss has been reversed, the carrying amount of an asset must not exceed the carrying amount that would have been determined, less depreciation and amortisation, had no impairment been recorded for said asset during previous periods. An impairment loss reversal is recorded in the income statement.

3.4.8 Business combinations and goodwill

a) Valuation and allocation of goodwill

As from 1 January 2010, business combinations are recorded in accordance with the amended IFRS 3, by applying the acquisition method. According to said method, the various components of the acquisition are recorded at fair value, subject to exceptions, as follows:

- The consideration transferred is measured at fair value. It includes any contingent consideration clauses that are also measured at acquisition-date fair value, which takes into account all the probabilities of occurrence. Classified as debt or equity depending on their type, commitments classified as debt are then remeasured at fair value and the difference recorded in the income statement.
- The costs directly attributable to the acquisition are recorded as expenses during the period in which they are incurred.

The acquired entity's identifiable assets, liabilities and contingent liabilities that meet IFRS accounting criteria are recorded at acquisition-date fair value, with the exception of non-current assets classified as held for sale, which are recorded at fair value less costs to sell, and other assets and liabilities (IAS 19 and IAS 12) valued in accordance with the applicable standards.

Goodwill represents any excess of the amount of consideration transferred and, where appropriate, non-controlling interests, over the net fair value of the acquired company's identifiable assets and liabilities.

Adjustments to the value of assets and liabilities relating to acquisitions recorded on a provisional basis are recorded as retrospective adjustments of goodwill if they occur within 12 months of the acquisition date. After this time, the effects are recorded directly in the income statement unless they correspond to corrections of errors.

b) Impairment of goodwill

Goodwill and CGUs

Goodwill resulting from business combinations is tested as soon as there are indications of impairment and at least once a year in order to determine whether the carrying amount is less than the recoverable amount, i.e., the amount that will be recovered through continuing use or sale.

If the recoverable amount is less than the carrying amount, an impairment loss is recorded for the difference between the two amounts.

For this test, goodwill is grouped with other assets and liabilities in a cash-generating unit (CGU) or group of CGUs. CGUs are homogeneous groups of assets whose continued use generates cash flows that are largely independent of cash flows generated by other assets or groups of assets.

The Group identified the following CGUs:

- the sub-group formed by the AD purchasing unit, Logisteo, Digital Aftermarket and ACR (as of April 2014);
- the sub-group formed by Cora and its subsidiaries;
- the sub-group formed by Bremstar;
- the sub-group formed by subsidiaries whose business is related to light vehicles;
- the sub-group formed by subsidiaries whose business is related to heavy vehicles;
- the sub-group formed by AD Polska and its subsidiary.

Holding companies and support functions are included in the segment result reconciliation.

Further to its acquisition during 2014, the inclusion of ACR in the CGU formed by the Autodistribution purchasing unit, Logisteo and Digital Aftermarket is justified mainly on the basis of the significant synergies generated in the form of end-of-month rebates and strategic bonuses negotiated by the purchasing unit that both ACR and the purchasing unit enjoy.

Assessment of the recoverable amount

The impairment test consists of measuring the CGU's recoverable amount and comparing it to its carrying amount. The recoverable amount is the higher of fair value less costs to sell and value in use.

The value in use of a CGU is determined by reference to the present value of future cash flows expected to derive from said assets in light of economic assumptions and the operating conditions expected by Group management.

An impairment loss recorded against goodwill cannot be reversed on account of an increase in its recoverable amount.

Purchasing CGU

At 31 December 2015, the assets tested were valued at €94.1 million. This amount was compared with their value in use (i.e., €407.1 million), calculated based on the present value of future cash flows using a discount rate of 8.5% and a perpetuity growth rate of 1%. A sensitivity test was performed which showed that the valuation would amount to €366.4 million in the event that objectives in the business plan (BP) were achieved at 90%. Since this is higher than the carrying amount of the net assets tested, no asset impairment was recognised.

		Discount rate				
		7.5%	**8.0%**	**8.5%**	**9.0%**	**9.5%**
% achievement of BP	**90%**	423.2	392.8	366.4	343.3	322.9
	95%	446.8	414.6	386.7	362.4	340.9
	100%	470.3	436.4	407.1	381.4	358.8

Cora CGU

At 31 December 2015, the assets tested were valued at €20.9 million. This amount was compared with their value in use (i.e., €94.8 million), calculated based on the present value of future cash flows using a discount rate of 8.5% and a perpetuity growth rate of 1%. A sensitivity test was performed which showed that the valuation would amount to €85.4 million in the event that objectives in the business plan were achieved at 90%. Since this is higher than the carrying amount of the net assets tested, no asset impairment was recognised.

		Discount rate				
		7.5%	8.0%	8.5%	9.0%	9.5%
% achievement of BP	90%	98.5	91.5	85.4	80.0	75.3
	95%	104.0	96.6	90.1	84.5	79.5
	100%	109.5	101.6	94.8	88.9	83.7

Bremstar CGU

At 31 December 2015, the assets tested were valued at €16.0 million. This amount was compared with their value in use (i.e., €29.2 million), calculated based on the present value of future cash flows using a discount rate of 8.5% and a perpetuity growth rate of 1%. A sensitivity test was performed which showed that the valuation would amount to €26.3 million in the event that objectives in the business plan were achieved at 90%. Since this is higher than the carrying amount of the net assets tested, no asset impairment was recognised.

		Discount rate				
		7.5%	8.0%	8.5%	9.0%	9.5%
% achievement of BP	90%	30.6	28.3	26.3	24.6	23.0
	95%	32.3	29.9	27.8	25.9	24.3
	100%	34.0	31.4	29.2	27.3	25.6

Light Vehicles CGU

At 31 December 2015, the assets tested were valued at €142.1 million. This amount was compared with their value in use (i.e., €212.4 million), calculated based on the present value of future cash flows using a discount rate of 8.5% and a perpetuity growth rate of 1%. A sensitivity test was performed which showed that the valuation would amount to €191.2 million in the event that objectives in the business plan were achieved at 90%. Since this is higher than the carrying amount of the net assets tested, no asset impairment was recognised.

		Discount rate				
		7.5%	8.0%	8.5%	9.0%	9.5%
% achievement of BP	90%	219.8	204.5	191.2	179.5	169.2
	95%	232.0	215.8	201.8	189.5	178.6
	100%	244.2	227.2	212.4	199.5	188.0

Heavy Vehicles CGU

At 31 December 2015, the assets tested were valued at €19.8 million. This amount was compared with their value in use (i.e., €9.2 million), calculated based on the present value of future cash flows using a discount rate of 8.5% and a perpetuity growth rate of 1%. A sensitivity test was performed which showed that the valuation would amount to €9.0 million in the event that objectives in the business plan were achieved at 95%, i.e., below the carrying amount of the net assets tested. However, since property, plant and equipment and intangible assets represent just €3.3 million of the assets tested, and in view of the performance plans rolled out by the Group, no additional asset impairment was recognised.

		Discount rate				
		7.5%	8.0%	8.5%	9.0%	9.5%
% achievement of BP	**90%**	10.0	9.3	8.5	7.8	7.2
	95%	10.6	9.8	9.0	8.2	7.6
	100%	11.1	10.1	9.2	8.4	7.7

International CGU (Poland)

At 31 December 2015, the assets tested were valued at €14.9 million. This amount was compared with their value in use (i.e., €21.9 million), calculated based on the present value of future cash flows using a discount rate of 9.5% and a perpetuity growth rate of 1%.

A sensitivity test was performed which showed that the valuation would amount to €18.4 million in the event that objectives in the business plan were achieved at 90%. Since this is higher than the carrying amount of the net assets tested, no asset impairment was recognised.

		Discount rate				
		8.5%	9.0%	9.5%	10.0%	10.5%
% achievement of BP	**90%**	21.2	19.7	18.4	17.2	16.2
	95%	22.4	20.8	19.4	18.2	17.1
	100%	25.1	23.4	21.9	20.6	19.4

3.4.9 Financial investments and other financial assets

Financial assets that fall within the scope of IAS 39 are classified as financial assets at fair value through income, held-to-maturity investments, loans and receivables, or available-for-sale financial assets, as appropriate. On initial recognition, financial assets are measured at fair value plus directly attributable transaction costs (except for the category of financial assets measured at fair value through income).

The Group determines the classification of its financial assets on initial recognition and, when permitted and appropriate, it reviews said classification on each annual reporting date.

a) Financial assets at fair value through income

The category of financial assets at fair value through income includes financial assets acquired with a view to resale in the near term.

Designated and effective hedging derivatives do not fall within this category.

At 31 December 2015, investment securities included in cash equivalents fall within this category.

b) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Group has the intent and ability to hold to maturity. After initial recognition, held-to-maturity investments are valued at amortised cost.

Gains and losses are recorded in the income statement when said investments are derecognised or impaired, using the amortised cost mechanism.

At 31 December 2015, the Group had no financial assets recorded in the held-to-maturity investments category.

c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, loans and receivables are valued at amortised cost using the effective interest rate method less any impairment. Amortised cost is calculated taking into account any initial premium or discount and includes fees that form an integral part of the effective interest rate as well as transaction costs.

d) Available-for-sale financial assets

Available-for-sale financial assets (equity investments not consolidated at 31 December 2015) are non-derivative financial assets that are designated as available for sale or are not classified in any of the preceding three categories.

After initial recognition, available-for-sale financial assets are measured at fair value and any related gains and losses are recorded directly in equity in a reserve for net unrealised gains and losses. On disposal of an available-for-sale asset, the accrued profit or loss previously recorded in equity is recorded in the income statement. The interest received or paid on said investments is recorded in financial income or expenses on the basis of the effective interest rate.

Dividends received on said investments are recorded in the income statement as "Dividends received" when the right to receive such payment is established.

e) Fair value

IFRS 13 – Fair Value Measurement, as amended in 2014, establishes a fair value hierarchy consisting of three levels:

- Level 1: prices on the valuation date for identical instruments to those being valued, quoted on an active market to which the entity has access;
- Level 2: directly observable market inputs other than Level 1 inputs;
- Level 3: inputs not based on observable market data (for example, data derived from extrapolations). This level applies when there is no observable market or data and the entity is obliged to rely on its own assumptions to assess the data that other market participants would have applied to price other instruments.

All fair value measurements are presented in Note 20 to the consolidated financial statements.

3.4.10 Impairment of financial assets

On each reporting date, the Group assesses whether a financial asset or group of financial assets is impaired.

a) Assets recorded at amortised cost

If there are objective indications of an impairment loss on loans and receivables recorded at amortised cost, the amount of the loss is equal to the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred), discounted at the effective interest rate calculated on the initial recognition date. The asset's carrying amount is reduced by using an impairment account. The amount of the impairment loss must be recorded in the income statement.

An impairment loss is recorded for trade receivables when there is an objective indication (such as a probability that the debtor will default or is in serious financial difficulties) that the Group will not be able to recover the amount due under the contractual terms of the invoice. The carrying amount of the trade receivable is reduced using an allowance account. The impaired outstanding amounts are written off when they are deemed non-recoverable.

b) Available-for-sale assets

If a financial asset is impaired, the difference between its acquisition cost, net of the repayment of the principal and amortisation, and its current fair value, less any impairment loss previously recorded in the income statement, is transferred from equity to income. Impairment losses taken against equity instruments cannot be reversed through the income statement. Impairment losses relating to debt instruments are reversed through the income statement if the increase in the instrument's fair value can be objectively related to an event that occurred after the impairment loss had been recorded in the income statement.

3.4.11 Inventories

Inventories consist primarily of goods and are valued at cost or net realisable value, whichever is lower.

Cost is calculated using the method of the last supplier price applicable at 31 December of the year under review. The cost of inventories also takes into account the impact of discounts and allowances, and discounts granted by suppliers, as well as the transportation cost of purchases.

This method of inventory costing is deemed to be a good approximation of FIFO because of the fast stock turnover.

Net realisable value is the estimated selling price at the reporting date, less estimated costs to sell taking into account technical or commercial obsolescence and the risks relating to slow-moving items.

3.4.12 Cash and cash equivalents

Cash and cash equivalents recorded in the statement of financial position include cash at bank and on hand, short term deposits with a term of three months or less and marketable securities which meet the criteria of cash equivalents, i.e., investments that are:

- short-term;
- highly liquid;
- readily convertible into known amounts of cash; and
- subject to an insignificant risk of changes in value.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents include the cash and cash equivalents as defined above, less bank overdrafts.

3.4.13 Loans and borrowings

All loans are initially recorded at fair value, less directly related transaction costs.

After initial recognition, interest-bearing loans are valued at amortised cost using the effective interest rate method. The issue costs have an impact on the initial carrying amount and are recognised over the term of the loan using the effective interest rate method. The amortised issue costs are presented as a deduction from the liabilities to which they relate.

Gains and losses are recorded in the income statement when the liabilities are derecognised through the amortised cost mechanism.

3.4.14 Provisions

a) General information

A provision is recorded when the Group has a current obligation (legal or implied) arising as a result of a past event, it is likely that an outflow of resources representing economic benefits will be necessary in order to settle the obligation and the amount of the obligation can be reliably estimated.

When the Group expects the provision to be partly or wholly refunded, for example through an insurance policy, the refund is recorded as a separate asset but only if it is virtually certain. The amount of the expense corresponding to a provision is recorded in the income statement net of any refunds.

If the effect of the time value of money is material, provisions are discounted on the basis of a current rate before tax, which reflects, where appropriate, the risks specific to the liability. When the provision is discounted, the increase relating to the passage of time is recorded as a financial expense.

b) Pensions and other post-employment benefits

In addition to basic pension plans, the Group's employees benefit from defined contribution and defined benefit plans:

Basic plans

In France, the Group pays into basic pension plans for which the expense recorded equals the contributions required by government agencies.

Defined contribution plans

The benefits paid depend solely on the total contributions made and the return on these investments. The Group's liability is limited to contributions paid which are recorded as an expense.

Defined benefit plans

In accordance with French legislation, each Group employee receives retirement benefits. These plans are largely unfunded. An independent actuary calculates the Group's commitment under this plan annually using the projected unit credit method. These calculations include demographic actuarial assumptions concerning mortality, severance, retirement conditions and future salary projections.

The Polish companies' pension liability is also calculated in accordance with current local regulations taking into account the assumptions stated above.

Probable future benefits are discounted using a discount rate determined by reference to the yield on investment-grade bonds. Actuarial gains and losses must be recognised immediately in equity. The Group has no multi-employer plans.

3.4.15 Revenue recognition

Revenue is recorded when it is probable that future economic benefits will flow to the Group and when revenue can be measured reliably. Revenue is measured at fair value of the consideration received or receivable, less any discounts and allowances and other sales taxes and customs duties. The following specific recognition criteria must also be met in order to recognise revenue:

a) Sale of goods

Revenue is recorded when the significant risks and rewards incidental to ownership of the goods are transferred to the buyer, usually on delivery of the goods.

b) Provision of services

Transactions involving the provision of services are recorded over the period in which the services are provided.

c) Interest income

Revenue is recorded for the amount of interest accrued (using the effective interest rate method, i.e., the rate that exactly discounts future cash flows over the expected life of the financial instrument to the carrying amount of the financial asset).

d) Dividends

Revenue is recorded when the shareholders' right to receive payment is established.

3.4.16 Recurring operating income

Recurring operating income comprises revenue, cost of goods for sale, payroll costs, other purchases and external expenses, taxes other than on income, other operating income and expenses, and depreciation and amortisation expenses.

It also includes, in particular, the share of expenses for pension obligations relating to the cost of services rendered during the period, the cost of employee profit-sharing plans, foreign exchange gains and losses relating to recurring operating activities, including the impact of hedge accounting on such activities, as well as gains and losses on the disposal of property, plant and equipment and intangible assets in connection with the Group's ordinary activities.

3.4.17 Other income and expenses from operations

Other income and expenses from operations relate to unusual and material events.

Other income from operations can include gains on the disposal of operations and on the disposal of property, plant and equipment and intangible assets.

Other expenses from operations can include losses on the disposal of operations and on the disposal of property, plant and equipment and intangible assets, as well as any cost relating to past disposals, the costs of restructuring or closing sites and impairment losses on assets.

3.4.18 Income tax

a) Income tax payable

Income tax assets and liabilities payable in respect of the current year and previous years are valued at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws applied to determine said amounts are those that had been enacted or substantively enacted at the reporting date.

The tax payable in relation to items recorded directly in equity is recorded in equity rather than in the income statement.

The 2010 French Finance Act introduced the Territorial Economic Contribution (*Contribution Economique Territoriale* — CET), which includes the Company Value-Added Contribution (*Cotisation sur la Value Ajoutée des Entreprises* — CVAE). The Group has analysed the methods for determining said contribution with regard to the provisions adopted by the International Financial Reporting Interpretations Committee (IFRIC) and the French national accounting board (*Conseil National de la Comptabilité* — CNC) and it concluded that this contribution meets the definition of tax payable according to IAS 12. This contribution has therefore been classified in the "Income tax" line of the financial statements since 1 January 2010.

b) Deferred tax

Deferred tax is recorded using the balance sheet liability method for any timing differences existing at the reporting date between the tax base of the assets and liabilities and their carrying amount in the statement of financial position.

Deferred tax assets are recorded for any deductible timing differences and unused tax losses and tax credits carried forward, to the extent that it is probable that a taxable profit will be available against which they may be offset.

The carrying amount of the deferred tax assets is reviewed at each reporting date and reduced if it no longer appears probable that sufficient taxable profits will be available against which some or all of said deferred tax assets can be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and recognised if it becomes likely that future taxable profits will be available against which they can be utilised.

Deferred tax assets and liabilities are valued at the tax rate that is expected to apply for the year in which the asset is realised or the liability settled, on the basis of tax rates (and tax rules) enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised directly in equity is recorded in equity rather than in the income statement.

Deferred tax assets and liabilities are offset if there is a legally enforceable right of set-off and when they relate to the same taxable entity and tax authority. Within the tax consolidation group, deferred tax assets are accordingly offset against deferred tax liabilities.

4 Business combinations and acquisition of non-controlling interests

The scope of consolidation is set out in Note 27 and the amount of goodwill in Note 9.

4.1 Changes in the scope of consolidation in 2015

4.1.1 Acquisitions and newly-consolidated companies

The Group did not acquire any entities in 2015.

4.1.2 Incorporation of companies

No companies were incorporated in 2015.

4.1.3 Business combinations

The Group pressed ahead with its cost streamlining plan during 2015, by carrying out full asset transfers (*transmission universelle du patrimoine*) and simplified mergers as summarised in the following table.

Companies dissolved via full asset transfers or simplified mergers	Merging company
Comptoir du Frein	AM Développement (renamed Comptoir du Frein)
Comptoir technique VI	AM Développement (renamed Comptoir du Frein)
Boury VI	AM Développement (renamed Comptoir du Frein)
HIS	AM Développement (renamed Comptoir du Frein)
Comptoir technique du Limousin	AM Développement (renamed Comptoir du Frein)
SARL Andrieu	Porteret et Gobillot

None of the aforementioned transactions had an impact on the Group's consolidated financial statements.

4.1.4 Disposals

The Group did not dispose of any of its entities in 2015.

4.2 Changes in the scope of consolidation in 2014

4.2.1 Acquisitions and newly-consolidated companies

Acquisition of shares in the ACR group by Autodistribution

On 7 April 2014, the Group acquired the entire share capital and all of the voting rights of the ACR group, comprising ACR Holding and ACR. The ACR group has been consolidated by the Group since the date of acquisition.

The ACR group is a renowned multi-specialist automotive spare parts distributor based in Gennevilliers in north-western Paris, and has seven logistics platforms in France. It has a workforce of around 160 employees.

The purchase price was €48.2 million and does not include any earn-out provision. Acquisition costs amounted to €0.6 million.

In 2014 financial statements, the ACR group contributed €47.6 million to Group revenue.

The identifiable assets acquired, liabilities assumed and contingent liabilities measured at fair value at 7 April 2014 are as follows (in millions of euros):

Intangible assets	3.0
Property, plant and equipment	3.4
Other non-current assets	0.5
Inventories	18.3
Trade receivables	12.3
Deferred tax assets	1.1
Other assets	0.4
Borrowings and debt	8.5
Trade payables	13.2
Provisions	1.2
Bank overdrafts	0.3
Deferred tax liabilities	1.0
Other liabilities	2.0
Net assets	**12.8**

Inventories and trade receivables were included based on their fair value.

An intangible asset in the amount of €2.7 million was recognised in the opening balance sheet to reflect the acquisition of ACR's customer relationships (amortised over five years), based on assumptions including the current customer growth rate of 2%, an attrition rate of 20% and a discount rate of 10%.

The definitive goodwill resulting from the purchase price allocation is €35.4 million (see Note 9.1 below), reflecting the synergies expected to derive from the acquisition in terms of trading and cost savings, market share and growth potential, and was allocated to the Purchasing CGU.

Acquisition price of shares	48.2
Fair value before acquisition price allocation	11.1
Intangible asset relating to acquisition of customer base	2.7
Deferred taxes on intangible asset relating to customer base	(1.0)
Fair value of net assets acquired	12.8
Goodwill	**35.4**

4.2.2 Incorporation of companies

No companies were incorporated in 2014.

4.2.3 Business combinations

The following full asset transfers or simplified mergers were carried out in 2014:

Companies dissolved via full asset transfers or simplified mergers	Merging company
Arnaudiès	Gadso
CAMI	AD Grand Ouest
Freinage Poids Lourds Services Elec'Auto (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services 28 (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services 35 (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services 44 (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services 49 (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services 56 (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services 61 (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services 72 (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services 85 (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services 86 (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services Fougères (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services Lorient (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services Pontivy (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services Romé (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services Vitré (FPLS group)	Freinage Poids Lourds Services
FPLS group	Freinage Poids Lourds Services
Gadca	Cofirhad
Lilcolor	AD Bassin Parisien Nord
AD Polska Aftermarket	AD Polska
PAM	PAO

None of the aforementioned transactions had an impact on the Group's consolidated financial statements.

4.2.4 Disposals

At 31 December 2013, Sofar was held at 75%.

On 13 September 2014, the Group acquired the remaining 25% interest in Sofar by exercising a €0.5 million minority put that had previously been recognised in debt.

At end-September 2014, the entire share capital of Sofar was sold by AD Grand Ouest to Autodistribution Talbot, an independent distributor located in the Poitou-Charentes region in south-western France. The disposal price amounted to €2.4 million.

5 Segment information

The reportable operating segments reflect the segmentation used for internal reporting purposes, which is disclosed and monitored by the chief operating decision makers.

The chief operating decision makers are responsible for managing resources and assessing the profitability of each operating segment and were identified as members of the Executive Committee in charge of strategic decisions.

The Executive Committee bases its analyses on six operating segments: Purchasing (including Logisteo, ACR and Digital Aftermarket), Light Vehicles, Heavy Vehicles, Cora, Bremstar and International (Poland). Activities of the holding companies and support functions are not broken out by segment but included under "Holding companies". A description of these segments is provided below:

- Purchasing (including Logisteo, ACR and Digital Aftermarket) is in charge of Group purchases of light vehicle parts.
- Cora is responsible for the resale of light vehicle body parts.
- Bremstar is responsible for Group purchases of heavy vehicle parts.
- Light Vehicles include the French distribution subsidiaries which sell light vehicle parts to garages and provide vehicle maintenance and repair services.
- Heavy Vehicles include the French distribution subsidiaries which sell HGV parts to garages and provide truck maintenance and repair services.
- International operations include the business of the Group's operating subsidiaries in Poland.

5.1 Segment results

2015 (in millions of euros)	Purchasing	Cora	Bremstar	Light Vehicles	Heavy Vehicles	International	Holding cos.	Group total
Total revenue	637.8	96.2	35.9	676.5	105.6	113.0	—	**1,665.0**
o/w intersegment revenue	*359.4*	*60.6*	*19.1*	*3.8*	—	—	—	***442.9***
Net revenue	**278.4**	**35.6**	**16.8**	**672.7**	**105.6**	**113.0**	**—**	**1,222.1**
EBITDA	**38.8**	**9.0**	**0.3**	**32.6**	**(0.4)**	**1.7**	**(0.3)**	**81.7**

2014 (in millions of euros)	Purchasing	Cora	Bremstar	Light Vehicles	Heavy Vehicles	International	Holding cos.	Group total
Total revenue	597.2	82.3	27.9	665.8	105.3	112.8	—	**1,591.3**
o/w intersegment revenue	*350.3*	*51.1*	*15.3*	*4.8*	*0.3*	—	—	***421.8***
Net revenue	**246.9**	**31.2**	**12.6**	**661.0**	**105.0**	**112.8**	**—**	**1,169.5**
EBITDA (restated)	**31.3**	**8.0**	**(0.5)**	**27.0**	**(1.6)**	**1.3**	**(1.2)**	**64.3**

5.2 Results and assets/liabilities by region

2015 (in millions of euros)	France	Poland	Group total
External revenue	1,109.1	113.0	**1,222.1**
Goodwill	51.8	—	**51.8**
Intangible assets	152.7	0.4	**153.1**
Property, plant and equipment	57.5	1.5	**59.0**

2014 (in millions of euros)	France	Poland	Group total
External revenue	1,056.7	112.8	**1,169.5**
Goodwill	51.8	—	**51.8**
Intangible assets	153.9	0.4	**154.3**
Property, plant and equipment	49.3	1.6	**50.9**

6 Discontinued operations

6.1 Discontinued operations at 31 December 2015

The Autodis Group did not discontinue or dispose of any operations in 2015.

6.2 Discontinued operations at 31 December 2014

The Autodis Group did not discontinue or dispose of any operations in 2014.

7 Income and expenses

7.1 Revenue

In millions of euros	2015	2014
Sales of goods held for resale	1,163.9	1,110.8
Rendering of services	58.2	58.7
Revenue — continuing operations	**1,222.1**	**1,169.5**

7.2 Personnel costs

In millions of euros	2015	2014
Wages	(179.8)	(177.3)
Social security contributions	(63.6)	(63.7)
Profit-sharing plans	(5.2)	(3.9)
Pension costs (see Note 23.1)	(0.9)	(0.5)
Personnel costs	**(249.5)**	**(245.4)**

Pension costs include the allocation to provisions for retirement benefits for the year as well as the reversal of provisions as a result of benefits paid during the year (see Note 23.1).

The Group's workforce at 31 December can be broken down as follows:

Number of employees	2015	2014
Engineers and managerial-grade staff (*cadres*)	857	847
Technical and supervisory staff	1,046	1,067
Other	4,242	4,401
Total workforce	**6,145**	**6,315**

7.3 Other purchases and external expenses

In millions of euros	2015	2014
Rental expenses	(40.4)	(41.7)
Shipping expenses	(42.7)	(41.1)
Maintenance and repairs	(14.1)	(14.6)
Legal and other fees	(7.1)	(8.4)
IT expenses	(7.5)	(7.3)
Advertising expenses	(5.2)	(3.5)
Subcontracting	(4.8)	(5.1)
Travelling expenses	(3.5)	(3.2)
Other expenses	(9.0)	(8.3)
Other purchases and external expenses	**(134.3)**	**(133.2)**

7.4 Other operating income and expenses

In millions of euros	2015	2014
Net (allocation to)/reversal of impairment of receivables	1.3	0.6
Net (allocation to)/reversal of current provisions in liabilities	0.3	(0.1)
Gains (losses) on the disposal of property, plant and equipment and intangible assets	(0.2)	—
Other	1.7	3.2
Other operating income and expenses	**3.1**	**3.7**

7.5 Other income from operations

In millions of euros	2015	2014
Gains on the disposal of property, plant and equipment and intangible assets		0.4
Reversal of provision for risk	1.4	1.5
Reversal of impairment of the Autodistribution brand (see Note 3.3.1)	—	9.0
Other income	—	1.2
Other income from operations	**1.4**	**12.1**

7.6 Other expenses from operations

In millions of euros	2015	2014
Disposal of property, plant and equipment and intangible assets		(1.2)
Goodwill impairment against the Heavy Vehicles CGU (see Note 9.2)	—	(5.8)
Impairment of certain non-current assets in the Heavy Vehicles CGU (see Note 3.4.8)	—	(3.0)
Allocation to provisions and expenses for restructuring, and for tax and employee — related disputes	(0.8)	(3.5)
Restructuring costs	(3.9)	(5.2)
Other expenses	(1.5)	(0.1)
Other expenses from operations	**(6.2)**	**(18.8)**

7.7 Financial income

In millions of euros	2015	2014
Income from financial investments	0.3	0.3
Foreign exchange gains	0.4	0.1
Gains on the disposal of non-current financial assets	0.3	0.1
Change in fair value of financial assets and liabilities	0.9	11.1
Total financial income	**1.9**	**11.6**

7.8 Financial expenses

In millions of euros	2015	2014
Cost of external loans and bank overdrafts	(19.5)	(15.1)
Discounting of borrowings and debt	(6.8)	(3.8)
Expenses related to financial instruments	(1.8)	(0.1)
Interest cost of provision for retirement benefits	(0.3)	(0.5)
Foreign exchange losses	(0.5)	(0.3)
Other financial expenses	(0.1)	(1.8)
Total financial expenses	**(29.0)**	**(21.6)**

Other financial expenses for 2014 include a debt waiver in the amount of €1.0 million. A €3.9 million early repayment was received at end-June 2014, out of a total loan of €4.9 million granted to Giadi at the time of the disposal of 80% of the shares of Parts Holding Italia in 2013 (see Note 14).

7.9 Income tax

The Group opted for tax consolidation in France.

This option concerns all the Group's French companies with the exception of non-material subsidiaries.

7.9.1 Tax expense

The tax benefit (expense) for the reference years is as follows:

In millions of euros	2015	2014
Current tax expense	(4.9)	(1.8)
Deferred tax benefit (expense)	16.1	9.0
Company Value-Added Contribution (CVAE)	(5.5)	(5.4)
Income tax	**5.7**	**1.8**

7.9.2 Type of deferred tax

Breakdown of deferred tax according to type before set off:

In millions of euros	2015	2014
Deferred tax on valuation of Sup Bonds	—	4.1
Deferred tax on recognition of loss carryforwards — Poland	0.9	1.2
Deferred tax on adjustments to pension liabilities for companies not consolidated for tax purposes	0.4	0.4
Deferred tax on recognition of loss carryforwards — France	50.1	37.5
Deferred tax on valuation of AD brand	37.8	37.8
Deferred tax on miscellaneous adjustments	0.2	1.3
Deferred tax assets before set off	**89.4**	**82.3**
Deferred tax on valuation of AD brand	(50.4)	(50.4)
Deferred tax on valuation of Sup Bonds	—	(8.3)
Deferred tax on capitalisation of borrowing costs	(1.2)	(1.5)
Deferred tax on actuarial gains and losses on pension obligations	(0.6)	(0.4)
Deferred tax on acquisition of the ACR customer base	(0.6)	(0.8)
Deferred tax on miscellaneous adjustments	(2.7)	(2.9)
Deferred tax liabilities before set off	(55.5)	(64.3)
Net deferred tax asset (liability)	**33.9**	**18.0**

In 2006, the Group exercised the expanded tax base option (possibility to offset income of companies in a previous tax group against losses in the new group to which they belong) for companies consolidated with Autodis for tax purposes. This tax consolidation group's tax loss carryforwards were offset against the taxable income of the profitable companies in an expanded base in 2015.

There is also a French tax consolidation group whose parent company is Autodis Group and which includes the companies acquired after 2006 and the companies in the expanded tax base (previously consolidated with Autodis for tax purposes).

In 2014, the French tax consolidation group generated a tax loss of €13.6 million. In 2015, the French tax consolidation group generated a tax benefit of €10.9 million.

The French Finance Act of 2013 applicable at 31 December 2012 changed the rules for recognising tax loss carryforwards. Henceforth, the carryforward of losses is limited to €1 million plus 50% of the profit exceeding that amount, as opposed to 60% in 2011.

Taxable profit is calculated initially at the level of the expanded base by offsetting 50% of the tax loss carryforwards. The result obtained is then included in the Autodis Group tax consolidation group to which the 50% recognition limit for tax loss carryforwards also applies.

A tax planning exercise for operations in France was carried out on the basis of the five-year business plan for France to determine the future utilisation of tax loss carryforwards in light of existing offset rules and to assess the deferred tax asset to be recognised in the financial statements at 31 December 2015.

This exercise shows that €178.6 million in tax loss carryforwards would be utilised, i.e., a tax saving of €50.1 million. As a precautionary measure, and as there is little visibility beyond the timeframe of the business plan, the deferred tax asset recognised in the financial statements was limited to this amount.

At 31 December 2015, tax loss carryforwards, after utilising €21.7 million in 2015, stood at €202.5 million for the expanded base and €283.3 million for the Autodis Group tax consolidation group.

No other deferred tax asset was recorded in respect of consolidation adjustments likely to reverse in the long term. As these adjustments fall outside the time horizon of the Group's 2016 budget and the four-year business plan, the Group deemed it prudent not to record any deferred tax assets after said period, except as a deduction from the deferred tax liabilities identified at the reporting date.

7.9.3 Tax proof

Reconciliation between the effective tax expense and the theoretical tax charge based on the tax rate applicable in France is as follows for 2014 and 2015:

In millions of euros	2015	2014
Income (loss) before tax	**31.4**	**29.1**
Theoretical tax: tax rate	38.00%	35.00%
Theoretical tax benefit (expense)	**(11.9)**	**(10.2)**
Effect of non-taxable income and non-deductible expenses	1.3	3.0
Differences in tax rates	0.0	0.0
Unrecognised tax losses	(3.6)	(11.6)
Company Value-Added Contribution (CVAE)	(5.5)	(5.4)
Recognition and utilisation of tax loss carryforwards — France	25.4	25.9
Recognition and utilisation of tax loss carryforwards — Poland	0.0	0.1
Tax benefit (expense) recorded in the consolidated income statement	**5.7**	**1.8**
Effective tax rate	18.2%	6.2%

8 Dividends paid and proposed

In millions of euros	2015	2014
Dividends approved during the year	—	—

9 Goodwill

9.1 Analysis of changes in gross value and impairment of goodwill

In millions of euros	Gross value	Impairment	Net value
At 31 December 2013	**400.6**	**(379.2)**	**21.4**
• newly-consolidated companies	36.2	—	36.2
• disposals	—	—	—
• impairment for the period	—	(5.8)	(5.8)
• foreign exchange gains (losses)	(0.6)	0.6	—
At 31 December 2014	**436.2**	**(384.4)**	**51.8**
• newly-consolidated companies			—
• disposals			—
• impairment for the period			—
• foreign exchange gains (losses)	0.1	(0.1)	—
At 31 December 2015	**436.3**	**(384.5)**	**51.8**

Changes in goodwill in 2014

- The acquisition of the ACR group generated goodwill of €35.4 million.
- The finalisation of the purchase price allocation for the acquisition of Rougon Queyrel 05 and subsidiaries Holding SAP and Rougon Queyrel 04 led to the recognition of goodwill in the amount of €0.7 million.
- The finalisation of the purchase price allocation for the acquisition of Comptoir Auto Marine Industrie led to the recognition of goodwill in the amount of €0.1 million.
- Impairment in the amount of €5.8 million corresponds to the write-down of goodwill allocated to the Heavy Vehicles segment further to the annual impairment tests carried out at 31 December 2014.

9.2 Impairment tests

Impairment tests on goodwill were carried out in accordance with the methodology set out in Note 3.4.8. In 2014, goodwill allocated to the Heavy Vehicles segment was written down in full in the amount of €5.8 million.

10 Intangible assets

In millions of euros	Software and licences	AD brand	Customer relationships	Other	Total
Gross value					
At 31 December 2013	**62.8**	**156.9**	**—**	**0.6**	**220.3**
• acquisitions (see Note 11.2) (A)	4.6	—	2.7	0.1	7.4
• reclassification	0.2	—	—	0.1	0.3
• disposals	(0.5)	—	—	—	(0.5)
• business acquisitions	0.4	—	—	0.1	0.5
• foreign exchange gains (losses)	—	—	—	—	—
At 31 December 2014	**67.5**	**156.9**	**2.7**	**0.9**	**228.0**
• acquisitions (see Note 11.2)	4.0			0.9	4.9
• reclassification	0.2			(0.2)	—
• disposals	(0.2)			—	(0.2)
• business acquisitions	—			—	—
• foreign exchange gains (losses)	—			—	—
At 31 December 2015	**71.5**	**156.9**	**2.7**	**1.6**	**232.6**
Amortisation and impairment					
At 31 December 2013	**54.5**	**21.9**	**—**	**0.4**	**76.8**
• amortisation (see Note 11.1)	5.6	—	0.4	0.1	6.1
• impairment	—	—	—	—	—
• reclassification	0.1	—	—	—	0.1
• impairment reversals/tests	(0.5)	(9.0)	—	—	(9.5)
• business acquisitions	0.2	—	—	—	0.2
• foreign exchange gains (losses)	—	—	—	—	—
At 31 December 2014	**59.9**	**12.9**	**0.4**	**0.5**	**73.7**
• amortisation (see Note 11.1)	5.6		0.5	—	6.1
• impairment	(0.2)		—	—	(0.2)
• reclassification	—				—
• impairment reversals/tests	—				—
• business acquisitions	—				—
• foreign exchange gains (losses)	—				—
At 31 December 2015	**65.3**	**12.9**	**0.9**	**0.5**	**79.6**
Net value					
At 31 December 2014	**7.6**	**144.0**	**2.3**	**0.4**	**154.3**
At 31 December 2015	**6.2**	**144.0**	**1.8**	**1.1**	**153.1**

(A) Customer relationships in the amount of €2.7 million represent the proportionate share attributable to the acquisition of the ACR customer base. This acquisition is described in further detail in Note 4.2.1.

11 Property, plant and equipment

In millions of euros	Land	Property and fixtures	Technical fittings	Vehicles	IT equipment	Furnishings	Assets under construction	Total
Gross value								
At 31 December 2013	**5.1**	**89.1**	**47.2**	**12.9**	**21.9**	**4.8**	**1.9**	**182.9**
• acquisitions (see Note 11.2)	—	7.4	3.0	1.4	1.7	0.3	0.2	14.0
• reclassification	—	0.1	(0.2)	—	0.1	—	(1.9)	(1.9)
• disposals	(0.2)	(5.1)	(3.6)	(1.3)	(0.8)	(0.1)	—	(11.1)
• change in scope of consolidation	—	0.4	3.2	(0.1)	0.4	—	—	3.9
• foreign exchange gains (losses)	—	—	(0.1)	—	(0.1)	—	—	(0.2)
At 31 December 2014	**4.9**	**91.9**	**49.5**	**12.9**	**23.2**	**5.0**	**0.2**	**187.6**
• acquisitions (see Note 11.2)	0.4	11.1	3.0	1.7	1.5	0.3	3.8	21.8
• reclassification	—	(0.3)	(0.2)	—	(0.1)	—	(0.2)	(0.7)
• disposals	(0.1)	(6.0)	(5.8)	(1.6)	(1.9)	(0.1)	—	(15.5)
• change in scope of consolidation	—	—	—	—	—	—	—	—
• foreign exchange gains (losses)	—	—	—	—	—	—	—	—
At 31 December 2015	**5.2**	**96.7**	**46.5**	**13.1**	**22.7**	**5.2**	**3.8**	**193.2**
Depreciation and impairment								
At 31 December 2013	**0.7**	**61.2**	**38.5**	**9.5**	**18.2**	**4.0**	**—**	**132.1**
• depreciation (see Note 11.1)	—	5.5	3.2	1.4	1.8	0.3	—	12.2
• impairment	1.0	0.8	1.2	—	—	—	—	3.0
• reclassification	—	(1.2)	(0.5)	(0.1)	—	—	—	(1.8)
• reversals relating to disposals	—	(4.2)	(3.2)	(1.2)	(0.8)	(0.2)	—	(9.6)
• change in scope of consolidation	—	(0.1)	0.8	(0.1)	0.3	—	—	0.9
• foreign exchange gains (losses)	—	—	(0.1)	—	—	—	—	(0.1)
At 31 December 2014	**1.7**	**62.0**	**39.9**	**9.5**	**19.5**	**4.1**	**—**	**136.7**
• depreciation (see Note 11.1)	—	6.0	2.8	1.4	1.8	0.3	—	12.3
• impairment	—	—	—	—	—	—	—	—
•reclassification	—	(0.4)	(0.1)	—	—	—	—	(0.5)
• reversals relating to disposals	—	(5.1)	(5.6)	(1.5)	(2.0)	(0.1)	—	(14.3)
• change in scope of consolidation	—	—	—	—	—	—	—	—
• foreign exchange gains (losses)	—	—	—	—	—	—	—	—
At 31 December 2015	**1.7**	**62.5**	**37.0**	**9.4**	**19.3**	**4.3**	**—**	**134.2**
Net value								
At 31 December 2014	**3.2**	**29.9**	**9.6**	**3.4**	**3.7**	**0.9**	**0.2**	**50.9**
At 31 December 2015	**3.5**	**34.2**	**9.6**	**3.6**	**3.4**	**0.9**	**3.8**	**59.0**

Property, plant and equipment held under finance leases is set out in Note 30.2.

