OFFERING MEMORANDUM
STRICTLY CONFIDENTIAL

NOT FOR GENERAL DISTRIBUTION IN THE UNITED STATES

autodistribution
LE SPÉCIALISTE DE LA PIÈCE AUTO ET POIDS LOURDS

DAKAR FINANCE S.A.

€239,000,000 9.000% / 9.750% SENIOR HOLDCO PAY-IF-YOU-CAN NOTES DUE 2020

Dakar Finance S.A., a *société anonyme* organized and existing under the laws of the Grand Duchy of Luxembourg (the "Issuer"), is offering (the "Offering") €239.0 million in aggregate principal amount of its 9.000% / 9.750% Senior HoldCo Pay-If-You-Can Notes due 2020 (the "Notes"), as part of the financing for the proposed acquisition (the "Acquisition") of Autodis Group S.A.S. (the "Target") by Dakar Acquisition S.A. ("BidCo"), a wholly-owned indirect subsidiary of the Issuer.

The Notes will mature on November 15, 2020. The Issuer will pay interest on the Notes semi-annually in arrears on May 15 and November 15, commencing May 15, 2016. The first and last interest payments on the Notes will be made in cash. For each other interest payment, the Issuer will be required to pay interest on the Notes entirely in cash ("Cash Interest"), unless the conditions described in this offering memorandum (the "Offering Memorandum") are satisfied, in which case the Issuer will be entitled to pay, to the extent described herein, interest for such interest period by increasing the principal amount of the Notes or by issuing Notes in a principal amount equal to such interest (in each case, "PIK Interest"). Cash Interest will accrue at a rate of 9.000% per annum on the Notes, and PIK Interest will accrue at the rate of 9.750% per annum on the Notes.

Prior to November 15, 2016, the Issuer will be entitled, at its option, to redeem all or a portion of the Notes by paying a "make-whole" premium. At any time on or after November 15, 2016, the Issuer may redeem all or part of the Notes at the redemption prices set forth in this Offering Memorandum. In addition, prior to November 15, 2016, the Issuer may redeem, at its option, up to 40% of the aggregate principal amount of the Notes with the net cash proceeds from certain equity offerings at the redemption price set forth in this Offering Memorandum, provided that at least 50% of the aggregate principal amount of the Notes originally issued remains outstanding. 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. In the event of certain developments affecting taxation, the Issuer may elect to redeem all, but not less than all, of the Notes.

Pending the consummation of the Acquisition, the Initial Purchasers (as defined herein) will deposit the gross proceeds from the Offering into an escrow account which will be pledged for the benefit of the holders of the Notes. The release of the escrowed proceeds will be subject to the satisfaction of certain conditions, including the consummation of the Acquisition. The consummation of the Acquisition is subject to certain conditions, including regulatory approval. If the Acquisition is not consummated on or prior to April 15, 2016 (the "Escrow Longstop Date"), or upon the occurrence of certain other events, the Notes will be subject to a special mandatory redemption. The special mandatory redemption price will be a price equal to 100% of the aggregate issue price of the Notes plus accrued and unpaid interest and additional amounts, if any, from the Issue Date (as defined below) to the date of special mandatory redemption. See "*Description of the Notes—Escrow of proceeds; special mandatory redemption*." The escrow account will be charged on a first-ranking basis to secure the Notes.

The Notes will be general senior obligations of the Issuer and will rank equally in right of payment with all of the Issuer's existing and future obligations that are not subordinated in right of payment to the Notes. The Notes will not be guaranteed by any of the Issuer's subsidiaries and will be structurally subordinated to all existing and future obligations of the subsidiaries of the Issuer, including the Senior Secured Notes (as defined herein), borrowings under the New Revolving Credit Facility (as defined herein), trade payables and lease obligations. The Notes will be secured on the Completion Date (as defined herein) by first-priority pledges over (i) the capital stock of the Issuer, (ii) the preferred equity certificates owed by the Issuer and (iii) the bank account of the Issuer (the "Collateral"). The validity and enforceability of the security interests are subject to the limitations described in "*Limitations on validity and enforceability of the security interests*."

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 November 12, 2015 (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 list the Notes on the Official List of the Irish Stock Exchange and for the Notes to be admitted to trading on the Global Exchange Market thereof. No certainty can be given that this application will be granted.

INVESTING IN THE NOTES INVOLVES A HIGH DEGREE OF RISK. SEE "RISK FACTORS" BEGINNING ON PAGE 25 FOR A DISCUSSION OF CERTAIN RISKS THAT YOU SHOULD CONSIDER BEFORE INVESTING IN THE NOTES.

Issue price of the Notes: 99.5%, plus accrued interest from November 12, 2015

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 ("Rule 144A") under the U.S. Securities Act and outside the United States in reliance on Regulation S under the U.S. Securities Act ("Regulation S") and, if investors are residents of a member state of the European Economic Area, only to qualified investors. 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 Physical Bookrunners

Credit Suisse **J.P. Morgan**

Lead Manager

BNP PARIBAS

The date of this Offering Memorandum is October 29, 2015.

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In making an investment decision, you should rely only on the information contained in this Offering Memorandum. Neither the Issuer nor 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. Neither the Issuer nor 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 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 it 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 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.

Credit Suisse Securities (Europe) Limited, J.P. Morgan Securities plc and BNP Paribas (collectively, the "Initial Purchasers"), and the Trustee, the Security Agent, the Transfer Agent and the Paying Agent (each as defined herein) make no representation or warranty, express or implied, as to, and assume no 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.

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 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 list the Notes on the Official List of the Irish Stock Exchange and to admit them for trading on its Global Exchange Market. 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 Irish Stock Exchange and admitted for trading on the Global Exchange Market thereof, and settlement of the Notes is not conditioned on obtaining this listing.

Stabilization

IN CONNECTION WITH THIS OFFERING, J.P. MORGAN SECURITIES PLC (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 (1) 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 (2) 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 ("EEA"), from the requirement to produce and publish a prospectus which 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 100 natural or legal persons or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 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 which is a qualified investor as defined in the Prospectus Law; or

(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 which 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 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"). Consequently, the Notes may not be, directly or indirectly, 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 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. 734-1, 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. 734-1, 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 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) are investment professionals, being persons having 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, partnerships or high value trusts, 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, as amended) 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 which are based on our current expectations and projections about future events. All statements other than statements of historical facts 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 and worldwide economic 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 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 and employment;
- 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

In this Offering Memorandum, we rely on and refer to information regarding our business and the markets in which we operate and compete. We have generally obtained the market, competitive position and cost savings data in this Offering Memorandum from industry publications and from surveys or studies conducted by third-party sources commissioned by us, including Roland Berger.

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 was extracted or derived from these industry and consultant publications or reports and cannot guarantee its 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 involves risks and uncertainties and is 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.

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.

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 Target as of and for the years ended December 31, 2012, 2013 and 2014, and the unaudited interim condensed consolidated financial statements of the Target as of and for the eight months ended August 31, 2015 with corresponding unaudited income statement and cash flow data for the eight months ended August 31, 2014.

The consolidated financial information as of and for the year ended December 31, 2012 included in this Offering Memorandum has been derived from the comparative information contained in the audited consolidated financial statements of the Target as of and for the year ended December 31, 2013. See "*—Restatements*." The summary unaudited consolidated financial information for the twelve months ended August 31, 2015 included in this Offering Memorandum has been derived by adding the consolidated financial information of the Target as of and for the year ended December 31, 2014 to the consolidated financial information of the Target for the eight months ended August 31, 2015 and subtracting the consolidated financial information of the Target for the eight months ended August 31, 2014. The financial information for the twelve months ended August 31, 2015 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 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 Issuer, LuxCo 5 (as defined herein) and BidCo were formed on October 9, 2015, September 17, 2015 and October 9, 2015, respectively, for the purpose of facilitating the Transactions (as defined herein). None of the Issuer, LuxCo 5 or BidCo has any business operations or material assets or liabilities other than those incurred in connection with its incorporation and the Transactions. Consequently, limited historical financial information relating to the Issuer is available, and no financial information with respect to the Issuer is included in this Offering Memorandum, except for certain limited as adjusted financial data presented on a consolidated basis as adjusted to reflect certain effects of the Transactions. All historical financial information presented in this Offering Memorandum is that of the Target and its subsidiaries, which includes the Senior Secured Notes Issuer (as defined herein). Accordingly, all references to "we," "us," "our" or the "Group" in respect of financial information in this Offering Memorandum are to the Target and its subsidiaries on a consolidated basis. The Issuer is a holding, management and finance company with no revenue-generating activities of its own. See "*Risk factors—Risks related to our indebtedness and the Notes—The Issuer is a holding company with no business operations or assets*." The audited consolidated financial statements of the Target, 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 Target as of and for the eight months ended August 31, 2015 with corresponding unaudited income statement and cash flow data for the eight months ended August 31, 2014 included herein have been prepared in accordance with IAS 34 "Interim Financial Reporting" the IFRS standard applicable to interim financial statements.

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 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*."

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. Rounding adjustments have been made in calculating some of the financial and other information included in this Offering Memorandum. As a result, figures shown as totals in some tables may not be exact arithmetic aggregations of the figures that precede them.

The consolidated financial statements as of and for the years ended December 31, 2012, 2013 and 2014 included elsewhere in this Offering Memorandum are uncertified English translations and were originally issued in French.

Other financial measures

This Offering Memorandum contains non-IFRS measures and ratios, including EBITDA, EBITDA margin, Adjusted EBITDA, Adjusted EBITDA margin, EBIT, EBIT margin, operating cash flow, cash conversion, change in working capital, change in working capital margin and capital expenditure margin (collectively, the "Non-IFRS measures") (each as defined by us) that are not required by, or presented in accordance with, SEC requirements, IFRS, French GAAP (as defined herein) 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 2012, 2013 and 2014 and for the eight months ended August 31, 2014 and 2015). 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 (i) certain non-cash items, (ii) certain items we believe are non-recurring, (iii) the purchasing savings realized following the acquisition of ACR on a run-rate basis from September 1, 2014, and (iv) the spreading over four years of the costs incurred in connection with the organization of the meeting of the Target Group's network in September 2014, which occurs every four years. 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;
- "EBIT margin," expressed as a percentage, is calculated as EBIT divided by revenue;
- "Operating cash flow" represents Adjusted EBITDA excluding acquisition of fixed assets, net of disposals. 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, is calculated as Adjusted EBITDA less capital expenditures, divided by Adjusted EBITDA;
- "change in working capital" represents the change in inventories, trade payables, trade receivables and other current assets and liabilities;
- "change in working capital margin," expressed as a percentage, is calculated as change in working capital divided by revenue; and
- "capital expenditure margin," expressed as a percentage, represents investments in property, plant and equipment and intangible assets divided by revenue.

We present the 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 compensate for these limitations by relying primarily on our IFRS results and using these Non-IFRS measures only as a supplement to evaluate our performance.

Restatements

Since January 1, 2013, we have applied amendments to the existing standard IAS 19R "Employee Benefits." Since these amendments were applied retroactively, our audited consolidated financial statements as of and for the year ended December 31, 2012 have been restated solely for comparative purposes. The most significant change relates to the recognition of all actuarial gains or losses. This new version of the accounting standard also resulted in a change in the accounting treatment of past service costs which can no longer be deferred and must immediately be recognized. This leads to the immediate recognition of all the actuarial variances and past service costs in our balance sheet liabilities. Actuarial variances will be fully recognized through other comprehensive income/(expense) directly in equity and past service costs in period net income. These amendments also define the return on assets as the discount rate used to measure the benefits liability. Financial information presented in this Offering Memorandum for the year ended December 31, 2012 is based on the restated information included in our financial statements for the year ended December 31, 2013.

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 unaudited interim condensed consolidated financial statements as of and for the eight months ended August 31, 2014 reflect the effects of the application of IFRIC 21.

Certain definitions

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

"Acquisition"	means the acquisition by BidCo of all the issued and outstanding capital stock of the Target pursuant to the Acquisition Agreement;
"Acquisition Agreement"	means the share sale and purchase agreement dated October 14, 2015 between BidCo as purchaser and Parts Holdings B.V. as seller;
"Acquisition Longstop Date"	means March 15, 2016;
"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 who are currently members of the Autodistribution VL network and/or PL VL network through the signing of the AD VL and AD PL network charter (*Charte réseaux AD VL et AD PL*);
"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;
"BidCo"	means Dakar Acquisition S.A.;
"CaymanCo"	means Dakar CayCo L.P., the parent of LuxCo 1, a limited partnership organized and existing under the laws of the Cayman Islands, having its registered office at Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands;
"Clearstream"	means Clearstream Banking, *société anonyme*;
"Collateral"	means first-priority pledges over (i) the capital stock of the Issuer, (ii) the preferred equity certificates issued by the Issuer and (iii) the bank account of the Issuer, as described in "*Description of the Notes—Security*." The validity and enforcement of the Collateral is subject to certain restrictions under applicable laws. See "*Limitations on validity and enforceability of the security interests*";
"Completion Date"	means the date on which the Acquisition is consummated and the proceeds from the Offering are released from the Escrow Account;
"Contingent Value Instruments"	means the 25,500,000 subordinated contingent value bonds issued by the Target on April 21, 2009 in connection with a restructuring of the Target Group;
"Equity Contribution"	has the meaning ascribed to it in "*Summary—The Transactions—The Financing*";
"Escrow Account"	means the escrow account into which the gross proceeds of the Offering will be deposited on the Issue Date;
"Escrow Agent"	means Elavon Financial Services Limited, UK Branch;
"Escrow Agreement"	means the agreement to be dated the Issue Date between the Issuer, the Trustee and the Escrow Agent relating to the Escrow Account into which the gross proceeds of the Notes will be deposited pending consummation of the Acquisition;
"Escrow Longstop Date"	means April 15, 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;
"Existing 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 Senior Secured Notes Issuer and U.S. Bank Trustees Limited, as trustee and security agent for the Senior Secured Notes;
"Existing Revolving Credit Facility"	means the €20.0 million senior secured revolving credit facility established under the Existing Revolving Credit Facility Agreement;
"Existing Revolving Credit Facility Agreement"	means the revolving credit facility agreement dated January 23, 2014 by and among, *inter alios*, the Senior Secured Notes Issuer, the Target, J.P. Morgan Limited as mandated lead arranger, the financial institutions named therein as original lenders, J.P. Morgan Europe Limited as agent and U.S. Bank Trustees Limited as security agent;
"Financing"	has the meaning ascribed to it in "*Summary—The Transactions—The Financing*";
"French GAAP"	means French generally accepted accounting principles;
"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 Trustee and the Security Agent;
"Initial Purchasers"	means, collectively, Credit Suisse Securities (Europe) Limited, J.P. Morgan Securities plc and BNP Paribas;
"Issue Date"	means the date of original issuance of the Notes, which is expected to be on or about November 12, 2015;
"Issuer"	means Dakar Finance S.A.;
"LuxCo 1"	means Dakar Topco S.à r.l.;
"LuxCo 2"	means Dakar Holdings S.C.A.;
"LuxCo 3"	means Dakar Intermediate S.à r.l.;
"LuxCo 5"	means Dakar (BC) Luxco S.à r.l.;
"Luxembourg"	means the Grand Duchy of Luxembourg;
"Member States"	means the member states of the European Union;
"New Revolving Credit Facility"	means the €40.0 million senior secured revolving credit facility established under the New Revolving Credit Facilities Agreement, which is described in more detail in "*Description of certain financing arrangements—New Revolving Credit Facilities Agreement*";
"New Revolving Credit Facilities Agreement"	means the €40.0 million revolving credit facility established pursuant to the revolving facility agreement that is expected to be dated on or about the Issue Date, by and among, *inter alios*, LuxCo 5 and BidCo as security providers, 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;
"Notes"	means the €239.0 million in aggregate principal amount of the Issuer's 9.000% / 9.750% Senior HoldCo Pay-If-You-Can Notes due 2020 offered hereby;
"Offering"	means the offering of the Notes pursuant to this Offering Memorandum;
"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;
"Registrar"	means Elavon Financial Services Limited;
"Regulation S"	means Regulation S under the U.S. Securities Act;
"Rougon Queyrel"	means Etablissement Rougon-Queyrel, a private limited liability company (*société par actions simplifée*) organized and existing under the laws of France with registered number 385 950 100 RCS Gap, having its registered office at ZA des Fauvins, 05000 Gap, France;
"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 Notes—Certain definitions*";
"Seller"	means Parts Holdings B.V., the seller of the entire issued and outstanding capital stock of the Target under the Acquisition Agreement;
"Senior HoldCo Intercreditor Agreement"	means the intercreditor agreement dated as of the Issue Date, by and among, *inter alios*, the Issuer, LuxCo 3, the Security Agent and the Trustee, which is described in more detail in "*Description of certain financing arrangements—Intercreditor Agreement*";
"Senior Secured Notes"	means the €300.0 million aggregate principal amount of 6.5% senior secured notes due 2019 issued by the Senior Secured Notes Issuer on January 31, 2014 and May 15, 2015 pursuant to the Senior Secured Notes Indenture, €30.0 million in aggregate principal amount of which are expected to be redeemed concurrently with completion of the Acquisition;
"Senior Secured Notes Indenture"	means the indenture governing the Senior Secured Notes dated as of January 31, 2014 by and among, *inter alios*, the Senior Secured Notes Issuer as issuer, the Target as parent guarantor and U.S. Bank Trustees Limited as trustee and security agent, as amended and supplemented from time to time;
"Senior Secured Notes 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;
"Senior Secured Notes Redemption"	has the meaning ascribed to it in "*Summary—The Transactions—Target Group debt repayment*";
"Target"	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;

"Target Group"	means the Target and its subsidiaries;
"Target Group Collateral"	has the meaning ascribed to it in "*Description of certain financing arrangements—Senior Secured Notes*";
"Transactions"	means the Acquisition and the Financing, as further described in "*Summary—The Transactions*";
"Transfer Agent"	means Elavon Financial Services Limited, UK Branch;
"Trustee"	means U.S. Bank Trustees Limited, as trustee for the Notes;
"United States" and "U.S."	means the United States of America;
"us," "Group," "our" and "we"	means the Issuer, the Target and their respective subsidiaries after giving effect to the Transactions, 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, 2015 was U.S.$ 1.1065 per €1.00.

	U.S. dollars per euro			
Year	**Period end**	**Average**	**High**	**Low**
2010	1.3366	1.3266	1.4510	1.1952
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

	U.S. dollars per euro			
Month	**Period end**	**Average**	**High**	**Low**
May 2015	1.0973	1.1160	1.1432	1.0882
June 2015	1.1153	1.1229	1.1374	1.0919
July 2015	1.1003	1.0997	1.1129	1.0841
August 2015	1.1204	1.1136	1.1529	1.0873
September 2015	1.1182	1.1232	1.1367	1.1117
October 2015 (through October 28, 2015)	1.1065	1.1256	1.1445	1.1016

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 the sections entitled "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.

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. For the twelve months ended August 31, 2015, we generated 90.6% of our revenue in France and 9.4% of our revenue in Poland. We believe that as of December 31, 2014, we held a market share of approximately 23% in terms of revenue in the fragmented French light vehicle IAM. The IAM 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, 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 300 suppliers.

We are an integrated distributor, with an advanced supply chain and distribution system. Our system in France 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. 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 77% of our revenue in France for the twelve months ended August 31, 2015, and sales by us to affiliated independent distributors represented 23% of our revenue in France over the same period. As of August 31, 2015, we had a network of 38 wholly-owned distributors and 42 affiliated independent distributors in France. These distributors operated out of 492 distribution sites, comprising 323 wholly-owned and 169 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 information technology ("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.

The spare parts and equipment and tools that we distribute are sold to more than 125,000 end-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.

For the twelve months ended August 31, 2015, we generated revenue of €1,211.6 million and Adjusted EBITDA of €86.1 million.

Of the €847 million in revenue generated by our wholly-owned distributors in France for the twelve months ended August 31, 2015, light vehicle parts for maintenance and repair accounted for approximately 53.8%; light vehicle parts for collision repair accounted for approximately 15.3%; truck parts for maintenance and repair accounted for approximately 14.1%; and equipment and tools for light vehicle maintenance and repair accounted for approximately 16.7%. The remaining €250.5 million of our revenue in France for the twelve months ended August 31, 2015 was generated by sales to affiliated independent distributors.

Our strengths

Stable and resilient light vehicle and truck 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 park") and the average age of and miles driven by these cars. The aftermarket in the countries in which we operate has proven resilient during recent economic downturns, when new car sales tend to decline. For example, the French light and heavy commercial vehicle aftermarket (at distribution level) increased by 2.4% and 1.0% between 2010 and 2014, respectively. This resilience is due in part to several beneficial trends which we believe will continue in the medium term, such as a stable car park size, a continuing increase in the average age of the car park, 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 park, 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 expensive manufacturer 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 December 31, 2014, we held an estimated market share of approximately 23% 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 also enjoy a strong regional position in the light vehicle IAM in Poland through our wholly-owned distributors in southern Poland.

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 in France 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 complements our leading position in France by giving 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 (which include independent garages, body shops, fast-fitters, fleet garages and car centers). We serve more than 125,000 end-customers in France, including our approximately 3,200 branded garages. We service our customers through both our wholly-owned and affiliated independent distributors. For the twelve months ended August 31, 2015, 77% of our revenue in France was generated by sales to garages through our wholly-owned distributors, and 23% 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 and have set up a separate sales department to target 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 300 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. 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, 2015, 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 over 57,000 spare parts references of 140 brands. It supplies 492 distribution sites, comprising 323 wholly-owned and 169 affiliated distribution sites, and employs approximately 250 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, 2015, we had already invested €2.4 million in this project and expect that completion of the project during the course of the next 18 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 €122 million, or 18.2%, 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, 2015 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, judicious investments in IT.

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

During the last three fiscal years, we generated stable revenue, increased our Adjusted EBITDA margin from 4.4% to 5.9%, and maintained stable cash flow generation despite the recent economic downturn, with a cash conversion (defined as Adjusted EBITDA less capital expenditure, divided by Adjusted EBITDA) of 68.1% for the year ended December 31, 2012, 68.2% for the year ended December 31, 2013, 73.6% for the year ended December 31, 2014 and 72.5% for the twelve-month period ended August 31, 2015. For the eight months ended August 31, 2015, we achieved an Adjusted EBITDA margin of 7.1%. We have driven Adjusted EBITDA margin improvement during the last five years by implementing a series of profit enhancement measures: since these measures were implemented, our EBITDA has increased more than €65 million from the year ended December 31, 2009 to the twelve months ended August 31, 2015. 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 €50.8 million for the twelve months ended August 31, 2015.

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, 2015, our capital expenditures amounted to 2.0% 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. 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, 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. As part of this strategy, we acquired ACR on April 7, 2014. ACR is a specialized distributor in France of spare parts for light vehicles with an established footprint in the internet sales channels. For the twelve months ended August 31, 2015, ACR generated gross revenue (before customer rebates) and stand-alone EBITDA of €82.9 million and €7.2 million, respectively. Internet dealers, key accounts and others (including distributors) accounted for approximately 40%, 18.5% and 41.4% of gross revenue, respectively. For the year ended December 31, 2014, ACR generated gross revenue (before customer rebates) and stand-alone EBITDA of €75.1 million and €6.1 million, respectively. Internet dealers, key accounts and others (including distributors) accounted for approximately 36.5%, 19.6% and 43.9%, respectively. We may also seek to expand our geographic coverage by making selective acquisitions which are accretive to our network.

Collision parts

Revenue from our collision repair services increased at a compound average growth rate (CAGR) of 11.4% between 2010 and 2014. 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 the high-quality service that we provide to customers by ensuring seamless execution from order to delivery and by further increasing our already extensive product assortment. We believe that our range of spare parts on offer, efficient and effective order execution, and timely product delivery 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 order.

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 also 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. 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, the scale increase resulting from the ACR Acquisition has allowed us to further improve our purchasing performance as we shared a significant number of suppliers with ACR, which now benefits from the more advantageous terms of our existing agreements with these suppliers. For the year ended December 31, 2015, we estimate that the purchasing savings resulting from the ACR Acquisition on a run-rate basis will amount to €6.5 million, of which €5.9 million had already been achieved as of August 31, 2015. 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 10% of our revenue for the twelve months ended August 31, 2015. 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, which serves online light vehicle spare parts retailers, increases 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.

The Transactions

The Acquisition

On October 14, 2015, BidCo, an entity indirectly controlled by Bain Capital and the indirect, wholly-owned subsidiary of the Issuer, entered into the Acquisition Agreement to acquire all the issued and outstanding capital stock of the Target (the "Acquisition"). We currently expect the Acquisition to complete at the end of November 2015. The consummation of the Acquisition is, however, subject to the satisfaction of certain conditions, including clearance by the European Commission, and the performance of certain closing actions. If clearance by the European Commission is not obtained on or prior to the Acquisition Longstop Date, the Acquisition Agreement will terminate automatically. In connection with the Acquisition, Bain Capital intends to establish a management equity plan pursuant to which our senior management may hold ordinary and preferred shares in LuxCo 2. See "*Certain relationships and related party transactions—Management equity plan*."

BidCo, public limited liability company (*société anonyme*) is incorporated and existing under the laws of Luxembourg, is a wholly-owned subsidiary of LuxCo 5, a private limited liability company (*société à responsabilité limitée*) incorporated and existing under the laws of Luxembourg. LuxCo 5, in turn, is a wholly-owned subsidiary of the Issuer, a public limited liability company (*société anonyme*) incorporated and existing under the laws of Luxembourg. The Issuer, in turn, is a wholly-owned subsidiary of LuxCo 3, a private limited liability company (*société à responsabilité limitée*) incorporated and existing under the laws of Luxembourg. LuxCo 3, in turn, is majority owned by LuxCo 2, a partnership limited by shares (*société en commandite par actions*) incorporated and existing under the laws of Luxembourg. LuxCo 2, in turn, is controlled by LuxCo 1, a private limited liability company (*société à responsabilité limitée*) incorporated and existing under the laws of Luxembourg. LuxCo 1, in turn, is a wholly-owned subsidiary of CaymanCo, a limited partnership expected to be formed on or prior to the Completion Date in the Cayman Islands. Each of CaymanCo, LuxCo 1, LuxCo 2, LuxCo 3, the Issuer, LuxCo 5 and BidCo were acquired or incorporated by Bain Capital as acquisition vehicles for the Transactions. None of CaymanCo, LuxCo 1, LuxCo 2, LuxCo 3, the Issuer, LuxCo 5 or BidCo has any business operations or material assets or liabilities other than those incurred in connection with its incorporation and the Transactions.

The Financing

The total aggregate financial resources required in order to consummate the Acquisition (excluding the Senior Secured Notes Redemption and the repayment of the Contingent Value Instruments, which will be made with cash available at the Target Group (see "*—Target Group debt repayment*")), and pay for all transaction fees and expenses incurred in connection therewith, is expected to be €397.0 million and is expected to be financed (collectively, the "Financing") with the following cash and non-cash financial resources:

- Bain Capital will make a cash contribution of approximately €146.5 million directly to CaymanCo by way of a subscription for ordinary shares, which will, indirectly through

LuxCo 1, LuxCo 2 and LuxCo 3 (through equity subscriptions and/or PECs), be contributed to the Issuer (collectively, the "Equity Contribution");

- certain other existing investors, including management, the Chairman of the Target Group and certain Affiliated Distributors, will invest an amount expected to be approximately €12.7 million in LuxCo 2 by way of a subscription for ordinary shares and preferred shares (the "Management and Existing Investors' Investment"); and
- the Issuer will issue the Notes offered hereby in the aggregate principal amount of €239.0 million and will contribute approximately €196.7 million of the proceeds thereof, together with the proceeds of the Equity Contribution and the Management and Existing Investors' Investment, to LuxCo 5, which will in turn make a contribution of approximately €355.9 million to BidCo (in each case, through equity subscriptions).

The proceeds of the Notes will be used as further described under "*—Sources and uses of the Transactions*."

As of the Completion Date, we will refinance our Existing Revolving Credit Facility by entering into the New Revolving Credit Facilities Agreement which will provide for a New Revolving Credit Facility in the amount of €40.0 million which will be available for general corporate purposes and working capital needs of the Group. We currently expect that the New Revolving Credit Facility will remain undrawn as of the Completion Date. See "*Use of proceeds*."

We refer to the Acquisition and the Financing collectively as the "Transactions." See "*Use of proceeds*," "*Capitalization*," "*Description of certain financing arrangements*" and "*Description of the Notes*."

Escrow Account

Pending the consummation of the Acquisition, the Initial Purchasers will deposit the gross proceeds from the Offering into the Escrow Account. The Escrow Account will be controlled by the Escrow Agent and pledged on a first-ranking basis in favor of the Trustee on behalf of the holders of the Notes. The release of the escrowed proceeds and the consummation of the Acquisition are subject to the satisfaction of certain conditions. See "*Description of the Notes—Escrow of proceeds; special mandatory redemption*." If the Acquisition is not consummated on or prior to the Escrow Longstop Date or upon the occurrence of certain other events, the Notes will be subject to a special mandatory redemption. The special mandatory redemption price will be a price equal to 100% of the aggregate issue price of the Notes plus accrued and unpaid interest and additional amounts, if any, from the Issue Date to the date of special mandatory redemption. See "*Description of the Notes—Escrow of proceeds; special mandatory redemption*." In the event that the funds on deposit in the Escrow Account are insufficient to pay the special mandatory redemption price, plus accrued and unpaid interest and additional amounts, if any, Bain Capital will be required to make an equity contribution to the Issuer in an amount required to enable the Issuer to pay such accrued and unpaid interest and additional amounts, if any, owing to the holders of the Notes, pursuant to an agreement between Bain Capital and the Issuer. See "*Description of the Notes—Escrow of proceeds; special mandatory redemption*" and "*Risk factors—Risks related to the Acquisition—If the conditions to the escrow are not satisfied, the Issuer will be required to redeem the Notes, which means that you may not obtain the return you expect on the Notes*."

Target Group debt repayment

The Seller has agreed in the Acquisition Agreement to use its best efforts to cause:

- the Target to repay the Contingent Value Instruments in full for an estimated cash amount of €5.3 million (with any amount payable in excess of €4.7 million to be treated as "leakage" under the Acquisition Agreement and to be deducted from the equity purchase price for the Target) on or about the Completion Date using cash on hand; and
- the Senior Secured Notes Issuer to redeem €30.0 million in aggregate principal amount of Senior Secured Notes at a redemption price of 103%, plus accrued interest thereon (the "Senior Secured Notes Redemption"), on or prior to the Completion Date using cash on hand.

Following the Senior Secured Notes Redemption, €270.0 million in aggregate principal amount of the Senior Secured Notes will remain outstanding.

Sources and uses of the Transactions

We estimate that the gross proceeds (after original issue discount) from the sale of the Notes will be €237.8 million. We intend to use the gross proceeds from the Offering, together with the Equity Contribution, the Management and Existing Investors' Investment, and cash on hand at the level of the Senior Secured Notes Issuer and the Target, to: (i) fund the consideration payable for the capital stock of the Target purchased in the Acquisition; (ii) pre-fund cash interest payments due on the Notes offered hereby (the "Cash Coupon Pre-Funding"); (iii) fund the Senior Secured Notes Redemption; (iv) repay the Contingent Value Instruments; and (v) pay the fees and expenses incurred in connection with the Transactions, including estimated fees and expenses to be incurred in connection with the Offering.

The expected estimated sources and uses of the funds necessary to consummate the Transactions 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 Transactions. Any changes in these amounts may affect the amount of the Equity Contribution.

Sources of Funds	Amount (millions of euros)	Uses of Funds	Amount (millions of euros)
Proceeds from the Notes	237.8	Equity Purchase price for the Acquisition(3)	355.9
Equity Contribution(1)	146.5	Cash Coupon Pre-Funding(4)	20.0
Management and Existing Investors' Investment(2)	12.7	Senior Secured Notes Redemption(5)	30.9
Cash at level of Target Group	36.2	Repayment of Contingent Value Instruments(6)	5.3
		Transaction fees and expenses(7)	21.1
Total Sources	**433.2**	**Total Uses**	**433.2**

(1) Represents the direct cash investment expected to be made by Bain Capital in CaymanCo, which will be contributed through intermediate holdings companies to the Issuer. See "*Principal shareholders*."

(2) Represents the direct or indirect cash or non-cash investment expected to be made by certain other existing investors, including management, the Chairman of the Target Group and certain Affiliated Distributors in LuxCo 2, which will be contributed through intermediate holdings companies to the Issuer. See "*Principal shareholders*."

(3) Represents the expected total cash purchase price for the Acquisition. This estimate is not an indication that the Acquisition will be completed at that price or at all. See "*The Transactions—The Acquisition*." The amount gives effect to leakage described in footnote (6) below.

(4) Represents the portion of the proceeds from the Offering to be retained by the Issuer for the purpose of pre-funding cash interest payments on the Notes offered hereby.

(5) Represents the amount required to redeem €30.0 million, or 10%, of the outstanding aggregate principal amount of Senior Secured Notes at a redemption price of 103% on or about the Completion Date. The amount shown does not include accrued and unpaid interest.

(6) Represents the amount required to repay the Contingent Value Instruments in full on or about the Completion Date. In accordance with the Acquisition Agreement, any amount payable in excess of €4.7 million will be treated as "leakage" under such agreement and will be deducted from the equity purchase price.

(7) Estimated fees and expenses associated with the Transactions, including commitment, placement and financial advisory fees, original issue discount and other transaction costs (including associated VAT and stamp duty) and professional fees. Fees payable in connection with the New Revolving Credit Facility will be paid by the Target.

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 across a variety 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

The information below is based on internal management accounts and is subject to change as it is reviewed by us and our auditors.

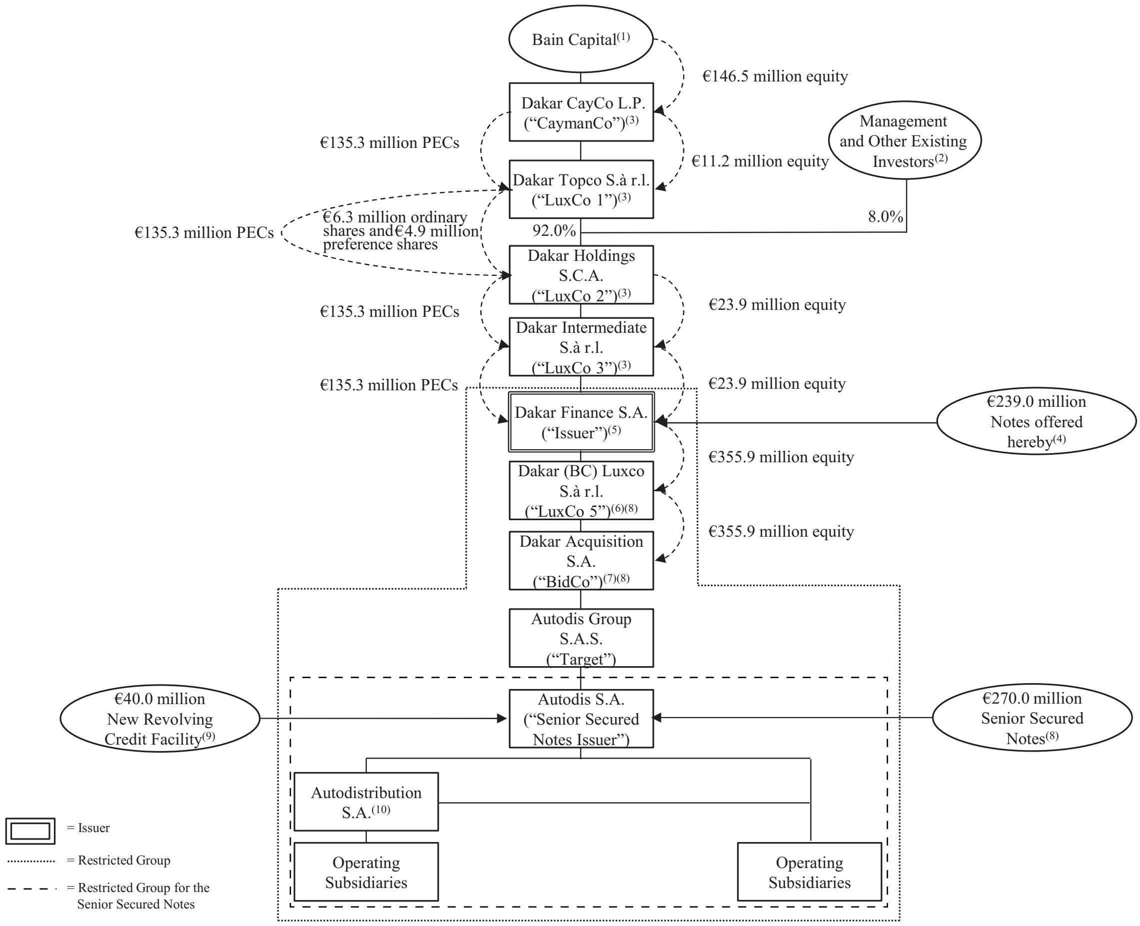
For the nine months ended September 30, 2015, we generated revenue of approximately €911 million, an increase of approximately 5.0% compared to our revenue for the corresponding period in 2014. For the nine months ended September 30, 2015, we generated Adjusted EBITDA of approximately €65 million, an increase of approximately 40% compared to our Adjusted EBITDA for the corresponding period in 2014. The increase in revenue was primarily due to organic growth and better market conditions and to the acquisitions made in 2014, including the impact over the whole period of the ACR Acquisition, which was completed on April 7, 2014. The increase in Adjusted EBITDA was primarily due to the performance of our distributors across all business lines, particularly our light vehicles and collision parts business lines, driven by increased sales volume and supplier rebates on the one hand, and improved operational logistics capabilities following the implementation of our new warehouse IT system on the other hand.

For the twelve months ended September 30, 2015, we generated revenue and Adjusted EBITDA of approximately €1,213 million and approximately €87 million, respectively.

This information has been prepared by, and is 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, 2015.

Summary corporate and financing structure

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



(1) Upon the consummation of the Acquisition, Bain Capital will indirectly hold (through wholly-owned or majority-owned intermediate holding companies) substantially all of the share capital of the Target (other than the shares being acquired by certain other existing investors, including management, the Chairman of the Target Group and certain Affiliated Distributors pursuant to the Management and Existing Investors' Investment). See "*Principal shareholders*."

(2) Certain existing investors, including management, the Chairman of the Target Group and certain Affiliated Distributors will hold approximately 8.0% of the ordinary and preferred share capital of LuxCo 2 pursuant to the Management and Existing Investors' Investment. Bain Capital intends to establish a management equity plan under which our senior management may hold ordinary shares and preferred shares of LuxCo 2. See "*Principal shareholders—Management equity plan*."

(3) Bain Capital will make an equity investment in the ordinary share capital of CaymanCo. CaymanCo will make an equity investment in the ordinary share capital and PECs of LuxCo 1. LuxCo 1 will contribute the proceeds therefrom to the equity, preferred equity and PECs of LuxCo 2 and LuxCo 2 will contribute the proceeds thereof to the equity and PECs of LuxCo 3. LuxCo 3 will make the Equity Contribution to the Issuer. See "*Principal shareholders—Preferred Equity Certificates*."

(4) The Notes will be senior obligations of the Issuer and will rank equal in right of payment with all other existing and future senior indebtedness of the Issuer that is not subordinated in right of payment to the Notes. The Notes will not be guaranteed by any of the Issuer's subsidiaries and will be structurally subordinated to all existing and future indebtedness of such subsidiaries, including any amounts owing under the New Revolving Credit Facility and the Senior Secured Notes. The Notes will be secured on the Completion Date by first-priority pledges over (i) the capital stock of the Issuer, (ii) the PECs owed by the Issuer and (iii) the bank account of the Issuer (the "Collateral"). The validity and enforceability of the security interests are subject to the limitations described in "*Limitations on validity and enforceability of the security interests*."

(5) On the Completion Date, the Issuer will (i) pay transaction fees and expenses related to the Transactions using the proceeds from the Notes, (ii) deduct an amount from the net proceeds of the Notes to pre-fund cash interest payments due on the Notes and (iii) contribute the gross proceeds from the Equity Contribution and the balance of the proceeds from the Notes to the equity of LuxCo 5. To the extent fees and expenses are payable by BidCo, the equity contribution by the Issuer to Luxco 5 and by Luxco 5 to BidCo will be increased accordingly.

(6) On the Completion Date, LuxCo 5 will contribute the proceeds received from the Issuer to the equity of BidCo.

(7) On the Completion Date, BidCo will use the proceeds received from LuxCo 5 to fund the purchase price for the Acquisition.

(8) On or about the Completion Date, the Seller will use its best efforts to cause the Senior Secured Notes Issuer to redeem €30.0 million in aggregate principal amount of Senior Secured Notes at a redemption price of 103%, plus accrued interest, using cash on hand. Following the Senior Secured Notes Redemption, €270.0 million in aggregate principal amount of Senior Secured Notes will remain outstanding. The Senior Secured Notes are guaranteed on a senior secured basis by the Target, Autodistribution S.A. and any future guarantor of the Senior Secured Notes. The Senior Secured Notes and the guarantees thereof are secured by the Target Group Collateral. See "*Description of certain financing arrangements—Senior Secured Notes*." On the Completion Date, LuxCo 5 and BidCo will accede to the Senior Secured Notes Indenture as security providers in accordance with the requirements under such indenture to allow the portability of the Senior Secured Notes.

(9) The New Revolving Credit Facilities Agreement provides for drawings of up to €40.0 million, all of which will be available for borrowing on the Completion Date. On the Completion Date, the New Revolving Credit Facility will be secured on a super senior basis to the Senior Secured Notes in accordance with the terms of the Existing Intercreditor Agreement.

(10) 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 €26.0 million outstanding as of August 31, 2015. These factoring arrangements and the working capital and bilateral lending facilities will remain in place after the Completion Date. See "*Description of certain financing arrangements—Other financing arrangements*."

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 Notes."

Issuer . . . . Dakar Finance S.A.

Notes offered . . . . €239.0 million in aggregate principal amount of 9.000% / 9.750% Senior HoldCo Pay-If-You-Can Notes due 2020.

Issue Date . . . . November 12, 2015.

Issue price . . . . 99.5%, plus accrued and unpaid interest from November 12, 2015.

Maturity date . . . . November 15, 2020.

Interest rate . . . . Cash Interest will accrue at a rate of 9.000% per annum; and PIK Interest will accrue at a rate of 9.750% per annum. Interest on the Notes will accrue from the Issue Date.

Interest payment dates . . . . Interest on the Notes will be payable semi-annually in arrears on each May 15 and November 15 of each year, commencing on May 15, 2016. The first and last interest payments on the Notes will be made in cash. For each other interest payment, the Issuer will be required to pay interest on the Notes entirely in cash ("Cash Interest"), unless the conditions described in this Offering Memorandum are satisfied, in which case the Issuer will be entitled to pay, to the extent described herein, interest for such interest period by increasing the principal amount of the Notes or by issuing Notes in a principal amount equal to such interest (in each case, "PIK Interest"). See "*Description of the Notes—Interest*."

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 €1.00 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 the general senior obligations of the Issuer;
- be secured as set forth under "*Description of the Notes—Security*";
- rank equally in right of payment with all of the existing and future obligations of the Issuer that are not subordinated in right of payment to the Notes;
- rank senior in right of payment to any future subordinated obligations of the Issuer;
- be effectively subordinated to any existing or future obligations of the Issuer that are secured by property or assets that do not secure the Notes to

the extent of the property and assets securing such obligations; and

- be structurally subordinated to all existing and future obligations of the subsidiaries of the Issuer, including the Senior Secured Notes, borrowings outstanding under the New Revolving Credit Facility, trade payables and lease obligations.

Security . . . . On the Issue Date, the Notes will be secured by first-priority pledges over the Escrow Account.

On the Completion Date, the Notes will be secured by first-priority pledges over: (i) the capital stock of the Issuer; (ii) the PECs owed by the Issuer; and (iii) the bank account of the Issuer.

See "*Description of the Notes—Security*." 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 "*Limitations on validity and enforceability of the security interests*."

Escrow of proceeds; special mandatory redemption . . . . Pending the consummation of the Acquisition, the Initial Purchasers will deposit the gross proceeds from the Offering of the Notes into the Escrow Account. The Escrow Account will be controlled by the Escrow Agent, and pledged on a first-priority basis in favor of the Trustee on behalf of the holders of the Notes. Upon delivery to the Trustee and the Escrow Agent of an officer's certificate stating that the conditions to the release of the proceeds from escrow are satisfied, the escrow proceeds will be released to the Issuer and utilized as described in "*The Transactions*," "*Use of proceeds*," and "*Description of the Notes—Escrow of proceeds; special mandatory redemption*." The release of escrow proceeds will be subject to the satisfaction of certain conditions, including the consummation of the Acquisition. The consummation of the Acquisition pursuant to the Acquisition Agreement is subject to the satisfaction of certain conditions, including regulatory approval.

In the event that (i) the Completion Date and the release of escrow proceeds does not take place on or prior to Escrow Longstop Date, (ii) in the reasonable judgment of the Issuer, the Acquisition will not be consummated by Escrow Longstop Date, (iii) the Acquisition Agreement terminates at any time prior to the Escrow Longstop Date, (iv) a Default or Event of Default relating to insolvency events arising under the Indenture or (v) Bain Capital ceases to beneficially own

	and control a majority of the issued and outstanding capital stock of the Issuer, the Notes will be subject to a special mandatory redemption. The special mandatory redemption price will, in each case, be a price equal to 100% of the aggregate issue price of the Notes, plus accrued and unpaid interest and additional amounts, if any, from the Issue Date to the date of the special mandatory redemption. The escrow proceeds would be applied to pay for any such special mandatory redemption. In the event that the funds on deposit in the Escrow Account are insufficient to pay the special mandatory redemption price, plus accrued and unpaid interest and additional amounts, if any, Bain Capital will be required to make an equity contribution to the Issuer in an amount required to enable the Issuer to pay such accrued and unpaid interest and additional amounts, if any, owing to the holders of the Notes, pursuant to an agreement between Bain Capital and the Issuer. See "*Description of the Notes—Escrow of proceeds; special mandatory redemption*" and "*Risk factors—Risks related to the Acquisition—If the conditions to the escrow are not satisfied, the Issuer will be required to redeem the Notes, which means that you may not obtain the return you expect on the Notes*."
Optional redemption	The Issuer may redeem all or part of the Notes on or after November 15, 2016 at the redemption prices described under "*Description of the Notes—Optional redemption*," plus accrued and unpaid interest and additional amounts, if any, to the date of redemption. In addition, prior to November 15, 2016, the Issuer may redeem all or part of the Notes by paying a "make whole" premium as described under "*Description of the Notes—Optional redemption*." Prior to November 15, 2016, the Issuer may on one or more occasion(s) use the proceeds of specified equity offerings to redeem up to 40% of the principal amount of the Notes at a redemption price equal to 109.000% of the principal amount of the Notes, plus accrued and unpaid interest and additional amounts, if any, up to the redemption date, *provided* that at least 50% of the principal amount of the Notes remains outstanding after the redemption.
Additional amounts; Tax redemption ...	All payments made by or on behalf of the Issuer in respect of the Notes will be made without withholding or deduction for any taxes, except to the extent required by law. If any such withholding or deduction is required by law in any relevant taxing jurisdiction, subject to certain exceptions and limitations, the Issuer 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 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 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 Notes—Redemption for taxation reasons*."

Change of Control .... If the Issuer experiences a change of control, it will be required 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. See "*Description of the 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 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;
- 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 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;
- enter into certain transactions with affiliates; and
- impair the security interests for the benefit of the holders of the Notes.

Each of these covenants is subject to a number of significant exceptions and qualifications. See "*Description of the 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. See "*Description of the Notes—Certain covenants—Suspension of covenants on achievement of investment grade status*."

Use of proceeds .... We intend to use the gross proceeds from the Offering, together with the Equity Contribution, the Management and Existing Investors' Investment, and cash on hand at the level of the Senior Secured Notes Issuer and the Target, to: (i) fund the consideration payable for the capital stock of the Target purchased in the Acquisition; (ii) prefund cash interest payments due on the Notes offered hereby (the "Cash Coupon

	Pre-Funding"); (iii) fund the Senior Secured Notes Redemption; (iv) repay the Contingent Value Instruments; and (v) pay the fees and expenses incurred in connection with the Transactions, including estimated fees and expenses to be incurred in connection with the Offering. See "*The Transactions—The Financing*" and "*Use of proceeds*."
Transfer restrictions	The Notes 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 list the Notes on the Official List of the Irish Stock Exchange and to admit them for trading on the Global Exchange Market thereof.
Original Issue Discount	Because interest on the Notes is not unconditionally payable in cash at least annually over the term of the Notes, the Notes will be considered to be issued with original issue discount OID for U.S. federal income tax purposes. U.S. holders (as defined herein) generally will be required to include amounts representing OID in gross income (as ordinary income) as it accrues on a constant yield to maturity basis for U.S. federal income tax purposes, potentially in advance of the receipt of cash payments to which such OID is attributable and regardless of such a U.S. holder's regular method of accounting for U.S. federal income tax purposes. For further discussion, see "*Tax considerations—Certain U.S. federal income tax considerations*."
Trustee	U.S. Bank Trustees Limited.
Registrar	Elavon Financial Services Limited.
Paying Agent and Transfer Agent	Elavon Financial Services Limited, UK Branch.
Listing Agent	Davy.
Security Agent	U.S. Bank Trustees Limited.
Governing Law of the Indenture and the Notes	The State of New York.
Governing law of the Senior HoldCo Intercreditor Agreement and the Security Documents	England and Wales and Luxembourg.
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, 2012, 2013 and 2014 has been derived from the audited consolidated financial statements of the Target as of and for the years ended December 31, 2012, 2013 and 2014, 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, 2012, 2013 and 2014 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, 2012 included in this Offering Memorandum has been derived from the comparative information contained in the audited consolidated financial statements of the Target as of and for the year ended December 31, 2013. The consolidated financial statements of the Target 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, 2014 and 2015 has been derived from the unaudited interim condensed consolidated financial statements of the Target as of and for the eight months ended August 31, 2015, with corresponding income statement and cash flow data for the eight months ended August 31, 2014, which are included elsewhere in this Offering Memorandum. The historical unaudited financial information for the eight months ended August 31, 2014 and 2015 has been prepared using the same accounting principles as the financial information as of and for the year ended December 31, 2014 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 Target 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 Target as of and for the eight months ended August 31, 2015 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, 2015 has been derived by adding the consolidated financial information of the Target as of and for the year ended December 31, 2014 to the consolidated financial information of the Target for the eight months ended August 31, 2015 and subtracting the consolidated financial information of the Target for the eight months ended August 31, 2014. The financial information for the twelve months ended August 31, 2015 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 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

	Year ended December 31,			Eight months ended August 31,		Twelve months ended August 31,
(€ in millions)	**2012***	**2013**	**2014**	**2014****	**2015**	**2015**
Revenue	**1,084.3**	**1,137.2**	**1,169.5**	**764.1**	**806.2**	**1211.6**
Cost of goods for sale	(689.9)	(710.7)	(721.2)	(473.4)	(494.8)	(742.6)
Personnel costs	(224.3)	(239.0)	(245.4)	(161.0)	(164.0)	(248.4)
Other purchases and external expenses	(121.9)	(126.3)	(133.2)	(84.8)	(88.6)	(137.0)
Taxes	(8.2)	(9.7)	(9.3)	(7.0)	(6.7)	(9.0)
Other operating income and expenses	4.4	2.8	3.7	0.9	2.8	5.6
EBITDA	**44.4**	**54.3**	**64.1**	**38.9**	**54.9**	**80.2**
Depreciation/amortization expense	(15.1)	(16.3)	(18.3)	(11.9)	(12.2)	(18.6)
Recurring operating income	**29.3**	**38.0**	**45.8**	**27.1**	**42.7**	**61.5**
Other income from operations	3.4	7.4	12.1	1.6	2.1	12.6
Other expenses from operations	(7.2)	(11.0)	(18.8)	(4.5)	(5.7)	(20.0)
Operating income	**25.5**	**34.4**	**39.1**	**24.1**	**39.2**	**54.2**
Financial income	2.3	11.0	11.6	11.3	0.4	0.7
Financial expenses	(11.3)	(9.0)	(21.6)	(14.4)	(17.4)	(24.6)
Share of income from associates	—	(0.1)	—	—	—	—
Income before tax	**16.5**	**36.3**	**29.1**	**20.9**	**22.1**	**30.3**
Income tax	(7.8)	(17.6)	1.8	9.2	2.2	(5.2)
Net income from continuing operations	**8.7**	**18.7**	**30.9**	**30.2**	**24.4**	**25.1**
Net income from discontinued operations	(3.9)	—	—	—	—	—
Net income for the year	**4.8**	**18.7**	**30.9**	**30.2**	**24.4**	**25.1**

* The consolidated income statement for the year ended December 31, 2012 was restated to reflect the application of revised IAS 19 "Employee Benefits."

** The consolidated income statement for the eight months ended August 31, 2014 reflects the application of IFRIC 21 "Levies."

Summary consolidated statement of financial position

(€ in millions)	As of December 31, 2012*	2013	2014**	As of August 31, 2015
Assets				
Goodwill	9.2	21.4	51.8	51.8
Intangible assets	142.0	143.5	154.3	153.1
Property, plant and equipment	45.6	50.8	50.9	56.4
Investments in associates	0.4	0.4	0.5	0.4
Available-for-sale financial assets	0.3	0.2	0.2	0.3
Other non-current assets	12.1	16.8	10.8	16.8
Deferred tax assets	18.9	9.7	18.0	26.0
Total non-current assets	**228.5**	**242.8**	**286.5**	**304.8**
Inventories	175.1	180.8	201.1	212.0
Trade receivables	147.9	163.2	165.1	183.8
Other current assets	9.6	11.0	21.0	27.8
Cash and cash equivalents	58.4	33.0	67.7	72.7
Current tax receivables	2.2	1.9	1.9	—
Derivative financial instruments	—	—	—	—
Total current assets	**393.2**	**389.9**	**456.7**	**496.3**
Non-current assets held for sale	10.9	—	—	—
Total assets	**632.6**	**632.7**	**743.2**	**801.1**
Equity and liabilities				
Share capital	152.6	152.6	148.0	129.5
Other reserves	31.7	37.3	47.2	57.8
Net income attributable to owners of the parent	5.0	18.4	30.8	24.4
Shareholders' equity	**189.4**	**208.3**	**226.1**	**211.7**
Non-controlling interests	(0.4)	(0.2)	(0.3)	(0.7)
Total equity	**189.0**	**208.1**	**225.8**	**211.0**
Non-current borrowings and debt	167.7	138.0	242.0	307.9
Non-current provisions	4.8	3.5	2.1	1.3
Liabilities relating to employee benefits	16.2	15.9	22.5	22.2
Deferred tax liabilities	—	—	—	—
Other non-current liabilities	4.4	7.7	3.9	3.2
Total non-current liabilities	**193.1**	**165.1**	**270.5**	**334.6**
Current borrowings and debt	37.8	42.0	19.5	20.5
Current provisions	8.2	12.7	12.4	10.5
Trade payables	138.0	145.4	148.5	166.7
Other current liabilities	60.6	59.4	66.5	57.7
Derivative financial instruments	—	—	—	—
Total current liabilities	**244.6**	**259.5**	**246.9**	**255.5**
Liabilities directly associated with assets held for sale	5.8	—	—	—
Total equity and liabilities	**632.6**	**632.7**	**743.2**	**801.1**

* The consolidated statement of financial position for the year ended December 31, 2012 was restated to reflect the application of revised IAS 19 "Employee Benefits."

** 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, 2012*	2013	2014	Eight months ended August 31, 2014***	2015
Net income	**4.8**	**18.7**	**30.9**	**30.2**	**24.4**
Net income/(loss) from discontinued operations	3.9	—	—	—	—
Cancellation of income and expenses with no cash impact	19.1	5.8	17.9	4.8	15.2
Financial expenses and income with a cash impact	3.1	3.6	8.8	8.3	11.5
Income taxes charges	7.8	17.6	(1.8)	(9.2)	(2.2)
Changes in working capital, net	6.7	(7.9)	(9.7)	(25.7)	(28.4)
Inventories decrease/(increase)	2.4	0.9	(4.2)	(12.1)	(10.8)
Trade receivables decrease/(increase)	21.1	(8.0)	9.0	0.3	(18.6)
Trade payables increase/(decrease)	(15.2)	1.3	(9.7)	1.4	18.1
Other receivables and payables	(1.6)	(2.1)	(4.8)	(15.3)	(17.1)
Income tax	(6.4)	(7.3)	(7.2)	(3.2)	(3.3)
Net cash flow from operating activities	**39.0**	**30.5**	**38.7**	**5.1**	**17.2**
Acquisition of fixed assets	(15.9)	(19.8)	(18.7)	(11.0)	(16.8)
Changes in other financial assets	(1.1)	(1.0)	2.9	3.9	(6.3)
Disposal of fixed assets	0.7	2.2	0.4	0.2	0.6
Advances paid	(3.8)	(0.1)	—	—	—
Business acquisitions	(13.8)	(13.0)	(52.5)	(54.9)	—
Net cash flow used in investing activities	**(33.9)**	**(31.7)**	**(67.9)**	**(61.8)**	**(22.4)**
Dividends paid to the owners of the parent company	—	—	—	—	—
Dividends paid to non-controlling interests of consolidated companies	(0.3)	(0.2)	(0.3)	(0.3)	(0.3)
Repayment of capital	—	—	(3.1)	(3.1)	(40.0)
Financial expenses with a cash impact	(4.7)	(3.9)	(9.4)	(8.8)	(18.4)
Financial income with a cash impact	1.6	0.3	0.5	0.3	0.4
Increase in borrowings	6.6	2.6	238.6	228.0	67.1
Repayment of borrowings	(16.8)	(22.5)	(161.7)	(160.7)	(0.7)
Change in other financial liabilities	(0.2)	—	0.1	0.1	0.3
Net cash flow used in financing activities	**(13.8)**	**(23.7)**	**64.7**	**55.5**	**8.4**
Total cash flows used in continuing operations	**(8.7)**	**(24.9)**	**35.7**	**(1.2)**	**3.2**
Change in cash and cash equivalents:**					
Opening cash and cash equivalents	63.5	50.1	25.3	25.3	61.0
Net cash flow from continuing operations	(8.7)	(24.9)	35.7	(1.2)	3.2
Net cash flow from discontinued operations	(3.5)	—	—	—	—
Impact of currency rate fluctuations	0.8	(0.1)	(0.1)	(0.1)	—
Closing cash and cash equivalents from discontinued operations	(0.4)	—	—	—	—
Total closing cash and cash equivalents	**50.1**	**25.3**	**61.0**	**24.2**	**64.2**

* The consolidated statement of cash flows for the year ended December 31, 2012 was restated to reflect the application of revised IAS 19 "Employee Benefits."

** The heading "Cash and cash equivalents" in our consolidated statement of financial position excludes the item "bank overdraft" in an amount of €8.5 million as of August 31, 2015, €6.7 million as of December 31, 2014, €7.7 million as of December 31, 2013 and €8.3 million as of December 31, 2012.

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

Consolidated change in working capital

(€ in millions)	Year ended December 31, 2012	2013	2014	Eight months ended August 31, 2014	2015
Inventories decrease/(increase)	2.4	0.9	(4.2)	(12.1)	(10.8)
Trade receivables decrease/(increase)	21.1	(8.0)	9.0	0.3	(18.6)
Trade payables increase/(decrease)	(15.2)	1.3	(9.7)	1.4	18.1
Other receivables and payables	(1.6)	(2.1)	(4.8)	(15.3)	(17.1)
Change in working capital	**6.7**	**(7.9)**	**(9.7)**	**(25.7)**	**(28.4)**

Other financial and pro forma data

(€ in millions)	Year ended December 31, 2012*	2013	2014	Eight months ended August 31, 2014**	2015	Twelve months ended August 31, 2015
EBITDA(1)	44.4	54.3	64.1	38.9	54.9	80.2
EBITDA margin(2)	4.1%	4.8%	5.5%	5.1%	6.8%	6.6%
Adjusted EBITDA(1)	47.7	55.4	69.2	40.2	57.1	86.1
Adjusted EBITDA margin(3)	4.4%	4.9%	5.9%	5.3%	7.1%	7.1%
EBIT(1)	29.3	38.0	45.8	27.0	42.8	61.6
EBIT margin(4)	2.7%	3.3%	3.9%	3.5%	5.3%	5.1%
Change in working capital(5)	6.7	(7.9)	(9.7)	(25.7)	(28.4)	(12.4)
Change in working capital margin(6)	0.6%	0.7%	0.8%	3.4%	3.5%	1.0%
Capital expenditure margin(7)	1.4%	1.5%	1.6%	1.4%	2.0%	2.0%
Operating cash flow(8)	32.5	37.8	50.9	29.4	40.9	62.4
Cash conversion(8)	68.1%	68.2%	73.6%	73.1%	71.6%	72.5%

Pro forma financial data:

Pro forma net cash-pay financial debt(9)	259.9
Pro forma net financial debt(10)	478.9
Pro forma net interest expense(11)	39.6
Ratio of pro forma net cash-pay financial debt to Adjusted EBITDA	3.0x
Ratio of pro forma net financial debt to Adjusted EBITDA	5.6x
Ratio of Adjusted EBITDA to pro forma net interest expense	2.2x

* The consolidated income statement for the year ended December 31, 2012 was restated to reflect the application of revised IAS 19 "Employee Benefits."

** The consolidated income statement for the eight months ended August 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, 2012, 2013 and 2014 and for the eight months ended August 31, 2014 and 2015). 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.*"

EBIT represents net income/(loss) from continuing operations before income taxes, financial items (net), share of income from associates and other income/(expenses) from operations. Our management believes that EBIT is meaningful for investors because it provides an analysis of our operating results, profitability and ability to service debt and because EBIT is used by our chief operating decision-makers to track our business evolution, establish operational and strategic targets, and make important business decisions. EBIT is also a measure commonly reported and widely used by analysts, investors and other interested parties in our industry. The definition of "EBIT" may vary from company to company. EBIT is not a measure of performance under IFRS and you should not consider EBIT 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 EBIT as a financial measure, see "*Presentation of financial information and other data—Other financial measures.*"

Adjusted EBITDA represents EBITDA as adjusted for (i) certain non-cash items, (ii) certain items we believe are non-recurring, (iii) the purchasing savings realized following the acquisition of ACR on a run-rate basis from September 1, 2014 and (iv) the spreading over four years of the costs incurred in connection with the organization of the meeting of the Target Group's network in September 2014, which occurs every four years. 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.*"

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

	Year ended December 31,			Eight months ended August 31,		Twelve months ended August 31,
(€ in millions)	**2012***	**2013**	**2014**	**2014****	**2015**	**2015**
Net income/(loss) from continuing operations	**8.7**	**18.7**	**30.9**	**30.2**	**24.4**	**25.1**
Income taxes	7.8	17.6	(1.8)	(9.2)	(2.2)	5.2
Financial items, net	9.0	(2.0)	10.0	3.1	17.0	23.9
Share of income from associates	—	0.1	—	—	—	—
Other income/(expenses) from operations	3.8	3.6	6.7	2.9	3.6	7.4
EBIT	**29.3**	**38.0**	**45.8**	**27.0**	**42.8**	**61.6**
Depreciation/amortization expense	15.1	16.3	18.3	11.9	12.2	18.6
EBITDA	**44.4**	**54.3**	**64.1**	**38.9**	**54.9**	**80.2**
Management fees(a)	0.6	0.3	0.6	0.4	0.4	0.6
M&A expenses and other consulting fees(b)	2.4	0.2	1.6	0.3	0.3	1.6
Customer-facing website start-up costs(c)	0.3	0.6	1.3	0.7	1.0	1.6
Non-cash accounting adjustment—merger of Polish entities(d)	—	—	0.5	—	—	0.5
ACR purchasing synergies on a full-year basis(e)	N/A	N/A	—	—	0.6	0.6
Network convention expenses(f)	N/A	N/A	1.1	(0.1)	(0.2)	1.0
Adjusted EBITDA	**47.7**	**55.4**	**69.2**	**40.2**	**57.1**	**86.1**

* The consolidated income statement for the year ended December 31, 2012 was restated to reflect the application of revised IAS 19 "Employee Benefits."

** The consolidated income statement for the eight months ended August 31, 2014 reflects the application of IFRIC 21 "Levies."

(a) Represents fees paid to intermediate holding companies to cover management, administrative, 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 the Profit Improvement Plan ("PIP") (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, €0.6 million and €0.9 million for the years ended December 31, 2013 and 2014 and for the eight months ended August 31, 2014 and 2015, 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 for each year ended December 31, 2013 and 2014 and for the eight months ended August 31, 2014 and 2015, €0.2 million 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.

(e) Represents purchasing synergies resulting from new terms agreed with the Target Group's suppliers following the acquisition of ACR, on a twelve-month run-rate basis.

(f) Corresponds to 75% of the expenses borne by the Target Group in the twelve-month period ended August 31, 2015 for the organization of the Target Group's network meeting in September 2014. Such meeting is organized once every four years.

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

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

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

(7) Capital expenditure margin represents investments in property, plant and equipment and intangible assets divided by revenue.

(8) The following table reconciles operating cash flow to Adjusted EBITDA. Cash conversion represents Adjusted EBITDA less capital expenditures, divided by Adjusted EBITDA.

	Year ended December 31,			Eight months ended August 31,		Twelve months ended August 31,
(€ in millions)	**2012***	**2013**	**2014**	**2014****	**2015**	**2015**
Adjusted EBITDA	47.7	55.4	69.2	40.2	57.1	86.1
Acquisition of fixed assets, net of disposals	(15.2)	(17.6)	(18.3)	(10.8)	(16.2)	(23.7)
Operating cash flow	32.5	37.8	50.9	29.4	40.9	62.4
Cash conversion	68.1%	68.2%	73.6%	73.1%	71.6%	72.5%
Financial expenses with a cash effect	(4.7)	(3.9)	(9.4)	(8.8)	(18.4)	(19.0)
Income tax with cash effect	(6.4)	(7.3)	(7.2)	(3.2)	(3.3)	(7.3)

* The consolidated income statement for the year ended December 31, 2012 was restated to reflect the application of revised IAS 19 "Employee Benefits."

** The consolidated income statement for the eight months ended August 31, 2014 reflects the application of IFRIC 21 "Levies."

(9) Pro forma net cash-pay financial debt represents total cash-pay 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 accrued interest in respect of the Senior Secured Notes, less cash and cash equivalents of the Senior Secured Notes Issuer and its subsidiaries, as adjusted for the Transactions (including the Senior Secured Notes Redemption).

(10) 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 accrued interest in respect of the Senior Secured Notes, less cash and cash equivalents, as adjusted for the Transactions (including the Senior Secured Notes Redemption).

(11) Pro forma net interest expense represents our net interest expense for the twelve months ended August 31, 2015, as adjusted for the issuance of €60.0 million in aggregate principal amount of Senior Secured Notes as if such Senior Secured Notes had been issued on September 1, 2014, and as further adjusted as if the Transactions (including the issuance of the Notes and the application of the proceeds therefrom), the Senior Secured Notes Redemption and the repayment of the Contingent Value Instruments had been completed as set forth in "*Use of proceeds*" on September 1, 2014. Pro forma net cash interest expense includes commitment fees on the undrawn New 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 factors. 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.

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, 2015, 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 38 wholly-owned distributors (operating 323 sites) and 42 affiliated independent distributors (operating 169 sites). Of the total value of all products that we purchased from our referenced suppliers in France during the twelve months ended August 31, 2015, products representing 45% in value were delivered through our four main warehouses to our wholly-owned and affiliated distributors and products representing 55% in value were delivered directly to our distributors by spare parts manufacturers. In Poland, we operated three warehouses and 44 distribution sites. 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 or Poland 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. In addition, 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 be disrupted. In the twelve months ended August 31, 2015, transportation costs accounted for 3.5% 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 300 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, 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 conditions in France, Poland and worldwide.

The demand for certain of the products that we distribute may be impacted by economic conditions in France, Poland and worldwide, and our business is impacted by growth in the French 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 a short- to medium-term decreases in sales by distributors of light vehicle and truck spare parts. France is our principal geographic market, representing 90.6% of our revenue in the twelve months ended August 31, 2015. We also hold a strong regional position in the Polish light vehicle IAM, where we generated 9.4% of our revenue over the same period. Economic uncertainty, in France and globally, could decrease consumer confidence and consumer and business spending on vehicle maintenance, 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.

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 and Polish spare parts aftermarket in which we operate. 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 part distributors in France (such as Groupauto) and Poland (such as Inter Cars, Fota and Group Auto Union Polska), 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 market. 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.

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. As light vehicles and trucks get older, expenses for light vehicle and truck spare parts generally increase. Consequently, a decline in the age of light vehicles and trucks could lead to decreased demand for the products that we distribute and our services. We consider our core market to be light vehicle and trucks aged over four years. 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.

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.

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 ("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 are required to gain appropriate technical expertise in newly developed components. The failure of independent garages to gain 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 in September 2014, we invested in a large customer event to develop our brand. 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 42 affiliated independent distributors that have entered into affiliation agreements with us, but whom 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, and the "AD" logo 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. We may implement this strategy through organic growth, diversifying our activities or selected acquisitions. 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 significant 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. The integration of an acquired business, 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. 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 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 will be 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. 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.

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. See "*—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*" below. 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 and Auto Primo, and in return the affiliated distributors designate us as their preferred supplier and the independent garages designate our distributors as their preferred distributors. We have recently renewed our agreements with our affiliated independent distributors 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 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. The Fillon Law allows employers to benefit from reductions in such social security contributions in respect of wages that amount to less than 160% of 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 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 August 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.

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, 2015, we had 6,133 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, because we operate property, 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 payment of such purchases, and the terms and timing of payment of 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 New 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, 2015, our provision for litigation amounted to €3.1 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 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.

Upon consummation of the Acquisition, Bain Capital will indirectly own 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.

Risks related to the Acquisition

The Acquisition is subject to certain conditions and risks.

On October 14, 2015, BidCo, an entity indirectly controlled by Bain Capital and the indirect, wholly-owned subsidiary of the Issuer, entered into the Acquisition Agreement with the Seller, to acquire all the issued and outstanding capital stock of the Target (the "Acquisition"). We currently expect the Acquisition to complete at the end of November 2015. The consummation of the Acquisition is, however, subject to the satisfaction of certain conditions, including clearance by the European Commission and the performance of certain closing actions. The parties to the Acquisition Agreement will not consummate the Acquisition until the conditions are fulfilled, which may, potentially, take a number of months and, in exceptional circumstances, significantly longer. Certain subsidiaries or assets of the Target may have to be sold or spun-off in order for the parties to the Acquisition Agreement to obtain clearance by the European Commission, which might lead to the loss of operational synergies and might adversely affect the Group's financial condition. Accordingly, the parties may not be able to undertake this transaction in a timely fashion, without remedies, or at all. Any such remedies may make the Acquisition less attractive. The realization of any risks related to uncertainties of the Acquisition could have a material adverse effect on our business, results of operations and financial condition.

The Issuer does not currently control the Target Group and will not control the Target Group until completion of the Acquisition.

The Target Group is currently ultimately controlled by Parts Holdings Coöperatief U.A., a majority of which is directly or indirectly owned by TowerBrook and Investcorp. The Issuer will not obtain control of the Target Group until completion of the Acquisition. Parts Holdings Coöperatief U.A. may not operate the business of the Target Group during the interim period from signing of the Acquisition Agreement until completion of the Acquisition in the same way that we would. Some information contained in this Offering Memorandum has been derived from public sources and, in the case of historical information relating to the Target Group, has been provided to us by Parts Holdings Coöperatief U.A., the Target and the Target's subsidiaries, and the Issuer has relied on such information supplied to it in its preparation of this Offering Memorandum. Furthermore, the Acquisition itself has required, and will likely continue to require, substantial time and focus from management, which could adversely affect their ability to operate the business. Likewise, employees may be uncomfortable with the Acquisition or feel otherwise affected by it, which could have an impact on work quality and retention.

In addition, prior to the Completion Date, the Target Group will not be subject to the covenants described in "*Description of the Notes*" to be included in the Indenture. As such, we cannot assure you that, prior to such date, the Target Group will not take any action that would otherwise have been prohibited by the Indenture had those covenants been applicable. Any of the risks associated with the Issuer's lack of control until the completion of the Acquisition could have a material adverse effect on our business, results of operations and financial condition.

If the conditions to the escrow are not satisfied, the Issuer will be required to redeem the Notes, which means that you may not obtain the return you expect on the Notes.

The gross proceeds from the Offering will be held in escrow accounts for the benefit of the holders of the Notes pending the satisfaction of certain conditions, some of which are outside of our control. Completion of the Acquisition is one of the conditions to the release of the proceeds from escrow. If the Acquisition is not consummated on or before the Escrow Longstop Date or in the event of certain other events that trigger escrow termination, the Notes will be subject to a special mandatory redemption as described in "*Description of the Notes—Escrow of proceeds; special mandatory redemption*" and you may not obtain the return you expect to receive on the Notes.

The escrow funds will be initially limited to the gross proceeds of the Offering and will not be sufficient to pay the special mandatory redemption price, which is equal to 100% of the aggregate issue price of the Notes plus accrued and unpaid interest and additional amounts, if any, from the Issue Date to the date of special mandatory redemption. In the event that the escrow funds are insufficient to pay the special mandatory redemption price, plus any such accrued and unpaid interest and additional amounts, Bain Capital will be required to make an equity contribution in an amount required to enable the Issuer to pay such accrued and unpaid interest and additional amounts, if any, owing to the holders of the Notes.

Your decision to invest in the Notes is made at the time of purchase. Changes in the business or financial condition of the Target Group, or the terms of the Acquisition or the financing thereof, between the closing of the Offering and the Completion Date, may have an impact on our creditworthiness, and you will not be able to rescind your decision to invest in the Notes as a result thereof.

The Acquisition may entitle our customers and certain other business partners of the Target Group to terminate their agreements as a result of change of control provisions.

The Acquisition will constitute a change of control under certain agreements entered into by the Target and its subsidiaries. These counterparties will be entitled to terminate their agreements with us. Some of these counterparties may exercise their termination rights, which could have an adverse effect on our business, results of operations and financial condition.

Amendments made to the Acquisition Agreement may have adverse consequences for holders of the Notes.

The Acquisition is expected to be consummated in accordance with the terms of the Acquisition Agreement. The Acquisition Agreement, however, may be amended and the closing conditions may be waived at any time by the parties thereto, without the consent of holders of the Notes. Furthermore, any amendments made to the Acquisition Agreement may make the Acquisition less attractive. Any amendment made to the Acquisition Agreement may be materially adverse to holders of the Notes which, in turn, could have a material adverse effect on our business, results of operations and financial condition.

We may not be able to enforce claims relating to a breach of the representations and warranties that the Sellers have provided to us under the Acquisition Agreement.

In connection with the Acquisition, the sellers have given certain customary representations and warranties in the Acquisition Agreement related to their shares, the Target and the Target's business. We may not be able to enforce any claims against the sellers relating to breaches of these representations and warranties. The sellers' liability under the Acquisition Agreement is very limited. Moreover, even if we are able to eventually recover any losses resulting from a breach of these representations and warranties, we may temporarily be required to bear these losses ourselves.

We may have liabilities that are not known to us.

There may be liabilities that we failed or were unable to discover in the course of performing due diligence investigations into the Target Group in connection with the Acquisition. We may learn of additional information about the Target Group that adversely affects us, such as unknown or contingent liabilities and issues relating to compliance with applicable laws. Any such liabilities, individually or in the aggregate, could have a material adverse effect on our business, results of operations and financial condition.

Risks related to our indebtedness and the Notes

The Issuer will be a holding company with no business operations or assets.

After the Completion Date, the Issuer will be a holding company with no business operations or assets other than 100% of the ordinary shares of LuxCo 5. The capital stock of the Target will be indirectly owned by the Issuer and is pledged to secure the New Revolving Credit Facility and the Senior Secured Notes. The Indenture prohibits the Issuer from engaging in certain activities other than certain limited activities permitted under "*Description of the Notes—Certain covenants—Business activities*."

We conduct our operations primarily through our subsidiaries, none of which will provide a guarantee for the Notes. Consequently, the Issuer will depend on dividends and other distributions (including any other return on capital) from its direct and indirect subsidiaries to make payments of principal (or interest in cash) on the Notes. Such subsidiaries are separate and distinct legal entities, and they will have no obligation, contingent or otherwise, to pay the amounts due under or in relation to the Notes or to make any funds available to pay those amounts, whether by dividend, distribution or other payments. You will not have any direct claim on our income from business operations because these operations are undertaken by our operating subsidiaries. If our operating subsidiaries do not distribute cash to the Issuer to make payments on the Notes, we do not expect the Issuer to have any other source of funds that would allow it to make payments to the holders of the Notes, other than with respect to the first interest payment.

Agreements governing our debt may from time to time restrict the ability of our subsidiaries to move cash within our Group. Applicable tax laws may also subject such payments to further taxation. Applicable law may also limit the amounts that some of our subsidiaries will be permitted to pay as dividends or distributions on their equity interests, or even prevent such payments.

Even if the Issuer has sufficient cash (received as dividends or otherwise) at any time to satisfy its obligations under the Notes at that time, the Issuer may, subject to the satisfaction of certain conditions, make investments in and make other distributions to its subsidiaries and third parties.

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, the Senior Secured Notes and the New Revolving Credit Facility. 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, capital expenditures and planned acquisitions;
- 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 on a timely basis 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 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, 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.

The Notes are obligations solely of the Issuer, are not guaranteed by any subsidiary and are structurally subordinated to all of the debt and liabilities of the subsidiaries of the Issuer.

After the Completion Date, the Notes will be structurally subordinated to all debt and liabilities of the subsidiaries of the Issuer. As of August 31, 2015, after giving effect to the Senior Secured Notes Redemption, the Target and its subsidiaries had total financial debt of €287.9 million, €270.0 million of which was secured indebtedness under the Senior Secured Notes. In addition, the Issuer's subsidiaries are also able to incur up to €40.0 million under our New Revolving Credit Facility. See "*Description of certain financing arrangements.*"

Generally, claims of creditors of a non-guarantor subsidiary, including trade creditors and claims of preference shareholders (if any) of such subsidiary, will have priority with respect to the assets and earnings of such subsidiary over the claims of creditors of its parent entity, including claims against the Senior Secured Notes Issuer by the Issuer. In the event of any foreclosure, dissolution, winding-up, liquidation, reorganization, administration or other bankruptcy or insolvency proceeding of any of the Issuer's subsidiaries, holders of their indebtedness and their trade creditors will generally be entitled to payment of their claims from the assets of those subsidiaries before any assets are made available for distribution to its parent entity. As such, the Notes will be structurally subordinated to the creditors (including trade creditors) and preference shareholders (if any) of the Issuer's subsidiaries, none of which will guarantee the Notes. The subsidiaries of the Issuer may not have sufficient funds to pay (or receive sufficient funds to pay) all their respective creditors, and you may not receive any payment on the Notes or receive less, ratably, than the holders of debt of the subsidiaries of the Issuer and other liabilities. Subject to certain limitations, the subsidiaries of the Issuer will be permitted to incur additional debt and liabilities in the future under the terms of the New Revolving Credit Facilities Agreement, the Senior Secured Notes Indenture and the Indenture which may lead to further structurally senior indebtedness being incurred in future.

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, 2015, and as adjusted to give effect to the Offering, our pro forma total financial debt would have been €526.9 million, of which €239.0 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 €40.0 million under the New 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 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 Indenture contains 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 Indenture does 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 flows and liquidity, see "*Management's discussion and analysis of financial condition and results of operations—Liquidity and capital resources*."

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

The Indenture, the Senior Secured Notes Indenture and the New Revolving Credit Facility 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 "center of main interests" of the Issuer;
- 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 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 Senior Secured Notes Indenture and the New Revolving Credit Facilities 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 New Revolving Credit Facilities Agreement, the Senior Secured Notes or the Notes 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 New Revolving Credit Facility also requires our subsidiaries to maintain a specified financial maintenance test. The ability to meet this test could be affected by a deterioration in our results of operations, as well as by events beyond our control, including unfavorable economic conditions, and we cannot assure you that this test will be met. If an event of default occurs under the New 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—New Revolving Credit Facilities Agreement*."

The value of the pledged shares, the PECs and the bank account securing the Notes may not be sufficient to satisfy the Issuer's obligations under the Notes, and it may be difficult to realize the value of the pledged shares, the PECs and the bank account.

The Notes will be secured on the Completion Date by a first-ranking pledge of all the shares of the Issuer, a first-ranking pledge over the PECs owed by the Issuer between the Issuer and LuxCo 5 and a first-ranking pledge over the bank account of the Issuer. The value of the pledged shares and PECs and the amount to be received upon a sale of such shares and PECs will depend upon many factors, including, among others, the ability to sell the shares and PECs in an orderly sale, the availability of buyers and other factors. The pledged shares and PECs pledge may also secure additional debt to the extent permitted by the terms of the Indenture. Under certain circumstances, the security interests of the Issuer over the pledged shares and PECs may be fully and unconditionally released. See "*Description of the Notes—Security*."

In addition, the security interest of the Security Agent in the pledged shares will be subject to practical problems generally associated with the realization of security interests in collateral. Accordingly, the Trustee may not have the ability to foreclose upon the pledged shares.

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

The obligations under the Notes are secured by the capital stock of the Issuer, the PECs owed by the Issuer and the bank account of the Issuer. The Indenture also permits the Collateral to secure additional indebtedness in accordance with the terms thereof and the Senior HoldCo Intercreditor Agreement. 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 will be diluted commensurate with the amount of indebtedness we incur. 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, except through the Security Agent as provided in the Senior HoldCo 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 or recourse against the Issuer in the event of a default. Moreover, under the terms of the Senior HoldCo Intercreditor Agreement, the Issuer may amend the terms thereof without the consent of the holders of the Notes if the change is not material or adverse to the holders of the Notes. There can be no assurance that the Issuer will not amend the Senior HoldCo Intercreditor Agreement in a manner that is adverse to your interests as holders of the Notes.

The security interest in the pledged shares, the PECs and the bank account securing the Notes will be granted to the Security Agent rather than directly to the holders of the Notes. The ability of the Security Agent to take enforcement action with respect to collateral may be limited.

The security interest in the pledged shares, PECs and bank account that will secure our obligations under the Notes will not be granted directly to the holders of the Notes but will be granted only in favor of the Security Agent. The Indenture will provide that only the Security Agent has the right to enforce the pledges of shares, the PECs and the bank account. As a consequence, holders of Notes will not have direct security interests and will not be entitled to take enforcement action in respect of the pledged shares, the PECs and the bank account securing the Notes except through the Trustee. In addition, the security interests may be enforceable upon only upon acceleration of the Notes.

The ability of the Security Agent to enforce the security is subject to mandatory provisions of the laws of Luxembourg, the jurisdiction in which security over the collateral is taken.

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

The Notes will be issued by the Issuer, a *société anonyme* formed under the laws of Luxembourg. In the event of a bankruptcy, insolvency or similar event, proceedings could be initiated in the Grand Duchy of Luxembourg. The bankruptcy, insolvency, administrative and other laws of Luxembourg may be materially different from, or in conflict with, those of the United States, including in the areas of rights of creditors, the priority of governmental and other creditors, the ability to obtain post-petition interest and the duration of the proceedings. The application of these laws, or any conflict among them, could call into question whether any particular jurisdiction's laws should apply, adversely affect your ability to enforce your rights under the Notes and the Collateral in those jurisdictions or limit any amounts that you may receive.

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 New Revolving Credit Facilities Agreement, the Senior Secured Notes Indenture or our other than existing contractual obligations would allow us to make such required repurchases. 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. A change of control may result in an event of default under, or the acceleration of, our New Revolving Credit Facilities Agreement and other indebtedness. 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. 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. See "*Description of the 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 thereto, 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.

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

The Issuer is organized outside the United States, and its business is conducted entirely outside the United States. All of the directors of the Issuer are nonresidents of the United States. Although the Issuer will submit to the jurisdiction of certain New York courts in connection with any action under U.S. securities laws, you may be unable to effect service of process in the United States on the directors and executive officers of the Issuer. In addition, because all of the assets of the Issuer and those of its directors are located outside the United States, you may be unable to enforce against them judgments obtained in U.S. courts. Moreover, in light of recent decisions of the U.S. Supreme Court, actions of the Issuer may not be subject to the civil liability provisions of the federal securities laws of the United States.

The United States is not currently bound by a treaty providing for the reciprocal recognition and enforcement of judgments, other than arbitral awards, rendered in civil and commercial matters with Luxembourg. There is, therefore, doubt as to the enforceability in Luxembourg of civil liabilities based upon U.S. securities laws in an action to enforce a U.S. judgment in Luxembourg. In addition, the enforcement in Luxembourg of any judgment obtained in a U.S. court based on civil liabilities, whether or not predicated solely upon U.S. federal securities laws, will be subject to certain conditions. There is also doubt that a Luxembourg court would have the requisite power or authority to grant remedies sought in an original action brought in Luxembourg on the basis of U.S. securities law violations. For further information, see "*Enforceability of judgments*."

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 herein) 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 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 Irish Stock Exchange.

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 Irish Stock Exchange and admitted to trading on the Global Exchange Market thereof 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 Irish Stock Exchange and the admission to trading on the Global Exchange Market 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 Irish Stock 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 Irish Stock 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 Irish Stock 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.

The Notes will be issued with OID for U.S. federal income tax purposes.

The Notes will be issued with OID for U.S. federal income tax purposes because the stated interest on the Notes is not unconditionally payable in cash at least annually over the term of the Notes and, therefore, such interest will not constitute "qualified stated interest." As a result, U.S. holders, whether on the cash or accrual method of tax accounting, will be required, at a minimum, to include the stated interest on the Notes in gross income as OID on a constant yield to maturity basis for U.S. federal income tax purposes, potentially in advance of the receipt of cash payments to which such OID is attributable. For a further discussion, see "*Tax considerations—Certain U.S. federal income tax considerations—Interest (OID).*"

If the Senior Secured Notes Issuer or its subsidiaries is or are not permitted to provide sufficient funds to the Issuer to pay Cash Interest on the Notes offered hereby, interest on the Notes may be paid in PIK Interest rather than cash.

The Issuer will be required to pay the first and last interest payments on the Notes entirely in cash. The Issuer will be required to pay each other interest payment on the Notes entirely in cash, unless the conditions described in this Offering Memorandum are satisfied, in which case the Issuer will be entitled to pay, to the extent described herein, interest by either increasing the principal amount of the outstanding Notes or by issuing Notes in a principal amount equal to such interest as PIK Interest. See "*Description of the Notes—Interest*." The Existing Revolving Facility Agreement and the Senior Secured Notes Indenture allow the Senior Secured Notes Issuer's subsidiaries to utilize amounts that would otherwise be available to pay dividends to the Issuer for other uses, and such uses would reduce the amount of cash available to pay dividends to the Issuer in order to pay Cash Interest on the Notes. The terms of the Notes will not restrict the ability of the Senior Secured Notes Issuer and its subsidiaries to use its dividend payment capacity for such alternative uses. See "*Description of certain financing arrangements*" and "*Description of the Notes—Interest*." As a result, we cannot assure you that the Issuer will be required (or able) to make Cash Interest payments on the Notes, and holders of the Notes could potentially receive no Cash Interest on the Notes for interest periods other than the initial and final periods. The payment of interest through an increase in the principal amount of the outstanding Notes or the issuance of Notes will increase the amount of the Issuer's indebtedness and would increase the risks associated with the Issuer's level of indebtedness.

The Transactions

The Acquisition

On October 14, 2015, BidCo, an entity indirectly controlled by Bain Capital and the indirect, wholly-owned subsidiary of the Issuer, entered into the Acquisition Agreement to acquire all the issued and outstanding capital stock of the Target (the "Acquisition"). We currently expect the Acquisition to complete at the end of November 2015. The consummation of the Acquisition is, however, subject to the satisfaction of certain conditions, including clearance by the European Commission, and the performance of certain closing actions. If clearance by the European Commission is not obtained on or prior to the Acquisition Longstop Date, the Acquisition Agreement will terminate automatically. In connection with the Acquisition, Bain Capital intends to establish a management equity plan pursuant to which our senior management may hold ordinary and preferred shares in LuxCo 2. See "*Certain relationships and related party transactions—Management equity plan.*"

BidCo, public limited liability company (*société anonyme*) is incorporated and existing under the laws of Luxembourg, is a wholly-owned subsidiary of LuxCo 5, a private limited liability company (*société à responsabilité limitée*) incorporated and existing under the laws of Luxembourg. LuxCo 5, in turn, is a wholly-owned subsidiary of the Issuer, a public limited liability company (*société anonyme*) incorporated and existing under the laws of Luxembourg. The Issuer, in turn, is a wholly-owned subsidiary of LuxCo 3, a private limited liability company (*société à responsabilité limitée*) incorporated and existing under the laws of Luxembourg. LuxCo 3, in turn, is majority owned by LuxCo 2, a partnership limited by shares (*société en commandite par actions*) incorporated and existing under the laws of Luxembourg. LuxCo 2, in turn, is controlled by LuxCo 1, a private limited liability company (*société à responsabilité limitée*) incorporated and existing under the laws of Luxembourg. LuxCo 1, in turn, is a wholly-owned subsidiary of CaymanCo, a limited partnership expected to be formed on or prior to the Completion Date in the Cayman Islands. Each of CaymanCo, LuxCo 1, LuxCo 2, LuxCo 3, the Issuer, LuxCo 5 and BidCo were acquired or incorporated by Bain Capital as acquisition vehicles for the Transactions. None of CaymanCo, LuxCo 1, LuxCo 2, LuxCo 3, the Issuer, LuxCo 5 or BidCo has any business operations or material assets or liabilities other than those incurred in connection with its incorporation and the Transactions.

The Financing

The total aggregate financial resources required in order to consummate the Acquisition (excluding the Senior Secured Notes Redemption and the repayment of the Contingent Value Instruments, which will be made with cash available at the Target Group (see "*—Target Group debt repayment*")), and pay for all transaction fees and expenses incurred in connection therewith, is expected to be €397.0 million and is expected to be financed (collectively, the "Financing") with the following cash and non-cash financial resources:

- Bain Capital will make a cash contribution of approximately €146.5 million directly to CaymanCo by way of a subscription for ordinary shares, which will, indirectly through LuxCo 1, LuxCo 2 and LuxCo 3 (through equity subscriptions and/or PECs), be contributed to the Issuer (collectively, the "Equity Contribution");
- certain other existing investors, including management, the Chairman of the Target Group and certain Affiliated Distributors, will invest an amount expected to be approximately €12.7 million in LuxCo 2 by way of a subscription for ordinary shares and preferred shares (the "Management and Existing Investors' Investment"); and
- the Issuer will issue the Notes offered hereby in the aggregate principal amount of €239.0 million and will contribute approximately €196.7 million of the proceeds thereof, together with the proceeds of the Equity Contribution and the Management and Existing Investors' Investment, to LuxCo 5, which will in turn make a contribution of approximately €355.9 million to BidCo (in each case, through equity subscriptions).

The proceeds of the Notes will be used as further described under "*—Sources and uses of the Transactions.*"

As of the Completion Date, we will refinance our Existing Revolving Credit Facility by entering into the New Revolving Credit Facilities Agreement which will provide for a New Revolving Credit

Facility in the amount of €40.0 million which will be available for general corporate purposes and working capital needs of the Group. We currently expect that the New Revolving Credit Facility will remain undrawn as of the Completion Date. See "*Use of proceeds*."

We refer to the Acquisition and the Financing collectively as the "Transactions." See "*Use of proceeds*," "*Capitalization*," "*Description of certain financing arrangements*" and "*Description of the Notes*."

Escrow Account

Pending the consummation of the Acquisition, the Initial Purchasers will deposit the gross proceeds from the Offering into the Escrow Account. The Escrow Account will be controlled by the Escrow Agent and pledged on a first-ranking basis in favor of the Trustee on behalf of the holders of the Notes. The release of the escrowed proceeds and the consummation of the Acquisition are subject to the satisfaction of certain conditions. See "*Description of the Notes—Escrow of proceeds; special mandatory redemption*." If the Acquisition is not consummated on or prior to the Escrow Longstop Date or upon the occurrence of certain other events, the Notes will be subject to a special mandatory redemption. The special mandatory redemption price will be a price equal to 100% of the aggregate issue price of the Notes plus accrued and unpaid interest and additional amounts, if any, from the Issue Date to the date of special mandatory redemption. See "*Description of the Notes—Escrow of proceeds; special mandatory redemption*." In the event that the funds on deposit in the Escrow Account are insufficient to pay the special mandatory redemption price, plus accrued and unpaid interest and additional amounts, if any, Bain Capital will be required to make an equity contribution to the Issuer in an amount required to enable the Issuer to pay such accrued and unpaid interest and additional amounts, if any, owing to the holders of the Notes, pursuant to an agreement between Bain Capital and the Issuer. See "*Description of the Notes—Escrow of proceeds; special mandatory redemption*" and "*Risk factors—Risks related to the Acquisition—If the conditions to the escrow are not satisfied, the Issuer will be required to redeem the Notes, which means that you may not obtain the return you expect on the Notes*."

Target Group debt repayment

The Seller has agreed in the Acquisition Agreement to use its best efforts to cause:

- the Target to repay the Contingent Value Instruments in full for an estimated cash amount of €5.3 million (with any amount payable in excess of €4.7 million to be treated as "leakage" under the Acquisition Agreement and to be deducted from the equity purchase price for the Target) on or about the Completion Date using cash on hand; and
- the Senior Secured Notes Issuer to redeem €30.0 million in aggregate principal amount of Senior Secured Notes at a redemption price of 103%, plus accrued interest thereon (the "Senior Secured Notes Redemption"), on or prior to the Completion Date using cash on hand.

Following the Senior Secured Notes Redemption, €270.0 million in aggregate principal amount of the Senior Secured Notes will remain outstanding.

Use of proceeds

We estimate that the gross proceeds (after original issue discount) from the sale of the Notes will be €237.8 million. We intend to use the gross proceeds from the Offering, together with the Equity Contribution, the Management and Existing Investors' Investment, and cash on hand at the level of the Senior Secured Notes Issuer and the Target, to: (i) fund the consideration payable for the capital stock of the Target purchased in the Acquisition; (ii) pre-fund cash interest payments due on the Notes offered hereby (the "Cash Coupon Pre-Funding"); (iii) fund the Senior Secured Notes Redemption; (iv) repay the Contingent Value Instruments; and (v) pay the fees and expenses incurred in connection with the Transactions, including estimated fees and expenses to be incurred in connection with the Offering.

The expected estimated sources and uses of the funds necessary to consummate the Transactions 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 Transactions. Any changes in these amounts may affect the amount of the Equity Contribution.

Sources of Funds	**Amount (millions of euros)**	**Uses of Funds**	**Amount (millions of euros)**
Proceeds from the Notes	237.8	Equity Purchase price for the Acquisition(3)	355.9
Equity Contribution(1)	146.5	Cash Coupon Pre-Funding(4)	20.0
Management and Existing Investors' Investment(2)	12.7	Senior Secured Notes Redemption(5)	30.9
Cash at level of Target Group	36.2	Repayment of Contingent Value Instruments(6)	5.3
		Transaction fees and expenses(7)	21.1
Total Sources	**433.2**	**Total Uses**	**433.2**

(1) Represents the direct cash investment expected to be made by Bain Capital in CaymanCo, which will be contributed through intermediate holdings companies to the Issuer. See "*Principal shareholders*."

(2) Represents the direct or indirect cash or non-cash investment expected to be made by certain other existing investors, including management, the Chairman of the Target Group and certain Affiliated Distributors in LuxCo 2, which will be contributed through intermediate holdings companies to the Issuer. See "*Principal shareholders*."

(3) Represents the expected total cash purchase price for the Acquisition. This estimate is not an indication that the Acquisition will be completed at that price or at all. See "*The Transactions—The Acquisition*." The amount gives effect to leakage described in footnote (6) below.

(4) Represents the portion of the proceeds from the Offering to be retained by the Issuer for the purpose of pre-funding cash interest payments on the Notes offered hereby.

(5) Represents the amount required to redeem €30.0 million, or 10%, of the outstanding aggregate principal amount of Senior Secured Notes at a redemption price of 103% on or about the Completion Date. The amount shown does not include accrued and unpaid interest.