11.1 Reconciliation of depreciation/amortisation expense recorded in the income statement

	2015	2014
• intangible assets (see Note 10)	(6.2)	(6.1)
• property, plant and equipment (see Note 11)	(12.3)	(12.2)
Depreciation/amortisation expense	**(18.5)**	**(18.3)**

11.2 Reconciliation of property, plant and equipment and intangible asset acquisitions shown in the statement of cash flows

	2015	2014
• intangible assets (excluding customer relationships) (see Note 10)	4.9	4.7
• property, plant and equipment (see Note 11)	21.8	14.0
Acquisitions of non-current assets	**26.7**	**18.7**

12 Investments in associates

In millions of euros	Neoparts	AD International	Total
At 31 December 2013	**0.1**	**0.3**	**0.4**
• net income (loss)	—	—	—
• dividends paid	—	—	—
• other changes	—	0.1	0.1
At 31 December 2014	**0.1**	**0.4**	**0.5**
• net income (loss)	—	—	—
• dividends paid		(0.1)	(0.1)
• other changes	—	—	—
At 31 December 2015	**0.1**	**0.3**	**0.4**

Key figures at 31 December 2015 (data based on a 100% interest)

	Last approved financial statements at 31 December 2015		Last approved financial statements at 31 December 2014	
In millions of euros	Neoparts	AD International	Neoparts	AD International
Total current assets	6.1	15.0	6.2	15.0
Total non-current assets	0.5	0.5	0.4	0.5
Total current liabilities	4.1	14.1	4.9	13.9
Total non-current liabilities	1.8	0.0	1.3	0.0
Total equity	0.7	1.4	0.3	1.6
Total revenue	18.6	0.0	18.8	0.0
Net income (loss)	0.1	0.0	(0.1)	0.0

The Group's interest in each of the equity-accounted companies cited above is set out in Note 27.

The nature of the Group's relationships with these equity-accounted companies is set out in Note 28.

13 Available-for-sale financial assets

The table below summarises available-for-sale financial assets corresponding to non-consolidated equity investments at 31 December 2015. These investments are remeasured to fair value at each reporting date.

Company (in millions of euros)	% interest	Gross value	Impairment	Net value
AD Maroc	7.7%	0.27	0.27	—
SCI Morangis	10.3%	0.06	—	0.06
Other		1.33	0.03	1.30
Total		**1.66**	**0.30**	**1.36**

At 31 December 2014:

Company (in millions of euros)	% interest	Gross value	Impairment	Net value
AD Maroc	7.7%	0.27	0.27	—
SCI Morangis	10.3%	0.06	—	0.06
Other		0.15	0.03	0.12
Total		**0.48**	**0.30**	**0.18**

14 Other non-current assets

In millions of euros	Loans	Deposits, guarantees and other sureties	Total
Gross value			
At 31 December 2013	**6.9**	**9.9**	**16.8**
• acquisitions	0.5	0.2	0.7
• reclassification	—	—	—
• disposals(A)	(5.2)	(2.2)	(7.4)
• business acquisitions	—	0.7	0.7
• foreign exchange gains (losses)	—	—	—
At 31 December 2014	**2.2**	**8.6**	**10.8**
Depreciation, amortisation and impairment	—	—	—
Net value at 31 December 2014	**2.2**	**8.6**	**10.8**

(A) Includes loans in the amount of €(5.2) million, of which €(4.9) million corresponds to the early and full repayment of the loan granted to Parts Holding Italia (PHI). The early repayment in the amount of €3.9 million closes out the loan negotiated as part of the sale of the 80% interest in PHI.

Includes guarantees and deposits for €(1.6) million, of which €(1.2) million concerns reversals of capitalised vendor warranties.

In millions of euros	Loans	Deposits, guarantees and other sureties	Total
Gross value			
At 31 December 2014	**2.2**	**8.6**	**10.8**
• acquisitions	5.5	2.0	7.5
• reclassification	—	(0.2)	(0.2)
• disposals(A)	(0.1)	(2.4)	(2.5)
• business acquisitions	—	—	—
• foreign exchange gains (losses)	—	—	—
At 31 December 2015	**7.6**	**8.0**	**15.6**
Depreciation, amortisation and impairment	—	—	—
Net value at 31 December 2015	**7.6**	**8.0**	**15.6**

(A) Includes guarantees and deposits for €(2.4) million, of which €(1.4) million concerns reversals of capitalised vendor warranties.

15 Inventories

In millions of euros	31 Dec. 2015	31 Dec. 2014
Gross value	229.4	225.2
Impairment	(21.9)	(24.2)
Net value	**207.5**	**201.0**

Net movements in impairment amounted to a decrease of €2.3 million in 2015 and an increase of €0.2 million in 2014.

16 Trade receivables

In millions of euros	31 Dec. 2015	31 Dec. 2014
Trade receivables	210.8	200.2
Discounts, rebates and refunds	(21.4)	(23.2)
Impairment	(10.8)	(11.9)
Net value	**178.6**	**165.1**

The Autodistribution group entered into a factoring agreement with Eurofactor for a total of €50.0 million. The ACR group also entered into a factoring agreement with CGA for a total of €15.0 million. The factored receivables remain in the consolidated financial statements.

In 2015, the Group sold receivables amounting to €46.9 million while keeping drawdowns to €8.3 million (sold receivables amounted to €32.8 million and drawdowns to €1.0 million in 2014).

At 31 December 2015, the analysis of trade receivables past due but not impaired was as follows:

			Trade receivables past due				
In millions of euros	**Total**	**Not yet due**	**Less than 30 days**	**Between 30 and 60 days**	**Between 60 and 90 days**	**Between 90 and 120 days**	**More than 120 days**
Trade receivables	210.8	194.4	7.7	3.3	0.8	1.0	3.6
DRR(*)	(21.4)						
Impairment	(10.8)						
Total	**178.6**						

(*) Discounts, rebates and refunds

At 31 December 2015, impairment relates primarily to trade receivables past due.

At 31 December 2014, the analysis of trade receivables past due but not impaired was as follows:

			Trade receivables past due				
In millions of euros	**Total**	**Not yet due**	**Less than 30 days**	**Between 30 and 60 days**	**Between 60 and 90 days**	**Between 90 and 120 days**	**More than 120 days**
Trade receivables	200.2	176.2	8.5	4.4	2.4	1.8	6.9
DRR(*)	(23.2)						
Impairment	(11.9)						
Total	**165.1**						

(*) Discounts, rebates and refunds

Changes in impairment of trade and other receivables can be broken down as follows:

	2015		2014	
	Trade receivables	Other receivables	Trade receivables	Other receivables
Balance at 1 January	**11.9**	**—**	**11.8**	**—**
Allocation	3.4	—	2.7	0.1
Reversal	(4.6)	—	(3.3)	—
Changes in scope of consolidation	—	—	0.8	—
Reclassifications	0.1	—	(0.1)	—
Balance at 31 December	**10.8**	**—**	**11.9**	**0.1**

17 Other current assets, net

In millions of euros	31 Dec. 2015	31 Dec. 2014
Prepaid expenses	10.8	9.4
Other receivables	1.3	0.5
Accrued income	0.5	0.7
CICE tax credit receivables (see Note 21.1)	17.6	10.4
Other	0.2	—
Total	**30.4**	**21.0**

In 2014, receivables relating to the CICE tax credits for 2013 and 2014 were sold to Bpifrance Financement in exchange for financing in an amount equal to 85% of the assigned receivables. The factoring agreements provide for the repurchase of the receivables at maturity for an amount equivalent to their face value. Therefore, they have not been derecognised and the related liabilities are not offset, in accordance with IAS 39.36.

18 Cash and cash equivalents

In millions of euros	31 Dec. 2015	31 Dec. 2014
Cash equivalents	35.6	55.0
Cash at bank and on hand	8.6	10.5
Restricted cash	0.0	2.2
Total	**44.2**	**67.7**

Cash equivalents include money-market funds (SICAV) taken out by AD/Autodis/Autodis Group with Amundi and BNPP banks (€35.6 million). Since these investments are subject to an insignificant risk of changes in value, they qualify as cash equivalents.

The carrying amount of all these items corresponds to their fair value.

For the purposes of the consolidated statement of cash flows, the “Cash and cash equivalents” heading includes the following items at 31 December:

In millions of euros	31 Dec. 2015	31 Dec. 2014
Cash equivalents	35.6	55.0
Cash at bank and on hand	8.6	10.5
Restricted cash	0.0	2.2
Bank overdrafts (see Note 21.2)	(9.5)	(6.7)
Net cash and cash equivalents	**34.7**	**61.0**

19 Issued capital and reserves

Autodis Group SAS was incorporated on 18 January 2006 via a fully paid-up cash subscription of €37,000. In connection with the acquisition of the Autodis group, its capital was increased on 1 March 2006 by a cash contribution of €55,900,000 and on 23 June 2006 by converting a shareholder current account of €1,100,000 into equity, thereby bringing total capital to €57,037,000. As a result of refinancing on 21 April 2009, the capital increased to €152,598,261. The company was wholly owned by Parts Holdings Coöperatief U.A. until mid-December 2015, and is now owned by Bain Capital Europe, LLP.

As a result of refinancing transactions on 31 January 2014, Autodis Group's capital decreased by €4,577,947.83. As the number of shares comprising the share capital remains unchanged, the par value of the shares has been reduced from €1 to €0.97.

On 11 June 2015, the Group's sole shareholder decided on the buyback of ordinary shares in the company: Parts Holdings Coöperatief UA for an amount of €18,476,190.43 through a capital decrease in the same amount, which led to a €21,523,810 decrease in the Group's consolidated reserves.

At 31 December 2015, the share capital of Autodis Group amounted to €129,544,122.74, represented by 133,550,642 shares with a par value of €0.97. No preference shares were issued.

20 Presentation of financial assets and liabilities

At 31 December 2015:

(in millions of euros)	Assets/liabilities at fair value through income	Assets/ liabilities at amortised cost	Available-for-sale assets at fair value	Total net carrying amount	Total fair value
Available-for-sale financial assets			1.4	**1.4**	**1.4**
Other non-current assets, net		15.6		**15.6**	**15.6**
Trade receivables, net		178.6		**178.6**	**178.6**
Other current assets, net		30.4		**30.4**	**30.4**
Cash and cash equivalents	44.2			**44.2**	**44.2**
Derivative financial instruments					
Financial assets	**44.2**	**224.6**	**1.4**	**270.2**	**270.2**
Borrowings and debt (current and non-current)	2.0	304.3		**306.3**	**306.3**
Trade payables		140.2		**140.2**	**140.2**
Other non-current liabilities		4.5		**4.5**	**4.5**
Other current liabilities(1)		10.0		**10.0**	**10.0**
Derivative financial instruments					
Financial liabilities	**2.0**	**459.0**	**—**	**461.0**	**461.0**

Cash and cash equivalents are measured at level 1 of the fair value hierarchy.

At 31 December 2014:

(in millions of euros)	Assets/liabilities at fair value through income	Assets/ liabilities at amortised cost	Available-for-sale assets at fair value	Total net carrying amount	Total fair value
Available-for-sale financial assets			0.2	**0.2**	**0.2**
Other non-current assets, net		13.1		**13.1**	**13.1**
Trade receivables, net		165.1		**165.1**	**165.1**
Other current assets, net		21.0		**21.0**	**21.0**
Cash and cash equivalents	55.0	12.7		**67.7**	**67.7**
Derivative financial instruments					
Financial assets	**55.0**	**211.9**	**0.2**	**267.1**	**267.1**
Borrowings and debt (current and non-current)	1.8	259.7		**261.5**	**261.5**
Trade payables		148.5		**148.5**	**148.5**
Other non-current liabilities		3.9		**3.9**	**3.9**
Other current liabilities(1)		8.5		**8.5**	**8.5**
Derivative financial instruments					
Financial liabilities	**1.8**	**420.6**	**—**	**422.4**	**422.4**

(1) Excluding tax and social security liabilities outside the scope of IAS 39.

Cash and cash equivalents are measured at level 1 of the fair value hierarchy.

21 Borrowings and debt

21.1 Group financing

On 31 January 2014, the Group refinanced its long-term debt by means of a €240 million bond issue on the Dublin market. These bonds pay interest at 6.5% on 1 February and 1 August each year, and mature on 1 February 2019.

On 15 May 2015, the Group completed its corporate restructuring and refinancing by issuing an additional €60 million tranche of bonds on the Dublin stock exchange.

Taken together with the original €240 million issue, this brought the total amount of bond issuance to €300 million.

The gross value of the additional tranche of bonds is €61.95 million, reflecting an issue premium of 103.25%. The conditions for the additional issue were identical to the original bond, i.e., interest at 6.5% payable on 1 February and 1 August each year, and maturing on 1 February 2019.

This transaction generated an expense of €2.3 million. In the Group's financial statements, these expenses are included in the value of the loan and are amortised over its term.

In early December 2015, the Group redeemed €30 million in bonds in connection with the acquisition of Autodis Group by Bain Capital.

Accordingly, the nominal amount of outstanding bonds at 31 December 2015 totalled €270 million.

The Group has also negotiated a revolving credit facility with JP Morgan for €40.0 million, paying interest at Euribor +3.5%.

The Group's borrowings do not include any covenants.

The refinancing transactions are summarised in the table below:

	2015	2014
Drawdowns in connection with factoring agreements	7.3	1.0
Senior Secured Notes	63.1	240.0
Refinancing fees	(2.3)	(12.0)
CICE tax credit financing	—	9.6
Other bond issues	2.1	—
Increase in borrowings	**70.2**	**238.6**
Repayment of PH senior equity loan	—	(9.5)
Repayment of refinancing term facility loan	—	(64.3)
Repayment of corporate purposes term facility loan	—	(18.6)
Repayment of PH free shareholder loan	—	(50.0)
Repayment of promissory notes	—	(5.0)
Repayment of EP bonds	—	(2.6)
Sup Bonds	(3.3)	—
Senior Secured Notes	(30.0)	—
Repayment of drawdowns in connection with factoring agreements	—	(10.2)
Repayment of other borrowings and loans	(1.0)	(1.5)
Repayment of borrowings	**(34.3)**	**(161.7)**

At 31 December 2015, the Group's financing broke down as follows:

Bond issue	Nominal value (€m)	Fair value at 31 Dec. 2015 (€m)	Value at amortised cost at 31 Dec. 2015 (€m)	Fixed interest rates	Maturity	Comments
Senior secured notes	270.0	279.1	262.1	6.5%	February 2019	Fully underwritten
Sup Bonds	2.0	2.0		—		Fully underwritten

21.2 Breakdown of borrowings and debt by type

In millions of euros	Notes	31 Dec. 2015	31 Dec. 2014
Non-current			
• Senior Secured Notes		262.1	229.9
• Sup Bonds		—	1.8
• Amounts owed under finance leases (more than one year)	(1)	0.2	0.4
• CICE tax credit financing with Bpifrance		5.9	9.6
• Other borrowings and accrued interest	(2)	1.8	0.4
Sub-total of non-current borrowings and debt		**270.0**	**242.0**
Current			
• Senior Secured Notes interest		7.3	6.6
• Sup Bonds		2.0	—
• Value of put option held by minority shareholders		4.6	4.2
• Amounts owed under finance leases (less than one year)	(1)	0.2	0.3
• CICE tax credit financing with Bpifrance		3.7	—
• Other borrowings (less than one year)	(2)	0.7	0.7
• CGA and Eurofactor factoring		8.3	1.0
• Bank overdrafts (see Note 18)	(3)	9.5	6.7
Sub-total of current borrowings and debt		**36.3**	**19.5**
Total borrowings and debt		**306.3**	**261.5**

(1) Amounts owed under finance leases are the result of leases and sale and leaseback agreements used to finance the purchase of vehicles and certain investments in real estate, IT and furniture.

(2) Borrowings and debt incurred by some of the Group's subsidiaries.

(3) Bank overdraft in Poland and bank account debit balances resulting from normal time lags between the value date for banking purposes and entry dates in the accounts.

Interest on bank overdrafts used by the Group and its subsidiaries is charged at market rates.

At 31 December 2015, the Group had available credit lines of €117.4 million as follows:

	Conditions	Drawdowns
Poland — Pekao Bank	PLN 32.0 million (i.e., €7.5 million at 31 Dec. 2015) at 1-month Wibor +1%	Partial drawdown of €7.4 million
Eurofactor Autodistribution, Gadso, FIA, AD Grand Ouest	€50.0 million at 3-month Euribor +0.75%	Undrawn
Revolving credit facility — JP Morgan	€40.0 million at Euribor +3.5%	Undrawn
Enssemble group — SG, BP, HSBC, BNP	Short-term overdrafts: €2.5 million	Undrawn
FPLS — LCL, BPO	Short-term overdrafts: €2.4 million	Partial drawdown of €2.1 million
ACR group — CGA factoring	€15.0 million at CGA rate +0.60%	Partial drawdown of €8.3 million

21.3 Breakdown of non-current borrowings and debt by maturity

The amounts below include contractual cash flows net of projected repayments plus interest payable.

21.3.1 At 31 December 2015

	Interest payments				Gross repayments				
In millions of euros	**Less than 1 year**	**Between 1 and 5 years**	**More than 5 years**	**Total**	**Less than 1 year**	**Between 1 and 5 years**	**More than 5 years**	**Total**	**Total**
Senior Secured Notes	18.2	43.9	—	**62.1**	—	270.0	—	270.0	**332.1**
Sup Bonds	—	—	—	—	2.0	—	—	2.0	**2.0**
Amounts owed under finance leases	—	—	—	—	0.2	0.2	—	0.4	**0.4**
CICE tax credit financing					3.7	5.9		9.6	**9.6**
Other borrowings and accrued interest		0.1		**0.1**	0.6	1.4	0.5	2.5	**2.6**
Total non-current borrowings and debt	**18.2**	**44.0**	**—**	**62.2**	**6.5**	**277.5**	**0.5**	**284.5**	**346.7**

21.3.2 At 31 December 2014

	Interest payments				Gross repayments				
In millions of euros	**Less than 1 year**	**Between 1 and 5 years**	**More than 5 years**	**Total**	**Less than 1 year**	**Between 1 and 5 years**	**More than 5 years**	**Total**	**Total**
Senior Secured Notes	15.8	55.5	—	**71.3**	—	240.0	—	**240.0**	**311.3**
Sup Bonds	—	—	—	—	—	1.8	—	**1.8**	**1.8**
Amounts owed under finance leases	—	—	—	—	0.3	0.4	—	**0.7**	**0.7**
CICE tax credit financing	0.1	0.2	—	**0.3**	—	9.6	—	**9.6**	**9.9**
Other borrowings and accrued interest	—	—	—	—	0.7	0.4	—	**1.1**	**1.1**
Total non-current borrowings and debt	**15.9**	**55.7**	**—**	**71.6**	**1.0**	**252.2**	**—**	**253.2**	**324.8**

22 Financial risk management objectives and policies

The Group's main instruments consist of borrowings and bank overdrafts, amounts owed under finance leases, trade payables, lease agreements with a purchase option and loans granted. The financial instruments are contracted principally to finance the Group's operating activities. The Group has other financial assets such as trade receivables, cash and cash equivalents and short-term deposits, which are generated directly by its operations.

The main risks related to the Group's financial instruments are cash flow interest rate risk, foreign exchange risk, counterparty risk and liquidity risk. The policies in place for managing these risks are summarised below.

The Group manages its capital in such a way as to optimise debt to equity ratios and the financial leverage obtained by debt.

22.1 Interest rate risk

The Group borrows at a fixed rate and is not therefore exposed to any interest rate risk on this portion of its debt.

22.2 Foreign exchange risk

The Group is exposed to exchange rate risk for its operations in Poland accounted for in zloty and translated into euros in the consolidated financial statements in accordance with the principles described in Note 3.4.2.

The resulting translation differences are allocated directly to a separate line item under equity and were not material at 31 December 2015. No specific hedges were taken out in respect of this foreign exchange risk.

22.3 Counterparty risk

The Group's policy is to verify up front the financial health of all customers that wish to obtain payment credit terms.

The Group has put in place procedures for monitoring outstanding receivables in order to reduce its credit default exposure. These procedures are based on classifying customers by type, payment history, past or present financial difficulties, and the existence of any legal proceedings.

Regarding the credit risk relating to the Group's other financial assets, particularly cash and cash equivalents, available-for-sale financial assets and some derivative instruments, the Group's exposure relates to potential defaults by the third parties concerned and its maximum exposure equals the carrying amount of these instruments.

22.4 Liquidity risk

The Group's objective is to maintain a balance between the continuity and flexibility of financing through the use of bank borrowings, bonds, finance leases and purchases on credit.

22.5 Capital management

The Group's main objective in terms of its capital management is to ensure that it maintains a good credit risk rating and healthy capital ratios so as to facilitate its operations and maximise value for shareholders.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group can adjust the payment of dividends to shareholders, repay some of the capital or issue new shares.

The Group does not have any equity-based covenants.

23 Liabilities relating to employee benefits

The provisions recorded in the statement of financial position relate to retirement benefits.

23.1 Changes in the provision on the statement of financial position

In millions of euros	2015	2014
Obligation at 1 January	**22.7**	**16.1**
Service cost	1.9	1.1
Interest cost	0.3	0.5
Actuarial gains (losses)	(2.0)	5.6
Change in scope of consolidation	—	—
Curtailments/terminations	—	—
Benefits paid	(1.0)	(0.6)
Obligation at 31 December	**21.9**	**22.7**
Plan assets at 31 December	(0.2)	(0.2)
Provision at 31 December	**21.7**	**22.5**

Movements in the provision recorded in the statement of financial position were as follows:

In millions of euros	2015	2014
Provision at 1 January	**22.5**	**15.9**
Expense for the year	2.2	1.6
Benefits paid	(1.0)	(0.6)
Actuarial gains (losses)	(2.0)	5.6
Changes in scope of consolidation/curtailments	—	—
Benefits paid by the fund	—	—
Provision at 31 December	**21.7**	**22.5**

23.2 Costs of retirement benefits recorded in income

In millions of euros	2015	2014
Service cost	(1.9)	(1.1)
Interest cost	(0.3)	(0.5)
Expense for the year	**(2.2)**	**(1.6)**

23.3 Actuarial assumptions

The basic assumptions made for these calculations (employee turnover rate and salary increase rate) have been determined on the basis of the Group's projected and historical policy. The valuation assumptions used in the calculations for the periods presented are as follows:

	2015		2014	
	France	Poland	France	Poland
Discount rate	2.0%	2.73%	1.50%	2.54%
Long-term salary increase rate:				
Employees — supervisors	2.50%/year	2.50%/year	2.50%/year	2.50%/year
Managerial-grade staff (*cadres*)	3.50%/year	3.50%/year	3.50%/year	3.50%/year

Since 2011, the mortality tables used are TGH 05 and TGF 05. They take account of both gender and age factors.

The discount rates applied are obtained by reference to the long-term yield on investment-grade bonds.

Employee turnover rates are shown in the table below (resignations only):

Age	2015 Managerial-grade staff (cadres)	2015 Technical and supervisory staff	2015 Other	2014 Managerial-grade staff (cadres)	2014 Technical and supervisory staff	2014 Other
16-24	10%	10%	10%	10%	10%	10%
25-29	9%	9%	9%	9%	9%	9%
30-34	6%	7%	5%	6%	7%	5%
35-39	4%	4%	5%	4%	4%	5%
40-44	3%	3%	4%	3%	3%	4%
45-49	2%	3%	2%	2%	3%	2%
50-55	2%	2%	2%	2%	2%	2%
56 and over	0%	0%	0%	0%	0%	0%

23.4 Sensitivity tests at 31 December 2015

An increase or decrease of 0.25% in the discount rate and assumed rate of increase in salaries would have the following impacts:

	Discount rate		
France	1.75%	2.0%	2.25%
Poland	2.48%	2.73%	2.98%
Provision in the statement of financial position	22.4	21.7	21.0
Service cost	2.0	1.9	1.8

		Long-term salary increase rate		
France	Employees — supervisors	2.25%	2.50%	2.75%
	Managerial-grade staff (*cadres*)	3.25%	3.50%	3.75%
Poland	Employees — supervisors	2.25%	2.50%	2.75%
	Managerial-grade staff (*cadres*)	3.25%	3.50%	3.75%
Provision in the statement of financial position		21.0	21.7	22.4
Service cost		1.8	1.9	2.0

24 Other non-current liabilities

In millions of euros	31 Dec. 2015	31 Dec. 2014
Guarantees and deposits received	2.0	1.7
Amounts payable on non-current assets	2.1	1.8
Other	0.4	0.4
Total	**4.5**	**3.9**

25 Current and non-current provisions

25.1 Current provisions

Movements in current provisions were as follows:

In millions of euros	1 Jan. 2015	Newly-consolidated	Reclassifi-cations	Allocations	Reversals (used provisions)	Reversals (surplus provisions)	Total reversals	31 Dec. 2015
Industrial disputes	**3.0**		0.5	1.3	0.9	0.7	1.6	**3.2**
Site closures(*)	**3.0**		0.9	0.2	1.8	0.6	2.4	**1.7**
Repairs — major work	**0.4**				0.1	0.1	0.2	**0.2**
Tax risk	**2.7**				0.9	1.4	2.3	**0.4**
Supplier disputes	**0.6**				0.4	0.1	0.5	**0.1**
Customer disputes	**0.5**		(0.2)	0.1	—	0.1	0.1	**0.3**
Other provisions	**2.2**			0.1	0.6	0.1	0.7	**1.6**
Total	**12.4**		**1.2**	**1.7**	**4.7**	**3.1**	**7.8**	**7.5**

In the ordinary course of its operations, the Group may be involved in legal procedures relating to industrial disputes, commercial disputes, etc. In such cases, in conjunction with its legal advisors, the Group analyses the circumstances of the disputes and assesses the probability that an outflow of resources will be required to settle them.

(*) The reversal of the provision for site closures at Logisteo amounts to €1.6 million, less a discounting adjustment to reflect the passage of time of €(0.1) million.

25.2 Non-current provisions

Movements in non-current provisions were as follows:

In millions of euros	1 Jan. 2015	Newly-consolidated	Reclassifi-cations	Allocations	Reversals (used provisions)	Reversals (surplus provisions)	Total reversals	31 Dec. 2015
Site closures	2.1		(1.4)					0.7
Total	**2.1**		**(1.4)**					**0.7**

The non-current provision for site closures relates to the closure of Logisteo's "B" site at Moissy Cramayel.

26 Trade payables, tax liabilities and other current liabilities

In millions of euros	31 Dec. 2015	31 Dec. 2014 (restated)
Trade payables	**140.2**	**148.5**
Other current liabilities		
Tax and social security liabilities, personnel	61.2	58.0
Employee profit-sharing (current)	2.5	2.1
Other payables	4.8	4.2
Prepaid income	2.7	2.2
Sub-total	**71.2**	**66.5**
Total	**221.4**	**215.0**

27 Scope of consolidation

At 31 December 2015, the scope of consolidation was as follows:

	Consolidation method	Country	% interest 2015	% interest 2014
Autodis Group SAS	Parent	France	100	100
ACR Holding	Full	France	100	100
ACR Group	Full	France	100	100
AD Bassin Parisien Nord	Full	France	99.99	99.99
Auto Contrôle SARL (Enssemble group)	Full	France	100	100
Autodis	Full	France	100	100
Autodistribution	Full	France	100	100
Autodistribution Sogo	Full	France	99.95	99.95
AD Grand Ouest	Full	France	100	100
AD Manche Calvados	Full	France	79.40	79.40
AD Normandie Maine	Full	France	79.40	79.40
ALES PL	Full	France	50.50	50.50
Comptoir du Frein (formerly AM Développement)	Full	France	100	100
Andrieu SARL (Enssemble group)	Full	France		100
Boury V.I.	Full	France		100
Bremstar	Full	France	100	100
Bugisy (Enssemble group)	Full	France	100	100
Busnengo	Full	France	99.98	99.98
Cofirhad	Full	France	100	100
Cogemad	Full	France	100	100
Comptoir du Frein	Full	France		100
Comptoir Technique V.I.	Full	France		100
Comptoir Technique du Limousin	Full	France		100
Comptoir V.I.	Full	France	50.50	50.50
Cora SAS	Full	France	100	100
Digital Aftermarket	Full	France	100	100
Autodistribution Gobillot Rhone (formerly Enssemble SAS)	Full	France	100	100
Etablissements Rembaud	Full	France	100	100
Etablissement Rougon Queyrel	Full	France	100	100
FIA	Full	France	100	100
FRA SARL (Enssemble group)	Full	France	100	100
FPLS group	Full	France	100	100
Gadest	Full	France	100	100
Gadso	Full	France	100	100
Gibelin	Full	France	99.92	99.92
Girde	Full	France	100	100
H.I.S.	Full	France		100
Holding SAP	Full	France	95.10	95.10
Ile-de-France Poids Lourds	Full	France	100	100
Logisteo	Full	France	100	100
Lorat SCI (Enssemble group)	Full	France	100	100
Magenta Autos Pièces	Full	France	99.97	99.97
PAO	Full	Belgium	100	100
Plateforme Technique Nationale Montajault	Full	France	100	100
Porteret et Gobillot (Enssemble group)	Full	France	100	100
Rougon Queyrel 04	Full	France	95.10	95.10
RM Distribution (FPLS group)	Full	France	100	100
SDFM	Full	France	100	100
Station Technique Auto Carrosserie	Full	France	100	100

	Consolidation method	Country	% interest 2015	% interest 2014
Sylmart Belgique	Full	Belgium	100	100
Synimalau SCI (Enssemble group)	Full	France	100	100
TC26	Full	France	100	100
Truck & Car Services	Full	France	100	100
Trucks Services Occitans	Full	France	100	100
Val de Loire PL	Full	France	100	100
AD Polska	Full	Poland	100	100
AD International	Equity method	Belgium	20.00	20.00
Neoparts	Equity method	France	20.00	20.00
Parts Distribuzione Italia	Equity method	Italy	18.16	18.16
Parts Holdings Italy	Equity method	Italy	20.00	20.00

28 Transactions with related parties

Relationship with the shareholder

Until 8 December 2015, the sole shareholder of Autodis Group SAS was Parts Holdings BV. During the year, the Group paid management fees of €0.14 million per quarter to Parts Holdings Coöperatief UA and €0.01 million per quarter to Parts Holdings BV.

Relations with equity-accounted companies

Néoparts is an independent distributor with contractual relationships with the Autodistribution purchasing unit for automotive spare parts.

AD International is a company governed by Belgian law that negotiates preferential tariffs with suppliers for all members of the AD network. Each year, the Group receives end-of-year discounts depending on the volumes it has purchased.

Parts Holdings Italy was a wholly-owned subsidiary until the Group sold 80% of the shares to Giadi in 2013. The €4.8 million loan granted in 2013 was repaid in June 2014 (see Note 14).

There are no restrictions on the transfer of funds with these entities or any unrecognised share of losses, in accordance with the equity method.

29 Management compensation

The key management personnel of a group within the meaning of IAS 24 are those persons having authority and responsibility for planning, managing and supervising the activities of the entity, directly or indirectly, including any director (executive or otherwise) of that entity.

The Group's key management personnel are the members of the Executive Committee, directors, area managers and brand general managers.

Compensations paid by the Group for 2015 and 2014 are set out in the table below.

In millions of euros	2015	2014
Basic salaries	**7.0**	**6.9**
Bonuses	2.3	2.0
Payroll costs (excl. paid leave and termination benefits)	3.4	3.3
Others	—	0.1
Personnel costs, net (excl. paid termination benefits)	**12.7**	**12.3**
Termination benefits	—	0.2
Personnel costs, net(*)	**12.7**	**12.5**

(*) Management personnel present at 31 December.

No directors' fees have been paid or are due to be paid in respect of 2015.

30 Commitments

30.1 Commitments under operating leases where the Group is the lessee

The Group has entered into operating leases relating primarily to real estate and light and commercial vehicles as well as payment terminals and miscellaneous IT and office equipment.

The minimum future rents payable under non-cancellable operating leases are as follows at 31 December 2015:

30.1.1 Poland

In millions of euros	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Real estate rental	2.2	11.2	—	**13.4**
Vehicle rental	0.4	1.8	—	**2.2**
Other	—		—	**—**
Total	**2.6**	**13.0**	**—**	**15.6**

30.1.2 France

In millions of euros	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Real estate rental	26.2	63.7	27.4	**117.3**
Vehicle rental	3.7	5.5	—	**9.2**
Other	1.3	1.8	—	**3.1**
Total	**31.2**	**71.0**	**27.4**	**129.6**

Rental expenses for 2015 amount to €40.4 million.

30.2 Commitments under finance leases and similar leases

30.2.1 Poland

At 31 December 2015, the AD Polska sub-group had not entered into any finance leases.

30.2.2 France

The following tables show information relating to non-current assets held under finance leases in France.

In millions of euros	Software and licences	Property and fixtures	IT equipment	Furnishings	Total
Gross value					
At 31 December 2014	**—**	**3.2**	**—**	**—**	**3.2**
• acquisitions	—	—	—	—	—
• reclassifications	—	(2.1)	—	—	(2.1)
• newly-consolidated companies	—	—	—	—	—
At 31 December 2015	**—**	**1.1**	**—**	**—**	**1.1**
Depreciation, amortisation and impairment					
At 31 December 2014	**—**	**0.8**	**—**	**—**	**0.8**
• allocations	—	0.1	—	—	0.1
• reclassifications	—	(0.5)	—	—	(0.5)
• newly-consolidated companies	—	—	—	—	—
At 31 December 2015	**—**	**0.4**	**—**	**—**	**0.4**
Net value					
At 31 December 2014	**—**	**2.4**	**—**	**—**	**2.4**
At 31 December 2015	**—**	**0.7**	**—**	**—**	**0.7**

In millions of euros	2014	New financing	Newly-consolidated	Repayment	2015	Lease payments outstanding: Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Liability	**0.6**	—	—	0.2	**0.4**	0.2	0.2	—	**0.4**

Commitments for future minimum amounts payable under finance leases are as follows:

	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Lease payments	0.2	0.2	—	**0.4**

30.3 Guarantees

30.3.1 Guarantees relating to the Senior Secured Notes and Super Senior Revolving Credit Facility Agreement

The assets pledged as collateral are those of Autodis Group and Autodistribution

Pledges

Four categories of asset have been pledged as part of the Senior Secured Notes and Super Senior Revolving Credit Facility Agreement financing arrangements:

- Pledge of equity interests:

The following securities have been pledged as collateral under the financing arrangements:

Pledged securities (In number of shares)	Autodis Group	Autodis	SDFM	Magenta Auto Pièces	Auto-distribution	ACR Holding
Autodis	5,420,840,892					
Autodistribution		3,790,300	158,472	149,996		
SDFM		175,297				
Magenta Auto Pièces		8,557				
Cora					5,883	
Cofirhad					195,170	
AD Grand Ouest					1,815,040	
ACR Holding					17,570,934	
ACR Group						1,770

- Pledge of bank accounts

The following corporate bank accounts have been pledged as collateral under the financing arrangements:

	Pledged bank accounts
Autodis Group	BNP Paribas
Autodis	BNP Paribas
Autodistribution	BNP Paribas, Crédit Agricole CIB, Crédit Lyonnais, Natixis
Cora	Crédit Lyonnais
Cofirhad	BNP Paribas, La Banque Postale
AD Grand Ouest	BNP Paribas, Crédit Lyonnais
ACR Holding	Société Générale, Crédit Lyonnais
ACR Group	Société Générale, Crédit Lyonnais

- Pledged receivables

The following intragroup receivables have been pledged as collateral under the financing arrangements:

	Pledged intragroup receivables
Autodis Group	Autodis
Autodis	Autodistribution, AD Polska
Autodistribution	Magenta Auto Pièces, SDFM, Gibelin Espace Auto, Ile de France Poids Lourds, FPLS, FIA, Gadest, Autodistribution SOGO, Gadso, AD Grand Ouest, Etablissements Rembaud, Bugisy, AD Normandie Maine, Enssemble, Porteret & Gobillot, AM Développement, Logisteo, Bremstar, Comptoir VI, Girde, Cogemad, Cofirhad, TCS, AD BPN, Val de Loire PL, Cora, Busnengo, Digital Aftermarket, STAC, TSO, Ales PL, Plateforme Technique Nationale Montajault

- Pledge of the brands owned by Autodistribution:
  - "L'Autodistribution" (term) in France under registration number 1629230;
  - "Autodistribution" (semi-figurative) in France under registration number 1554818;
  - "AD" (term and design) in France under registration number 1629231.

Assignments of receivables

85% of the CICE tax credit receivables for 2013 and 2014 were financed with Bpifrance in 2014. The sale of the receivables did not lead to their derecognition, and they are not therefore offset against the debt with respect to Bpifrance.

Bank covenants

Under the Revolving Facility Agreement, the Group must maintain the minimum annual level of EBITDA of €37 million.

30.3.2 Other Group guarantees

Bank overdrafts in Poland are secured by:

- pledges of inventories for a total value of €16.8 million;
- pledges of non-current assets for a total value of €1.3 million.

Gobillot-Rhône sub-group borrowings are secured (SG, BP) by pledged business assets.

The guarantees below were given by Autodistribution SA to FPLS group banks:

- Banque Populaire de l'Ouest: €0.1 million in respect of loans + €1.2 million in respect of overdrafts + €0.5 million in respect of the discounting line.
- Arkea: €0.3 million in respect of loans.
- Caisse d'Epargne: €0.2 million in respect of loans.
- LCL: €0.4 million in respect of loans + €1.2 million in respect of overdrafts.

An agreement was also signed with the supplier Akzo Nobel in June 2012 in which Autodistribution commits to minimum cumulative purchases of €55 million up to 2019.

30.4 Individual training entitlement and personal training account

On 1 January 2015, the individual training entitlement in France was superseded by the personal training account. The personal training account is now managed by a third party through Caisse des dépôts et consignations. The related contributions — amounting to 0.2% of payroll — are paid over to Caisse des dépôts et consignations via two training organisations (OPCA and OPACIF). All of the Group's entities are subject to the rules governing the personal training account.

30.5 Disputes

In collective proceedings, Klarius France, a manufacturer of automotive spare parts in France, sued Autodistribution and some of its subsidiaries before the Commercial Court (*Tribunal de Commerce*) for the sudden termination of an established commercial relationship. Their claim is for approximately €2.4 million. No provision was booked in the Group's financial statements at 31 December 2015 as management and its advisors considered that, in view of the facts of the case, there is currently no likelihood of an outflow of resources.

31 Events after the end of the reporting period

On 3 February 2016, ACR Group acquired a majority 70% interest in Automax Marseille for €1.7 million, effective retroactively at 1 January 2016.

The combination of ACR and Automax will create a leading platform for automotive parts in Marseille. Automax generates annual revenue of €12 million and employs 25 people.

There is a commitment of minority parts purchase in the acquisition protocol.

Besides, APS Berwald (10 businesses in Moselle), was sold to an Autodistribution Group Independent Distributor on 01 January, 2016. The gain in consolidated financial statements amounts to 3.5 M€ and corresponds to the business funds value previously eliminated in consolidation.

Autodis Group SAS

Consolidated Financial Statements
31 December 2014

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Consolidated Income Statement

In millions of euros

	Notes	2014 12 months	2013 12 months
REVENUE	*7.1*	**1,169.5**	**1,137.2**
Cost of goods for sale		(721.2)	(710.7)
Personnel costs	*7.2*	(245.4)	(239.0)
Other purchases and external expenses	*0*	(133.2)	(126.3)
Taxes		(9.3)	(9.7)
Other operating income and expenses	*7.4*	3.7	2.8
EBITDA		**64.1**	**54.3**
Depreciation/amortisation expense	*11.1*	(18.3)	(16.3)
RECURRING OPERATING INCOME		**45.8**	**38.0**
Other income from operations	*7.5*	12.1	7.4
Other expenses from operations	*7.6*	(18.8)	(11.0)
OPERATING INCOME		**39.1**	**34.4**
Financial income	*7.7*	11.6	11.0
Financial expenses	*7.8*	(21.6)	(9.0)
Share of income (losses) of equity-accounted companies	*12*	(0.0)	(0.1)
INCOME BEFORE TAX		**29.1**	**36.3**
Income tax	*7.9*	1.8	(17.6)
NET INCOME FROM CONTINUING OPERATIONS		**30.9**	**18.7**
Net income from discontinued operations	*6*	—	—
NET INCOME FOR THE YEAR		**30.9**	**18.7**
Attributable to:			
Owners of the parent:			
Net income from continuing operations		30.7	18.4
Net income from discontinued operations		—	—
Net income attributable to owners of the parent		**30.7**	**18.4**
Non-controlling interests			
Net income from continuing operations		0.2	0.3
Net income from discontinued operations		—	—
Net income attributable to non-controlling interests		**0.2**	**0.3**
Earnings per share from continuing operations		€ 0.203	€ 0.122
Earnings per share		€ 0.203	€ 0.122

The Group did not issue any dilutive equity instruments in 2014.

Consolidated Statement of Comprehensive Income

In millions of euros

	2014	2013
NET INCOME	**30.9**	**18.7**
Other comprehensive income (expense):		
Items not to be reclassified to income statement		
Actuarial gains and losses on defined benefit plans	(5.6)	1.4
Deferred taxes on actuarial gains and losses	(0.4)	
Items to be reclassified to income statement		
Foreign exchange gains and losses	(0.7)	(0.1)
Share of comprehensive income of equity-accounted companies		
OTHER COMPREHENSIVE INCOME (EXPENSE)	**(6.7)**	**1.3**
TOTAL COMPREHENSIVE INCOME	**24.2**	**20.0**
Attributable to:		
Owners of the parent:	24.0	19.7
Non-controlling interests	0.2	0.3

Foreign exchange gains and losses for 2014 are attributable to fluctuations in the Polish zloty exchange rate and are shown in the table below:

	2014	2013
Closing rate	4.2732	4.1543
Average rate	4.1854	4.1969

The Group has not put in place any foreign exchange hedging instruments for this currency.

Consolidated Statement of Financial Position

In millions of euros

	Notes	31 December 2014	31 December 2013
ASSETS			
Goodwill, net	*9*	51.8	21.4
Intangible assets, net	*10*	154.3	143.5
Property, plant and equipment, net	*11*	50.9	50.8
Investments in equity-accounted companies	*12*	0.5	0.4
Available-for-sale financial assets	*13*	0.2	0.2
Other non-current assets, net	*14*	10.8	16.8
Deferred tax assets	*7.9.2*	18.0	9.7
TOTAL NON-CURRENT ASSETS		**286.5**	**242.8**
Inventories, net	*0*	201.1	180.8
Trade receivables, net	*16*	165.1	163.2
Other current assets, net	*17*	21.0	11.0
Cash and cash equivalents	*18*	67.7	33.0
Current tax receivables		1.9	1.9
Derivative financial instruments		—	—
TOTAL CURRENT ASSETS		**456.7**	**389.9**
Non-current assets held for sale	*6*	—	—
TOTAL ASSETS		**743.2**	**632.7**
EQUITY AND LIABILITIES			
Share capital	*19*	148.0	152.6
Other reserves	*19*	45.4	37.3
Net income attributable to owners of the parent		30.7	18.4
SHAREHOLDERS' EQUITY		**224.1**	**208.3**
NON-CONTROLLING INTERESTS		**(0.3)**	**(0.2)**
- Net assets		(0.5)	(0.5)
- Net income		0.2	0.3
TOTAL EQUITY		**223.8**	**208.1**
Non-current borrowings and debt	*21*	242.0	138.0
Non-current provisions	*25.2*	2.1	3.5
Liabilities relating to employee benefits	*23*	22.5	15.9
Deferred tax liabilities	*7.9.2*	—	—
Other non-current liabilities	*24*	3.9	7.7
TOTAL NON-CURRENT LIABILITIES		**270.5**	**165.1**
Current borrowings and debt	*21*	19.5	42.0
Current provisions	*25.1*	12.4	12.7
Trade payables	*26*	148.5	145.4
Other current liabilities	*26*	68.5	59.4
Derivative financial instruments			—
TOTAL CURRENT LIABILITIES		**248.9**	**259.5**
Liabilities directly associated with assets held for sale	*6*	—	—
TOTAL EQUITY AND LIABILITIES		**743.2**	**632.7**

Consolidated Statement of Changes in Equity

In millions of euros

For the year ended 31 December 2013

In millions of euros	Share capital	Additional paid-in capital	Foreign exchange gains and losses	Actuarial gains (losses) on defined benefit pension plans	Consolidated reserves	Shareholders' equity	Non-controlling interests	Total equity
	Attributable to owners of the parent							
At 31 December 2012	**152.6**	**—**	**(1.6)**	**10.3**	**28.1**	**189.4**	**(0.4)**	**189.0**
Net income for the year					18.4	**18.4**	0.3	**18.7**
Other comprehensive income (expense)			(0.1)	1.4		**1.3**		**1.3**
Comprehensive income	**152.6**	**—**	**(1.7)**	**11.7**	**46.5**	**209.1**	**(0.1)**	**209.0**
Other changes					(0.8)	**(0.8)**	0.1	**(0.7)**
Dividends paid							(0.2)	**(0.2)**
At 31 December 2013	**152.6**	**—**	**(1.7)**	**11.7**	**45.7**	**208.3**	**(0.2)**	**208.1**

For the year ended 31 December 2014

In millions of euros	Share capital	Additional paid-in capital	Foreign exchange gains and losses	Actuarial gains (losses) on defined benefit pension plans	Consolidated reserves	Shareholders' equity	Non-controlling interests	Total equity
	Attributable to owners of the parent							
At 31 December 2013	**152.6**	**—**	**(1.7)**	**11.7**	**45.7**	**208.3**	**(0.2)**	**208.1**
Net income for the year					30.7	**30.7**	0.2	**30.9**
Other comprehensive income (expense)			(0.7)	(6.0)	—	**(6.7)**		**(6.7)**
Comprehensive income	**152.6**	**—**	**(2.4)**	**5.7**	**76.4**	**232.3**	**0.0**	**232.3**
Other changes	(4.6)				(3.6)	**(8.2)**	(0.1)	**(8.3)**
Dividends paid							(0.2)	**(0.2)**
At 31 December 2014	**148.0**		**(2.4)**	**5.7**	**72.8**	**224.1**	**(0.3)**	**223.8**

Consolidated Statement of Cash Flows

	Notes	2014 12 months	2013 12 months
Cash flows from operating activities			
Net income		**30.9**	**18.7**
o/w Net income from discontinued operations		—	—
Cancellation of income and expenses with no cash effect		17.9	5.8
- Depreciation/amortisation	*11.1*	18.3	16.3
- Provisions (net of reversals)		0.5	(3.9)
- Share of income (losses) of equity-accounted companies	*12*	0.0	0.1
- Gains or losses on disposals of fixed assets	*7.5/7.6*	0.9	(0.9)
- Reversal of impairment of the Autodistribution brand	*10*	(9.0)	—
- Allocation of goodwill impairment	*9.2*	5.8	—
- Financial income and expenses with no cash effect		1.2	(6.1)
- Other income and expenses with no cash effect		0.2	0.3
Financial expenses and income with a cash effect		8.8	3.6
Income taxes charges	*7.9.1*	(1.8)	17.6
Changes in working capital, net		(9.7)	(7.9)
- Inventories		(4.2)	0.9
- Receivables		9.0	(8.0)
- Payables		(9.7)	1.3
- Other receivables and payables		(4.8)	(2.1)
Other items with a cash effect		(7.2)	(7.3)
- Income tax		(7.2)	(7.3)
Net cash from operating activities — continuing operations		**38.7**	**30.5**
Net cash from operating activities — discontinued operations	*6*	—	—
Cash flows from investing activities			
Acquisitions of fixed assets	*11.2*	(18.7)	(19.8)
Changes in other financial assets		2.9	(1.0)
Disposal of fixed assets		0.4	2.2
Advances paid		—	(0.1)
Business acquisitions		(52.5)	(13.0)
- Acquisitions net of cash acquired	*4.1.1*	(54.9)	(13.4)
- Disposals net of cash transferred		2.4	0.4
Net cash used in investing activities — continuing operations		**(67.9)**	**(31.7)**
Net cash from investing activities — discontinued operations	*6*	**—**	**—**
Cash flows from financing activities			
Dividends paid to owners of the parent company	*8*	—	—
Dividends paid to non-controlling interests of consolidated companies		(0.3)	(0.2)
Repayment of capital		(3.1)	—
Financial expenses with a cash effect		(9.4)	(3.9)
Financial income with a cash effect		0.5	0.3
Increase in borrowings	*21.1*	238.6	2.6
Repayment of borrowings	*21.1*	(161.7)	(22.5)
Change in other financial liabilities		0.1	—
Net cash from (used in) financing activities — continuing operations		**64.7**	**(23.7)**
Net cash from financing activities — discontinued operations	*6*	—	—
Change in cash and cash equivalents — continuing operations		**35.7**	**(24.9)**
Change in cash and cash equivalents — discontinued operations		—	—
Cash and cash equivalents at beginning of year	*18*	**25.3**	**50.1**
Impact of currency rate fluctuations		(0.1)	(0.1)
Decrease in cash and cash equivalents of discontinued operations at end of year		—	—
Cash and cash equivalents at end of year	*18*	**61.0**	**25.3**

Notes to the Consolidated Financial Statements

1 Approval of the financial statements

On 31 March 2015, the Chairman approved Autodis Group SAS's consolidated financial statements for the year ended 31 December 2014. Autodis Group is a simplified joint-stock company (*société par actions simplifiée*) with a sole shareholder. It was incorporated on 18 January 2006 under the corporate name Parts Holdings (France) SAS.

The change in corporate name of ''Holdings (France) SAS'' to ''Autodis Group'' was decided on 29 January 2015 by the sole shareholder, Parts Holdings BV, a wholly-owned subsidiary of Parts Holdings Coöperatief U.A., and was effective as of 1 March 2015.

The purpose of changing the corporate name of Parts Holdings (France) is to make it more easily identifiable and readable and to distinguish the Group from its independent distributor members within the Autodistribution purchasing unit.

2 Information relating to the parent company

Autodis Group

Simplified joint-stock company with capital of €148,020,313.17

Registered office: 22 Avenue Aristide Briand, 94110 Arcueil, France

Registered with the Créteil Trade and Companies Registry under number 488 077 165

Autodis Group and its subsidiaries are included in the consolidated financial statements of Parts Holdings Coöperatief U.A., a company incorporated under Dutch law and registered with the Dutch Trade and Companies Registry under number 30254923, having its registered office at Boulevard 329, 1118 BJ Luchthaven, Schiphol, Netherlands.

3 Accounting rules and methods

The consolidated financial statements of Autodis Group SAS and all its subsidiaries (the "Group") have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union on 31 December 2014 and available on the following website:

http://ec.europa.eu/internal_market/accounting/ias/index_en.htm

The Group's consolidated financial statements have been drawn up using the historical cost convention, with the exception of derivative financial instruments and financial assets available for sale, which are measured at fair value.

The consolidated financial statements are presented in euros and all values are rounded to the nearest million unless otherwise stated.

3.1 Applicable standards

The accounting principles applied are consistent with those used to prepare the annual consolidated financial statements for the year ended 31 December 2013, with the exception of the adoption of the following new standards and amendments:

- Amendment to IAS 39 — Novation of Derivatives and Continuation of Hedge Accounting.
- Amendment to IAS 36 — Recoverable Amount Disclosures for Non-Financial Assets.
- Amendment to IAS 32 — Offsetting Financial Assets and Financial Liabilities.
- Revised IAS 27 — Separate Financial Statements.
- Revised IAS 28 — Investments in Associates and Joint Ventures.
- IFRS 10 — Consolidated Financial Statements.
- IFRS 11 — Joint Arrangements.
- IFRS 12 — Disclosure of Interests in Other Entities.
- Amendments to IFRS 10, IFRS 11 and IFRS 12 — Transition Guidance.
- Amendments to IFRS 10, IFRS 12 and IAS 27R — Investment Entities.

The adoption of these standards and amendments has had no material impact on the Company's financial statements.

The Group has not elected to early adopt the following standards and interpretations adopted by the European Union at 31 December 2014:

- IFRIC 21 — Levies.
- Annual improvements to IFRS — 2011-2013 cycle, as regards amendments applicable for financial periods beginning on or after 1 July 2014. These improvements concern:
  - IFRS 1, which clarifies which version of IFRS should be used by first-time adopters;
  - IFRS 3, which excludes from its scope the accounting for the formation of a joint arrangement (as defined in IFRS 11 — Joint Arrangements) and prescribes other scope exclusions;
  - IFRS 13, which clarifies the fair value measurement exception for a group of financial assets and liabilities measured on a net basis;
  - IAS 40, which introduces the notion of judgement when acquiring investment property.

These standards and improvements to standards were applied by the Group as from their entry into force on 1 January 2015, in accordance with European Union rules.

The Group has assessed the taxes and levies concerned by the provisions of IFRIC 21. The expected impact in 2015 is not material.

The Group has not applied the following standards and amendments which the European Union had not adopted as of 31 December 2014:

- Amendments to IFRS 10 and IAS 28 — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.
- Amendment to IAS 27 — Equity Method in Separate Financial Statements.
- Amendments to IAS 16 and IAS 41 — Agriculture: Bearer Plants.
- Amendments to IAS 16 and IAS 38 — Clarification of Acceptable Methods of Depreciation and Amortisation.
- Amendments to IAS 19 — Defined Benefit Plans: Employee Contributions.
- Amendments to IFRS 11 — Accounting for Acquisitions of Interests in Joint Operations.
- Amendments to IAS 1 — Disclosure Initiative.
- Amendments to IFRS 10, IFRS 12 and IAS 28 — Investment Entities. Applying the Consolidation Exception.
- IFRS 9 — Financial Instruments.
- IFRS 14 — Regulatory Deferral Accounts.
- IFRS 15 — Revenue from Contracts with Customers.
- Annual improvements to IFRS — 2010-2012 cycle, as regards amendments applicable for financial periods beginning on or after 1 July 2014. These improvements concern:
  - IFRS 2, which defines vesting conditions for share-based payments;
  - IFRS 3, which clarifies the accounting for contingent consideration in a business combination;
  - IFRS 8, which provides additional guidance on aggregating operating segments and requires entities to provide reconciliations only of the total of the reportable segments' assets to the entity's assets;
  - IFRS 13, which prescribes fair value measurements for short-term receivables and payables;
  - IFRS 14, which deals with regulatory deferral accounts, applicable to financial periods beginning on or after 1 January 2016.

- IAS 16 and IAS 38, which clarify the revaluation method for property, plant and equipment and intangible assets along with the proportionate restatement of accumulated depreciation/amortisation;
- IAS 24, which defines key management personnel for the purposes of related party reporting.

- Annual improvements to IFRS — 2012-2014 cycle, as regards amendments applicable for financial periods beginning on or after 1 January 2016. These improvements concern:
  - IFRS 5, which states that the change in method of disposal of an asset or group of assets does not alter the accounting treatment under the standard.
  - IFRS 7, which clarifies whether a servicing contract is continuing involvement for the purpose of determining the disclosures required in sections IFRS 7.42D to 42H.
  - IFRS 7, which eliminates the requirement to include offsetting disclosures in interim financial statements and clarifies when this information is desirable.
  - IAS 19, concerning the discount rate applied to actuarial assumptions in a regional market consisting of multiple countries with the same currency.
  - IAS 34, concerning the disclosure of cross-references in the interim financial report.

The Group is reviewing all these standards and amendments in order to measure their potential impact on its results, financial position and consolidated cash flow, and to assess their impact on disclosures.

3.2 Significant judgements and estimates

The preparation of consolidated financial statements on a going-concern basis requires the Group to use judgement and make estimates that can affect the carrying amount of certain assets and liabilities, income and expense items, and disclosures in the accompanying notes.

Estimates made at the reporting date are based on key assumptions relating to future events and other sources of uncertainty. Changes in these assumptions in a given period could result in a significant risk of a material change in the carrying amount of assets and liabilities, as presented below.

3.2.1 Impairment of non-financial assets

At the end of each reporting period, the Group assesses whether there is any indication that a non-financial asset might be impaired. Goodwill and other intangible assets with indefinite useful lives are tested for impairment at least once a year and whenever there is an indication that they may be impaired. Other non-financial assets are tested for impairment when indications show that there is a possibility that the carrying amount of the asset exceeds its recoverable amount.

The value in use of the assets was calculated using the discounted cash flows method based on the five-year business plan approved by the Executive Committee.

Impairment tests were carried out on each of the six CGUs corresponding to reportable operating segments as defined by IFRS 8, based on projections of EBITDA as set out in the five-year business plan. A sensitivity test is then performed to determine the sensitivity of these amounts to changes in the key assumptions used (see Note 3.3.8).

Valuation of the AD brand

The "Autodistribution" brand recognised at the time of the acquisition of Autodis on 28 February 2006 by Autodis Group (formerly Parts Holdings) is allocated to the France CGUs. The gross value of the AD brand stands at €156.9 million in the consolidated financial statements. Its net value was measured at €135 million since 2011, in connection with the impairment test on the France CGU.

In 2014, the Group carried out a valuation of the AD brand using the same method as it had in the past, i.e., the revenue approach (royalty method). This method is based on revenue generated over five years by the AD brand, i.e., by the Group's subsidiaries or by affiliated distributors. The assumptions used include a discount rate of 10.9%, a royalty rate of 1.5% and a perpetuity growth rate of 1%.

This valuation showed a brand value of €144 million. This increase can be largely explained by the change in the discount rate applied which was 11.5% in 2013 and 10.9% in 2014 owing to the change of the weighted average cost of capital (revenue growth assumptions remained fairly stable).

Accordingly, an impairment reversal was recorded at 31 December 2014 and the value of the AD brand now states at €144.0 million.

The table below shows the sensitivity of the valuation to changes in the discount rate and royalty rate assumptions:

		Discount rate					
		8.0%	9.0%	10.0%	10.9%	11.5%	12.0%
Royalty rate	**1.00%**	**134**	**118**	**105**	**96**	**91**	**87**
	1.50%	**201**	**176**	**157**	**144**	**136**	**130**
	2.00%	**267**	**235**	**210**	**192**	**181**	**173**

3.2.2 Deferred tax assets

Deferred tax assets are recorded in respect of tax loss carryforwards when it is likely that the Group will have future taxable profits against which they can be utilised. The calculation of the amount of deferred tax assets that can be recognised requires management to estimate how long it will take to use up the losses carried over and the level of future taxable profits in light of tax management strategies.

Recognised deferred tax assets are calculated on the basis of the Group's five-year business plan (the first year of the plan corresponding to the 2015 budget). Further details are provided in Notes 3.3.18 and 7.9.2.

3.2.3 Pensions and other post-employment benefits

The cost of defined benefit plans is calculated on the basis of actuarial valuations. These valuations are based on assumptions as regards the discount, salary increase, staff turnover and mortality rates. Owing to the long-term nature of such plans, there is considerable uncertainty about these estimates. Further details are provided in Note 23. There are no other post-employment benefits.

3.2.4 Value of Sup Bonds

The Group holds Sup Bonds for a nominal amount of €25.5 million, whose redemption is subject to return-on-investment criteria for its shareholders, as described in Note 21.1. They are valued based on updated projections of the business plan and net debt.

3.2.5 Inventory impairment

Inventory impairment is calculated by applying an impairment rate for each category of unsold products based on the depletion of items and their last date of sale.

3.3 Significant accounting policies

3.3.1 Principles and scope of consolidation

The consolidated financial statements include the financial statements of Autodis Group SAS and its subsidiaries at 31 December of each year. The subsidiaries' financial statements are prepared over the same reporting period as those of the parent company, using consistent accounting methods.

All intragroup balances and transactions as well as unrealised income, expenses, gains and losses that are included in the carrying amounts of the assets and which are generated by internal transactions are eliminated.

Subsidiaries are consolidated as from the acquisition date, which corresponds to the date on which the Group assumed control. Control is assessed as being the power over the investee through voting rights, exposure to variable returns from involvement with the investee, and the ability to use power over the investee to affect the amount of the investor's returns, until such time as the Group ceases to exercise control. The financial statements of companies over which the Group has significant influence (associates) are accounted for by the equity method.

The Group does not own any jointly controlled companies — either joint operations or joint ventures

Significant transactions between consolidated companies and unrealised internal profits are eliminated.

Non-controlling interests represent the share of income or loss and of net assets that the Group does not own. In the consolidated income statement and in equity in the consolidated statement of financial position, non-controlling interests are shown separately from the share attributable to owners of the parent. Transactions conducted with non-controlling interests are recorded directly in equity.

3.3.2 Foreign currency translation

(a) Translation of foreign companies' financial statements

The consolidated financial statements are presented in euros, which is the parent company's functional currency and the currency in which it presents its financial statements.

The financial statements of entities that use a functional currency other than the euro are translated as follows:

- assets and liabilities are translated at the exchange rate prevailing at the reporting date;
- income statement and statement of cash flow items are translated at the average exchange rate for the year.

The resulting foreign exchange gains or losses are allocated directly to a separate line item under equity. On the disposal of a foreign operation, the cumulative amount of the related deferred foreign exchange gains or losses carried in the separate item of equity is recognised in the income statement.

In the Group, the only subsidiaries that use a functional currency other than the euro are located in Poland (currency: zloty).

(b) Goodwill arising from foreign acquisitions

Any goodwill arising from the acquisition of a foreign operation and any adjustment of the carrying amount of the assets and liabilities derived from the acquisition of said foreign business to reflect fair value is recorded as an asset or liability of the foreign operation and is therefore translated into euros at the closing rate.

(c) Translation of foreign currency transactions

Foreign currency transactions are initially recorded in the functional currency at the exchange rate prevailing at the transaction date. At the reporting date, the monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at that date. The resulting differences are recorded in the income statement.

3.3.3 Property, plant and equipment

Items of property, plant and equipment, including land, property and the corresponding fixtures, are carried at cost less accumulated depreciation and impairment losses.

Routine maintenance costs are expensed as incurred.

An item of property, plant and equipment is derecognised when it is disposed of or when no further future economic benefits are expected from its use. Any gain or loss resulting from derecognising an asset (calculated on the basis of the difference between the net proceeds on disposal and the carrying amount) is recorded in the income statement in the year in which it is derecognised.

Items of property, plant and equipment are depreciated using the straight-line method over the following useful lives:

Property	25 years
General fixtures and fittings	5 years
Equipment and machinery	10 years
IT equipment	2 years
Transportation equipment	5 years
Furnishings	5 years

The useful life of the assets and the depreciation methods are reviewed and modified where necessary on each annual reporting date.

3.3.4 Intangible assets

Intangible assets acquired separately are valued at acquisition cost.

Intangible assets acquired in connection with a business combination are recorded at fair value on the acquisition date.

After initial recognition, intangible assets are valued at their acquisition cost less accumulated amortisation and impairment.

Costs relating to intangible assets created internally are recorded under assets when the criteria set out in IAS 38 are met.

The Group decides whether the useful life of an intangible asset is finite or indefinite.

a) Intangible assets with a finite useful life

These fixed assets are amortised over their useful lives for accounting purposes and are tested for impairment whenever there is an indication that they may be impaired. The amortisation period and method for intangible assets with finite useful lives are reviewed at least once a year at the reporting date. Any change in the estimated useful life or expected pattern of consumption of the future economic benefits associated with the asset is recorded by adjusting the useful life or amortisation method, whichever is appropriate. Such changes are treated as changes in estimates. Amortisation of intangible assets with finite useful lives is recorded in the income statement in the appropriate expense category based on the intangible asset's function.

The Group's intangible assets fall into this category and primarily comprise software licences for Movex accounting software.

These assets are amortised on a straight-line basis over the following estimated useful lives:

Software	5 years

b) Intangible assets with an indefinite useful life

These assets are not amortised but are subject to annual impairment tests, either individually or at the level of the cash-generating unit to which they belong. The useful life of an intangible asset with an indefinite useful life is reviewed annually in order to determine whether the indefinite useful life assessment for said asset is still justified. If it is not, the change in assessment of the nature of the useful life from indefinite to finite is recorded prospectively.

3.3.5 Leases

Determining whether an arrangement is a lease, or contains a lease, depends on the substance of the agreement at inception. This requires assessing whether performance of the agreement depends on the use of a specific asset or assets, and whether the agreement grants a right to use the asset.

Leases in the Group's financial statements where the Group is lessee

Finance leases that transfer substantially all the risks and rewards incidental to ownership of the leased asset to the Group are recorded in the statement of financial position at the beginning of the lease term at the fair value of the leased asset or, if lower, at the present value of the minimum payments under the lease. Payments in respect of the lease are apportioned between the finance cost and the reduction of the debt so as to obtain a constant periodic interest rate on the outstanding liability. Finance costs are recorded directly in the income statement.

Assets held under a finance lease are depreciated over either their useful life or the lease term, whichever is shorter, if the Group cannot be reasonably certain that it will become the owner of the asset when the lease expires.

Payments under operating leases are recorded as expenses on a straight-line basis until the lease expires.

At 31 December 2014, the Group held finance leases under which it acts as lessee (see Notes 30.1 and 30.2).

3.3.6 Non-current assets held-for-sale and discontinued operations

A non-current asset (or group of assets and associated liabilities) is "held for sale" when its carrying amount will be recovered primarily through sale rather than continued use. In order to fall into this category, the asset (or group of assets) must be available for immediate sale and the sale must be highly probable. This asset or group of assets and associated liabilities are presented separately in the statement of financial position when they are significant, without restatement for previous periods. Assets or groups of assets are measured at the lower of their carrying amount and fair value less costs to sell.

A discontinued operation is defined as a component of an entity that represents a separate major line of business or geographical area of operations for the Group. This component must either be discontinued or classified as held for sale or it must form part of an overall plan to sell a separate major line of business or geographical area of operations for the Group, or it must be a significant subsidiary acquired solely for the purpose of resale. Income statement and statement of cash flow items relating to discontinued operations are presented separately in the financial statements for all periods presented if they are significant. Statement of financial position items relating to previous years are not presented separately; only the components of the last period shown are classified as discontinued operations.

At 31 December 2014, the Group has no discontinued operations and no operations were sold during the year then ended.

3.3.7 Impairment of non-financial assets (excluding goodwill)

At the end of each annual reporting period, the Group assesses whether there is an indication that an asset is impaired. If there is such a presumption, or when an annual impairment test is required for an asset, the Group estimates the recoverable amount of the asset. Intangible assets with an indefinite useful life are tested annually on 31 December, either individually or at the level of the cash-generating unit to which they are allocated.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. It is determined for each asset separately, unless the asset generates cash flows that are largely dependent on the cash flows generated by other assets or groups of assets. If the carrying amount of an asset exceeds its recoverable amount, the asset is deemed to have lost some of its value and its carrying amount is reduced to its recoverable amount. Value in use is determined on the basis of projected future cash flows and discounted by applying a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An appropriate valuation model is used to determine the fair value less costs to sell.

Impairment of continuing operations is recorded in the income statement in the appropriate expenses category with regard to the function of the impaired asset.

An assessment is made on each reporting date in order to identify whether a previously identified indication of impairment has disappeared or decreased. In this case, the Group estimates the recoverable amount. An impairment loss previously recorded is also reversed in the event of a change in the estimates made when determining the recoverable amount of the asset.

In this case, the carrying amount of the asset is increased to the asset's recoverable amount. When an impairment loss has been reversed, the carrying amount of an asset must not exceed the carrying amount that would have been determined, less depreciation and amortisation, had no impairment been recorded for said asset during previous periods. An impairment loss reversal is recorded in the income statement.

3.3.8 Business combinations and goodwill

a) Valuation and allocation of goodwill

As from 1 January 2010, business combinations are recorded in accordance with the amended IFRS 3, by applying the acquisition method. According to said method, the various components of the acquisition are recorded at fair value, subject to exceptions, as follows:

- The consideration transferred is measured at fair value. It includes any contingent consideration clauses that are also measured at acquisition-date fair value, which takes into account all the probabilities of occurrence. Classified as debt or equity depending on their type, commitments classified as debt are then remeasured at fair value and the difference recorded in the income statement.
- The costs directly attributable to the acquisition are recorded as expenses during the period in which they are incurred.

The acquired entity's identifiable assets, liabilities and contingent liabilities that meet IFRS accounting criteria are recorded at acquisition-date fair value, with the exception of non-current assets classified as held for sale, which are recorded at fair value less costs to sell, and other assets and liabilities (IAS 19 and IAS 12) valued in accordance with the applicable standards.

Goodwill represents any excess of the amount of consideration transferred and, where appropriate, non-controlling interests, over the net fair value of the acquired company's identifiable assets and liabilities.

Adjustments to the value of assets and liabilities relating to acquisitions recorded on a provisional basis are recorded as retrospective adjustments of goodwill if they occur within 12 months of the acquisition date. After this time, the effects are recorded directly in the income statement unless they correspond to corrections of errors.

b) Impairment of goodwill

Goodwill and CGUs

Goodwill resulting from business combinations is tested as soon as there are indications of impairment and at least once a year in order to determine whether the carrying amount is less than the recoverable amount, i.e., the amount that will be recovered through continuing use or sale.

If the recoverable amount is less than the carrying amount, an impairment loss is recorded for the difference between the two amounts.

For this test, goodwill is grouped with other assets and liabilities in a cash-generating unit (CGU) or group of CGUs. CGUs are homogeneous groups of assets whose continued use generates cash flows that are largely independent of cash flows generated by other assets or groups of assets.

The Group identified the following CGUs:

- the sub-group formed by the AD purchasing unit, Logisteo, Digital Aftermarket and ACR (as of April 2014)
- the sub-group formed by Cora and its subsidiaries;
- the sub-group formed by Bremstar;
- the sub-group formed by subsidiaries whose business is related to light vehicles;
- the sub-group formed by subsidiaries whose business is related to heavy vehicles;
- the sub-group formed by AD Polska and its subsidiary.

Holding companies and corporate functions are shown discretely in the Group's segment information.

Further to its acquisition during 2014, the inclusion of ACR in the CGU formed by the Autodistribution purchasing unit, Logisteo and Digital Aftermarket is justified mainly on the basis of the significant synergies generated in the form of end-of-month rebates and strategic bonuses negotiated by the purchasing unit that both ACR and the purchasing unit enjoy.

Assessment of the recoverable amount

The impairment test consists of measuring the recoverable amount and comparing the recoverable amount of the CGU to its carrying amount. The recoverable amount is the higher of fair value less costs to sell and value in use.

The value in use of a CGU is determined by reference to the present value of future cash flows expected to derive from said assets in light of economic assumptions and the operating conditions expected by Group management.

An impairment loss recorded against goodwill cannot be reversed on account of an increase in its recoverable amount.

Purchasing CGU

At 31 December 2014, the assets tested were valued at €71.8 million. This amount was compared with their value in use (i.e., €357.2 million), calculated based on the present value of future cash flows using a discount rate of 9.0% and a perpetuity growth rate of 1%. A sensitivity calculation was performed and showed that the valuation would amount to €321.5 million in the event that objectives in the business plan were achieved at 90%. Since this is higher than the carrying amount of the net assets tested, no asset impairment was recorded.

		Discount rate				
		8.0%	**8.5%**	**9.0%**	**9.5%**	**10.0%**
% achievement of BP	**90%**	370.5	344.3	321.5	301.4	283.5
	95%	391.0	363.5	339.4	318.1	299.2
	100%	411.6	382.6	357.2	334.9	315.0

Cora CGU

At 31 December 2014, the assets tested were valued at €15.4 million. This amount was compared with their value in use (i.e., €90.1 million), calculated based on the present value of future cash flows using a discount rate of 9.0% and a perpetuity growth rate of 1%. A sensitivity calculation was performed and showed that the valuation would amount to €81.1 million in the event that objectives in the business plan were achieved at 90%. Since this is higher than the carrying amount of the net assets tested, no asset impairment was recorded.

		Discount rate				
		8.0%	**8.5%**	**9.0%**	**9.5%**	**10.0%**
% achievement of BP	**90%**	92.8	86.5	81.1	76.2	72.0
	95%	97.9	91.3	85.6	80.5	75.9
	100%	103.1	96.1	90.1	84.7	79.9

Bremstar CGU

At 31 December 2014, the assets tested were valued at €13.2 million. This amount was compared with their value in use (i.e., €24.1 million), calculated based on the present value of future cash flows using a discount rate of 9.0% and a perpetuity growth rate of 1%. A sensitivity calculation was performed and showed that the valuation would amount to €21.7 million in the event that objectives in the business plan were achieved at 90%. Since this is higher than the carrying amount of the net assets tested, no asset impairment was recorded.

		Discount rate				
		8.0%	**8.5%**	**9.0%**	**9.5%**	**10.0%**
% achievement of BP	**90%**	25.1	23.3	21.7	20.3	19.0
	95%	26.5	24.6	22.9	21.4	20.1
	100%	27.9	25.9	24.1	22.5	21.1

Light Vehicles CGU

At 31 December 2014, the assets tested were valued at €143.3 million. This amount was compared with their value in use (i.e., €197.8 million), calculated based on the present value of future cash flows using a discount rate of 9.0% and a perpetuity growth rate of 1%. A sensitivity calculation was performed and showed that the valuation would amount to €178.0 million in the event that objectives in the business plan were achieved at 90%. Since this is higher than the carrying amount of the net assets tested, no asset impairment was recorded.

		Discount rate				
		8.0%	**8.5%**	**9.0%**	**9.5%**	**10.0%**
% achievement of BP	**90%**	202.9	189.6	178.0	167.8	158.7
	95%	214.2	200.2	187.9	177.1	167.5
	100%	225.4	210.7	197.8	186.5	176.4

Heavy Vehicles CGU

At 31 December 2014, the assets tested were valued at €25.2 million. This amount was compared with their value in use (i.e., €16.5 million), calculated based on the present value of future cash flows using a discount rate of 9.0% and a perpetuity growth rate of 1%.

The Group therefore recognised a decrease in the net value of the CGU's assets: the goodwill allocated to this segment (€5.8 million) was written down in full in addition to a €3.0 million write down of property, plant and equipment.

		Discount rate				
		8.0%	**8.5%**	**9.0%**	**9.5%**	**10.0%**
% achievement of BP	**90%**	17.5	16.5	15.4	14.4	13.6
	95%	18.3	17.4	16.2	15.2	14.3
	100%	19.2	17.8	16.5	15.5	14.5

International CGU (Poland)

At 31 December 2014, the assets tested were valued at €13.9 million and their value in use was €44.8 million (based on the present value of future cash flows calculated using a discount rate of 10.0% and a perpetuity growth rate of 1%).

A sensitivity calculation was performed and showed that the valuation would amount to €37.0 million in the event that objectives in the business plan were achieved at 90%, since this is higher than the value of the carrying amount of the net assets tested, no asset impairment was recorded.

		Discount rate				
		9.0%	9.5%	10.0%	10.5%	11.0%
% achievement of BP	**90%**	42.3	39.5	37.0	34.8	33.6
	95%	44.7	41.7	39.1	36.7	35.4
	100%	51.0	47.8	44.8	42.2	40.8

3.3.9 Financial investments and other financial assets

Financial assets that fall within the scope of IAS 39 are classified as financial assets at fair value through income, loans and receivables, held-to-maturity investments or financial assets available for sale, as appropriate. On initial recognition, financial assets are measured at fair value plus directly attributable transaction costs (except for the category of financial assets measured at fair value through income).

The Group determines the classification of its financial assets on initial recognition and, when permitted and appropriate, it reviews said classification on each annual reporting date.

a) Financial assets at fair value through income statement

The category of financial assets at fair value through income includes financial assets acquired with a view to resale in the near term.

Designated and effective hedging derivatives do not fall within this category.

At 31 December 2014, marketable securities included in cash equivalents fall within this category.

b) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Group has the intent and ability to hold to maturity. After initial recognition, held-to-maturity investments are valued at amortised cost.

Gains and losses are recorded in the income statement when said investments are derecognised or impaired, using the amortised cost mechanism.

At 31 December 2014, the Group had no financial assets recorded in the held-to-maturity investments category.

c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, loans and receivables are valued at amortised cost using the effective interest rate method less any impairment. Amortised cost is calculated taking into account any initial premium or discount and includes fees that form an integral part of the effective interest rate as well as transaction costs.

d) Available-for-sale financial assets

Available-for-sale financial assets (equity investments not consolidated at 31 December 2014) are non-derivative financial assets that are designated as available for sale or are not classified in any of the preceding three categories.

After initial recognition, available-for-sale financial assets are measured at fair value and any related gains and losses are recorded directly in equity in a reserve for net unrealised gains and losses. On disposal of an available-for-sale asset, the accrued profit or loss previously recorded in equity is recorded in the income statement. The interest received or paid on said investments is recorded in financial income or expenses on the basis of the effective interest rate.

Dividends received on said investments are recorded in the income statement as “Dividends received” when the right to receive such payment is established.

e) Fair value

IFRS 7 — Financial Instruments: Disclosures, amended in 2009, establishes a fair value hierarchy consisting of three levels:

- Level 1: quoted prices for identical instruments (identical to those that are being valued) obtained on the valuation date on an active market to which the entity has access;
- Level 2: directly observable market inputs other than Level 1 inputs;
- Level 3: inputs not based on observable market data (for example, data derived from extrapolations). This level applies when there is no observable market or data and the entity is obliged to rely on its own assumptions to estimate the data that other market participants would have applied to price other instruments.

All fair value measurements are presented in Note 20 to the consolidated financial statements.

3.3.10 Impairment of financial assets

On each reporting date, the Group assesses whether a financial asset or group of financial assets is impaired.

a) Assets recorded at amortised cost

If there are objective indications of an impairment loss on loans and receivables recorded at amortised cost, the amount of the loss is equal to the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred), discounted at the original effective interest rate (i.e., the effective interest rate calculated on the initial recognition date). The asset's carrying amount is reduced by using an impairment account. The amount of the impairment loss must be recorded in the income statement.

An impairment loss is recorded for trade receivables when there is an objective indication (such as a probability that the debtor will default or is in serious financial difficulties) that the Group will not be able to recover the amount due under the contractual terms of the invoice. The carrying amount of the trade receivable is reduced using an allowance account. The impaired outstanding amounts are written off when they are deemed non-recoverable.

b) Available-for-sale assets

If a financial asset is impaired, the difference between its acquisition cost, net of the repayment of the principal and amortisation, and its current fair value, less any impairment loss previously recorded in the income statement, is transferred from equity to income. Impairment losses taken against equity instruments cannot be reversed through the income statement. Impairment losses relating to debt instruments are reversed through the income statement if the increase in the instrument's fair value can be objectively related to an event that occurred after the impairment loss had been recorded in the income statement.

3.3.11 Inventories

Inventories consist primarily of goods and are valued at cost or net realisable value, whichever is lower.

Cost is calculated using the method of the last supplier price applicable at 31 December of the year under review. The cost of inventories also takes into account the impact of discounts and allowances, and discounts granted by suppliers, as well as the transportation cost of purchases.

This method of inventory costing is deemed to be a good approximation of FIFO because of the fast stock turnover.

Net realisable value is the estimated selling price at the reporting date, less estimated costs to sell taking into account technical or commercial obsolescence and the risks relating to slow-moving items.

3.3.12 Cash and cash equivalents

Cash and cash equivalents recorded in the statement of financial position include cash at bank and on hand, short term deposits with a term of three months or less and marketable securities which meet the criteria of cash equivalents, i.e., investments that are:

- short-term,
- highly liquid,
- readily convertible into known amounts of cash, and
- subject to an insignificant risk of changes in value.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents include the cash and cash equivalents as defined above, less bank overdrafts.

3.3.13 Loans and borrowings

All loans are initially recorded at fair value, less directly related transaction costs.

After initial recognition, interest-bearing loans are valued at amortised cost using the effective interest rate method. The issue costs have an impact on the initial carrying amount and are recognised over the term of the loan using the effective interest rate method. The amortised issue costs are presented as a deduction from the liabilities to which they relate.

Gains and losses are recorded in the income statement when the liabilities are derecognised through the amortised cost mechanism.

3.3.14 Provisions

a) General information

A provision is recorded when the Group has a current obligation (legal or implicit) arising from a past event, it is likely that an outflow of resources representing economic benefits will be necessary in order to settle the obligation and the amount of the obligation can be reliably estimated.

When the Group expects the provision to be partly or wholly refunded, for example through an insurance policy, the refund is recorded as a separate asset but only if it is virtually certain. The amount of the expense corresponding to a provision is recorded in the income statement net of any refunds.

If the effect of the time value of money is material, provisions are discounted on the basis of a current rate before tax, which reflects, where appropriate, the risks specific to the liability. When the provision is discounted, the increase relating to the passage of time is recorded as a financial expense.

b) Pensions and other post-employment benefits

In addition to basic pension plans, the Group's employees benefit from defined contribution and defined benefit plans:

Basic plans

In France, the Group pays into basic pension plans for which the expense recorded equals the contributions required by government agencies.

Defined contribution plans

The benefits paid depend solely on the total contributions made and the return on these investments. The Group's liability is limited to contributions paid which are recorded as an expense.

Defined benefit plans

In accordance with French legislation, each Group employee receives retirement benefits. These plans are largely unfunded. An independent actuary calculates the Group's commitment under this plan annually using the projected unit credit method. These calculations include actuarial assumptions concerning demographic mortality, severance, retirement conditions and future salary projections.

The Polish companies' pension liability is also calculated in accordance with current local regulations taking into account the assumptions stated above.

Probable future benefits are discounted using a discount rate determined by reference to the yield on investment-grade bonds. Actuarial gains and losses must be recognised immediately in equity. The Group has no multi-employer plans.

3.3.15 Revenue recognition

Revenue is recorded when it is probable that future economic benefits will flow to the Group and when revenue can be measured reliably. Revenue is measured at fair value of the consideration received or receivable, less any discounts and allowances and other sales taxes and customs duties. The following specific recognition criteria must also be met in order to recognise revenue:

a) Sale of goods

Revenue is recorded when the significant risks and rewards incidental to ownership of the goods are transferred to the buyer, usually on delivery of the goods.

b) Provision of services

Transactions involving the provision of services are recorded over the period in which the services are provided.

c) Interest income

Revenue is recorded for the amount of interest accrued (using the effective interest rate method, i.e., the rate that exactly discounts future cash flows over the expected life of the financial instrument to the carrying amount of the financial asset).

d) Dividends

Revenue is recorded when the shareholders' right to receive payment is established.

3.3.16 Recurring operating income

Recurring operating income comprises revenue, cost of goods for sale, payroll costs, other purchases and external expenses, taxes other than on income, other operating income and expenses, and depreciation and amortisation expenses.

It also includes, in particular, the share of expenses for pension obligations relating to the cost of services rendered during the period, the cost of employee profit-sharing plans, foreign exchange gains and losses relating to recurring operating activities, including the impact of hedge accounting on such activities, as well as gains and losses on the disposal of property, plant and equipment and intangible assets in connection with the Group's ordinary activities.

3.3.17 Other income and expenses from operations

Other income and expenses from operations relate to unusual events.

Other income from operations can include, in particular, gains on the disposal of operations and gains on the disposal of property, plant and equipment and intangible assets.

Other expenses from operations can include losses on the disposal of operations and losses on the disposal of property, plant and equipment and intangible assets, as well as any cost relating to past disposals, the costs of restructuring or closing sites and impairment losses on assets.

3.3.18 Income tax

a) Income tax payable

Income tax assets and liabilities payable in respect of the current year and previous years are valued at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws applied to determine said amounts are those that had been enacted or substantively enacted at the reporting date.

The tax payable in relation to items recorded directly in equity is recorded in equity rather than in the income statement.

The 2010 French Finance Act introduced the Territorial Economic Contribution (*Contribution Economique Territoriale* — CET), which includes the Company Value-Added Contribution (*Cotisation sur la Value Ajoutée des Entreprises* — CVAE). The Group has analysed the methods for determining said contribution with regard to the provisions adopted by the International Financial Reporting Interpretations Committee (IFRIC) and the French national accounting board (*Conseil National de la Comptabilité* — CNC) and it concluded that this contribution meets the definition of tax payable according to IAS 12. This contribution has therefore been classified in the "Income tax" line of the financial statements since 1 January 2010.

b) Deferred tax

Deferred tax is recorded using the balance sheet liability method for any timing differences existing at the reporting date between the tax base of the assets and liabilities and their carrying amount in the statement of financial position.

Deferred tax assets are recorded for any deductible timing differences and unused tax losses and tax credits carried forward, to the extent that it is probable that a taxable profit will be available against which said deductible temporary differences and tax losses and tax credits carried forward may be offset.