(6) Represents the amount required to repay the Contingent Value Instruments in full on or about the Completion Date. In accordance with the Acquisition Agreement, any amount payable in excess of €4.7 million will be treated as "leakage" under such agreement and will be deducted from the equity purchase price.

(7) Estimated fees and expenses associated with the Transactions, including commitment, placement and financial advisory fees, original issue discount and other transaction costs (including associated VAT and stamp duty) and professional fees. Fees payable in connection with the New Revolving Credit Facility will be paid by the Target.

Capitalization

The following table sets forth our capitalization, as of August 31, 2015, on both an actual basis and as adjusted for the Transactions. The table below should be read in conjunction with "*Summary—Summary consolidated financial and other information*," "*Use of proceeds*," "*Selected consolidated financial information*" and our financial statements and related notes included elsewhere in this Offering Memorandum.

(€ in millions)	Target Actual	Issuer As adjusted for the Transactions
Cash and cash equivalents(1)	64.2	48.0
Financial debt(2)		
New Revolving Credit Facility(3)	—	—
Senior Secured Notes(4)	300.0	270.0
Other third-party borrowings(5)	17.9	17.9
Total cash-pay financial debt	**317.9**	**287.9**
Notes offered hereby(6)	—	239.0
Total financial debt	**317.9**	**526.9**
Contingent Value Instruments(7)	5.3	—
Shareholders' equity(8)	**211.0**	**159.2**
Total capitalization	**534.2**	**686.1**

(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 (€8.5 million). As adjusted amount includes €20.0 million of proceeds from the Offering retained by the Issuer to pay Cash Interest on the Notes.

(2) Amounts exclude debt issuance costs and accrued and unpaid interest.

(3) Represents the €40.0 million senior secured revolving credit facility established under the New Revolving Credit Facilities Agreement. We expect the New Revolving Credit Facility to be undrawn as of the Completion Date. See "*Description of certain financing arrangements—New Revolving Credit Facilities Agreement.*"

(4) Represents the €300.0 million aggregate principal amount of Senior Secured Notes outstanding as of August 31, 2015, excluding amortized financing fees of €9.2 million. The "as adjusted" amount represents the aggregate principal amount of Senior Secured Notes remaining after giving effect to the Senior Secured Notes Redemption.

(5) Represents (i) €5.2 million outstanding under factoring arrangements; (ii) €9.6 million outstanding under CICE financing; (iii) €2.7 million outstanding under bilateral facilities; and (iv) €0.5 million outstanding under finance leases. See "*Description of certain financing arrangements—Other lending facilities.*" Excludes the value of a put option held by minority shareholders of certain of our subsidiaries (€4.2 million).

(6) The aggregate principal amount of the Notes is stated gross of any capitalized issuance costs.

(7) Represents the carrying value of the Contingent Value Instruments as of August 31, 2015, which will be redeemed in full on or about the Completion Date. In accordance with the Acquisition Agreement, any amount payable in excess of €4.7 million will be treated as "leakage" under such agreement and will be deducted from the equity purchase price.

(8) As adjusted amount corresponds to the Equity Contribution.

Selected consolidated financial 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, 2012, 2013 and 2014 has been derived from the audited consolidated financial statements of the Target as of and for the years ended December 31, 2013 and 2014, 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, 2012 included in this Offering Memorandum has been derived from the comparative information contained in the audited consolidated financial statements of the Target as of and for the year ended December 31, 2013. 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 Target 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, 2014 and 2015 has been derived from the unaudited interim condensed consolidated financial statements of the Target as of and for the eight months ended August 31, 2015, with corresponding income statement and cash flow data for the eight months ended August 31, 2014, which are included elsewhere in this Offering Memorandum. The historical unaudited financial information for the eight months ended August 31, 2014 and 2015 has been prepared using the same accounting principles as the financial information as of and for the year ended December 31, 2014 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 Target 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 Target 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, 2012*	2013	2014	Eight months ended August 31, 2014**	2015
Revenue	**1,084.3**	**1,137.2**	**1,169.5**	**764.1**	**806.2**
Cost of goods for sale	(689.9)	(710.7)	(721.2)	(473.4)	(494.8)
Personnel costs	(224.3)	(239.0)	(245.4)	(161.0)	(164.0)
Other purchases and external expenses	(121.9)	(126.3)	(133.2)	(84.8)	(88.6)
Taxes	(8.2)	(9.7)	(9.3)	(7.0)	(6.7)
Other operating income and expenses	4.4	2.8	3.7	0.9	2.8
EBITDA	**44.4**	**54.3**	**64.1**	**38.9**	**54.9**
Depreciation/amortization expense	(15.1)	(16.3)	(18.3)	(11.9)	(12.2)
Recurring operating income	**29.3**	**38.0**	**45.8**	**27.1**	**42.7**
Other income from operations	3.4	7.4	12.1	1.6	2.1
Other expenses from operations	(7.2)	(11.0)	(18.8)	(4.5)	(5.7)
Operating income	**25.5**	**34.4**	**39.1**	**24.1**	**39.2**
Financial income	2.3	11.0	11.6	11.3	0.4
Financial expenses	(11.3)	(9.0)	(21.6)	(14.4)	(17.4)
Share of income from associates	—	(0.1)	—	—	—
Income before tax	**16.5**	**36.3**	**29.1**	**20.9**	**22.1**
Income tax	(7.8)	(17.6)	1.8	9.2	2.2
Net income from continuing operations	**8.7**	**18.7**	**30.9**	**30.2**	**24.4**
Net income from discontinued operations	(3.9)	—	—	—	—
Net income for the year	**4.8**	**18.7**	**30.9**	**30.2**	**24.4**

* The consolidated income statement for the year ended December 31, 2012 was restated to reflect the application of revised IAS 19 "Employee Benefits."

** The consolidated income statement for the eight months ended August 31, 2014 reflects the application of IFRIC 21 "Levies."

Selected consolidated statement of financial position

(€ in millions)	As of December 31, 2012*	2013	2014**	As of August 31, 2015
Assets				
Goodwill	9.2	21.4	51.8	51.8
Intangible assets	142.0	143.5	154.3	153.1
Property, plant and equipment	45.6	50.8	50.9	56.4
Investments in associates	0.4	0.4	0.5	0.4
Available-for-sale financial assets	0.3	0.2	0.2	0.3
Other non-current assets	12.1	16.8	10.8	16.8
Deferred tax assets	18.9	9.7	18.0	26.0
Total non-current assets	**228.5**	**242.8**	**286.5**	**304.8**
Inventories	175.1	180.8	201.1	212.0
Trade receivables	147.9	163.2	165.1	183.8
Other current assets	9.6	11.0	21.0	27.8
Cash and cash equivalents	58.4	33.0	67.7	72.7
Current tax receivables	2.2	1.9	1.9	—
Derivative financial instruments	—	—	—	—
Total current assets	**393.2**	**389.9**	**456.7**	**496.3**
Non-current assets held for sale	10.9	—	—	—
Total assets	**632.6**	**632.7**	**743.2**	**801.1**
Equity and liabilities				
Share capital	152.6	152.6	148.0	129.5
Other reserves	31.7	37.3	47.2	57.8
Net income attributable to owners of the parent	5.0	18.4	30.8	24.4
Shareholders' equity	**189.4**	**208.3**	**226.1**	**211.7**
Non-controlling interests	(0.4)	(0.2)	(0.3)	(0.7)
Total equity	**189.0**	**208.1**	**225.8**	**211.0**
Non-current borrowings and debt	167.7	138.0	242.0	307.9
Non-current provisions	4.8	3.5	2.1	1.3
Liabilities relating to employee benefits	16.2	15.9	22.5	22.2
Deferred tax liabilities	—	—	—	—
Other non-current liabilities	4.4	7.7	3.9	3.2
Total non-current liabilities	**193.1**	**165.1**	**270.5**	**334.6**
Current borrowings and debt	37.8	42.0	19.5	20.5
Current provisions	8.2	12.7	12.4	10.5
Trade payables	138.0	145.4	148.5	166.7
Other current liabilities	60.6	59.4	66.5	57.7
Derivative financial instruments	—	—	—	—
Total current liabilities	**244.6**	**259.5**	**246.9**	**255.5**
Liabilities directly associated with assets held for sale	5.8	—	—	—
Total equity and liabilities	**632.6**	**632.7**	**743.2**	**801.1**

* The consolidated statement of financial position for the year ended December 31, 2012 was restated to reflect the application of revised IAS 19 "Employee Benefits."

** 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, 2012*	2013	2014	Eight months ended August 31, 2014***	2015
Net income	**4.8**	**18.7**	**30.9**	**30.2**	**24.4**
Net income/(loss) from discontinued operations	3.9	—	—	—	—
Cancellation of income and expenses with no cash impact	19.1	5.8	17.9	4.8	15.2
Financial expenses and income with a cash impact	3.1	3.6	8.8	8.3	11.5
Income taxes charges	7.8	17.6	(1.8)	(9.2)	(2.2)
Changes in working capital, net	6.7	(7.9)	(9.7)	(25.7)	(28.4)
Inventories decrease/(increase)	2.4	0.9	(4.2)	(12.1)	(10.8)
Trade receivables decrease/(increase)	21.1	(8.0)	9.0	0.3	(18.6)
Trade payables increase/(decrease)	(15.2)	1.3	(9.7)	1.4	18.1
Other receivables and payables	(1.6)	(2.1)	(4.8)	(15.3)	(17.1)
Other items with a cash impact	(6.4)	(7.3)	(7.2)	(3.2)	(3.3)
Income tax	(6.4)	(7.3)	(7.2)	(3.2)	(3.3)
Net cash flow from operating activities	**39.0**	**30.5**	**38.7**	**5.1**	**17.2**
Acquisition of fixed assets	(15.9)	(19.8)	(18.7)	(11.0)	(16.8)
Changes in other financial assets	(1.1)	(1.0)	2.9	3.9	(6.2)
Disposal of fixed assets	0.7	2.2	0.4	0.2	0.6
Advances paid	(3.8)	(0.1)	—	—	—
Business acquisitions	(13.8)	(13.0)	(52.5)	(54.9)	—
Net cash flow used in investing activities	**(33.9)**	**(31.7)**	**(67.9)**	**(61.8)**	**(22.4)**
Dividends paid to the owners of the parent company	—	—	—	—	—
Dividends paid to non-controlling interests of consolidated companies	(0.3)	(0.2)	(0.3)	(0.3)	(0.3)
Repayment of capital	—	—	(3.1)	(3.1)	(40.0)
Financial expenses with a cash impact	(4.7)	(3.9)	(9.4)	(8.8)	(18.4)
Financial income with a cash impact	1.6	0.3	0.5	0.3	0.4
Increase in borrowings	6.6	2.6	238.6	227.9	67.1
Repayment of borrowings	(16.8)	(22.5)	(161.7)	(160.7)	(0.7)
Change in other financial liabilities	(0.2)	—	0.1	0.1	0.3
Net cash flow used in financing activities	**(13.8)**	**(23.7)**	**64.7**	**55.5**	**8.4**
Total cash flows used in continuing operations	**(8.7)**	**(24.9)**	**35.7**	**(1.2)**	**3.2**
Change in cash and cash equivalents:**					
Opening cash and cash equivalents	63.5	50.1	25.3	25.3	61.0
Net cash flow from continuing operations	(8.7)	(24.9)	35.7	(1.2)	3.2
Net cash flow from discontinued operations	(3.5)	—	—	—	—
Impact of currency rate fluctuations	0.8	(0.1)	(0.1)	(0.1)	—
Closing cash and cash equivalents from discontinued operations	(0.4)	—	—	—	—
Total closing cash and cash equivalents	**50.1**	**25.3**	**61.0**	**24.2**	**64.2**

* The consolidated statement of cash flows for the year ended December 31, 2012 was restated to reflect the application of revised IAS 19 "Employee Benefits."

** The heading "Cash and cash equivalents" in our consolidated statement of financial position excludes the item "bank overdraft" in an amount of €8.5 million as of August 31, 2015, €6.7 million as of December 31, 2014, €7.7 million as of December 31, 2013 and €8.3 million as of December 31, 2012.

*** The consolidated income statement for the eight months ended August 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, 2014 and 2015 and as of and for the years ended December 31, 2012, 2013 and 2014. 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."

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. For the twelve months ended August 31, 2015, we generated 90.6% of our revenue in France and 9.4% of our revenue in Poland. We believe that as of December 31, 2014, we held a market share of approximately 23% in terms of revenue in the fragmented French light vehicle IAM. The IAM 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, 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 300 suppliers.

We are an integrated distributor, with an advanced supply chain and distribution system. Our system in France 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. 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 77% of our revenue in France for the twelve months ended August 31, 2015, and sales by us to affiliated independent distributors represented 23% of our revenue in France over the same period. As of August 31, 2015, we had a network of 38 wholly-owned distributors and 42 affiliated independent distributors in France. These distributors operated out of 492 distribution sites, comprising 323 wholly-owned and 169 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 information technology ("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.

The spare parts and equipment and tools that we distribute are sold to more than 125,000 end-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.

For the twelve months ended August 31, 2015, we generated revenue of €1,211.6 million and Adjusted EBITDA of €86.1 million.

Of the €847 million in revenue generated by our wholly-owned distributors in France for the twelve months ended August 31, 2015, light vehicle parts for maintenance and repair accounted for approximately 53.8%; light vehicle parts for collision repair accounted for approximately 15.3%; truck parts for maintenance and repair accounted for approximately 14.1%; and equipment and tools for light vehicle maintenance and repair accounted for approximately 16.7%. The remaining €250.5 million of our revenue in France for the twelve months ended August 31, 2015 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, 2014 and 2015 and the years ended December 31, 2012, 2013 and 2014 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 park.** The size of the car park impacts the size of the aftermarket for spare parts for light vehicles, trucks and collision repair. The size of the car park 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 park. Notwithstanding the decrease in new light vehicle purchases as a result of general economic conditions, the size of the car park in France has remained stable over the last five years and is expected to grow by 0.8% by 2020 based on the Roland Berger analysis.
- **Average age of the car park.** The decrease in new light vehicle purchases combined with the stable size of the car park has resulted in an increase in the average age of the car park in France. In general, older cars require more repair and maintenance services and spare parts than younger cars, and as a result an increase in the average age of the car park can have a positive impact on our operations. According to Roland Berger, the average age of the car park in France increased from approximately 7.6 years in 2000 to approximately 8.7 years in 2014, and Roland Berger expects this trend to continue. The age of the car park is also 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.** Despite a stable car park size and the increasing age of light vehicles, 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. Though key maintenance inspections and repairs cannot be postponed for a prolonged period, we believe that the IAM for light vehicles in France has been affected by this temporary postponement of repairs during recent economic downturns.

- **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 general economic conditions in Europe, particularly in France, have affected the spending power of light vehicle owners and led to a decrease in miles travelled per light vehicle. Government incentives that encourage carpooling and the use of public transportation also impact miles travelled. The average number of miles travelled per light vehicle in France decreased by 0.6% from 2013 to 2014. The annual mileage per car has, however, begun to stabilize. Roland Berger expects the mileage to remain stable in France due to anti-pollution regulations (e.g., alternate traffic circulation) and carpooling initiatives. On the other hand, the fleet mileage for the Heavy Vehicles segment is expected to grow by 1.3% per annum by 2020, mainly driven by the recovery in Europe of the manufacturing sector and the associated transportation needs.
- **Preference of independent garages versus manufacturers' dealers' garages.** We believe that the diminished spending power of our consumers and the increasing age of the car park 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 manufacturers' dealers' garage, due to the link between the manufacturers' dealers' garage and the original light vehicle manufacturer. On average, the IAM provides more competitive pricing than the OES. Manufacturers' dealers' garages tend to use original vehicle manufacturer parts that have higher prices, given that the sale of spare parts represents a large portion of the vehicle manufacturer's gross margin, while our IAM parts are often sold at lower prices.
- **Increased variety in light vehicles.** 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 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 are required to acquire the appropriate technical expertise in newly developed components and gain access to the tools, instruments and parts that such technological developments demand, which may result in an increase in demand for maintenance and repair services provided by manufacturer 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 this, 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. We have also developed various market-leading IT services for our customers, including easily accessible websites and support and training services, in order to keep our customers up-to-date with the latest technological developments.

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' dealer garages and the average age of the car park increases, providing 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. On the other hand, 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. According to industry experts, the IAM increased its share of the total aftermarket in France between 2008 and 2011, growing at a CAGR of 1.9%, while the OES increased by 0.5% over the same period.

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.

Social charges

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

Fillon Law

We are required to pay social security contributions for our employees that cover illness, maternity leave, incapacity, retirement and death. Pursuant to the Fillon Law, we benefit from reductions in such social security contributions in respect of wages for those employees whose salaries are less than 1.6 times the French statutory minimum wage (*salaire minimum interprofessionnel de croissance*) (the "SMIC"). Pursuant to an August 2014 amendment in effect from January 2015, the decrease in required social security contributions applies to (i) contributions for illness, maternity leave, incapacity, retirement and death, (ii) contributions for family allowance (*allocation familiales*), (iii) contributions for the National Fund for Housing Assistance (*Fonds National d'Aide au Logement*) ("FNAL"), (iv) contributions of solidarity for the autonomy and (v) contributions for accidents at work and work-related diseases (limited by a rate of up to 1%). The amount of this reduction is limited for 2015 to 27.95% of the gross salary of such employees (for companies with less than 20 employees which are subject to a FNAL contribution of 0.1% of the total salary paid to the employees) and to 28.35% of the gross salary of such employees (for companies with 20 employees or more which are subject to a FNAL contribution of 0.5% of the total salary paid to the employees) and, in any case, cannot exceed the total amount of the rates of the concerned contributions. The amount of this reduction increases inversely in proportion to gross salary for such employees (i.e., the reduction is lowest for a gross salary that is just under 160% of the statutory minimum wage, but highest for a gross salary that is equal to the statutory minimum wage). Our employee costs are therefore impacted by changes in this law. Pursuant to a January 2011 amendment of the Fillon Law, gross salary was calculated on a full-year basis (instead of the monthly statutory minimum wage, as it previously had been calculated). Pursuant to a January 2012 amendment of the Fillon Law, gross salary is deemed to include overtime and bonuses. The effect of these amendments has been to decrease the amount of reductions that we were entitled to apply to our social security contributions for the years ended December 31, 2012, 2013 and 2014. Pursuant to an August 2014 amendment to the Fillon Law applicable since January 2015, gross salary is deemed to include the salary for break times and time spent dressing and undressing.

The availability of such reductions in social security contributions is also subject to our compliance with French regulations relating to mandatory annual salary negotiations with employee representatives. If we do not comply with such regulations, the reduction in social security contributions could be up to 10% less than those to which it would normally be entitled. We also lose this entitlement altogether (i.e., the amount of the discount in the social security contributions is reduced by up to 100%) if we do not comply with the requirement to undertake salary negotiations with employee representatives for three consecutive years.

CICE

In December 2012, a new tax credit for encouraging competitiveness and jobs (*Crédit d'Impôt pour la Compétitivité et l'Emploi*) ("CICE") 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 will receive a tax credit of 4% of the gross salaries paid to certain employees for 2013 and 6% of the gross salaries of such employees for 2014 and subsequent years. The amount of CICE is calculated on the basis of gross salaries paid to such employees in the course of the calendar year for employees whose gross salary is less than or equal to 2.5 times the SMIC. Pursuant to CICE rules, an employee's gross salary is calculated on the basis of such employee's normal working hours plus such employee's overtime hours, salary for break times and time spent dressing and undressing.

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. Companies under a safeguard plan are entitled to obtain an immediate refund of the amount of CICE which cannot be offset against corporation tax. Therefore, these companies are not required to wait until the end of the three-year period to ask for a refund.

We have assigned our CICE claim for the years 2013 and 2014 to Bpifrance under a factoring agreement in order to achieve cash flow benefits immediately for approximately 85% of current year CICE and we may prefinance 85% of CICE with respect to following years. The remaining portion of CICE can be offset against corporation tax for the next three fiscal years and eventually be reimbursable at the end of this three-year period as described above.

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. If the French economy improves, the government may also decide that CICE is no longer needed to increase employment and enhance the competitiveness of the French economy and as a result may choose to repeal the law that established it for budgetary or other reasons. There can be no assurance therefore that we will continue to be able to benefit from CICE. Any changes to CICE, including changes in the conditions or requirements companies must satisfy in order to claim CICE or the accounting treatment thereof, may result in the decrease or elimination of the positive impact of CICE on our results of operations. Finally, certain commercial partners of the Target Group, such as customers, suppliers and concession grantors, may increase price pressure on the Target Group in order to share the benefit of CICE, which may have an impact on our revenue and margins and as such decrease or eliminate the impact of CICE.

Factors specific to our business

Acquisitions and disposals

External growth through acquisitions has contributed to the overall growth of our business. We acquired 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, and in April 2014 we acquired ACR, a specialized distributor in France of spare parts for light vehicles. These acquisitions have impacted 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. We also intend to expand our geographic coverage in the French truck IAM, in part by making selective, local acquisitions. Since January 1, 2012, we have acquired seven companies and disposed of two companies.

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*. We introduced a new, experienced management team who were capable of implementing our strategic vision and driving profitability over the last five years.
- *Implemented a Profit Improvement Plan.* The PIP was initiated in 2009, and since the beginning of its implementation through the eight months ended August 31, 2015, our EBITDA has increased by approximately €60 million compared to the year ended December 31, 2009. The primary focus of the PIP was 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 PIP also focused on improving the way our central purchasing departments make purchases, in addition to refining our enterprise resource platform ("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.

- The new 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 as from the date of the invoice. We were able to fully adapt our working capital cycle to such revised payments terms and to pass some further changes in such payment terms on to our customers.
- *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. As part of the PIP, we 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.

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.

Competition

Our results are affected by the level of competition and the types of competitors operating in the light vehicle and truck spare parts aftermarket. Our main competitors in the markets in which we operate are other IAM light vehicle and truck spare part distributors, autocenters and fast-fitter chains. The IAM is currently undergoing a period of consolidation, particularly in France. While we are participating in this trend of consolidation, we expect that we will face larger and better-funded competitors in the future as a result.

We also compete against online light vehicle spare parts retailers 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. 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 year ended December 31, 2014 and the twelve months ended August 31, 2015, approximately €113 million and €122 million, respectively, of our revenue 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' dealer garages such as Peugeot and Renault. Manufacturers' dealer 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 light vehicle and truck repairs aged four years and older. However, 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 generated through primarily 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 the 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 expense

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 of 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 non-recurring 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, 2014 and 2015 and the years ended December 31, 2012, December 31, 2013 and December 31, 2014.

Restatements

Since January 1, 2013, we have applied amendments to the existing standard IAS 19R "Employee Benefits." Since these amendments were applied retroactively, our audited consolidated financial statements as of and for the year ended December 31, 2012, have been restated solely for comparative purposes. The most significant change relates to the recognition of all actuarial gains or losses. This new version of the accounting standard also resulted in a change in the accounting treatment of past service costs which can no longer be deferred and must immediately be recognized. This leads to the immediate recognition of all the actuarial variances and past service costs in our balance sheet liabilities. Actuarial variances will be fully recognized through other comprehensive income/(expense) directly in equity and past service costs in period net income. These amendments also define the return on assets as the discount rate used to measure the benefits liability. Financial information presented in this Offering Memorandum for the year ended December 31, 2012 is based on the restated information included in our financial statements for the year ended December 31, 2013.

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 unaudited interim condensed consolidated financial statements as of and for the eight months ended August 31, 2014 reflect the effects of the application of IFRIC 21.

Results of operations

The table below sets forth our results of operations for the years ended December 31, 2012, 2013 and 2014 and for the eight months ended August 31, 2014 and 2015.

(€ in millions)	Year ended December 31,			Eight months ended August 31,	
	2012*	2013	2014	2014**	2015
Revenue	**1,084.3**	**1,137.2**	**1,169.5**	**764.1**	**806.2**
Cost of goods for sale	(689.9)	(710.7)	(721.2)	(473.4)	(494.8)
Personnel costs	(224.3)	(239.0)	(245.4)	(161.0)	(164.0)
Other purchases and external expenses	(121.9)	(126.3)	(133.2)	(84.8)	(88.6)
Taxes	(8.2)	(9.7)	(9.3)	(7.0)	(6.7)
Other operating income and expenses	4.4	2.8	3.7	0.9	2.8
EBITDA	**44.4**	**54.3**	**64.1**	**38.9**	**54.9**
Depreciation/amortization expense	(15.1)	(16.3)	(18.3)	(11.9)	(12.2)
Recurring operating income	**29.3**	**38.0**	**45.8**	**27.1**	**42.7**
Other income from operations	3.4	7.4	12.1	1.6	2.1
Other expenses from operations	(7.2)	(11.0)	(18.8)	(4.5)	(5.7)
Operating income	**25.5**	**34.4**	**39.1**	**24.1**	**39.2**
Financial income	2.3	11.0	11.6	11.3	0.4
Financial expenses	(11.3)	(9.0)	(21.6)	(14.4)	(17.4)
Shares of income of associates	—	(0.1)	—	—	—
Income before taxe	**16.5**	**36.3**	**29.1**	**20.9**	**22.1**
Income tax	(7.8)	(17.6)	1.8	9.2	2.2
Net income from continuing operations	**8.7**	**18.7**	**30.9**	**30.2**	**24.4**
Net income from discontinued operations	(3.9)	—	—	—	—
Net income for the period	**4.8**	**18.7**	**30.9**	**30.2**	**24.4**

* The consolidated income statement for the year ended December 31, 2012 was restated to reflect the application of revised IAS 19 "Employee Benefits."

** The consolidated income statement for the eight months ended August 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, 2012, 2013 and 2014 and for the eight months ended August 31, 2014 and 2015.

(€ in millions)	Year ended December 31,			Eight months ended August 31,	
	2012*	2013	2014	2014	2015
Revenue	**1,084.3**	**1,137.2**	**1,169.5**	**764.1**	**806.2**
Revenue France	976.5	1,023.4	1,056.7	690.9	731.2
of which wholly-owned distributors	730.6	770.3	815.8	532.0	562.7
of which affiliated independent distributors	246.0	253.1	241.0	158.9	168.4
Revenue International (Poland)	107.8	113.8	112.8	73.3	75.0
Adjusted EBITDA	**47.7**	**55.4**	**69.2**	**40.2**	**57.1**
Adjusted EBITDA France	49.7	53.6	67.4	39.5	55.8
Adjusted EBITDA Poland	(1.4)	1.8	1.8	0.7	1.3
Adjusted EBITDA margin	**4.4 %**	**4.9%**	**5.9%**	**5.3%**	**7.1%**
Adjusted EBITDA France margin	5.1 %	5.2%	6.4%	5.7%	7.6%
Adjusted EBITDA Poland margin	(1.3)%	1.6%	1.6%	1.0%	1.7%

* The consolidated income statement for the year ended December 31, 2012 was restated to reflect the application of revised IAS 19 "Employee Benefits."

Eight months ended August 31, 2015 compared to eight months ended August 31, 2014

The table below sets forth our results of operations for the eight months ended August 31, 2015 compared to the eight months ended August 31, 2014.

(€ in millions, except for %)	Eight months ended August 31, 2014*	2015	Amount of change	% change
Revenue	**764.1**	**806.2**	**42.1**	**5.5 %**
Cost of goods for sale	(473.4)	(494.8)	(21.4)	4.5 %
Personnel costs	(161.0)	(164.0)	(3.0)	1.9 %
Other purchases and external expenses	(84.8)	(88.6)	(3.8)	4.5 %
Taxes	(7.0)	(6.7)	0.3	(4.3)%
Other operating income and expenses	0.9	2.8	1.9	211.1 %
EBITDA	**38.9**	**54.9**	**16.0**	**41.0 %**
Depreciation/amortization expense	(11.9)	(12.2)	(0.3)	2.5 %
Recurring operating income	**27.1**	**42.7**	**15.6**	**57.6 %**
Other income from operations	1.6	2.1	0.5	31.3 %
Other expenses from operations	(4.5)	(5.7)	(1.2)	26.7 %
Operating income	**24.1**	**39.2**	**15.1**	**62.7 %**
Financial income	11.3	0.4	(10.9)	(96.5)%
Financial expenses	(14.4)	(17.4)	(3.0)	20.8 %
Shares of income of associates	—	—	0.0	0.0 %
Income before tax	**20.9**	**22.1**	**1.2**	**5.7 %**
Income tax	9.2	2.2	(7.0)	(76.1)%
Net income from continuing operations	**30.2**	**24.4**	**(5.8)**	**(19.2)%**
Net income from discontinued operations	—	—	0.0	0.0 %
Net income for the period	**30.2**	**24.4**	**(5.8)**	**(19.2)%**

* The consolidated income statement for the eight months ended August 31, 2014 reflects the application of IFRIC 21 "Levies."

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

(€ in millions, except for % and bps)	Eight months ended August 31, 2014	2015	Amount of change	% change
Revenue	**764.1**	**806.2**	**42.1**	**5.5%**
Revenue France	690.9	731.2	40.3	5.8%
of which wholly-owned distributors	532.0	562.7	30.8	5.8%
of which affiliated independent distributors	158.9	168.4	9.5	6.0%
Revenue International (Poland)	73.3	75.0	1.7	2.3%
Adjusted EBITDA	**40.2**	**57.1**	**16.9**	**42.0%**
Adjusted EBITDA France	39.5	55.8	16.4	41.5%
Adjusted EBITDA Poland	0.7	1.3	0.5	71.4%
Adjusted EBITDA margin	**5.3%**	**7.1%**	**18 bps**	
Adjusted EBITDA France margin	5.7%	7.6%	19 bps	
Adjusted EBITDA Poland margin	1.0%	1.7%	7 bps	

Revenue

Revenue increased by €42.1 million, or 5.5%, from €764.1 million for the eight months ended August 31, 2014, to €806.2 million for the eight months ended August 31, 2015.

In France, revenue increased by €40.3 million, or 5.8%, from €690.9 million for the eight months ended August 31, 2014, to €731.2 million for the eight months ended August 31, 2015.

Revenue from sales by our wholly-owned distributors increased by €30.7 million, or 5.8%, from €532.0 million for the eight months ended August 31, 2014, to €562.7 million for the eight months ended August 31, 2015. This increase was primarily the result of our acquisition of ACR on April 7, 2014, which contributed €22.2 million of additional revenue in the eight months ended August 31, 2015 compared to the eight months ended August 31, 2014, as well as organic growth, partly offset by the disposal of a former wholly-owned distributor (SOFAR), which contributed €6.3 million in the eight months ended August 31, 2014.

Revenue from sales to our affiliated independent distributors increased by €9.5 million, or 6.0%, from €158.9 million for the eight months ended August 31, 2014, to €168.4 million for the eight months ended August 31, 2015. This increase was primarily due to the disposal of a former wholly-owned distributor to an independent distributor and the increased number of insurance agreements and improved distributors' sales management.

In Poland, revenue increased by €1.7 million, or 2.3%, from €73.3 million for the eight months ended August 31, 2014 versus €75.0 million for the eight months ended August 31, 2015. The increase was due to a lower end-pricing strategy which has contributed to an increase in sales volume despite difficult market conditions.

Cost of goods for sale

Cost of goods for sale increased by €21.4 million, or 4.5%, from €473.4 for the eight months ended August 31, 2014, to €494.8 million for the eight months ended August 31, 2015. The increase in the cost of goods for sale was primarily due to the increase in the purchases of goods by €36.8 million, or 6.6% as a result of an increase in revenue of 5.5%, partly offset by increases in supplier rebates of €15.4 million, due to a renegotiation of rates with our suppliers as part of our PIP. Mainly as a result of these higher supplier rebates, cost of goods for sale as a percentage of revenue decreased from 61.9% for the eight months ended August 31, 2014, to 61.4% for the eight months ended August 31, 2015.

Personnel costs

Personnel costs increased by €3.0 million, or 1.9%, from €161.0 million for the eight months ended August 31, 2014, to €164.0 million for the eight months ended August 31, 2015. Personnel costs as a percentage of revenue decreased from 21.1% for the eight months ended August 31, 2014 to 20.3% for the eight months ended August 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, partly offset by the increase in the cost of a temporary workforce of €1.4 million, or 36.9%, as a result of increased activity due to improved market conditions.

Other purchases and external expenses

Other purchases and external expenses increased by €3.8 million, or 4.5%, from €84.8 million for the eight months ended August 31, 2014, to €88.6 million for the eight months ended August 31, 2015. This increase in other purchases and external expenses is mainly due to increasing shipping expenses of €1.4 million and IT expenses of €1.3 million. Others purchases and external expenses as a percentage of revenue remained stable from 11.1% for the eight months ended August 31, 2014 to 11.0% for the eight months ended August 31, 2015.

Taxes

Taxes slightly decreased by €0.3 million, or 4.3%, from €7.0 million for the eight months ended August 31, 2014, to €6.7 million for the eight months ended August 31, 2015. In 2015, taxes mainly comprised French vocational training tax of €1.5 million (compared to €1.6 million in 2014), a social construction tax of €1.4 million (compared to €1.4 million in 2014), a social solidarity contribution of €1.9 million (compared to €1.8 million in 2014) and taxes other than income taxes of €1.9 million (compared to €2.2 million in 2014).

Depreciation/amortization expense

Depreciation/amortization expenses increased by €0.3 million, or 2.5%, from €11.9 million for the eight months ended August 31, 2014, to €12.1 million for the eight months ended August 31, 2015.

Other income from operations

Other income from operations increased by €0.5 million, or 31.3%, from €1.6 million for the eight months ended August 31, 2014, to €2.1 million for the eight months ended August 31, 2015. This increase was primarily due to the reversal of provisions for restructuring for €0.8 million for the eight months ended August 31, 2015.

Other expenses from operations

Other expenses from operations increased by €1.2 million, or 26.7% from €4.5 million for the eight months ended August 31, 2014, to €5.7 million for the eight months ended August 31, 2015. The increase is mainly due to expenses related to the closure of several distribution sites, particularly in relation to the restructuring of the heavy vehicles segment in the Paris region.

Financial income and expenses

Financial income decreased by €10.9 million, or 96.5%, from income of €11.3 million for the eight months ended August 31, 2014 to €0.4 million for the eight months ended August 31, 2015. The Income for the eight months ended August 31, 2014 was due to an adjustment in the fair value of our Contingent Value Instruments for €10.9 million for the eight months ended August 31, 2014.

Financial expenses increased by €3.0 million, or 20.8%, from €14.4 million for the eight months ended August 31, 2014, to €17.4 million for the eight months ended August 31, 2015. This increase was due to an adjustment of €3.5 million in the fair value of our Contingent Value Instruments for the eight months ended August 31, 2015.

Income tax

Income tax decreased by €7.0 million, from a €9.2 million income tax credit for the eight months ended August 31, 2014 to a €2.2 million income tax expense for the eight months ended August 31, 2015. In the eight months ended August 31, 2015, income tax comprised CVAE for €4.4 million (compared to €3.7 million in 2014), current income tax expense of €1.5 million (compared to €1 million in 2014) and a deferred tax credit of €8.1 million (compared to a deferred tax expense of €14.0 million in 2014). This €5.8 million variation in deferred taxes was due to the decision to use a deferred tax credit in the eight months ended August, 31 2015.

Adjusted EBITDA

Adjusted EBITDA increased by €16.2 million, or 42.0%, from €40.2 million for the eight months ended August 31, 2014, to €57.1 million for the eight months ended August 31, 2015. Adjusted EBITDA margin increased from 5.3% for the eight months ended August 31, 2014, to 7.1% for the eight months ended August 31, 2015.

In France, Adjusted EBITDA increased by €16.4 million, or 44.5%, from €39.5 million for the eight months ended August 31, 2014, to €55.3 million for the eight months ended August 31, 2015. Adjusted EBITDA margin increased from 5.7% for the eight months ended August 31, 2014 to 7.6% for the eight months ended August 31, 2015. This increase in Adjusted EBITDA was partly due to our acquisition of ACR on April 7, 2014, which contributed €2.9 million of additional adjusted EBITDA for the eight months ended August 31, 2015 compared to the eight months ended August 31, 2014, and generated a progressive synergies ramp-up, as well as cost efficiencies as a result of the PIP.

In Poland, Adjusted EBITDA increased by €0.5 million, from €0.7 million for the eight months ended August 31, 2014, to €1.3 for the eight months ended August 31, 2015. Adjusted EBITDA margin from our Polish business increased from 0.1% for the eight months ended August 31, 2014, to 0.2% for the eight months ended August 31, 2015. This increase in Adjusted EBITDA was mainly due to a lower end-pricing strategy which has contributed to an increase in sales volume and to 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.

	Years ended December 31,			
(€ in millions, except for %)	**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.

	Years ended December 31,			
(€ in millions, except for % and bps)	**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**	**69.2**	**13.8**	**24.9 %**
Adjusted EBITDA France	53.6	67.4	13.8	25.7 %
Adjusted EBITDA International (Poland)	1.8	1.8	0.0	—
Adjusted EBITDA margin	**4.9%**	**5.9%**	**100 bps**	
Adjusted EBITDA margin France	5.2%	6.4%	120 bps	
Adjusted EBITDA margin International (Poland)	1.6%	1.6%	0 bps	

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. This increase was primarily due to the ACR Acquisition and the acquisition of Rougon-Queyrel.

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 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 carry forward.

Adjusted EBITDA

Adjusted EBITDA increased by €13.8 million, or 24.9%, from €55.4 million for the year ended December 31, 2013, to €69.2 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 €13.8 million, or 25.7%, from €53.6 million for the year ended December 31, 2013, to €66.3 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.

Year ended December 31, 2013 compared to year ended December 31, 2012

The table below sets forth our results of operations for the year ended December 31, 2013 compared to the year ended December 31, 2012.

(€ in millions, except for %)	Years ended December 31, 2012*	2013	Amount of change	% change
Revenue	**1,084.3**	**1,137.2**	**52.9**	**4.9 %**
Cost of goods for sale	(689.9)	(710.7)	20.8	3.0 %
Personnel costs	(224.3)	(239.0)	14.7	6.6 %
Other purchases and external expenses	(121.9)	(126.3)	4.4	3.6 %
Taxes	(8.2)	(9.7)	1.5	18.3 %
Other operating income and expenses	4.4	2.8	(1.6)	(36.4)%
EBITDA	**44.4**	**54.3**	**9.9**	**22.3 %**
Depreciation/amortization expense	(15.1)	(16.3)	1.2	(7.9)%
Recurring operating income	**29.9**	**38.0**	**8.7**	**29.7 %**
Other income from operations	3.4	7.4	4.0	117.6 %
Other expenses from operations	(7.2)	(11.0)	3.8	52.8 %
Operating income	**25.5**	**34.4**	**8.9**	**34.9 %**
Financial income	2.3	11.0	8.7	—
Financial expenses	(11.3)	(9.0)	(2.3)	20.4 %
Share of income from associates	0.0	(0.1)	(0.1)	—
Income before tax	**16.5**	**36.3**	**19.8**	**125.6 %**
Income tax	(7.8)	(17.6)	9.8	114.9 %
Net income from continuing operations	**8.7**	**18.7**	**10.0**	**114.9 %**
Net income from discontinued operations	(3.9)	0.0	0.0	—
Net income for the year	**4.8**	**18.7**	**12.2**	**65.2 %**

* The consolidated income statement for the year ended December 31, 2012 was restated to reflect the application of revised IAS 19 "Employee Benefits."

The table below presents our revenue, Adjusted EBITDA and Adjusted EBITDA margin for the year ended December 31, 2013 compared to the year ended December 31, 2012.

(€ in millions, except for % and bps)	Years ended December 31, 2012*	2013	Amount of change	% change
Revenue	**1,084.3**	**1,137.2**	**52.9**	**4.9%**
Revenue France	976.5	1,023.4	46.9	4.8%
Of which wholly-owned distributors	730.6	770.3	39.8	5.4%
Of which affiliated independent distributors	246.0	253.1	7.1	2.9%
Revenue International (Poland)	107.8	113.8	6.0	5.6%
Adjusted EBITDA	**47.7**	**55.4**	**7.7**	**16.1%**
Adjusted EBITDA France	49.1	53.6	4.5	9.2%
Adjusted EBITDA International (Poland)	(1.4)	1.8	3.2	—
Adjusted EBITDA margin	**4.4 %**	**4.9%**	**50 bps**	
Adjusted EBITDA margin France	5.0 %	5,2%	20 bps	
Adjusted EBITDA margin International (Poland)	(1.3)%	1.6%	290 bps	

* The consolidated income statement for the year ended December 31, 2012 was restated to reflect the application of revised IAS 19 "Employee Benefits."

Revenue

Revenue increased by €52.9 million, or 4.9%, from €1,084.3 million for the year ended December 31, 2012, to €1,137.2 million for the year ended December 31, 2013. In France, revenue increased by €46.9 million, or 4.8%, from €976.5 million for the year ended December 31, 2012, to €1,023.4 million for the year ended December 31, 2013.

Revenue from sales to our wholly-owned distributors increased by €39.8 million, or 5.4%, from €730.6 million for the year ended December 31, 2012, to €770.3 million for the year ended December 31, 2013. This increase was primarily the result of our acquisition of Enssemble on July 9, 2012 (which contributed €62.6 million to our revenue for the year ended December 31, 2013, compared to €31.7 million for the year ended December 31, 2012), the acquisition of FPLS on January 1, 2013 (which contributed €24.4 million to our revenue in for the year ended December 31, 2013), the acquisition of the RPDC group on January 31, 2013 (which contributed €2.6 million to our revenue for the year ended December 31, 2013), and the acquisition of CAMI on June 30, 2013 (which contributed €1.1 million to our revenue for the year ended December 31, 2013). Excluding the effect of these acquisitions, revenue from sales by our wholly-owned distributors decreased by €19.1 million, or 2.6% on a like-for-like basis, reflecting lower performance of certain of our distribution sites and weaker market conditions at the beginning of 2013.

Revenue from sales by our affiliated independent distributors increased by €7.1 million, or 2.8%, from €246.0 million for the year ended December 31, 2012, to €253.1 million for the year ended December 31, 2013. This increase was primarily due to the resilient performance by our affiliated independent distributors despite weaker market conditions, and to several acquisitions made by our affiliated independent distributors in 2013.

In Poland, revenue increased by €6.0 million, or 5.6%, from €107.8 million for the year ended December 31, 2012, to €113.8 million for the year ended December 31, 2013. This increase was mainly due to the reorganization and the profit improvement plan implemented by our new management team in Poland.

Cost of goods for sale

Cost of goods for sale increased by €20.8 million, or 3.0%, from €689.9 million for the year ended December 31, 2012, to €710.7 million for the year ended December 31, 2013. Cost of goods for sale as a percentage of revenue decreased from 64.5% for the year ended December 31, 2012, to 62.5% for the year ended December 31, 2013. The decrease in cost of goods for sale as a percentage of revenue was primarily due to higher supplier rebates following a renegotiation with our suppliers as part of our PIP.

Personnel costs

Personnel costs increased by €14.7 million, or 6.6%, from €224.3 million for the year ended December 31, 2012, to €239.0 million for the year ended December 31, 2013. Personnel costs as a percentage of revenue increased slightly from 20.7% for the year ended December 31, 2012, to 21.0% for the year ended December 31, 2013. These increases were primarily due to increases in wages and social contributions of €12.7 million and €1.3 million, respectively, mainly as a result of our acquisitions of Enssemble in July 2012 and FPLS in January 2013. This increase in wages and social contributions were partly offset by overall headcount reductions as part of our PIP, particularly at our French wholly-owned distributors and in Poland, together with the positive impact of €4.9 million relating to CICE.

Other purchases and external expenses

Other purchases and external expenses increased by €4.4 million, or 3.6%, from €121.9 million for the year ended December 31, 2012, to €126.3 million for the year ended December 31, 2013. This increase was primarily due to an increase in our rents for the year ended December 31, 2013, resulting from the addition of 38 rented sites following our acquisitions of Enssemble in July 2012 and FPLS in January 2013.

Other purchases and external expenses as a percentage of revenue slightly decreased from 11.2% for the year ended December 31, 2012 to 11.1% for the year ended December 31, 2013. This decrease was primarily due to the closing of certain under-performing distribution sites and the renegotiation of certain of our leases in connection with our PIP.

Taxes

Taxes increased by €1.5 million, or 18.3%, from €8.2 million for the year ended December 31, 2012, to €9.7 million for the year ended December 31, 2013. For the year ended December 31, 2013, taxes mainly comprised French vocational training tax of €2.4 million (compared to €1.6 million for the year ended December 31, 2012), a social construction tax of €2.1 million (compared to €1.9 million in for the year ended December 31, 2012), a social solidarity contribution of €1.8 million (compared to €1.7 million in for the year ended December 31, 2012) and other taxes of €3.3 million (compared to €3.0 million for the year ended December 31, 2012). This increase was primarily due to an increase in the amount of vocational training we provided.

Depreciation/amortization expense

Depreciation/amortization expense increased by €1.2 million, or 7.9%, from €15.1 million for the year ended December 31, 2012, to €16.3 million for the year ended December 31, 2013. This increase was primarily due to the amortization of assets in Poland in 2013, while no amortization had been recognized in the corresponding period in 2012. Those assets were fully impaired in 2012 and the impairment charge was released in 2013 as a result of the improvement of our operations in Poland following management initiatives.

Other income from operations

Other income from operations increased by €4.0 million, or 117.6%, from €3.4 million for the year ended December 31, 2012, to €7.4 million for the year ended December 31, 2013. This increase was primarily due to a reversal of impairment of €2.9 million on our Polish property, plant and equipment and intangible assets after improved performance, following the full impairment of these assets for the year ended December 31, 2012.

Other expenses from operations

Other expenses from operations increased by €3.8 million, or 52.8%, from €7.2 million for the year ended December 31, 2012, to €11.0 million for the year ended December 31, 2013. This increase was primarily due to higher restructuring costs due to headcount reductions and the closing of certain distribution sites in connection with our PIP.

Financial income and expenses

Financial income increased by €8.7 million, from €2.3 million for the year ended December 31, 2012 to €11.0 million for the year ended December 31, 2013. This increase was mainly due to the fair value adjustment of €10.7 million on our Contingent Value Instruments for the year ended December 31, 2013.

Financial expenses decreased by €2.3 million, or 20.4%, from €11.3 million for the year ended December 31, 2012 to €9.0 million for the year ended December 31, 2013. This decrease was primarily due to a reduction in our cost of debt following amortization payments of €10.0 million of our former senior equity loan in June 2012 and €5.0 million of our former senior facility loan in June 2013.

In addition, we recorded a negative net foreign exchange variance of €0.3 million for the year ended December 31, 2013, compared to a positive net foreign exchange variance of €0.9 million for the year ended December 31, 2012. Foreign exchange gains and losses are primarily due to fluctuations in the Polish złoty exchange rate on our local overdraft and working capital borrowings denominated in Polish złoty.

Income tax

Income tax increased by €9.8 million, from a €7.8 million income tax expense for the year ended December 31, 2012 to a €17.6 million income tax expense for the year ended December 31, 2013. In 2013, income tax comprised CVAE of €5.3 million (compared to €4.7 million in 2012), current income tax expense of €1.8 million (compared to €0.3 million in 2012) and a deferred tax expense of €10.5 million (compared to a deferred tax expense of €2.8 million in 2012).

Adjusted EBITDA

Adjusted EBITDA increased by €7.7 million, or 16.1%, from €47.7 million for the year ended December 31, 2012, to €55.4 million for the year ended December 31, 2013. Adjusted EBITDA margin increased from 4.4% for the year ended December 31, 2012, to 4.9% for the year ended December 31, 2013.

In France, Adjusted EBITDA increased by €4.5 million, or 9.2%, from €49.1 million for the year ended December 31, 2012, to €53.6 million for the year ended December 31, 2013. Adjusted EBITDA margin increased from 5.0% for the year ended December 31, 2012, to 5.2% for the year ended December 31, 2013. This increase in our Adjusted EBITDA was primarily due to lower costs of goods for sale as a percentage of revenue, mainly due to increases of our supplier rebates following a renegotiation with our suppliers as part of our PIP, as well as a reduction in other purchases and external expenses relative to revenue, resulting primarily from the closure of certain under-performing wholly-owned distribution sites and the renegotiation of certain of our lease agreements as part of our PIP. This increase in Adjusted EBITDA was partly offset by an increase in personnel costs relative to revenue, mainly due to increases in wages and social contributions over this period, as well as an increase in our headcount following our acquisitions of Enssemble in July 2012 and FPLS in January 2013. The impact of acquisitions on our personnel costs was partly offset by overall headcount reductions as part of our PIP, particularly at certain of our wholly-owned distributors, together with the impact of €4.9 million relating to CICE.