The carrying amount of the deferred tax assets is reviewed at each reporting date and reduced if it no longer appears probable that sufficient taxable profits will be available against which some or all of said deferred tax assets can be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and recognised if it becomes likely that future taxable profits will be available against which they can be utilised.

Deferred tax assets and liabilities are valued at the tax rate that is expected to apply for the year in which the asset is realised or the liability settled, on the basis of tax rates (and tax rules) enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised directly in equity is recorded in equity rather than in the income statement.

Deferred tax assets and liabilities are offset if there is a legally enforceable right of set-off and when they relate to the same taxable entity and tax authority. Within the tax consolidation group, deferred tax assets are accordingly offset against deferred tax liabilities.

4 Business combinations and acquisition of non-controlling interests

The scope of consolidation is set out in Note 27 and the amount of goodwill in Note 9.

4.1 Changes in the scope of consolidation in 2014

4.1.1 Acquisitions and newly-consolidated companies

Acquisition of shares in the ACR group by Autodistribution

On 7 April 2014, the Group acquired the entire share capital and all of the voting rights of the ACR group, comprising ACR Holding and ACR. The ACR group has been consolidated by the Group since the date of acquisition.

The ACR group is a renowned multi-specialist automotive spare parts distributor based in Gennevilliers in north-western Paris, and has seven logistics platforms in France. It has a headcount of around 160.

The purchase price was €48.2 million and does not include any earn-out provision. Acquisition costs amounted to €0.6 million.

In its 2014 financial statements, the ACR group contributed €47.6 million to Group revenue.

The identifiable assets acquired, liabilities assumed and contingent liabilities measured at fair value at 7 April 2014 are as follows (in millions of euros):

Intangible assets	3.0
Property, plant and equipment	3.4
Other non-current assets	0.5
Inventories	18.3
Trade receivables	12.3
Deferred tax assets	1.1
Other assets	0.4
Borrowings and debt	8.5
Trade payables	13.2
Provisions	1.2
Bank overdrafts	0.3
Deferred tax liabilities	1.0
Other liabilities	2.0
Net assets	**12.8**

Inventories and trade receivables were included based on their fair value.

An intangible asset in the amount of €2.7 million was recognised in the opening balance sheet to reflect the acquisition of ACR's customer relationships, based on assumptions including the current customer growth rate of 2%, an attrition rate of 20% and a discount rate of 10%.

The definitive goodwill resulting from the purchase price allocation is €35.4 million (see Note 9.1 and schedule below), reflecting the synergies expected to derive from the acquisition in terms of trading and cost savings, market share and growth potential, and was allocated to the Purchasing CGU.

Acquisition price of shares	48.2
Fair value before acquisition price allocation	11.1
Intangible asset relating to acquisition of customer base	2.7
Deferred taxes on intangible asset relating to customer base	(1.0)
Fair value of net assets acquired	12.8
Goodwill	**35.4**

4.1.2 Incorporation of companies

No companies were incorporated in 2014.

4.1.3 Mergers within the Group

The Group pressed ahead with its cost streamlining plan during 2014, by carrying out full asset transfers (transmission universelle du patrimoine) and simplified mergers as summarised in the following table.

Companies dissolved via full asset transfers or simplified mergers	Merging company
Arnaudiès	Gadso
CAMI	AD Grand Ouest
Freinage Poids Lourds Services Elec'Auto (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services 28 (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services 35 (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services 44 (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services 49 (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services 56 (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services 61 (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services 72 (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services 85 (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services 86 (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services Fougères (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services Lorient (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services Pontivy (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services Romé (FPLS group)	Freinage Poids Lourds Services
Freinage Poids Lourds Services Vitré (FPLS group)	Freinage Poids Lourds Services
FPLS group	Freinage Poids Lourds Services
Gadca	Cofirhad
Lilcolor	AD Bassin Parisien Nord
AD Polska Aftermarket	AD Polska
PAM	PAO

None of the aforementioned transactions had an impact on the Group's consolidated financial statements.

4.1.4 Disposals

At 31 December 2013, Sofar was held at 75%. On 13 September 2014, the Group acquired the remaining 25% interest it did not already own in Sofar by exercising a €0.5 million minority put that had previously been recognised in debt.

At end-September 2014, the entire share capital of Sofar was sold by AD Grand Ouest to Autodistribution Talbot, an independent distributor located in the Poitou-Charentes region in south-western France. The disposal price amounted to €2.4 million.

4.2 Changes in the scope of consolidation in 2013

4.2.1 Acquisitions and newly-consolidated companies

Acquisition of shares in the Freinage Poids Lourds Services (FPLS) group by Val de Loire PL

On 1 January 2013, the Group acquired all of the shares and voting rights of the FPLS group, comprising 18 companies in the Brittany region. The FPLS group supplies and repairs all brake parts for vehicles and was classified in the Group's Heavy Vehicles segment. The 18 companies acquired were fully consolidated with effect from 1 January 2013, the date on which the Group assumed control. In its 2013 financial statements, FPLS contributed €24.4 million to Group revenue. At 31 December 2013, FPLS had 190 employees.

The purchase price was €3.4 million and does not include any earn-out provision.

The identifiable assets acquired, liabilities assumed and contingent liabilities measured at fair value at 1 January 2013 are as follows (in millions of euros):

Property, plant and equipment	0.9
Other non-current assets	2.1
Inventories	3.2
Trade receivables	4.7
Deferred tax assets	1.4
Other assets	0.4
Borrowings and debt	1.0
Trade payables	4.0
Provisions	4.2
Bank overdrafts	3.2
Other liabilities	2.7
Net assets	**(2.6)**

Inventories and trade receivables were included based on their fair value.

The following contingent liabilities were recognised in the opening statement of financial position:

Provision for increases in rent	€1.9 million
Provision for tax risks	€2.1 million

The provision for tax risks is covered by a vendor's liability warranty for €2.0 million which gave rise to the recognition of an asset presented above within other non-current assets.

Goodwill resulting from the provisional allocation of the purchase price is €6.0 million (see Note 9.1) and reflects the synergies expected to derive from the acquisition in terms of trading and cost savings, market share and growth potential. This goodwill was allocated to the Heavy Vehicles CGU (€3.9 million) and to the Bremstar CGU (€2.1 million).

Acquisition of shares in Rectification de Pas de Calais (RPDC) and its subsidiary Lilcolor by ADBPN

The Group acquired all of the capital of RPDC and of its subsidiary Lilcolor on 31 January 2013. These companies are located in the French Nord Pas de Calais region and specialise in the sale of original parts and in engine rebuilding. They have around 29 employees. These companies were fully consolidated with effect from 31 January 2013, the date on which the Group assumed control.

The purchase price was €3.7 million and does not include any earn-out provision.

The identifiable assets acquired and liabilities assumed measured at fair value at 31 January 2013 are as follows (in millions of euros):

Property, plant and equipment	0.3
Intangible assets	0.0
Inventories	1.2
Trade receivables	0.6
Cash and cash equivalents	0.7
Other assets	0.2
Borrowings and debt	0.1
Tax and social security liabilities	0.3
Trade payables	0.7
Other liabilities	0.3
Net assets	**1.7**

The goodwill resulting from the purchase price allocation was €2.0 million (see Note 9.1) and reflects the synergies expected to derive from the acquisition in terms of trading and cost savings, market share and growth potential. This goodwill was allocated to the Light Vehicles CGU.

Acquisition of shares in Comptoir Auto Marine Industrie by AD Grand Ouest

On 30 June 2013, the Group acquired all of the capital of Comptoir Auto Marine Industrie. This company is based in the Finistère region in western France and specialises in the purchase, resale and wholesale and/or retail distribution of parts and equipment for the automotive, marine and manufacturing industries, and in equipment repair and maintenance services. The purchase price was €0.9 million. Goodwill resulting from the provisional allocation of the purchase price was €0.4 million (see Note 9.1) and was allocated to the Light Vehicles CGU.

Acquisition of shares in Rougon-Queyrel entities by Autodistribution

Rougon-Queyrel entities, previously independent distributors of Autodistribution, became subsidiaries of the Group on 30 December 2013. Founded in 1908, Rougon-Queyrel entities are the leading distributors of supplies and equipment for the automotive and manufacturing industries in the French Alpes de Haute Provence and Hautes-Alpes regions. They have four distribution outlets in Gap, Briançon, Digne and Manosque and 70 employees. Rougon-Queyrel had revenue of €15 million in 2013.

In 2013, the provisional purchase price was €7.6 million. The definitive purchase price was determined during the year and amounted to €7.7 million. In 2013, the goodwill arising from the provisional allocation of the purchase price amounted to €3.7 million (see Note 9.1) The goodwill arising from the definitive allocation of the purchase price was €4.4 million and was allocated to the Light Vehicles CGU.

The identifiable assets acquired and liabilities assumed provisionally measured at fair value at 31 December 2013 are as follows (in millions of euros):

Property, plant and equipment	0.5
Intangible assets	0.0
Inventories	2.4
Trade receivables	1.8
Cash and cash equivalents	1.3
Other assets	0.8
Borrowings and debt	0.7
Tax and social security liabilities	0.7
Trade payables	1.3
Other liabilities	0.3
Net assets	**3.8**

4.2.2 Incorporation of companies

No companies were incorporated in 2013.

4.2.3 Mergers within the Group

The following full asset transfers were carried out in 2013:

Companies dissolved via full asset transfers or simplified mergers	Merging company
Malinge Chevalier	AD Normandie Maine
RPDC	AD Bassin Parisien Nord
Station Technique Auto	Val de Loire PL
PAPL	Porteret & Gobillot

None of the aforementioned transactions had an impact on the Group's consolidated financial statements.

4.2.4 Disposals

Disposal of 80% of shares in Parts Holding Italia (PHI) and of its subsidiary Autodistribution Italia (ADI) by Autodis

The Group began talks with the Giadi group in August 2012 for the sale of its Italian operations. In April 2013, the two parties signed a memorandum of understanding providing for:

- the payment by Giadi of €4.8 million to Autodis in respect of:
    - the sale of 80% of shares in Parts Holding Italia for €1 at 30 April 2013,
    - the repayment of a €4.8 million intragroup loan granted to Autodistribution Italia in instalments, with the last instalment due on 30 April 2021 (bearing interest at 4%). The instalments are to represent 50% of the annual bonus paid by AD International to the new trading group comprising PHI, ADI and Giadi. The first instalment was to be paid in April 2014 (the total loan granted by Group to ADI and PHI represented €9.1 million at 31 December 2012) (see Notes 7.8 and 14);
- a put option on 20% of the shares held by Autodis. This put option can be exercised by Autodis at the latest three months after the date on which the financial statements of PHI ad ADI are approved, as from April 2014. The option expires on 31 July 2018;
- if the put option is not exercised by Autodis within the specified period, and the €4.8 million loan is repaid in full, Giadi will have a call option on the 20% stake held by Autodis, equivalent to 20% of equity as per PHI's latest approved annual financial statements. This call option can be exercised between August 2018 and 31 December 2021.

This business has been classified within discontinued operations in the Group's financial statements since September 2012. The impact of the disposal on the consolidated financial statements is as follows:

	30 April 2013
Property, plant and equipment, net	0.0
Intangible assets, net	0.0
Inventories, net	2.9
Trade receivables, net	7.6
Cash and cash equivalents	0.4
Other assets	0.0
Borrowings and debt	0.0
Tax and social security liabilities	0.1
Trade payables	5.5
Other liabilities	0.2
Net assets	**5.1**

Since 30 April 2013, PHI has been accounted for by the equity method. Net income arising on the discontinued operations of Italy-based PHI and ADI between 1 January 2013 and 31 March 2013 is not material.

5 Segment information

The reportable operating segments reflect the segmentation used for internal reporting purposes and that which is disclosed and monitored by the chief operating decision makers.

The chief operating decision makers are responsible for managing resources and assessing the profitability of each operating segment and were identified as members of the Executive Committee in charge of strategic decisions.

The Executive Committee bases its analyses on six operating segments: Purchasing (including Logisteo, ACR and Digital Aftermarket), Light Vehicles, Heavy Vehicles, Cora, Bremstar and

International (Poland). Activities of the holding companies and support functions are not broken out by segment but included in the "Holding companies" line. A description of these segments is provided below:

- Purchasing (including Logisteo, ACR and Digital Aftermarket) is in charge of Group purchases of light vehicle parts.
- Cora is responsible for the resale of light vehicle body parts.
- Bremstar is responsible for Group purchases of heavy vehicle parts.
- Light Vehicles include the French distribution subsidiaries which sell light vehicle parts to garages and provide vehicle maintenance and repair services.
- Heavy Vehicles include the French distribution subsidiaries which sell HGV parts to garages and provide truck maintenance and repair services.
- International operations include the business of the Group's operating subsidiaries in Poland.

5.1 Segment results

2014 (in millions of euros)	Pur-chasing	Cora	Bremstar	Light Vehicles	Heavy Vehicles	Inter-national	Holding cos.	Group total
Total revenue	597.2	82.3	27.9	665.8	105.3	112.8	—	**1,591.3**
o/w intersegment revenue	*350.3*	*51.1*	*15.3*	*4.8*	*0.3*	—	—	**421.8**
Net revenue	**246.9**	**31.2**	**12.6**	**661.0**	**105.0**	**112.8**	—	**1,169.5**
EBITDA	**31.1**	**8.0**	**(0.5)**	**27.0**	**(1.6)**	**1.3**	**(1.2)**	**64.1**

2013 (in millions of euros)	Pur-chasing	Cora	Bremstar	Light Vehicles	Heavy Vehicles	Inter-national	Holding cos.	Group total
Total revenue	566.6	73.5	23.2	674.5	99.8	113.8	—	**1,551.4**
o/w intersegment revenue	*354.9*	*45.8*	*9.6*	*3.7*	*0.2*	—	—	**414.2**
Net revenue	**211.7**	**27.7**	**13.6**	**670.8**	**99.6**	**113.8**	—	**1,137.2**
EBITDA	**25.7**	**6.7**	**1.7**	**20.1**	**(1.8)**	**1.8**	**0.1**	**54.3**

5.2 Results and assets/liabilities by region

2014 (in millions of euros)	France	Poland	Group total
External revenue	1,056.7	112.8	**1,169.5**
Goodwill	51.8	—	**51.8**
Intangible assets	151.6	0.4	**152.0**
Property, plant and equipment	49.3	1.6	**50.9**

2013 (in millions of euros)	France	Poland	Group total
External revenue	1,023.4	113.8	**1,137.2**
Goodwill	21.4	—	**21.4**
Other intangible assets	143.1	0.4	**143.5**
Property, plant and equipment	48.7	2.1	**50.8**

6 Discontinued operations

6.1 Discontinued operations at 31 December 2014

The Autodis Group did not discontinue or dispose of any operations in 2014.

6.2 Discontinued operations at 31 December 2013

The Group had no discontinued operations in 2013, excluding the Italian business sold in April 2013 (see Note 4.1.4).

7 Income and expenses

7.1 Income from ordinary activities

In millions of euros	2014	2013
Sales of goods held for resale	1,110.8	1,075.7
Rendering of services	58.7	61.5
Income from ordinary activities — continuing operations	**1,169.5**	**1,137.2**

The increase in income from ordinary activities is mainly attributable to the first-time consolidation of ACR in April 2014.

7.2 Personnel costs

In millions of euros	2014	2013
Wages	(177.3)	(172.7)
Social security contributions	(63.7)	(63.3)
Profit-sharing plans	(3.9)	(2.7)
Pension costs (see Note 23.1)	(0.5)	(0.3)
Personnel costs	**(245.4)**	**(239.0)**

Pension costs include the allocation to provisions for retirement benefits for the year as well as the reversal of said provisions as a result of benefits paid during the year (see Note 23.1).

The Group's workforce at 31 December can be broken down as follows:

Number of employees	2014	2013
Engineers and managerial-grade staff (*cadres*)	847	841
Technical and supervisory staff	1,067	1,051
Other	4,401	4,429
Total workforce	**6,315**	**6,321**

7.3 Other purchases and external expenses

In millions of euros	2014	2013
Rental expenses	(41.7)	(40.3)
Shipping expenses	(41.1)	(38.6)
Maintenance and repairs	(14.6)	(13.3)
Legal and other fees	(8.4)	(6.7)
IT expenses	(7.3)	(6.8)
Advertising expenses	(3.5)	(1.9)
Subcontracting	(5.1)	(5.2)
Travelling expenses	(3.2)	(3.4)
Other expenses	(8.3)	(10.1)
Other purchases and external expenses	**(133.2)**	**(126.3)**

7.4 Other operating income and expenses

In millions of euros	2014	2013
Net (allocation to)/reversal of impairment of receivables	0.6	(1.1)
Net (allocation to)/reversal of current provisions in liabilities	(0.1)	—
Other	3.2	3.9
Other operating income and expenses	**3.7**	**2.8**

7.5 Other income from operations

In millions of euros	2014	2013
Gains on the disposal of property, plant and equipment and intangible assets	0.4	2.2
Reversal of provision for risk	1.5	0.9
Reversal of impairment of fixed assets in the Poland CGU	—	2.9
Reversal of impairment of the Autodistribution brand (see Note 3.2.1)	9.0	—
Other income	1.2	1.4
Other income from operations	**12.1**	**7.4**

7.6 Other expenses from operations

In millions of euros	2014	2013
Disposal of property, plant and equipment and intangible assets	(1.2)	(1.2)
Goodwill impairment against the Heavy Vehicles CGU (see Note 9.2)	(5.8)	—
Impairment of certain non-current assets in the Heavy Vehicles CGU (see Note 3.3.8)	(3.0)	—
Allocation to provisions and expenses for restructuring, and for tax and employee-related disputes	(3.5)	(1.2)
Restructuring costs	(5.2)	(4.8)
Other expenses	(0.1)	(3.8)
Other expenses from operations	**(18.8)**	**(11.0)**

7.7 Financial income

In millions of euros	2014	2013
Income from financial investments	0.3	0.3
Foreign exchange gains	0.1	—
Gains on the disposal of financial fixed assets	0.1	—
Change in fair value of Sup Bonds (see Note 21.1)	11.1	10.7
Other financial income	—	—
Total financial income	**11.6**	**11.0**

7.8 Financial expenses

In millions of euros	2014	2013
Cost of external loans and bank overdrafts	(15.1)	(4.2)
Discounting of borrowings and debt	(3.8)	(3.1)
Expenses related to financial instruments	(0.1)	(0.3)
Interest cost of provision for retirement benefits	(0.5)	(0.4)
Financial expenses on finance leases	—	—
Foreign exchange losses	(0.3)	(0.3)
Other financial expenses	(1.8)	(0.7)
Total financial expenses	**(21.6)**	**(9.0)**

Other financial expenses for 2014 include a debt waiver in the amount of €1.0 million. A €3.9 million early repayment was received at end-June 2014, out of a total loan of €4.9 million granted to Giadi at the time of the disposal of 80% of the shares of Parts Holding Italia in 2013 (see Note 14).

The increase in the cost of external loans and bank overdrafts is mainly attributable to the issue of a 6.5% bond on the Dublin stock market for an amount of €240 million (see Note 21.1).

7.9 Income tax

The Group opted for tax consolidation in France.

This option concerns all of the Group's French entities except for non-material subsidiaries and ACR, which was acquired during the year and which will be included in the tax group as from 2015.

7.9.1 Tax expense

The tax expense for the reference years is as follows:

In millions of euros	2014	2013
Current tax expense	(1.8)	(1.8)
Deferred tax expense	9.0	(10.5)
Company Value-Added Contribution (CVAE)	(5.4)	(5.3)
Income tax	**1.8**	**(17.6)**

7.9.2 Nature of deferred tax

Breakdown of deferred tax according to type before set off:

In millions of euros	2014	2013
Deferred tax on valuation of Sup Bonds	4.1	2.4
Deferred tax on recognition of loss carryforwards — Poland	1.2	0.7
Deferred tax on adjustments to pension liabilities for companies not consolidated for tax purposes	0.4	0.6
Deferred tax on recognition of loss carryforwards — France(*)	75.3	59.5
Deferred tax on miscellaneous adjustments	1.3	1.1
Deferred tax assets before offset	82.3	64.3
Deferred tax on valuation of AD brand(*)	(50.4)	(47.2)
Deferred tax on valuation of Sup Bonds	(8.3)	(4.7)
Deferred tax on capitalisation of borrowing costs	(1.5)	—
Deferred tax on actuarial gains and losses on pension obligations	(0.4)	—
Deferred tax on acquisition of the ACR customer base	(0.8)	—
Deferred tax on miscellaneous adjustments	(2.9)	(2.7)
Deferred tax liabilities before offset	(64.3)	(54.6)
Net deferred tax asset (liability)	**18.0**	**9.7**

(*) In 2013, a deferred tax liability was recognised on the brand, and was offset by a deferred tax asset on tax loss carryforwards in the amount of €35.4 million. In 2014, impairment of the Autodistribution brand was reversed in the amount of €9.0 million. Consequently the related deferred tax assets amounted to €37.8 million.

In 2006, the Group exercised the expanded tax base option (possibility to offset income of companies in a previous tax group against losses in the new group to which they belong) for companies consolidated with Autodis for tax purposes. This tax consolidation group's tax loss carryforwards were offset against the taxable income of the profitable companies in an expanded base in 2014.

There is also a French tax consolidation group whose parent company is Autodis Group and which includes the companies acquired after 2006 and the companies in the expanded tax base (previously consolidated with Autodis for tax purposes).

In 2013, the tax group in France generated a taxable profit. In 2014, the French tax consolidation group generated a tax loss of €13.6 million.

The French Finance Act of 2013 applicable at 31 December 2012 changed the rules for recognising tax loss carryforwards. Henceforth, the carryforward of losses is limited to €1 million plus 50% of the profit exceeding that amount, as opposed to 60% in 2011.

Taxable profit is calculated initially at the level of the expanded base by offsetting 50% of the tax loss carryforwards. The result obtained is then included in the Autodis Group tax consolidation group to which the 50% recognition limit for tax loss carryforwards also applies.

A tax planning exercise for operations in France was carried out on the basis of the five-year business plan for France to determine the future utilisation of loss carryforwards in light of existing offset rules and to assess the deferred tax asset to be recognised in the financial statements at 31 December 2014.

This exercise shows that €107.2 million in tax loss carryforwards would be utilised, i.e., a tax saving of €37.4 million. As a precautionary measure, and as there is little visibility beyond the timeframe of the business plan, the deferred tax asset recognised in the financial statements was limited to this amount.

At 31 December 2014, tax loss carryforwards, after utilising €17.2 million in 2014, stood at €224.2 million for the expanded base and €295.1 million for the Autodis Group tax consolidation group.

No other deferred tax asset was recorded in respect of consolidation adjustments likely to reverse in the long term. As these adjustments fall outside the time horizon of the Group's five-year business plan (2015 budget plus a further four-year projection), the Group deemed it prudent not to record any deferred tax assets after said period, except as a deduction from the deferred tax liabilities identified at the reporting date.

7.9.3 Tax proof

Reconciliation between the effective tax expense and the theoretical tax charge based on the tax rate applicable in France is as follows for the years cited:

In millions of euros	2014	2013
Income (loss) before tax	**29.1**	**36.3**
Theoretical tax: tax rate	35.00%	35.00%
Theoretical tax income (expense)	**(10.2)**	**(12.7)**
Effect of non-taxable income and non-deductible expenses	3.0	(0.4)
Differences in tax rates	0.0	0.7
Unrecognised tax losses	(11.6)	(4.2)
Company Value-Added Contribution (CVAE)	(5.4)	(5.3)
Recognition of tax loss carryforwards — France	25.9	3.6
Recognition of tax loss carryforwards — Poland	0.1	0.7
Tax income (expense) recorded in the consolidated income statement	**1.8**	**(17.6)**
Effective tax rate	6.2%	48.5%

8 Dividends paid and proposed

In millions of euros	2014	2013
Dividends approved during the year	—	—

9 Goodwill

9.1 Analysis of changes in gross value and impairment of goodwill

In millions of euros	Gross value	Impairment	Net value
At 31 December 2012	**388.9**	**(379.7)**	**9.2**
• newly-consolidated companies	12.2	—	12.2
• disposals	—	—	—
• impairment for the period	—	—	—
• foreign exchange gains (losses)	(0.5)	0.5	—
At 31 December 2013	**400.6**	**(379.2)**	**21.4**
• newly-consolidated companies	36.2	—	36.2
• disposals	—	—	—
• impairment for the period	—	(5.8)	(5.8)
• foreign exchange gains (losses)	(0.6)	0.6	—
At 31 December 2014	**436.2**	**(384.4)**	**51.8**

Changes in goodwill in 2014

- The acquisition of the ACR group generated goodwill of €35.4 million.
- The finalisation of the purchase price allocation for the acquisition of Rougon Queyrel 05 and subsidiaries Holding SAP and Rougon Queyrel 04 led to the recognition of goodwill in the amount of €0.7 million.
- The finalisation of the purchase price allocation for the acquisition of Comptoir Auto Marine Industrie led to the recognition of goodwill in the amount of €0.1 million.
- Impairment in the amount of €5.8 million corresponds to the write-down of goodwill allocated to the Heavy Vehicles segment further to the annual impairment tests carried out at 31 December 2014.

Changes in goodwill in 2013

- The acquisition of the FPLS group generated goodwill of €6.0 million.
- The acquisition of Comptoir Auto Marine Industrie generated goodwill of €0.4 million.
- The acquisition of RPDC and of its subsidiary Lilcolor generated goodwill of €2.0 million.
- The acquisition of Rougon Queyrel 05 and subsidiaries Holding SAP and Rougon Queyrel 04 generated preliminary goodwill of €3.7 million.

9.2 Impairment tests

Impairment tests on goodwill were carried out in accordance with the methodology set out in Note 3.3.8. In 2014, goodwill allocated to the Heavy Vehicles segment was written down in full in the amount of €5.8 million.

10 Intangible assets

In millions of euros	Software and licences	AD brand	Customer relationships	Other	Total
Gross value					
At 31 December 2012	**57.1**	**156.9**	**—**	**0.6**	**214.6**
• acquisitions (see Note 11.2)	6.0	—	—	0.1	6.1
• reclassification	0.1	—	—	(0.1)	—
• disposals	(0.4)	—	—	—	(0.4)
• business acquisitions	—	—	—	—	—
• foreign exchange gains (losses)	—	—	—	—	—
At 31 December 2013	**62.8**	**156.9**	**—**	**0.6**	**220.3**
• acquisitions (see Note 11.2)(A)	4.6	—	2.7	0.1	7.4
• reclassification	0.2	—	—	0.1	0.3
• disposals	(0.5)	—	—	—	(0.5)
• business acquisitions	0.4	—	—	0.1	0.5
• foreign exchange gains (losses)	—	—	—	—	—
At 31 December 2014	**67.5**	**156.9**	**2.7**	**0.9**	**228.0**
Amortisation and impairment					
At 31 December 2012	**50.3**	**21.9**	**—**	**0.4**	**72.6**
• amortisation (see Note 11.1)	5.0	—	—	—	5.0
• impairment	—	—	—	—	—
• reclassification	—	—	—	—	—
• impairment reversals	(0.7)	—	—	—	(0.7)
• business acquisitions	—	—	—	—	—
• foreign exchange gains (losses)	(0.1)	—	—	—	(0.1)
At 31 December 2013	**54.5**	**21.9**	**—**	**0.4**	**76.8**
• amortisation (see Note 11.1)	5.6	—	0.4	0.1	6.1
• impairment	—	—	—	—	—
• reclassification	0.1	—	—	—	0.1
• impairment reversals/tests	(0.5)	(9.0)	—	—	(9.5)
• business acquisitions	0.2	—	—	—	0.2
• foreign exchange gains (losses)	—	—	—	—	—
At 31 December 2014	**59.9**	**12.9**	**0.4**	**0.5**	**73.7**
Net value					
At 31 December 2013	8.3	135.0	—	0.2	143.5
At 31 December 2014	**7.6**	**144.0**	**2.3**	**0.4**	**154.3**

(A) Customer relationships in the amount of €2.7 million represent the proportionate share attributable to the acquisition of ACR's customer base. This acquisition is described in further detail in Note 4.1.1.

11 Property, plant and equipment

In millions of euros	Land	Property and fixtures	Technical fittings	Vehicles	IT equipment	Furnishings	Assets under construction	Total
Gross value								
At 31 December 2012	**5.1**	**83.0**	**44.7**	**13.0**	**21.0**	**4.6**	**0.2**	**171.6**
• acquisitions (see Note 11.2)	—	6.0	2.4	1.2	1.6	0.2	2.3	13.7
• reclassification	—	(0.6)	(0.9)	(0.1)	—	—	(0.6)	(2.2)
• disposals	—	(4.4)	(2.1)	(1.8)	(1.3)	—	—	(9.6)
• business acquisitions	—	5.1	3.2	0.6	0.6	—	—	9.5
• foreign exchange gains (losses)	—	—	(0.1)	—	—	—	—	(0.1)
At 31 December 2013	**5.1**	**89.1**	**47.2**	**12.9**	**21.9**	**4.8**	**1.9**	**182.9**
• acquisitions (see Note 11.2)	—	7.4	3.0	1.4	1.7	0.3	0.2	14.0
• reclassification	—	0.1	(0.2)	—	0.1	—	(1.9)	(1.9)
• disposals	(0.2)	(5.1)	(3.6)	(1.3)	(0.8)	(0.1)	—	(11.1)
• change in scope of consolidation	—	0.4	3.2	(0.1)	0.4	—	—	3.9
• foreign exchange gains (losses)	—	—	(0.1)	—	(0.1)	—	—	(0.2)
At 31 December 2014	**4.9**	**91.9**	**49.5**	**12.9**	**23.2**	**5.0**	**0.2**	**187.6**
Depreciation and impairment								
At 31 December 2012	**0.9**	**56.8**	**37.2**	**9.5**	**17.6**	**4.0**	**—**	**126.0**
• depreciation (see Note 11.1)	—	5.1	3.0	1.3	1.6	0.3	—	11.3
• impairment reversal	(0.2)	(0.2)	(1.3)	—	(0.5)	(0.3)	—	(2.5)
• reclassification	—	(0.9)	(1.1)	(0.2)	—	—	—	(2.2)
• reversals relating to disposals	—	(3.7)	(2.0)	(1.7)	(1.0)	—	—	(8.4)
• business acquisitions	—	4.1	2.8	0.6	0.5	—	—	8.0
• foreign exchange gains (losses)	—	—	(0.1)	—	—	—	—	(0.1)
At 31 December 2013	**0.7**	**61.2**	**38.5**	**9.5**	**18.2**	**4.0**	**—**	**132.1**
• depreciation (see Note 11.1)	—	5.5	3.2	1.4	1.8	0.3	—	12.2
• impairment	1.0	0.8	1.2	—	—	—	—	3.0
• reclassification	—	(1.2)	(0.5)	(0.1)	—	—	—	(1.8)
• reversals relating to disposals	—	(4.2)	(3.2)	(1.2)	(0.8)	(0.2)	—	(9.6)
• change in scope of consolidation	—	(0.1)	0.8	(0.1)	0.3	—	—	0.9
• foreign exchange gains (losses)	—	—	(0.1)	—	—	—	—	(0.1)
At 31 December 2014	**1.7**	**62.0**	**39.9**	**9.5**	**19.5**	**4.1**	**—**	**136.7**
Net value								
At 31 December 2013	4.4	27.9	8.7	3.4	3.7	0.8	1.9	50.8
At 31 December 2014	**3.2**	**29.9**	**9.6**	**3.4**	**3.7**	**0.9**	**0.2**	**50.9**

Property, plant and equipment held under finance leases is set out in Note 30.2.

11.1 Reconciliation of depreciation/amortisation expense recorded in the income statement

	2014	2013
• intangible assets (see Note 10)	(6.1)	(5.0)
• property, plant and equipment (see Note 11)	(12.2)	(11.3)
Depreciation/amortisation expense	**(18.3)**	**(16.3)**

11.2 Reconciliation of acquisitions of property, plant and equipment and intangible assets presented in the statement of cash flows

	2014	2013
• intangible assets (excluding customer relationships) (see Note 10)	4.7	6.1
• property, plant and equipment (see Note 11)	14.0	13.7
Acquisitions of non-current assets	**18.7**	**19.8**

12 Investments in equity-accounted companies

In millions of euros	Neoparts	AD International	Total
At 31 December 2012	**0.1**	**0.3**	**0.4**
• net income (loss)	(0.1)	—	(0.1)
• dividends paid	—	—	—
• other changes	0.1	—	0.1
At 31 December 2013	**0.1**	**0.3**	**0.4**
• net income (loss)	—	—	—
• dividends paid	—	—	—
• other changes	—	0.1	0.1
At 31 December 2014	**0.1**	**0.4**	**0.5**

Key indicators at 31 December 2014 (data based on a 100% interest)

	Latest approved financial statements at 31 December 2014		Latest approved financial statements at 31 December 2013	
In millions of euros	**Neoparts**	**AD International**	**Neoparts**	**AD International**
Total current assets	6.2	15.0	5.8	12.7
Total non-current assets	0.4	0.5	0.5	0.5
Total current liabilities	4.9	13.9	4.9	11.6
Total non-current liabilities	1.3	0.0	1.4	0.0
Total equity	0.3	1.6	0.4	1.6
Total revenue	18.8	0.0	18.2	0.0
Net income (loss)	(0.1)	0.0	(0.3)	0.0

The Group's interest in each of the equity-accounted companies cited above is set out in Note 27.

The nature of the Group's relationships with these equity-accounted companies is set out in Note 28.

13 Available-for-sale financial assets

The table below summarises available-for-sale financial assets corresponding to non-consolidated equity investments at 31 December 2014. These investments are remeasured to fair value at each reporting date.

Company (€m)	% interest	Gross value	Impairment	Net value
AD Maroc	7.7%	0.27	0.27	—
SCI Morangis	10.3%	0.06	—	0.06
Other		0.15	0.03	0.12
Total		**0.48**	**0.30**	**0.18**

At 31 December 2013:

Company (€m)	% interest	Gross value	Impairment	Net value
AD Maroc	7.7%	0.27	0.27	—
SCI Morangis	10.3%	0.06	—	0.06
Other		0.16	0.03	0.13
Total		**0.49**	**0.30**	**0.19**

14 Other non-current assets

In millions of euros	Loans	Guarantees and deposits	Other	Total
Gross value				
At 31 December 2012	**1.6**	**6.8**	**3.7**	**12.1**
• acquisitions(A)	6.3	0.7	0.1	7.1
• reclassification(B)	—	—	(3.3)	(3.3)
• disposals	(1.0)	(0.5)	—	(1.5)
• business acquisitions(C)	—	2.1	0.3	2.4
• foreign exchange gains (losses)	—	—	—	—
At 31 December 2013	**6.9**	**9.1**	**0.8**	**16.8**
Amortisation and impairment	—	—	—	—
Net value at 31 December 2013	**6.9**	**9.1**	**0.8**	**16.8**

(A) The €6.3 million classified in "Loans" includes a €4.8 million loan granted by Autodis to Giadi on 30 April 2013 within the scope of the disposal of the Italian subsidiary.

(B) The negative amount of €3.3 million classified in "Other" corresponds to the reclassification of FPLS shares paid on 31 December 2012 and not consolidated in the Group's 2012 financial statements (FPLS was consolidated as of 1 January 2013).

(C) €2.0 million of the €2.1 million listed under "Guarantees and deposits" corresponds to the partial capitalisation of the vendor's liabilities warranty agreed at the time of the acquisition of the FPLS group.

In millions of euros	Loans	Guarantees and deposits	Other	Total
Gross value				
At 31 December 2013	**6.9**	**9.1**	**0.8**	**16.8**
• acquisitions	0.5	0.2	—	0.7
• reclassification	—	—	—	—
• disposals(A)	(5.2)	(1.6)	(0.6)	(7.4)
• business acquisitions	—	0.7	—	0.7
• foreign exchange gains (losses)	—	—	—	—
At 31 December 2014	**2.2**	**8.4**	**0.2**	**10.8**
Depreciation, amortisation and impairment	—	—	—	—
Net value at 31 December 2014	**2.2**	**8.4**	**0.2**	**10.8**

(A) Including loans in the amount of €5.2 million, of which €4.9 million corresponds to the early and full repayment of the loan granted to Parts Holding Italia (PHI). The early repayment in the amount of €3.9 million closes out the loan negotiated as part of the sale of the 80% interest in PHI (see Note 4.2.4 for further information). Includes guarantees and deposits for €1.6 million, of which €1.2 million concerns reversals of capitalised vendor's liabilities warranties.

15 Inventories

In millions of euros	31 Dec. 2014	31 Dec. 2013
Gross value	225.2	203.6
Impairment	(24.2)	(22.8)
Net value	**201.0**	**180.8**

Changes in the net value of impairment was an increase of €0.2 million in 2014 and a decrease of €1.0 million in 2013.

16 Trade and other receivables

In millions of euros	31 Dec. 2014	31 Dec. 2013
Trade receivables	200.2	191.4
Discounts, rebates and refunds	(23.2)	(16.4)
Impairment	(11.9)	(11.8)
Net value	**165.1**	**163.2**

The Autodistribution group entered into a factoring agreement with Eurofactor for a total of €35.0 million. The ACR group also entered into a factoring agreement with CGA for a total of €15.0 million. The factored receivables remain in the consolidated financial statements.

In 2014, the Group sold receivables amounting to €32.8 million while keeping drawdowns to just €1.0 million (sold receivables amounted to €28.9 million and drawdowns to €9.1 million in 2013).

At 31 December 2014, receivables past due but not impaired can be analysed as follows:

			Trade receivables past due				
In millions of euros	**Total**	**Not yet due**	**Less than 30 days**	**Between 30 and 60 days**	**Between 60 and 90 days**	**Between 90 and 120 days**	**More than 120 days**
Trade receivables	200.2	176.2	8.5	4.4	2.4	1.8	6.9
DRR(*)	(23.2)						
Impairment	(11.9)						
Total	**165.1**						

(*) Discounts, rebates and refunds

At 31 December 2014, impairment relates primarily to trade receivables past due.

At 31 December 2013, the analysis of trade receivables past due but not impaired was:

			Trade receivables past due				
In millions of euros	**Total**	**Not yet due**	**Less than 30 days**	**Between 30 and 60 days**	**Between 60 and 90 days**	**Between 90 and 120 days**	**More than 120 days**
Trade receivables	191.4	168.0	7.5	5.1	2.4	0.4	8.0
DRR(*)	(16.4)						
Impairment	(11.8)						
Total	**163.2**						

(*) Discounts, rebates and refunds

Changes in impairment of trade and other receivables can be broken down as follows:

	2014		2013	
	Trade receivables	Other receivables	Trade receivables	Other receivables
Balance at 1 January	**11.8**	**—**	**10.5**	**0.1**
Allocation	2.7	0.1	4.5	—
Reversal	(3.3)	—	(3.5)	(0.1)
Changes in scope of consolidation	0.8	—	0.4	—
Reclassifications	(0.1)	—	(0.1)	—
Balance at 31 December	**11.9**	**0.1**	**11.8**	**—**

17 Other current assets, net

In millions of euros	2014	2013
Prepaid expenses	9.4	8.9
Other receivables	0.5	0.3
Accrued income	0.7	1.3
CICE tax credit receivables (see Note 21.1)	10.4	—
Other	—	0.5
Total	**21.0**	**11.0**

18 Cash and cash equivalents

In millions of euros	2014	2013
Cash equivalents	55.0	18.6
Cash on hand and at bank	10.5	8.5
Restricted cash	2.2	5.9
Total	**67.7**	**33.0**

Cash equivalents include money-market funds (SICAV) taken out by AD/Autodis/Autodis Group with Amundi and BNPP banks (€55.0 million). Since these investments are subject to an insignificant risk of changes in value, they qualify as cash equivalents.

The carrying amount of all these items corresponds to their fair value.

For the purposes of the consolidated statement of cash flows, the "Cash and cash equivalents" heading includes the following items at 31 December:

In millions of euros	31 Dec. 2014	31 Dec. 2013
Cash equivalents	55.0	18.6
Cash on hand and at bank	10.5	8.5
Restricted cash	2.2	5.9
Bank overdrafts (see Note 21.2)	(6.7)	(7.7)
Net cash and cash equivalents	**61.0**	**25.3**

19 Issued capital and reserves

Autodis Group SAS was incorporated on 18 January 2006 via a fully paid-up cash subscription of €37,000. In connection with the acquisition of the Autodis group, its capital was increased on 1 March 2006 by a cash contribution of €55,900,000 and on 23 June 2006 by converting a shareholder current account of €1,100,000 into equity, thereby bringing total capital to €57,037,000. As a result of refinancing on 21 April 2009, the capital increased to €152,598,261. The company is wholly owned by Parts Holdings Coöperatief U.A.

As a result of refinancing transactions on 31 January 2014, Autodis Group's capital decreased to €4,577,947.83, at which date the share capital amounted to €148,020,313.17.

As the number of shares comprising the share capital remains unchanged, the par value of the shares has been reduced from €1 to €0.97.

Accordingly, at 31 December 2014, the capital comprised 152,598,261 registered shares with a par value of €0.97 each. No preference shares were issued.

20 Presentation of financial assets and liabilities

At 31 December 2014:

(€m)	Assets/liabilities at fair value through income	Assets/ liabilities at amortised cost	Available-for-sale assets at fair value	Total net carrying amount	Total fair value
Available-for-sale financial assets			0.2	**0.2**	**0.2**
Other non-current assets, net		13.1		**13.1**	**13.1**
Trade receivables, net		165.1		**165.1**	**165.1**
Other current assets, net		21.0		**21.0**	**21.0**
Cash and cash equivalents	55.0	12.7		**67.7**	**67.7**
Derivative financial instruments					
Financial assets	**55.0**	**211.9**	**0.2**	**267.1**	**267.1**
Borrowings and debt (current and non-current)	1.8	259.7		**261.5**	**261.5**
Trade payables		148.5		**148.5**	**148.5**
Other non-current liabilities		3.9		**3.9**	**3.9**
Other current liabilities(1)		8.5		**8.5**	**8.5**
Derivative financial instruments					
Financial liabilities	**1.8**	**420.6**	**—**	**422.4**	**422.4**

Cash and cash equivalents are measured at level 1 of the fair value hierarchy.

Borrowings and debt (Sup Bonds) in the amount of €1.8 million are measured at level 3 of the fair value hierarchy (see Note 21.1).

At 31 December 2013:

In millions of euros	Assets/liabilities at fair value through income	Assets/ liabilities at amortised cost	Available-for-sale assets at fair value	Total net carrying amount	Total fair value
Available-for-sale financial assets	—	—	0.2	**0.2**	**0.2**
Other non-current assets, net	—	16.8	—	**16.8**	**16.8**
Trade receivables, net	—	163.2	—	**163.2**	**163.2**
Other current assets, net	—	2.1	—	**2.1**	**2.1**
Cash and cash equivalents	18.5	14.5	—	**33.0**	**33.0**
Derivative financial instruments	—	—	—	**—**	**—**
Financial assets	**18.5**	**196.6**	**0.2**	**215.3**	**215.3**
Borrowings and debt (current and non-current)	12.0	168.0	—	**180.0**	**180.0**
Trade payables	—	145.4	—	**145.4**	**145.4**
Other non-current liabilities	—	8.4	—	**8.4**	**8.4**
Other current liabilities(1)	—	6.8	—	**6.8**	**6.8**
Derivative financial instruments	—	—	—	**—**	**—**
Financial liabilities	**12.0**	**328.6**	**—**	**340.6**	**340.6**

(1) excluding tax and social security liabilities outside the scope of IAS 39.

21 Borrowings and debt

21.1 Group financing

On 31 January 2014, the Group refinanced its long-term debt by means of a €240 million bond issue on the Dublin market. These bonds pay interest at 6.5% on 1 February and 1 August each year, and mature on 1 February 2019.

The following loans were repaid in full at said date:

- the refinancing term facility maturing in April 2016 for €64.3 million;
- the corporate purposes term facility maturing in April 2016 for €18.6 million;
- the free shareholder loan maturing on 21 April 2060 for €50.0 million;
- the senior equity loan maturing on 21 April 2018 for €9.5 million;
- the promissory note maturing on 21 April 2017 for €5.0 million;
- the equity purchase bond maturing on 21 April 2017 for €2.6 million.

The Group has also negotiated a revolving credit facility (RCF) with JP Morgan for €20.0 million at Euribor +3.5%.

The Dailly financing line for €15.0 million taken out with LCL was terminated on 31 January 2014 further to clause 6.2 providing for termination of the contract in the event Senior Facility Agreement is refinanced.

The Group is no longer required to comply with covenants except for the minimum annual EBITDA covenant of €37 million.

This refinancing transaction generated an expense of €12.0 million. In the Group's financial statements, these expenses are included in the value of the loan and are amortised over its term.

The impact in 2014 of the early repayment of the loan on 31 January 2014 amounts to €5.8 million.

The refinancing transactions are summarised in the table below:

	2014	2013
Drawdowns in connection with factoring agreements	1.0	2.6
Senior Secured Notes	240.0	—
Refinancing fees	(12.0)	—
CICE tax credit financing	9.6	—
Increase in borrowings	**238.6**	**2.6**
Repayment of PH senior equity loan	(9.5)	(10.0)
Repayment of refinancing term facility loan	(64.3)	(9.1)
Repayment of corporate purposes term facility loan	(18.6)	(2.6)
Repayment of PH free shareholder loan	(50.0)	—
Repayment of promissory notes	(5.0)	—
Repayment of EP bonds	(2.6)	—
Repayment of drawdowns in connection with factoring agreements	(10.2)	—
Repayment of other borrowings and loans	(1.5)	(0.8)
Repayment of borrowings	**(161.7)**	**(22.5)**

At 31 December 2014, the Group's financing breaks down as follows:

Bond issue	Nominal value (€m)	Fair value at 31 Dec. 2014 (€m)	Value at amortised cost at 31 Dec. 2014 (€m)	Fixed interest rates	Maturity	Comments
Senior secured notes	240.0	229.9	229.2	6.5%	February 2019	Fully underwritten
Sup Bonds	25.5	1.8		—	April 2017	Fully underwritten
Total	**265.5**	**231.7**	**229.2**	**—**		

On 1 April 2009, the Group issued €25.5 million in subordinated bonds ("Sup Bonds") to its main shareholders, representing financing with contingent redemption at a par value of €1 per bond. These bonds do not pay interest and mature on 21 April 2017.

The Sup Bonds are redeemed on condition of a return on investment (through dividends paid by the Group and/or the sale of assets and receivables with the Group) of more than three times the value of their total investment in the Group, between the instruments' issue date and 21 April 2017. If this condition is fulfilled, the amount of the redemption will depend on the level of return on investment, not to exceed the amount of the principal, i.e., €25.5 million.

In accordance with IAS 39, the Group remeasured the Sup Bonds at 31 December 2014 based on revised projections (business plan and net debt) and their impact on shareholders' equity. Further to this remeasurement, the Group updated the value of the Sup Bonds to €1.8 million at 31 December 2014 (€12 million at 31 December 2013).

The table below shows the sensitivity of the bond valuation to changes in the gross margin assumption.

	EBITDA -5%	EBITDA	EBITDA +5%
Value of Sup Bonds	0.1	1.8	3.4

In 2014, receivables relating to the CICE tax credits for 2013 and 2014 were sold to Bpifrance Financement in exchange for financing in an amount equal to 85% of the assigned receivables. The factoring agreements provide for the repurchase of the receivables at maturity for an amount equivalent to their face value. Therefore, they have not been derecognised and the related liabilities are not offset, in accordance with IAS 39.36.

21.2 Breakdown of borrowings and debt by type

In millions of euros	Notes	2014	2013
Non-current			
• Senior Secured Notes		229.9	—
• Corporate purposes term facility		—	16.3
• Promissory note		—	4.5
• Refinancing term facility loan		—	56.5
• PH free shareholder loan		—	44.9
• Sup Bonds		1.8	12.0
• EP bonds		—	2.4
• Amounts owed under finance leases (more than one year)	(1)	0.4	—
• CICE tax credit financing with Bpifrance		9.6	—
• Other borrowings and accrued interest	(2)	0.4	1.4
Sub-total of non-current borrowings and debt		**242.0**	**138.0**
Current			
• Corporate purposes term facility		—	2.2
• Refinancing term facility loan		—	7.7
• PH senior equity loan		—	9.5
• Senior Secured Notes interest		6.6	—
• Value of put option held by minority shareholders		4.2	4.6
• Amounts owed under finance leases (less than one year)	(1)	0.3	0.2
• Other borrowings (less than one year)	(2)	0.7	0.9
• Eurofactor factoring		1.0	9.1
• Bank overdrafts (see Note 18)	(3)	6.7	7.7
Sub-total of current borrowings and debt		**19.5**	**42.0**
Total borrowings and debt		**261.5**	**180.0**

(1) Amounts owed under finance leases are the result of leases and sale and leaseback agreements used to finance the purchase of vehicles and certain investments in real estate, IT and furniture.

(2) Borrowings and debt incurred by some of the Group's subsidiaries

(3) Bank overdraft used by the subsidiaries in Poland and bank account debit balances resulting from normal time lags between the value date for banking purposes and entry dates in the accounts.

Interest on bank overdrafts used by the Group and its subsidiaries is charged at market rates. At 31 December 2014, the Group had available credit lines of €80.9 million as follows:

	Conditions	Drawdowns
Poland — Pekao Bank	PLN 26.0 million (i.e., €6.1 million at 31 Dec. 2014) at 1-month Wibor +1%	Partial drawdown of €6.0 million
JP Morgan — Revolving credit facility	€20.0 million at Euribor +3.5%	Undrawn
Eurofactor AD and Gadso factoring	€35.0 million at 3-month Euribor +0.90%	Undrawn
ACR group — CGA Affacturage	€15.0 million at CGA rate +0.60%	Partial drawdown of €1.0 million
Enssemble group — SG, BP, HSBC, BNP	Short-term overdrafts: €2.5 million	Partial drawdown of €2.3 million
FPLS group — LCL, BPO, CE	Short-term overdrafts: €2.3 million	Partial drawdown of €0.7 million

21.3 Breakdown of non-current borrowings and debt by maturity

The amounts below include contractual cash flows net of projected repayments plus interest payable.

21.3.1 At 31 December 2014

In millions of euros	Interest payments: Less than 1 year	Interest payments: Between 1 and 5 years	Interest payments: More than 5 years	Interest payments: Total	Gross repayments: Less than 1 year	Gross repayments: Between 1 and 5 years	Gross repayments: More than 5 years	Gross repayments: Total	Total
Senior Secured Notes	15.8	55.5	—	71.3	—	240.0	—	240.0	311.3
Sup Bonds	—	—	—	—	—	1.8	—	1.8	1.8
Amounts owed under finance leases	—	—	—	—	0.3	0.4	—	0.7	0.7
CICE tax credit financing	0.1	0.2	—	0.3	—	9.6	—	9.6	9.9
Other borrowings and accrued interest	—	—	—	—	0.7	0.4	—	1.1	1.1
Total non-current borrowings and debt	15.9	55.7	—	71.6	1.0	252.2	—	253.2	324.8

21.3.2 At 31 December 2013

In millions of euros	Interest payments: Less than 1 year	Interest payments: Between 1 and 5 years	Interest payments: More than 5 years	Interest payments: Total	Gross repayments: Less than 1 year	Gross repayments: Between 1 and 5 years	Gross repayments: More than 5 years	Gross repayments: Total	Total
Corporate purposes term facility	0.6	0.8	—	**1.4**	2.2	16.3	—	**18.5**	**19.9**
Promissory note	—	—	—	**0.0**	—	5.0	—	**5.0**	**5.0**
Refinancing term facility loan	2.0	2.8	—	**4.8**	7.7	56.5	—	**64.2**	**69.0**
PH senior equity loan	0.4	—	—	**0.4**	9.5	—	—	**9.5**	**9.9**
PH free shareholder loan	—	—	—	**0.0**	—	—	50.0	**50.0**	**50.0**
Sup Bonds	—	—	—	**0.0**	—	12.0	—	**12.0**	**12.0**
EP bonds	—	—	—	**0.0**	—	2.6	—	**2.6**	**2.6**
Amounts owed under finance leases	—	—	—	**0.0**	0.2	—	—	**0.2**	**0.2**
Other borrowings and accrued interest	—	—	—	**0.0**	1.3	1.3	—	**2.6**	**2.6**
Total non-current borrowings and debt	**3.0**	**3.6**	**—**	**6.6**	**20.9**	**93.7**	**50.0**	**164.6**	**171.2**

22 Financial risk management objectives and policies

The Group's main instruments consist of borrowings and bank overdrafts, amounts owed under finance leases, trade payables, lease agreements with a purchase option and loans granted. The financial instruments are contracted principally to finance the Group's operating activities. The Group has other financial assets such as trade receivables, cash and cash equivalents and short-term deposits, which are generated directly by its operations.

The main risks related to the Group's financial instruments are cash flow interest rate risk, foreign exchange risk, counterparty risk and liquidity risk. The policies in place for managing these risks are summarised below.

The Group manages its capital in such a way as to optimise debt to equity ratios and the financial leverage obtained by debt.

22.1 Interest rate risk

The Group borrows at a fixed rate and is not therefore exposed to an interest rate risk on this portion of its debt.

22.2 Foreign exchange risk

The Group is exposed to exchange rate risk for its operations in Poland accounted for in zloty and translated into euros in the consolidated financial statements in accordance with the principles described in Note 3.3.2.

The resulting translation differences are allocated directly to a separate line item under equity and were not material at 31 December 2014. No specific hedges were taken out in respect of this foreign exchange risk.

22.3 Counterparty risk

The Group's policy is to verify up front the financial health of all customers that wish to obtain payment credit terms.

The Group has put in place procedures for monitoring outstanding receivables in order to reduce its credit default exposure. These procedures are based on classifying customers by type, payment history, past or present financial difficulties, and the existence of any legal proceedings.

Regarding the credit risk relating to the Group's other financial assets, particularly cash and cash equivalents, available-for-sale financial assets and some derivative instruments, the Group's exposure relates to potential defaults by the third parties concerned and its maximum exposure equals the carrying amount of these instruments.

22.4 Liquidity risk

The Group's objective is to maintain a balance between the continuity and flexibility of financing through the use of bank borrowings, bonds, finance leases and purchases on credit.

22.5 Capital management

The Group's main objective in terms of its capital management is to ensure that it maintains a good credit risk rating and healthy capital ratios so as to facilitate its operations and maximise value for shareholders.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group can adjust the payment of dividends to shareholders, repay some of the capital or issue new shares.

The Group does not have any equity-based covenants.

23 Liabilities relating to employee benefits

The provisions recorded in the statement of financial position relate to retirement benefits.

23.1 Changes in the provision on the statement of financial position

In millions of euros	2014	2013
Obligation at 1 January	**16.1**	**16.4**
Service cost	1.1	1.1
Interest cost	0.5	0.5
Actuarial gains (losses)	5.6	(1.4)
Change in scope of consolidation	—	0.3
Curtailments/terminations	—	—
Benefits paid	(0.6)	(0.8)
Obligation at 31 December	**22.7**	**16.1**
Plan assets at 31 December	(0.2)	(0.2)
Provision at 31 December	**22.5**	**15.9**

Movements in the provision recorded in the statement of financial position were as follows:

In millions of euros	2014	2013
Provision at 1 January	**15.9**	16.2
Expense for the year	1.6	1.6
Benefits paid	(0.6)	(0.8)
Actuarial gains (losses)	5.6	(1.4)
Changes in scope of consolidation/curtailments	—	0.3
Benefits paid by the fund	—	—
Provision at 31 December	**22.5**	**15.9**

23.2 Costs of retirement benefits recorded in income

In millions of euros	2014	2013
Service cost	(1.1)	(1.1)
Interest cost	(0.5)	(0.5)
Expense for the year	**(1.6)**	**(1.6)**

23.3 Actuarial assumptions

The basic assumptions made for these calculations (employee turnover rate and salary increase rate) have been determined on the basis of the Group's projected and historical policy. The valuation assumptions used in the calculations for the periods presented are as follows:

	2014		2013	
	France	Poland	France	Poland
Discount rate	1.50%	2.54%	3.15%	4.38%
Long-term salary increase rate				
Employees — supervisors	3.50%/year	2.50%/year	2.50%/year	3.50%/year
Managerial-grade staff (*cadres*)	2.50%/year	3.50%/year	3.50%/year	4.50%/year

Since 2011, the mortality tables used are TGH 05 and TGF 05. They take account of both the "gender" factor and the "age" factor.

The discount rates applied are obtained by reference to the long-term yield on investment-grade bonds.

Employee turnover rates are shown in the table below:

	2014			2013		
Age	Managerial-grade staff (cadres)	Technical and supervisory staff	Other	Managerial-grade staff (cadres)	Technical and supervisory staff	Other
16-24	10%	10%	10%	20%	9%	19%
25-29	9%	9%	9%	20%	9%	14%
30-34	6%	7%	5%	13%	9%	13%
35-39	4%	4%	5%	13%	9%	10%
40-44	3%	3%	4%	13%	8%	9%
45-49	2%	3%	2%	4%	3.5%	3.5%
50-55	2%	2%	2%	4%	3%	3%
56 and over	0%	0%	0%	0%	0%	0%

The rates for 2014 only include resignations.

23.4 Sensitivity tests at 31 December 2014

An increase or decrease of 0.25% in the discount rate and assumed rate of increase in salaries would have the following impacts:

	Discount rate		
France	1.25%	1.50%	1.75%
Poland	2.29%	2.54%	2.79%
Provision in the statement of financial position	22.5	22.4	21.7
Service cost	1.8	1.7	1.7

		Long-term salary increase rate		
France	Employees — supervisors	3.25%	3.50%	3.75%
	Managerial-grade staff (*cadres*)	2.25%	2.50%	2.75%
Poland	Employees — supervisors	2.25%	2.50%	2.75%
	Managerial-grade staff (*cadres*)	3.25%	3.50%	3.75%
Provision in the statement of financial position		21.7	22.4	23.1
Service cost		1.7	1.7	1.8

24 Other non-current liabilities

In millions of euros	2014	2013
Employee profit-sharing	—	—
Guarantees and deposits received	1.7	1.7
Amounts payable on non-current assets	1.8	5.6
Other	0.4	0.4
Total	**3.9**	**7.7**

25 Current and non-current provisions

25.1 Current provisions

Movements in current provisions were as follows:

In millions of euros	1 Jan. 2014	Newly-consolidated	Reclassifi-cations	Allocations	Reversals (used provisions)	Reversals (surplus provisions)	Total reversals	31 Dec. 2014
Industrial disputes	**2.0**	0.1	—	2.1	0.6	0.6	1.2	**3.0**
Site closures (*)	**2.1**	—	1.4	1.3	1.7	0.1	1.7	**3.0**
Repairs — major work	**0.8**	—	—	—	0.4	—	0.4	**0.4**
Tax risk	**4.5**	0.7	—	0.1	0.7	1.9	2.6	**2.7**
Supplier disputes	**0.4**	—	—	0.3	—	0.1	0.1	**0.6**
Customer disputes	**0.5**	—	—	0.2	—	0.2	0.2	**0.5**
Other provisions	**2.4**	0.5	—	0.2	0.8	0.1	0.9	**2.2**
Total	**12.7**	**1.3**	**1.4**	**4.2**	**4.2**	**3.0**	**7.2**	**12.4**

In the ordinary course of its operations, the Group may be involved in legal procedures relating to industrial disputes, commercial disputes, etc. In such cases, in conjunction with its legal advisors, the Group analyses the circumstances of the disputes and assesses the probability that an outflow of resources will be required to settle them.

(*) The reversal of the provision for site closures at Logisteo amounts to €1.6 million, less a discounting adjustment to reflect the passage of time of €0.2 million.

25.2 Non-current provisions

Movements in non-current provisions were as follows:

In millions of euros	1 Jan. 2014	Newly-consolidated	Reclassifi-cations	Allocations	Reversals (used provisions)	Reversals (surplus provisions)	Total reversals	31 Dec. 2014
Site closures	3.5		(1.4)					2.1
Total	**3.5**		**(1.4)**					**2.1**

The non-current provision for site closures relates to the closure of Logisteo's "B" site at Moissy Cramayel.

26 Trade payables, tax liabilities and other current liabilities

In millions of euros	2014	2013
Trade payables	**148.5**	**145.4**
Other current liabilities		
Tax and social security liabilities, personnel	60.0	52.6
Employee profit-sharing (current)	2.1	1.5
Other payables	4.2	2.6
Prepaid income	2.2	2.7
Sub-total	**68.5**	**59.4**
Total	**217.0**	**204.8**

27 Scope of consolidation

At 31 December 2014, the scope of consolidation was as follows:

	Consolidation method	Country	% interest 2014	% interest 2013
Autodis Group (former "Parts Holdings (France)")	Parent	France	100	100
ACR Holding	Full	France	100	
ACR Group	Full	France	100	
AD Bassin Parisien Nord	Full	France	99.99	99.99
Arnaudiès	Full	France		100
Auto Contrôle SARL (Enssemble group)	Full	France	100	100
Autodis	Full	France	100	100
Autodistribution Sogo	Full	France	99.95	99.95
SDFM	Full	France	100	100
Autodistribution	Full	France	100	100
AD Grand Ouest	Full	France	100	100
AD Manche Calvados	Full	France	79.40	
AD Normandie Maine	Full	France	79.40	79.40
ALES PL	Full	France	50.50	50.50
AM Développement	Full	France	100	100
Andrieu SARL (Enssemble group)	Full	France	100	100
Boury V.I.	Full	France	100	100
Bremstar	Full	France	100	100
Bugisy (Enssemble group)	Full	France	100	100
Busnengo	Full	France	99.98	99.98
Cofirhad	Full	France	100	100
Cogemad	Full	France	100	100
Comptoir Auto Marine Industrie	Full	France		100
Comptoir du Frein	Full	France	100	100

	Consolidation method	Country	% interest 2014	% interest 2013
Comptoir Technique V.I.	Full	France	100	100
Comptoir Technique du Limousin	Full	France	100	100
Comptoir V.I.	Full	France	50.50	50.50
Cora SAS	Full	France	100	100
Digital Aftermarket	Full	France	100	100
Enssemble SAS	Full	France	100	100
Etablissements Rembaud	Full	France	100	100
Etablissement Rougon Queyrel	Full	France	100	100
FIA	Full	France	100	100
FRA SARL (Enssemble group)	Full	France	100	100
Freinage Poids Lourds Services Elec'Auto (FPLS group)	Full	France		100
Freinage Poids Lourds Services 28 (FPLS group)	Full	France		100
Freinage Poids Lourds Services 29 (FPLS group)	Full	France		100
Freinage Poids Lourds Services 35 (FPLS group)	Full	France		100
Freinage Poids Lourds Services 44 (FPLS group)	Full	France		100
Freinage Poids Lourds Services 49 (FPLS group)	Full	France		100
Freinage Poids Lourds Services 56 (FPLS group)	Full	France		100
Freinage Poids Lourds Services 61 (FPLS group)	Full	France		100
Freinage Poids Lourds Services 72 (FPLS group)	Full	France		100
Freinage Poids Lourds Services 85 (FPLS group)	Full	France		100
Freinage Poids Lourds Services 86 (FPLS group)	Full	France		100
Freinage Poids Lourds Services Fougères (FPLS group)	Full	France		100
Freinage Poids Lourds Services Lorient (FPLS group)	Full	France		100
Freinage Poids Lourds Services Pontivy (FPLS group)	Full	France		100
Freinage Poids Lourds Services Rome (FPLS group)	Full	France		100
Freinage Poids Lourds Services Vitré (FPLS group)	Full	France		100
Gadca	Full	France		100
Gadest	Full	France	100	100
Gadso	Full	France	100	100
Gibelin	Full	France	99.92	99.92
Girde	Full	France	100	100
Groupe FPLS	Full	France		100
H.I.S.	Full	France	100	100
Holding SAP	Full	France	95.1	95.1
Ile de France Poids Lourds (formerly IMMAX)	Full	France	100	100
Lilcolor	Full	France		100
Logisteo	Full	France	100	100

	Consolidation method	Country	% interest 2014	% interest 2013
Lorat SCI (Enssemble group)	Full	France	100	100
Magenta Autos Pièces	Full	France	99.97	99.97
PAM	Full	Belgium		100
PAO	Full	Belgium	100	100
Plateforme Technique Nationale Montajault	Full	France	100	100
Porteret et Gobillot (Enssemble group)	Full	France	100	100
Rougon Queyrel 04	Full	France	95.10	95.10
RM Distribution (FPLS group)	Full	France	100	100
Sofar	Full	France		75.00
Station Technique Auto Carrosserie	Full	France	100	100
Sylmart Belgium	Full	Belgium	100	100
Synimalau SCI (Enssemble group)	Full	France	100	100
TC26	Full	France	100	100
Truck & Car Services	Full	France	100	100
Trucks Services Occitans	Full	France	100	100
Val de Loire PL	Full	France	100	100
AD Polska	Full	Poland	100	100
AD Polska Aftermarket	Full	Poland	100	100
AD International	Equity method	Belgium	20.00	20.00
Neoparts	Equity method	France	20.00	20.00
Parts Distribuzione Italia	Equity method	Italy	18.16	18.16
Parts Holdings Italy	Equity method	Italy	20.00	20.00

28 Transactions with related parties

Relationship with the shareholder

The sole shareholder of Autodis Group SAS is Parts Holdings BV.

The Group pays management fees of €0.14 million per quarter to Parts Holdings Coop and €0.01 million per quarter to Parts Holdings BV.

Relations with equity-accounted companies

Néoparts is an independent distributor with contractual relationships with the Autodistribution purchasing unit for automotive spare parts.

AD International is a company governed by Belgian law that negotiates preferential tariffs with suppliers for all members of the AD network. Each year, the Group receives end-of-year discounts depending on the volumes it has purchased.

Parts Holdings Italy was a wholly-owned subsidiary until the Group sold 80% of the shares to Giadi in 2013. The €4.8 million loan granted in 2013 was repaid in June 2014 (see Note 14).

There are no restrictions on the transfer of funds with these entities or any unrecognised share of losses, in accordance with the equity method.

29 Management compensation

The key management personnel of a group within the meaning of IAS 24 are those persons having authority and responsibility for planning, managing and supervising the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The Group's key management personnel are the members of the Executive Committee, directors, area managers and brand general managers.

Compensation recorded in the Autodis Group's expenses for 2014 and 2013 are set out in the table below.

In millions of euros	2014	2013
Basic salaries	**6.9**	**6.9**
Bonuses	1.8	1.8
Payroll costs (excl. paid leave and termination benefits)	3.3	3.2
Pensions, provision for paid leave and benefits in kind	0.0	0.0
Profit-sharing and incentive plans	0.1	0.0
Personnel costs, net (excl. paid termination benefits)	**12.1**	**11.9**
Termination benefits	0.2	0.1
Personnel costs, net(*)	**12.3**	**12.0**

(*) Management personnel present at end-December.

No directors' fees have been paid or are due to be paid in respect of 2014.

30 Commitments

30.1 Commitments under operating leases where the Group is the lessee

The Group has entered into operating leases relating primarily to real estate and light and commercial vehicles as well as payment terminals and miscellaneous IT and office equipment.

The minimum future rents payable under non-cancellable operating leases are as follows at 31 December 2014:

30.1.1 Poland

In millions of euros	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Real estate rental	2.5	5.1	—	**7.6**
Vehicle rental	0.3	0.5	—	**0.8**
Other	—	—	—	**—**
Total	**2.8**	**5.6**	**—**	**8.4**

30.1.2 France

In millions of euros	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Real estate rental	28.6	74.0	29.7	**132.3**
Vehicle rental	3.5	5.6	—	**9.1**
Other	1.3	0.9	—	**2.2**
Total	**33.4**	**80.5**	**29.7**	**143.6**

Rental expenses for 2014 amount to €41.7 million.

30.2 Commitments under finance leases and similar leases

30.2.1 Poland

At 31 December 2014, the AD Polska sub-group had not entered into any finance leases.

30.2.2 France

The following tables show information relating to non-current assets held under finance leases in France.

In millions of euros	Software and licences	Property and fixtures	IT equipment	Furnishings	Total
Gross value					
At 31 December 2013	**—**	**2.1**	**—**	**—**	**2.1**
• acquisitions	—	—	—	—	—
• reclassifications	—	—	—	—	—
• newly-consolidated companies	—	1.1	—	—	1.1
At 31 December 2014	**—**	**3.2**	**—**	**—**	**3.2**
Depreciation, amortisation and impairment					
At 31 December 2013	**—**	**0.5**	**—**	**—**	**0.5**
• allocations	—	0.1	—	—	0.1
• reclassifications	—	—	—	—	—
• newly-consolidated companies	—	0.2	—	—	0.2
At 31 December 2014	**—**	**0.8**	**—**	**—**	**0.8**
Net value					
At 31 December 2013	—	1.6	—	—	1.6
At 31 December 2014	**—**	**2.4**	**—**	**—**	**2.4**

						Lease payments outstanding			
In millions of euros	2013	New financing	Newly-consolidated	Repayment	2014	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Liability	**0.2**	—	0.8	0.4	**0.6**	0.2	0.4	—	**0.6**

Commitments for future minimum amounts payable under finance leases are as follows:

	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Lease payments	0.2	0.4	—	**0.6**

30.3 Guarantees

30.3.1 Guarantees relating to the Senior Secured Notes and Revolving Facility Agreement

The assets pledged as collateral are those of Autodis Group and Autodistribution

Pledges

Three categories of asset have been pledged as part of the Senior Secured Notes and Revolving Facility Agreement financing arrangements:

- Pledge of equity interests:

The following securities have been pledged as collateral under the financing arrangements:

Pledged securities (In number of shares)	Autodis Group	Autodis	SDFM	Magenta Auto Pièces	Auto-distribution	ACR Holding
Autodis	5,420,840,892					
Autodistribution		3,790,300	158,472	149,996		
SDFM		175,297				
Magenta Auto Pièces		8,557				
Cora					5,883	
Cofirhad					195,170	
AD Grand Ouest					1,815,040	
ACR Holding					17,570,934	
ACR Group						1,770

- Pledge of bank accounts

The following corporate bank accounts have been pledged as collateral under the financing arrangements:

	Pledged bank accounts
Autodis Group	BPN Paribas
Autodis	BPN Paribas
Autodistribution	BNP Paribas, Crédit Agricole CIB, Crédit Lyonnais, Natixis
Cora	Crédit Lyonnais
Cofirhad	BNP Paribas, La Banque Postale
AD Grand Ouest	BNP Paribas, Crédit Lyonnais
ACR Holding	Société Générale, Crédit Lyonnais
ACR Group	Société Générale, Crédit Lyonnais

- Pledged receivables

The following intragroup receivables have been pledged as collateral under the financing arrangements:

	Pledged intragroup receivables
Autodis Group	Autodis
Autodis	Autodistribution, AD Polska
Autodistribution	Magenta Auto Pièces, SDFM, Gibelin Espace Auto, Ile de France Poids Lourds, FPLS, FIA, Gadest, Autodistribution SOGO, Gadso, AD Grand Ouest, Etablissements Rembaud, Bugisy, AD Normandie Maine, Enssemble, Porteret & Gobillot, Comptoir du frein, Comptoir Technique VI, Boury, HIS, AM Développement, Logisteo, Comptoir Technique du Limousin, Bremstar, Comptoir VI, Girde, Cogemad, Cofirhad, TCS, AD BPN, Val de Loire PL, Cora, Busnengo, Digital Aftermarket, STAC, TSO, Ales PL, Plateforme Technique Nationale Montajault

- Pledge of the brands owned by Autodistribution:
    - "L'Autodistribution" (term) in France under registration number 1629230;

- "Autodistribution" (semi-figurative) in France under registration number 1554818;
- "AD" (term and design) in France under registration number 1629231.

Assignments of receivables

85% of the CICE tax credit receivables for 2013 and 2014 were financed with Bpifrance in 2014. The sale of the receivables did not lead to their derecognition, and they are not therefore offset against the debt with respect to Bpifrance.

Bank covenants

Under the Revolving Facility Agreement, the Group must maintain the minimum annual level of EBITDA of €37 million.

30.3.2 Other Group guarantees

Bank overdrafts in Poland are secured by:

- pledges of inventories for a total value of €16.8 million;
- pledges of non-current assets for a total value of €1.3 million.

Enssemble bank overdrafts are secured (HSBC bank) by pledged business assets.

The guarantees below were given by Autodistribution SA to FPLS group banks:

- Banque Populaire de l'Ouest: €0.1 million in respect of loans + €1.2 million in respect of overdrafts + €0.5 million in respect of the discounting line.
- Arkea: €0.3 million in respect of loans.
- Caisse d'Epargne: €0.2 million in respect of loans + €0.4 million in respect of overdrafts.
- LCL: €0.4 million in respect of loans + €1.2 million in respect of overdrafts.

An agreement was also signed with the supplier Akzo Nobel in June 2012 in which Autodistribution commits to minimum cumulative purchases of €55 million up to 2019.

30.4 Individual training entitlement

The balance of the number of unused hours at 31 December 2014 was 513,428. The number of hours accrued over the year was 99,414 and 11,601 hours were used.

30.5 Disputes

In collective proceedings, Klarius France, a manufacturer of automotive spare parts in France, sued Autodistribution and some of its subsidiaries before the Commercial Court (*Tribunal de Commerce*) for the sudden termination of an established commercial relationship. Their claim is for approximately €2.4 million. No provision was booked in the Group's financial statements at 31 December 2014 as management and its advisors considered that, in view of the facts of the case, there is currently no likelihood of an outflow of resources.

31 Events after the end of the reporting period

On 25 February 2015, the Caen Commercial Court (*Tribunal de commerce*) ratified the proposed takeover by the Autodis Group of the entities comprising Etablissements B. Machu, a member of the Autodistribution Network and major multi-brand automotive spare parts distributor in the Manche and Calvados regions of north-western France. This entity had been placed under an ad hoc mandate procedure (*mandat ad hoc*) in September 2013 before filing for bankruptcy on 29 January 2014. It generates annual revenue in the region of €10 million.

Constantin Associés
Member of Deloitte Touche Tohmatsu Limited
185, avenue Charles de Gaulle
92524 Neuilly-sur-Seine
France
Joint-stock company (*société anonyme*)
with share capital of €831,000

Statutory Auditor
Member of the Compagnie régionale de Versailles

Ernst & Young et Autres
1/2, place des Saisons
92400 Courbevoie — Paris-La Défense 1
France
Simplified joint-stock company (*société par actions simplifiée*) with variable share capital

Statutory Auditor
Member of the Compagnie régionale de Versailles

Parts Holdings (France)
For the year ended 31 December 2013

Statutory Auditors' report
on the consolidated financial statements

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the Auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the sole Shareholder,

In compliance with the assignment entrusted to us by the sole Shareholder decision, we hereby report to you, for the year ended 31 December 2013, on:

- the audit of the accompanying consolidated financial statements of Parts Holdings (France);
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Chairman. Our role is to express an opinion on these financial statements based on our audit.

I. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group at 31 December 2013 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Without qualifying our opinion, we draw your attention to the matters set out in:

- note 3.2 to the consolidated financial statements regarding the initial application of the revised IAS 19 "Employee benefits";
- note 5 to the consolidated financial statements regarding the initial application of IFRS 8 "Operating segments";
- note 21.1 to the consolidated financial statements regarding the accounting of the Sup Bonds.

II. Justification of our assessments

In accordance with the requirements of article L.823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

- As part of our assessment of the accounting rules and methods used by the Group, we verified the appropriateness of the accounting rules and methods related to business combinations, deferred tax, pensions and other post-employment benefits and inventory impairment, as set out in notes 3.4.8, 3.4.19 b), 3.4.15 b) and 3.4.11 to the consolidated financial statements, respectively, and ensured that they had been correctly applied. Where the application of these policies involved the use of estimates, our work consisted of assessing the data and assumptions on which these estimates were based and the reasonableness of the resulting assessments.
- At the end of each reporting period, the Group tests goodwill and other intangible assets with indefinite useful lives for impairment and assesses whether there is an indication that a long-term asset is impaired in accordance with the methodology described in Notes 3.4.7 and 3.4.8 to the consolidated financial statements. We examined the methodology applied to implement the impairment tests and the data and assumptions used, and reviewed the calculations performed by the Group. We also verified that Notes 3.3.1, 3.4.7, 3.4.8 b), 7.5, 7.6, 9.1 and 9.2 to the consolidated financial statements provide appropriate disclosures.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific verification

As required by law and in accordance with professional standards applicable in France, we have also verified the information presented in the Group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Paris La Défense, 25 April 2014
The Statutory Auditors

Constantin Associés *Member of Deloitte Touche Tohmatsu Limited*		Ernst & Young et Autres
Jean Paul Seguret	Benoît Pimont	Benoit Schumacher

Parts Holdings (France) S.A.S.

Consolidated Financial Statements
31 December 2013

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Consolidated Income Statement

In millions of euros

	Notes	2013	2012 restated*
REVENUE	*7.1*	**1,137.2**	**1,084.3**
Cost of goods for sale		(710.7)	(689.9)
Personnel costs	*7.2*	(239.0)	(224.3)
Other purchases and external expenses	*7.3*	(126.3)	(121.9)
Taxes		(9.7)	(8.2)
Other operating income and expenses	*7.4*	2.8	4.4
EBITDA		**54.3**	**44.4**
Depreciation/amortisation expense	*10 & 11*	(16.3)	(15.1)
RECURRING OPERATING INCOME		**38.0**	**29.3**
Other income from operations	*7.5*	7.4	3.4
Other expenses from operations	*7.6*	(11.0)	(7.2)
OPERATING INCOME		**34.4**	**25.5**
Financial income	*7.7*	11.0	2.3
Financial expenses	*7.8*	(9.0)	(11.3)
Share of income (losses) of associates	*12*	(0.1)	(0.0)
INCOME BEFORE TAX		**36.3**	**16.5**
Income tax	*7.9*	(17.6)	(7.8)
NET INCOME FROM CONTINUING OPERATIONS		**18.7**	**8.7**
Net income (loss) from discontinued operations	*6*	—	(3.9)
NET INCOME FOR THE YEAR		**18.7**	**4.8**
Attributable to:			
Owners of the parent:			
Net income (loss) from continuing operations		18.4	8.5
Net income (loss) from discontinued operations		—	(3.5)
Net income (loss) attributable to owners of the parent		18.4	5.0
Non-controlling interests:			
Net income (loss) from continuing operations		0.3	0.2
Net income (loss) from discontinued operations		—	(0.4)
Net income (loss) attributable to non-controlling interests		0.3	(0.2)
Earnings per share from continuing operations		€ 0.122	€ 0.057

Consolidated Statement of Comprehensive Income

In millions of euros

	2013	2012 restated
NET INCOME	**18.7**	**4.8**
Other comprehensive income (expense):		
Items not to be reclassified to income		
Actuarial gains and losses on defined benefit plans	1.4	(1.5)
Items to be reclassified to income		
Foreign exchange gains and losses	(0.1)	0.3
Share of comprehensive income of associates		
OTHER COMPREHENSIVE INCOME (EXPENSE)	**1.3**	**(1.2)**
TOTAL COMPREHENSIVE INCOME	**20.0**	**3.6**
Attributable to:		
Owners of the parent	**19.7**	**3.4**
Non-controlling interests	**0.3**	**0.2**

Foreign exchange gains and losses for 2013 are attributable to fluctuations in the Polish zloty exchange rate and are shown in the table below:

	2013	2012
Closing rate	4.1543	4.0740
Average rate	4.1969	4.1834

The Group has not put in place any foreign exchange hedging instruments for this currency.

Consolidated Statement of Financial Position

In millions of euros

ASSETS	Notes	31 December 2013	31 December 2012 restated*
Goodwill, net	9	21.4	9.2
Intangible assets, net	10	143.5	142.0
Property, plant and equipment, net	11	50.8	45.6
Investments in associates	12	0.4	0.4
Available-for-sale financial assets	13	0.2	0.3
Other non-current assets, net	14	16.8	12.1
Deferred tax assets	7.9.2	9.7	18.9
TOTAL NON-CURRENT ASSETS		**242.8**	**228.5**
Inventories, net	15	180.8	175.1
Trade receivables, net	16	163.2	147.9
Other current assets, net	17	11.0	9.6
Cash and cash equivalents	18	33.0	58.4
Current tax receivables		1.9	2.2
Derivative financial instruments		—	—
TOTAL CURRENT ASSETS		**389.9**	**393.2**
Non-current assets held for sale	6	—	10.9
TOTAL ASSETS		**632.7**	**632.6**
EQUITY AND LIABILITIES			
Share capital	19	152.6	152.6
Other reserves	19	37.3	31.7
Net income attributable to owners of the parent		18.4	5.0
SHAREHOLDERS' EQUITY		**208.3**	**189.4**
NON-CONTROLLING INTERESTS		**(0.2)**	**(0.4)**
- Net assets		(0.5)	(0.2)
- Net income (loss)		0.3	(0.2)
TOTAL EQUITY		**208.1**	**189.0**
Non-current borrowings and debt	21	138.0	167.7
Non-current provisions	25.2	3.5	4.8
Liabilities relating to employee benefits	23	15.9	16.2
Deferred tax liabilities	7.9.2	—	—
Other non-current liabilities	24	7.7	4.4
TOTAL NON-CURRENT LIABILITIES		**165.1**	**193.1**
Current borrowings and debt	21	42.0	37.8
Current provisions	25.1	12.7	8.2
Trade payables	26	145.4	138.0
Other current liabilities	26	59.4	60.6
Derivative financial instruments		—	—
TOTAL CURRENT LIABILITIES		**259.5**	**244.6**
Liabilities directly associated with assets held for sale	6	—	5.8
TOTAL EQUITY AND LIABILITIES		**632.7**	**632.6**

* The financial statements for the year ended 31 December 2012 were restated to reflect the application of the revised IAS 19 ("IAS 19R") and the adjustment to goodwill of the Enssemble sub-group. The impacts of IAS 19R are detailed in Note 3.2, "Basis of preparation of financial information", while the impacts of the goodwill adjustment are set out in Note 4.2, "Changes in the scope of consolidation in 2012".

Consolidated Statement of Changes in Equity

In millions of euros

For the year ended 31 December 2012

	Attributable to owners of the parent							
In millions of euros	**Share capital**	**Additional paid-in capital**	**Foreign exchange gains and losses**	**Actuarial gains (losses) on defined benefit pension plans**	**Consolidated reserves**	**Share-holders' equity**	**Non-controlling interests**	**Total equity**
At 31 December 2011	**152.6**	**—**	**(1.9)**	**—**	**12.5**	**163.2**	**0.5**	**163.7**
IAS 19R restatements				11.9		11.9		11.9
At 31 December 2011 (restated)*	**152.6**	**—**	**(1.9)**	**11.9**	**12.6**	**175.1**	**0.5**	**175.6**
Net income for the year					5.0	5.0	(0.2)	4.8
Other comprehensive income (expense) . .			0.3	(1.5)		(1.2)		(1.2)
Comprehensive income	**152.6**	**—**	**(1.6)**	**10.3**	**17.6**	**178.9**	**0.3**	**179.2**
Other changes					10.5	10.5	(0.5)	10.0
Dividends paid							(0.2)	(0.2)
At 31 December 2012	**152.6**	**—**	**(1.6)**	**10.3**	**28.1**	**189.4**	**(0.4)**	**189.0**

* The comparative financial statements were restated to reflect the application of IAS 19R. The impacts of these restatements are detailed in Note 3.2, "Basis of preparation of financial information".