In Poland, Adjusted EBITDA increased by €3.2 million, from a loss of €1.4 million for the year ended December 31, 2012 to a gain of €1.8 million for the year ended December 31, 2013. Adjusted EBITDA margin increased from negative 1.3% for the year ended December 31, 2012, to positive 1.6% for the year ended December 31, 2013. This increase was primarily due to lower personnel costs, mainly due to headcount reductions, and an increase in supplier rebates, both resulting from the actions of our new management team in Poland.

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 €40.0 million New Revolving Credit Facility, factoring facilities and finance leases.

Our financial condition and liquidity has been, and is 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 affects 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 New 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 the Notes*" and "*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, 2012, 2013 and 2014 and for the eight months ended August 31, 2014 and 2015.

	Year ended December 31,			Eight months ended August 31,	
(€ in millions)	**2012***	**2013**	**2014**	**2014****	**2015**
Net income	**4.8**	**18.7**	**30.9**	**30.2**	**24.4**
Net income/(loss) from discontinued operations	3.9	—	—	—	—
Adjustments for non-cash income and expenses	19.1	5.8	17.9	4.8	15.2
Financial expenses and income with a cash effect	3.1	3.6	8.8	8.3	11.5
Income tax	7.8	17.6	(1.8)	(9.2)	(2.2)
Inventories decrease/(increase)	2.4	0.9	(4.2)	(12.1)	(10.8)
Trade receivables decrease/(increase)	21.1	(8.0)	9.0	0.3	(18.6)
Trade payables increase/(decrease)	(15.2)	1.3	(9.7)	1.4	18.1
Other receivables and payables	(1.6)	(2.1)	(4.8)	(15.3)	(17.1)
Change in working capital	**6.7**	**(7.9)**	**(9.7)**	**(25.7)**	**(28.4)**
Other items with a cash effect	(6.4)	(7.3)	(7.2)	(3.2)	(3.3)
Net cash flow from operating activities—continuing operations	**39.0**	**30.5**	**38.7**	**5.1**	**17.2**
Acquisition of fixed assets	(15.9)	(19.8)	(18.7)	(11.0)	(16.8)
Changes in other financial assets	(1.1)	(1.0)	2.9	3.9	(6.2)
Disposal of fixed assets	0.7	2.2	0.4	0.2	0.6
Advances paid	(3.8)	(0.1)	—	—	—
Business acquisitions	(13.8)	(13.0)	(52.5)	(54.9)	—
Net cash flow used in investing activities—continuing operations	**(33.9)**	**(31.7)**	**(67.9)**	**(61.8)**	**(22.4)**
Dividends paid to the owners of the parent company	—	—	—	—	—
Dividends paid to non-controlling interests of consolidated companies	(0.3)	(0.2)	(0.3)	(0.3)	(0.3)
Repayment of capital	—	—	(3.1)	(3.1)	(40.0)
Financial expenses with a cash effect	(4.7)	(3.9)	(9.4)	(8.8)	(18.4)
Financial income with a cash effect	1.6	0.3	0.5	0.3	0.4
Increase in borrowings	6.6	2.6	238.6	227.9	67.1
Repayment of borrowings	(16.8)	(22.5)	(161.7)	(160.7)	(0.7)
Change in other financial liabilities	(0.2)		0.1	0.1	0.3
Net cash flow used in financing activities	**(13.8)**	**(23.7)**	**64.7**	**55.5**	**8.4**
Total cash flows used by continuing operations	**(8.7)**	**(24.9)**	**35.7**	**(1.2)**	**3.2**
Change in cash and cash equivalents:					
Opening cash and cash equivalents	63.5	50.1	25.3	25.3	61.0
Net cash flow continuing operations	(8.7)	(24.9)	35.7	(1.2)	3.2
Net cash flow discontinued operations	(3.5)	—	—	—	—
Impact of currency rate fluctuations	(0.8)	0.1	0.1	(0.1)	—
Closing cash and cash equivalents from discontinued operations	(0.4)	—	—	—	—
Total closing cash and cash equivalents	**50.1**	**25.3**	**61.0**	**24.2**	**64.2**

* The consolidated income statement for the year ended December 31, 2012 was restated to reflect the application of revised IAS 19 "Employee Benefits."

** The consolidated income statement for the eight months ended August 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 €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 inventory and trade receivables and payables due to an increase in activity and seasonality effects.

Net cash from operating activities amounted to €5.1 million (or 0.7% of revenue) for the eight months ended August 31, 2014, primarily due to the positive impact of net income after adjustments for non-cash income and expenses offset by an increase in working capital due to higher inventory and other receivables and payables.

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.

Net cash from operating activities amounted to €39.0 million (or 3.6% of revenue) for the year ended December 31, 2012, primarily due to a positive impact of net income after adjustments for non-cash income and expenses (mainly depreciation of €15.1 million) and a decrease in working capital, due to lower receivables as a result of the decrease in activity at the end of 2012.

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.

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 charges 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*."

Our working capital increased by €25.7 million for the eight months ended August 31, 2014, primarily due to (i) an increase in inventories of €12.1 million resulting from an increase in the seasonal build-up of inventories in August, (ii) an outflow of €15.3 million of the net other receivables and payables mainly due to a seasonal low point of payables in August and the build-up of the CICE receivables and (iii) a cash inflow of €1.7 million of the net trade receivables and trade payables (mainly of ACR). Excluding the impact of ACR, there was a cash inflow of €12.4 million mainly as a result of the seasonal increase in both suppliers' rebates (€12.6 million) and customers' rebates (€5.3 million), which usually occurs at this time of the year.

We experienced an increase in working capital of €9.7 million for the year ended December 31, 2014, which primarily reflected a decrease of €9.7 million in trade payables, an increase of €4.8 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.

We experienced a decrease in working capital of €6.7 million for the year ended December 31, 2012, which primarily reflected a decrease in trade receivables of €21.1 million, partly offset by a decrease in trade payables of €15.2 million, due to a decrease in trading activity. Moreover, the decrease in inventories of €2.4 million is primarily due to improvements in inventory management and the weaker market conditions in 2012.

Other items

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 €3.2 million for the eight months ended August 31, 2014, mostly as a result of the CVAE of €3.7 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)	**2012**	**2013**	**2014**	**2014**	**2015**
Acquisition of fixed assets	(15.9)	(19.8)	(18.7)	(11.0)	(16.8)
Changes in other financial assets	(1.1)	(1.0)	2.9	3.9	(6.3)
Disposal of fixed assets	0.7	2.2	0.4	0.2	0.6
Advances paid	(3.8)	(0.1)	—	—	—
Business acquisitions	(13.8)	(13.0)	(52.5)	(54.9)	—
Net cash flow used in investing activities—continuing operations	**(33.9)**	**(31.7)**	**(67.9)**	**(61.8)**	**(22.4)**

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, 1.6% of our revenue and 32% of our Adjusted EBITDA in the years ended December 31, 2012, 2013 and 2014.

We expect an increase in our investment in capital expenditures for the years ending December 31, 2015 and 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, 2015.

Capital expenditures increased by €5.8 million, to €16.8 million (or 2.1% of revenue) for the eight months ended August 31, 2015, from €11.0 million (or 1.4% of revenue) for the eight months ended August 31, 2014. This increase was primarily due to the automation of our logistics platforms and the acquisition of warehouses.

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, 2015.

Capital expenditures increased by €3.9 million, to €19.8 million (or 1.7% of revenue) for the year ended December 31, 2014, from €15.9 million (or 1.5% of revenue) for the year ended December 31, 2013. This increase was primarily due to the renovation of several distribution sites and the implementation of our new AD branding.

Capital expenditures remained stable at €15.9 million (or 1.5% of revenue) for the year ended December 31, 2012, primarily due to increased investments in IT, particularly expenditures associated with the development costs of the ERP, our data center and the Autossimo website, which were partly offset by lower expenditures relating to the expansion of our operations.

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 €54.9 million (7.2% of revenue) for the eight months ended August 31, 2014. They solely consist of the ACR Acquisition in April 2014. There were no business acquisitions in the eight months ended August, 31 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.

Business acquisitions and advances paid decreased by €4.5 million, to €13.1 million (or 1.2% of revenue) for the year ended December 31, 2013, from €17.6 million (or 1.6% of revenue) for the year ended December 31, 2012. These business acquisitions and advances paid primarily include the negative cash position of FPLS paid in December 2012 but consolidated as of January 1, 2013, the acquisition of the Rectification du Pas-De-Calais group, the acquisition of Comptoir Auto Marine Industrie and the acquisition of Rougon-Queyrel. For the year ended December 31, 2012, advances paid amounted to €3.8 million, primarily due to the advances paid for the acquisition of FPLS (which was consolidated beginning on January 1, 2013).

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:

	Year ended December 31,			Eight months ended August 31,	
(€ in millions)	**2012**	**2013**	**2014**	**2014**	**2015**
Dividends paid to the owners of the parent company	—	—	—	—	—
Dividends paid to non-controlling interests of consolidated companies	(0.3)	(0.2)	(0.3)	(0.3)	(0.3)
Repayment of capital	—	—	(3.1)	(3.1)	(40.0)
Financial expenses with a cash effect	(4.7)	(3.9)	(9.4)	(8.8)	(18.4)*
Financial income with a cash effect	1.6	0.3	0.5	0.3	0.4
Increase in borrowings	6.6	2.6	238.6	227.9	67.1
Repayment of borrowings	(16.8)	(22.5)	(161.7)	(160.7)	(0.7)
Change in other financial liabilities	(0.2)	—	0.1	0.1	0.3
Net cash flow used in financing activities—continuing operations	**(13.8)**	**(23.7)**	**64.7**	**55.5**	**8.4**

* The financial expense for the eight months ended August 31, 2015 reflects two semi-annual coupon payments in February and August.

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 €18.0 million of net financial income and expense relating to interest paid on the Senior Secured Notes; a €40.0 million repayment of capital solely under the €40.0 million distribution to equity holders following the May 2015 issue of Senior Secured Notes; a €67.1 million increase in borrowings primarily relating to the May 2015 issue of Senior Secured Notes and to a €4.2 million factoring credit line of ACR; and a €0.7 million repayment of borrowings mainly composed of other borrowings and loans incurred by some of the Group's subsidiaries.

Net cash used in financing activities amounted to €55.5 million (or 7.3% of revenue) for the eight months ended August 31, 2014. Our financing activities consisted mainly of €8.5 million of net financial income and expense relating to interest paid on the Senior Secured Notes; a €227.9 million increase in borrowings primarily relating to the first issue of Senior Secured Notes in January 2014; and with the proceeds of the offering of the Senior Secured Notes, a €160.7 million repayment of borrowings including mainly 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 the repayment of €9.9 million factoring credit line of Eurofactor.

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 €8.9 million of net financial income and expense relating to cash financial interest on the Senior Secured Notes; a €238.6 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 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 €23.7 million (or 2.1% of revenue) for the year ended December 31, 2013. Our financing activities consisted mainly of €3.6 million of net financial income and expense, mainly due to the interest paid on our former senior facilities; a €2.6 million increase in borrowings relating to the drawing on our factoring credit line with Eurofactor; 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; the mandatory repayment of €2.8 million on our former senior facilities; and €3.9 million of the repayment of excess cash flow, in relation to our former senior facilities.

Net cash used in financing activities amounted to €13.8 million (or 1.3% of revenue) for the year ended December 31, 2012. Our financing activities consisted mainly of €3.1 million of net financial income and expense, mainly due to €3.5 million in interest paid on our former senior facilities; a €6.6 million increase in borrowings relating to the €6.6 million drawing on our factoring credit line with Eurofactor; and a €16.8 million repayment of borrowings primarily composed of early repayments of €10.0 million on our former senior equity loan and €5.0 million on our former senior facilities, a €1.3 million final payment to Econocom to settle our IT finance lease contract renegotiated in 2011 and €0.4 million of amortization of local facilities of some of our French subsidiaries.

Credit arrangements following this Offering

Notes offered hereby

Following this Offering, we expect to have €239.0 million in aggregate principal amount of Notes outstanding. We will pay interest on the Notes semi-annually in cash or, under the circumstances described under "*Description of the Notes—Interest*," in additional Notes at the annual interest rates (as applicable) 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 Notes—Certain covenants.*"

New Revolving Credit Facility

In connection with this Offering, we expect to enter into the New Revolving Credit Facility 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. Our New Revolving Credit Facility will provide for borrowings up to an aggregate of €40.0 million on a committed basis. Subject to certain exceptions, loans may be borrowed, repaid and reborrowed at any time. The interest rate on cash advances under the New Revolving Credit Facility will be the aggregate of the applicable margin and LIBOR/EURIBOR (as defined in the New Revolving Credit Facilities Agreement). 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—New Revolving Credit Facilities Agreement.*"

Senior Secured Notes

On January 31, 2014 and May 15, 2015, the Senior Secured Notes Issuer issued €240.0 million and €60.0 million, respectively, in aggregate principal amount of Senior Secured Notes. The Seller has agreed in the Acquisition Agreement to cause the Senior Secured Notes Issuer to redeem €30.0 million in aggregate principal amount of Senior Secured Notes on or about the Completion Date. Following the Senior Secured Notes Redemption, €270.0 million in aggregate principal amount of Senior Secured Notes will remain outstanding. We pay interest on the Senior Secured Notes semi-annually on each August 1 and February 1 of each year at an annual interest rate of 6.5%. See "*Description of certain financing arrangements—Senior Secured Notes*" and "*Summary—The Transactions—Target Group debt repayment.*"

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 €26 million outstanding as of August 31, 2015. 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, 2015, our contractual cash obligations and commercial commitments as set forth below are on an as adjusted basis giving effect to this Offering and the application of the proceeds therefrom as set forth in "*Use of proceeds.*"

(€ in millions)(1)	Less than one year	1–5 years	More than 5 years	Total
Notes offered hereby	—	239.0	—	239.0
Senior Secured Notes(2)	—	270.0	—	270.0
Operating leases(2)	36.2	86.1	29.7	152.0
Finance leases	0.2	0.3	—	0.5
CICE financing	—	9.6	—	9.6
Factoring	5.2	—	—	5.2
Bank overdraft	8.5	—	—	8.5
Other borrowings and accrued interest	0.8	1.4	0.5	2.7
Total	**50.9**	**606.4**	**30.2**	**687.5**

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

(2) Represents €270.0 million aggregate principal amount of Senior Secured Notes as of August 31, 2015 after giving effect to the Senior Secured Notes Redemption. Does not include any interest payments required in respect of the Senior Secured Notes.
(3) The minimum future rents payable under the non-cancellable operating leases are stated as of December 31, 2014.

The foregoing table does not include liabilities associated with pension entitlements. As of August 31, 2015, we had a €22.2 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, 2015 Polish złoty represented 9.4% 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 Transactions, our indebtedness and other debt arrangements will be primarily composed of the Notes (which will pay both Cash Interest and PIK Interest at a fixed interest rate), the Senior Secured Notes (which have a fixed interest rate) and the New Revolving Credit Facility (which borrowings will have an interest rate based on EURIBOR or LIBOR).

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 28 to our unaudited interim condensed consolidated financial statements of the Target as of and for the eight months ended August 31, 2015.

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 of the Target as of and for the eight months ended August 31, 2015.

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 Cash-Generating Unit ("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.

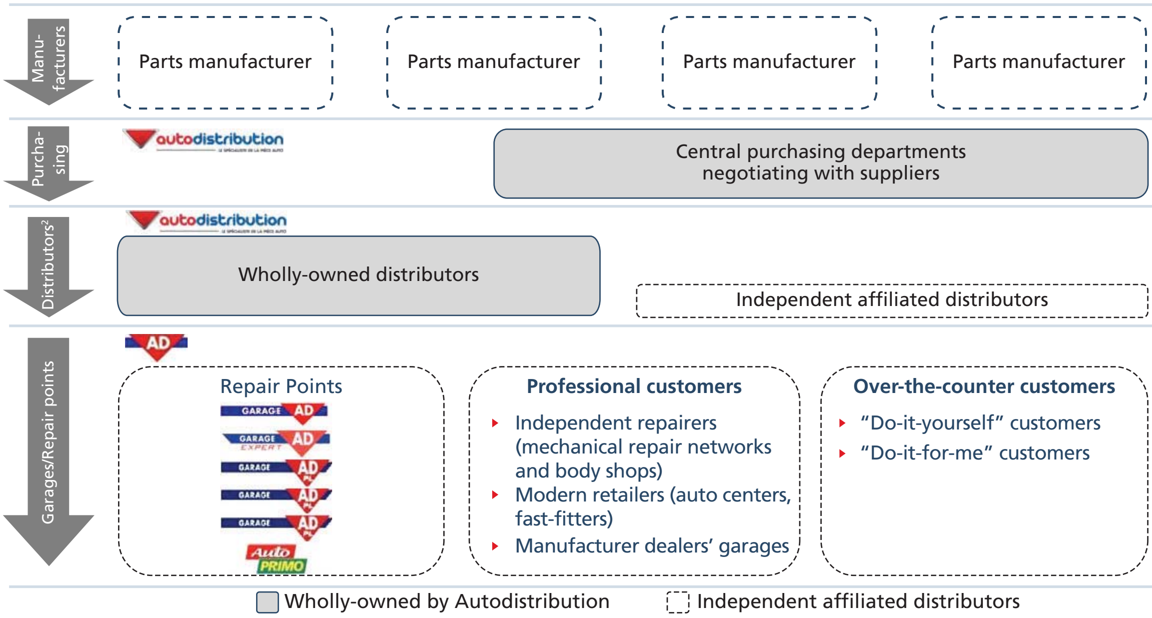
We are the leading distributor of aftermarket spare parts for light vehicles and trucks in the independent aftermarket segment in France, where we generated 90.4% of our revenue for the twelve months ended August 31, 2015. We also hold a strong regional position in the Polish light vehicle IAM, where we generated 9.6% of our revenue over the same period. With over 50 years of experience in the market, we believe that as of December 31, 2014, we held a market share of approximately 23% in terms of revenue in the fragmented French light vehicle IAM. The IAM is the independent aftermarket for spare parts used in the maintenance and repair of light vehicles and trucks. 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. 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:

- *original equipment suppliers aftermarket segment (“OES”)*, which is operated through a distribution network directly connected to car manufacturers and generally consists of authorized garages managed by car dealers; and
- *the IAM*, which is operated by independent distributors and garages, which are not connected to car manufacturers and typically service all of the vehicles operating on the road without making a distinction between brands.

Original equipment suppliers 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 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.



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.

Differentiating factors between the IAM and the OES

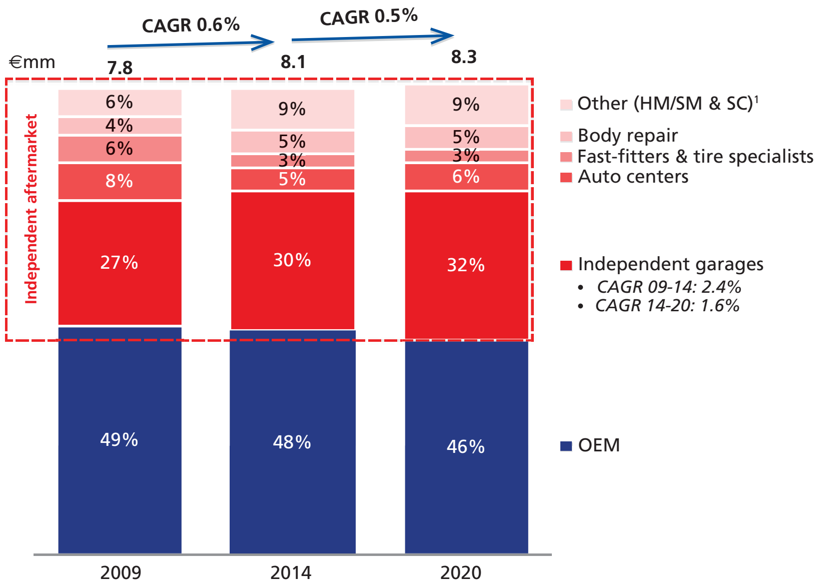
Key factors considered by end-customers when deciding to use the services provided by the IAM, rather than the OES, include:

- the wide range of products offered by IAM operators and the segment's competitive pricing; and
- the timely execution of maintenance and repair services, which generally favors IAM operators 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.

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, generating 90% of our revenue in France. As of December 31, 2014, Roland Berger valued the French light vehicle aftermarket at €8,055 million, of which the IAM contributes approximately 52%, or approximately €4,190 million, and the OES contributes 48%, or approximately €3,866 million.

The table below shows the development (as estimated by Roland Berger) of the French light vehicle aftermarket from 2007 to 2020:



Note: French light vehicle IAM market excluding captive, tires and oil
[1] Includes hypermarkets, supermarkets and do-it-yourself

The aftermarket for spare parts for light vehicles in France is characterized by stable growth and has historically been resistant to downturns, including the recent economic downturn.

Between 2009 and 2014, the aftermarket for spare parts for light vehicles increased at a CAGR of 0.6% while the French IAM grew by 0.95%. Roland Berger expects the French aftermarket to grow at a CAGR of 0.5% and the French IAM to grow by 1.15% between 2014 and 2020.

Key factors influencing growth of the aftermarket for spare parts for light vehicles and trucks in France

The IAM may, in the near future, remain stable or experience low levels of growth due to a combination of factors, including increased demand as a result of the age, mileage and composition of vehicles on the road, technological developments, and the range of services rendered and products offered by the IAM compared to the OES.

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, 2014, there were approximately 37.8 million light vehicles 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. The number of light vehicles on the road has remained relatively stable in recent years, with a CAGR 2009–2014 of 0.5% and, according to Roland Berger, is expected to continue to remain stable in the near future, with a CAGR 2014–2020 of 0.4%.

The following table sets forth the development of French vehicles on the road from 2000 to 2020:

	2000	2005	2009	2014	2020
French vehicles on the road	33.2	35.6	36.8	37.8	38.6
Period CAGR	—	1.4%	0.8%	0.5%	0.4%

Age of light vehicles on the road

Roland Berger divides light vehicles on the road into five categories of age: (i) zero to four years; (ii) five to nine years; (iii) ten to 14 years; and (iv) 15 years and older. As of December 31, 2014, the average age of light vehicles on the road in France was 8.7 years (expected to reach 9.4 years in 2020). In addition, the number of light vehicles on the road aged more than four years was 69.0% of the total vehicles on the road in 2014.

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 when 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 five years old constitute the majority of the IAM.

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.

Vehicles on the road in France are generally of high quality. As a result, the average price of spare parts is higher. We expect the IAM to capture a higher share of the market as the average age of vehicles in France increases.

Furthermore, between 1980 and 2013, the share of car brands other than PSA and Renault, as a percentage of the light vehicle fleet in France, increased from 17% to 34%. 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 tends to benefit the IAM over the OES, due to its efficient management of the proliferation of different brands, ability to address a larger and more diverse customer base, and its greater economies of scale.

Miles travelled

The need for maintenance and repair services is directly related to the age of and number of miles travelled by vehicles. For example, an increase in fuel prices or, for example, 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. Over the past five years, the number of miles travelled in Europe has been negatively impacted by a weak economic climate among other factors, though, according to the Roland Berger report, the number of miles travelled in France has begun to stabilize. The average mileage is expected to remain stable until 2020 due to anti-pollution regulations (e.g., alternate traffic circulation) and carpooling initiatives. On the other hand, the fleet mileage for the heavy vehicles segment is expected to grow by 1.3% per annum until 2020, mainly driven by the recovery in Europe of the manufacturing sector and the associated transportation needs.

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 can also impact the growth potential of the IAM, because service providers need to develop their vehicle expertise and technical capabilities to continue to provide minimum maintenance and repair services.

Regulation

The European regulatory environment directly affects the European light vehicle aftermarket, and has been generally favorable towards 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.

New distribution channels

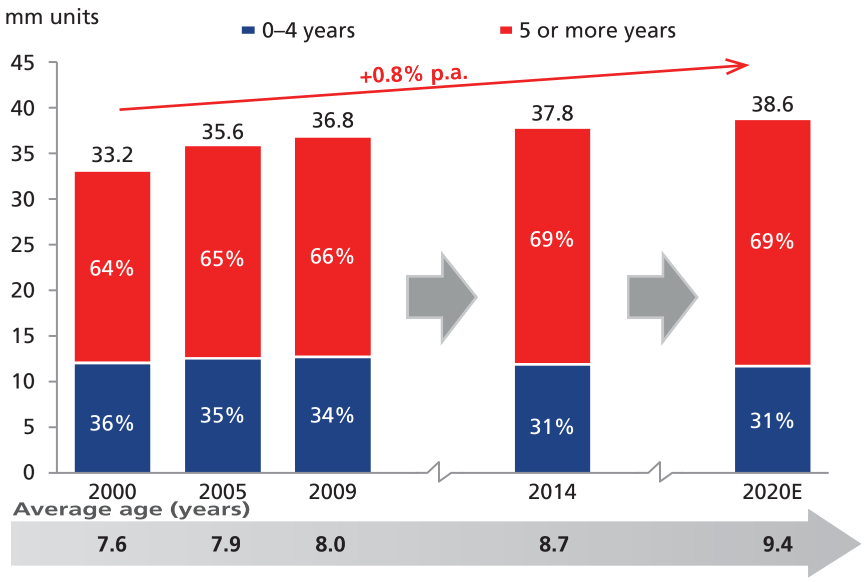
With the development of web-based databases, both garages and end-customers are able to identify, source and order required spare parts via the internet. This relatively new distribution channel will be key in retaining and capturing market share going forward, because customers will formulate their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

Changes in vehicle use in France

Roland Berger estimates that, as of December 31, 2014 there were approximately 37.8 million light vehicles on the road in France, corresponding to a density of approximately 570 vehicles per 1,000 inhabitants. Roland Berger estimates that 69.0% of vehicles on the road are more than four years old. One of the primary reasons for this high number of relatively new vehicles derives from government incentives introduced in France, designed to encourage the purchase of new cars.

We believe that the decline in purchasing power of the population and the absence of government incentives for new car purchases will lead to an increase of the average age of vehicles on the road in France, resulting in growing demand for IAM products and services.

Roland Berger estimates that the number of vehicles on the road in France will be fairly stable at a CAGR of 0.4% from 2014 until 2020.



Competitive landscape of the IAM in France

Distribution in the French IAM is highly fragmented and includes various national distributors, as well as regional and local distributors with a more limited market share. We are the largest independent distributor in France, holding a market share of approximately 23% in terms of revenue in the fragmented French light vehicles IAM as of December 31, 2014.

The table below sets forth the market shares of key IAM distributor brands in France as of December 31, 2014:

French IAM light vehicle parts distribution	Approximate market share in France*
Autodistribution	23%
Groupauto France**	12%
Precisium/GEFA**	13%
Others	52%

* Source: Management estimates

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

Business

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. For the twelve months ended August 31, 2015, we generated 90.6% of our revenue in France and 9.4% of our revenue in Poland. We believe that as of December 31, 2014, we held a market share of approximately 23% in terms of revenue in the fragmented French light vehicle IAM. The IAM 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, 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 300 suppliers.

We are an integrated distributor, with an advanced supply chain and distribution system. Our system in France 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. 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 77% of our revenue in France for the twelve months ended August 31, 2015, and sales by us to affiliated independent distributors represented 23% of our revenue in France over the same period. As of August 31, 2015, we had a network of 38 wholly-owned distributors and 42 affiliated independent distributors in France. These distributors operated out of 492 distribution sites, comprising 323 wholly-owned and 169 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 information technology ("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.

The spare parts and equipment and tools that we distribute are sold to more than 125,000 end-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.

For the twelve months ended August 31, 2015, we generated revenue of €1,211.6 million and Adjusted EBITDA of €86.1 million.

Of the €847 million in revenue generated by our wholly-owned distributors in France for the twelve months ended August 31, 2015, light vehicle parts for maintenance and repair accounted for approximately 53.8%; light vehicle parts for collision repair accounted for approximately 15.3%; truck parts for maintenance and repair accounted for approximately 14.1%; and equipment and tools for light vehicle maintenance and repair accounted for approximately 16.7%. The remaining €250.5 million of our revenue in France for the twelve months ended August 31, 2015 was generated by sales to affiliated independent distributors.

Our strengths

Stable and resilient light vehicle and truck 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 park") and the average age of and miles driven by these cars. The aftermarket in the countries in which we operate has proven resilient during recent economic downturns, when new car sales tend to decline. For example, the French light and heavy commercial vehicle aftermarket (at distribution level) increased by 2.4% and 1.0% between 2010 and 2014, respectively. This resilience is due in part to several beneficial trends which we believe will continue in the medium term, such as a stable car park size, a continuing increase in the average age of the car park, 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 park, 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 expensive manufacturer 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 December 31, 2014, we held an estimated market share of approximately 23% 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 also enjoy a strong regional position in the light vehicle IAM in Poland through our wholly-owned distributors in southern Poland.

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 in France 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 complements our leading position in France by giving 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 (which include independent garages, body shops, fast-fitters, fleet garages and car centers). We serve more than 125,000 end-customers in France, including our approximately 3,200 branded garages. We service our customers through both our wholly-owned and affiliated independent distributors. For the twelve months ended August 31, 2015, 77% of our revenue in France was generated by sales to garages through our wholly-owned distributors, and 23% 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 and have set up a separate sales department to target 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 300 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. 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, 2015, 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 over 57,000 spare parts references of 140 brands. It supplies 492 distribution sites, comprising 323 wholly-owned and 169 affiliated distribution sites, and employs approximately 250 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, 2015, we had already invested €2.4 million in this project and expect that completion of the project during the course of the next 18 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 €122 million, or 18.2%, 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, 2015 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, judicious investments in IT.

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

During the last three fiscal years, we generated stable revenue, increased our Adjusted EBITDA margin from 4.4% to 5.9%, and maintained stable cash flow generation despite the recent economic downturn, with a cash conversion (defined as Adjusted EBITDA less capital expenditure, divided by Adjusted EBITDA) of 68.1% for the year ended December 31, 2012, 68.2% for the year ended December 31, 2013, 73.6% for the year ended December 31, 2014 and 72.5% for the twelve-month period ended August 31, 2015. For the eight months ended August 31, 2015, we achieved an Adjusted EBITDA margin of 7.1%. We have driven Adjusted EBITDA margin improvement during the last five years by implementing a series of profit enhancement measures: since these measures were implemented, our EBITDA has increased more than €65 million from the year ended December 31, 2009 to the twelve months ended August 31, 2015. 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 €50.8 million for the twelve months ended August 31, 2015.

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, 2015, our capital expenditures amounted to 2.0% 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. 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, 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. As part of this strategy, we acquired ACR on April 7, 2014. ACR is a specialized distributor in France of spare parts for light vehicles with an established footprint in the internet sales channels. For the twelve months ended August 31, 2015, ACR generated gross revenue (before customer rebates) and stand-alone EBITDA of €82.9 million and €7.2 million, respectively. Internet dealers, key accounts and others (including distributors) accounted for approximately 40%, 18.5% and 41.4% of gross revenue, respectively. For the year ended December 31, 2014, ACR generated gross revenue (before customer rebates) and stand-alone EBITDA of €75.1 million and €6.1 million, respectively. Internet dealers, key accounts and others (including distributors) accounted for approximately 36.5%, 19.6% and 43.9%, respectively. We may also seek to expand our geographic coverage by making selective acquisitions which are accretive to our network.

Collision parts

Revenue from our collision repair services increased at a compound average growth rate (CAGR) of 11.4% between 2010 and 2014. 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 the high-quality service that we provide to customers by ensuring seamless execution from order to delivery and by further increasing our already extensive product assortment. We believe that our range of spare parts on offer, efficient and effective order execution, and timely product delivery 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 order.

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 also 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. 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, the scale increase resulting from the ACR Acquisition has allowed us to further improve our purchasing performance as we shared a significant number of suppliers with ACR, which now benefits from the more advantageous terms of our existing agreements with these suppliers. For the year ended December 31, 2015, we estimate that the purchasing savings resulting from the ACR Acquisition on a run-rate basis will amount to €6.5 million, of which €5.9 million had already been achieved as of August 31, 2015. 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 10% of our revenue for the twelve months ended August 31, 2015. 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, which serves online light vehicle spare parts retailers, increases 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.

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 who 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 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.

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, and was relaunched in 2008.

Safeguard (procédure de sauvegarde)

Between February 18, 2009 and April 6, 2009, the Senior Secured Notes Issuer and the Target 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 Senior Secured Notes Issuer and the Target 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 Senior Secured Notes Issuer and the Target, thereby ending the safeguard proceedings in respect of the Senior Secured Notes Issuer and the Target. During the implementation of the safeguard plans, the relationships of the Senior Secured Notes Issuer and the Target with their creditors were governed by the provisions of their respective safeguard plans. Those creditors were repaid in full using a portion of the proceeds of the Senior Secured Notes, 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 Senior Secured Notes Issuer and the Target are no longer subject to the safeguard proceedings.

Our geographic markets

We primarily distribute our products in France and have a total of 38 wholly-owned and 42 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, 2015, 90.6% 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, 2015, 9.4% of our revenue was generated by our operations in Poland.

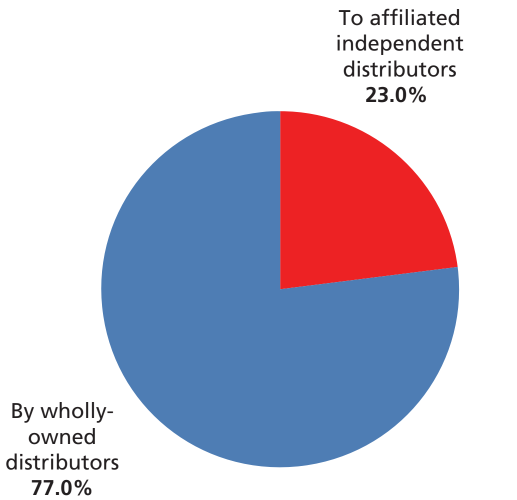
Our product lines

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.

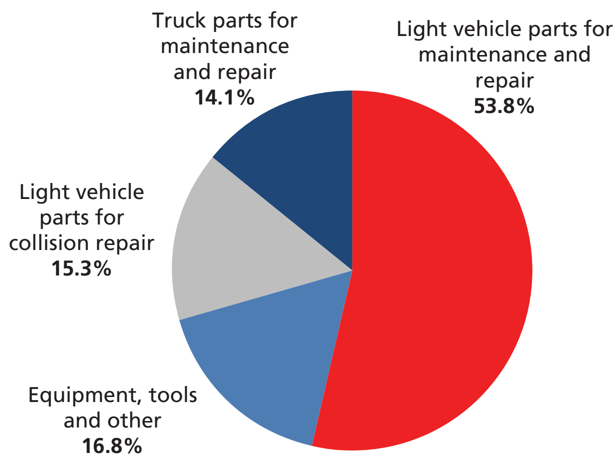
Our product portfolio includes a broad range of parts that are used in light vehicles and trucks, including brake systems, steering and suspensions parts, heating and cooling systems, engines and exhausts, chassis components, windscreens, oils and electrical products. Other products range from vehicle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

The following charts, for the twelve months ended August 31, 2015, 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, 2015, approximately 53.8% 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. 31 of our 38 wholly-owned distributors and 34 of our 42 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 2,441 branded garages (as of August 31, 2015). This network includes 1,937 "AD" branded garages, of which 1,013 are designated "Garage AD Expert," identifying them as providing end-customers with both routine maintenance and more complex repair services; seven AD Autoservices, which are multi-service garages offering maintenance, repair and bodywork services; 1,193 Auto Primo garages; and 67 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 eight 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 15% 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 1.7 million spare parts, representing over 430 different original equipment suppliers, and which has over 8,000 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, 2015, approximately 15.3% 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, 629 branded body shops (as of December 31, 2014) operating under the "Carosserie 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 which 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 September 2016.

Truck parts for maintenance and repair

For the twelve months ended August 31, 2015, approximately 14.1% 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 August 31, 2015, 86 wholly-owned distributors and 49 affiliated independent distributors were selling truck parts for maintenance and repair.

We also distribute truck parts for maintenance and repair to 172 branded truck garages in France (as of August 31, 2015) operating under our AD brands, of which 75 were wholly-owned and 51 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. We also entered into a partnership in 2012 with TIP Trailer Services, a trailer rental service business in Europe which has a fleet of approximately 48,000 trucks, pursuant to which we provide truck parts for the maintenance and repair of the fleet of TIP Trailer Services.

Private label

Our ISOTECH product line for truck parts for maintenance and repair currently comprises five groups of products which are sold under our AD brand for the truck aftermarket, such as batteries, lubricant, 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, 2015, 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 which connects leading diagnostic tools with the Autossimo online light vehicle repair and maintenance portal, providing over 8,000 customers 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. 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, 2015, our wholly-owned distributors generated 71% of our revenue through sales of spare parts to garages and over-the-counter sales, and our sales to affiliated independent distributors generated 25% of our revenue. For the twelve months ended August 31, 2015, approximately 4% of the revenue generated by our independent affiliated distributors was derived from sales by our logistics platforms Cora and Bremstar.

For the twelve months ended August 31, 2015, our wholly-owned distributors generated a net revenue of €846.5 million, or 77% of our total net revenue, through sales of spare parts to garages and over-the-counter sales.

For the twelve months ended August 31, 2015, our logistics platforms generated 45% of our revenue. After deduction of intercompany sales to wholly-owned distributors, the net revenue from sales to affiliated independent distributors for the twelve months ended August 31, 2015 was €272.9 million, or 22.5% of our total revenue. Our Cora and Bremstar logistics platforms generated a net revenue of €49.2 million, or 4.1% of our total net revenue.

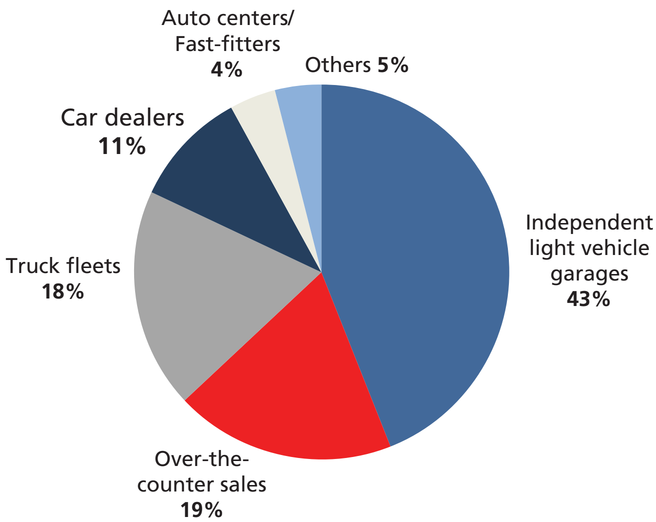
As of August 31, 2015, we had a broad network of 38 wholly-owned distributors and 42 affiliated independent distributors in France. These distributors operated out of 492 distribution sites which are supplied either by our four main warehouses (one for light vehicle parts, one for collision repair parts, one for truck parts and one for ACR) or through direct shipments from the supplier to the distributor. 49 of our wholly-owned distributors and affiliated independent distributors distribute light vehicle spare parts from 357 distribution sites (including 120 affiliated independent distributors and 237 wholly-owned distributors), and 48 of our wholly-owned and affiliated independent distributors distribute truck spare parts from 135 distribution sites (including 49 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 twelve months ended August 31, 2015.

Wholly-owned distributor sales by end-customer



Our principal end-customers are garages. Garages require 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 10% of our revenue for the twelve months ended August 31, 2015.

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 84,000 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, 2015, 37% of our revenue in Poland was generated by sales to retail shops, 32% was generated by sales to garages, and 32% was generated by sales to car centers and others. For the twelve months ended August 31, 2015, sales at our Polish distributors consisted primarily of spare parts, called "extended spare parts" (71.93% of our sales in Poland with 65.79% for pure spare parts, 2.13% of tools and equipment, 2.64% of body parts and 1.37% of painting), lubricants (14.06% of our sales in Poland), tires (7.68% of our sales in Poland) and batteries (6.33% 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 460 branded garages, including 148 AD garages, 21 AD Serwis garages, 21 AD Karoseria garages and 293 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 60% of our revenue in Poland for the twelve months ended August 31, 2015. We also have three call centers and over 90 sales staff in Poland.

Supply and procurement

Our distribution system 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 300 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 logistics rebates or inflation adjustments for pricing. We negotiate supplier rebates on an annual basis. These supplier rebates comprise monthly bonuses on commercial and logistics services, as well as year-end rebates based on annual thresholds achieved. While negotiating these contracts, our scale and our central purchasing function allow obtaining optimal terms. 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 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, 2015, AD International had members in 32 countries.

During the twelve months ended August 31, 2015, our top 25 suppliers in France accounted for 59% of our purchases (excluding Cora and Bremstar). Our largest supplier in France, Robert Bosch, accounted for 10.6% of our purchases (excluding Cora and Bremstar) and our second-largest supplier, Shaeffler, accounted for 4.8% of our purchases (excluding Cora and Bremstar). Except for Robert Bosch, no supplier in France accounts for more than 5% of our total purchases (excluding Cora and Bremstar) as of August 31, 2015.

Logistics

We operate four main central logistics platforms (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 respond to customer expectations in terms of product availability and timely delivery. Our four main central logistics platforms are:

- *Logisteo*: Logisteo is our central warehouse from which spare parts for light vehicle repair and maintenance are distributed. As of December 31, 2014, 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 over 57,000 spare parts references of 140 brands. It supplies approximately 500 distribution sites and employs more than 230 people. Deliveries of regular orders are made within four business days and express orders 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 135 truck distribution sites and employed over 40 people (as of December 31, 2014). Deliveries of express orders are made by the next business day and regular orders are made within five business days.

- *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. It stores over 70,000 spare parts references from 35 brands and employed over 100 people (as of August 31, 2015).

- *ACR*: ACR was established in 2010, and we acquired it in 2014. It distributes light vehicle parts and 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 165 people (as of August 31, 2015). 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, 2015, products representing 45% in value were delivered through our four main warehouses to our wholly-owned and affiliated distributors and products representing 55% 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.

The logistics department of each of our Logisteo, Cora and Bremstar 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 the lead time, the frequency of deliveries and packaging, and the achievement by suppliers of certain performance targets. 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 which 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, and 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 €3.6 million for the twelve months ended August 31, 2015. 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 which 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 allowing 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, 2015, we employed 6,133 people, of whom 5,325 were employed in France.

The following table sets forth the number of employees as of December 31, 2012, 2013 and 2014 and as of August 31, 2015.

	As of December 31,			As of August 31,
	2012	2013	2014	2015
Administrative	855	900	899	855
Sales	2,026	2,075	2,158	2,107
Distribution, logistics and workshops	2,366	2,450	2,394	2,363
France	**5,427**	**5,425**	**5,451**	**5,325**
Other countries	**979**	**924**	**864**	**808**
All employees	**6,401**	**6,349**	**6,315**	**6,133**

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 manufactures.

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.

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. Our actions, such as our price positioning on the "Isotech" brand, allow us to stabilize this type of sales. 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, 2015, we operated a network of 38 wholly-owned distributors. As of August 31, 2015, we leased 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, 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, 2015.

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 supplier is obligated to sell its goods or services under a contract only to selected distributors on the basis of specific criteria and by committing to not sell such goods or services to non-unauthorized resellers;
  - no limitations may be imposed on any supplier of spare parts to freely sell such goods to independent or authorized distributors or 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 which 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):

- 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 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 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 entail 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 public limited liability company (*société anonyme*) incorporated and existing under the laws of Luxembourg with registered number B 200963 in the Luxembourg Trade and Companies Register and has its registered office at 4, rue Lou Hemmer, L-1748 Luxembourg-Findel, Grand Duchy of Luxembourg.

The following table sets forth the names, ages and positions of the current managers of the Issuer.

Name	Age	Position
Ivano Sessa	38	Director
Vishal Jugdeb	38	Director
Aurélien Vasseur	39	Director

Ivano Sessa. Mr. Sessa was appointed director of Dakar Finance S.A. 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.

Vishal Jugdeb. Mr. Jugdeb was appointed director of Dakar Finance S.A. in 2015. Mr. Jugdeb is a Corporate Manager of Bain Capital, LLC, Luxembourg, which he joined in 2014. Prior to that, he served as Senior Manager at Alter Domus Luxembourg S.à r.l., a provider of corporate and management services. Mr. Jugdeb comes with over 15 years of experience in the financial services industry and currently acts as a board member on the holding companies of various Bain Capital investments such as Apple Leisure, Bravida, Edcon, Ideal Standard and Ibstock. Mr. Jugdeb is a Chartered Certified Accountant and Fellow of the Association of Chartered Certified Accountants. He is also an Associate Member of the Society of Trust and Estate Practitioners.

Aurélien Vasseur. Mr. Vasseur was appointed director of Dakar Finance S.A. in 2015. Mr. Vasseur joined Bain Capital LLC, Luxembourg in 2011 and is a Corporate Manager of the firm. Before joining Bain Capital, Mr. Vasseur was a finance auditor at Ernst and Young, Luxembourg. Mr. Vasseur received a master's degree in management from the Ecole des Hautes Etudes Commerciales (Edhec Business School) and currently acts as a board member on the holding companies of various Bain Capital investments such as Trinseo, Maisons du Monde, Canada Grouse and Brake.

The Target

The Target 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, having its registered office at 22 avenue Aristide Briand, 94110 Arcueil, France. The Target is managed by a president and a general manager (currently Stéphane Antiglio and Christophe Gouthière, respectively) who legally represent the Target in its dealings with third parties.

Management

The current management team consists of three key members, each of whom oversees a specific aspect of our business.

The following table sets forth the names, ages and positions of our current managers.

Name	Age	Position
Olivier Roux	65	Chairman
Stéphane Antiglio	53	Group Chief Executive Officer
Christophe Gouthière	55	Group Chief Financial Officer

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 Target 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 the Target in 2010. Mr. Antiglio is also the chairman of the executive board of Autodistribution S.A. and an administrator of the Company and 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.

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 €12.3 million for the year ended December 31, 2014, excluding severance and other transition payments to directors and management that 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

Following the Transactions, certain members of our management will own, directly or indirectly, shares in LuxCo 2, the indirect parent company of the Issuer. See "*Principal shareholders*."

Principal shareholders

Following the Transactions, the Target will be the direct, wholly-owned subsidiary of BidCo and CaymanCo will indirectly (through LuxCo 1, LuxCo 2, LuxCo 3, the Issuer, LuxCo 5 and BidCo as wholly-owned or majority-owned subsidiaries) own the majority of the share capital of the Target. Bain Capital will control CaymanCo and hold all of its share capital. CaymanCo will control LuxCo 1 and hold a majority of LuxCo 1's total share capital, which includes ordinary shares and PECs. LuxCo 1 will control LuxCo 2 and hold approximately 92.0% of the total share capital of LuxCo 2. Certain other existing investors, including management, the Chairman of the Target Group and certain Affiliated Distributors will hold approximately 8.0% of the ordinary and preferred share capital of LuxCo 2. See "*—Management equity plan*." On or about the Completion Date, Bain Capital may syndicate a portion of its security holdings in LuxCo 2 to third-party investors.

Preferred Equity Certificates

In connection with the formation of CaymanCo, CaymanCo issued ordinary shares to Bain Capital. In connection with the formation of LuxCo 1, LuxCo 1 issued ordinary shares to CaymanCo. In connection with the financing of the Acquisition by Bain Capital, LuxCo 1 will issue preferred equity certificates ("PECs") and ordinary shares to CaymanCo. LuxCo 2 will issue PECs, preferred shares and ordinary shares to LuxCo 1, and ordinary shares and preferred shares to the management and Affiliated Distributors. LuxCo 3 will issue PECs and ordinary shares to LuxCo 2 and the Issuer will issue PECs and ordinary shares to LuxCo 3. The PECs carry a yield at a fixed rate, which will be capitalized as and when it falls due. The PECs may not be retired before the date which is one year after the earlier of the maturity date of the Notes or the date on which all the Notes have been redeemed in full, will be subordinated to all existing and future third-party indebtedness of LuxCo 1, LuxCo 2, LuxCo 3 and the Issuer under the Senior HoldCo Intercreditor Agreement, and will have other terms characteristic of subordinated shareholder obligations.

Management equity plan

We plan to implement a management equity participation program pursuant to which certain managers of the Target Group, including Stéphane Antiglio, Christophe Gouthière and the chairman of the Target Group, will invest an approximate amount of €5.2 million in LuxCo 2. Such investment of the management will comprise ordinary shares and preferred shares issued by LuxCo 2 and the terms thereof are expected to be 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 been offered to invest in LuxCo 2 by subscribing for ordinary and preferred shares in an amount of approximately €7.5 million. In addition, we are contemplating the implementation of a free share plan at the level of LuxCo 2 for the benefit of certain managers in the form of an issuance of ordinary and preferred shares.

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 across a variety 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 Senior Secured Notes Issuer.

Transaction and consulting services agreements

Upon consummation of the Acquisition, we may enter 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 Senior Secured Notes Issuer receives compensation for his services to us through Talisman Management Limited, a consulting company co-founded by our chairman. Talisman Management Limited has provided consultancy and management services to us under management services agreements between Talisman Management Limited and the Target.

Description of certain financing arrangements

New Revolving Credit Facilities Agreement

Overview and structure

On or prior to the Completion Date, LuxCo 5 and BidCo will enter into a new revolving credit facilities agreement between, among others, LuxCo 5 and BidCo as Holdcos, 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) (the "New Revolving Credit Facilities Agreement"). Following consummation of the Acquisition, the Senior Secured Notes Issuer will accede to the New Revolving Credit Facilities Agreement as a Borrower and as a Guarantor (each as defined therein).

The New Revolving Credit Facilities Agreement provides for borrowings up to an aggregate principal amount of €40 million on a committed basis. The committed facility made available under the New Revolving Credit Facilities Agreement (the "New Revolving Credit Facility") may be utilized by any current or future Borrower under the New Revolving Credit Facilities 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 Senior Secured Notes Issuer and its Restricted Subsidiaries and, without prejudice to the generality of the foregoing, for capital expenditure, acquisitions and investments not prohibited under the New Revolving Credit Facilities Agreement, the refinancing of the Senior Secured Notes Issuer's existing liabilities under the Existing Revolving Credit Facilities Agreement and/or certain transaction costs.

In addition, subject to certain conditions, the Total Commitments under and as defined in the New Revolving Credit Facilities 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 New 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 Senior Secured Notes Indenture and the Indenture, either by way of (i) an increase in the total commitments in respect of the New Revolving Credit Facility or (ii) the inclusion and making available of commitments in respect of one or more additional facilities.

Availability

The New 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 of the New Revolving Credit Facility.

Borrowers and Guarantors

The Senior Secured Notes Issuer will, upon accession, become a Borrower and Guarantor under and as defined in the New Revolving Credit Facilities Agreement. The New Revolving Credit Facility will be guaranteed by the Senior Secured Notes Issuer and, subject to the Agreed Security Principles (as defined therein), the Senior Secured Notes Guarantors within an agreed period following the Completion Date. A mechanism is included in the New Revolving Credit Facilities Agreement to enable any of the Senior Secured Notes Issuer's Restricted Subsidiaries in France, Luxembourg, the Netherlands and any other agreed jurisdiction to accede as an Additional Borrower under the New Revolving Credit Facility subject to certain conditions.

Maturity and repayment requirements

The New Revolving Credit Facility will mature on the earlier of (i) the fifth anniversary of the Completion Date and (ii) the date falling six months prior to the final maturity date of the Senior Secured Notes (or any refinancing thereof).

Each utilization of the New 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 New Revolving Credit Facility must be repaid in full on or prior to the maturity date for the New Revolving Credit Facility.

Interest rate and fees

The interest rate on cash advances under the New Revolving Credit Facility is the rate per annum equal to the aggregate of the applicable margin and EURIBOR or LIBOR (as applicable). The margin under the New Revolving Credit Facility shall be 3.50% per annum for the first twelve months of its term. From the date falling twelve months from the Completion Date and subject to certain conditions, the margin on utilizations of the New 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 New Revolving Credit Facility from (and including) the Completion Date to (and including) the last day of the availability period for the New Revolving Credit Facility. The commitment fee is payable quarterly in arrears, on the last day of the availability period of the New Revolving Credit Facility and on the date the New 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 Senior Secured Notes Issuer is also required to pay customary agency fees to the agent under the New Revolving Credit Facilities Agreement (the "New Revolving Credit Facility Agent") and the Security Agent in connection with the New Revolving Credit Facilities Agreement and/or the Existing Intercreditor Agreement and fronting fees to the issuing bank under the New Revolving Credit Facilities Agreement and letter of credit fees to the Lenders in an amount equal to the margin of the New Revolving Credit Facility with respect to an issuance of letters of credit (subject to certain conditions and exclusions).

Guarantees

Each Guarantor under the New Revolving Credit Facilities Agreement will provide a senior secured guarantee of all amounts payable to the finance parties by each other obligor (including any additional borrowers which accede to the New Revolving Credit Facilities Agreement) (subject to the limitations described in "*Limitations on validity and enforceability of the security interests*").

Security

The New Revolving Credit Facility will be secured by the Senior Secured Notes Collateral. In addition, the New Revolving Credit Facility may from time to time benefit from certain guarantees and security, in addition to the Senior Secured Notes Collateral, which do not guarantee or secure the Senior Secured Notes.

Under the terms of the Existing Intercreditor Agreement, proceeds from the enforcement of the Collateral (whether or not shared with the holders of the Senior Secured Notes) will be required to be applied to repay indebtedness outstanding under the New Revolving Credit Facility in priority to the Senior Secured Notes.

Representations and warranties

The New Revolving Credit Facilities 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) center of main interests; (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 New Revolving Credit Facilities Agreement will contain certain of the same incurrence covenants and related definitions (with certain adjustments) that apply to the Senior Secured Notes and/or the PIK Notes. In addition, the New Revolving Credit Facilities 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 New Revolving Credit Facilities Agreement will provide that the Senior Secured Notes Issuer or the Issuer (as relevant) may prepay/redeem/repurchase/defease/otherwise retire for value any Senior Secured Notes or Notes prior to their scheduled maturity (a "Note Purchase") without any obligation to make any pro rata prepayment of the New Revolving Facility commitments where such redemption or repurchase is (a) made: (i) pursuant to a change of control under the Senior Secured Notes Indenture or Indenture (as relevant), to the extent that this does not constitute a change of control under the New Revolving Credit Facilities Agreement; (ii) from the proceeds of any indebtedness which refinances any Senior Secured Notes or Notes; or (iii) from the proceeds of new equity subscriptions, debt subordinated to the New Revolving Credit Facility in right of payment, amounts available to be distributed to the Target in accordance with the New Revolving Credit Facilities Agreement and the Senior Secured Notes Indenture; or (b) in an amount not exceeding 50% of the aggregate amount in existence and uncancelled on the Issue Date of: the aggregate face value of the Senior Secured Notes; and the aggregate face value of the Notes; over the life of the New Revolving Credit Facility (excluding for these purposes any fees, make whole payments, call premiums and other amounts not constituting principal with respect to such Note Purchase) (the "Note Purchase Basket").

Where the Senior Secured Notes Issuer or the Issuer (as relevant) 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 New Revolving Credit Facility commitments shall be prepaid and cancelled in the same proportion until the total New 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, information relating to the financial condition of the Group (as defined in the Senior Secured Notes 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 Guarantor and Security Coverage Test; (vi) further assurance; (vii) no change of COMI; (viii) "double luxco" restrictions; and (ix) certain conditions subsequent, in each case subject to exceptions and materiality thresholds.

Covenant suspension

The provision for suspension of certain covenants upon the Senior Secured Notes achieving investment-grade status as set forth in "*—Senior Secured Notes*," shall also apply equally to the New Revolving Credit Facility.

Mandatory prepayment requirements upon a change of control or a sale

Upon a sale of all or substantially all assets of the Senior Secured Notes Issuer and its restricted subsidiaries, the New Revolving Credit Facility will be cancelled and all outstanding utilizations and all outstanding amounts under any ancillary facility, together with accrued interest, and all other amounts accrued under the Finance Documents (as defined in the New Revolving Credit Facilities Agreement) shall become immediately due and payable and shall be repaid within three business days of such date.

Upon a Change of Control (as defined in the New Revolving Credit Facilities Agreement and includes, subject to certain conditions, an Adverse Corporate Decision (as defined in the New Revolving Credit Facilities Agreement)) the lenders under the New Revolving Credit Facilities Agreement (the "New Revolving Credit Facility Lenders") shall not be obligated to fund utilizations (other than rollover loans), and if a New Revolving Credit Facility Lender requests and gives notice to the New Revolving Credit Facility Agent, within 30 days of receiving notice of such Change of Control, that its commitments be cancelled the New Revolving Credit Facility Agent shall promptly notify the Target, within five business days from such notice, that such New Revolving Credit Facility Lender shall be required to be prepaid or replaced and its commitments cancelled.

Financial covenant

Under the New Revolving Credit Facilities Agreement, we will be required to test the drawn super senior leverage covenant, being the ratio of drawn super senior net debt under the New Revolving Credit Facilities 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 Acquisition 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 New Revolving Credit Facilities 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 utilisations).

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 New Revolving Credit Facilities Agreement, the Senior Secured Notes 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 Senior Secured Notes 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 New Revolving Credit Facility (excluding any utilizations of the New 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 New Revolving Credit Facility commitments as of such date or if higher, the total New Revolving Credit Facility commitments as at the date of the New Revolving Credit Facilities 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 New Revolving Credit Facilities Agreement provides for the same events of default (with certain adjustments as necessary) as under the Notes.

In addition, the New 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 Existing Intercreditor Agreement; and (iv) the repudiation and rescission of finance documents.

Governing law

The New Revolving Credit Facilities 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 New Revolving Credit Facilities Agreement, are interpreted in accordance with New York law (without prejudice to the fact that the New Revolving Credit Facilities Agreement is governed by, and shall be governed by, English law).

Senior Secured Notes

General

On January 31, 2014, the Senior Secured Notes Issuer issued €240.0 million in aggregate principal amount of notes (the "2014 Senior Secured Notes") and on May 15, 2015, the Senior Secured Notes Issuer issued an additional €60.0 million in aggregate principal amount of notes (the "2015 Senior Secured Notes" and together with the 2014 Senior Secured Notes, the "Senior Secured Notes"), pursuant to the Senior Secured Notes Indenture. On or about the Completion Date, the Seller will cause the Senior Secured Notes Issuer to redeem €30.0 million in aggregate principal amount of Senior Secured Notes.

Maturity and interest

The Senior Secured Notes mature on February 1, 2019. The Senior Secured Notes bear interest at a rate equal to 6.5% per annum, payable semi-annually on each August 1 and February 1 of each year, commencing on August 1, 2014 for the 2014 Senior Secured Notes and August 1, 2015 for the 2015 Senior Secured Notes.

Ranking

The Senior Secured Notes are senior secured obligations of the Senior Secured Notes Issuer and rank senior in right of payment to all of the Senior Secured Notes Issuer's debt that is expressly subordinated in right of payment to the Senior Secured Notes and rank *pari passu* in right of payment with the Senior Secured Notes Issuer's existing and future debt that is not so subordinated, including the Senior Secured Notes Issuer's obligations under the Revolving Credit Facility and certain hedging obligations.

The Senior Secured Notes are guaranteed on a senior secured basis by the Target, a *société par actions simplifée* organized and existing under the laws of France and Autodistribution S.A., a *société anonyme* organized and existing under the laws of France (together, the "Senior Secured Notes Guarantors"). The guarantees rank senior in right of payment to the respective Senior Secured Notes Guarantor's future debt that is expressly subordinated in right of payment to such guarantee and will rank *pari passu* in right of payment with the respective Senior Secured Notes Guarantor's existing and future debt that is not so subordinated, including such Senior Secured Notes Guarantor's obligations under the Revolving Credit Facility.

The Senior Secured Notes are secured by (i) a first-priority pledge of the capital stock, bank account and intragroup receivables of the Target, (ii) a first-priority pledge of the capital stock of the Senior Secured Notes Issuer, (iii) first-priority security interests over substantially all of the assets of the Senior Secured Notes Issuer, including a first-priority pledge of the capital stock of Autodistribution S.A., Magenta Auto Pièces S.A. and SDFM S.A. held by the Senior Secured Notes Issuer, a first-priority pledge over its bank account and a first-priority pledge over its intragroup receivables, (iv) 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 account and (C) Autodistribution S.A.'s intragroup receivables and (v) a first-priority pledge of the issued capital stock of ACR Holding S.A.S. (collectively, the "Target Group Collateral"). On the Completion Date, LuxCo 5 and BidCo will accede to the Senior Secured Notes Indenture as security providers in accordance with the requirements under such indenture to allow the portability of the Senior Secured Notes.

The Senior Secured Notes and the guarantees thereof may, subject to certain agreed security principles and limitations under applicable law, be released under certain circumstances.

Redemption

On or after February 1, 2016, the Senior Secured Notes Issuer may redeem all or a part of the Senior Secured Notes at the redemption prices set out below, if redeemed during the twelve-month period beginning on February 1 of the years indicated below:

Year	Redemption Price
2016	103.250%
2017	101.625%
2018 and thereafter	100.000%

At any time prior to February 1, 2016, the Senior Secured Notes Issuer may redeem up to 40% of the aggregate principal amount of the Senior Secured Notes with the net cash proceeds of certain equity offerings at a redemption price of 106.500% of the principal amount of the Senior Secured Notes, plus accrued and unpaid interest and additional amounts, if any, to, but not including, the applicable redemption date, provided that least 60% of the aggregate principal amount of the Senior Secured Notes remains outstanding after each such redemption and the redemption occurs within 180 days after the closing of such equity offering.

At any time prior to February 1, 2017, the Senior Secured Notes Issuer may redeem during each calendar year up to 10% of the aggregate principal amount of the Senior Secured Notes at a redemption price of 103.000% of the principal amount of the Senior Secured Notes, plus accrued and unpaid interest and additional amounts, if any, to, but not including, the applicable redemption date.

The Senior Secured Notes Issuer may also redeem part of the Senior Secured Notes, at any time prior to February 1, 2016, at a redemption price equal to 100% of the principal amount of the Senior Secured Notes, plus an applicable premium, plus accrued and unpaid interest and additional amounts, if any, to, but not including, the applicable redemption date.

The Senior Secured Notes Issuer may redeem the Senior Secured Notes in whole, but not in part, at any time, if, as a result of certain changes in tax law the Senior Secured Notes Issuer is or would be required to pay additional amounts with respect to the Senior Secured Notes. If the Senior Secured Notes Issuer decides to exercise such redemption right, it must pay a price equal to 100% of the principal amount of the Senior Secured Notes plus interest and additional amounts, if any, to the date of redemption.

Change of control

The Senior Secured Notes Indenture provides that if the Senior Secured Notes Issuer experiences a change of control, each holder of the Senior Secured Notes will have the right to require the Senior Secured Notes Issuer to repurchase all or any part of such holder's Senior Secured Notes at a purchase price in cash equal to 101% of the aggregate principal amount of the Senior Secured Notes, plus accrued and unpaid interest and additional amounts, if any, to the date of purchase. Notwithstanding, a change of control will not be deemed to have occurred if certain consolidated leverage ratios are not exceeded in connection with such event (the "Specified Change of Control"). The relevant ratio is expected not be exceeded at completion of the Acquisition, and we expect to qualify the Acquisition as a Specified Change of Control. No more than one Specified Change of Control can occur under the Senior Secured Notes Indenture.

Events of default

The Senior Secured Notes Indenture contains customary events of default, including, without limitation, payment defaults, covenant defaults, certain cross-defaults to mortgages, indentures or other instruments, certain events of bankruptcy and insolvency, and judgment defaults.

Covenants

The Senior Secured Notes Indenture contains covenants for the benefit of the holders of the Senior Secured Notes that, among other things, limit the ability of the Senior Secured Notes Issuer and its restricted subsidiaries and the Target, among others, 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 the Senior Secured Notes Issuer's subsidiaries to pay dividends or make other payments to the Senior Secured Notes Issuer;
- transfer, lease or sell certain assets, including subsidiary stock;
- merge or consolidate with other entities;
- enter into certain transactions with affiliates;
- impair the security interests for the benefit of the holders of the Senior Secured Notes.

These limitations are, however, subject to a number of important qualifications and exceptions. If the Senior Secured 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.

Senior HoldCo Intercreditor Agreement

Summary only

The following description is a summary of certain key provisions in the Senior HoldCo Intercreditor Agreement. It does not restate the Senior HoldCo Intercreditor Agreement in its entirety, set forth all relevant exceptions to the provisions below in the Senior HoldCo Intercreditor Agreement or replicate the provisions below in exactly the way in which they appear in the Senior HoldCo Intercreditor Agreement.

Ranking and priority

Right of payment

The liabilities owed to the Senior Creditors and any direct or indirect shareholder of the Issuer shall rank in right and priority of payment in the following order and are postponed and subordinated to any prior ranking liabilities as follows:

(a) *first*, the liabilities owed to the holders of the Notes, any Additional Senior Facility Lenders, any Additional Senior Noteholders, the Additional Senior Arrangers, the Agents and the Security Agent (the "*Senior Liabilities*") *pari passu* and without any preference between them; and

(b) *second*, the liabilities owed to any direct or indirect shareholder of the Issuer.

"Additional Senior Arrangers" means any "arranger" or "mandated lead arranger" of any liabilities incurred in accordance with "*—New Debt Financings*."

"Additional Senior Facility Lenders" means any lenders in respect of any liabilities in the form of loans or credit incurred in accordance with "*—New Debt Financings*."

"Additional Senior Noteholders" means any noteholders in respect of any liabilities in the form of notes or debt securities incurred in accordance with "*—New Debt Financings*."

"Agents" means any facility agent or notes trustee on behalf of any of the Noteholders, any Additional Senior Facility Lenders and any Additional Senior Noteholders.

"Secured Parties" means the Senior Creditors, the Additional Senior Arrangers, the Security Agent and any receiver or delegate appointed by the Security Agent.

"Senior Creditors" means the Noteholders, any Additional Senior Facility Lenders, any Additional Senior Noteholders and the Agents.

Right to proceeds of Transaction Security

The Transaction Security shall rank and secure the liabilities described at paragraph (a) of "*—Right of payment*" *pari passu* and without any preference between them.

"Transaction Security" means the security created or evidenced or expressed to be created or evidenced under or pursuant to the Transaction Security Documents.

"Transaction Security Documents" means (a) a pledge granted by LuxCo 3 in favour of the Secured Parties with respect to the outstanding capital stock of the Issuer; (b) a pledge granted by the Issuer in favour of the Secured Parties with respect to the bank account of the Issuer; (c) a pledge granted by LuxCo 3 in favour of the Secured Parties with respect to the preferred equity certificates owed by the Issuer to LuxCo 3; (d) any other document entered into at any time by LuxCo 3 or the Issuer creating any guarantee, indemnity, security or other assurance against financial loss in favour of any of the Secured Parties (e) any security granted under any covenant for further assurance in any of the documents set out in paragraphs (a) and (d) above, provided that any security granted in favour of the Trustee or any trustee for the Additional Senior Noteholders by the Issuer over its escrow account into which a portion of the proceeds of Notes are to be deposited for the purposes of the Acquisition shall not constitute Transaction Security.

Permitted payments

Payments of Senior Liabilities

Prior to the occurrence of a Senior Acceleration Event or an insolvency event with respect to the Issuer, the Issuer may make payments in respect of the liabilities owed to the Noteholders, any Additional Senior Facility Lenders and/or any Additional Senior Noteholders (the "Senior Liabilities") at any time in accordance with their terms.

Subject to certain exceptions in respect of distributions from unsecured assets, following the occurrence of a Senior Acceleration Event or an insolvency event with respect to the Issuer, the Issuer may not make (and no Senior Creditor may receive) payments of the Senior Liabilities except for recoveries distributed in accordance with the waterfall described under "*—Order of application of recoveries*" or as otherwise agreed by the Secured Parties.

"Senior Acceleration Event" means:

(a) a Senior Creditor (or any Agent on their behalf) exercising any rights to accelerate amounts outstanding under the Senior Finance Documents; or

(b) any liabilities to such Senior Creditors becoming due and payable by operation of any automatic acceleration provisions in any Senior Finance Document,

in each case, for the avoidance of doubt, not including any declaration that any amount is payable on demand but including the exercise of any right to demand payment of an amount previously placed on demand.

"Senior Finance Documents" means the Finance Documents (or equivalent term) in the Indenture or any document evidencing any liabilities to any Additional Senior Facility Lender or Additional Senior Noteholder.

Payments of shareholder liabilities

The Issuer may make any payments in respect of liabilities to its direct or indirect shareholders, if such payment is not prohibited by the Senior Finance Documents or, to the extent prohibited, the consent of the relevant Agent on behalf of each class of Senior Creditors has been obtained and no Senior Acceleration Event has occurred.

Turnover by the creditors

Subject to certain exclusions, if at any time prior to the Final Discharge Date, any creditor receives or recovers any payment or distribution of, or on account of or in relation to, any liabilities which is:

(a) not a permitted payment as described under "—*Permitted payments*"; or

(b) made following the occurrence of a Senior Acceleration Event or an insolvency event in respect of the Issuer, or from the proceeds of any enforcement of the Transaction Security, and such payment is not made in accordance with the waterfall described under "—*Order of application of recoveries*";

that creditor will:

(i) in relation to receipts and recoveries not received or recovered by way of set-off, hold an amount of that receipt or recovery on trust for (or otherwise on behalf and for the account of) the Security Agent and promptly pay or distribute that amount to the Security Agent for application in accordance with the terms of the Senior HoldCo 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 Senior HoldCo Intercreditor Agreement.

"Final Discharge Date" means the first date on which all liabilities to the Senior Creditors have been fully and finally discharged (including by way of defeasance in accordance with the Senior Finance Documents), whether or not as a result of an enforcement, and the Senior Creditors are under no further obligation to provide financial accommodation to the Issuer in their capacity as Senior Creditors.

Enforcement of Transaction Security

Enforcement instructions

The Security Agent may refrain from enforcing the Transaction Security unless instructed otherwise by the Instructing Group.

Subject to the Transaction Security having become enforceable in accordance with its terms the Instructing Group may give or refrain from giving instructions to the Security Agent to enforce or refrain from enforcing the Transaction Security as they see fit.

No party shall have any independent power to enforce, or to have recourse to, any Transaction Security or to exercise any rights or powers arising under the Transaction Security Documents except through the Security Agent.

"Instructing Group" means Senior Creditors holding a simple majority of the liabilities for borrowed money owed to the Senior Creditors is obtained.

Manner of enforcement

If the Transaction Security is being enforced pursuant to the terms set forth under "—*Enforcement instructions*," the Security Agent shall enforce the Transaction Security in such manner (including, without limitation, the selection of any administrator of the Issuer to be appointed by the Security Agent):

(a) as the Instructing Group shall instruct; or

(b) in the absence of any such instructions, as the Security Agent sees fit.

Exercise of voting rights

(c) Each Obligor and each shareholder creditor agrees (to the fullest extent permitted by law at the relevant time) with the Security Agent that it 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 the Issuer as instructed by the Security Agent.

(d) The Security Agent shall give instructions for the purposes of paragraph (a) above as directed by the Instructing Group.

"Obligor" means the Issuer and any other person providing security to the Secured Parties for the liabilities of the Issuer.

Waiver of rights

To the extent permitted under applicable law and subject to the above paragraphs, the paragraph entitled "Distressed Disposals" below and the waterfall described under "*—Order of application of recoveries*," each Secured Party and each Obligor waives all rights it may otherwise have to require that the Transaction Security be enforced in any particular order or manner or at any particular time or that any sum received or recovered from any person, or by virtue of the enforcement of any of the Transaction Security or of any other security interest, which is capable of being applied in or towards discharge of any of the liabilities owed to the Secured Parties is so applied. If any Transaction Security is held by a creditor other than the Security Agent, then creditors may only enforce that Transaction Security in accordance with instructions given by the Instructing Group in accordance with this paragraph (and for this purpose references to the Security Agent shall be construed as references to that creditor).

Non-Distressed Disposals

(a) If, in respect of a disposal of an asset which is subject to the Transaction Security, the Issuer certifies for the benefit of the Security Agent that (A) either (I) the disposal is not prohibited under the Debt Documents and the relevant asset is not required to remain subject to Transaction Security or (II) the Required Senior Consent for such disposal has been obtained and (B) the disposal is not a Distressed Disposal (a "Non-Distressed Disposal"), the Security Agent is irrevocably authorized (at the reasonable cost of the Issuer and without any consent, sanction, authority or further confirmation from any Creditor or any Obligor) but subject to paragraph (b) below:

    (i) to release the Transaction Security and any other claim (relating to a Debt Document) over that asset;

    (ii) where that asset consists of shares in the capital of the Issuer, to release the Transaction Security and any other claim, including, without limitation, any liabilities (other than borrowing liabilities) (relating to a Debt Document) over the Issuer or its assets and (if any) the subsidiaries of the Issuer and their respective assets; and

    (iii) to execute and deliver or enter into any release of the Transaction Security or any claim described in paragraphs (i) and (ii) above and issue any certificates of non-crystallization of any floating charge or any consent to dealing that may be reasonably requested by the Issuer.

(b) If that Non-Distressed Disposal is not made, each release of Transaction Security or any claim described in paragraph (a) above shall have no effect and the Transaction Security or claim subject to that release shall continue in such force and effect as if that release had not been effected.

"Debt Documents" means each of the Senior HoldCo Intercreditor Agreement, the Senior Finance Documents, the Transaction Security Documents, any shareholder debt documents and any other document designated as such by the Security Agent and the Issuer.

"Required Senior Consent" means, in relation to any proposed matter, step or action (the "Senior Proposed Action"), the prior consent of:

(a) if any liabilities to the holders of the Notes are outstanding and the Senior Proposed Action is prohibited by the terms of the Indenture, the relevant the Trustee acting on behalf of the Noteholders; and

(b) if any liabilities to any Additional Senior Creditors are outstanding are outstanding and the Senior Proposed Action is prohibited by the terms of any Senior Finance Document in respect of the Additional Senior Liabilities, the relevant Agent acting on behalf of the relevant Additional Senior Creditors,

in each case, subject to and without limiting, the other provisions of the Senior Holdco Intercreditor Agreement.

"Additional Senior Creditors" means the Additional Senior Facility Lenders, the Additional Senior Arrangers, the Additional Senior Noteholders and any Agent appointed by one or more of them.

Distressed Disposals

Release authorizations

Subject to the section entitled 'Exceptions' below, if a Distressed Disposal of any asset is being effected, the Security Agent is irrevocably authorized (at the cost of the relevant Obligor and without any consent, sanction, authority or further confirmation from any creditor or Obligor):

(a) *release of security/non-crystallization certificates*: to release the Transaction Security or any other claim over that asset and execute and deliver or enter into any release of that Transaction Security or claim and issue any letters of non-crystallization of any floating charge or any consent to dealing that may, in the discretion of the Security Agent, be considered necessary or desirable;

(b) *release of liabilities and security on a share sale*: if the asset that is disposed of consists of shares in the capital of the Issuer to release:

  (iv) each Obligor from all or any part of its liabilities:

  (v) any Transaction Security granted by that Obligor over any of its assets; and

  (vi) any other claim of a shareholder creditor,

on behalf of the relevant creditors; and

(c) disposal of liabilities on a share sale: if the asset which is disposed of consists of shares in the capital of the Issuer and the Security Agent (acting in accordance with paragraph (a) of the section entitled "*Exceptions*" below) decides to dispose of all or any part of the liabilities owed by any Obligor:

  (i) (if the Security Agent (acting in accordance with paragraph (c) of the section entitled "*Exceptions*" below) does not intend that any transferee of those liabilities (the "Transferee") will be treated as a Senior Creditor or a Secured Party for the purposes of the Senior HoldCo Intercreditor Agreement), to execute and deliver or enter into any agreement to dispose of all or part of those liabilities; provided that notwithstanding any other provision of any Debt Document the Transferee shall not be treated as a Senior Creditor or a Secured Party for the purposes of the Senior HoldCo Intercreditor Agreement; and

  (ii) (if the Security Agent (acting in accordance with paragraph (c) of the section entitled "*Exceptions*" below) does intend that any Transferee will be treated as a Senior Creditor or a Secured Party for the purposes of the Senior HoldCo Intercreditor Agreement), to execute and deliver or enter into any agreement to dispose of:

    (A) all (and not part only) of the liabilities owed to the Senior Creditors; and

(B) all or part of any other liabilities,

on behalf of, in each case, the relevant creditors and the relevant Obligor.

"Distressed Disposal" means a disposal of any property subject to the Transaction Security:

(a) being effected at the request of the Instructing Group in circumstances where the Transaction Security has become enforceable as a result of a Senior Acceleration Event which was continuing at the time the request for enforcement was made;

(b) being effected by enforcement of the Transaction Security as a result of a Senior Acceleration Event which was continuing at the time the request for enforcement was made; or

(c) being effected, after the occurrence of a Senior Acceleration Event, by an Obligor to a person or persons which is not an Obligor.

Exceptions

(a) The net proceeds of each Distressed Disposal (and the net proceeds of any disposal of liabilities pursuant to paragraph (c) (*disposal of liabilities on a share sale*) above) shall be paid to the Security Agent (as the case may be) for application in accordance with the waterfall described at "*—Application of proceeds*" as if those proceeds were the proceeds of an enforcement of the Transaction Security and, to the extent that any disposal of liabilities has occurred pursuant to sub-paragraph (ii) of paragraph (c) (*disposal of liabilities on a share sale*) above, as if that disposal of liabilities had not occurred.

(b) In the case of a Distressed Disposal effected by or at the request of the Security Agent, 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 any obligation to postpone any such Distressed Disposal or disposal of liabilities in order to achieve a higher price).

(c) In respect of a Distressed Disposal, the Security Agent shall act:

(i) if the relevant Distressed Disposal is being effected by way of enforcement of the Transaction Security, in accordance with the paragraph entitled "*Manner of enforcement*" above; and

(ii) in any other case (A) on the instructions of the Instructing Group or (B) in the absence of any such instructions, as the Security Agent sees fit.

Creditors' and the Issuer's actions

Each creditor and each Obligor will:

(a) do all things that the Security Agent reasonably requests in order to give effect to the the paragraphs entitled "*Non-Distressed Disposals*" and "*Distressed Disposals*" above (which shall include, without limitation, the execution of any assignments, transfers, releases, delegation of faculties, powers of attorney or other documents that the Security Agent may reasonably consider to be necessary to give effect to the releases or disposals contemplated by such paragraphs); and

(b) if the Security Agent is not entitled to take any of the actions contemplated by those paragraphs or if the Security Agent requests that any creditor or the Issuer take any such action, the Issuer or the relevant creditor shall take that action itself in accordance with the reasonable instructions of the Security Agent,

provided that the proceeds of those disposals are applied in accordance with the relevant such paragraph.

Order of application of recoveries

Subject to certain exception in respect of the ability of the Security Agent to place Recoveries into suspense accounts, all amounts from time to time received or recovered by the Security

Agent pursuant to the terms of any Debt Document or, in connection with the realization or enforcement of all or any part of the Transaction Security (the "Recoveries") shall be applied at any time as the Security Agent (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this paragraph), in the following order of priority:

(a) first, in discharging any sums owing to any Agent (in respect of the Senior Liabilities), the Security Agent, any receiver or any delegate on a *pari passu* and pro rata basis;

(b) second, in payment of all costs and expenses incurred by any Agent or Senior Creditor in connection with any realization or enforcement of the Transaction Security taken in accordance with the terms of the Senior HoldCo Intercreditor Agreement or any action taken at the request of the Security Agent under the Senior HoldCo Intercreditor Agreement on a *pari passu* and pro rata basis;

(c) third, on a *pari passu* and pro rata basis, in payment to:

  (i) each relevant Agent on its own behalf and on behalf of the relevant Senior Noteholders; and

  (ii) each relevant Agent on its own behalf and on behalf of the relevant Additional Senior Creditors,

for application towards the discharge of:

    (A) the liabilities to the Noteholders (in accordance with the terms of the Senior Finance Documents); and

    (B) the liabilities to the Additional Senior Creditors (in accordance with the terms of the Senior Finance Documents),

on a pro rata basis and ranking *pari passu* between themselves.

(d) if no Obligor is under any further actual or contingent liability under any Debt Document, in payment to any other person to whom the Security Agent is obligated to pay in priority to the relevant Obligor; and

(e) the balance, if any, in payment to the relevant Obligor.

New Debt Financings

New Debt Financings

Subject to compliance with the requirements of the following, the Issuer may enter into any existing, additional, supplemental or new financing arrangement under a Senior Finance Document, (including by way of refinancing, replacement, exchange, set-off, discharge or increase of any such new, existing, additional, supplemental or new financing arrangement under a Senior Finance Document) (a "New Debt Financing") and all liabilities to the Additional Senior Creditors under the Senior Finance Documents shall be deemed to be Senior Liabilities and rank *pari passu* in all respects with all existing Senior Liabilities for the purposes of the Senior HoldCo Intercreditor Agreement.

The Issuer may not enter into a New Debt Financing unless:

(a) it is not prohibited under the Senior Finance Documents;

(b) the Issuer supplies each existing Agent and the Security Agent as soon as practicable and in any case within ten business days of executing them, copies of the documents governing the terms of that New Debt Financing (including any Transaction Security Documents, priority agreements and any other similar documents relating to the New Debt Financing, but excluding any fee letters or syndication letters relating thereto);

(c) the borrower or issuer (as applicable) in respect of, and the Agent under, the relevant New Debt Financing executes or accedes to the Senior HoldCo Intercreditor Agreement before or concurrently with the borrowing or issuance of the relevant New Debt Financing;

(d) each Obligor grants or re-grants any Transaction Security and/or agrees to any amendment of a Transaction Security Document required under the terms of that New Debt Financing or as may be required under any applicable law in order to give effect to the ranking set forth in the paragraph entitled "*Right to proceeds of Transaction Security*" above, in each case, subject to, the provisions of the agreed security principles and the requirements of the paragraph entitled "*Transaction Security: New Debt Financings*" below; and

(e) the New Debt Financing (and any related Security Documents and other Debt Documents) is:

(i) subject to the terms of the Senior HoldCo Intercreditor Agreement and certain of the rights and benefits of the parties thereto are regulated accordingly; and

(ii) if any Senior Finance Documents are registered under the U.S. Securities Act or required to be qualified under the U.S. Trust Indenture Act of 1939 (the "*Trust Indenture Act*"), those Senior Finance Documents comply with the Trust Indenture Act having regard to, and in a manner consistent with, the Senior HoldCo Intercreditor Agreement.

Nothing in this paragraph or any other Debt Document shall restrict the Issuer, the Creditors (or any of them) and the providers of a New Debt Financing which rank *pari passu* with each other agreeing the ranking of their respective claims among themselves in documentation separate to the Senior HoldCo Intercreditor Agreement and entered into solely between such parties (or on their behalf by an Agent).

Transaction Security: New Debt Financings

Notwithstanding any other term, condition or restriction in any other Debt Document, in connection with a New Debt Financing, the Security Agent is authorized to enter into any new Transaction Security Document, amend or waive any terms of an existing Transaction Security Document and/or release any asset from Transaction Security subject to the following conditions:

(a) any new Transaction Security shall be:

(i) subject to the agreed security principles and applicable law, granted in favor of the Security Agent for and on behalf of the providers and/or agents and/or trustees of a New Debt Financing and the then existing Secured Parties;

(ii) on terms substantially the same (except that it shall also secure any New Debt Financing) as the terms of the existing Transaction Security over equivalent asset(s); and

(iii) for the purposes of the Senior HoldCo Intercreditor Agreement, be considered as having secured the relevant liabilities *pari passu* with the then existing Transaction Security (to the extent not released);

(b) any amendment or waiver of a Transaction Security Document or release and re-grant of Transaction Security shall only be undertaken:

(i) if required under the terms of the New Debt Financing or to the extent necessary under applicable law to give effect to the ranking set forth in the paragraph entitled "*Right to proceeds of Transaction Security*" above and, where legally possible and in the opinion of the Issuer (acting reasonably) commercially feasible, where the Transaction Security is intended to secure any relevant liabilities, second or further priority (if applicable) Transaction Security will be taken instead of releasing and re-granting the existing Transaction Security; and

(ii) if any asset is to be released from Transaction Security, promptly upon giving effect to that release, replacement Transaction Security is, subject to applicable law, granted in favour of the Security Agent for and on behalf of the providers and/or agents and/or trustees of the New Debt Financing and the existing Secured Parties benefiting from the security on substantially the same terms as the Transaction Security released (except that it shall also secure any New Debt Financing); and

(c) to the extent customary legal opinions as to due capacity, authority, execution and enforceability (together with customary supporting legal documentation, certificates and resolutions) are issued in relation to re-taken, new or amended Transaction Security Documents in connection with a New Debt Financing, the Security Agent shall be entitled to rely on such legal opinions and shall receive documentary evidence of such reliance.

Further assurance

In this paragraph, a "Relevant Document" means any document or Debt Document reasonably required in relation to a New Debt Financing, including, without limitation, any amendment, waiver or release agreement in respect of any Debt Document or Transaction Security Document, any grant of Transaction Security pursuant to a new Transaction Security Document, and the entry into any additional or replacement intercreditor agreement (on substantially the same terms as the Senior HoldCo Intercreditor Agreement except for the incorporation of such New Debt Financing).

Each Party agrees that it shall:

(a) promptly co-operate with the Issuer with a view to satisfying the conditions in this paragraph in respect of any New Debt Financing; and

(b) promptly execute (including at the reasonable request of the Issuer or the Security Agent, each acting reasonably) all such Relevant Documents, take such other actions and give such instructions to the Security Agent as may reasonably be required, in each case, in connection with the incurrence or borrowing in accordance with this paragraph in relation to a New Debt Financing.

Each Agent and Security Agent party to the Senior HoldCo Intercreditor Agreement is irrevocably authorised and instructed by the creditors that it acts as their agent or trustee to execute on their behalf any such Relevant Document or take any other action set forth in or in connection with the provisions of this paragraph without the requirement for any further authorization or consent from such creditors.

Upon becoming a party to the Senior HoldCo Intercreditor Agreement, each Agent confirms that it is irrevocably authorized and instructed pursuant to the terms of the relevant Debt Documents to execute any Relevant Documents or take any other action set forth in or in connection with the provisions of this paragraph on behalf of the relevant creditors without the requirement for any further authorization or consent from such creditors.

Notwithstanding the foregoing, nothing in this paragraph shall obligate the Security Agent, any Agent or other creditor to execute any document if it would impose personal liabilities or obligations on, or adversely affect the rights, duties or immunities of the Security Agent, that Agent or creditor (provided that the incurrence of such New Debt Financing, and ranking such New Debt Financing as Senior Liabilities (or any other ranking permitted by the Senior HoldCo Intercreditor Agreement), shall not be construed as adversely affecting the rights of any such creditor) and nothing in this paragraph shall be construed as a commitment to advance or arrange any New Debt Financing.

The Issuer shall, within 30 days of demand, pay to each creditor and the Security Agent the amount of all costs and expenses (including legal fees) (together with any applicable VAT) reasonably incurred by them in connection with the satisfaction of the conditions of this paragraph and the consideration, negotiation, preparation, printing, execution and perfection of any Relevant Document, subject to any agreed cap.

Snooze/lose

The amendment, waiver, consent and override provisions will be subject to customary snooze/lose provisions.

Governing Law

The Senior HoldCo Intercreditor Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

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. We intend that this facility will remain in place following this Offering.

As of August 31, 2015, the amounts of trade receivables assigned pursuant to our factoring arrangements represent €77.9 million.

Bilateral lending facilities

Enssemble

Porteret and Gobillot, Bugisy and SCI Lorat, three distributors of our subsidiary Enssemble, have entered into several bilateral facilities (for an aggregate amount of €0.3 million outstanding as of August 31, 2015) with BNP Paribas, Banque Populaire, HSBC France and Société Générale, as well as an overall overdraft facility of €2.5 million. As of August 31, 2015, €0.5 million had been drawn under these facilities. These facilities are unsecured, except for Enssemble's bank overdrafts which are secured by a pledge over its business assets.

FPLS

Our subsidiary FPLS has entered into several bilateral facilities (for an aggregate amount of €0.3 million) with Crédit Lyonnais, Arkéa Banque Entreprises et Institutionnels, Banque Populaire and Caisse d'Epargne, as well as overdraft facilities of €2.4 million. As of August 31, 2015, €2 million had been drawn under these facilities. These facilities are secured by a guarantee from 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 €6.1 million). As of August 31, 2015, €6.0 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.

Other bilateral lending facilities

Our subsidiaries Rectification du Pas de Calais S.A.S. and Sofar S.A.S. (prior to its disposal in September 2014) entered into several bilateral lending facilities (for an aggregate amount of €0.2 million) with BNP Paribas, Crédit Agricole, Société Générale and Banque Populaire.

ACR financing arrangements

Factoring arrangement

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, 2015, the amount of trade receivables assigned pursuant to such factoring agreement represents €9.8 million.

Finance leases

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, 2015, ACR Group S.A.S. had €0.4 million outstanding under these leases.

Description of the Notes

You will find definitions of certain capitalized terms used in this "*Description of the Notes*" under the heading "*Certain definitions*." For purposes of this "*Description of the Notes*," references to the "*Issuer*" refer only to Dakar Finance S.A. and not to any of its Subsidiaries, except for the purposes of financial data determined on a consolidated basis, references to "*LuxCo 3*" refer only to Dakar Intermediate S.à r.l. 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, except for the purposes of financial data determined on a consolidated basis, and references to "*BidCo*" refer only to Dakar Acquisition S.A. and not any of its Subsidiaries. References to "*Sponsor SPVs*" refer only to LuxCo 5 and BidCo. References to the "*Senior Secured Notes Issuer*" refer only to Autodis S.A. and not to any of its Subsidiaries. The term "*Notes,*" unless the context requires otherwise, also refers to "*book entry interests*" in the Notes, as defined herein. References to "we," "our," and "us" refer to the Issuer and its Restricted Subsidiaries.

The Issuer will issue €239.0 million aggregate principal amount of 9.000%/9.750% Senior HoldCo Pay-If-You-Can Notes (the "*Notes*") under an indenture to be dated as of November 12, 2015 (the "*Indenture*"), between, *inter alios*, the Issuer, LuxCo 3, as security provider, 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. The Notes will be secured by the Collateral as described under "*—Security*."

The proceeds from the offering of the Notes sold on the Issue Date will be used by the Issuer, together with the proceeds from the Equity Contribution, to (i) fund the consideration payable for the shares of Autodis Group S.A.S. (the "*Target*") and (ii) pay the estimated fees and expenses incurred in connection with the Transactions, including commitment, placement, financial advisory and other transaction costs and professional fees, as set forth in this Offering Memorandum under the caption "*Use of proceeds*." Pending the consummation of the Acquisition and the satisfaction of certain other conditions as described below, the Initial Purchasers will, concurrently with the closing of the offering of the Notes on the Issue Date, deposit the gross proceeds of this offering of the Notes into an escrow account (the "*Escrow Account*") pursuant to the terms of an escrow deed (the "*Escrow Agreement*") dated as of the Issue Date, among the Issuer, the Trustee and Elavon Financial Services Limited, UK Branch, as escrow agent (the "*Escrow Agent*"). If the Acquisition is not consummated on or prior to April 15, 2016 (the "*Escrow Longstop Date*"), the Notes will be redeemed at a price equal to 100% of the initial issue price of the Notes, plus accrued and unpaid interest (using the rate applicable to the payment of Cash Interest for purposes of such calculation) and Additional Amounts, if any, from the Issue Date to, but not including, the Special Mandatory Redemption Date (as defined below). See "*—Escrow of proceeds; special mandatory redemption.*"

Unless and until the Completion Date occurs, the Issuer will not control the Target or any of its Subsidiaries and none of the Target nor any of its Subsidiaries will be subject to the covenants described in this "*Description of the Notes*." As such, we cannot assure you that prior to the Completion Date, the Target and its Subsidiaries will not engage in activities that would otherwise have been prohibited by the Indenture had those covenants been applicable to such entities after the Issue Date and prior to such entities becoming Restricted Subsidiaries.

The Indenture will be unlimited in aggregate principal amount, of which €239.0 million aggregate principal amount of Notes will be issued in this offering. We may issue an unlimited principal amount of additional Notes having identical terms and conditions as the Notes (the "*Additional Notes*"). We will only be permitted to issue Additional 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*"). Except as otherwise provided for in the Indenture, the Notes issued in this offering and, if issued, any Additional Notes will be treated as a single class for all purposes under the Indenture, including, without limitation, with respect to waivers, amendments, redemptions and offers to purchase *provided that*, if the Additional Notes are not fungible with the original Notes for U.S. federal income tax purposes, such Additional Notes, as applicable, will be issued under a separate identification number. Unless the context otherwise requires, in this "*Description of the Notes*," references to the "*Notes*" include the Notes and any Additional Notes that are actually issued.

The Indenture and the Notes will be subject to the terms of the Senior Holdco Intercreditor Agreement and any Additional Senior Holdco Intercreditor Agreements (as defined below). The terms of the Senior Holdco Intercreditor Agreement are important to understanding 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 the payment waterfall for amounts received by the Security Agent. See "*Description of certain financing arrangements—Senior Holdco Intercreditor Agreement*" for a description of certain terms of the Intercreditor Agreement.

This "*Description of the Notes*" is intended to be an overview of the material provisions of the Notes, the Indenture and the Security Documents. Since this description of the terms of the Notes is only a summary, you should refer to the 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.

The registered Holder of a 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 Notes have not been, and will not be, registered under the Securities Act and are subject to certain transfer restrictions.

General

The Notes

The Notes will, upon issuance:

- be the general senior obligations of the Issuer;
- be secured as set forth under "*—Security*";
- mature on November 15 , 2020;
- rank equally in right of payment with all existing and future obligations of the Issuer that are not subordinated in right of payment to the Notes;
- rank senior in right of payment to any future subordinated obligations of the Issuer;
- be effectively subordinated to any existing or future obligations of the Issuer that is secured by property or assets that do not secure the Notes to the extent of the property and assets securing such obligations; and
- be structurally subordinated to all existing and future obligations of the Subsidiaries of the Issuer, including the Senior Secured Notes, borrowings outstanding under the Revolving Credit Facility, trade payables and lease obligations.

The Issuer is a newly formed holding company incorporated for the purposes of issuing the Notes, with no material operations of its own and only limited assets. Prior to the Completion Date, the Issuer's only Subsidiaries will be LuxCo 5 and BidCo. Following the Completion Date, the operations of the Issuer will be conducted through its Subsidiaries. Therefore, after the Completion Date, the Issuer will depend on the receipt of funds from its Subsidiaries (whether in the form of dividends, other distributions, return on capital or payments with respect to intercompany obligations) to meet its obligations, including its obligations under the Notes. The Notes will be structurally subordinated in right of payment to all Indebtedness and other liabilities and commitments (including trade payables and lease obligations) of the Issuer's Subsidiaries. Any right of the Issuer to receive assets, or proceeds from the sale thereof, of any of its Subsidiaries upon the Subsidiary's liquidation or reorganization (and the consequent right of the Holders to participate in those assets) will be structurally subordinated to the claims of that Subsidiary's creditors, except to the extent that the Issuer is itself recognized as a creditor of the Subsidiary, in which case the claims of the Issuer would still be subordinate in right of payment to any security in the assets of the Subsidiary and any Indebtedness of the Subsidiary senior to that held by the Issuer.

As of the Issue Date, all of the Issuer's Subsidiaries will be "*Restricted Subsidiaries*." However, under the circumstances described below under the caption "*—Restricted subsidiaries and*

Unrestricted Subsidiaries" the Issuer will be permitted to designate certain of its Subsidiaries as "*Unrestricted Subsidiaries*." Unrestricted Subsidiaries of the Issuer will not be subject to any of the restrictive covenants in the Indenture. Although the Indenture contains limitations on the amount of additional Indebtedness that the Issuer and its Restricted Subsidiaries may incur, the amount of such additional Indebtedness could be substantial.

As of August 31, 2015, after giving *pro forma* effect to the Transactions, on a consolidated basis, the Issuer and its Restricted Subsidiaries would have had €526.9 million of financial debt outstanding, €239.0 million of which is represented by the Notes and €270.0 million of which is represented by the Senior Secured Notes. We expect the Revolving Credit Facility to be undrawn on the Completion Date.