For the year ended 31 December 2013

	Attributable to owners of the parent							
In millions of euros	**Share capital**	**Additional paid-in capital**	**Foreign exchange gains and losses**	**Actuarial gains (losses) on defined benefit pension plans**	**Consolidated reserves**	**Share-holders' equity**	**Non-controlling interests**	**Total equity**
At 31 December 2012	**152.6**	**—**	**(1.6)**	**10.3**	**28.1**	**189.4**	**(0.4)**	**189.0**
Net income for the year					18.4	18.4	0.3	18.7
Other comprehensive income (expense) . .			(0.1)	1.4		1.3		1.3
Comprehensive income	**152.6**	**—**	**(1.7)**	**11.7**	**46.5**	**209.1**	**(0.2)**	**209.0**
Other changes					(0.8)	(0.8)	0.1	(0.7)
Dividends paid							(0.2)	(0.2)
At 31 December 2013	**152.6**	**—**	**(1.7)**	**11.7**	**45.7**	**208.3**	**(0.2)**	**208.1**

Consolidated Statement of Cash Flows

	Notes	2013	2012 restated
Cash flows from operating activities			
Net income		**18.7**	**4.8**
o/w Net income from discontinued operations		—	3.9
Cancellation of income and expenses with no cash effect		5.8	19.1
- Depreciation/amortisation		*16.3*	*15.1*
- Provisions (net of reversals)		*(3.9)*	*(1.9)*
- Share of income (losses) of associates		*0.1*	*0.0*
- Gains or losses on disposals of fixed assets		*(0.9)*	*0.4*
- Financial income and expenses with no cash effect		*(6.1)*	*5.5*
- Other income and expenses with no cash effect		*0.3*	*0.0*
Financial expenses and income with a cash effect		3.6	3.1
Income taxes charges		17.6	7.8
Changes in working capital, net		(7.9)	6.7
- Inventories		*0.9*	*2.4*
- Receivables		*(8.0)*	*21.1*
- Payables		*1.3*	*(15.2)*
- Other receivables and payables		*(2.1)*	*(1.6)*
Other items with a cash effect		(7.3)	(6.4)
- Income tax		*(7.3)*	*(6.4)*
Net cash from operating activities — continuing operations		**30.5**	**39.0**
Net cash used in operating activities — discontinued operations	*6*	**—**	**(4.0)**
Cash flows from investing activities			
Acquisitions of fixed assets	*11.2*	(19.8)	(15.9)
Changes in other financial assets		(1.0)	(1.1)
Disposal of fixed assets		2.2	0.7
Advances paid		(0.1)	(3.8)
Business acquisitions		(13.0)	(13.8)
- Acquisitions net of cash acquired	*4.1.1*	*(13.4)*	*(13.8)*
- Disposals net of cash transferred		*0.4*	*—*
Net cash used in investing activities — continuing operations		**(31.7)**	**(33.9)**
Net cash from investing activities — discontinued operations	*6*	**—**	**0.7**
Cash flows from financing activities			
Dividends paid to the owners of the parent company	*8*	—	—
Dividends paid to non-controlling interests of consolidated companies		(0.2)	(0.3)
Financial expenses with a cash effect		(3.9)	(4.7)
Financial income with a cash effect		0.3	1.6
Increase in borrowings		2.6	6.6
Repayment of borrowings		(22.5)	(16.8)
Change in other financial liabilities		—	(0.2)
Net cash used in financing activities — continuing operations		**(23.7)**	**(13.8)**
Net cash used in financing activities — discontinued operations	*6*	**—**	**(0.2)**
Change in cash and cash equivalents — continuing operations		**(24.9)**	**(8.7)**
Change in cash and cash equivalents — discontinued operations		**—**	**(3.5)**
Cash and cash equivalents at beginning of year	*18*	**50.1**	**63.5**
Effect of currency rate fluctuations		(0.1)	0.8
Decrease in cash and cash equivalents of discontinued operations at end of year		—	(0.4)
Cash and cash equivalents at end of year	*18*	**25.3**	**50.1**

Notes to the Consolidated Financial Statements

1 Approval of the financial statements

On 31 March 2014, the Chairman approved Parts Holdings (France) S.A.S.'s consolidated financial statements for the year ended 31 December 2013. Parts Holdings (France) is a simplified joint-stock company (*société par actions simplifiée* — S.A.S.) with a sole shareholder. It was incorporated on 18 January 2006.

The shareholder is Parts Holdings BV, which in turn is owned by Parts Holdings Coöperatief U.A.

2 Information relating to the parent company

Parts Holdings (France)

Simplified joint-stock company with capital of €152,598,261.00

Registered office: 22 Avenue Aristide Briand, 94110 Arcueil, France

Registered with the Créteil Trade and Companies Registry under number 488 077 165

Parts Holdings (France) and its subsidiaries are included in the consolidated financial statements of Parts Holdings Coöperatief U.A., a company incorporated under Dutch law and registered with the Dutch Trade and Companies Registry under number 30254923, having its registered office at Boulevard 329, 1118 BJ Luchthaven, Schiphol, Netherlands.

3 Accounting rules and methods

The consolidated financial statements of Parts Holdings (France) S.A.S. and all its subsidiaries (the "Group") have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union on 31 December 2013 and available on the following website:

http://ec.europa.eu/internal_market/accounting/ias/index_en.htm

The Group's consolidated financial statements have been drawn up using the historical cost convention, with the exception of derivative financial instruments and financial assets available for sale, which are measured at fair value.

The consolidated financial statements are presented in euros and all values are rounded to the nearest million unless otherwise stated.

3.1 Applicable standards

The accounting principles applied are consistent with those used to prepare the annual consolidated financial statements for the year ended 31 December 2012, with the exception of the adoption of the following new standards and amendments:

- Annual Improvements to IFRSs — 2009-2011 cycle.
- Amendment to IFRS 1 — First-time Adoption of International Financial Reporting Standards — Government Loans.
- Amendment to IFRS 7 — Financial Instruments: Disclosures — Offsetting Financial Assets and Financial Liabilities.
- Amendment to IFRS 32 — Financial Instruments: Presentation — Offsetting Financial Assets and Financial Liabilities.
- IFRS 1 — First-time Adoption of International Financial Reporting Standards — Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters.
- IAS 12 — Income Taxes — Deferred Tax: Recovery of Underlying Assets.
- IFRS 13 — Fair Value Measurement.
- Amendments to IAS 1 — Presentation of Financial Statements — and to IAS 19 — Employee Benefits.

The adoption of these standards and amendments has had no impact on the Company's financial statements.

The main changes resulting from the application of IAS 19R and impacting the provision for retirement benefits are:

- Discontinuation of the corridor method previously used by the Group: actuarial gains and losses are recorded in other comprehensive income and no longer amortised in the consolidated income statement over employees' remaining working lives.
- Immediate recognition in income of the impacts of plan modifications (e.g., amendment of collective bargaining agreement), which are no longer recognised on a straight-line basis over the employees' remaining working lives.
- Alignment of the expected rate of return on plan assets with the yield on investment-grade bonds used to discount the "obligation".
- Recognition in reserves of cumulative past service cost and actuarial gains and losses existing at 1 January 2012.

The Group has not applied the following standards adopted by the European Union and published in the Official Journal of the European Union on 31 December 2013:

- IFRS 10 — Consolidated Financial Statements, applicable to financial periods beginning on or after 1 January 2014.
- IFRS 11 — Joint Arrangements, applicable to financial periods beginning on or after 1 January 2014.
- IFRS 12 — Disclosure of Interests in Other Entities, applicable to financial periods beginning on or after 1 January 2014.
- IFRS 27 — Separate Financial Statements, applicable to financial periods beginning on or after 1 January 2014.
- IAS 28 — Investments in Associates and Joint Ventures, applicable to financial periods beginning on or after 1 January 2014.
- IFRS 9 — Financial Instruments: Classification and Measurement.
- IAS 36 — Recoverable Amount Disclosures for Non-Financial Assets, applicable to financial periods beginning on or after 1 January 2014.
- Amendment to IFRS 10 — Investment Entities, applicable to financial periods beginning on or after 1 January 2014.
- Amendment to IAS 39 — Novation of Derivatives and Continuation of Hedge Accounting, applicable to financial periods beginning on or after 1 January 2014.

The Group will apply these standards on their respective effective dates.

The Group has not applied the following standards and amendments which the European Union had not adopted as of 31 December 2013:

- Amendment to IAS 19 — Defined Benefit Plans: Employee Contributions, applicable for financial periods beginning on or after 1 July 2014.
- Annual improvements to IFRS — 2010-2012 cycle, as regards amendments applicable for financial periods beginning on or after 1 July 2014. These improvements concern:
  - IFRS 2, which defines vesting conditions for share-based payments;
  - IFRS 3, which clarifies the accounting for contingent consideration in a business combination;
  - IFRS 8, which provides additional guidance on aggregating operating segments and requires entities to provide reconciliations only of the total of the reportable segments' assets to the entity's assets;

  - IFRS 13, which prescribes fair value measurements for short-term receivables and payables;
  - IFRS 14, which deals with regulatory deferral accounts, applicable to financial periods beginning on or after 1 January 2016.
  - IAS 16 and IAS 38, which clarify the revaluation method for property, plant and equipment and intangible assets along with the proportionate restatement of accumulated depreciation/amortisation;
  - IAS 24, which defines key management personnel for the purposes of related party reporting.
- Annual improvements to IFRS — 2011-2013 cycle, as regards amendments applicable for financial periods beginning on or after 1 July 2014. These improvements concern:
  - IFRS 1, which clarifies which version of IFRS should be used by first-time adopters;
  - IFRS 3, which excludes from its scope the accounting for the formation of a joint arrangement (as defined in IFRS 11 — Joint Arrangements) and prescribes other scope exclusions;
  - IFRS 13, which clarifies the fair value measurement exception for a group of financial assets and liabilities measured on a net basis;
  - IAS 40, which introduces the notion of judgement when acquiring investment property.

The Group is reviewing all these standards and amendments in order to measure their potential impact on its results, financial position and consolidated cash flow, and to assess their impact on disclosures.

3.2 Basis of preparation of financial information

In accordance with IAS 8 — Accounting Policies, Changes in Accounting Estimates and Errors, the retroactive impacts of applying IAS 19R on the 2012 financial statements as well as of the remeasurement of inventories in the opening statement of financial position of the Enssemble group (see Note 4.2.1) are set out in the following tables.

Restatements in the consolidated statement of financial position:

	31 December 2012 published	Adjustment for IAS 19R	Adjustment for enssemble	31 December 2012 restated
ASSETS				
Goodwill, net	8.2	—	1.0	9.2
Intangible assets, net	142.0	—	—	142.0
Property, plant and equipment, net	45.6	—	—	45.6
Investments in associates	0.4	—	—	0.4
Available-for-sale financial assets	0.3	—	—	0.3
Other non-current assets, net	12.1	—	—	12.1
Deferred tax assets	18.3	—	0.6	18.9
TOTAL NON-CURRENT ASSETS	**226.9**	**—**	**1.6**	**228.5**
Inventories, net	176.7	—	(1.6)	175.1
Trade receivables, net	147.9	—	—	147.9
Other current assets, net	9.6	—	—	9.6
Cash and cash equivalents	58.4	—	—	58.4
Current tax receivables*	2.2	—	—	2.2
Derivative financial instruments	—			—
TOTAL CURRENT ASSETS	**394.8**	**—**	**(1.6)**	**393.2**
Non-current assets held for sale	10.9	—	—	10.9
TOTAL ASSETS	**632.6**	**—**	**—**	**632.6**
EQUITY AND LIABILITIES				
Share capital	152.6	—	—	152.6
Other reserves	21.4	10.3	—	31.7
Net income attributable to owners of the parent	6.2	(1.2)	—	5.0
SHAREHOLDERS' EQUITY	**180.2**	**9.2**	**—**	**189.4**
NON-CONTROLLING INTERESTS	**(0.4)**	**—**	**—**	**(0.4)**
- Net assets	(0.2)	—	—	(0.2)
- Net income (loss)	0.2	—	—	(0.2)
TOTAL EQUITY	**179.8**	**9.2**	**—**	**189.0**
Non-current borrowings and debt	167.7	—	—	167.7
Non-current provisions	4.8	—	—	4.8
Liabilities relating to employee benefits	25.5	(9.2)	—	16.2
Deferred tax liabilities	—	—	—	—
Other non-current liabilities	4.4	—	—	4.4
TOTAL NON-CURRENT LIABILITIES	**202.4**	**(9.2)**	**—**	**193.1**
Current borrowings and debt	37.8	—	—	37.8
Current provisions	8.2	—	—	8.2
Trade payables	138.0	—	—	138.0
Other current liabilities	60.6	—	—	60.6
Derivative financial instruments	—	—	—	—
TOTAL CURRENT LIABILITIES	**244.6**	**—**	**—**	**244.6**
Liabilities directly associated with assets held for sale	5.8	—	—	5.8
TOTAL EQUITY AND LIABILITIES	**632.6**	**—**	**—**	**632.6**

* Current tax receivables were presented within "Other current liabilities" in the 2012 consolidated financial statements.

At 31 December 2012, the €9.2 million impact on equity reflects the immediate recognition of actuarial gains and losses in other comprehensive income due to the elimination of the 'corridor' method whereby a portion of actuarial gains and losses were deferred.

Restatements in the consolidated income statement:

In millions of euros	31 December 2012 published	IAS 19R restatements	31 December 2012 restated
REVENUE	**1,084.3**	**—**	**1,084.3**
Cost of goods for sale	(689.9)	—	(689.9)
Personnel costs	(223.7)	(0.6)	(224.3)
Other purchases and external expenses	(121.9)	—	(121.9)
Taxes	(8.2)	—	(8.2)
Other operating income and expenses	4.4	—	4.4
EBITDA	**45.0**	**(0.6)**	**44.4**
Depreciation/amortisation expense	(15.1)	—	(15.1)
RECURRING OPERATING INCOME	**29.9**	**(0.6)**	**29.3**
Other income from operations	3.4	—	3.4
Other expenses from operations	(7.2)	—	(7.2)
OPERATING INCOME	**26.1**	**(0.6)**	**25.5**
Financial income	2.3	—	2.3
Financial expenses	(10.7)	(0.6)	(11.3)
Share of income (losses) of associates	(0.0)	—	(0.0)
INCOME BEFORE TAX	**17.7**	**(1.2)**	**16.5**
Income tax	(7.8)	—	(7.8)
NET INCOME FROM CONTINUING OPERATIONS	**9.9**	**(1.2)**	**8.7**
Net income (loss) from discontinued operations	(3.9)	—	(3.9)
NET INCOME FOR THE YEAR	**6.0**	**(1.2)**	**4.8**

Restatements in the consolidated statement of changes in equity:

	Attributable to owners of the parent								
In millions of euros	Share capital	Additional paid-in capital	Foreign exchange gains and losses	Actuarial gains (losses) on defined benefit pension plans	Remeasurement of financial instruments	Consolidated reserves	Shareholders' equity	Non-controlling interests	Total equity
At 31 Dec. 2011 published	**152.6**	**—**	**(1.9)**		**—**	**12.5**	**163.2**	**0.5**	**163.7**
IAS19R restatement				11.9			11.9		11.9
At 31 Dec. 2011 restated	**152.6**	**—**	**(1.9)**	**11.9**	**—**	**12.5**	**175.1**	**0.5**	**175.6**

Restatements in the consolidated statement of cash flows:

Restatements related to IAS 19R only modify net income and expenses with no cash impact in the consolidated statement of cash flows.

	2012 published	IAS 19R restatements	2012 restated
Cash flows from operating activities			
Net income	**6.0**	**(1.2)**	**4.8**
o/w Net income from discontinued operations	3.9	—	3.9
Cancellation of income and expenses with no cash effect	17.9	1.2	19.1
- Depreciation/amortisation	*15.1*	—	*15.1*
- Provisions (net of reversals)	*(2.5)*	*0.6*	*(1.9)*
- Share of income (losses) of associates	*0.0*	—	*0.0*
- Gains or losses on disposals of fixed assets	*0.4*	—	*0.4*
- Financial income and expenses with no cash effect	*4.9*	*0.6*	*5.5*
- Other income and expenses with no cash effect	*0.0*	—	*0.0*
Financial expenses and income with a cash effect	3.1	—	3.1
Taxes other than on income	7.8	—	7.8
Changes in working capital, net	6.7	—	6.7
- Inventories	*2.4*	—	*2.4*
- Receivables	*21.1*	—	*21.1*
- Payables	*(15.2)*	—	*(15.2)*
- Other receivables and payables	*(1.6)*	—	*(1.6)*
Other items with a cash effect	(6.4)	—	(6.4)
- Income tax	*(6.4)*	—	*(6.4)*
Net cash from operating activities — continuing operations	**39.0**	**—**	**39.0**

3.3 Significant judgements and estimates

The preparation of consolidated financial statements requires the Group to use judgments and make estimates that can affect the carrying amount of certain assets and liabilities, income and expense items, and disclosures in the accompanying notes.

Estimates made at the reporting date are based on key assumptions relating to future events and other sources of uncertainty. Changes in these assumptions in a given period could result in a significant risk of a material change in the carrying amount of assets and liabilities, as presented below.

3.3.1 Impairment of non-financial assets

At the end of each reporting period, the Group assesses whether there is any indication that a non-financial asset might be impaired. Goodwill and other intangible assets with indefinite useful lives are tested for impairment at least once a year and whenever there is an indication that they may be impaired. Other non-financial assets are tested for impairment when indications show that there is a possibility that the carrying amount of the asset exceeds its recoverable amount.

The value in use of the assets was calculated using the discounted cash flows method based on the five-year business plan approved by the Executive Committee.

The impairment test on cash-generating units (CGUs) is based on EBITDA as per the five-year business plan. A sensitivity test is then performed to determine the sensitivity of these amounts to changes in the key assumptions used.

In the past, the Group carried out annual impairment tests on the France CGU (including the AD brand) and the Poland CGU. The impairment test performed on the France CGU resulted in recording an impairment loss of €368.5 million against goodwill and of €150.4 million against the AD brand in 2008. A valuation of the AD brand was also performed separately, bearing in mind that the impairment of the brand is reversible if events occur that show that the indicators that led to the loss being recorded no longer exist.

The Group reviewed its CGUs at 1 January 2013 further to the reorganisation of its operating activities. Impairment tests were carried out on each of the six CGUs corresponding to reportable operating segments as defined by IFRS 8 (see Note 5).

Valuation of the AD brand

The "Autodistribution" brand recognised at the time of the acquisition of Autodis on 28 February 2006 by Parts Holding France is allocated to the France CGUs. At 31 December 2010, the gross value of the AD brand stood at €156.9 million in the consolidated financial statements and its net value at €17.1 million. Following an independent valuation carried out by an external firm and in conjunction with the impairment test on the France CGU, the value of the brand was written down to €135 million in the consolidated financial statements at 31 December 2011. An impairment reversal of €117.9 million was therefore recorded for the year.

In 2012, the Group carried out a valuation of the AD brand using the same method as it had in the past, i.e., the revenue approach (royalty method). This method is based on revenue generated over five years by the AD brand, i.e., by the PHF group's subsidiaries or by affiliated distributors. The assumptions used include a discount rate of 11.2%, a royalty rate of 1.5% and a perpetuity growth rate of 1%.

This valuation showed a brand value of €142 million, i.e., €7 million more than in 2011. This increase can be largely explained by the change in the discount rate applied which was 11.7% in 2011 and 11.2% in 2012 owing to the change of the weighted average cost of capital (revenue growth assumptions remained fairly stable).

Accordingly, in a challenging and uncertain market, no impairment reversal was recorded at 31 December 2012 and the value of the AD brand remained at €135 million.

In 2013, the valuation was performed using a discount rate of 11.5%, a royalty rate of 1.5% and a perpetuity growth rate of 1%, and resulted in a brand value of €137 million. No impairment was reversed.

The table below shows the sensitivity of the valuation to changes in the discount rate and royalty rate assumptions:

		Discount rate		
		11.0%	**11.5%**	**12.0%**
Royalty rate	1.00%	**95**	**91**	**87**
	1.50%	**143**	**137**	**131**
	2.00%	**191**	**182**	**174**

Purchasing CGU

At 31 December 2013, the assets tested were valued at €24.5 million. This amount was compared with their value in use (i.e., €146.9 million), calculated based on the present value of future cash flows using a discount rate of 9.5% and a perpetuity growth rate of 1%. A sensitivity calculation was performed and showed that the valuation would amount to €132.2 million in the event that objectives in the business plan were achieved at 90%. Since this is higher than the carrying amount of the net assets tested, no asset impairment was recorded.

		Discount rate					
		8.0%	**8.5%**	**9.0%**	**9.5%**	**10.0%**	**10.5%**
% achievement of BP	**90%**	164.1	152.0	141.5	132.2	124.0	116.7
	95%	173.2	160.4	149.3	139.6	130.9	123.2
	100%	182.3	168.9	157.2	146.9	137.8	129.7

Cora CGU

At 31 December 2013, the assets tested were valued at €11.3 million. This amount was compared with their value in use (i.e., €73.5 million), calculated based on the present value of future cash flows using a discount rate of 9.5% and a perpetuity growth rate of 1%. A sensitivity calculation was performed and showed that the valuation would amount to €66.2 million in the event that objectives in the business plan were achieved at 90%. Since this is higher than the carrying amount of the net assets tested, no asset impairment was recorded.

		Discount rate					
		8.0%	**8.5%**	**9.0%**	**9.5%**	**10.0%**	**10.5%**
% achievement of BP	**90%**	81.9	76.0	70.8	66.2	62.1	58.5
	95%	86.5	80.2	74.7	69.9	65.6	61.7
	100%	91.1	84.4	78.6	73.5	69.0	65.0

Bremstar CGU

At 31 December 2013, the assets tested were valued at €7.1 million. This amount was compared with their value in use (i.e., €32.2 million), calculated based on the present value of future cash flows using a discount rate of 9.5% and a perpetuity growth rate of 1%. A sensitivity calculation was performed and showed that the valuation would amount to €29.0 million in the event that objectives in the business plan were achieved at 90%. Since this is higher than the carrying amount of the net assets tested, no asset impairment was recorded.

		Discount rate					
		8.0%	**8.5%**	**9.0%**	**9.5%**	**10.0%**	**10.5%**
% achievement of BP	**90%**	36.4	33.6	31.2	29.0	27.1	25.4
	95%	38.4	35.5	32.9	30.6	28.6	26.8
	100%	40.5	37.3	34.6	32.2	30.1	28.2

Light Vehicles CGU

At 31 December 2013, the assets tested were valued at €138.6 million. This amount was compared with their value in use (i.e., €233.2 million), calculated based on the present value of future cash flows using a discount rate of 9.5% and a perpetuity growth rate of 1%. A sensitivity calculation was performed and showed that the valuation would amount to €209.9 million in the event that objectives in the business plan were achieved at 90%. Since this is higher than the carrying amount of the net assets tested, no asset impairment was recorded.

		Discount rate					
		8.0%	**8.5%**	**9.0%**	**9.5%**	**10.0%**	**10.5%**
% achievement of BP	**90%**	260.1	241.1	224.5	209.9	197.0	185.5
	95%	274.5	254.5	237.0	221.6	207.9	195.8
	100%	289.0	267.9	249.5	233.2	218.9	206.1

Heavy Vehicles CGU

The Heavy Vehicles activities were grouped together within a separate CGU on 1 January 2013. Accordingly, the Group does not have sufficient historical data on which to measure the CGU's performance trends.

At 31 December 2013, the assets tested were valued at €26.8 million. This amount was compared with their value in use (i.e., €27.1 million), calculated based on the present value of future cash flows using a discount rate of 9.5% and a perpetuity growth rate of 1%.

A sensitivity calculation was performed and showed that the valuation would amount to €24.4 million in the event that objectives in the business plan were achieved at 90%. This would lead to an impairment loss of €2.4 million. Had the objectives in the business plan been achieved at 70%, an impairment loss of €8.3 million would have been recognised against these assets.

		Discount rate						
		8.0%	8.5%	9.0%	9.5%	10.0%	10.5%	11.0%
% achievement of BP	**50%**	16.7	15.2	13.9	12.8	11.8	10.9	10.4
	60%	20.3	18.5	17.0	15.7	14.5	13.4	12.8
	70%	23.9	21.9	20.1	18.5	17.1	15.9	15.2
	80%	27.6	25.2	23.2	21.4	19.8	18.4	17.6
	90%	31.4	28.7	26.4	24.4	22.6	21.0	20.2
	95%	33.1	30.3	27.9	25.8	23.9	22.2	21.3
	100%	34.9	31.9	29.4	27.1	25.1	23.4	22.4

International CGU (Poland)

At 31 December 2012, the goodwill, intangible assets and property, plant and equipment of this CGU were fully impaired.

At 31 December 2013, the assets tested were valued at €11.1 million and their value in use was €17.0 million (based on the present value of future cash flows calculated using a discount rate of 10.5% and a perpetuity growth rate of 1%). The additional impairment recognised against the intangible assets and property, plant and equipment was therefore written back. The net carrying amount of the fixed assets of the Poland CGU at 31 December 2013 therefore corresponds to their gross value less impairment calculated at the rates applied by the Group since each asset was brought into service.

A sensitivity calculation was performed and shows that the valuation would amount to €15.3 million in the event that objectives in the business plan were achieved at 90%, higher than the value of the carrying amount of the net assets tested.

Information relating to the procedures for impairment tests is provided in Note 3.4.8.

3.3.2 Deferred tax assets

Deferred tax assets are recorded in respect of tax loss carryforwards when it is likely that the Group will have future taxable profits against which they can be utilised. The calculation of the amount of deferred tax assets that can be recognised requires management to estimate how long it will take to use up the losses carried over and the level of future taxable profits in light of tax management strategies.

At 31 December 2011, the Group began to recognise deferred tax assets calculated on the basis of the three-year business plan. At 31 December 2013, the recognised deferred tax assets were calculated on the basis of the Group's 2014 budget and the five-year business plan. Further details are provided in Notes 3.4.19 and 7.9.2.

3.3.3 Pensions and other post-employment benefits

The cost of defined benefit plans is calculated on the basis of actuarial valuations. These valuations are based on assumptions as regards the discount, salary increase and mortality rates. Owing to the long-term nature of such plans, there is considerable uncertainty about these estimates. The net liability in respect of these employee benefits at 31 December 2013 stood at €15.9 million. Further details are provided in Note 23. There are no other post-employment benefits.

3.3.4 Inventory impairment

Inventory impairment is calculated by applying an impairment rate for each category of unsold products based on the depletion of items and their last date of sale.

The provision for inventory impairment at 31 December 2013 totalled €22.8 million.

3.4 Significant accounting policies

3.4.1 Principles and scope of consolidation

The consolidated financial statements include the financial statements of Parts Holdings (France) S.A.S. and its subsidiaries at 31 December of each year. The subsidiaries' financial statements are prepared over the same reporting period as those of the parent company, using consistent accounting methods.

All intragroup balances and transactions as well as unrealised income, expenses, gains and losses that are included in the carrying amounts of the assets and which are generated by internal transactions are eliminated.

Subsidiaries are consolidated as from the acquisition date, which corresponds to the date on which the Group assumed control, and until the date on which it ceases to exercise such control. The financial statements of companies over which the Group has significant influence (associates) are accounted for by the equity method.

The Group does not own any jointly controlled companies — or joint ventures — that are consolidated on a proportional basis.

Significant transactions between consolidated companies and unrealised internal profits are eliminated.

Non-controlling interests represent the share of income or loss and of net assets that the Group does not own. In the consolidated income statement and in equity in the consolidated statement of financial position, non-controlling interests are shown separately from the share attributable to owners of the parent. Transactions conducted with non-controlling interests are recorded directly in equity.

3.4.2 Foreign currency translation

(a) Translation of foreign companies' financial statements

The consolidated financial statements are presented in euros, which is the parent company's functional currency and the currency in which it presents its financial statements.

The financial statements of entities that use a functional currency other than the euro are translated as follows:

- assets and liabilities are translated at the exchange rate prevailing at the reporting date;
- income statement and statement of cash flow items are translated at the average exchange rate for the year.

The resulting foreign exchange gains or losses are allocated directly to a separate line item under equity. On the disposal of a foreign operation, the cumulative amount of the related deferred foreign exchange gains or losses carried in the separate item of equity is recognised in the income statement.

In the Group, the only subsidiaries that use a functional currency other than the euro are located in Poland (currency: zloty).

(b) Goodwill arising from foreign acquisitions

Any goodwill arising from the acquisition of a foreign operation and any adjustment of the carrying amount of the assets and liabilities derived from the acquisition of said foreign business to reflect fair value is recorded as an asset or liability of the foreign operation and is therefore translated into euros at the closing rate.

(c) Translation of foreign currency transactions

Foreign currency transactions are initially recorded in the functional currency at the exchange rate prevailing at the transaction date. At the reporting date, the monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at that date. The resulting differences are recorded in the income statement.

3.4.3 Property, plant and equipment

Items of property, plant and equipment, including land, property and the corresponding fixtures, are carried at cost less accumulated depreciation and impairment losses.

Routine maintenance costs are expensed as incurred.

An item of property, plant and equipment is derecognised when it is disposed of or when no further future economic benefits are expected from its use. Any gain or loss resulting from derecognising an asset (calculated on the basis of the difference between the net proceeds on disposal and the carrying amount) is recorded in the income statement in the year in which it is derecognised.

Items of property, plant and equipment are depreciated using the straight-line method over the following useful lives:

Property	25 years
General fixtures and fittings	5 years
Equipment and machinery	10 years
IT equipment	2 years
Transportation equipment	5 years
Furnishings	5 years

The useful life of the assets and the depreciation methods are reviewed and modified where necessary on each annual reporting date.

3.4.4 Intangible assets

Intangible assets acquired separately are valued at acquisition cost.

Intangible assets acquired in connection with a business combination are recorded at fair value on the acquisition date.

After initial recognition, intangible assets are valued at their acquisition cost less accumulated amortisation and impairment.

Costs relating to intangible assets created internally are recorded under assets when the criteria set out in IAS 38 are met.

The Group decides whether the useful life of an intangible asset is finite or indefinite.

a) Intangible assets with a finite useful life

These fixed assets are amortised over their useful lives for accounting purposes and are tested for impairment whenever there is an indication that they may be impaired. The amortisation period and method for intangible assets with finite useful lives are reviewed at least once a year at the reporting date. Any change in the estimated useful life or expected pattern of consumption of the future economic benefits associated with the asset is recorded by adjusting the useful life or amortisation method, whichever is appropriate. Such changes are treated as changes in estimates. Amortisation of intangible assets with finite useful lives is recorded in the income statement in the appropriate expense category based on the intangible asset's function.

The Group's intangible assets fall into this category and primarily comprise software licences for Movex accounting software.

These assets are amortised on a straight-line basis over the following estimated useful lives:

Software	5 years

b) Intangible assets with an indefinite useful life

These assets are not amortised but are subject to annual impairment tests, either individually or at the level of the cash-generating unit to which they belong. The useful life of an intangible asset with an indefinite useful life is reviewed annually in order to determine whether the indefinite useful life assessment for said asset is still justified. If it is not, the change in assessment of the nature of the useful life from indefinite to finite is recorded prospectively.

3.4.5 Leases

Determining whether an arrangement is a lease, or contains a lease, depends on the substance of the agreement at inception. This requires assessing whether performance of the agreement depends on the use of a specific asset or assets, and whether the agreement grants a right to use the asset. For agreements entered into before 1 January 2005, inception is deemed to be 1 January 2005, in accordance with the transitional provisions of IFRIC 4.

a) Leases in the Group's financial statements where the Group is lessee

Finance leases that transfer substantially all the risks and rewards incidental to ownership of the leased asset to the Group are recorded in the statement of financial position at the beginning of the lease term at the fair value of the leased asset or, if lower, at the present value of the minimum payments under the lease. Payments in respect of the lease are apportioned between the finance cost and the reduction of the debt so as to obtain a constant periodic interest rate on the outstanding liability. Finance costs are recorded directly in the income statement.

Assets held under a finance lease are depreciated over either their useful life or the lease term, whichever is shorter, if the Group cannot be reasonably certain that it will become the owner of the asset when the lease expires.

Payments under operating leases are recorded as expenses on a straight-line basis until the lease expires.

At 31 December 2013, the Group holds finance leases in which it acts as lessee (see Notes 30.1 and 30.2).

b) Leases in the Group's financial statements where the Group is lessor

Leases under which the Group does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. The initial indirect costs incurred when negotiating the lease are added to the carrying amount of the leased asset and recorded over the term of the lease on the same bases as rental income. Contingent rental income is recorded as income from ordinary activities in the period in which it is earned.

At 31 December 2013, the Group does not act as lessor in any finance leases.

3.4.6 Non-current assets held-for-sale and discontinued operations

A non-current asset (or group of assets and associated liabilities) is "held for sale" when its carrying amount will be recovered primarily through sale rather than continued use. In order to fall into this category, the asset (or group of assets) must be available for immediate sale and the sale must be highly probable. This asset or group of assets and associated liabilities are presented separately in the statement of financial position when they are significant, without restatement for previous periods. The asset or group of assets are measured at the lower of their carrying amount and fair value less costs to sell.

A discontinued operation is defined as a component of an entity that represents a separate major line of business or geographical area of operations for the Group. This component must either be discontinued or classified as held for sale or it must form part of an overall plan to sell a separate major line of business or geographical area of operations for the Group, or it must be a significant subsidiary acquired solely for the purpose of resale. Income statement and statement of cash flow items relating to discontinued operations are presented separately in the financial statements for all periods presented if they are significant. Statement of financial position items relating to previous years are not presented separately; only the components of the last period shown are classified as discontinued operations.

At 31 December 2013, the Group has no discontinued operations.

3.4.7 Impairment of non-financial assets (excluding goodwill)

At the end of each annual reporting period, the Group assesses whether there is an indication that an asset is impaired. If there is such a presumption, or when an annual impairment test is required for an asset, the Group estimates the recoverable amount of the asset. Intangible assets with an indefinite useful life are tested annually on 31 December, either individually or at the level of the cash-generating unit to which they are allocated.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. It is determined for each asset separately, unless the asset generates cash flows that are largely dependent on the cash flows generated by other assets or groups of assets. If the carrying amount of an asset exceeds its recoverable amount, the asset is deemed to have lost some of its value and its carrying amount is reduced to its recoverable amount. Value in use is determined on the basis of projected future cash flows and discounted by applying a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An appropriate valuation model is used to determine the fair value less costs to sell.

Impairment of continuing operations is recorded in the income statement in the appropriate expenses category with regard to the function of the impaired asset.

An assessment is made on each reporting date in order to identify whether a previously identified indication of impairment has disappeared or decreased. In this case, the Group estimates the recoverable amount. An impairment loss previously recorded is also reversed in the event of a change in the estimates made when determining the recoverable amount of the asset.

In this case, the carrying amount of the asset is increased to the asset's recoverable amount. When an impairment loss has been reversed, the carrying amount of an asset must not exceed the carrying amount that would have been determined, less depreciation and amortisation, had no impairment been recorded for said asset during previous periods. An impairment loss reversal is recorded in the income statement.

3.4.8 Business combinations and goodwill

a) Valuation and allocation of goodwill

As from 1 January 2010, business combinations are recorded in accordance with the amended IFRS 3, by applying the acquisition method. According to said method, the various components of the acquisition are recorded at fair value, subject to exceptions, as follows:

- The consideration transferred is measured at fair value. It includes any contingent consideration clauses that are also measured at acquisition-date fair value, which takes into account all the probabilities of occurrence. Classified as debt or equity depending on their type, commitments classified as debt are then remeasured at fair value and the difference recorded in the income statement.
- The costs directly attributable to the acquisition are recorded as expenses during the period in which they are incurred.

The acquired entity's identifiable assets, liabilities and contingent liabilities that meet IFRS accounting criteria are recorded at acquisition-date fair value, with the exception of non-current assets classified as held for sale, which are recorded at fair value less costs to sell, and other assets and liabilities (IAS 19 and IAS 12) valued in accordance with the applicable standards.

Goodwill represents any excess of the amount of consideration transferred and, where appropriate, non-controlling interests, over the net fair value of the acquired company's identifiable assets and liabilities.

Adjustments to the value of assets and liabilities relating to acquisitions recorded on a provisional basis are recorded as retrospective adjustments of goodwill if they occur within 12 months of the acquisition date. After this time, the effects are recorded directly in the income statement unless they correspond to corrections of errors.

b) Impairment of goodwill

Goodwill and CGUs

Goodwill resulting from business combinations is tested as soon as there are indications of impairment and at least once a year in order to determine whether the carrying amount is less than the recoverable amount, i.e., the amount that will be recovered through continuing use or sale.

If the recoverable amount is less than the net carrying amount, an impairment loss is recorded for the difference between the two amounts.

For this test, goodwill is grouped with other assets and liabilities in a cash-generating unit (CGU) or group of CGUs. CGUs are homogeneous groups of assets whose continued use generates cash flows that are largely independent of cash flows generated by other assets or groups of assets.

The Group identified the following CGUs:

- the sub-group formed by the AD purchasing unit, Logisteo and Digital Aftermarket;
- the sub-group formed by Cora and its subsidiaries;
- the sub-group formed by Bremstar;
- the sub-group formed by subsidiaries whose business is related to light vehicles;
- the sub-group formed by subsidiaries whose business is related to heavy vehicles;
- the sub-group formed by AD Polska and its subsidiary;
- the sub-group formed by holding companies and support functions.

Assessment of the recoverable amount

The impairment test consists of measuring the recoverable amount and comparing the recoverable amount of the CGU to its carrying amount. The recoverable amount is the higher of fair value less costs to sell and value in use.

The value in use of a CGU is determined by reference to the present value of future cash flows expected to derive from said assets in light of economic assumptions and the operating conditions expected by Group management.

An impairment loss recorded against goodwill cannot be reversed on account of an increase in its recoverable amount.

3.4.9 Financial investments and other financial assets

Financial assets that fall within the scope of IAS 39 are classified as financial assets at fair value through income, loans and receivables, held-to-maturity investments or financial assets available for sale, as appropriate. On initial recognition, financial assets are measured at fair value plus directly attributable transaction costs (except for the category of financial assets measured at fair value through income).

The Group determines the classification of its financial assets on initial recognition and, when permitted and appropriate, it reviews said classification on each annual reporting date.

a) Financial assets at fair value through income statement

The category of financial assets at fair value through income includes financial assets acquired with a view to resale in the near term.

Designated and effective hedging derivatives do not fall within this category.

At 31 December 2013, marketable securities included in cash equivalents fall within this category.

b) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Group has the intent and ability to hold to maturity. After initial recognition, held-to-maturity investments are valued at amortised cost.

Gains and losses are recorded in the income statement when said investments are derecognised or impaired, using the amortised cost mechanism.

At 31 December 2013, the Group had no financial assets recorded in the held-to-maturity investments category.

c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, loans and receivables are valued at amortised cost using the effective interest rate method less any impairment. Amortised cost is calculated taking into account any initial premium or discount and includes fees that form an integral part of the effective interest rate as well as transaction costs.

d) Available-for-sale financial assets

Available-for-sale financial assets (equity investments not consolidated at 31 December 2013) are non-derivative financial assets that are designated as available for sale or are not classified in any of the preceding three categories.

After initial recognition, available-for-sale financial assets are measured at fair value and any related gains and losses are recorded directly in equity in a reserve for net unrealised gains and losses. On disposal of an available-for-sale asset, the accrued profit or loss previously recorded in equity is recorded in the income statement. The interest received or paid on said investments is recorded in financial income or expenses on the basis of the effective interest rate. Dividends received on said investments are recorded in the income statement as “Dividends received” when the right to receive such payment is established.

e) Fair value

IFRS 7 — Financial Instruments: Disclosures, amended in 2009, establishes a fair value hierarchy consisting of three levels:

- Level 1: quoted prices for identical instruments (identical to those that are being valued) obtained on the valuation date on an active market to which the entity has access;
- Level 2: directly observable market inputs other than Level 1 inputs;
- Level 3: inputs not based on observable market data (for example, data derived from extrapolations). This level applies when there is no observable market or data and the entity is obliged to rely on its own assumptions to estimate the data that other market participants would have applied to price other instruments.

All fair value measurements are presented in Note 20 to the consolidated financial statements.

3.4.10 Impairment of financial assets

On each reporting date, the Group assesses whether a financial asset or group of financial assets is impaired.

a) Assets recorded at amortised cost

If there are objective indications of an impairment loss on loans and receivables recorded at amortised cost, the amount of the loss is equal to the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred), discounted at the original effective interest rate (i.e., the effective interest rate calculated on the initial recognition date). The asset's carrying amount is reduced by using an impairment account. The amount of the impairment loss must be recorded in the income statement.

An impairment loss is recorded for trade receivables when there is an objective indication (such as a probability that the debtor will default or is in serious financial difficulties) that the Group will not be able to recover the amount due under the contractual terms of the invoice. The carrying amount of the trade receivable is reduced using an allowance account. The impaired outstanding amounts are written off when they are deemed non-recoverable.

b) Available-for-sale assets

If a financial asset is impaired, the difference between its acquisition cost, net of the repayment of the principal and amortisation, and its current fair value, less any impairment loss previously recorded in the income statement, is transferred from equity to income. Impairment losses taken against equity instruments cannot be reversed through the income statement. Impairment losses relating to debt instruments are reversed through the income statement if the increase in the instrument's fair value can be objectively related to an event that occurred after the impairment loss had been recorded in the income statement.

3.4.11 Inventories

Inventories consist primarily of goods and are valued at cost or net realisable value, whichever is lower.

Cost is calculated using the method of the last supplier price applicable at 31 December of the year under review. The cost of inventories also takes into account the impact of discounts and allowances, and discounts granted by suppliers, as well as the transportation cost of purchases.

This method of inventory costing is deemed to be a good approximation of FIFO because of the fast stock turnover.

Net realisable value is the estimated selling price at the reporting date, less estimated costs to sell taking into account technical or commercial obsolescence and the risks relating to slow-moving items.