Principal and maturity

On the Issue Date, the Issuer will issue €239.0 million in aggregate principal amount of Notes. The Notes will mature on November 15, 2020. The Notes will be issued in minimum denominations of €100,000 and in integral multiples of €1 in excess thereof.

Interest

Interest on the Notes will accrue at the rate of 9.000% per annum with respect to Cash Interest (as defined below) and 9.750% per annum with respect to any PIK Interest (as defined below). Interest on the Notes will be paid semi-annually from the Issue Date or the most recent interest payment date to which interest has been paid or provided for, whichever is later. Interest will be payable on each Note on May 15 and November 15 of each year, commencing on May 15, 2016. Interest will be payable to Holders of record on each Note in respect of the principal amount thereof outstanding as at the immediately preceding May 1 or November 1, as the case may be. Interest on overdue principal and interest, including Additional Amounts (as defined herein), if any, will accrue at a rate that is 1% higher than Cash Interest. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

In connection with the payment of PIK Interest on, and any Additional Amounts with respect to, the Notes, the Issuer is entitled, without the consent of the Holders, to issue Additional Notes having the same terms and conditions as the Notes. Any issuance of Additional Notes will be subject to all covenants in the Indenture, including the covenant described below under the caption "*—Certain covenants—Limitation on indebtedness*." The Notes and any Additional Notes subsequently issued under the Indenture will be treated as a single class for all purposes under the Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase, except as otherwise provided in the Indenture; *provided* that unless such Additional Notes are issued with a separate ISIN, such Additional Notes shall be fungible with the relevant series of Notes offered hereby for U.S. federal income tax purposes. Unless the context otherwise requires, references to the "*Notes*" for all purposes of the Indenture and this "*Description of the Notes*" includes references to any Additional Notes that are issued.

Except as provided in the immediately succeeding sentence and the definition of "*Cash Available for Debt Service*," interest on the Notes shall be payable entirely in cash ("*Cash Interest*"). For any interest period after the initial interest period (other than the final interest period ending at stated maturity), if the Cash Available for Debt Service (as defined below) as determined on the Determination Date (as defined below) for such interest period:

(i) equals or exceeds 75%, but is less than 100% of the aggregate amount of Cash Interest that would otherwise be due on the relevant interest payment date, then the Issuer may, at its option, elect to pay interest on up to 25% of the then outstanding principal amount of the Notes by increasing the principal amount of the outstanding Notes or by issuing Additional Notes in a principal amount equal to such interest ("*PIK Interest*");

(ii) is equal to or exceeds 50%, but is less than 75%, of the aggregate amount of Cash Interest that would otherwise be due on the relevant interest payment date, then the Issuer may, at its option, elect to pay interest on up to 50% of the then outstanding principal amount of the Notes as PIK Interest;

(iii) is equal to or exceeds 25%, but is less than 50%, of the aggregate amount of Cash Interest that would otherwise be due on the relevant interest payment date, then the Issuer may, at its option, elect to pay interest on up to 75% of the then outstanding principal amount of the Notes as PIK Interest; or

(iv) is less than 25% of the aggregate amount of Cash Interest that would otherwise be due on the relevant interest payment date, then the Issuer may, at its option, elect to pay interest on up to 100% of the then outstanding principal amount of the Notes as PIK interest;

provided that, if the average daily balance of cash and Cash Equivalents (net of any amount drawn in cash and outstanding under the Revolving Credit Facility and any local working capital facilities and net of any cash that cannot be lawfully distributed by any Restricted Subsidiary to the Issuer, such Restricted Subsidiaries having used commercially reasonable effort to avoid such unlawfulness) of the Issuer and its Restricted Subsidiaries during the period starting on the 45th day preceding the relevant interest payment date and ending on the 15th day preceding such interest payment date the "*Minimum Cash Balance*" is less than (i) €35.0 million or (ii) if the Issuer has, directly or indirectly, acquired any businesses (each an "*Acquired Business*") since the Completion Date, (x) €35.0 million, plus (y) 45% of the Consolidated EBITDA of each Acquired Business for the twelve months immediately preceding the acquisition of such Acquired Business, in each case determined on a *pro forma* basis to give effect to the payment of any Cash Interest payable under the Notes on such interest payment date, then the Issuer may, at its option, elect to pay PIK Interest on the Notes in such amount so that the Minimum Cash Balance would have been (i) €35.0 million or (ii) if the Issuer has acquired any Acquired Businesses, (x) €35.0 million, plus (y) 45% of the Consolidated EBITDA of each Acquired Business for the twelve months immediately preceding the acquisition of any such Acquired Business, in each case determined on the same basis. In such circumstances, it shall deliver an Officer's Certificate to the Trustee and the relevant Paying Agent (upon which the Trustee and the Paying Agent may conclusively rely) on or prior to the fifth Business Day preceding the relevant interest payment date, which Officer's Certificate shall set forth in reasonable detail the Issuer's determination of such *pro forma* calculation.

The insufficiency or lack of funds available to the Issuer to pay Cash Interest as required by the preceding paragraph shall not permit the Issuer to pay PIK Interest in respect of any interest period, and the sole right of the Issuer to elect to pay PIK Interest shall be as (and to the extent) provided in the immediately preceding paragraph.

As used herein:

"*Cash Available for Debt Service*" shall be the amount equal to the sum (without duplication) of:

(i) the aggregate of all cash and Cash Equivalents on hand at each of the Sponsor SPVs and the Target as of such Determination Date that may lawfully be used to make a dividend or other distribution prior to the relevant interest payment date on any such Restricted Subsidiary's equity (other than any cash and Cash Equivalents the distribution of which was conditioned upon such cash and Cash Equivalents being used for a purpose other than paying Cash Interest and other than an amount necessary to maintain the corporate existence of such Restricted Subsidiary and carry out activities not prohibited by the Notes, the Indenture or the Revolving Credit Facility, including, for the avoidance of doubt, the payment of interest on any Parent Senior Notes (as such term is defined in the indenture governing the Senior Secured Notes (the "*Senior Secured Notes Indenture*") (such amount with respect to any such Restricted Subsidiary, a "*Maintenance Amount*")), net of all taxes attributable solely to such payments or distributions, if any; and

(ii) without double counting, all cash and Cash Equivalents on hand at the Issuer as of such Determination Date (other than the Issuer's Maintenance Amount, which amount shall in no event be less than €0 (*provided* that there shall be excluded from this clause (ii) any net proceeds from the Notes, as applicable, and any Cash and Cash Equivalents on hand to be used for payment of interest on the interest payment date immediately succeeding such Determination Date; and provided further that the Issuer or the Sponsor SPVs shall retain and continue to hold at all times until the date of the first semi-annual interest payment under the Notes has been paid in cash, an amount in cash from the net proceeds of the Notes (which amount may be distributed to LuxCo 3 or any of its Parents (each, a "*Sponsor HoldCo*," and together, the "*Sponsor HoldCos*") if replaced by a corresponding amount from another source) sufficient to pay the first semi-annual interest payment on the Notes in cash; and

(iii) without double counting, the maximum amount of all dividends and other distributions that, as of the applicable Determination Date, would be lawfully permitted to be paid to the Issuer for the purpose of paying Cash Interest by all Restricted Subsidiaries after giving effect to all corporate, shareholder or other comparable actions required in order to make such payment, requirements under applicable law and all restrictions on the ability to make such dividends or distributions that are otherwise permitted by the covenant described under "*—Certain covenants—Limitation on restrictions on distributions from restricted subsidiaries*" (including any restrictions and limitations in the Revolving Credit Facility, the Senior Secured Notes Indenture, other debt of the Issuer and its Restricted Subsidiaries (other than debt under the Revolving Credit Facility or the Senior Secured Notes Indenture) in existence on the Completion Date or any agreement that amends, modifies, renews, increases, supplements, refunds, replaces or refinances such debt in the manner prescribed by such covenant) pursuant to the "*restricted payments*" covenant (including the "*general basket*" and "*consolidated net income build-up*" in respect thereof but excluding the other exceptions in respect thereof) and similar distribution mechanisms contained in the Revolving Credit Facility, the Senior Secured Notes Indenture and any other instrument or agreement governing debt of the Issuer or any of its Restricted Subsidiaries, the Incurrence and terms of which do not violate the terms of the Notes or the Indenture, net of all taxes attributable solely to such dividend or distribution, if any, and, in each case, without regard to whether any such Restricted Subsidiary shall have any funds available to make any such dividends or distributions.

To the extent the Issuer is required pursuant to the third preceding paragraph and the definition of Cash Available for Debt Service to pay Cash Interest for all or any portion of the interest due on any interest payment date, the Issuer shall and shall cause each of the Restricted Subsidiaries to take all such shareholder, corporate and other actions necessary or appropriate to permit the making of any such dividends or other distribution or other form of return on capital provided that any such shareholder and corporate and other actions would not violate applicable law.

For the avoidance of doubt, for the purposes of this section, an amount will be deemed not to be lawfully distributable or payable if its distribution or payment would constitute a breach of European Union Alternative Investment Fund Managers Directive 2011/61/EC and any legislation in implementation thereof.

"*Determination Date*" shall mean, with respect to each interest period following the first interest period, the 15th calendar day immediately prior to the first day of the relevant interest period.

In the event that the Issuer is entitled to pay PIK Interest for any interest period, then the Issuer shall deliver a notice to the Trustee (copied to the Paying Agent) following the Determination Date but not less than five Business Days prior to the commencement of the relevant interest period, which notice shall state the total amount of interest to be paid on such interest payment date and the amount of such interest to be paid as PIK Interest. The Trustee shall promptly deliver the same notice to the Holders. Notwithstanding the foregoing, the delivery of such notice to the Trustee shall not restrict the Issuer's ability to pay, at its option, a greater portion of the interest on the Notes with respect to such interest period as Cash Interest. Interest for the first interest period commencing on the Issue Date shall be payable entirely in Cash Interest. Interest for the final interest period ending at stated maturity shall be payable entirely in Cash Interest.

Notwithstanding anything to the contrary, the payment of accrued interest in connection with any redemption or repurchase of the Notes as described under "*—Optional redemption,*" "*—Change of control*" and "*—Certain covenants—Limitation on sales of assets and subsidiary stock,*" will be made solely in cash.

The Issuer will make all payments, if payable in cash, in same day funds. Payments on the Global Notes will be made to the common depositary as the registered holder of the Global Notes.

Interest, if payable in the form of Additional Notes, on the Global Notes will be payable by the Issuer delivering an order to increase the principal amount of any such Global Note by the relevant amount (rounded up to the nearest whole euro) or, if necessary, by issuing a new Global Note executed by the Issuer and an order to the Trustee (or its authenticating agent) to authenticate such new Global Note under the Indenture. Interest, if payable in the form of Additional Notes, on any Definitive Registered Notes will be payable by the Issuer delivering to the Trustee and Paying Agent such Additional Notes in the relevant amount (rounded up to the nearest whole euro) as definitive registered Notes and an order to authenticate such Notes. If the Issuer pays a portion of the interest on the Notes as Cash Interest and as PIK Interest, such Cash Interest and PIK Interest shall be paid to Holders pro rata in accordance with their interests. Following an increase in the principal amount of the outstanding Global Notes as a result of a payment as PIK Interest, the Notes will bear interest on such increased principal amount from and after the date of such payment.

The rights of Holders to receive the payments of interest on such Notes are subject to applicable procedures of Euroclear and Clearstream. If the due date for any payment in respect of any 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.

The ability of the Senior Secured Notes Issuer and its Restricted Subsidiaries to make dividends or distributions to the Issuer pursuant to the baskets in their debt instruments is subject to important limitations. See "*Description of certain financing arrangements*" and "*Risk factors—Risks related to our indebtedness and the Notes—The Issuer will be a holding company with no business operations or assets*."

We estimate that, as of August 31, 2015, on a *pro forma* basis for the Transactions, we would have had no "*restricted payment*" capacity under the Senior Secured Notes Indenture (the general restricted payment basket being fully utilized and the "build-up" basket being negative by approximately €12 million) and approximately €30 million of "restricted payment" capacity under the Revolving Credit Facility. As long as both instruments remain outstanding, the most restrictive "restricted payment" test under such instruments will apply. Our restricted payments capacity is not necessarily an indication of our cash position on such date or any date in the future.

Paying agent and registrar for the Notes

The Issuer will maintain one or more Paying Agents for the Notes in the City of London. The Issuer will ensure that it maintains a Paying Agent in a European Union member state that will not be obligated to withhold or deduct tax pursuant to the European Union Council Directive 2003/48/EC, as amended or supplemented from time to time, including through European Union Council Directive 2014/48/EU, or any other directive implementing the conclusions of the ECOFIN meeting of 26 and 27 November 2000 regarding the taxation of savings income (the "*Directive*"), or any law implementing or complying with or introduced in order to conform to, such Directive. The initial Paying Agent will be Elavon Financial Services Limited, UK Branch (the "*Paying Agent*").

The Issuer will also maintain a registrar (the "*Registrar*") in Ireland and a transfer agent (the "*Transfer Agent*") in the City of London. The initial Registrar will be Elavon Financial Services Limited, and the initial Transfer Agent will be Elavon Financial Services Limited, UK Branch. The Registrar, Transfer Agent and Paying Agent, as applicable, will maintain a register reflecting ownership of the Notes outstanding from time to time, if any, and will make payments on and facilitate transfers of the Notes on behalf of the Issuer. The Issuer will cause the Registrar to promptly inform the Issuer of any amendment made to the register of the Notes in order to enable the Issuer to maintain, at all times, at its registered office an up-to-date copy of the register of the Notes. For the avoidance of doubt, in the case of divergence between the register of the Notes kept at the Registrar's specified office and the register of the Notes kept at the Issuer's registered office, the register of the Notes kept at the Issuer's registered office shall prevail for Luxembourg law purposes.

The Issuer may change any Paying Agents, Registrars or Transfer Agents for the Notes without prior notice to the Holders of such Notes. For so long as Notes are listed on the Irish Stock Exchange and the rules of the Irish Stock Exchange so require, the Issuer will publish notice of any change of Paying Agent, Registrar or Transfer Agent on the official website of the Irish Stock

Exchange (www.ise.ie), to the extent and in the manner permitted by the rules of the Irish Stock Exchange. Such notice of the change in a Paying Agent, Registrar or Transfer Agent may instead be published in a daily newspaper with general circulation in Ireland (which is expected to be the Irish Times). The Issuer or any of its Subsidiaries may act as Paying Agent or Registrar in respect of the Notes.

Transfer and exchange

The Notes will be issued in the form of several registered notes in global form without interest coupons, as follows:

- 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.
- 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.

Any Book-Entry Interest that is transferred as described in the immediately 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 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 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 Notes:

(i) for a period of 15 days prior to any date fixed for the redemption of the Notes;

(ii) for a period of 15 days immediately prior to the date fixed for selection of Notes to be redeemed in part;

(iii) for a period of 15 days prior to the record date with respect to any interest payment date; or

(iv) 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 Note as the owner thereof for all purposes.

Restricted subsidiaries and unrestricted subsidiaries

Immediately after the issuance of the 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. Any Unrestricted Subsidiaries will not be subject to any of the restrictive covenants in the Indenture.

Escrow of proceeds; special mandatory redemption

Escrow of proceeds

Concurrently with the closing of the offering of the Notes on the Issue Date, the Issuer will enter into the Escrow Agreement with the Trustee and the Escrow Agent, pursuant to which the Initial Purchasers of the Notes will deposit with the Escrow Agent an amount equal to the gross proceeds of the Offering of the Notes sold on the Issue Date into the Escrow Account. The Escrow Account will be controlled by the Escrow Agent and pledged on a first-ranking basis in favor of the Trustee for the benefit of the holders of the Notes pursuant to an escrow charge dated the Issue Date between the Issuer and the Trustee (the *"Escrow Charge"*). The initial funds deposited in the Escrow Account, and all other funds, securities, interest, dividends, distributions and other property and payments credited to the Escrow Account (less any property and/or funds paid in accordance with the Escrow Agreement) are referred to, collectively, as the "*Escrowed Property*."

In order to cause the Escrow Agent to release the Escrowed Property to the Issuer to be used to fund the Acquisition (the "*Escrow Release*"), the Escrow Agent and the Trustee shall have received from the Issuer, at a time that is on or before the Escrow Longstop Date (as defined below), an Officer's Certificate to the effect that:

(i) (A) the Acquisition will be consummated promptly following the release of the Escrowed Property and (B) no provision of the Acquisition Agreement shall have been amended or waived in any manner which would be materially adverse to the interests of the holders of the Notes;

(ii) promptly following release of the Escrowed Property, the Issuer will own, directly or indirectly, substantially all of the outstanding Capital Stock of Target;

(iii) promptly following release of the Escrowed Property, the Issuer and LuxCo3 shall enter into the Security Documents; and

(iv) as of the Completion Date, there is no Default or Event of Default under clause (5) under the heading entitled "*Events of default*."

The Escrow Release shall occur promptly upon the satisfaction of the conditions set forth above (the date of such satisfaction, the "*Completion Date*"). The Escrow Agent and the Trustee will be entitled to receive and rely absolutely on the Officer's Certificate of the Issuer in relation to the satisfaction of such conditions, without further investigation or liability. Upon the Escrow Release, the Escrow Account shall be reduced to zero and the Escrowed Property shall be paid out in accordance with the Escrow Agreement.

Special mandatory redemption

In the event that (i) the Completion Date does not take place on or prior to April 15, 2016 (the "*Escrow Longstop Date*"); (ii) in the reasonable judgment of the Issuer, the Acquisition will not be consummated by the Escrow Longstop Date; (iii) the Acquisition Agreement terminates at any time prior to the Escrow Longstop Date; (iv) a Default or Event of Default arises under clause (5) under the heading entitled "*Events of Default";* or (v) Bain Capital Europe LLP ceases to beneficially own or control, directly or indirectly, at least a majority of the issued and outstanding capital stock of the Issuer, in each case, on or prior to the Escrow Longstop Date (the date of such event being the "*Special Termination Date*"), the Issuer will redeem the entire aggregate outstanding principal amount of the Notes (the "*Special Mandatory Redemption*") at a price (the "*Special Mandatory Redemption Price*") equal to 100% of the issue price of such Notes, plus accrued and unpaid interest (using the rate applicable to the payment of Cash Interest for purposes of such calculation) and Additional Amounts, if any, from the Issue Date to the Special Mandatory Redemption Date (as defined below).

Notice of the Special Mandatory Redemption will be delivered by the Issuer, no later than one Business Day following the Special Termination Date to the Trustee and the Escrow Agent (with a copy to the Paying Agent), and will provide that the Notes shall be redeemed on a date that is no later than the fifth Business Day after such notice is given by the Issuer in accordance with the terms of the Escrow Agreement (the "*Special Mandatory Redemption Date*"). On the Special Mandatory Redemption Date, the Escrow Agent shall pay the Euro amounts to the Paying Agent for payment to each Holder of Notes the Special Mandatory Redemption Price for such Holder's Notes and, concurrently with the payment to such Holders, deliver any excess Escrowed Property (if any) to the Issuer.

Funds managed or advised by Bain Capital Europe LLP ("*Bain Capital Fund*") will enter into an agreement with the Issuer on or prior to the Issue Date (the "*Bain Capital Funding Commitment*") to commit to contribute an amount (the "*Bain Capital Overfunding Amount*") to the Escrow Account in the event of any Special Mandatory Redemption no later than one Business Day prior to the Special Mandatory Redemption Date, which amount represents 100% the Overfunding Amount (as defined below). The Bain Capital Fund currently has unfunded capital commitments from its members in excess of any Overfunding Amount and has agreed in the Bain Capital Funding Commitment to maintain in force such commitments and to leave such commitments in an amount necessary to satisfy the Overfunding Amount undrawn until the earlier of (i) the Escrow Release and (ii) the fulfillment by the Bain Capital Fund of its obligations under the Bain Capital Funding Commitment.

The "*Overfunding Amount*" will be an amount equal to the sum of (i) the interest that will accrue on the applicable portion of the Notes from the Issue Date up to the Special Mandatory Redemption Date, (ii) any Additional Amounts (as defined under "*—Withholding taxes*") due on the Notes at the Special Mandatory Redemption Date and (iii) an amount equal to any other amounts, fees and expenses required to be paid under the Escrow Agreement and the Indenture. The funds from the Bain Capital Funding Commitment will be applied by the Trustee to provide for the payment of the Overfunding Amount, to the extent and as applicable, on the Special Mandatory Redemption Date.

If at the time of the Special Mandatory Redemption, the Notes are listed on the Irish Stock Exchange and the rules of the Irish Stock Exchange so require, the Issuer will notify the Irish Stock Exchange that the Special Mandatory Redemption has occurred and any relevant details relating to the Special Mandatory Redemption.

No provisions of the Escrow Agreement (including, without limitation, those relating to the release of the Escrowed Property) and, to the extent such provisions relate to the Issuer's obligation to redeem the Notes in the Special Mandatory Redemption, the Indenture, may be waived or modified in any manner materially adverse to the Holders of the Notes without the consent of at least 90% in aggregate principal amount of the Notes effected thereby.

Security

General

The Notes will be secured, subject to the Senior Holdco Intercreditor Agreement (other than with respect to the security interest granted over the Escrowed Property) and certain perfection requirements, by security interests granted on an equal and ratable first-ranking basis over the following property, rights and assets:

(a) on the Issue Date, the Escrowed Property; and

(b) on the Completion Date,

  (i) all issued Capital Stock of the Issuer;

  (ii) all the preferred equity certificates issued by the Issuer; and

  (iii) the Issuer's bank account (the "*Completion Date Collateral*" and together with the Escrowed Property, the "*Collateral*").

The Issuer and the Security Agent will enter into certain security agreements defining the terms of the Collateral that secures the Notes (the "*Security Documents*"). Subject to certain conditions, including compliance with the covenants described under "*—Certain covenants—Impairment of security interest*" and "*—Certain covenants—Limitation on liens*," the pledgors of the Collateral are permitted to pledge the Collateral in connection with future issuances of Indebtedness of the Issuer or its Restricted Subsidiaries, including any Additional Notes, permitted under the Indenture.

The value of the Collateral securing the Notes may not be sufficient to satisfy the Issuer's obligations under the Notes, and the Collateral securing the Notes may be reduced or diluted under certain circumstances, including the issuance of Additional Notes and the disposition of assets comprising the Collateral, subject to the terms of the Indenture. Please see the section entitled "*Risk factors—Risks related to our indebtedness and the Notes—The value of the pledged shares, the PECs and the bank account securing the Notes may not be sufficient to satisfy the Issuer's obligations under the Notes, and it may be difficult to realize the value of the pledged shares, the PECs and the bank account*." No appraisals of the Collateral have been prepared by or on behalf of the Issuer in connection with the Offering. There can be no assurance that the proceeds of any sale of the Collateral, in whole or in part, pursuant to the Indenture and the Security Documents following an Event of Default, would be sufficient to satisfy amounts due on the Notes. By its nature, some or all of the Collateral will be illiquid and may have no readily ascertainable market value. Accordingly, there can be no assurance that the Collateral would be sold in a timely manner or at all.

The Security Documents are governed by applicable local laws. 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 "*Limitations on validity and enforceability of the security interests.*"

The Issuer shall, at its 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 Senior Holdco 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. The Issuer will 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 upon an acceleration of the amounts due under the Notes following an Event of Default. The Indenture and the Senior Holdco 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 Notes. As a consequence of such contractual provisions, holders of the Notes 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. Each holder of Notes, by accepting a 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 Senior Holdco Intercreditor Agreement, the Notes and the Indenture, as applicable, will be secured by Security Interests in the Collateral until all obligations under the Notes and the Indenture have been discharged. However, the Security Interests with respect to the Notes and the Indenture may be released under certain circumstances as provided under "*—Release of liens*."

Release of liens

The Collateral will be released from the Liens over such Collateral under any one or more of the following circumstances:

(a) in relation to the Escrowed Property only, upon the release of the Escrowed Property from the Escrow Account in accordance with "*—Escrow of proceeds; special mandatory redemption*";

(b) in connection with any sale or other disposition of Collateral to a Person that is not 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*";

(c) upon repayment in full of the principal, interest and all other obligations due on the Notes;

(d) upon the Legal Defeasance, Covenant Defeasance, satisfaction and discharge of the Notes as provided in "*—Defeasance*" or "*—Satisfaction and discharge*," in each case, in accordance with the terms and conditions of the Indenture;

(e) as described under "*—Amendments and waivers*"; or

(f) as otherwise permitted in accordance with the Indenture or the relevant Security Documents.

In addition, the Security Interests created by the Security Documents will be released (a) in accordance with an enforcement action pursuant to the Senior Holdco Intercreditor Agreement or any Additional Senior Holdco 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 Notes, in accordance with the provisions of the Indenture, the Senior Holdco Intercreditor Agreement or any Additional Senior Holdco Intercreditor Agreement and the relevant Security Document. 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 fully complies with the Indenture.

Senior Holdco intercreditor agreement; additional Senior Holdco 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 Notes) to enter into the Senior Holdco Intercreditor Agreement to give effect to the provisions described in the section entitled "*Description of certain financing arrangements—Senior Holdco Intercreditor Agreement*."

The Indenture will also provide that each holder of the 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 Senior Holdco Intercreditor Agreement, any Additional Senior Holdco Intercreditor Agreements and the Security Documents;

(2) agreed to be bound by the provisions of the Senior Holdco Intercreditor Agreement, any Additional Senior Holdco 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 Senior Holdco Intercreditor Agreement, any Additional Senior Holdco Intercreditor Agreements and the Security Documents.

See the sections entitled "*Risk factors—Risks related to our indebtedness and the Notes—The security interest in the pledged shares, the PECs and the bank account securing the Notes will be granted to the Security Agent rather than directly to the holders of the Notes. The ability of the Security Agent to take enforcement action with respect to collateral may be limited.*" and "*Description of certain financing arrangements—Senior Holdco Intercreditor Agreement*."

Similar provisions to those described above may be included in any Additional Senior Holdco Intercreditor Agreement (as defined below) entered into in compliance with the covenant described under "*—Certain covenants—Additional Senior Holdco Intercreditor Agreements.*"

Optional redemption

Except as described below and except as described under "*Redemption for taxation reasons*," the Notes are not redeemable until November 15, 2016. On and after November 15, 2016, the Issuer may redeem all or, from time to time, part of the Notes upon not less than 10 nor more than 60 days' notice, at the following redemption prices (expressed as a percentage of the principal amount of the Notes so redeemed) *plus* accrued and unpaid interest (using the rate applicable to the payment of Cash Interest for purposes of such calculation) 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 November 15 of the years indicated below:

Year	Redemption Price
2016	102.000%
2017 and thereafter	100.000%

Prior to November 15, 2016, the Issuer may on any one or more occasions redeem up to 40% of the original principal amount of the Notes issued under the Indenture (including the original principal amount of any Additional Notes), upon not less than 10 nor more than 60 days' notice, with funds in an aggregate amount (the "*Redemption Amount*") not exceeding the Net Cash Proceeds of one or more Equity Offerings at a redemption price of 109.000% of the principal amount of the Notes so redeemed, plus accrued and unpaid interest (using the rate applicable to the payment of Cash Interest for purposes of such calculation) 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 Notes (including the original principal amount of any Additional Notes) issued under the Indenture remain outstanding after each such redemption; and

(2) the redemption occurs within 180 days after the closing of such Equity Offering.

In addition, prior to November 15, 2016, the Issuer may redeem all or, from time to time, part of the 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 Notes, plus the Applicable Premium plus accrued and unpaid interest (using the rate applicable to the payment of Cash Interest for purposes of such calculation) 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).

"*Applicable Premium*" means, with respect to any Note the greater of:

(a) 1% of the principal amount of such Note; and

(b) the excess (to the extent positive) of:

(i) the present value at such redemption date of (1) 101.000% of the principal amount of such Note, *plus* (2) all required interest payments due on such Note to and including November 15, 2016, (excluding accrued but unpaid interest), computed upon the redemption date using a discount rate equal to the Bund Rate (or zero if greater than the Bund Rate) at such redemption date plus 50 basis points; over

(ii) the outstanding principal amount of such Note,

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 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 has 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 November 15, 2016; provided, however, that if the period from the redemption date to the November 15, 2016, 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 November 15, 2016, 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.

Notwithstanding the foregoing, in connection with any tender offer for the Notes at a price of at least 100% of the principal amount of the Notes tendered, plus accrued and unpaid interest thereon (using the rate applicable to the payment of Cash Interest for purposes of such calculation) to, but excluding, the applicable tender settlement date, if holders of Notes of not less than 90% in aggregate principal amount of the outstanding Notes validly tender and do not withdraw such Notes in such tender offer and the Issuer, or any third party making such a tender offer in lieu of the Issuer, purchase all of the 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 purchase date, to redeem all Notes that remain outstanding following such purchase at a price equal to the price offered to each other holder of Notes in such tender offer plus, to the extent not included in the tender offer payment, accrued and unpaid interest (using the rate applicable to the payment of Cash Interest for purposes of such calculation), if any, thereon, to, but excluding, the Redemption Date.

The Issuer or its affiliates may at any time and from time to time purchase 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 affiliates may determine.

General

We may repurchase the 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 Issuer effects an optional redemption of Notes, it will, for so long as the Notes are listed on the Irish Stock Exchange and the rules of the Irish Stock Exchange so require, inform the Irish Stock Exchange of such optional redemption and confirm the aggregate principal amount of the Notes that will remain outstanding immediately after such redemption.

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 Note is registered at the close of business on such record date, and no additional interest will be payable to Holders whose Notes will be subject to redemption by the Issuer.

In connection with any redemption of Notes (including with the proceeds from an Equity Offering), any such redemption may, at the Issuer's discretion, be subject to 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.

No sinking fund

Other than a Special Mandatory Redemption, the Issuer is not required to make mandatory redemption payments or sinking fund payments with respect to the Notes.

Redemption at maturity

On November 15, 2020, the Issuer will redeem the Notes that have not been previously redeemed or purchased and canceled at 100% of their principal amount plus accrued and unpaid interest thereon (using the rate applicable to the payment of Cash Interest for purposes of such calculation) 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 Notes are to be redeemed at any time, the Paying Agent or the Registrar will select Notes for redemption on a pro rata basis (or, in the case of 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 Issuer 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 so long as the Notes are listed on the Irish Stock Exchange and the rules of the Irish Stock Exchange so require, the Issuer shall publish notice of redemption in a daily newspaper with general circulation in Ireland (which is expected to be the Irish Times) and in addition to such publication, not less than 10 nor more than 60 days prior to the redemption date, mail such notice to Holders by first-class mail, postage prepaid, at their respective addresses as they appear on the registration books of the Registrar. Such notice of redemption may instead be published on the website of the Irish Stock Exchange (www.ise.ie).

If any Note is to be redeemed in part only, the notice of redemption that relates to that 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, 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 Notes or portions of Notes called for redemption.

Redemption for taxation reasons

The Issuer may redeem the 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 Notes (which notice will be irrevocable) at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest (using the rate applicable to the payment of Cash Interest for purposes of such calculation), 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 Notes would be, required to pay Additional Amounts with respect to the Notes, 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 Tax Jurisdiction became a Relevant Tax Jurisdiction on a date after the Issue Date, such later date). The foregoing provisions shall apply *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.

Any 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 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 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 (including any successor entity) (each, a "*Payor*") in respect of the Notes, 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 Note is made or any political subdivision or governmental authority thereof or therein having the power to tax, by any Payor or the 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 Note, including payments of principal, redemption price, interest or premium, if any, the Payor will pay (together with such payments) such additional amounts (in the form of (i) in the case of PIK Interest, additional PIK Interest, and (ii) in other cases, cash) (the "*Additional Amounts*") as may be necessary in order that the net amounts received by the relevant Holder 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 such Holder in respect of such payments on any such Note 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 (actual or deemed) 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 Note or the receipt of any payment or the exercise or enforcement of rights under such Note or the Indenture;

(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 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 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 or beneficial owner (except to the extent that the Holder or beneficial owner would have been entitled to Additional Amounts had the Note 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 Notes;

(5) any estate, inheritance, gift, sales, excise, transfer, personal property or similar Taxes;

(6) any Taxes that are required to be deducted or withheld on a payment to an individual pursuant to the Directive or any law implementing, or complying with, or introduced in order to conform to, such Directive;

(7) any Taxes imposed in connection with a 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 Note to, or otherwise accepting payment from, another Paying Agent in a member state of the European Union;

(8) any Taxes imposed pursuant to section 1471(b) of the U.S. Internal Revenue Code (or any amended or successor version that is substantively comparable) or otherwise imposed pursuant to sections 1471 through 1474 of the U.S. Internal Revenue Code (or any amended or successor version that is substantively comparable), any regulations or agreements thereunder, official interpretations thereof, or any law or regulation implementing an intergovernmental agreement relating thereto; or

(9) any combination of the items (1) through (8) 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 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 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 use reasonable efforts to obtain and 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 Note, 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 Notes or this "*Description of the Notes*" there is mentioned, in any context:

(1) the payment of principal;

(2) purchase prices in connection with a purchase of Notes;

(3) interest; or

(4) any other amount payable on or with respect to any of the Notes,

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, registration or enforcement of, or receipt of payments with respect to any Notes, the Indenture, or any other document or instrument in relation thereto (other than in each case, in connection with a transfer of the Notes after this Offering and limited solely to any such taxes or similar charges or levies that are not excluded under clauses (1) through (3) and (5) through (8)).

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 Notes 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 in excess thereof; provided that Notes of €100,000 or less may only be redeemed in whole and not in part) of such Holder's Notes at a purchase price in cash equal to 101.00% of the principal amount of the Notes repurchased, plus accrued and unpaid interest (using the rate applicable to the payment of Cash Interest for purposes of such calculation) 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 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 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 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 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 Notes at a purchase price in cash equal to 101.00% of the principal amount of such Notes plus accrued and unpaid interest (using the rate applicable to the payment of Cash Interest for purposes of such calculation) 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 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 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 Notes repurchased; 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 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 Notes so tendered;

(3) deliver or cause to be delivered to the Trustee an Officer's Certificate stating the aggregate principal amount of Notes or portions of the 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 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 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 Notes surrendered, if any; provided that each such new Note will be in a principal amount that is at least €100,000 and integral multiples of €1 in excess thereof.

For so long as the Notes are listed on the Irish Stock Exchange and the rules of such exchange so require, the Issuer will publish notices relating to the Change of Control Offer in a daily newspaper with general circulation in Ireland (which is expected to be the Irish Times) or to the extent and in the manner permitted by such rules, post such notices on the official website of the Irish Stock Exchange (www.ise.ie).

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 Notes in the event of a takeover, recapitalization or similar transaction. Holders' right to require the Issuer to repurchase 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 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 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 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 and the Senior Secured Notes Indenture. In addition, certain events that may constitute a change of control under the Revolving Credit Facility or the Senior Secured Note Indenture 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 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.*"

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 Notes as described above.

The provisions of the Indenture relating to the Issuer's obligation to make an offer to repurchase the 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 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 (a) the Issuer 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), the Fixed Charge Coverage Ratio for the Issuer and its Restricted Subsidiaries would have been at least 2.0 to 1.0; and (b) LuxCo 5 and any other 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), the Fixed Charge Coverage Ratio for LuxCo 5 and its Restricted Subsidiaries would have been at least 2.0 to 1.0.

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 million and 1.9% of Total Assets; and

    (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 is the obligor on any such Indebtedness, such Indebtedness is unsecured and if the aggregate principal amount of such Indebtedness of the

Issuer 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 its obligations with respect to the Notes, pursuant to the Senior Holdco Intercreditor Agreement or any Additional Senior Holdco 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 (i) Notes issued on the Issue Date, (ii) an unlimited principal amount of Additional Notes issued from time to time in payment of accrued interest or Additional Amounts on the Notes, but not including any other Additional Notes or (iii) any "*parallel debt*" obligation under the Senior Holdco Intercreditor Agreement, any Additional Senior Holdco Intercreditor Agreement or the Security Documents;

(b) any Indebtedness of the Issuer or any Sponsor SPV (other than Indebtedness described in clause (3) of this paragraph) outstanding on the Issue Date;

(c) any Indebtedness of the Target and its Restricted Subsidiaries (other than Indebtedness Incurred under the Revolving Credit Facility or Indebtedness described in clause (3) of this paragraph) outstanding on the Completion Date and any "*parallel debt*" obligations related to Indebtedness of any Restricted Subsidiary that is permitted to be Incurred under the Indenture;

(d) Refinancing Indebtedness Incurred in respect of any Indebtedness described in clauses 4(a), 4(b), 4(c), this clause 4(d) and clause (5) of this paragraph or Incurred pursuant to the first paragraph of this covenant;

(e) Management Advances; or

(f) any loan or other instrument contributing the proceeds of the Notes or any loans pursuant to which the proceeds of any Indebtedness permitted to be Incurred pursuant to the Indenture are on-lent to a Restricted Subsidiary of the Issuer;

(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 the transaction or series of related transactions pursuant to which (A) any Person became a Restricted Subsidiary or was otherwise acquired by the Issuer or a Restricted Subsidiary or (B) 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, in the case of any such acquisition or other transaction (x) immediately following which such Person would be merged, consolidated, amalgamated or otherwise acquired by or combined with the Issuer, either (A) the Issuer (or any Successor Issuer, if not the Issuer) would have been permitted to Incur at least €1.00 of additional Indebtedness pursuant to clause (a) of 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, or (y) immediately

following which such Person would be (or would be merged, consolidated, amalgamated or otherwise acquired by or combined with) any Restricted Subsidiary of the Issuer, either (A) LuxCo 5 would have been permitted to Incur at least €1.00 of additional Indebtedness pursuant to clause (b) of the first paragraph of this covenant or (B) the Fixed Charge Coverage Ratio for LuxCo 5 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;

(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 Transactions 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 in the ordinary course of business 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 in the ordinary course of business;

(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 Subsidiaries 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 otherwise contributed to the equity (other than through the issuance of Disqualified Stock, Designated Preference Shares or an Excluded Contribution) of the Issuer, in each case, subsequent to the Issue Date (excluding the Equity Contribution); *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, provided that all Indebtedness outstanding on the Completion 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)(d) of the second paragraph of this covenant;

(2) in any case where the amount of Indebtedness that may be Incurred pursuant to any provision of this covenant and/or may be secured in accordance with the "*Limitation on liens*" covenant 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 the Indenture, the maximum amount that the Issuer or a Restricted Subsidiary may Incur and/or secure pursuant to this covenant and the "*Limitation on liens*" covenant 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/or Lien will be permitted to be refinanced or replaced notwithstanding that, after giving effect to such refinancing or replacement, such excess will continue);

(3) 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;

(4) 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;

(5) 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;

(6) 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;

(7) 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

(8) 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 (including PIK Interest), 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 the covenant described under this "*—Limitation on indebtedness*" covenant, nor to be the Incurrence of a Lien under the "*Limitation on liens*" covenant, *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 (i) outstanding on the Issue Date shall be calculated based on the relevant currency exchange rate in effect on the Issue Date and (ii) of the Target and its Restricted Subsidiaries outstanding on the Completion Date shall be calculated based on the relevant currency exchange rate in effect on the Completion 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.

Limitation on layered indebtedness

The Issuer will not Incur any Indebtedness (including Permitted Debt) that is contractually subordinated in right of payment to any other Indebtedness of the Issuer unless such Indebtedness is also contractually subordinated in right of payment to the Notes, 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 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, other payment ordering, standstill or release provisions affecting different tranches of Indebtedness.

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, prior to an Initial Public Offering. make Restricted Investments (other than an Indirect Restricted Payment), and, following the date on which an Initial Public Offering has occurred, Restricted Payments, if at the time of and after giving pro forma effect to such proposed Restricted Investment or 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 at least Incur 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; or

(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), (10) or (17) 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 Issue 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 Issue 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 Issue Date (other than (v) the Equity Contribution,

(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 Issue 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 (w) the Equity Contribution, (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 Issue 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 Issue Date from an Unrestricted Subsidiary, to the extent that such dividend or distribution does not reduce the amount of Investments outstanding under clauses (11) and (17) 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, or, if such fair market value exceeds €7.5 million, by the Board of Directors.

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 Equity Contribution or an issuance of Disqualified Stock or Designated Preference Shares or as an Excluded Contribution) 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 Preferred Stock of the Issuer or a Restricted Subsidiary made by exchange for or out of the proceeds of the substantially concurrent sale of Preferred Stock or Disqualified 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 Notes tendered pursuant to any offer to repurchase all the 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% 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 Notes tendered pursuant to the offer to repurchase all the 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 (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 (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 Issue Date (with any amount unused in any year being carried over into 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, in each case 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;

(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) amounts constituting or to be used for purposes of making payments of fees and expenses Incurred (i) in connection with the Transactions or disclosed in this Offering Memorandum or (ii) to the extent specified in clauses (2), (3), (5), (7) and (11) of the second paragraph under "*—Limitation on Affiliate Transactions*";

(10) so long as no Default or Event of Default has occurred and is continuing (or would result therefrom), the declaration and payment by the Issuer of, or loans, advances, dividends or distributions to any Parent to pay, dividends on the common stock or common equity interests of the Issuer or any Parent following a Public Offering of such common stock or common equity interests, in an amount not to exceed in any fiscal year the 6% of the Net Cash Proceeds received by the Issuer from such Public Offering or contributed to the equity (other than through the issuance of Disqualified Stock or Designated Preference Shares or through Excluded Contributions) of the Issuer or contributed as Subordinated Shareholder Funding to the Issuer;

(11) so long as no Default or Event of Default has occurred and is continuing (or would result from), Investments (other than Indirect Restricted (Payments), and following the date on which an Initial Public Offering has occurred, any Restricted Payment, 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 other 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, 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), any Restricted Investment (other than Indirect Restricted Payments), and following the date on which an Initial Public Offering has occurred, any Restricted Payment; provided that, on the date of any such Restricted Payment, the Consolidated Net Leverage Ratio for the Issuer and its Restricted Subsidiaries does not exceed 4.0 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; or

(19) payments or other distributions described in this Offering Memorandum under "*Use of proceeds*" or "*The Transactions*."

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 Senior Management of the Issuer acting in good faith.

Limitation on liens

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 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 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 Senior Secured Notes and the Senior Secured Notes Indenture, the Notes, the Indenture, the Senior Holdco Intercreditor Agreement, the intercreditor agreement relating to the Senior Secured Notes and the Revolving Credit Facility, the Security Documents or the security documents relating to the Senior Secured Notes or the Revolving Credit Facility or (c) any other agreement or instrument, in each case in effect at or entered into on the Issue Date or the Completion Date, as applicable;

(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 (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;

(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 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 or the Senior Secured Notes 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 Notes than (i) the encumbrances and restrictions contained in the Revolving Credit Facility, the Senior Secured Notes or the Senior Secured Notes 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) restrictions effected in connection with a Qualified Receivables Financing that, in the good faith determination of the Board of Directors or a member of Senior Management of the Senior Secured Notes Issuer, are necessary or advisable to effect such Qualified Receivables Financing;

(13) any encumbrance or restriction existing by reason of any lien permitted under "*—Limitation on liens*"; or

(14) any encumbrance or restriction of a Receivables Subsidiary effected in connection with a Qualified Receivables Financing; and restrictions effected in connection with a CICE Financing or Qualified Receivables Financing that, in good faith determination of the Board of Directors or Senior Management of the Senior Secured Notes Issuer are necessary or advisable to effect such CICE Financing or Qualified Receivables Financing.

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:

  (i) 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);

  (ii) Cash Equivalents;

  (iii) 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;

  (iv) Replacement Assets;

  (v) any Capital Stock or assets of the kind referred to in clause (4) or (6) in the second paragraph of this covenant;

  (vi) consideration consisting of Indebtedness of the Issuer or any Restricted Subsidiary 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 such Restricted Subsidiary, and (ii) is not Subordinated Indebtedness of the Issuer or such Restricted Subsidiary;

(vii) 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

(viii) a combination of the consideration specified in clauses (i) through (vii) of this paragraph (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) (a) prepay, repay, purchase or redeem any Indebtedness of the Issuer (other than the Notes, Subordinated Indebtedness or Indebtedness owed to the Issuer) that ranks *pari passu* with the Notes; or (b) prepay, repay, purchase or redeem any Indebtedness of any Restricted Subsidiaries of the Issuer;

(2) purchase Notes pursuant to an offer to all Holders at a purchase price in cash equal to at least 100% of the principal amount thereof, plus accrued and unpaid interest thereon (using the rate applicable to the payment of Cash Interest for purposes of such calculation) 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), (3), (4), (5) or (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 (8) above have 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 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 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 Notes and 100% of the principal amount of Pari Passu Indebtedness, in each case, plus accrued and unpaid interest thereon (in the case of the Notes, using the rate applicable to the payment of Cash Interest for purposes of such calculation) 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 in excess thereof.

To the extent that the aggregate amount of 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 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 Notes and Pari Passu Indebtedness to be purchased on a pro rata basis on the basis of the aggregate principal amount of tendered 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 Notes is denominated in a currency other than the currency in which the relevant Notes are denominated, the amount thereof payable in respect of such Notes shall not exceed the net amount of funds in the currency in which such 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 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 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 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 Notes and Pari Passu Indebtedness or portions of 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 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 in excess thereof. The Issuer will deliver to the Trustee an Officer's Certificate stating that such 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 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 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 Note to such Holder, in a principal amount equal to any unpurchased portion of the Note surrendered; provided that each such new Note will be in a principal amount with a minimum denomination of €100,000. Any Note not so accepted will be promptly mailed or delivered (or transferred by book entry) by the Issuer to the Holder thereof.

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 period mentioned in this covenant.

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 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.

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 "*—Limitation on restricted payments*"), and any agreement related to any such Restricted Payments, or any Permitted Investment (other than Permitted Investments as defined in paragraphs (1)(b), (2) and (14) of the definition thereof);

(2) any issuance or sale of Subordinated Shareholder Funding, Capital Stock, options, other equity-related interests 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 Transactions, (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, and with respect to the

Target and its Restricted Subsidiaries, the Completion 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 ventures, 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;

(11) without duplication of the payments referred to under items 6(b) and (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 management, consulting, monitoring or advisory fees in an aggregate amount not to exceed (i) prior to the second anniversary of the Completion Date, €2.5 million per annum and (ii) thereafter, the greater of €2.5 million and 3% 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 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 Notes are outstanding, the Issuer will furnish to the Trustee the following reports:

(1) (i) within 120 days after the end of the Target's fiscal year beginning with the fiscal year ended December 31, 2015, annual reports containing: (A) 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 the offering memorandum relating to the Senior Secured Notes; (B) unaudited pro forma income statement and balance sheet information of the Target 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) or (3) 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; (C) the audited consolidated balance sheet of the Target as at the end of the most recent two fiscal years and audited consolidated income statements and statements of cash flow of the Target 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; (ii) any statutory financial information of the Issuer (to the extent prepared) and if the Issuer conducts any material operating activities except through the Target and its Subsidiaries, a reasonably detailed reconciliation of the Issuer's consolidated results to the consolidated results of the Target; (iii) a description of the management and shareholders of the Issuer and the Target, all material affiliate transactions and a description of all material debt instruments; (iv) a description of material risk factors and material subsequent events; and (v) Consolidated EBITDA; provided that the information described in clauses (iii), (iv) and (v) 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 Target, beginning with the quarter ended September 30, 2015, quarterly financial statements containing the following information: (A) the Target'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 Target, 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 (ii) if the Issuer conducts any material operating activities except through the Target and its Subsidiaries, a reasonably detailed reconciliation of the Issuer's consolidated results to the consolidated results of the Target; and

(3) promptly after the occurrence of a material event that the Issuer or the Target 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 Target or a change in auditors of the Issuer or the Target, a report containing a description of such event,

The Issuer may comply with the requirements of clauses (1) and (2) of this "*Reports*" covenant by providing consolidated financial information and reports of the Issuer and its subsidiaries instead of the Target.

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 Notes are not freely transferable under the Securities Act.

The Issuer shall also make available to Holders and prospective holders of the Notes copies of all reports furnished to the Trustee on the Issuer's website, and, if and so long as the Senior Secured Notes are listed on the Official List of the Irish Stock Exchange and admitted to trading on the Global Exchange Market thereof and to the extent that the rules and regulations of the Irish Stock Exchange so require, copies of such reports furnished to the Trustee will also be made available at the specified office of the listing agent in Dublin, Ireland.