3.4.12 Cash and cash equivalents

Cash and cash equivalents recorded in the statement of financial position include cash at bank and on hand, short term deposits with a term of three months or less and marketable securities which meet the criteria of cash equivalents, i.e., investments that are:

- short-term;
- highly liquid;
- readily convertible into known amounts of cash; and
- subject to an insignificant risk of changes in value.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents include the cash and cash equivalents as defined above, less bank overdrafts.

Marketable securities owned by the Group are euro money market funds (SICAV) subject to an insignificant risk of changes in value.

3.4.13 Loans and borrowings

All loans are initially recorded at fair value, less directly related transaction costs.

After initial recognition, interest-bearing loans are valued at amortised cost using the effective interest rate method. The issue costs have an impact on the initial carrying amount and are recognised over the term of the loan using the effective interest rate method. The amortised issue costs are presented as a deduction from the liabilities to which they relate.

Gains and losses are recorded in the income statement when the liabilities are derecognised through the amortised cost mechanism.

3.4.14 Derivatives and hedge accounting

At 31 December 2013, the Group had no hedging instruments.

3.4.15 Provisions

a) General information

A provision is recorded when the Group has a current obligation (legal or implicit) arising from a past event, it is likely that an outflow of resources representing economic benefits will be necessary in order to settle the obligation and the amount of the obligation can be reliably estimated.

When the Group expects the provision to be partly or wholly refunded, for example through an insurance policy, the refund is recorded as a separate asset but only if it is virtually certain. The amount of the expense corresponding to a provision is recorded in the income statement net of any refunds.

If the effect of the time value of money is material, provisions are discounted on the basis of a current rate before tax, which reflects, where appropriate, the risks specific to the liability. When the provision is discounted, the increase relating to the passage of time is recorded as a financial expense.

b) Pensions and other post-employment benefits

In addition to basic pension plans, the Group's employees benefit from defined contribution and defined benefit plans:

Basic plans

In France, the Group pays into basic pension plans for which the expense recorded equals the contributions required by government agencies.

Defined contribution plans

The benefits paid depend solely on the total contributions made and the return on these investments. The Group's liability is limited to contributions paid which are recorded as an expense.

Defined benefit plans

In accordance with French legislation, each Group employee receives retirement benefits. These plans are largely unfunded. An independent actuary calculates the Group's commitment under this plan annually using the projected unit credit method. These calculations include actuarial assumptions concerning demographic mortality, severance, retirement conditions and future salary projections.

The Polish companies' pension liability is also calculated in accordance with current local regulations taking into account the assumptions stated above.

Probable future benefits are discounted using a discount rate determined by reference to the yield on investment-grade bonds. Actuarial gains and losses must be recognised immediately in equity. The Group has no multi-employer plans.

3.4.16 Revenue recognition

Revenue is recorded when it is probable that future economic benefits will flow to the Group and when revenue can be measured reliably. Revenue is measured at fair value of the consideration received or receivable, less any discounts and allowances and other sales taxes and customs duties. The following specific recognition criteria must also be met in order to recognise revenue:

a) Sale of goods

Revenue is recorded when the significant risks and rewards incidental to ownership of the goods are transferred to the buyer, usually on delivery of the goods.

b) Provision of services

Transactions involving the provision of services are recorded over the period in which the services are provided.

c) Interest income

Revenue is recorded for the amount of interest accrued (using the effective interest rate method, i.e., the rate that exactly discounts future cash flows over the expected life of the financial instrument to the carrying amount of the financial asset).

d) Dividends

Revenue is recorded when the shareholders' right to receive payment is established.

3.4.17 Recurring operating income

Recurring operating income comprises revenue, cost of goods for sale, payroll costs, other purchases and external expenses, taxes other than on income, other operating income and expenses, and depreciation and amortisation expenses.

It also includes, in particular, the share of expenses for pension obligations relating to the cost of services rendered during the period, the cost of employee profit-sharing plans, foreign exchange gains and losses relating to recurring operating activities, including the impact of hedge accounting on such activities, as well as gains and losses on the disposal of property, plant and equipment and intangible assets in connection with the Group's ordinary activities.

3.4.18 Other income and expenses from operations

Other income and expenses from operations relate to unusual events representing material amounts.

Other income from operations can include, in particular, gains on the disposal of operations and gains on the disposal of property, plant and equipment and intangible assets.

Other expenses from operations can include losses on the disposal of operations and losses on the disposal of property, plant and equipment and intangible assets, as well as any cost relating to past disposals, the costs of restructuring or closing sites and impairment losses on assets.

3.4.19 Income tax

a) Income tax payable

Income tax assets and liabilities payable in respect of the current year and previous years are valued at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws applied to determine said amounts are those that had been enacted or substantively enacted at the reporting date.

The tax payable in relation to items recorded directly in equity is recorded in equity rather than in the income statement.

The 2010 French Finance Act introduced the Territorial Economic Contribution (*Contribution Economique Territoriale* — CET), which includes the Company Value-Added Contribution (*Cotisation sur la Value Ajoutée des Entreprises* — CVAE). The Group has analysed the methods for determining said contribution with regard to the provisions adopted by the International Financial Reporting Interpretations Committee (IFRIC) and the French national accounting board (*Conseil National de la Comptabilité* — CNC) and it concluded that this contribution meets the definition of tax payable according to IAS 12. This contribution has therefore been classified in the "Income tax" line of the financial statements since 1 January 2010.

b) Deferred tax

Deferred tax is recorded using the balance sheet liability method for any timing differences existing at the reporting date between the tax base of the assets and liabilities and their carrying amount in the statement of financial position.

Deferred tax assets are recorded for any deductible timing differences and unused tax losses and tax credits carried forward, to the extent that it is probable that a taxable profit will be available against which said deductible temporary differences and tax losses and tax credits carried forward may be offset.

The carrying amount of the deferred tax assets is reviewed at each reporting date and reduced if it no longer appears probable that sufficient taxable profits will be available against which some or all of said deferred tax assets can be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and recognised if it becomes likely that future taxable profits will be available against which they can be utilised.

Deferred tax assets and liabilities are valued at the tax rate that is expected to apply for the year in which the asset is realised or the liability settled, on the basis of tax rates (and tax rules) enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised directly in equity is recorded in equity rather than in the income statement.

Deferred tax assets and liabilities are offset if there is a legally enforceable right of set-off and when they relate to the same taxable entity and tax authority. Within the tax consolidation group, deferred tax assets are accordingly offset against deferred tax liabilities.

4 Business combinations and acquisition of non-controlling interests

The scope of consolidation is set out in Note 27 and the amount of goodwill in Note 9.

4.1 Changes in the scope of consolidation in 2013

4.1.1 Acquisitions and newly-consolidated companies

Acquisition of shares in the Freinage Poids Lourds Services (FPLS) group by Val de Loire PL

On 1 January 2013, the Group acquired all of the shares and voting rights of the FPLS group, comprising 18 companies in the Brittany region. The FPLS group supplies and repairs all brake parts for vehicles and was classified in the Group's Heavy Vehicles segment. The 18 companies acquired were fully consolidated with effect from 1 January 2013, the date on which the Group assumed control. In its 2013 financial statements, FPLS contributed €24.4 million to Group revenue. At 31 December 2013, FPLS had 190 employees.

The purchase price was €3.4 million and does not include any earn-out provision.

The identifiable assets acquired, liabilities assumed and contingent liabilities measured at fair value at 1 January 2013 are as follows (in millions of euros):

Property, plant and equipment	0.9
Other non-current assets	2.1
Inventories	3.2
Trade receivables	4.7
Deferred tax assets	1.4
Other assets	0.4
Borrowings and debt	1.0
Trade payables	4.0
Provisions	4.2
Bank overdrafts	3.2
Other liabilities	2.7
Net assets	**(2.6)**

Inventories and trade receivables were included based on their fair value.

The following contingent liabilities were recognised in the opening statement of financial position:

Provision for increases in rent	€1.9 million
Provision for tax risks	€2.1 million

The provision for tax risks is covered by a vendor's liabilities warranty for €2.0 million, which gave rise to the recognition of an asset presented above within other non-current assets.

Goodwill resulting from the provisional allocation of the purchase price is €6.0 million (see Note 9.1) and reflects the synergies expected to derive from the acquisition in terms of trading and cost savings, market share and growth potential. This goodwill was allocated to the Heavy Vehicles CGU (€3.9 million) and to the Bremstar CGU (€2.1 million).

Acquisition of shares in Rectification de Pas de Calais (RPDC) and its subsidiary Lilcolor by ADBPN

The Group acquired all of the capital of RPDC and of its subsidiary Lilcolor on 31 January 2013. These companies are located in the French Nord Pas de Calais region and specialise in the sale of original parts and in engine rebuilding. They have around 29 employees. These companies were fully consolidated with effect from 31 January 2013, the date on which the Group assumed control.

The purchase price was €3.7 million and does not include any earn-out provision.

The identifiable assets acquired and liabilities assumed measured at fair value at 31 January 2013 are as follows (in millions of euros):

Property, plant and equipment	0.3
Intangible assets	0.0
Inventories	1.2
Trade receivables	0.6
Cash and cash equivalents	0.7
Other assets	0.2
Borrowings and debt	0.1
Tax and social security liabilities	0.3
Trade payables	0.7
Other liabilities	0.3
Net assets	**1.7**

The goodwill resulting from the purchase price allocation was €2.0 million (see Note 9.1) and reflects the synergies expected to derive from the acquisition in terms of trading and cost savings, market share and growth potential. This goodwill was allocated to the Light Vehicles CGU.

Acquisition of shares in Comptoir Auto Marine Industrie by AD Grand Ouest

On 30 June 2013, the Group acquired all of the capital of Comptoir Auto Marine Industrie. This company is based in the French Finistère region and specialises in the purchase, resale and wholesale and/or retail distribution of parts and equipment for the automotive, marine and manufacturing industries, and in equipment repair and maintenance services. The provisional purchase price is €0.9 million. Goodwill resulting from the provisional allocation of the purchase price was €0.4 million (see Note 9.1) and was allocated to the Light Vehicles CGU.

Acquisition of shares in Rougon-Queyrel entities by Autodistribution

Rougon-Queyrel entities, previously independent distributors of Autodistribution, became subsidiaries of the Group on 30 December 2013. Founded in 1908, Rougon-Queyrel entities are the leading distributors of supplies and equipment for the automotive and manufacturing industries in the French Alpes de Haute Provence and Hautes-Alpes regions. They have four distribution outlets in Gap, Briançon, Digne and Manosque, and 70 employees. Rougon-Queyrel had revenue of €15 million in 2013.

The provisional purchase price was €7.6 million. The goodwill arising from the provisional allocation of the purchase price was €3.7 million (see Note 9.1) and was allocated to the Light Vehicles CGU.

The identifiable assets acquired and liabilities assumed provisionally measured at fair value at 31 December 2013 are as follows (in millions of euros):

Property, plant and equipment	0.5
Intangible assets	0.0
Inventories	2.4
Trade receivables	1.8
Cash and cash equivalents	1.3
Other assets	0.8
Borrowings and debt	0.7
Tax and social security liabilities	0.7
Trade payables	1.3
Other liabilities	0.3
Net assets	**3.8**

4.1.2 Incorporation of companies

No companies were incorporated in 2013.

4.1.3 Mergers within the Group

Transfer of all the assets and liabilities of RPDC to AD Bassin Parisien Nord

RPDC was acquired on 31 January 2013 and merged into AD Bassin Parisien Nord during the year as part of a full asset transfer (*transmission universelle du patrimoine)* arrangement

Transfer of all the assets and liabilities of Malinge Chevalier to AD Normandie Maine

Malinge Chevalier was merged into AD Normandie Maine as part of a full asset transfer (TUP) arrangement in 2013.

Transfer of all the assets and liabilities of Station Technique Auto to Val de Loire PL

Station Technique Auto was acquired in 2012 and merged into Val de Loire PL in 2013 as part of a full asset transfer (TUP) arrangement.

Transfer of all the assets and liabilities of PAPL to Porteret & Gobillot

PAPL was acquired in 2012 and merged into Porteret & Gobillot on 31 December 2013 as part of a full asset transfer TUP arrangement.

None of the aforementioned transactions had an impact on the Group's consolidated financial statements.

4.1.4 Disposals

Disposal of 80% of shares in Parts Holding Italia (PHI) and of its subsidiary Autodistribution Italia (ADI) by Autodis

The Group began talks with the Giadi group in August 2012 for the sale of its Italian operations. In April 2013, the two parties signed a memorandum of understanding providing for:

- the payment by Giadi of €4.8 million to Autodis in respect of:
  - the sale of 80% of shares in Parts Holding Italia for €1 at 30 April 2013;
  - the repayment of a €4.8 million intragroup loan granted to Autodistribution Italia in instalments, with the last instalment due on 30 April 2021 (bearing interest at 4%). The instalments are to represent 50% of the annual bonus paid by AD International to the new trading group comprising PHI, ADI and Giadi. The first instalment is to be paid in April 2014 (the total loan granted by Group to ADI and PHI represented €9.1 million at 31 December 2012);
- a put option on 20% of the shares held by Autodis. This put option can be exercised by Autodis at the latest three months after the date on which the financial statements of PHI ad ADI are approved, as from April 2014. The option expires on 31 July 2018;
- if the put option is not exercised by Autodis within the specified period, and the €4.8 million loan is repaid in full, Giadi will have a call option on the 20% stake held by Autodis, equivalent to 20% of equity as per PHI's latest approved annual financial statements. This call option can be exercised between August 2018 and 31 December 2021.

This business has been classified within discontinued operations in the Group's financial statements since September 2012. The impact of the disposal on the consolidated financial statements is as follows:

	30 April 2013
Property, plant and equipment, net	0.0
Intangible assets, net	0.0
Inventories, net	2.9
Trade receivables, net	7.6
Cash and cash equivalents	0.4
Other assets	0.0
Borrowings and debt	0.0
Tax and social security liabilities	0.1
Trade payables	5.5
Other liabilities	0.2
Net assets	**5.1**

Since 30 April 2013, PHI has been accounted for by the equity method. Net income (loss) arising on the discontinued operations of PHI and ADI between 1 January 2013 and 31 March 2013 is not material.

4.2 Changes in the scope of consolidation in 2012

4.2.1 Acquisitions and newly-consolidated companies

Acquisition of additional shares in the Enssemble group by Autodistribution

The Group acquired 80% of the Enssemble group on 9 July 2012, thereby increasing its interest in the company from 20% to 100%.

The Enssemble group, located in the Lyon area, consists of the following eight companies:

- Porteret et Gobillot
- Bugisy
- SCI Lorat
- SCI Synimalau
- SARL Andrieu
- SARL Auto Contrôle
- EURL PAPL
- SARL FRA

These companies are all wholly-owned subsidiaries of the Enssemble holding company.

The above-mentioned entities have been fully consolidated since 9 July 2012, the date on which control was obtained.

At 31 December 2011, the Enssemble group was consolidated using the equity method.

The price paid in connection with the acquisition was €10.4 million.

The Enssemble group generates annual revenue of approximately €65 million and employs around 450 people. The revenue included in the Group's 2012 consolidated financial statements covered a period of six months and amounts to €31.7 million with net income of €0.35 million.

The identifiable assets acquired and liabilities assumed measured at fair value are as follows (in millions of euros):

Property, plant and equipment	7.2
Intangible assets	0.0
Inventories	10.3
Trade receivables	9.2
Other assets	2.2
Borrowings and debt	2.4
Tax and social security liabilities	4.4
Trade payables	8.5
Bank overdrafts	1.2
Other liabilities	1.8
Net assets	**10.4**

Property, plant and equipment was valued by independent experts in order to determine its acquisition-date fair value.

Inventories and trade receivables were measured at fair value.

In addition to the assets acquired and liabilities assumed, the following contingent liabilities were recognised in the opening statement of financial position:

Provision for compliance work at sites	€ 97k
Provision for tax risks	€950k

The provision for tax risks is covered by a vendor's liabilities warranty which gave rise to the recognition of an asset.

Goodwill resulting from the provisional allocation of the purchase price is €2.6 million (see Note 9.1) and reflects the consolidation of the Group's foothold in the Rhône Alpes region where Enssemble is the market leader, as well as future organisational synergies.

Goodwill is calculated as follows (in millions of euros):

Purchase price for 80% of the capital	10.4
Equity-accounted associate remeasured at fair value	2.6
Total	13.0
Previously recorded net assets	(10.4)
Goodwill	2.6

The allocation of the purchase price was finalised in the first half of 2013. The inventories of the Enssemble group were remeasured to take into account the improved calculation of inventory turnover. The impact on the allocation of the purchase price and goodwill is as follows (in millions of euros):

Decrease in the fair value of inventories acquired	1.5
Impact on deferred taxes	(0.5)
Net revalued amount at 31 December 2013	**1.0**
Goodwill at 31 December 2012	2.6
Goodwill at 31 December 2013	**3.6**

Acquisition of Station Technique Auto and Station Technique Auto Carrosserie by Val de Loire PL

On 31 July 2012, the Group acquired all of the capital of Station Technique Auto, which in turn wholly owns the operational subsidiary Station Technique Auto Carrosserie.

These companies are located in the French Indre-et-Loire region. They generate annual revenue of approximately €3.8 million and employ around 30 people.

The acquisition cost of the transaction was €3.1 million. The cash contributed by these companies was €1.1 million.

Goodwill resulting from the provisional allocation of the purchase price was €1.4 million (See Note 9.1).

4.2.2 Incorporation of companies

No companies were incorporated in 2012.

4.2.3 Mergers within the Group

Transfer of all the assets and liabilities of APS Saillard and Comptoir Vitryat to Gadest

These companies, acquired in 2011, were merged into Gadest in 2012 as part of a full asset transfer (*transmission universelle du patrimoine)* arrangement.

Transfer of all the assets and liabilities of SIA, Teulat, JP. David and J. David to AD Bassin Parisien-Nord

These companies, acquired in 2011, were merged into AD Bassin Parisien-Nord in 2012 as part of a full asset transfer (TUP) arrangement.

4.2.4 Disposals

The Group did not dispose of any of its entities in 2012.

5 Segment information

The reportable operating segments reflect the segmentation used for internal reporting purposes and that which is disclosed and monitored by the chief operating decision makers.

The chief operating decision makers are responsible for managing resources and assessing the profitability of each operating segment and were identified as members of the Executive Committee in charge of strategic decisions.

The Executive Committee bases its analyses on six operating segments: Purchasing (including Logisteo and Digital Aftermarket), Light Vehicles, Heavy Vehicles, Cora, Bremstar and International (Poland). Activities of the holding companies and support functions are not broken out by segment but included in the "Holding companies" line. A description of these segments is provided below:

Purchasing (including Logisteo and Digital Aftermarket) is in charge of Group purchases of light vehicle parts.

Cora is responsible for the resale of light vehicle body parts.

Bremstar is responsible for Group purchases of heavy vehicle parts.

Light Vehicles include the French distribution subsidiaries which sell light vehicle parts to garages and provide vehicle maintenance and repair services.

Heavy Vehicles include the French distribution subsidiaries which sell HGV parts to garages and provide truck maintenance and repair services.

International operations include the business of the Group's operating subsidiaries in Poland.

5.1 Segment results

2013 (in millions of euros)	Purchasing	Cora	Bremstar	Light vehicles	Heavy vehicles	International	Holding cos.	Group total
Total revenue	566.6	73.5	23.2	674.5	99.8	113.8	—	1,551.4
o/w intersegment revenue	*354.9*	*45.8*	*9.6*	*3.7*	*0.2*	—	—	*414.2*
Net revenue	**211.7**	**27.7**	**13.6**	**670.8**	**99.6**	**113.8**	**—**	**1,137.2**
EBITDA	**25.7**	**6.7**	**1.7**	**20.1**	**(1.8)**	**1.8**	**0.1**	**54.3**

2012 (in millions of euros)	Purchasing	Cora	Bremstar	Light vehicles	Heavy vehicles	International	Holding cos.	Group total
Total revenue	553.0	63.1	17.5	668.3	66.9	107.8	—	1,476.6
o/w intersegment revenue	*344.2*	*36.8*	*6.7*	*4.3*	*0.3*	—	—	*392.3*
Net revenue	**208.8**	**26.3**	**10.8**	**664.0**	**66.6**	**107.8**	**—**	**1,084.3**
EBITDA	**22.1**	**5.8**	**0.6**	**21.0**	**(1.3)**	**(1.4)**	**(2.4)**	**44.4**

5.2 Results and assets/liabilities by region

2013 (in millions of euros)	France	Poland	Group total
External revenue	1,023.4	113.8	**1,137.2**
Goodwill	21.4	—	**21.4**
Intangible assets	143.1	0.4	**143.5**
Property, plant and equipment	48.7	2.1	**50.8**

2012 (in millions of euros)	France	Poland	Group total
External revenue	976.5	107.8	**1,084.3**
Goodwill	9.2	—	**9.2**
Other intangible assets	142.0	—	**142.0**
Property, plant and equipment	45.6	—	**45.6**

6 Discontinued operations

6.1 Discontinued operations at 31 December 2013

The Group had no discontinued operations in 2013, excluding the Italian business sold in April 2013 (see Note 4.1.4).

6.2 Discontinued operations at 31 December 2012

In 2012, strategies looking at alliances or disposals of Italian operations were explored, as the results of the Italian businesses were disappointing and prospects for growth limited. At PH Coöperatief's Board Meeting on 5 July 2012, it was officially decided to enter into discussions with a view to disposing of Italian operations. Talks began with Giadi, an independent Italian distributor, resulting in a framework agreement the parties signed on 19 December 2012. This agreement provided for the sale of 80% of the shares of Parts Holding Italy (PHI) owned by Autodis to Giadi in the first quarter of 2013, subject to the approval of the Board of Directors of each entity.

At the end of December 2012, Italian operations were therefore deemed to be a held-for-sale asset in accordance with IFRS 5. Since Italy was identified by the Group as a CGU and major geographical area of operations, and as the Group only operates in three countries, the result of the Italian operations is presented separately in the income statement under discontinued operations.

The net loss from discontinued operations was as follows:

In millions of euros	2012
Net income (loss) from discontinued operations	**(3.9)**

The main line items in the consolidated income statement for discontinued operations are as follows:

In millions of euros	2012
Revenue	14.8
Expenses from operations	(18.4)
Income from operations	(3.6)
Financial items	(0.2)
Income tax	—
Net income (loss) from discontinued operations	**(3.8)**

The main line items in the consolidated statement of financial position for discontinued operations are as follows:

In millions of euros	2012
Fixed assets, net	0.0
Inventories, net	2.9
Trade receivables, net	7.6
Cash and cash equivalents	0.4
Other assets	0.0
Non-current assets held for sale	**10.9**
Borrowings and debt	0.0
Trade payables	5.5
Other liabilities	0.3
Liabilities directly associated with assets held for sale	**5.8**

7 Income and expenses

7.1 Income from ordinary activities

In millions of euros	2013	2012
Sales of goods held for resale	1,075.7	1,033.5
Provision of services	61.5	50.8
Income from ordinary activities — continuing operations	**1,137.2**	**1,084.3**

7.2 Personnel costs

In millions of euros	2013	2012 restated	2012
Wages	(172.7)	(160.0)	(160.0)
Social security contributions	(63.3)	(62.0)	(62.0)
Profit-sharing plans	(2.7)	(1.9)	(1.9)
Pension costs (see Note 23.1)	(0.3)	(0.4)	0.2
Personnel costs	**(239.0)**	**(224.3)**	**(223.7)**

Pension costs include the allocation to provisions for retirement benefits for the year as well as the reversal of said provisions as a result of benefits paid during the year (Note 23.1).

The Group's workforce at 31 December can be broken down as follows:

Number of employees	2013	2012
Engineers and managerial-grade staff (cadres)	841	838
Technical and supervisory staff	1,051	1,068
Other	4,429	4,466
Total workforce	**6,321**	**6,372**

7.3 Other purchases and external expenses

In millions of euros	2013	2012
Rental expenses	(40.3)	(37.6)
Shipping expenses	(38.6)	(38.2)
Maintenance and repairs	(13.3)	(12.1)
Legal and other fees	(6.7)	(8.1)
IT expenses	(6.8)	(6.8)
Advertising expenses	(1.9)	(2.5)
Subcontracting	(5.2)	(4.4)
Travelling expenses	(3.4)	(3.3)
Other expenses	(10.1)	(8.9)
Other purchases and external expenses	**(126.3)**	**(121.9)**

7.4 Other operating income and expenses

In millions of euros	2013	2012
Net (allocation to)/reversal of impairment of receivables	(1.1)	0.1
Net (allocation to)/reversal of current provisions in liabilities	—	0.1
Other	3.9	4.2
Other operating income and expenses	**2.8**	**4.4**

7.5 Other income from operations

In millions of euros	2013	2012
Gains on the disposal of property, plant and equipment and intangible assets	2.2	0.7
Reversal of provision for risk	0.9	2.4
Reversal of impairment of fixed assets in the Poland CGU (see Note 3.3.1)	2.9	—
Other income	1.4	0.3
Other income from operations	**7.4**	**3.4**

The reversal of the provision for risk amounting to €2.4 million in 2012 consists primarily of reversals of provisions for tax risks (AD and Arnaudiès) for €1.3 million.

7.6 Other expenses from operations

In millions of euros	2013	2012
Disposal of property, plant and equipment and intangible assets	(1.2)	(1.0)
Goodwill impairment (Note 8.2)	—	—
Impairment of fixed assets of the Poland sub-group	—	(0.3)
Allocation to provisions and expenses for restructuring, and for tax and employee-related disputes	(1.2)	(1.2)
Restructuring costs	(4.8)	(2.9)
Other expenses	(3.8)	(1.8)
Other expenses from operations	**(11.0)**	**(7.2)**

7.7 Financial income

In millions of euros	2013	2012
Income from financial investments	0.3	0.7
Foreign exchange gains	—	0.9
Gains on the disposal of financial fixed assets	—	—
Change in fair value of Sup Bonds (see Note 21.1)	10.7	—
Other financial income	—	0.7
Total financial income	**11.0**	**2.3**

7.8 Financial expenses

In millions of euros	2013	2012 restated	2012
Cost of external loans and bank overdrafts	(4.2)	(5.7)	(5.7)
Discounting of borrowings and debt	(3.1)	(3.8)	(3.8)
Expenses related to financial instruments	(0.3)	(0.4)	(0.4)
Interest cost of provision for retirement benefits	(0.4)	(0.6)	—
Financial expenses on finance leases	—	(0.3)	(0.3)
Foreign exchange losses	(0.3)	—	—
Other financial expenses	(0.7)	(0.5)	(0.5)
Total financial expenses	**(9.0)**	**(11.3)**	**(10.7)**

7.9 Income tax

The Group opted for tax consolidation in France.

This option concerns all the Group's French companies with the exception of non-material subsidiaries.

7.9.1 Tax expense

The tax expense for the reference years is as follows:

In millions of euros	2013	2012
Current tax expense	(1.8)	(0.3)
Deferred tax expense	(10.5)	(2.8)
Company Value-Added Contribution (CVAE)	(5.3)	(4.7)
Income tax	**(17.6)**	**(7.8)**

7.9.2 Nature of deferred tax

Breakdown of deferred tax according to type before set off:

In millions of euros	31 Dec. 2013	31 Dec. 2012 restated	31 Dec. 2012
Deferred tax on valuation of Sup Bonds	2.4	—	—
Deferred tax on recognition of loss carryforwards — Poland	0.7	1.4	1.4
Deferred tax on adjustments to pension liabilities for companies not consolidated for tax purposes	0.6	0.6	0.6
Deferred tax on recognition of loss carryforwards — France(*)	59.5	65.4	65.4
Deferred tax on miscellaneous adjustments	1.1	1.3	0.8
Deferred tax assets before set off	**64.3**	**68.7**	**68.2**
Deferred tax on valuation of AD brand(*)	(47.2)	(47.2)	(47.2)
Deferred tax on valuation of Sup Bonds	(4.7)	—	—
Deferred tax on miscellaneous adjustments	(2.7)	(2.6)	(2.6)
Deferred tax liabilities before set off	**(54.6)**	**(49.8)**	**(49.8)**
Net deferred tax asset (liability)	**9.7**	**18.9**	**18.4**

(*) A deferred tax liability was recognised on the brand, and was offset by a deferred tax asset on tax loss carryforwards in the amount of €35.4 million.

In 2006, the Group exercised the expanded tax base option (possibility to offset losses of companies in a previous tax group against profits of its former constituent members) for companies consolidated with Autodis for tax purposes. This tax consolidation group's tax loss carryforwards were offset against the taxable income of the profitable companies in an expanded base in 2012.

There is also a French tax consolidation group whose parent company is Parts Holdings (France) and which includes the companies acquired after 2006 and the companies in the expanded tax base (previously consolidated with Autodis for tax purposes).

In 2013, the tax group in France generated a taxable profit.

The French Finance Act of 2013 applicable at 31 December 2012 changed the rules for recognising tax loss carryforwards. Henceforth, the carryforward of losses is limited to €1 million plus 50% of the profit exceeding that amount, as opposed to 60% in 2011.

Taxable profit is calculated initially at the level of the expanded base by offsetting 50% of the tax loss carryforwards. The result obtained is then included in the PHF tax consolidation group to which the 50% recognition limit for tax loss carryforwards also applies.

A tax planning exercise for operations in France was carried out on the basis of the five-year business plan for France to determine the future utilisation of loss carryforwards in light of existing offset rules and to assess the deferred tax asset to be recognised in the financial statements at 31 December 2013.

This exercise shows that €85.3 million in tax loss carryforwards would be utilised, i.e., a tax saving of €24.1 million. As a precautionary measure, and as there is little visibility beyond the timeframe of the business plan, the deferred tax asset recognised in the financial statements was limited to this amount.

At 31 December 2013, tax loss carryforwards, after utilising €15.0 million in 2013, stood at €241 million for the expanded base and €281 million for the PHF tax consolidation group.

No other deferred tax asset was recorded in respect of consolidation adjustments likely to reverse in the long term. As these adjustments fall outside the time horizon of the Group's 2014 budget and the three-year business plan, the Group deemed it prudent not to record any deferred tax assets after said period, except as a deduction from the deferred tax liabilities identified at the reporting date.

7.9.3 Tax proof

Reconciliation between the effective tax expense and the theoretical tax charge based on the tax rate applicable in France is as follows for the years cited:

In millions of euros	2013	2012
Income (loss) before tax	**36.3**	**17.7**
Theoretical tax: tax rate	35.00%	35.00%
Theoretical tax income (expense)	**(12.7)**	**(6.2)**
Effect of non-taxable income and non-deductible expenses	(0.4)	(3.4)
Differences in tax rates	0.7	—
Unrecognised tax losses	(4.2)	(2.7)
Company Value-Added Contribution (CVAE)	(5.3)	(4.7)
Recognition of tax loss carryforwards — France	3.6	8.5
Recognition of tax loss carryforwards — Poland	0.7	0.7
Tax income (expense) recorded in the consolidated income statement	**(17.6)**	**(7.8)**

8 Dividends paid and proposed

In millions of euros	2013	2012
Dividends approved during the year	—	—

9 Goodwill

9.1 Analysis of changes in gross value and impairment of goodwill

In millions of euros	Gross value	Impairment	Net value
At 31 December 2011	**381.8**	**(377.6)**	**4.2**
• newly-consolidated companies	5.0	—	5.0
• disposals	—	—	—
• impairment for the period	—	—	
• foreign exchange gains (losses)	2.1	(2.1)	—
At 31 December 2012 restated	**388.9**	**(379.7)**	**9.2**
• newly-consolidated companies	12.2	—	12.2
• disposals	—	—	—
• impairment for the period	—	—	—
• foreign exchange gains (losses)	(0.5)	0.5	—
At 31 December 2013	**400.6**	**(379.2)**	**21.4**

Changes in goodwill in 2013

- The acquisition of the FPLS group generated goodwill of €6.0 million.
- The acquisition of Comptoir Auto Marine Industrie generated goodwill of €0.4 million.
- The acquisition of RPDC and of its subsidiary Lilcolor generated goodwill of €2.0 million.
- The acquisition of Rougon Queyrel 05 and subsidiaries Holding SAP and Rougon Queyrel 04 generated goodwill of €3.7 million.

Changes in goodwill in 2012

- The acquisition of Station Technique Auto and Station Technique Auto Carrosserie generated goodwill of €1.4 million.
- The acquisition of 80% of the Enssemble group in addition to the 20% already owned generated goodwill of €3.6 million (see Note 4.2.1).

9.2 Impairment tests

Impairment tests on goodwill were carried out in accordance with the methodology set out in Note 3.4.8. These tests did not result in any additional impairment being recorded in 2013.

10 Intangible assets

In millions of euros	Software and licences	AD brand	Other	Total
Gross value				
At 31 December 2011	**51.0**	**156.9**	**0.6**	**208.5**
• acquisitions (Note 11.2)	6.1	—	—	6.1
• reclassification	0.2	—	—	0.2
• disposals	(0.4)	—	—	(0.4)
• business acquisitions	—	—	—	—
• foreign exchange gains (losses)	0.2	—	—	0.2
At 31 December 2012	**57.1**	**156.9**	**0.6**	**214.6**
• acquisitions (Note 11.2)	6.0	—	0.1	6.1
• reclassification	0.1	—	(0.1)	—
• disposals	(0.4)	—	—	(0.4)
• business acquisitions	—	—	—	—
• foreign exchange gains (losses)	—	—	—	—
At 31 December 2013	**62.8**	**156.9**	**0.6**	**220.3**
Amortisation and impairment				
At 31 December 2011	**44.9**	**21.9**	**0.4**	**67.2**
• amortisation (Note 11.1)	4.9	—	—	4.9
• impairment	0.3	—	—	0.3
• reclassification	—	—	—	—
• impairment reversals	—	—	—	—
• business acquisitions	—	—	—	—
• foreign exchange gains (losses)	0.2	—	—	0.2
At 31 December 2012	**50.3**	**21.9**	**0.4**	**72.6**
• amortisation (Note 11.1)	5.0	—	—	5.0
• impairment	—	—	—	—
• reclassification	—	—	—	—
• impairment reversals/tests	(0.7)	—	—	(0.7)
• business acquisitions	—	—	—	—
• foreign exchange gains (losses)	(0.1)	—	—	(0.1)
At 31 December 2013	**54.5**	**21.9**	**0.4**	**76.8**
Net value				
At 31 December 2012	6.8	135.0	0.2	142.0
At 31 December 2013	**8.3**	**135.0**	**0.2**	**143.5**

11 Property, plant and equipment

In millions of euros	Land	Property and fixtures	Technical fittings	Vehicles	IT equipment	Furnishings	Assets under construction	Total
Gross value								
At 31 December 2011	**2.3**	**73.5**	**41.1**	**11.2**	**18.9**	**4.5**	**1.5**	**153.0**
• acquisitions (Note 11.2)	—	3.4	2.3	1.7	2.1	0.1	0.2	9.8
• reclassification	—	1.6	(0.5)	0.1	0.2	—	(1.5)	(0.1)
• disposals	—	(1.5)	(0.7)	(1.6)	(0.4)	—	—	(4.2)
• business acquisitions	2.8	6.0	2.1	1.6	—	—	—	12.5
• foreign exchange gains (losses)	—	—	0.4	—	0.2	—	—	0.6
At 31 December 2012	**5.1**	**83.0**	**44.7**	**13.0**	**21.0**	**4.6**	**0.2**	**171.6**
• acquisitions (Note 11.2)	—	6.0	2.4	1.2	1.6	0.2	2.3	13.7
• reclassification	—	(0.6)	(0.9)	(0.1)	—	—	(0.6)	(2.2)
• disposals	—	(4.4)	(2.1)	(1.8)	(1.3)	—	—	(9.6)
• business acquisitions	—	5.1	3.2	0.6	0.6	—	—	9.5
• foreign exchange gains (losses)	—	—	(0.1)	—	—	—	—	(0.1)
At 31 December 2013	**5.1**	**89.1**	**47.2**	**12.9**	**21.9**	**4.8**	**1.9**	**182.9**
Depreciation and impairment								
At 31 December 2011	**0.8**	**49.5**	**34.4**	**8.5**	**16.4**	**3.7**	**0.2**	**113.5**
• depreciation (Note 11.1)	—	4.6	2.9	1.2	1.3	0.2	—	10.2
• impairment	—	—	—	—	—	—	—	—
• reclassification	—	1.0	(1.0)	—	0.1	0.1	(0.2)	—
• reversals	—	(0.9)	(0.6)	(1.5)	(0.4)	—	—	(3.4)
• business acquisitions	0.1	2.6	1.1	1.3	—	—	—	5.1
• foreign exchange gains (losses)	—	—	0.4	—	0.2	—	—	0.6
At 31 December 2012	**0.9**	**56.8**	**37.2**	**9.5**	**17.6**	**4.0**	**—**	**126.0**
• depreciation (Note 11.1)	—	5.1	3.0	1.3	1.6	0.3	—	11.3
• impairment reversal	(0.2)	(0.2)	(1.3)	—	(0.5)	(0.3)	—	(2.5)
• reclassification	—	(0.9)	(1.1)	(0.2)	—	—	—	(2.2)
• reversals relating to disposals	—	(3.7)	(2.0)	(1.7)	(1.0)	—	—	(8.4)
• business acquisitions	—	4.1	2.8	0.6	0.5	—	—	8.0
• foreign exchange gains (losses)	—	—	(0.1)	—	—	—	—	(0.1)
At 31 December 2013	**0.7**	**61.2**	**38.5**	**9.5**	**18.2**	**4.0**	**—**	**132.1**
Net value								
At 31 December 2012	4.2	26.2	7.5	3.5	3.4	0.6	0.2	45.6
At 31 December 2013	**4.4**	**27.9**	**8.7**	**3.4**	**3.7**	**0.8**	**1.9**	**50.8**

Property, plant and equipment held under finance leases is set out in Note 30.2.

11.1 Reconciliation of depreciation/amortisation expense recorded in the income statement

	2013	2012
• intangible assets (Note 10)	(5.0)	(4.9)
• property, plant and equipment (Note 11)	(11.3)	(10.2)
Depreciation/amortisation expense	**(16.3)**	**(15.1)**

11.2 Reconciliation of acquisitions of property, plant and equipment and intangible assets presented in the statement of cash flows

	2013	2012
• intangible assets (Note 10)	6.1	6.1
• property, plant and equipment (Note 11)	13.7	9.8
Acquisitions of non-current assets	**19.8**	**15.9**

12 Investments in associates

In millions of euros	ENSSEMBLE	NEOPARTS	AD INTERNATIONAL	Total
At 31 December 2011	**2.5**	**0.2**	**0.4**	**3.1**
• net income (loss)	0.1	(0.1)	—	(0.0)
• dividends paid	—	—	(0.1)	(0.1)
• other changes(*)	(2.6)	—	—	(2.6)
At 31 December 2012	**—**	**0.1**	**0.3**	**0.4**
• net income (loss)	—	(0.1)	—	(0.1)
• dividends paid	—	—	—	—
• other changes	—	0.1	—	0.1
At 31 December 2013	**—**	**0.1**	**0.3**	**0.4**

(*) The change in the equity interest in the Enssemble group is attributable to the acquisition of a controlling interest (see Note 4.2.1). The gain on remeasuring the interest at fair value is not material.

Key indicators at 31 December 2013 (data based on a 100% interest)

In millions of euros	NEOPARTS	AD INTERNATIONAL
Total current assets	5.8	12.7
Total non-current assets	0.5	0.5
Total current liabilities	4.9	11.6
Total non-current liabilities	1.4	0.0
Total equity	0.4	1.6
Total revenue	18.2	0.0
Net income (loss)	(0.3)	0.0

The Group's interest in each of the equity-accounted companies cited above is set out in Note 27.

13 Available-for-sale financial assets

The table below summarises available-for-sale financial assets corresponding to non-consolidated equity investments at 31 December 2013. These investments are remeasured to fair value at each reporting date.

Company (€m)	% interest	Gross value	Impairment	Net value
AD Maroc	7.7%	0.27	0.27	—
SCI Morangis	10.3%	0.06	—	0.06
Other		0.16	0.03	0.13
Total		**0.49**	**0.30**	**0.19**

At 31 December 2012:

Company (€m)	% interest	Gross value	Impairment	Net value
AD Maroc	7.7%	0.27	0.27	—
SCI Morangis	10.3%	0.06	—	0.06
Other		0.29	0.03	0.26
Total		**0.62**	**0.30**	**0.32**

14 Other non-current assets

In millions of euros	Receivables from controlled entities	Loans	Guarantees and deposits	Other	Total
Gross value					
At 31 December 2011	**—**	**0.9**	**5.2**	**0.5**	**6.6**
• acquisitions(A)	—	1.0	0.5	3.3	4.8
• reclassification	—	—	—	—	—
• disposals	—	(0.3)	—	(0.2)	(0.5)
• business acquisitions(B)	—	—	1.1	0.1	1.2
• foreign exchange gains (losses)	—	—	—	—	—
At 31 December 2012	**—**	**1.6**	**6.8**	**3.7**	**12.1**
Amortisation and impairment	—	—	—	—	—
Net value at 31 December 2012	**—**	**1.6**	**6.8**	**3.7**	**12.1**

(A) The €3.3 million listed under "Other" corresponds to the payment on 31 December 2012 in respect of FPLS shares purchased on 1 January 2013, the transfer date of the shares. The amount is not consolidated in the Group's financial statements at 31 December 2012.

(B) The €1.1 million listed under "Guarantees and deposits" corresponds to the partial capitalization of a part of the vendor's liabilities warranty agreed at the time of the acquisition of the Enssemble group.