All financial statement information shall be prepared in accordance with IFRS (or in the case of any statutory financial information of the Issuer, IFRS or Lux GAAP) as in effect on the date of such report or financial statement (or otherwise on the basis of IFRS or Lux GAAP, as applicable as then in effect) 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 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 Target'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*" covenant 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.

All reports provided pursuant to this "*Reports*" covenant shall be made in the English language.

In the event that (i) the Issuer 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 is, or would be, required to file with the SEC pursuant to such Section 13(a) or 15(d). The Issuer may 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 so long as such reports (if an annual or quarterly report) include in footnote form, condensed consolidating financial information together with separate columns for: (i) such Parent; (ii) the Issuer and the Restricted Subsidiaries on a combined basis; (iii) any other Subsidiaries of the Parent on a combined basis; (v) consolidating adjustments; and (vi) 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.

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.

Merger and consolidation

The Issuer will not, directly or indirectly, consolidate with or merge with or into, or assign, convey, transfer, lease 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 form reasonably satisfactory to the Trustee, all the obligations of the Issuer under the Notes and the Indenture and (b) all obligations of the Issuer under the Senior Holdco Intercreditor Agreement, any Additional Senior Holdco 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 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.

Center of main interests and establishments

Each of LuxCo 3 and the Issuer 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 center of main interest (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 and materially affect the interests of the holders of the Notes. Notwithstanding the foregoing, each of LuxCo 3 and the Issuer 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 doing so would not materially adversely affect the interests of the holders of the Notes, and in the case of the Issuer, would not violate the provisions of the covenant entitled "*Merger and Consolidation*."

Without prejudice to the generality of the foregoing, each of LuxCo 3 and the Issuer will:

(1) hold all meetings of its board of directors in the Grand Duchy of Luxembourg);

(2) keep any share register, preferred equity certificate register, notes register, official corporate books and account records in the Grand Duchy of Luxembourg; and

(3) exercise its administration in the Grand Duchy of Luxembourg.

Impairment of security interest

None of LuxCo 3 or the Issuer shall 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 LuxCo 3 or the Issuer shall 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 Senior Holdco Intercreditor Agreement or any Senior Holdco Additional Intercreditor Agreement, any interest whatsoever in any of the Collateral, except that (i) the Issuer may Incur Permitted Collateral Liens, (ii) the Collateral may be discharged and released in accordance with the Indenture, the applicable Security Documents or the Senior Holdco Intercreditor Agreement or any Additional Senior Holdco Intercreditor Agreement, (iii) the applicable Security Documents may be amended from time to time to cure any ambiguity, mistake, omission, defect, manifest error or inconsistency therein, (iv) LuxCo 3 and the Issuer, as applicable, may amend the Security Interests in any manner that does not adversely affect holders of the Notes in any material respect and (v) LuxCo 3, the Issuer and its Restricted Subsidiaries may undertake a Permitted Reorganization; *provided*, however, that in the case of clause (i) or (iv) 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 (1) a solvency opinion, in form and substance 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, (2) a certificate from the Board of Directors of the relevant Person, in form and substance reasonably satisfactory to the Trustee, which confirms the solvency of the Person granting such Security Interest, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, release, modification or replacement, or (3) 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, including by way of prefunding) consent to such amendments without the need for instructions from the Holders.

Limitation on issuance of guarantees of indebtedness of the Issuer

Notwithstanding anything to the contrary in this covenant, no Restricted Subsidiary shall Guarantee the Indebtedness of the Issuer Incurred pursuant to a Credit Facility or Public Debt of the Issuer unless such Restricted Subsidiary executes and delivers to the Trustee a supplemental indenture in the form attached to the Indenture pursuant to which such Restricted Subsidiary will provide Guarantees of the Notes; *provided*, however, that such Restricted Subsidiary shall not be obligated to Guarantee the Notes to the extent and for so long as the Incurrence of such Guarantee may reasonably be expected to give rise to or result in (a) 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; (b) any risk or liability for the officers, directors or shareholders of such Restricted Subsidiary; or (c) 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 (b) undertaken in connection with, such Guarantee which cannot be avoided through measures reasonably available to the Issuer or any Restricted Subsidiary. At the option of the Issuer, any 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 Guarantees of the Notes granted pursuant to this provision shall be released at the option of the Issuer if at the date of such release either (i) 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 (ii) 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 Senior Holdco Intercreditor Agreement or any Additional Senior Holdco Intercreditor Agreement, to effectuate any release of a Guarantee of the Notes in accordance with these provisions.

Additional Senior Holdco intercreditor agreements

The Indenture will provide that, at the request of the Issuer, in connection with the Incurrence by the Issuer 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 Trustee and the Security Agent shall enter into with the holders of such Indebtedness (or their duly authorized Representatives) an intercreditor agreement (an "*Additional Senior Holdco Intercreditor Agreement*") or a restatement, amendment or other modification of the existing Senior Holdco Intercreditor Agreement on substantially the same terms as the Senior Holdco 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 Senior Holdco 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 Senior Holdco 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 Senior Holdco 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 that is subject to any such agreement (including with respect to any Senior Holdco Intercreditor Agreement or Additional Senior Holdco Intercreditor Agreement, the addition of provisions relating to new Indebtedness ranking junior in right of payment to the Notes), (3) add Restricted Subsidiaries to the Senior Holdco Intercreditor Agreement or an Additional Senior Holdco Intercreditor Agreement, (4) further secure the Notes (including Additional Notes), (5) make provision for equal and ratable pledges of the Collateral to secure Additional Notes, (6) implement any Permitted Collateral Liens, (7) amend the Senior Holdco Intercreditor Agreement or any Additional Senior Holdco 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 Senior Holdco Intercreditor Agreement without the consent of the Holders of the majority in aggregate principal amount of the 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 Senior Holdco Intercreditor Agreement or any Additional Senior Holdco Intercreditor Agreement.

The Indenture shall also provide that, in relation to any Senior Holdco Intercreditor Agreement or Additional Senior Holdco 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 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 Senior Holdco Intercreditor Agreement or any Additional Senior Holdco 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 Senior Holdco Intercreditor Agreement. A copy of the Senior Holdco Intercreditor Agreement or any Additional Senior Holdco Intercreditor Agreement shall be made available for inspection during normal business hours on any Business Day upon prior written request at our offices or at the offices of the listing agent.

In relation to the Senior Holdco Intercreditor Agreement or, to the extent applicable, an Additional Senior Holdco Intercreditor Agreement, the Trustee shall be deemed to have consented on behalf of the holders of the Notes to any payment, repayment, purchase, repurchase, defeasance, acquisition, retirement or redemption of any obligations subordinated to the Notes thereby; *provided* that such transaction would comply with the covenant described under "*—Limitation on restricted payments*."

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 Notes for or as an 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 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 Notes, to exclude holders of 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.

Limitation on Issuer activities

The Issuer may not carry on any material business or own any material assets other than, without limitation:

(1) the issuance of the Notes and entering into the Senior Holdco Intercreditor Agreement and the Security Documents, and any activities undertaken with the purpose of fulfilling its obligations under the Notes, the Indenture, the Senior Holdco Intercreditor Agreement and the Security Documents, as well as any other finance document relating to Indebtedness not prohibited to be Incurred under the Indenture and any related finance or security document;

(2) the provision of administrative services (including treasury services), strategy, 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 and employment of personnel necessary to provide such services;

(3) ownership of the shares of its Subsidiaries and conducting activities related to, or reasonably incidental to, the establishment or maintenance of its or its Subsidiaries' corporate existence;

(4) (a) ownership of cash and Cash Equivalents; and (b) other property and assets, in each case, for the purpose of transferring such cash, Cash Equivalents, property and assets to any Parent or Subsidiary;

(5) Incurring Subordinated Shareholder Funding;

(6) (a) Incurring any other Indebtedness not prohibited by the Indenture, and the Senior Holdco Intercreditor Agreement; (b) conducting any activities reasonably incidental to the Incurrence of such Indebtedness, including the performance of the terms and conditions of such Indebtedness; and (c) the granting of Liens to secure such Indebtedness as well as the Notes in compliance with the Indenture;

(7) making any payment, distribution, or Investment not prohibited by the Indenture and the Senior Holdco Intercreditor Agreement;

(8) the sale, conveyance, transfer, lease or disposal of any assets not prohibited under the Indenture;

(9) (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 Issuer, or to contribute to the common equity of its direct Subsidiaries, 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;

(10) the granting of Liens permitted under the covenant described under "*—Limitation on Liens*";

(11) conducting activities directly related or reasonably incidental to, or in connection with, the Transactions;

(12) other transactions of a type customarily entered into by holding companies;

(13) the performance of obligations and exercise of rights under contracts or arrangements with any Management Investors; and

(15) other activities not specifically enumerated above that are *de minimis* in nature or that are of the same nature as activities exercised by the Issuer on the Issue Date.

Suspension of covenants on achievement of Investment Grade Status

If on any date following the Issue Date, the 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 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,"*

(7) *"—Limitation on Issuer activities,"*

(8) *"—Center of main interests and establishments,"*

(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 "*Limitation on restricted payments*" covenant 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 a Sponsor SPV 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*" and all Indebtedness of the Target and its Restricted Subsidiaries Incurred during the continuance of the Suspension Event will be deemed to have been outstanding on the Completion Date, so that it classifies as permitted under clause (4)(c) of the second paragraph of the covenant described under "*—Limitation on indebtedness*."

Furthermore, (a) any transactions prohibited by the covenant described 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 described 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 described under "*—Limitation on restrictions on distributions 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 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 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 Notes will ever achieve or maintain an Investment Grade Status.

Events of Default

Each of the following is an "*Event of Default*" under the Indenture:

(1) default in any payment of interest on any 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 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, LuxCo 3 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, LuxCo 3 or a Significant Subsidiary or group of Restricted Subsidiaries that, taken together (as of the latest audited consolidated financial statements for the Target and its Subsidiaries), would constitute a Significant Subsidiary (the "*bankruptcy provisions*");

(6) failure by the Issuer, LuxCo 3 or any Significant Subsidiary or group of Restricted Subsidiaries that, taken together (as of the latest audited consolidated financial statements for the Target and its Restricted 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 Senior Holdco Intercreditor Agreement, any Additional Senior Holdco Intercreditor Agreement and the Indenture) with respect to Collateral having a fair market value in excess of €5.0 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 Senior Holdco Intercreditor Agreement, any Additional Senior Holdco 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; and

(8) failure by the Issuer to comply with any material terms of the Escrow Agreement that is not cured within 10 days.

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 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 (using the rate applicable to the payment of Cash Interest for purposes of such calculation) on all the Notes under the Indenture to be due and payable. Upon such a declaration, such principal, premium and accrued and unpaid interest (using the rate applicable to the payment of Cash Interest for purposes of such calculation) will be due and payable immediately. In the event of a declaration of acceleration of the 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 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 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 Notes that became due solely because of the acceleration of the 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 (using the rate applicable to the payment of Cash Interest for purposes of such calculation) on all the 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 Notes may not enforce the Indenture or the Notes except as provided in the Indenture and may not enforce the Security Documents except as provided in such Security Documents and the Senior Holdco Intercreditor Agreement or any Additional Senior Holdco Intercreditor Agreement.

The Holders of a majority in principal amount of the outstanding 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) and rescind any such acceleration with respect to such 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 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 or security (including by way of prefunding) 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 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 or indemnity (including by way of pre-funding) 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 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 (including by way of prefunding) 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 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 (including by way of prefunding). 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 Notes Documents may be amended, supplemented or otherwise modified with the consent of Holders of at least a majority in principal amount of the Notes then outstanding (including consents obtained in connection with a purchase of, or tender offer or exchange offer for 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 Notes then outstanding (including consents obtained in connection with a purchase of, or tender offer or exchange offer for Notes). However, without the consent of Holders holding not less than 90% (or, in the case of clause (8), 75%) (or, alternatively, the consent of each Holder affected thereby), an amendment or waiver may not:

(1) reduce the principal amount of 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 Note;

(3) reduce the principal of or extend the Stated Maturity of any Note;

(4) reduce the premium payable upon the redemption of any Note or change the time at which any Note may be redeemed, in each case as described under "*—Optional redemption*";

(5) make any Note payable in money other than that stated in the 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 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 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 Notes in any material respect or amends the terms of such 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 Senior Holdco Intercreditor Agreement, any applicable Additional Senior Holdco 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 Notes (except pursuant to a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of such Notes and a waiver of the payment default that resulted from such acceleration);

(10) make any change in the amendment or waiver provisions which require the Holders' consent described in this sentence.

For the avoidance of doubt, the Indenture shall not include any provision incorporating, giving effect to, or otherwise reflecting the provisions of Section 316(b) of the U.S. Trust Indenture Act.

Notwithstanding the foregoing, without the consent of any Holder, the Issuer, the Issuer, the Trustee, the Security Agent and the other parties thereto, as applicable, may amend or supplement any 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 Notes Document;

(3) add to the covenants or provide for a guarantee of the Notes 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 Notes Documents;

(5) make such provisions as necessary (as determined in good faith by the Board of Directors or a member of Senior Management of the Issuer) for the issuance of Additional Notes;

(6) to provide a Guarantee of the Notes by a Restricted Subsidiary in accordance with the covenant described under "*—Certain covenants—Limitation on Indebtedness*" or "*—Certain covenants—Limitation on issuance of guarantees of indebtedness of the*

Issuer," to add Guarantees with respect to the Notes, to add security to or for the benefit of the Notes, or to confirm and evidence the release, termination, discharge or retaking of any Senior Holdco Lien (including the Collateral and the Security Documents) or any amendment in respect thereof with respect to or securing the Notes when such release, termination, discharge or retaking or amendment is provided for under the Indenture, the Security Documents, the Senior Holdco Intercreditor Agreement or any Additional Senior Holdco Intercreditor Agreement;

(7) to conform the text of the Indenture, the Security Documents or the Notes to any provision of this "*Description of the Notes*" to the extent that such provision in this "*Description of the Notes*" was intended to be a verbatim recitation of a provision of the Indenture, the Security Documents or the Notes;

(8) to evidence and provide for the acceptance and appointment under the Indenture or the Senior Holdco Intercreditor Agreement or any Additional Senior Holdco 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 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, in any property which is required by the Security Documents 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 Senior Holdco Intercreditor Agreement or any Additional Senior Holdco Intercreditor Agreement and the covenant described under "*—Certain covenants—impairment of security interest*" is complied with;

(10) as provided in "*—Certain covenants—Additional Senior Holdco Intercreditor Agreement*" or "*—Certain covenants—Impairment of security interest*"; or

(11) to provide for uncertificated Notes in addition to or in place of certificated Notes (*provided* that the uncertificated 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 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 Notes given in connection with a tender of such Holder's Notes will not be rendered invalid by such tender.

For so long as the Notes are listed on the Irish Stock Exchange and the rules of such exchange so require, the Issuer will publish notice of any amendment, supplement and waiver in Ireland in a daily newspaper with general circulation in Ireland (which is expected to be the Irish Times). Such notice of any amendment, supplement and waiver may instead be published on the website of the Irish Stock Exchange (www.ise.ie).

Acts by holders

In determining whether the Holders of the required principal amount of the Notes have concurred in any direction, waiver or consent, the 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 Issuer will be disregarded and deemed not to be outstanding.

Defeasance

The Issuer at any time may terminate all of its obligations under the 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 Notes, registration of Notes, mutilated, destroyed, lost or stolen 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 Senior Holdco Intercreditor Agreement or any Additional Senior Holdco 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 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*") 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 Notes may not be accelerated because of an Event of Default with respect to such Notes. If the Issuer exercises its covenant defeasance option with respect to the Notes, payment of the 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*"), (4), (5) (other than with respect to the Issuer and LuxCo 3), (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 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 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;

(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 Senior Holdco Intercreditor Agreement and any Additional Senior Holdco 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 Notes, as expressly provided for in the Indenture) as to all outstanding Notes when (1) either (a) all the Notes previously authenticated and delivered (other than certain lost, stolen or destroyed Notes, and certain 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 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 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 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 Senior Holdco Intercreditor Agreement, any Additional Senior Holdco 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 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) and (3)).

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 under the 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 Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the 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 of the Notes are listed on the Irish Stock Exchange and the rules of the Irish Stock Exchange so require, notices of the Issuer with respect to the Notes will be published on the website of the Irish Stock Exchange (www.ise.ie). In addition, for so long as any Notes are represented by Global Notes, all notices to Holders of the Notes will be delivered by or on behalf of the Issuer to Euroclear and Clearstream. Such notices may instead be published in a daily newspaper with general circulation in Ireland (which is expected to be the Irish Times) or if, in the opinion of the Issuer such publication is not practicable, in an English language newspaper having general circulation in Europe.

Each such notice shall be deemed to have been given on the date of such publication or, if published more than once on different dates, on the first date on which publication is made; provided that, if notices are mailed, such notice shall be deemed to have been given on the later of such publication and the seventh day after being so mailed. 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 sufficiently given to such Holder if so mailed within the time prescribed. 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. If a notice or communication is given in via Euroclear or Clearstream, it is duly given on the day the notice is given to Euroclear or Clearstream.

Prescription

Claims against the Issuer for the payment of principal, or premium, if any, on the Notes will be prescribed ten years after the applicable due date for payment thereof. Claims against the Issuer for the payment of interest on the 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 under or in connection with the Notes, 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 or otherwise by any Holder or by the Trustee, in respect of any sum expressed to be due to it from the Issuer will only constitute a discharge to the Issuer, 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 Note (as applicable), the Issuer will indemnify them against any loss sustained by such recipient or the Trustee as a result. In any event, the Issuer 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 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 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 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 Note, 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 Notes on the Official List of the Irish Stock Exchange and to admit the Notes to trading on the Global Exchange Market thereof. There can be no assurance that the application to list the Notes on the Official List of the Irish Stock Exchange and to admit the Notes on the Global Exchange Market will be approved and settlement of the Notes is not conditioned on obtaining such listing.

Enforceability of judgments

Since substantially all of the assets of the Issuer are located outside the United States, any judgment obtained in the United States against the Issuer, 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 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 Notes, the Issuer 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 Indenture will provide that each of the Issuer and LuxCo 3 will appoint CT Corporation System as their agent for service of process in any suit, action or proceeding with respect to the Indenture and the Notes brought in any U.S. federal or New York state court located in the City of New York.

Governing law

The Indenture and the 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 the governing law of the Indenture and the Notes shall be permitted as described in the first sentence of "*Amendments and Waivers*." The Senior Holdco Intercreditor Agreement, the rights and duties of the parties thereunder and the Escrow Agreement shall be governed by and construed in accordance with the laws of England. The Security Documents, and the rights and duties of the parties thereunder, shall be governed by and constituted in accordance with the laws of Luxembourg.

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.

"*Acquisition*" has the meaning ascribed to such term in this Offering Memorandum.

"*Acquisition Agreement*" means the sale and purchase agreement dated as of October 14, 2015, by and among certain sellers identified therein and BidCo with respect to the entire share capital of the Target.

"*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.

"*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 any bank account;

(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 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 have been or are 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 a member of the 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).

"*Business Day*" means each day that is not a Saturday, Sunday or other day on which banking institutions in Luxembourg, Grand Duchy of Luxembourg, 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 Fitch, 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 and the Target and its Subsidiaries on the Completion Date.

"*Change of Control*" means the occurrence of any of the following:

(1) the Issuer becoming aware of (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; 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.

"*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 and the Notes.

"*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.

"*Completion Date*" means the date of completion of the Acquisition.

"*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 Transactions (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 (including any PIK Interest 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 Holding Company 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 Notes or similar tax gross-up on any Indebtedness, which is included in interest expense under IFRS.

"*Consolidated Net Income*" means, for any period, the net income (loss) of the Issuer 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 clauses (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 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 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 Notes or the Indenture, (c) contractual restrictions in effect on the Issue Date with respect to a Sponsor SPV (including pursuant to the Senior Holdco Intercreditor Agreement) and on the Completion Date with respect to the Target and any of its Subsidiaries (including pursuant to the Revolving Credit Facility), 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 or the Completion Date, as applicable, 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 charges), signing, retention or completion bonuses, transaction costs (including costs related to the Transactions or any Investments), acquisition costs, business optimization, system establishment, software or information technology implementation or 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 Transactions 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) 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 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 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, 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 and Fixed Charge Coverage Ratio of the Issuer or LuxCo 5, as applicable.

"*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 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*" and is not in connection with the Equity Contribution.

"*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 Notes or (b) the date on which there are no 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 Contribution*" has the meaning given to such term in "*Summary—The Transactions*."

"*Equity Offering*" means (x) a sale of Capital Stock of the Issuer or a 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) of the Issuer or any of its Restricted Subsidiary, for the avoidance of doubt, other than, in each case, the Equity Contribution.

"*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 Euros 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.

"*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 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 (other than the Equity Contribution), in each case, to the extent designated as an Excluded Contribution pursuant to an Officer's Certificate of the Issuer.

"*fair market value*" wherever such term is used in this "*Description of the Notes*" or the Indenture (except in relation to an enforcement action pursuant to the Senior Holdco Intercreditor Agreement and except as otherwise specifically provided in this "*Description of the 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 in 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 for such Person 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); and

(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.

"*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, other than dividends on 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.

"*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 Notes are registered on the Registrar's books, which shall initially be the respective nominee of Euroclear or Clearstream, as applicable.

"*Holding Company*" means, in relation to any Person, any other Person in respect of which it is a Subsidiary.

"*IFRS*" means International Financial Reporting Standards (formerly International Accounting Standards) endorsed by the European Union or any variation thereof with 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 installment 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.

"*Indirect Restricted Payment*" means a Restricted Investment, directly or indirectly, in (i) any Parent of the Issuer, (ii) any Permitted Holder, (iii) any Affiliate of any Permitted Holder (other than the Issuer or a Restricted Subsidiary) or (iv) any Unrestricted Subsidiary (if the Investment in such Unrestricted Subsidiary is directly or indirectly used to declare or pay any dividend or make any other payment or distribution to any person specified in clauses (i), (ii) or (iii) of this definition).

"*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.

"*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), 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 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*."

"*Issue Date*" means November 12, 2015.

"*Issuer*" means Dakar Finance 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).

"*Lux GAAP*" means the Luxembourg Generally Accepted Accounting Principles, as in effect from time to time.

"*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 Issuer or its Subsidiaries who 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 Issuer or its Subsidiaries for future redistribution to the management team of the Issuer or its Subsidiaries. For the avoidance of doubt, the expression "*management team*" shall include, but not limited to, any managers, officers and (executive and non-executive) directors of the Issuer and its Subsidiaries).

"*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).

"*Notes Documents*" means the Notes (including Additional Notes), the Indenture, the Security Documents, the Escrow Agreement, the Senior Holdco Intercreditor Agreement and any Additional Senior Holdco Intercreditor Agreements.

"*Offering Memorandum*" means this offering memorandum in relation to the 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 Subsidiary after the Issue Date and any Holding Company 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 Transactions;

(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 Transactions 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) (a) other fees, expenses and costs 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 Transactions 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, (b) annual management, consulting, monitoring or advisory fees in an aggregate amount not to exceed (i) prior to the second anniversary of the Completion Date €2.5 million per annum and (ii) thereafter the greater of €2.5 million and 3% of Consolidated EBITDA per annum, and (c) customary payments 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 Transactions, 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.

"*Pari Passu Indebtedness*" means Indebtedness of the Issuer that ranks equally in right of payment with the Notes.

"*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 (i) the Issuer or any Restricted Subsidiary on the Issue Date or which is contemplated by the Issuer on the Issue Date and (ii) the Target and its Restricted Subsidiaries on the Completion Date or which is contemplated by Target and its Restricted Subsidiaries on the Completion 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; and

(b) to secure:

(i) the Notes (including any Additional Notes permitted under the Indenture) and any permitted Refinancing Indebtedness in respect thereof; and

(ii) Indebtedness of the Issuer permitted to be Incurred under clause (a) of the first paragraph of the covenant described under "*—Certain covenants—Limitation on indebtedness";*

provided that each of the secured parties to any such Indebtedness (acting directly or through its respective creditor representative) will have entered into the Senior Holdco Intercreditor Agreement or an Additional Senior Holdco Intercreditor Agreement; provided, further, that all property and assets (including, without limitation, the Collateral) securing such Indebtedness (including any guarantees thereof) or Refinancing Indebtedness secure the Notes and the Indenture on a senior or *pari passu* basis (including by application of payment order, turnover or equalization provisions substantially consistent with the corresponding provisions set forth in the Senior Holdco Intercreditor Agreement or any Additional Senior Holdco Intercreditor Agreement).

For purposes of determining compliance with this definition, (a) Liens need not be Incurred solely by reference to one category of Permitted Collateral Liens described in this definition but are permitted to be Incurred in part under any combination thereof and of any other available exemption and (b) in the event that a Lien (or any portion thereof) meets the criteria of one or more of the categories of Permitted Collateral Liens, the Issuer will, in its sole discretion, classify or reclassify such Lien (or any portion thereof) in any manner that complies with this definition.

"*Permitted Holders*" means, collectively, (1) the Initial Investors, (2) the Management Investors, (3) any Related Person of any Persons specified in clauses (1) and (2), (4) 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 (5) 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; provided that, in the case of such group and without giving effect to the existence of such group or any other group, the Initial Investors and such Persons referred to in the following sentence, collectively, have exclusive legal and beneficial ownership of more than 50% of the total voting power of the voting Stock of the Issuer or any of its direct or indirect Parents wholly owned by such group. Any person or group whose acquisition of beneficial ownership constitutes a Change of Control in respect of which a Change of Control Offer is made in accordance with the requirements of the Indenture will thereafter, together with its Affiliates, constitute an additional Permitted Holder.

"*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 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 of the Issuer and the Sponsor SPVs in existence on, or made pursuant to legally binding commitments in existence on, the Issue Date and of the Target and its Subsidiaries in existence on, or made pursuant to legally binding commitments in existing on, the Completion 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 the Completion Date, as applicable, 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) 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 described 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 the Notes, any Additional Notes, 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 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; 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 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.

"*Permitted Liens*" means, with respect to any Person:

(1) Liens on assets or property of a Restricted Subsidiary securing Indebtedness of any Restricted Subsidiary permitted by the covenant described under "*—Certain covenants—Limitation on indebtedness*" or any guarantee of such Indebtedness;

(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 Company 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) (a) Liens existing on, or provided for or required to be granted under written agreements existing on, the Issue Date and (b) with respect to the Target and its Restricted Subsidiaries, Liens existing on, or provided for or required to be granted under written agreements existing on, the Completion 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 arrangement 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) Liens; provided that the maximum amount of Indebtedness secured in the aggregate at any one time pursuant to this clause (28) does not exceed the greater of €10.0 million and 1.3% of Total Assets; and

(29) (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. For the avoidance of doubt, the term "*Permitted Reorganization*" shall include the closure of bank accounts and the conversion of Subordinated Shareholder Funding into Capital Stock or other equity instruments.

"*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 Debt*" means any Indebtedness consisting of bonds, debentures, notes or other similar debt securities issued in (1) a public offering registered under the Securities Act or (2) a private placement to institutional investors that is underwritten for resale in accordance with Rule 144A or Regulation S under the Securities Act, whether or not it includes registration rights entitling the holders of such debt securities to registration thereof with the SEC for public resale.

"*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 interest 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.

"*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 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 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 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 Notes, such Refinancing Indebtedness is subordinated to the 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 refinances Indebtedness of the Issuer. 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 (including the Target and its Restricted Subsidiaries) as of the Issue Date (or the Completion Date with the respect to the Target and its Restricted Subsidiaries) 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 €40.0 million revolving credit facility established pursuant to the revolving facility agreement that is expected to be dated on or about the Issue Date, by and among, *inter alios*, the Issuer, 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.

"*S&P*" means Standard & Poor's Ratings Services, a division of McGraw Hill, 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 Intercreditor Agreement*" means the intercreditor agreement dated on the Issue Date, by and among, *inter alios*, the Issuer, LuxCo 3, the Security Agent and the Trustee, as amended from time to time.

"*Senior Management*" means the officers, directors, and other members of senior management of the Issuer or any of its Subsidiaries, who at any date beneficially own or have the right to acquire, directly or indirectly, Capital Stock of the Issuer or any Parent.

"*Senior Secured Notes*" means the €300.0 million aggregate principal amount 6.50% senior secured notes due 2019 issued by the Senior Secured Notes Issuer on January 31, 2014 and May 15, 2015, €30.0 million of which will be repaid in connection with the Transactions.

"*Senior Secured Notes Issuer*" means Autodis S.A.

"*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 (including the Target and its Restricted Subsidiaries) on the Completion 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.

"*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 Indebtedness of the Issuer that is expressly subordinated in right of payment to the Notes.

"*Subordinated Shareholder Funding*" means, collectively, any funds provided to the Issuer by any Parent, any Affiliate of any Parent or any Permitted Holder or any Affiliate thereof, 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 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 Notes is restricted by the Senior Holdco Intercreditor Agreement, an Additional Senior Holdco Intercreditor Agreement or another intercreditor agreement;

(2) does not require, prior to the first anniversary of the Stated Maturity of the 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 Notes is restricted by the Senior Holdco Intercreditor Agreement or an Additional Senior Holdco 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 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 Notes is restricted by the Senior Holdco Intercreditor Agreement or an Additional Senior Holdco 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 terms of the Senior Holdco Intercreditor Agreement, an Additional Senior Holdco Intercreditor Agreement or another intercreditor agreement, is fully subordinated and junior in right of payment to the 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 Senior Holdco Intercreditor Agreement as in effect on the Issue Date with respect to the "S*hareholder 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.

"*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, (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 "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;

(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 Issuer and its Restricted Subsidiaries, as shown on the most recent balance sheet of the Issuer prepared, 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*."

"*Transactions*" shall have the meaning assigned to such term in this Offering Memorandum.

"*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 Bank SA/NV, as operator of the Euroclear system ("Euroclear"), and Clearstream Banking, *société anonyme* ("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 none of the Paying Agent, the Registrar or 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 which 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 Notes—Withholding taxes.*" If any such deduction or withholding is required to be made, then, to the extent described under "*Description of the 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 under the U.S. Securities Act 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 a Global Notes only as described under "*Description of the 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 Irish Stock Exchange and for the Notes to be admitted to trading on the Global Exchange Market thereof. 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 the same as the international securities identification numbers and common codes for the Senior Secured Notes 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

EU Savings Directive

Under the European Union Council Directive 2003/48/EC of June 3, 2003 on the taxation of savings income in the form of interest payments (the "EU Savings Directive"), the competent authority of each Member State of the European Union is required, since July 1, 2005, to provide to the competent authority of another Member State details of payments of interest (or similar income) within the meaning of the EU Savings Directive ("Interest Payments") made by a paying agent within its jurisdiction to, or for the benefit of, an individual resident for tax purposes in that other Member State or to certain limited types of entities established in that other Member State.

For a transitional period, Austria operates (unless during that period it elects otherwise) a withholding system in relation to such payments (subject to a procedure whereby, on meeting certain conditions, the beneficial owner of the interest or other income may request that no tax be withheld). The rate of this withholding tax is currently 35%. Luxembourg operated such a withholding system until December 31, 2014 but the Luxembourg government has elected out of the withholding system with effect from January 1, 2015, in favor of automatic information exchange under the EU Savings Directive. The end of the transitional period is dependent upon the conclusion of certain other agreements relating to the exchange of information with certain other countries. A number of non-EU countries and territories have adopted or agreed to adopt similar measures.

On March 24, 2014, the Council of the European Union adopted a Directive amending the EU Savings Directive (the "Amending Directive") which, when implemented, will amend and broaden the scope of the requirements described above. In particular, the Amending Directive will broaden the categories of entities required to provide information and/or withhold tax pursuant to the EU Savings Directive, and will require additional steps to be taken in certain circumstances to identify the beneficial owner of interest (and other income) payments, through a "look through" approach. Member States will have until January 1, 2016 to adopt the national legislation necessary to comply with this Amending Directive and are required to apply these new requirements from January 1, 2017.

On December 9, 2014, the Council of the European Union adopted Directive 2014/107/EU amending the Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation which now provides for an automatic exchange of financial account information between EU Member States (the "DAC Directive"), including income categories contained in the EU Savings Directive. The adoption of the aforementioned directive implements the OECD Common Reporting Standard ("CRS") and generalizes the automatic exchange of information within the European Union as of January 1, 2016.

The measures of cooperation provided thus by the EU Savings Directive will be progressively replaced by the implementation of the DAC Directive. Under transitional arrangements, the EU Savings Directive will continue to be operational until the end of 2015 and will then be replaced by the DAC Directive as from January 1, 2016. As Austria has been allowed to start applying the DAC Directive up to one year later than other Member States, special transitional arrangements taking account of this derogation will apply to Austria. Provided the proposal to repeal the EU Savings Directive is adopted by the Council of the European Union, the Luxembourg laws dated June 21, 2005 implementing the EU Savings Directive will no longer apply and the amendments to the EU Savings Directive, which had been adopted by the Council on March 24, 2014, will not become applicable (the same is true in all other EU Member State).

In addition, Luxembourg signed the OECD's multilateral competent authority agreement (the "Multilateral Agreement") to automatically exchange information under the CRS. Under this Multilateral Agreement, Luxembourg will automatically exchange financial account information with other participating jurisdictions as of January 1, 2016. This Multilateral Agreement, jointly with the DAC Directive introducing the CRS are currently subject to the vote of the Luxembourg Parliament under the bill of law No. 6858.

Holders of Note and prospective investors are advised to consult their professional advisers concerning the possible application of the provisions of the EU Savings Directive to payments which they may receive in respect of the Notes.

Certain Luxembourg tax considerations

The following information is of a general nature only and is based on the Issuer's understanding of certain aspects of the laws and practice in force in Luxembourg as of the date of this Offering Memorandum. It does not purport to be a comprehensive description of all tax implications that might be relevant to an investment decision. It is included herein solely for preliminary information purposes. It is not intended to be, nor should it be construed to be, legal or tax advice. It is a description of the essential material Luxembourg tax consequences with respect to the notes and may not include tax considerations that arise from rules of general application or that are generally assumed to be known to holders of the Notes. This summary is based on the laws in force in Luxembourg on the date of this Offering Memorandum and is subject to any change in law that may take effect after such date. Prospective holders of the Notes should consult their professional advisors with respect to particular circumstances, the effects of state, local or foreign laws to which they may be subject and as to their tax position.

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*), personal income tax (*impôt sur le revenu*) as well as a temporary equalization tax (*impôt d'équilibrage budgétaire temporaire*). Corporate investors 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 in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax, the solidarity surcharge and 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.

Withholding tax

Non-resident holders of Notes

Under the Luxembourg tax law currently in effect, there is no withholding tax on payments of interest (including accrued but unpaid interest) made to a Luxembourg non-resident holder of Notes. There is also no Luxembourg withholding tax upon repayment of the principal, sale, refund or redemption of the Notes.

Resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the law of December 23, 2005, as amended (the "December 2005 Law"), as described below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes.

Under the December 2005 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 owner who is a resident of Luxembourg will be subject to a withholding tax of 10%. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his or her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent (as defined in the December 2005 Law). Payments of interest under the Notes coming within the scope of the December 2005 Law would be subject to a withholding tax of 10%.

Furthermore, a Luxembourg resident individual who acts in the course of his or her private wealth and is the beneficial owners of interest or other similar income made by a paying agent established outside Luxembourg in a Member State of the European Union or the European Economic Area or in a jurisdiction having concluded an agreement with Luxembourg in connection with the EU Savings Directive may opt for a final 10% levy. In such cases, the 10%

levy is calculated on the same amounts as for the payments made by Luxembourg paying agents. The option for the 10% final levy must cover all interest payments made by paying agents to the beneficial owner during the entire civil year.

Luxembourg tax residency of holders of Notes

Holders of 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.

Taxation of Luxembourg non-residents

Holders of Notes who are non-residents of Luxembourg and who do not have a permanent establishment, a permanent representative or a fixed base of business in Luxembourg with which the holding of the Notes is connected, will not be subject to taxes (income taxes and net wealth tax) or duties in Luxembourg with respect to payments received upon redemption, repurchase or exchange of the Notes or capital gains realized upon disposal or repayment of the Notes.

Holders of Notes who are non-residents of Luxembourg and who have a permanent establishment or a permanent representative in Luxembourg to which or whom the Notes are attributable, must include any interest accrued or received, as well as any gain realized on the disposal of the Notes, in their taxable income for Luxembourg tax assessment purposes.

Taxation of Luxembourg residents

Resident Individual holders of the Notes

An individual holder of the Notes acting in the course of the management of his or her private wealth, is subject to Luxembourg income tax in respect of interest received, accrued but unpaid interest in case of disposal of the Notes, redemption premiums or issue discounts under the Notes except if the 10% final withholding tax has been levied on such payments.

Under Luxembourg domestic tax law, gains realized upon the disposal of the Notes by an individual holder of the Notes, who is a resident of Luxembourg for tax purposes and who acts in the course of the management of his or her private wealth, are not subject to Luxembourg income tax, provided (i) the disposal takes place more than six months after the acquisition of the Notes and (ii) the Notes do not constitute zero-coupon Notes.

Luxembourg resident individual holders of Notes 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 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.

Resident corporate holder of Notes

Luxembourg resident corporate holders of Notes and holders of Notes which are non-residents of Luxembourg and which have a permanent establishment or a permanent representative in Luxembourg to which or whom the Notes are attributable are liable to pay Luxembourg income tax on any interest received or accrued, as well as any reimbursement premium received at maturity and any capital gain realized on the sale or disposal, in any form whatsoever, of the Notes and must include this income in their taxable income for Luxembourg income tax assessment purposes.

Luxembourg resident corporate holders of Notes which are companies benefiting from a special tax regime (such as family wealth management companies subject to the amended law of May 11, 2007, undertakings for collective investment subject to the amended law of December 17, 2010 or specialized investment funds subject to the amended law of February 13, 2007) are tax-exempt entities in Luxembourg, and are thus not subject to any Luxembourg tax (i.e., corporate income tax, municipal business tax and net wealth tax) other than the annual subscription tax calculated on their (paid-up) share capital (and share premium) or net asset value.

Net wealth tax

Luxembourg net wealth tax will not be levied on a corporate holder of Notes, unless (i) such holder of Notes is a Luxembourg resident other than a holder of Notes governed by (a) the amended law of December 17, 2010 on undertakings for collective investment, (b) and the amended law of February 13, 2007 on specialized investment funds, (c) the amended law of March 22, 2004 on securitization, (d) the amended law of June 15, 2004 on the investment company in risk capital or (e) the law of May 11, 2007 on family estate management companies; or (ii) the Notes are attributable to an enterprise or part thereof which is carried on in Luxembourg through a permanent establishment or a permanent representative.

Other taxes

No stamp, registration, transfer or similar taxes or duties will be payable in Luxembourg by holders of Notes in connection with the issuance of the Notes, nor will any of these taxes be payable as a consequence of a subsequent transfer or redemption of the Notes, unless the documents relating to the Notes are voluntarily registered in Luxembourg.

There is no Luxembourg value added tax payable in respect of payments in consideration for the issuance of the Notes or in respect of the payment of interest or principal under the Notes or the transfer of the Notes. Luxembourg value added tax may, however, be payable in respect of fees charged for certain services rendered to the Issuer, if for Luxembourg value added tax purposes such services are rendered or are deemed to be rendered in Luxembourg and an exemption from Luxembourg value added tax does not apply with respect to such services.

No estate or inheritance taxes are levied on the transfer of the Notes upon the death of a holder of Notes in cases where the deceased was not a resident of Luxembourg for inheritance tax purposes. No Luxembourg gift tax is levied upon a gift or donation of the Notes, if the gift is not passed before a Luxembourg notary or recorded in a deed registered in Luxembourg.

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 "*—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 than 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 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 that 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

Although the issue is not free from doubt, we intend to take the position that U.S. holders are entitled to account for the Notes using a payment schedule in which all interest payments on the Notes are initially assumed to be paid in cash in accordance with Section 1.1272-1(c) of the Treasury Regulations. In such case, the Notes would not subject to the Treasury Regulations applicable to "contingent payment debt instruments." This position is based in part on our assessment as of the Issue Date that it is significantly more likely than not that interest on the Notes will be paid in cash on each interest payment date. Our assessment of the likelihood of interest being paid in cash is made solely for U.S. federal income tax purposes and does not constitute a representation by us regarding the likelihood that interest on the Notes will be paid in cash in any particular period. In addition, 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 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 Notes—Change of control*" and "*Description of the Notes—Optional redemption*"). 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 would generally 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 (OID)

Because interest on the Notes is not unconditionally payable in cash at least annually, the Notes are considered to have been issued with "original issue discount" ("OID") for U.S. federal income tax purposes. Under the rules governing OID, a U.S. holder of a Note will be required to accrue an amount equal to the difference between the "stated redemption price at maturity" of a Note (generally, the sum of all payments to be made on the note other than "qualified stated interest") and the "issue price" of the Note (generally, the first price at which a substantial amount of Notes are sold for money to the public, excluding sales to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). A U.S. holder generally must include OID in gross income (as ordinary income) in advance of the receipt of cash or other property attributable to that income on a constant yield basis, regardless of the U.S. holder's regular method of accounting for U.S. federal income tax purposes.

As discussed under "*—Characterization of the Notes*," to determine the amount of OID that a U.S. holder must include in income, we are taking the position that we and each holder are entitled to assume the interest on the Notes would be assumed to be paid in cash and the Notes will not be called prior to the maturity date. **These assumptions are made solely for U.S. federal income tax purposes and do not constitute a representation by us regarding the actual amounts, or the timing of amounts, that will be paid on the Notes.** If the assumptions we make are contrary to actual circumstances (a "change in circumstances"), then solely for purposes of determining the amount of OID accruals on any then outstanding Notes, the Notes will be treated as retired and reissued on the date of the change in circumstances for an amount equal to the "adjusted issue price" of the Notes (as defined below). In that event, the "yield to maturity" of the Notes would be re-determined taking into account the change in circumstances and the deemed reissued Notes could be retested for the application of the contingent payment debt instrument rules. U.S. holders should consult their tax advisors regarding the U.S. federal income tax consequences of the payment of PIK Interest.

The amount of OID that a U.S. holder is required to include in income is the sum of the "daily portions" of OID with respect to the Notes for each day during the taxable year in which the U.S. holder is the beneficial owner of the Notes. The "daily portions" of interest in respect of the Notes are determined by allocating to each day in an "accrual period" the ratable portion of interest on the Notes that accrues in the "accrual period." The accrual period for the Notes may be of any length and may vary in length over the term of the Notes, *provided* that each accrual period is no longer than one year and that each scheduled payment of interest or principal occurs on the first or final day of an accrual period.

The amount of interest on the Notes that accrues in an accrual period is the product of the "yield to maturity" on the Notes (adjusted to reflect the length of the accrual period) and the "adjusted issue price" of the Notes. The yield to maturity on the Notes is the discount rate that, when applicable to all payments under a Note (applying the assumptions described above), results in a present value equal to the Note's issue price. The "adjusted issue price" of the Notes at the beginning of the first accrual period will equal its "issue price" and for any accrual periods thereafter will be (x) the sum of the issue price of the Notes and any OID previously accrued thereon minus (y) the amount of any payments previously made on the Notes.

A U.S. holder will not be required to recognize any additional income upon the receipt of any cash payment on a Note that is attributable to previously accrued OID, but such U.S. holder may be required to recognize exchange gain or loss, as described below.

The accrual of OID on a Note will be computed in foreign currency, and the amount of accrued OID determined for any accrual period then will be translated into U.S. dollars, regardless of the U.S. holder's method of accounting and in accordance with either of two methods. Under the first method, a U.S. holder will be required to include in income for each taxable year the U.S. dollar value of the stated interest that has accrued during such year, determined by translating such interest at the average rate of exchange for the period or periods during which such interest accrued. Under the second method, a U.S. holder may elect to translate stated interest income at the spot rate of exchange on (i) the last day of the accrual period, (ii) the last day of the taxable year if the accrual period straddles its taxable year or (iii) the date on which the stated interest payment is received if such date is within five business days of the end of the accrual period. This election will apply to all debt obligations held by the U.S. holder from year to year and cannot be changed without the consent of the IRS. U.S. holders should consult their own tax advisors as to the availability and advisability of making such election.

Upon receipt of a payment attributable to OID on a Note (whether in connection with a payment on such Note or the sale, exchange or other disposition of such Note), a U.S. holder generally will recognize exchange gain or loss in an amount equal to the difference between the U.S. dollar amount of OID that such holder has previously included in income and the U.S. dollar value of such payment (determined by translating any foreign currency received at the spot rate of exchange on the date of payment). Generally, any such exchange gain or loss will be treated as U.S. source and will be treated as ordinary income or loss and will not be treated as interest income or expense. For this purpose, all payments on a Note generally will be viewed first as the payment of previously accrued OID (to the extent thereof), with payments considered made for the earliest accrual periods first, and thereafter as the payment of principal.

U.S. holders that desire to obtain information regarding the OID on the Notes may do so by contacting Dakar Finance S.A., Attn: Investor Relations. We will revise our accrual of OID upon a change in circumstances, and holders that desire to obtain a copy of any such revised OID information may do so by contacting us at the same address.

Foreign tax credit

A U.S. holder may be entitled to deduct or credit foreign taxes, if any, imposed on interest (including OID and 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). OID 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 an Note, or if an 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 subject to tax in the manner described under "*—Interest (OID)*") 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 in 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.

A U.S. holder's adjusted tax basis in a Note will, in general, be the amount paid for such Note by such U.S. holder, increased by previously accrued OID and decreased by the amount of any payments made on the Note (including payments of Cash Interest, but excluding payments of PIK Interest). Although not free from doubt, in the event of a payment of PIK Interest, a U.S. holder's adjusted tax basis in the original Notes will likely be allocated between the original Notes and the additional Note received in respect of PIK Interest thereon in proportion to the relative principal amounts of the original Notes and the additional Notes. A U.S. holder's holding period in any additional Note received in respect of PIK Interest would likely be identical to such holder's holding period for the original Note. If a U.S. holder uses foreign currency to purchase a Note, the amount paid for the Note will be the U.S. dollar value of the foreign currency purchase price determined at the spot rate on the date of purchase.

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 will generally 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 OID, which will be treated as discussed above under "*—Interest (OID)*." 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 OID) only to the extent of total gain or loss realized by such U.S. holder on such disposition.

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 OID 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) that 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 non-compliance

Backup withholding and information reporting

In general, information reporting requirements will apply to payments of principal and stated interest (including the accrual of OID) 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 United States 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.

Limitations on validity and enforceability of the security interests

Grand Duchy of Luxembourg

The Issuer is incorporated under the laws of Luxembourg and is 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 "center of main interests" in Luxembourg or an establishment in Luxembourg within the meaning of Council Regulation (EC) No. 1346/2000 of May 29, 2000, or the E.U. 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 will generally 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 1,167 of the 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 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 "center 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 "center of main interests" is a question of fact on which the courts of the different Member States may have differing and even conflicting views.

The term "center 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 "center of main interests" in the Member State in which it has its registered office, Preamble 13 of the EU Insolvency Regulation states that the "center of main interests" 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 "center of main interests." The time when a company's "center of main interests" is determined is at the time that the relevant insolvency proceedings are opened.

If the "center of main interests" 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 "center of main interests" 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 "center of main interests" 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 which 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. A receivables pledge agreement needs to be acknowledged by the debtor.

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, in particular 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 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

Luxembourg

It may, however, be possible for investors to effect service of process within Luxembourg 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.

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 the Grand Duchy of 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 as 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 matter under its applicable rules, and such jurisdiction is recognized by Luxembourg private international and local law;
- the judgment is enforceable (*exécutoire*) in the jurisdiction where 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 power to give judgment expressed as an order to pay 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 and the Initial Purchasers have entered into a purchase agreement dated on or about October 29, 2015. 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 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, subject to a rebate of the Initial Purchasers' discount in respect of the Notes purchased by such funds upon the release of the applicable proceeds from the Escrow Account on the Completion Date, 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 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 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 resale of the Notes. See "*Transfer restrictions*."