In millions of euros	Receivables from controlled entities	Loans	Guarantees and deposits	Other	Total
Gross value					
At 31 December 2012	**—**	**1.6**	**6.8**	**3.7**	**12.1**
• acquisitions(A)	—	6.3	0.7	0.1	7.1
• reclassification(B)	—	—	—	(3.3)	(3.3)
• disposals	—	(1.0)	(0.5)	—	(1.5)
• business acquisitions(C)	—	—	2.1	0.3	2.4
• foreign exchange gains (losses)	—	—	—	—	—
At 31 December 2013	**—**	**6.9**	**9.1**	**0.8**	**16.8**
Amortisation and impairment	—	—	—	—	—
Net value at 31 December 2013	**—**	**6.9**	**9.1**	**0.8**	**16.8**

(A) The €6.3 million classified in "Loans" includes a €4.8 million loan granted by Autodis to Giadi on 30 April 2013 within the scope of the disposal of the Italian subsidiary.

(B) The negative amount of €3.3 million classified in "Other" corresponds to the reclassification of FPLS shares paid on 31 December 2012 and not consolidated in the Group's 2012 financial statements (FPLS was consolidated as of 1 January 2013).

(B) €2.0 million of the €2.1 million listed under "Guarantees and deposits" corresponds to the partial capitalization of the vendor warranty agreed at the time of the acquisition of the FPLS group.

15 Inventories

In millions of euros	31 Dec. 2013	31 Dec. 2012 restated	31 Dec. 2012
Gross value	203.6	196.6	196.6
Impairment	(22.8)	(21.5)	(19.9)
Net value	**180.8**	**175.1**	**176.7**

16 Trade and other receivables

In millions of euros	31 Dec. 2013	31 Dec. 2012
Trade receivables	191.4	174.6
Discounts, rebates and refunds	(16.4)	(16.2)
Impairment	(11.8)	(10.5)
Net value	**163.2**	**147.9**

The Autodistribution group entered into a factoring agreement with Eurofactor for a total of €35.0 million. The factored receivables remain in the consolidated financial statements.

The Group has drawn down its credit lines in an amount of between €0 million and €20.0 million since June 2012.

At 31 December 2012, the balance of drawdowns stood at €6.6 million and the fair value of the receivables transferred stood at €29.4 million.

At 31 December 2013, the balance of drawdowns stood at €9.1 million and the fair value of the receivables transferred stood at €28.9 million.

At 31 December 2013, receivables past due but not impaired can be analysed as follows:

			Trade receivables past due				
In millions of euros	Total	Not yet due	Less than 30 days	Between 30 and 60 days	Between 60 and 90 days	Between 90 and 120 days	More than 120 days
Trade receivables	191.4	168.0	7.5	5.1	2.4	0.4	8.0
DRR(*)	(16.4)						
Impairment	(11.8)						
Total	**163.2**						

(*) Discounts, rebates and refunds

At 31 December 2013, impairment relates primarily to trade receivables past due.

At 31 December 2012, the analysis of trade receivables past due but not impaired was:

			Trade receivables past due				
In millions of euros	Total	Not yet due	Less than 30 days	Between 30 and 60 days	Between 60 and 90 days	Between 90 and 120 days	More than 120 days
Trade receivables	174.6	158.4	7.5	3.3	1.1	0.5	3.8
DRR(*)	(16.2)						
Impairment	(10.5)						
Total	**147.9**						

(*) Discounts, rebates and refunds

Changes in impairment of trade and other receivables can be broken down as follows:

	2013		2012	
	Trade receivables	Other receivables	Trade receivables	Other receivables
Balance at 1 January	**10.5**	**0.1**	**10.1**	**0.1**
Allocation	4.5	—	3.3	—
Reversal	(3.5)	(0.1)	(3.4)	—
Changes in scope of consolidation	0.4	—	0.5	—
Reclassifications	(0.1)	—	—	—
Balance at 31 December	**11.8**	**—**	**10.5**	**0.1**

17 Other current assets, net

In millions of euros	31 Dec. 2013	31 Dec. 2012
Prepaid expenses	8.9	7.4
Other receivables	0.3	0.1
Accrued income	1.3	1.9
Other	0.5	0.2
Total	**11.0**	**9.6**

18 Cash and cash equivalents

In millions of euros	31 Dec. 2013	31 Dec. 2012
Cash equivalents	18.6	46.0
Cash on hand and at bank	8.5	12.2
Restricted cash	5.9	0.2
Total	**33.0**	**58.4**

Cash equivalents include money-market funds (SICAV) taken out by AD/Autodis/PHF with Amundi and BNPP banks (€18.5 million), term accounts with Caisse d'Epargne (STA) and the interest-earning CAMI account (€0.1 million). These investments meet the definition of cash equivalents.

The carrying amount of all these items corresponds to their fair value.

For the purposes of the consolidated statement of cash flows, the "Cash and cash equivalents" heading includes the following items at 31 December:

In millions of euros	31 Dec. 2013	31 Dec. 2012
Cash equivalents	18.6	46.0
Cash on hand and at bank	8.5	12.2
Restricted cash	5.9	0.2
Bank overdrafts (Note 21.2)	(7.7)	(8.3)
Net cash and cash equivalents	**25.3**	**50.1**

19 Issued capital and reserves

Parts Holdings (France) S.A.S. was incorporated on 18 January 2006 via a fully paid-up cash subscription of €37,000. In connection with the acquisition of the Autodis group, its capital was increased on 1 March 2006 by a cash contribution of €55,900,000 and on 23 June 2006 by converting a shareholder current account of €1,100,000 into equity, thereby bringing total capital to €57,037,000. As a result of refinancing on 21 April 2009, the capital increased to €152,598,261. The company is wholly owned by Parts Holdings Coöperatief U.A.

At 31 December 2013, the capital comprised 152,598,261 registered shares with a par value of €1 each. No preference shares were issued.

There was no change in the number of shares between 2012 and 2013.

20 Presentation of financial assets and liabilities

At 31 December 2013:

In millions of euros	Assets/liabilities at fair value through income	Assets/liabilities at amortised cost	Available-for-sale assets at fair value	Total net carrying amount	Total fair value
Available-for-sale financial assets	—	—	0.2	**0.2**	**0.2**
Other non-current assets, net	—	16.8	—	**16.8**	**16.8**
Trade receivables, net	—	163.2	—	**163.2**	**163.2**
Other current assets, net	—	2.1	—	**2.1**	**2.1**
Cash and cash equivalents	18.5	14.5	—	**33.0**	**33.0**
Derivative financial instruments	—	—	—	—	—
Financial assets	**18.5**	**196.6**	**0.2**	**215.3**	**215.3**
Borrowings and debt (current and non-current)	12.0	168.0	—	**180.0**	**180.0**
Trade payables	—	145.4	—	**145.4**	**145.4**
Other non-current liabilities	—	8.4	—	**8.4**	**8.4**
Other current liabilities(1)	—	6.8	—	**6.8**	**6.8**
Derivative financial instruments	—	—	—	—	—
Financial liabilities	**12.0**	**328.6**	**—**	**340.6**	**340.6**

At 31 December 2012:

In millions of euros	Assets/liabilities at fair value through income	Assets/liabilities at amortised cost	Available-for-sale assets at fair value	Total net carrying amount	Total fair value
Available-for-sale financial assets	—	—	0.3	**0.3**	**0.3**
Other non-current assets, net	—	12.1	—	**12.1**	**12.1**
Trade receivables, net	—	147.9	—	**147.9**	**147.9**
Other current assets, net	—	2.2	—	**2.2**	**2.2**
Cash and cash equivalents	45.7	12.7	—	**58.4**	**58.4**
Derivative financial instruments	—	—	—	—	—
Financial assets	**45.7**	**174.9**	**0.3**	**220.9**	**220.9**
Borrowings and debt (current and non-current)	22.0	183.5	—	**205.5**	**205.5**
Trade payables	—	138.0	—	**138.0**	**138.0**
Other non-current liabilities	—	4.4	—	**4.4**	**4.4**
Other current liabilities(1)	—	6.5	—	**6.5**	**6.5**
Derivative financial instruments	—	—	—	—	—
Financial liabilities	**22.0**	**332.4**	**—**	**354.4**	**354.4**

(1) excluding tax and social security liabilities outside the scope of IAS 39.

21 Borrowings and debt

21.1 Group financing

In 2013, Group financing remained stable compared to 2012 and is broken down below.

The Group has four interest-free loans:

Type of borrowings and debt	Nominal value (€m)	Fair value at 31 Dec. 2013 (€m)	Value at amortised cost at 31 Dec. 2013 (€m)	Variable interest rate	Margin on variable interest rate	Maturity	Comments
PH free shareholder loan	50.0	44.9	44.9	—	—	April 2060	Fully underwritten
Sup Bonds	25.5	12.0		—	—	April 2017	Fully underwritten
EP bonds	2.6	2.4	2.4	—	—	April 2017	Fully underwritten
Promissory note	5.0	4.5	4.5	—	—	April 2017	Fully underwritten
Total	**83.1**	**63.8**	**51.8**	**—**	**—**		

In accordance with IAS 32 — Financial Instruments: Presentation and IAS 39 — Financial Instruments: Recognition and Measurement, the interest-free loans have been discounted since 2009 with an assumption of repayment at the end of April 2014. At 31 December 2012, the repayment assumption was extended to the end of April 2017, generating a €10.0 million change in fair value which was recorded in equity since the loans are taken out with Group shareholders (transactions with owners).

On 1 April 2009, the Group issued €25.5 million in subordinated bonds ("Sup Bonds") to its main shareholders, representing financing with contingent redemption at a par value of €1 per bond. These bonds do not pay interest and mature on 21 April 2017.

The Sup Bonds are redeemed on condition that said shareholders achieve a return on investment (through dividends paid by the Group and/or the sale of assets and receivables with the Group) of more than three times the value of their total investment in the Group, between the instruments' issue date and 21 April 2017. If this condition is fulfilled, the amount of the redemption will depend on the level of return on investment, not to exceed the amount of the principal, i.e., €25.5 million.

In accordance with IAS 39, the Group remeasured the Sup Bonds at 31 December 2013 based on revised projections (business plan and net debt) and their impact on shareholders' equity. Further to this remeasurement, the Group reduced the value of the Sup Bonds to €12 million at 31 December 2013 (€22 million at 31 December 2012). In view of the difficulty in reconstituting non-observable inputs for prior years, and in the absence of previous projections, the Group was unable to allocate the portion of this remeasurement attributable to prior years. Accordingly, the mark-to-market impact of remeasuring these instruments was recognised in financial expenses in 2013.

The table below shows the sensitivity of the bond valuation to changes in the gross margin assumption.

	EBITDA -10%	EBITDA	EBITDA +10%
Value of Sup Bonds	7.3	12.0	14.4

Other means of financing are listed below:

Type of borrowings and debt	Nominal value (€m)	Value (€m)	Interest eligible for capitalisation — April	Variable interest rate(1)	Margin on variable interest rate	Maturity	Comments
PH senior equity loan	30.0	9.5	8.0%	—	—	April 2018	Fully underwritten
Refinancing term facility loan	81.1	64.2	—	Euribor	2.75%	April 2016	Fully underwritten
Corporate purposes term facility	23.4	18.5	—	Euribor	2.75%	April 2016	Fully underwritten

(1) 1, 2, 3, or 6-month Euribor depending on the term of the drawdown period.

As in 2012, €15.0 million was repaid in advance of term on the above borrowings on 30 June 2013. This repayment broke down as follows:

	Early repayment
PH senior equity loan	10.0
Refinancing term facility loan	3.9
Corporate purposes term facility	1.1
Total	**15.0**

The contractual repayments made on 30 June 2013 can be broken down as follows (in millions of euros):

	Contractual repayment of 3%	Contractual repayment linked to the excess cash flow calculated as per bank covenants	Total contractual repayment
Refinancing term facility loan	2.2	3.0	5.2
Corporate purposes term facility	0.6	0.9	1.5
Total	**2.8**	**3.9**	**6.7**

21.2 Breakdown of borrowings and debt by type

In millions of euros	Notes	31 Dec. 2013	31 Dec. 2012
Non-current			
• Corporate purposes term facility		16.3	19.4
• Promissory note		4.5	4.3
• Refinancing term facility loan		56.5	67.0
• PH senior equity loan		—	8.4
• PH free shareholder loan		44.9	43.2
• Sup Bonds		12.0	22.0
• EP bonds		2.4	2.3
• Amounts owed under finance leases (more than one year)	(1)	—	0.2
• Other borrowings and accrued interest	(2)	1.4	0.9
Sub-total of non-current borrowings and debt		**138.0**	**167.7**
Current			
• Corporate purposes term facility		2.2	1.8
• Refinancing term facility loan		7.7	6.3
• PH senior equity loan		9.5	10.0
• Value of put option held by minority shareholders		4.6	3.9
• Amounts owed under finance leases (less than one year)	(1)	0.2	0.1
• Other borrowings (less than one year)	(2)	0.9	0.8
• Eurofactor factoring		9.1	6.6
• Bank overdrafts (Note 18)	(3)	7.7	8.3
Sub-total of current borrowings and debt		**42.0**	**37.8**
Total borrowings and debt		**180.0**	**205.5**

(1) Amounts owed under finance leases are the result of leases and sale and leaseback agreements used to finance the purchase of vehicles and certain investments in real estate, IT and furniture.

(2) Borrowings and debt incurred by some of the Group's subsidiaries

(3) Bank overdraft used by the subsidiaries in Poland and bank account debit balances resulting from normal time lags between the value date for banking purposes and entry dates in the accounts.

21.2.1 Bond issues

The balance of bond issues at 31 December 2013 is broken down below:

Bond issue	Value at issue date (€m)	Liabilities at amortised cost	Fair value at 31 Dec. 2013 (€m)	o/w Interest eligible for capitalisation	o/w Accrued interest eligible for capitalisation	o/w accrued interest payable
Sup Notes	25.5	—	12.0	—	—	—
EP Notes	2.6	2.4	2.4	—	—	—

21.2.2 Bank overdrafts

Interest on bank overdrafts used by the Group and its subsidiaries is charged at market rates.

At 31 December 2013, the Group had available credit lines of €64.2 million as follows:

	Conditions	Drawdowns
Poland — Pekao Bank	PLN 26.0 million (i.e., €6.3 million at 31 Dec. 2013) at 1-month Wibor +1.50%	Partial drawdown of €6.1 million
BNPP — Ancillary facility	€2.9 million at 1, 2, 3 or 6-month Euribor +2.75%	Undrawn
Eurofactor AD and Gadso factoring	€35.0 million at 3-month Euribor +0.90%	Partial drawdown of €9.1 million
LCL Dailly facility	€15.0 million at 1-month Euribor 1.60%	Undrawn
Enssemble group — SG, BP, HSBC, BNP	Short-term overdrafts : €3.0 million	Undrawn
Rougon Queyrel	Short-term overdraft: €0.2 million	Undrawn
FPLS group — LCL, BPO, CE, Arkea	Short-term overdrafts : €1.8 million	Partial drawdown of €1.1 million

21.3 Breakdown of non-current borrowings and debt by maturity

The amounts below include contractual cash flows net of projected repayments plus interest payable.

21.3.1 at 31 December 2013

	Interest payments				Gross repayments				
In millions of euros	**Less than 1 year**	**Between 1 and 5 years**	**More than 5 years**	**Total**	**Less than 1 year**	**Between 1 and 5 years**	**More than 5 years**	**Total**	
Corporate purposes term facility	0.6	0.8	—	**1.4**	2.2	16.3	—	**18.5**	**19.9**
Promissory note	—	—	—	**0.0**	—	5.0	—	**5.0**	**5.0**
Refinancing term facility loan	2.0	2.8	—	**4.8**	7.7	56.5	—	**64.2**	**69.0**
PH senior equity loan	0.4	—	—	**0.4**	9.5	—	—	**9.5**	**9.9**
PH free shareholder loan	—	—	—	**0.0**	—	—	50.0	**50.0**	**50.0**
Sup Bonds	—	—	—	**0.0**	—	12.0	—	**12.0**	**12.0**
EP bonds	—	—	—	**0.0**	—	2.6	—	**2.6**	**2.6**
Amounts owed under finance leases	—	—	—	**0.0**	0.2	—	—	**0.2**	**0.2**
Other borrowings and accrued interest	—	—	—	**0.0**	1.3	1.3	—	**2.6**	**2.6**
Total non-current borrowings and debt	**3.0**	**3.6**	**—**	**6.6**	**20.9**	**93.7**	**50.0**	**164.6**	**171.2**

21.3.2 at 31 December 2012

In millions of euros	Interest payments				Gross repayments				
	Less than 1 year	**Between 1 and 5 years**	**More than 5 years**	**Total**	**Less than 1 year**	**Between 1 and 5 years**	**More than 5 years**	**Total**	
Corporate purposes term facility	0.9	1.7	—	**2.6**	1.8	19.4	—	**21.2**	**23.8**
Promissory note	—	—	—	**0.0**	—	5.0	—	**5.0**	**5.0**
Refinancing term facility loan	3.0	6.0	—	**9.0**	6.3	67.0	—	**73.3**	**82.3**
PH senior equity loan	—	2.4	—	**2.4**	10.0	7.3	—	**17.3**	**19.7**
PH free shareholder loan	—	—	—	**0.0**	—		50.0	**50.0**	**50.0**
Sup Bonds	—	—	—	**0.0**	—	25.5	—	**25.5**	**25.5**
EP bonds	—	—	—	**0.0**	—	2.6	—	**2.6**	**2.6**
Amounts owed under finance leases	—	—	—	**0.0**	0.2	0.2	—	**0.4**	**0.4**
Other borrowings and accrued interest	—	—	—	**0.0**	0.6	0.9	—	**1.5**	**1.5**
Total non-current borrowings and debt	**3.9**	**10.1**	**—**	**14.0**	**18.9**	**127.9**	**50.0**	**196.8**	**210.8**

22 Financial risk management objectives and policies

The Group's main instruments consist of borrowings and bank overdrafts, amounts owed under finance leases, trade payables, lease agreements with a purchase option and loans granted. The financial instruments are contracted principally to finance the Group's operating activities. The Group has other financial assets such as trade receivables, cash and cash equivalents and short-term deposits, which are generated directly by its operations.

The main risks related to the Group's financial instruments are cash flow interest rate risk, foreign exchange risk, counterparty risk and liquidity risk. The policies in place for managing these risks are summarised below.

The Group manages its capital in such a way as to optimise debt to equity ratios and the financial leverage obtained by debt.

22.1 Interest rate risk

The Group borrows from Citibank at a variable rate and is therefore exposed to an interest rate risk on this portion of its debt.

The Group hedged a portion of its variable-rate debt by purchasing a cap in January 2010 in order to limit its exposure to interest rate fluctuations. The cap expired on 31 December 2012. The Group did not wish to take out further hedges in light of current market conditions.

22.2 Foreign exchange risk

The Group is exposed to exchange rate risk for its operations in Poland accounted for in zloty and translated into euros in the consolidated financial statements in accordance with the principles described in Note 3.4.2.

The resulting translation differences are allocated directly to a separate line item under equity and were not material at 31 December 2013. No specific hedges were taken out in respect of this foreign exchange risk.

22.3 Counterparty risk

The Group's policy is to verify up front the financial health of all customers that wish to obtain payment credit terms.

The Group has put in place procedures for monitoring outstanding receivables in order to reduce its credit default exposure. These procedures are based on classifying customers by type, payment history, past or present financial difficulties, and the existence of any legal proceedings.

Regarding the credit risk relating to the Group's other financial assets, particularly cash and cash equivalents, available-for-sale financial assets and some derivative instruments, the Group's exposure relates to potential defaults by the third parties concerned and its maximum exposure equals the carrying amount of these instruments.

22.4 Liquidity risk

The Group's objective is to maintain a balance between the continuity and flexibility of financing through the use of bank borrowings, bonds, finance leases and purchases on credit.

The bank borrowings with Citibank and the bonds issued by Autodis are subject to compliance with bank covenants calculated on a quarterly basis from June 2012. Failure to comply with these covenants may result in early repayment of the facilities (see below).

The financial ratios used in the covenants are calculated on the basis of the Group's consolidated financial statements as follows:

- Net borrowings/proforma EBITDA
- Cash flow/debt servicing

The thresholds to be complied with for the "Net borrowings/proforma EBITDA" ratio are as follows:

Payment due date 30 June 2012 — ratio below 3.25

Payment due date 30 September 2012 — ratio below 3.00

Payment due date 31 December 2012 — ratio below 2.75

Payment due date 31 March 2013 — ratio below 2.50

Payment due date 31 December 2013 — ratio below 2.25

Payment due date 30 June 2014 — ratio below 2.10

Payment due date 30 September 2014 — ratio below 2.00

The "Cash flow/debt servicing" ratio must be above 1 at each maturity. The Group has calculated and complied with these ratios since 30 June 2012.

22.5 Capital management

The Group's main objective in terms of its capital management is to ensure that it maintains a good credit risk rating and healthy capital ratios so as to facilitate its operations and maximise value for shareholders.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group can adjust the payment of dividends to shareholders, repay some of the capital or issue new shares.

23 Liabilities relating to employee benefits

The provisions recorded in the statement of financial position relate to retirement benefits.

23.1 Changes in the provision on the statement of financial position

In millions of euros	2013	2012 restated	2012
Obligation at 1 January	**16.4**	**13.8**	**13.8**
Service cost	1.1	0.9	0.9
Interest cost	0.5	0.6	0.6
Actuarial gains (losses)	(1.4)	1.5	1.6
Change in scope of consolidation	0.3	0.2	0.2
Curtailments/terminations	—	(0.1)	(0.1)
Benefits paid	(0.8)	(0.3)	(0.3)
Obligation at 31 December	**16.1**	**16.6**	**16.7**
Plan assets at 31 December	(0.2)	(0.3)	(0.3)
Unrecognised actuarial gains and losses			9.2
Provision before IFRS 5 reclassification	**15.9**	**16.3**	**25.6**
Discontinued operations — IFRS 5	—	(0.1)	(0.1)
Provision at 31 December	**15.9**	**16.2**	**25.5**

Movements in the provision recorded in the statement of financial position were as follows:

In millions of euros	2013	2012 restated	2012
Provision at 1 January	16.2	13.4	25.3
Expense for the year	1.6	1.5	0.4
Benefits paid	(0.8)	(0.3)	(0.3)
Actuarial gains (losses)	(1.4)	1.5	
Changes in scope of consolidation/curtailments	0.3	0.2	0.2
Benefits paid by the fund	—	—	—
Provision before IFRS 5 reclassification	**15.9**	**16.3**	**25.6**
Discontinued operations — IFRS 5	—	(0.1)	(0.1)
Provision at 31 December	**15.9**	**16.2**	**25.5**

23.2 Costs of retirement benefits recorded in income

In millions of euros	2013	2012 restated	2012
Service cost	(1.1)	(0.9)	(0.9)
Interest cost	(0.5)	(0.6)	(0.6)
Recognised actuarial gains (losses)			1.1
Curtailments/terminations			—
Expense for the year	**(1.6)**	**(1.5)**	**(0.4)**

23.3 Actuarial assumptions

The basic assumptions made for these calculations (employee turnover rate and salary increase rate) have been determined on the basis of the Group's projected and historical policy. The valuation assumptions used in the calculations for the periods presented are as follows:

	2013		2012	
	France	Poland	France	Poland
Discount rate	3.15%	4.38%	2.80%	4.18%
Long-term salary increase rate				
Employees — supervisors	2.50%/year	3.50%/year	2.50%/year	3.50%/year
Managerial-grade staff (*cadres*)	3.50%/year	4.50%/year	3.50%/year	4.50%/year

Since 2011, the mortality tables used are TGH 05 and TGF 05. They take account of both the "gender" factor and the "age" factor.

The discount rates applied are obtained by reference to the long-term yield on investment-grade bonds.

Employee turnover rates are shown in the table below:

	2013			2012		
Age	Managerial-grade staff (cadres)	Technical and supervisory staff	Other	Managerial-grade staff (cadres)	Technical and supervisory staff	Other
16-24	20%	9%	19%	22%	8%	19%
25-29	20%	9%	14%	22%	8%	14%
30-34	13%	9%	13%	13%	8%	14%
35-39	13%	9%	10%	13%	8%	11%
40-44	13%	8%	9%	13%	8%	9%
45-49	4%	3.5%	3.5%	5%	3.5%	3.5%
50-55	4%	3%	3%	3.5%	3%	3%
56 and over	0%	0%	0%	0%	0%	0%

23.4 Sensitivity tests at 31 December 2013

An increase or decrease of 0.25% in the discount rate and assumed rate of increase in salaries would have the following impacts:

	Discount rate		
France	2.90%	3.15%	3.40%
Poland	4.13%	4.38%	4.63%
Provision in the statement of financial position	16.3	15.9	15.5
Service cost	(1.1)	(1.1)	(1.0)

		Long-term salary increase rate		
France	Employees — supervisors	2.25%	2.50%	2.75%
	Managerial-grade staff (*cadres*)	3.25%	3.50%	3.75%
Poland	Employees — supervisors	3.25%	3.50%	3.75%
	Managerial-grade staff (*cadres*)	4.25%	4.50%	4.75%
Provision in the statement of financial position		15.5	15.9	16.3
Service cost		(1.0)	(1.1)	(1.1)

24 Other non-current liabilities

In millions of euros	31 Dec. 2013	31 Dec. 2012
Employee profit-sharing	—	—
Guarantees and deposits received	1.7	1.7
Amounts payable on non-current assets	5.6	2.4
Other	0.4	0.3
Total	**7.7**	**4.4**

25 Current and non-current provisions

25.1 Current provisions

Movements in current provisions were as follows:

In millions of euros	1 Jan. 2013	Newly-consolidated companies	Reclassifications	Allocations	Reversals (used provisions)	Reversals (surplus provisions)	Total reversals	31 Dec. 2013
Industrial disputes	**2.0**	—	—	1.0	0.8	0.2	1.0	**2.0**
Site closures(*)	**1.7**	—	1.3	0.5	1.4	—	1.4	**2.1**
Repairs — major work	**0.8**	—	—	—	—	—	—	**0.8**
Tax risk	**2.1**	2.1	—	0.3	—	—	—	**4.5**
Supplier disputes	**0.3**	—	—	0.1	—	—	—	**0.4**
Customer disputes	**0.5**	—	—	0.2	—	0.2	0.2	**0.5**
Other provisions	**0.8**	1.8	—	0.2	0.3	0.1	0.4	**2.4**
Total	**8.2**	3.9	1.3	2.3	2.5	0.5	3.0	**12.7**

(*) The reversal of the provision for site closures at Logisteo amounts to €1.5 million, less a discounting adjustment of €0.2 million.

In the ordinary course of its operations, the Group may be involved in legal procedures relating to industrial disputes, commercial disputes, etc. In such cases, in conjunction with its legal advisors, the Group analyses the circumstances of the disputes and assesses the probability that an outflow of resources will be required to settle them.

The balance of €3.9 million listed under "Newly-consolidated companies" corresponds to the provisions recorded at the time of the provisional purchase price allocation for the FPLS group. These provisions are partly offset by a vendor's liabilities warranty capitalized in an amount of €2.0 million.

25.2 Non-current provisions

Movements in non-current provisions were as follows:

In millions of euros	1 Jan. 2013	Newly-consolidated companies	Reclassifications	Allocations	Reversals (used provisions)	Reversals (surplus provisions)	Total reversals	31 Dec. 2013
Site closures	4.8	—	(1.3)	—	—	—	—	3.5
Total	4.8	—	(1.3)	—	—	—	—	3.5

The non-current provision for site closures relates to the closure of Logisteo's "B" site at Moissy Cramayel.

26 Trade payables, tax liabilities and other current liabilities

In millions of euros	31 Dec. 2013	31 Dec. 2012
Trade payables	**145.4**	**138.0**
Other current liabilities		
Tax and social security liabilities, personnel	52.6	54.1
Employee profit-sharing (current)	1.5	1.2
Other payables	2.6	2.8
Prepaid income	2.7	2.5
Sub-total	**59.4**	**60.6**
Total	**204.8**	**198.6**

27 Scope of consolidation

At 31 December 2013, the scope of consolidation was as follows:

	Consolidation method	Country	% interest 2013	% interest 2012
Parts Holdings (France)	Parent	France	100	100
AD Bassin Parisien Nord	Full	France	99.99	99.99
Arnaudiès	Full	France	100	100
Auto Contrôle SARL (Enssemble group)	Full	France	100	100
Autodis	Full	France	100	100
Autodistribution Sogo	Full	France	99.95	99.95
SDFM	Full	France	100	100
Autodistribution	Full	France	100	100
AD Grand Ouest	Full	France	100	100
AD Normandie Maine	Full	France	79.40	79.40
ALES PL	Full	France	50.50	50.50
AM Développement	Full	France	100	100
Andrieu SARL (Enssemble group)	Full	France	100	100
Boury V.I.	Full	France	100	100
Bremstar	Full	France	100	100
Bugisy (Enssemble group)	Full	France	100	100
Busnengo	Full	France	99.98	99.98
Cofirhad	Full	France	100	100
Cogemad	Full	France	100	100
Comptoir Auto Marine Industrie	Full	France	100	
Comptoir du Frein	Full	France	100	100
Comptoir Technique V.I.	Full	France	100	100
Comptoir Technique du Limousin	Full	France	100	100
Comptoir V.I.	Full	France	50.50	50.50
Cora SAS	Full	France	100	100
Digital Aftermarket	Full	France	100	100
Enssemble SAS	Full	France	100	100
Etablissements Rembaud	Full	France	100	100
Etablissement Rougon Queyrel	Full	France	100	
FIA	Full	France	100	100
FRA SARL (Enssemble group)	Full	France	100	100
Freinage Poids Lourds Services Elec'Auto (FPLS group)	Full	France	100	
Freinage Poids Lourds Services 28 (FPLS group)	Full	France	100	
Freinage Poids Lourds Services 29 (FPLS group)	Full	France	100	
Freinage Poids Lourds Services 35 (FPLS group)	Full	France	100	
Freinage Poids Lourds Services 44 (FPLS group)	Full	France	100	

	Consolidation method	Country	% interest 2013	% interest 2012
Freinage Poids Lourds Services 49 (FPLS group)	Full	France	100	
Freinage Poids Lourds Services 56 (FPLS group)	Full	France	100	
Freinage Poids Lourds Services 61 (FPLS group)	Full	France	100	
Freinage Poids Lourds Services 72 (FPLS group)	Full	France	100	
Freinage Poids Lourds Services 85 (FPLS group)	Full	France	100	
Freinage Poids Lourds Services 86 (FPLS group)	Full	France	100	
Freinage Poids Lourds Services Fougères (FPLS group)	Full	France	100	
Freinage Poids Lourds Services Lorient (FPLS group)	Full	France	100	
Freinage Poids Lourds Services Pontivy (FPLS group)	Full	France	100	
Freinage Poids Lourds Services Rome (FPLS group)	Full	France	100	
Freinage Poids Lourds Services Vitré (FPLS group)	Full	France	100	
Gadca	Full	France	100	100
Gadest	Full	France	100	100
Gadso	Full	France	100	100
Gibelin	Full	France	99.92	99.92
Girde	Full	France	100	100
Groupe FPLS	Full	France	100	
H.I.S.	Full	France	100	100
Holding SAP	Full	France	95.1	
Ile de France Poids Lourds (formerly IMMAX)	Full	France	100	100
Lilcolor	Full	France	100	
Logisteo	Full	France	100	100
Lorat SCI (Enssemble group)	Full	France	100	100
Magenta Autos Pièces	Full	France	99.97	99.97
Malinge Chevalier(2)	Full	France		79.40
PAM	Full	Belgium	100	100
PAO	Full	Belgium	100	100
PAPL (Enssemble group)(3)	Full	France		100
Plateforme Technique Nationale Montajault	Full	France	100	100
Porteret et Gobillot (Enssemble group)	Full	France	100	100
Rougon Queyrel 04	Full	France	95.10	
RPDC(1)	Full	France		
RM Distribution (FPLS group)	Full	France	100	
Sofar	Full	France	75.00	75.00
Station Technique Auto(4)	Full	France		100
Station Technique Auto Carrosserie	Full	France	100	100
Sylmart Belgium	Full	Belgium	100	100
Synimalau SCI (Enssemble group)	Full	France	100	100
TC26	Full	France	100	100
Truck & Car Services	Full	France	100	100
Trucks Services Occitans	Full	France	100	
Val de Loire PL	Full	France	100	100
AD Polska	Full	Poland	100	100
AD Polska Aftermarket	Full	Poland	100	100
AD International	Equity method	Belgium	20.00	20.00
Neoparts	Equity method	France	20.00	20.00
Parts Distribuzione Italia	Equity method	Italy	18.16	90.82
Parts Holdings Italy	Equity method	Italy	20.00	100

(1) The Group acquired RPDC on 31 January 2013 (Note 4). This company was merged into AD Bassin Parisien Nord as part of a *transmission universelle du patrimoine* (TUP) arrangement on 29 May 2013.

(2) Malinge Chevalier was merged into AD Normandie Maine as part of a TUP arrangement based on its 2012 financial statements.

(3) PAPL was merged into Porteret & Gobillot as part of a TUP arrangement on 31 December 2013.

(4) Station Technique Auto was merged into Val de Loire PL as part of a TUP arrangement on 29 May 2013.

28 Transactions with related parties

Relationship with the shareholder

The sole shareholder of Parts Holdings (France) is Parts Holdings BV.

Parts Holdings BV, which is owned by Parts Holdings Coöperatief U.A., finances the Group via the PH free shareholder loan and PH senior equity loan described in Note 21.1.

The Group pays management fees of €0.14 million per quarter to Parts Holdings Coop and €0.01 million per quarter to Parts Holdings BV.

Relations with equity-accounted associates

Néoparts is an independent distributor with contractual relationships with the AD purchasing unit for automotive spare parts.

AD International is a company governed by Belgian law that negotiates preferential tariffs with suppliers for all members of the AD network. Each year, the Group receives end-of-year discounts depending on the volumes it has purchased.

Parts Holdings Italy was a wholly-owned subsidiary until the Group sold 80% of the shares to Giadi. The Group has a €4.8 million loan with Parts Holdings Italy, which is described in Note 4.1.4.

29 Management compensation

The key management personnel of a group within the meaning of IAS 24 are those persons having authority and responsibility for planning, managing and supervising the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The Group's key management personnel are the members of the Executive Committee, directors, area managers and brand general managers.

Compensation recorded in PHF expenses for 2013 and 2012 are set out in the table below.

In millions of euros	**2013**	**2012**
Basic salaries	6.7	6.9
Bonuses	1.7	1.6
Payroll costs (excl. paid leave and termination benefits)	3.2	3.1
Pensions, provision for paid leave and benefits in kind	—	—
Profit-sharing and incentive plans	0.1	—
Termination benefits	0.3	0.4
Personnel costs, net	**12.0**	**12.0**

No directors' fees have been paid or are due to be paid in respect of 2013.

30 Commitments

30.1 Commitments under operating leases where the Group is the lessee

The Group has entered into operating leases relating primarily to real estate and light and commercial vehicles as well as payment terminals and miscellaneous IT and office equipment.

The minimum future rents payable under non-cancellable operating leases are as follows at 31 December 2013:

30.1.1 Poland

In millions of euros	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Real estate rental	3.0	5.6	—	8.6
Vehicle rental	0.3	0.2	—	0.5
Other	—	—	—	—
Total	**3.3**	**5.8**	**—**	**9.1**

30.1.2 France

In millions of euros	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Real estate rental	27.9	78.1	20.4	126.4
Vehicle rental	3.5	4.9	—	8.4
Other	1.1	1.9	—	3.0
Total	**32.5**	**84.9**	**20.4**	**137.8**

Rental expenses for 2013 amount to €40.3 million.

30.2 Commitments under finance leases and similar leases

30.2.1 Poland

At 31 December 2013, the AD Polska sub-group had not entered into any finance leases.

30.2.2 France

The following tables show information relating to non-current assets held under finance leases in France.

In millions of euros	Software and licences	Property and fixtures	IT equipment	Furnishings	Total
Gross value					
At 31 December 2012	**0.0**	**2.1**	**0.0**	**0.0**	**2.1**
• acquisitions	—	—	—	—	—
• reclassifications	—	—	—	—	—
• newly-consolidated companies	—	—	—	—	—
• repurchases	—	—	—	—	—
At 31 December 2013	**—**	**2.1**	**—**	**—**	**2.1**
Depreciation, amortisation and impairment					
At 31 December 2012	**0.0**	**0.4**	**0.0**	**0.0**	**0.4**
• acquisitions	—	—	—	—	—
• allocations	—	0.1	—	—	0.1
• reclassifications	—	—	—	—	—
• newly-consolidated companies	—	—	—	—	—
• repurchases	—	—	—	—	—
At 31 December 2013	**—**	**0.5**	**—**	**—**	**0.5**
Net value					
At 31 December 2012	—	1.7	—	—	1.7
At 31 December 2013	**—**	**1.6**	**—**	**—**	**1.6**

In millions of euros	2012	New financing	Newly-consolidated	Repayment	2013	Lease payments outstanding: Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Liability	**0.4**			0.2	0.2	0.2	—	—	**0.2**

Commitments for future minimum amounts payable under finance leases are as follows:

	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Lease payments	0.2	—	—	**0.2**

30.3 Guarantees

30.3.1 Guarantees relating to the "Senior Facilities Agreement"

Pledges

Pursuant to the financing framework agreement with Citibank set up on 24 February 2006, which has since been amended – most recently in 2009 – certain assets of Autodis and its subsidiaries have been pledged to lenders, as follows:

- Pledge of equity interests:

Pledged securities (In number of shares)	Autodis	SDFM	Magenta Auto Pièces	Autodistribution
Autodistribution	3,790,300	158,472	149,996	
SDFM	175,297			
Magenta Auto Pièces	8,557			
Cogemad				417,464
FIA				78,985
Gadso				978,604
Cofirhad				195,170
Gadest				2,846,164
AD Grand Ouest				1,815,040
Autodistribution Bassin Parisien Nord				1,339,336

The pledges relate to 100% of the shares owned by the Group.

- Pledge of the business operated by Autodistribution at the Morangis site.
- Pledge of the brands owned by Autodistribution:
  - "L'Autodistribution" (term) in France under registration number 1629230;
  - "Autodistribution" (semi-figurative) in France under registration number 1554818;
  - "AD" (term and design) in France under registration number 1629231.

Assignments of receivables

The agreement between Autodis and Citibank to assign trade receivables, signed on 2 March 2006 and amended on 21 April 2009, concerns a maximum amount of €107.4 million trade receivables.

At 31 December 2013, no outstanding assigned receivables were pledged.

Bank covenants (see Note 22.4)

The bank agreement signed with Citibank and the bonds issued by Autodis are subject to compliance with the bank covenants calculated on a quarterly basis from June 2012 following the takeover of the Parts Holdings Group (France). Failure to comply with said covenants could result in the early repayment of financing lines.

30.3.2 Other Group guarantees

Bank overdrafts in Poland are secured by:

- pledges of inventories for a total value of €17.3 million;
- pledges of non-current assets for a total value of €1.9 million.

Enssemble bank overdrafts are secured (HSBC bank) by pledged business assets.

The Group must also comply with the following covenants for HSBC:

- equity/total assets > 20%
- total M/LT debt/equity < 1
- total M/LT debt/cash flow from operations < 4

The guarantees below were given by Autodistribution SA to FPLS group banks:

- Banque Populaire de l'Ouest: €350k in respect of overdrafts and €225k in respect of loans;
- Arkea: €250k in respect of loans and €400k in respect of overdrafts;
- Caisse d'Epargne: €220k in respect of loans and €350k in respect of overdrafts;
- LCL: €400k in respect of loans and €700k in respect of overdrafts.

An agreement was also signed with the supplier Akzo Nobel in June 2012 in which Autodistribution commits to minimum cumulative purchases of €55 million up to 2019.

30.4 Individual training entitlement

The balance of the number of unused hours at 31 December 2013 was 506,344. The number of hours accrued over the year was 87,763 and 11,727 hours were used.

30.5 Disputes

In collective proceedings, Klarius France, a manufacturer of automotive spare parts in France, sued Autodistribution and some of its subsidiaries before the French Commercial Court (*Tribunal de Commerce*) for the sudden termination of an established commercial relationship. Their claim is for approximately €2.4 million. No provision was booked in the Group's financial statements at 31 December 2013 as management and its advisors considered that, in view of the facts of the case, there is currently no likelihood of an outflow of resources.

31 Events after the end of the reporting period

Consolidated debt refinancing

On 31 January 2014, the Group refinanced its long-term debt by means of a €240 million bond issue on the Dublin market. These bonds pay interest at 6.5% on 1 February and 1 August each year, and mature on 1 February 2019.

The following loans were repaid in full at said date:

- the refinancing term facility maturing in April 2016 for €64.4 million;
- the corporate purposes term facility maturing in April 2016 for €18.6 million;
- the free shareholder loan maturing on 21 April 2060 for €50.0 million;
- the senior equity loan maturing on 21 April 2018 for €9.5 million;
- the promissory note maturing on 21 April 2017 for €5.0 million;
- the equity purchase bond maturing on 21 April 2017 for €2.6 million.

The Group has also negotiated a revolving credit facility (RCF) with JP Morgan for €20.0 million at Euribor +3.5%.

The Dailly financing line for €15.0 million taken out with LCL was terminated on 31 January 2014 further to clause 6.2 providing for termination of the contract in the event the Senior Facility Agreement is refinanced.

The Group did not comply with the covenants except the minimum annual EBITDA covenant of €37 million.

This refinancing transaction generated an expense of around €13.0 million.

The impact in 2014 of the repayment of the previous debt in advance of term on 31 January 2014 will amount to €5.8 million.

Parts Holdings France (PHF) capital decrease

PHF's share capital was decreased by €3.1 million on 31 January 2014. Further to this transaction, PHF's share capital stood at €148,020,313.17 divided into 152,598,261 shares with a par value of €0.97 per share.

Acquisition of the ACR group

On 30 January 2014, the Group signed a contract to purchase all of the shares in ACR, a distributor of automotive spare parts based in Gennevilliers with seven logistics hubs in France, for a price of €48.2 million. This business combination was approved by the competition authorities on 26 March 2014 and the transaction is expected to close on 7 April 2014.

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