The Issuer has 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 or any of its subsidiaries or affiliates (other than any securities issued by any funds managed or controlled by Bain Capital or entities controlled by such funds which have no relationship or connection otherwise with the Issuer or its 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 45 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 Official List of the Irish Stock Exchange and for the Notes to be admitted to trading on the Global Exchange Market thereof. 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 which 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 tenth 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+10"). 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 six succeeding business days will be required, by virtue of the fact that the Notes will initially settle in T+10, 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 Existing Revolving Credit Facility Agreement and will be mandated lead arrangers and original lenders under our New Revolving Credit Facilities Agreement and are counterparties in the hedging arrangements in connection with the Senior Secured Notes. The Initial Purchasers and their affiliates will receive customary fees and commissions in such capacities. J.P. Morgan Europe Limited will act as the agent and lender under our New Revolving Credit Facilities Agreement. In addition, certain affiliates of BNP Paribas are (i) minority shareholders in a parent of the Target and are expected to receive certain proceeds from the Acquisition, (ii) holders of a portion of the Contingent Value Instruments that we will repay in full on or about the Completion Date using cash on hand and (iii) lenders under certain of our bilateral lending facilities.

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.

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 and securities 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 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 Notes issued in reliance on Rule 144A (the "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 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 Arendt & Medernach, as to matters of Luxembourg 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 and New York state law, and Elvinger, Hoss & Prussen, as to matters of Luxembourg law.

Independent auditors

The consolidated financial statements of the Target as of and for the years ended December 31, 2012, 2013 and 2014 have been audited by Constantin Associés (member of Deloitte Touche Tohmatsu Limited) and Ernst & Young et Autres, independent auditors, as stated in their reports, an English-language translation of which appears herein. The interim condensed consolidated financial statements of the Target as of and for the eight-month period ended August 31, 2015 have been reviewed by such auditors.

Constantin Associés (member of Deloitte Touche Tohmatsu Limited) and Ernst & Young et Autres are members of the *Compagnie régionale des commissaires aux comptes de Versailles*.

Enforceability of judgments

Grand Duchy of Luxembourg

The Issuer is a company incorporated and established under the laws of the Grand Duchy of Luxembourg under the form of a *société anonyme*. All of its assets are located outside the United States. Furthermore, none of the Issuer's directors resides in the United States. As a result, investors may find it difficult to effect service of process within the United States upon the Issuer or these persons or to enforce outside the United States judgments obtained against the Issuer 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 Issuer 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 Issuer or these persons. Luxembourg law, furthermore, does not recognize a shareholder's right to bring a derivative action on behalf of the Issuer. It may be possible for investors to effect service of process within Luxembourg upon the Issuer 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 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 for 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 governing the Notes 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 4, rue Lou Hemmer, L-1748 Luxembourg-Findel, Grand Duchy of Luxembourg.

The Issuer is not currently subject to the periodic reporting and other information requirements of the U.S. Exchange Act. Pursuant to the Indenture that will govern the Notes, the Issuer will, however, agree to furnish periodic information to the holders of the Notes. See "*Description of the Notes—Certain covenants—Reports.*"

Listing and general information

Listing

We currently intend to list the Notes on the Official List of the Irish Stock Exchange and to trade the Notes on the Global Exchange Market thereof. There can be no assurance that the Issuer will be able to effect such admission of the Notes to trading on the Global Exchange Market.

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 Notes	XS1117279965	111727996
Regulation S Global Notes	XS1117280039	111728003

The Issuer

The Issuer is a public limited liability company (*société anonyme*) incorporated and existing under the laws of Luxembourg with registered number B 200963 in the Luxembourg Trade and Companies Register and has its registered office at 4, rue Lou Hemmer, L-1748 Luxembourg-Findel, Grand Duchy of Luxembourg. 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*."

Resolutions, authorizations and approvals by virtue of which the Notes have been issued

The Issuer has 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 27, 2015.

Material adverse change in 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, or has 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 Irish Stock Exchange and are traded on the Global Exchange Market thereof and the rules of such exchange shall so require, the organizational documents of the Issuer, along with the Indenture and the financial statements 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 August 31, 2015

CONSTANTIN ASSOCIES	**ERNST & YOUNG et Autres**
Member of Deloitte Touche Tohmatsu Limited	1/2, place des Saisons
185, avenue Charles de Gaulle	92400 Courbevoie - Paris-La Défense 1
92524 Neuilly-sur-Seine Cedex	S.A.S. à capital variable
S.A. au capital de € 831.300	
Commissaire aux Comptes Membre de la compagnie régionale de Versailles	Commissaire aux Comptes Membre de la compagnie régionale de Versailles

Autodis Group
Eight-month period ended August 31, 2015

Statutory auditors' review report on the interim condensed consolidated financial statements

To the Chairman,

In our capacity as statutory auditors of Autodis Group and in accordance with your request in connection with the offering of the Notes to be issued by Dakar Finance S.A. for financing the proposed acquisition of Autodis Group, we have performed a review of the interim condensed consolidated financial statements of Autodis Group for the eight-month period ended August 31, 2015, consisting of the unaudited consolidated statement of financial position of Autodis Group as at August 31, 2015, the related unaudited consolidated statement of income, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the eight-month period ended August 31, 2015 with corresponding figures for the eight-month period ended August 31, 2014 together with the related condensed footnotes thereto, the accompanying "Financial Information".

The preparation of this Financial Information is your responsibility. Our role is to express a conclusion on this Financial Information based on our review.

We conducted our review in accordance with professional standards applicable in France. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Financial Information is not prepared, in all material respects, in accordance with IAS 34 — IFRS as adopted by the European Union applicable to interim financial information.

Without modifying the conclusion expressed above, we draw your attention to note 3.2 which discloses the impacts of the application by your company of IFRIC 21 "Levies".

This report is governed by French law. The courts of France shall have exclusive jurisdiction over any claim, dispute or difference resulting from our engagement letter or the present report, or any related matters. Each party irrevocably waives its right to oppose any action brought before French courts, to claim that the action is being brought before an illegitimate court or that the courts have no jurisdiction.

Neuilly-sur-Seine and Paris-La Défense, October 22, 2015

The statutory auditors

CONSTANTIN ASSOCIES *Member of Deloitte Touche Tohmatsu Limited*	ERNST & YOUNG et Autres
Benoît Pimont	Benoit Schumacher

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Unaudited Condensed Interim Consolidated Income Statement

In millions of euros	Notes	2015 YTD Aug.	2014* YTD Aug.
REVENUE	8.1	**806.2**	**764.1**
Cost of goods for sale		(494.8)	(473.4)
Personnel costs	8.2	(164.0)	(161.0)
Other purchases and external expenses	8.3	(88.6)	(84.8)
Taxes		(6.7)	(7.0)
Other operating income and expenses	8.4	2.8	0.9
EBITDA		**54.8**	**39.0**
Depreciation/amortisation expense	11 & 12	(12.2)	(11.9)
RECURRING OPERATING INCOME		**42.7**	**27.1**
Other income from operations	8.5	2.1	1.6
Other expenses from operations	8.5	(5.7)	(4.5)
OPERATING INCOME		**39.2**	**24.1**
Financial Income	8.6	0.4	11.3
Financial expenses	8.7	(17.4)	(14.4)
Share of income of associates		0.0	(0.0)
INCOME BEFORE TAX		**22.1**	**20.9**
Income tax	8.8	2.2	9.2
NET INCOME FROM CONTINUING OPERATIONS		**24.4**	**30.2**
Net income (loss) from discontinued operations		0.0	0.0
NET INCOME FOR THE PERIOD		**24.4**	**30.2**
Attributable to :			
Owners of the parent :			
Net income (loss) from continued operations		24.4	30.1
Net income (loss) from discontinued operations			
Net income attributable to owners of the parent		**24.4**	**30.1**
Non-controlling interests			
Net income (loss) from continued operations		(0.1)	0.1
Net income (loss) from discontinued operations			
Net income attributable to non-controlling interests		**(0.1)**	**0.1**
Earnings per share from continuing and discontinued operations			
Basic	18	€ 0.182	€ 0.198
Diluted	18	€ 0.182	€ 0.198
Earnings per share from continuing operations			
Basic	18	€ 0.182	€ 0.198
Diluted	18	€ 0.182	€ 0.198

* Comparative financial statements reflect the application of IFRIC 21. The impacts are disclosed in note 3.2 "Basis of preparation".

Unaudited Condensed Interim Consolidated Statement of Comprehensive Income

In millions of euros	2015 Ytd Aug.	2014* Ytd Aug.
NET INCOME	**24.4**	**30.2**
Other comprehensive income:		
Items that will not be reclassified subsequently to profit and loss		
Actuarial gains (losses) on defined benefit plans	1.2	(3.1)
Items that may be reclassified subsequently to profit and loss		
Foreign exchange gains (losses)	0.1	(0.1)
Share in comprehensive income of associates	—	—
OTHER COMPREHENSIVE INCOME	**1.3**	**(3.2)**
TOTAL COMPREHENSIVE INCOME	**25.7**	**27.0**
Attributable to:		
Owners of the parent:	25.8	26.9
Non-controlling interests:	(0.1)	0.1

* Comparative financial statements reflect the application of IFRIC 21. The impacts are disclosed in note 3.2 "Basis of preparation".

Foreign exchange gains and losses for the eight-month periods ended August 31, 2015 and August 31, 2014 are attributable to fluctuations in the Polish zloty exchange rate and are shown in the table below:

	2015	2014
Closing rate at 31 August	4.2289	4.2171
Average rate on the eight months ended 31 August	4.1482	4.1738
Closing rate at 31 December		4.2732

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 2015	December* 2014
ASSETS			
Goodwill, net	*10*	51.8	51.8
Intangible assets, net	*11*	153.1	154.3
Property, plants and equipments, net	*12*	56.4	50.9
Investments in associates		0.4	0.5
Available-for-sale financial assets		0.3	0.2
Other non-current assets, net	*13*	16.8	10.8
Deferred tax assets		26.0	18.0
TOTAL NON-CURRENT ASSETS		**304.8**	**286.5**
Inventories, net	*14*	212.0	201.1
Trade receivables, net	*15*	183.8	165.1
Other current assets, net	*16*	27.8	21.0
Cash and cash equivalents	*17*	72.7	67.7
Current tax receivables		0.0	1.9
Derivative financial instruments			
TOTAL CURRENT ASSETS		**496.3**	**456.7**
Non-current assets held for sale			
TOTAL ASSETS		**801.1**	**743.2**
EQUITY AND LIABILITIES			
Share capital	*18*	129.5	148.0
Other reserves		57.8	47.2
Net income attributable to the owners of the parent		24.4	30.8
SHAREHOLDERS' EQUITY		**211.7**	**226.1**
NON-CONTROLLING INTERESTS		**(0.7)**	**(0.3)**
- Net assets		(0.6)	(0.5)
- Net Income (loss)		(0.1)	0.2
TOTAL EQUITY		**211.0**	**225.8**
Non-current borrowings and debts	*20*	307.9	242.0
Non-current provisions	*23.2*	1.3	2.1
Liabilities relating to employee benefits	*21*	22.2	22.5
Deferred tax liabilities		0.0	0.0
Other non-current liabilities	*22*	3.2	3.9
TOTAL NON-CURRENT LIABILITIES		**334.6**	**270.5**
Current borrowings and debts	*20*	20.5	19.5
Current provisions	*23.1*	10.5	12.4
Trade payables	*24*	166.7	148.5
Other current liabilities	*24*	57.7	66.5
Derivative financial instruments		0.0	0.0
TOTAL CURRENT LIABILITIES		**255.5**	**246.9**
Liabilities directly associated with assets held for sale			
TOTAL EQUITY AND LIABILITIES		**801.1**	**743.2**

* Comparative financial statements have been restated following the application of IFRIC 21.

Unaudited Condensed Interim Consolidated Statement of Changes in Equity

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
	Attributable to owners of the parent							
At 1st January 2015 restated*	**148.0**		**(2.4)**	**5.7**	**74.8**	**226.1**	**(0.3)**	**225.8**
Net income for the period					24.4	**24.4**	(0.0)	**24.4**
Other comprehensive income (expense)			0.1	1.2		**1.3**	(0.0)	**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)**
At 31 August 2015	**129.5**		**(2.4)**	**6.9**	**77.7**	**211.7**	**(0.6)**	**211.0**

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
	Attributable to owners of the parent							
At 1st January 2014 restated*	**152.6**	**—**	**(1.7)**	**11.7**	**47.5**	**210.1**	**(0.2)**	**209.9**
Net income for the period (restated)*					30.1	**30.1**	0.1	**30.2**
Other comprehensive income (expense)			(0.1)	(3.1)		(3.2)		(3.2)
Comprehensive income (expense)	**152.6**	**—**	**(1.8)**	**8.6**	**77.6**	**236.9**	**(0.1)**	**236.8**
Other changes	(4.6)				(6.0)	(10.6)	**0.3**	**(10.3)**
Dividends paid					(0.0)	(0.0)	**(0.3)**	**(0.2)**
At 31 August 2014 (restated)*	**148.0**	**—**	**(1.8)**	**8.6**	**71.6**	**226.4**	**(0.1)**	**226.3**

* Comparative financial statements have been restated following the application of IFRIC 21. The restatements impacts are disclosed in note 3.2 “Basis of preparation”.

Unaudited Condensed Interim Consolidated Statement of Cash Flows

In millions of euros	Notes	2015 Ytd Aug.	2014* Ytd Aug.
Cash flows from (used in) operating activities			
Net income		**24.4**	**30.2**
Net income from discontinued operations			—
Adjustments for non-cash income and expenses			
- Depreciation/amortisation		12.2	11.9
- Provisions (net of reversals)		(1.8)	(0.8)
- Share in earnings of associates		(0.0)	0.0
- Gains or losses on disposals of fixed assets		(0.3)	(0.1)
- Financial expenses without a cash effect		5.5	(5.3)
- Other income and expenses without a cash effect		(0.4)	(0.9)
Financial expenses and income with a cash effect		11.5	8.3
Income tax		(2.2)	(9.2)
Changes in working capital			
- Inventories		(10.8)	(12.1)
- Receivables		(18.6)	0.3
- Payables		18.1	1.4
- Other receivables and payables		(17.1)	(15.3)
Other items with a cash effect			
- Income tax		(3.3)	(3.2)
Net cash from (used in) operating activities — continuing operations		**17.2**	**5.1**
Net cash from (used in) operating activities — discontinued operations		**—**	**—**
Cash flows from (used in) investing activities			
Acquisitions of fixed assets	*12*	(16.8)	(11.0)
Changes in other financial assets		(6.2)	3.9
Disposal of fixed assets	*12*	0.6	0.2
Advances paid		—	—
Business acquisitions	*6.1*		
- Acquisitions net of cash acquired		—	(54.9)
- Disposals net of cash transferred		—	(0.0)
Net cash from (used in) investing activities — continuing operations		**(22.4)**	**(61.8)**
Net cash from (used in) investing activities — discontinued operations		**—**	**—**
Cash flows from (used in) financing activities			
Dividends paid to the owners of the parent company	*9*	—	—
Dividends paid to non-controlling interests of consolidated companies		(0.3)	(0.3)
Dividends received from associates		—	—
Capital decrease in cash	*18*	(40.0)	(3.1)
Financial expenses and income with a cash effect		(18.0)	(8.5)
Increase in borrowings	*20*	67.1	227.9
Repayment of borrowings	*20*	(0.7)	(160.7)
Change in other financial liabilities		0.3	0.1
Net cash from (used in) financing activities — continuing operations		**8.4**	**55.5**
Net cash from (used in) financing activities — discontinued operations		**—**	**—**
Change in cash and cash equivalents — continuing operations		**3.2**	**(1.2)**
Change in cash and cash equivalents — discontinued operations		**—**	**—**
Cash and cash equivalents at the beginning of the period	*17*	**61.0**	**25.3**
Impact of currency rate fluctuations		—	(0.1)
Change in cash and cash equivalents of discontinued operations at the end of the period		—	—
Cash and cash equivalents at the end of the period	*17*	**64.2**	**24.2**

* Comparative financial statements reflect the application of IFRIC 21. The impacts are disclosed in note 3.2 "Basis of preparation".

Notes to the Condensed Interim Consolidated Financial Statements

1. Approval of the condensed interim consolidated financial statements

On 19 October 2015, the Chairman approved Autodis Group S.A.S.'s condensed interim consolidated financial statements for the eight-month period ended 31 August 2015 ("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. The shareholder is Parts Holdings BV, which in turn is owned by Parts Holdings Coöperatief U.A. The Autodis Group (The "Group") 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

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. 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 2015 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 2014, approved by the Chairman on 31 March 2015.

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 2014.

These Interim Financial Statements of the Group have been prepared in connection with the financing of the contemplated acquisition by Bain Capital LLC of the Autodis Group. Such financing arrangement includes among others the issuance by Dakar Finance S.A., subsidiary of Bain Capital LLC, on the Irish Stock Exchange of Senior PIK Toggle Notes in the fourth quarter of 2015.

Further, excepted for IFRIC 21 impacts detailed below, the following new standards and interpretations which are applicable starting from 1 January 2014, did not have any significant effect on the Group's Interim Financial Statements as of and for the eight-month period ended 31 August 2015.

New accounting standards and interpretations with effect starting from 2015

The Group has applied the following new amendments, standards and interpretations previously endorsed by the European Union, which are effective as of 1 January 2015:

- IFRIC 21 — Levies
- Annual improvements to IFRSs 2011-2013 cycle with the publication of a collection of three amendments to three standards:
  - IFRS 3 that excludes joint ventures from its scope,
  - IFRS 13 that clarifies the scope of an exception in fair value measurement,
  - IAS 40 that clarifies the interaction between IFRS 3 and IAS 40. In particular, it stresses that judgment is needed to determine whether the acquisition of investment property is the acquisition of an asset, a group of asset or a business in the scope of IFRS 3.

Impact of the amendment to IFRIC 21 on the consolidated financial statements as of 31 August 2014.

In accordance with IAS8 "Accounting policies, Changes in Accounting Estimates and Errors", impacts of IFRIC 21 on the consolidated financial statements as of 31 August 2014 are detailed as follows:

Impact on the consolidated P&L:

	31 August 2014	IFRIC 21 impact	31 August 2014 after impact
REVENUE	**764.1**		**764.1**
Cost of goods for sale	(473.4)		(473.4)
Personnel costs	(161.0)		(161.0)
Other purchases and external expenses	(84.8)		(84.8)
Taxes	(6.4)	(0.6)	(7.0)
Other operating income and expenses	0.9		0.9
EBITDA	**39.6**	**(0.6)**	**39.0**
Depreciation/amortisation expense	(11.9)		(11.9)
RECURRING OPERATING INCOME	**27.7**	**(0.6)**	**27.1**
Other income from operations	1.6		1.6
Other expenses from operations	(4.6)		(4.5)
OPERATING INCOME	**24.7**	**(0.6)**	**24.1**
Financial Income	11.3		11.3
Financial expenses	(14.5)		(14.4)
INCOME BEFORE TAX	**21.5**	**(0.6)**	**20.9**
Income tax	9.0	0.2	9.2
NET INCOME FROM CONTINUING OPERATIONS	**30.6**	**(0.4)**	**30.2**
Net income (loss) from discontinued operations			0
NET INCOME FOR THE PERIOD	**30.6**	**(0.4)**	**30.2**
Attributable to:			
- Parent firm ordinary shareholders	30.5	(0.4)	30.1
- Minority interests	0.1	0.0	0.1
Earnings per shares (basic & diluted)	€ 0.200	€(0.002)	€ 0.198

Impact on the EBITDA by segment:

In millions of euros	2014 Ytd. August	IFRIC 21 impact	2014 after impact Ytd. August
Central Purchasing Unit	20.0	(0.1)	19.9
Cora	4.8	(0.1)	4.7
Bremstar	0.3		0.3
Light Vehicles	15.7	(0.3)	15.4
Heavy Vehicles	(1.4)	(0.1)	(1.5)
International	0.7		0.7
Holding cos.	(0.5)		(0.5)
EBITDA	**39.6**	**(0.6)**	**39.0**

Impact on the consolidated cash flows statements:

	31 August 2014	IFRIC 21 impact	31 August 2014 after impact
Cash flows from (used in) operating activities			
Net Income	**30.6**	**(0.4)**	**30.2**
Adjustment for non-cash income and expenses			
- Depreciation/amortization	11.9		11.9
- Provisions (net of reversals)	(0.8)		(0.8)
- Share in earnings of associates	—		—
- Gains or losses on disposal of fixed assets	(0.1)		(0.1)
- Financial expenses without a cash effect	5.3		5.3
- Other income and expenses without a cash effect	(0.9)		(0.9)
Financial expenses and income with a cash effect	(8.3)		(8.3)
Income tax charges	(9.0)	(0.2)	(9.2)
Changes in working capital			
- Inventories	(12.1)		(12.1)
- Receivables	0.3		0.3
- Payables	1.4		1.4
- Other receivables and payables	(15.9)	0.6	(15.3)
Other items with a cash effect			
- Income tax	(3.2)		(3.2)
Net cash from (used in) operating activities — continuing operations	**5.1**		**5.1**
Net cash from (used in) investing activities — continuing operations	**(61.8)**		**(61.8)**
Net cash from (used in) financing activities — continuing operations	**55.5**		**55.5**
Change in cash and cash equivalents — continuing operations	**(1.2)**		**(1.2)**
Cash and cash equivalents at the beginning of the period	**25.3**		**25.3**
Impact of currency rate fluctuation	0.1		0.1
Cash and cash equivalents of discontinued operations at the end of the period	—		—
Cash and cash equivalents at the end of the period	**24.2**		**24.2**

Restatement of the consolidated statement of changes in equity:

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
	Attributable to owners of the parent							
At 1st January 2015 (before restatement)	**148.0**	**—**	**(2.4)**	**5.7**	**72.8**	**224.1**	**(0.3)**	**223.8**
IFRIC 21 restatement					2.0	2.0		2.0
At 1st January 2015 (restated)	**148.0**	**—**	**(2.4)**	**5.7**	**74.8**	**226.1**	**(0.3)**	**225.8**

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
	Attributable to owners of the parent							
At 1st January 2014 (before restatement)	**152.6**	**—**	**(1.7)**	**11.7**	**45.7**	**208.3**	**(0.2)**	**208.1**
IFRIC 21 restatement					1.8	1.8		1.8
At 1st January 2014 (restated)	**152.6**	**—**	**(1.7)**	**11.7**	**47.5**	**210.1**	**(0.2)**	**209.9**

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
	Attributable to owners of the parent							
At 31 August 2014 (before restatement)	**148.0**	**—**	**(1.9)**	**8.6**	**70.2**	**224.9**	**(0.1)**	**224.8**
IFRIC 21 restatement					1.4	1.4		1.4
At 31 August 2014 (restated)	**148.0**	**—**	**(1.8)**	**8.6**	**71.6**	**226.4**	**(0.1)**	**226.3**

Standards and interpretations adopted by the IASB but not yet applicable at 31 August 2015

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'	1 January 2016
IFRS 15 'Revenue from contracts with customers'	1 January 2017
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
Amendments to IFRS 10 and IAS 28 : sale or contribution of assets between an Investor and its associate or joint venture	Postponed
Annual improvements to IFRSs 2012-2014 cycle	1 January 2016
Amendments to IAS 1 'Disclosure initiative'	1 January 2016
Amendments to IFRS 10, IFRS 12 and IAS 28 'Investment entities : applying the consolidation exception'	1 January 2016

The Group will apply the above standards, amendments 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, 2015 and does not expect that they would have a material impact on its results and financial position except for IFRS 15 for which the study is ongoing.

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. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed frequently, and the effect of changes in accounting estimates is accounted for from the date of revision.

In preparing these Interim Financial Statements, the significant judgments made by management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as of and for the year ended 31 December 2014.

The key assumptions relating to future events and other sources of uncertainty arising from the use of estimates on the reporting date, for which changes during a financial period could involve a significant risk of material change in the carrying amount of assets and liabilities, are shown hereinafter.

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. The impairment tests are based on the five-year EBITDA plan for each Cash-Generating Units (CGU) defined by the Group. For the purpose 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 the Group. The CGUs correspond to subsidiaries or group 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, the Group carries 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.

At end of August 31, 2015, the Group didn't identify any indication of impairment. As a consequence, no impairment tests were performed and no additional impairment provision or reversal was booked.

Income tax rate

In the preparation 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 31 December 2015.

4. Financial risk management and financial instruments

4.1. Financial risk factors

The Group's activities expose it to a variety of financial risks: 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 at 31 December 2014. There have been no changes in the risk management or in any risk management policies since the year end.

4.2. Fair value estimation

The table in Note 19 "Presentation of financial assets and liabilities" analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the assets or liability that are not based on observable market data (that is unobservable inputs) (Level 3).

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 25 and the amount of goodwill in Note 10.

6.1. Changes in the scope of consolidation for the eight-month period ended 31 August, 2015.

6.1.1. Acquisitions and newly-consolidated companies

There was no change in the scope of consolidation in the eight-month period ended 31 August, 2015.

6.1.2. Incorporation of companies

No companies were incorporated during the eight-month period ended 31 August, 2015.

6.1.3. Mergers within the Group

The Group carried out a simplified merger of the following entities in AM développement renamed Comptoir Du Frein.

- Comptoir du frein
- Comptoir technique VI
- Boury VI
- H.I.S
- Comptoir technique du Limousin

The above transactions had no impact on the Group Interim Financial Statements.

6.1.4. Disposals

The Group did not dispose of any of its entities for the eight-month period ended 31 August, 2015.

6.2. Changes in the scope of consolidation for the eight-month period ended 31 August 2014

The scope of consolidation is set out in Note 25 and the amount of goodwill in Note 10.

6.2.1. 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 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, contingent liabilities measured at fair value at 7 April 2014, and goodwill calculation are described in note 4.1 of Group's annual consolidated financial statements for the year ended 31 December 2014.

6.2.2. Incorporation of companies

No companies were incorporated during the eight-month period ended 31 August 2014.

6.2.3. Mergers within the Group

The Group carried out simplified mergers of the following entities during the eight-month period ended 31 August 2014.

- Arnaudiès, in Gadso (merging company)
- CAMI, in AD Grand Ouest (merging company)

The above transactions had no impact on the Group Interim Financial Statements.

6.2.4. Disposals

The Group did not dispose of any of its entities for the eight-month period ended 31 August 2014.

7. Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Executive Committee that makes strategic decisions.

The Executive Committee considers the business from the following 6 operating segments — Central Purchasing Unit (Including Logisteo, Digital Aftermarket and ACR), the Light Vehicles, the Heavy Vehicles, Cora, Bremstar and International (Poland). Holdings activities and corporate functions are not allocated to the segments but rather reported under "Holding cos." line. A short description of each operating segment is provided below:

Central Puchasing Unit (Including Logisteo, Digital Aftermarket and ACR starting April 2014): 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
- ACR — Logistic platforms multispecialist distributor of aftermarket parts

Cora: Cora operating segment relates to light vehicles spares parts distributors;

Bremstar: Bremstar operating segment relates to truck spare parts distributors;

Light Vehicles: Light Vehicles operating segment relates to our French wholly-owned distributors that sell spare parts for light vehicles to garage and provide car repair and maintenance services.

Heavy Vehicles: Heavy Vehicles operating segment relates to our French wholly-owned distributors that sell spare parts for heavy vehicles to garages and provide truck repair and maintenance services.

International: International operating segment relates to operations in Poland through Autodistribution Polska.

Segment revenue for the eight-month period ended 31 August 2015 and 31 August 2014 were as follows:

In millions of euros	2015 Ytd August. Total revenue	Revenue inter-segment	Revenue third parties
Central Purchasing Unit[1]	426.9	240.7	186.2
Cora	61.4	38.7	22.7
Bremstar	22.9	12.5	10.4
Light Vehicles	444.5	2.6	441.9
Heavy Vehicles	69.9	(0.2)	70.1
International	74.9	0.0	74.9
Revenue	**1100.5**	**294.3**	**806.2**

[1] Including Logisteo, Digital Aftermarket and ACR

In millions of euros	2014 Ytd August. Total revenue	Revenue inter-segment	Revenue third parties
Central Purchasing Unit[1]	394.8	234.5	160.2
Cora	52.8	33.4	19.4
Bremstar	17.3	9.0	8.3
Light Vehicles	437.5	3.9	433.6
Heavy Vehicles	69.6	0.2	69.4
International	73.2	—	73.2
Revenue	**1045.2**	**281.0**	**764.1**

[1] Including Logisteo, Digital Aftermarket and ACR starting April

Segment EBITDA for the eight-month period ended 31 August 2015 and 31 August 2014 were as follows:

In millions of euros	2015 Ytd August	2014* Ytd August
Central Purchasing Unit	28.0	19.9
Cora	5.5	4.7
Bremstar	0.5	0.3
Light Vehicles	19.8	15.4
Heavy Vehicles	0.0	(1.5)
International	1.3	0.7
Holding cos.	(0.3)	(0.5)
EBITDA	**54.8**	**39.0**

* Comparative financial statements reflect the application of IFRIC 21. The impacts are disclosed in note 3.2 “Basis of preparation”.

8. Income and expenses

8.1. Revenue

In millions of euros	2015 Ytd Aug.	2014 Ytd Aug.
Sales of goods held for resale	766.7	724.9
Rendering of services	39.5	39.2
Revenue	**806.2**	**764.1**

8.2. Personnel costs

In millions of euros	2015 Ytd Aug.	2014 Ytd Aug.
Wages	(118.1)	(116.6)
Social security contributions	(41.5)	(41.6)
Profit-sharing plans	(3.5)	(2.4)
Pension costs	(0.9)	(0.4)
Personnel costs	**(164.0)**	**(161.0)**

The Group's workforce at the periods end is as follows:

Number of employees	31 Aug. 2015	31 Dec. 2014
Total workforce	**6,136**	**6,315**

8.3. Other purchases and external expenses

In millions of euros	2015 Ytd Aug.	2014 Ytd Aug.
Rental expenses	(27.4)	(28.0)
Shipping expenses	(28.6)	(27.1)
Maintenance and repairs	(9.4)	(9.1)
Legal and other fees	(5.5)	(5.0)
IT expenses	(5.3)	(4.0)
Advertising expenses	(1.5)	(1.4)
Subcontracting	(3.5)	(3.2)
Travelling expenses	(2.1)	(1.9)
Other expenses	(5.3)	(5.1)
Other purchases and external expenses	**(88.6)**	**(84.8)**

8.4. Other operating income and expenses

In millions of euros	2015 Ytd Aug.	2014 Ytd Aug.
Net (allocation to)/reversal of impairment of receivables	0.6	(1.2)
Net (allocation to)/reversal of current provisions for liabilities	0.2	0.0
Other	2.0	2.1
Other operating income and expenses	**2.8**	**0.9**

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	2015 Ytd Aug.	2014 Ytd Aug.
Gains on the disposal of property, plant and equipment and intangible assets	0.6	0.3
Reversal of provision for risk	1.5	0.9
Other income	—	0.4
Other income from operations	**2.1**	**1.6**

Other expenses from operations could be detailed as follows:

In millions of euros	2015 Ytd Aug.	2014 Ytd Aug.
Disposal of property, plant and equipment and intangible assets	(0.4)	(0.2)
Allocation to provisions and expenses for restructuring, and employee and tax disputes	(0.4)	(0.9)
Other expenses	(4.9)	(3.4)
Other expenses from operations	**(5.7)**	**(4.5)**

8.6. Financial income

In millions of euros	2015 Ytd Aug.	2014 Ytd Aug.
Income from financial investments	0.2	0.3
Foreign exchange gains	0.2	0.0
Gains on the disposal of financial assets	—	0.0
Sup bonds fair value adjustment	—	11.0
Other financial income	0.0	0.0
Total financial income	**0.4**	**11.3**

8.7. Financial expenses

In millions of euros	2015 Ytd Aug.	2014 Ytd Aug.
Cost of external loans and bank overdrafts	(11.8)	(9.8)
Discounting of borrowings and debt	(1.5)	(3.0)
Expenses related to financial instruments	(0.0)	(0.0)
Discounted cost on retirement provision	(0.2)	(0.3)
Financial expenses on finance leases	(0.0)	(0.0)
Foreign exchange losses	(0.4)	(0.2)
Other financial expenses	(3.5)	(1.1)
Total financial expenses	**(17.4)**	**(14.4)**

8.8. Income tax

The Group opted for tax consolidation in France. This option concerns all the Group's French subsidiaries, included ACR since 1 January 2015, with the exception of non-material ones. Income tax expense for the eight-month periods ended 31 August 2015 and 31 August 2014 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 period ended 31 August is as follows:

In millions of euros	2015 Ytd Aug.	2014 Ytd Aug.
Current tax expense	(1.5)	(1.0)
Deferred tax income (expense)	8.1	13.9
Company Value-Added Contribution (CVAE)	(4.4)	(3.7)
Income tax	**2.2**	**9.2**

9. Dividends paid and proposed

In millions of euros	2015 Ytd Aug.	2014 Ytd Aug.
Dividends approved during the year	—	—

10. Goodwill

10.1. Analysis of changes in gross value and goodwill impairment

In millions of euros	Gross value	Impairment	Net value
At 1 January 2015	**436.2**	**(384.4)**	**51.8**
Business combinations			
Disposals			
Impairment for the period			
Foreign exchange gains (losses)	0.2	(0.2)	
At 31 August 2015	**436.4**	**(384.6)**	**51.8**

10.2. Impairment tests

Impairment tests on goodwill were carried out in accordance with the methodology set out in Note 3.3 of the consolidated financial statements for the year ended 31 December 2014. At end of August 31, 2015, the Group didn't identify any indication of trigger event. As a consequence, no impairment tests were performed and no additional impairment provision or reversal was recorded.

11. Intangible assets

In millions of euros	Softwares and licenses	AD brand	Customer relationships	Other	Total
Gross value	**67.5**	**156.9**	**2.7**	**0.9**	**228.0**
At 1 January 2015					
Acquisitions	2.1			0.7	**2.8**
Reclassification	0.2			(0.2)	
Disposals	(0.1)				**(0.1)**
Business combinations					
Foreign exchange gains (losses)	0.0				**0.0**
At 31 August 2015	**69.6**	**156.9**	**2.7**	**1.4**	**230.7**
Amortisation/impairment					
At 1 January 2015	**59.9**	**12.9**	**0.4**	**0.5**	**73.7**
Amortization	3.6		0.4		**4.1**
Impairment					
Reclassification	(0.0)				**(0.0)**
Disposals	(0.1)				**(0.1)**
Business combinations					
Foreign exchange gains (losses)	(0.0)				**(0.0)**
At 31 Aug. 2015	**63.4**	**12.9**	**0.8**	**0.5**	**77.6**
Net value					
At 1 January 2015	7.6	144.0	2.3	0.4	154.3
At 31 August 2015	**6.2**	**144.0**	**1.9**	**1.0**	**153.1**

12. 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 2015	**4.9**	**91.9**	**49.5**	**12.9**	**23.2**	**5.0**	**0.2**	**187.6**
Acquisitions		7.8	1.8	0.9	0.7	0.1	2.7	**14.0**
Reclassification		0.1					(0.2)	**(0.1)**
Disposals		(1.4)	(1.6)	(0.9)	(0.6)			**(4.5)**
Business combinations								
Other changes			0.1					**0.1**
At 31 August 2015	**4.9**	**98.4**	**49.8**	**12.9**	**23.3**	**5.1**	**2.7**	**197.1**
Amortisation/impairment								
At 1 January 2015	**1.7**	**62.0**	**39.9**	**9.5**	**19.5**	**4.1**		**136.7**
Depreciation		3.9	1.9	0.9	1.2	0.2		**8.1**
Recla ssification								
Disposals		(1.2)	(1.3)	(0.9)	(0.6)	(0.2)		**(4.2)**
Business combinations								
Other changes						0.1		**0.1**
At 31 August 2015	**1.7**	**64.7**	**40.5**	**9.5**	**20.1**	**4.2**		**140.7**
Net value								
At 1 January 2015	3.2	29.9	9.6	3.4	3.7	0.9	0.2	50.9
At 31 August 2015	**3.2**	**33.7**	**9.3**	**3.4**	**3.2**	**0.9**	**2.7**	**56.4**

13. Other non-current assets

In millions of euros	Loans	Guarantees and deposits & others	Total
Gross value			
At 1 January 2015	**2.3**	**8.5**	**10.8**
Acquisitions	5.2	1.6	**6.8**
Reclassification		(0.1)	**(0.1)**
Disposals	(0.1)	(0.5)	**(0.6)**
Business acquisitions			
At 31 August 2015	**7.4**	**9.6**	**16.8**
Amortisation, depreciation & impairment			
Net value at 31 August 2015	**7.4**	**9.6**	**16.8**

14. Inventories

In millions of euros	31 Aug. 2015	31 Dec. 2014
Gross value	235.9	225.2
Impairment	(23.9)	(24.2)
Net value	**212.0**	**201.0**

15. Trade and other receivables

In millions of euros	31 Aug. 2015	31 Dec. 2014
Trade receivables	207.9	200.2
Discounts, rebates and funds	(12.8)	(23.2)
Impairment	(11.3)	(11.9)
Net value	**183.8**	**165.1**

The Group entered into factoring agreements with Eurofactor and CGA for a total of €65.0 million. There is no offsetting effect of the factoring agreement in the consolidated financial statements.

At 31 August 2015, the balance of drawdown stood at € (5.2) million and the fair value of the receivables transferred stood at €77.9 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 2015	**11.9**	**0.1**
Allocation	2.4	
Reversal	(3.0)	
Changes in scope		
Reclassifications		
Balance at 31 August 2015	**11.3**	**0.1**

16. Other currents assets

In millions of euros	31 Aug. 2015	31 Dec. 2014
Prepaid income	7.9	9.4
Other receivables	2.9	0.5
Accrued income	1.7	0.7
CICE tax credit receivables	15.3	10.4
Total	**27.8**	**21.0**

17. Cash and cash equivalents

In millions of euros	31 Aug. 2015	31 Dec. 2014
Cash equivalents	54.8	55.0
Cash on hands and at bank	17.9	10.5
Restricted cash	—	2.2
Total	**72.7**	**67.7**

Cash equivalents include open-ended collective investment scheme (SICAV) taken out with Amundi and BNPP for € 54.8 million. These investments meet the cash equivalent criteria.

For the purposes of the condensed interim consolidated statement of cash flows, the heading "Cash and cash equivalents" includes the following items at 31 August 2015:

In millions of euros	31 Aug. 2015	31 Dec. 2014
Cash equivalents	54.8	55.0
Cash on hands and at bank	17.9	10.5
Restricted cash	—	2.2
Bank overdrafts	(8.5)	(6.7)
Net cash	**64.2**	**61.0**

18. 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 €55,900,000 and on 23 June 2006 by inclusion of a shareholder current account of €1,100,000, thereby bringing it 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.

The 1st of February 2014, in the context of the refinancing, Autodis Group capital was decreased by € 4,577,947.83.

The number of registered shares remained the same. The price of each shares changed from €1 to €0.97.

The 11th of June, 2015, an ordinary share buyback was decided by the sole partner of the Group for an amount of 18,476,190.43 euros and leaded to a decrease in share capital for this amount and a decrease on consolidated reserve for an amount of €21,523,810.

At 31 August 2015, the share capital consists of 133,550,642 non-dilutive registered shares of €0.97 each. This number of shares is used for the computation of the basic and diluted earnings per share. No preference shares were issued.

19. Presentation of financial assets and liabilities

At 31 August 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			0.3	**0.3**	**0.3**
Other net non-current assets		16.8		**16.8**	**16.8**
Trade receivables		183.8		**183.8**	**183.8**
Other current assets		27.8		**27.8**	**27.8**
Cash and cash equivalents	54.8	17.9		**72.7**	**72.7**
Derivative financial instruments				**0.0**	**0.0**
Financial assets	**54.8**	**246.3**	**0.3**	**301.4**	**301.4**
Borrowings and debts (current and non-current)	5.3	323.1		**328.4**	**328.4**
Trade payables		166.7		**166.7**	**166.7**
Other non-current liabilities		3.2		**3.2**	**3.2**
Other current liabilities(1)		12.0		**12.0**	**12.0**
Derivative financial instruments				**0.0**	**0.0**
Financial liabilities	**5.3**	**505.0**	**0.0**	**510.3**	**510.3**

(1) Excluding tax and social security liabilities outside the scope of IAS 39

At 31 December 2014 :

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	—	10.8		**10.8**	**10.8**
Trade receivables	—	165.1		**165.1**	**165.1**
Other current assets	—	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**	**209.6**	**0.2**	**264.8**	**264.8**
Borrowings and debts (current and non-current)	1.8	259.8		**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**	**420.7**	**—**	**422.4**	**422.4**

(1) Excluding tax and social security liabilities outside the scope of IAS 39

20. Borrowings and debt

20.1. Group financing

On January 31 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 May 15 2015, the Group completed its financing structure by means of a € 60.0M bond issue on the Dublin market.

These bonds increase the existing March 2015 € 240.0M senior secured notes, to reach € 300.0M. The gross proceeds of the added bonds are € 61.95M as issued price was 103.25%, all conditions remaining the same, i.e: 6.5% interest rate, semi-annual interests payment dates on August and February and a February 1, 2019 maturity.

This refinancing transaction generated an expense of around € 2.7M.

The Group had also negotiated a revolving credit facility (RCF) with JP Morgan for €20.0 million at Euribor + 3.5%.

The Group doesn't have to comply with any covenants except a minimum annual EBITDA covenant of €37 million.

For the eight-month period ended 31 August 2015, Group financing can be broken down as follows:

Type of borrowings and debt	Nominal value (€m)	Fair value at 31 Aug. 2015 (€m)	Value at amortised cost at 31 Aug. 2015 (€m)	Fixed interest rate	Maturity	Comments
Senior secured notes	300	292.4	292.4	6.5%	February 2019	Fully underwritten
Sup bonds	25.5	5.3			April 2017	Fully underwritten
Total	**325.5**	**297.7**	**292.4**			

20.2. Breakdown of borrowings and debt by type

For the eight-month period ended 31 August 2015, Group financing can be broken down as follows:

In millions of euros	Notes	31 Aug. 2015	31 Dec. 2014
Non-current			
Senior Secured Notes		290.8	229.8
Sup bonds		5.3	1.8
Amounts owed under finance leases (more than one year)	(1)	0.3	0.4
CICE tax credit financing		9.6	9.6
Other borrowings and accrued interests	(2)	1.9	0.4
Sub-total of non-current borrowings and debt		**307.9**	**242.0**
Current			
Senior Secured Notes Interests		1.6	6.5
Value of put option held by minority shareholders		4.2	4.2
Amounts owed under finance leases (less than one year)	(1)	0.2	0.4
Other borrowings (less than one year)	(2)	0.8	0.7
Eurofactor and CGA factoring		5.2	1.0
Bank overdrafts	(3)	8.5	6.7
Sub-total of current borrowings and debt		**20.5**	**19.5**
Total borrowings and debt		**328.4**	**261.5**

(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 31 August 2015, the Group had available credit line of €96.0 million as follows:

	Conditions	Drawdowns
Poland — Pekao Bank	PLN 26.0 million (i.e, €6.1 million at 31 August 2015) at 1-month Wibor +1.50%	Partial drawdown of PLN 25.6 million (i.e., €6.0 million)
Eurofactor AD, Gadso, FIA, AD Grand Ouest factoring	€50.0 million at 3-month Euribor +0.75%	Undrawn
Revolving Credit Facility — JP Morgan	€ 20.0 million at Euribor + 3.5%	Undrawn
Enssemble group — SG, BP, HSBC, BNP	Overdrafts: €2.5 million	Drawdown of 0.5 M€
FPLS — LCL, BPO, CE, Arkea	Overdrafts: €2.4 million	Partial drawdown of 2.0M€
Group ACR — CGA factoring	Overdrafts: €15.0M at +0.60% rate CGA	Partial drawdown of 5.2M€

20.3. 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 Aug. 2015

	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	19.5	48.8		**68.3**		300.0		**300.0**	**368.3**
Sup bonds					5.3			**5.3**	**5.3**
Amounts owed under finance leases					0.2	0.3		**0.5**	**0.5**
CICE tax credit financing						9.6		**9.6**	**9.6**
Other borrowings and accrued interests	0.0	0.1		**0.1**	0.8	1.4	0.5	**2.7**	**2.8**
Total non-current borrowings and debts	**19.5**	**48.9**		**68.4**	**6.3**	**311.3**	**0.5**	**318.1**	**386.5**

At 31 Dec. 2014

	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	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						9.6		**9.6**	**9.6**
Other borrowings and accrued interests	0.1	0.2		**0.3**	0.7	0.4	—	**1.1**	**1.4**
Total non-current borrowings and debts	**15.9**	**55.7**	—	**71.6**	**1.0**	**252.2**	—	**253.2**	**324.8**

21. Liabilities relating to employee benefits

The net benefit expense recognized in the interim consolidated income statement for the eight-month period ended 31 August 2015 has been determined based on a pro rata of net benefit expense projected as of December 31, 2015 and using assumptions as of December 31, 2014. The discount rate which was 1.5 % in December, 31, 2014, was updated according to market conditions to 2.15 % for August, 31 2015. Such net benefit expense breaks down as follows:

In millions of euros	2015 Ytd. August	2014 Ytd. August
Service cost	(0.8)	(0.5)
Discounting cost	(0.2)	(0.3)
Total	**(1.0)**	**(0.8)**

The movement in the defined benefit obligation recognized in the interim consolidated statement of financial position the eight-month period ended 31 August 2015 is as follows:

In millions of euros	Defined benefit obligation
At 1 January 2015	**22.5**
Service cost	0.8
Discounting cost	0.2
Benefits paid by the fund	
Recognised actuarial gain (loss)	(1.3)
Curtailments/terminations	
At 31 August 2015	**22.2**

22. Other non-current liabilities

	31 Aug. 2015	31 Dec. 2014
Guarantees and deposits received	2.1	1.7
Amounts payable on non-current assets	0.8	1.8
Other	0.3	0.4
Total	**3.2**	**3.9**

23. Current and non-current provisions

23.1. Current provisions

Movements in current provisions were as follows:

In millions of euros	At 1 January 2015	Business combinations	Reclassifications	Allocations	Reversals (used provisions)	Reversals (Surplus provisions)	Total reversals	At 31 Aug. 2015
Industrial disputes	3.0			0.2	*(0.5)*	*(0.4)*	(0.9)	2.3
Site closures	3.0		0.8	0.2	*(1.5)*		(1.5)	2.5
Repairs — major work	0.4			0.1				0.4
Tax risk	2.7							2.7
Supplier disputes	0.6				*(0.2)*	*(0.2)*	(0.4)	0.3
Customer disputes	0.5			0.1		*(0.1)*		0.5
Other provision	2.2				*(0.4)*		(0.4)	1.8
Total	**12.4**		**0.8**	**0.6**	***(2.6)***	***(0.7)***	**(3.3)**	**10.5**

In the ordinary course of its operations, the Group may be involved in legal procedures relating to industrial relations disputes, commercial disputes, etc. In these cases, in conjunction with its legal advisors, the Group analyses the circumstances of the dispute and assesses the probability of an outflow of resources.

23.2. Non-current provisions

Movements in non-current provisions were as follows:

In millions of euros	At 1 January 2015	Business combinations	Reclassifications	Allocations	Reversals (used provisions)	Reversals (Surplus provisions)	Total reversals	At 31 Aug. 2015
Site closures	2.1		(0.8)					1.3
Total	**2.1**		**(0.8)**					**1.3**

The non-current provision for site closures relates to the closure of Logisteo's "B" site at Moissy Cramayel.

24. Trade payables and other current liabilities

In millions of euros	31 Aug. 2015	31 Dec. 2014*
Trade payables	**166.7**	**148.5**
Other current liabilities		
Tax and social security liabilities, employees	45.8	58.0
Employee profit-sharing (current)	1.7	2.1
Other payables	4.0	4.2
Prepaid income	6.2	2.2
Sub-total	57.7	66.5
Total	**224.4**	**215.0**

* Comparative financial statements have been restated following the application of IFRIC 21.

25. Scope of consolidation

	Consolidation method	Country	% interest 31 Aug. 2015	% interest 31 Dec. 2014	% interest 31 Aug. 2014
AUTODIS GROUP SAS	Parent	France	100	100	100
ACR Holding	Full	France	100	100	100
ACR Group	Full	France	100	100	100
AD Bassin Parisien Nord	Full	France	99.99	99.99	99.99
AUTO CONTROLE SARL (Enssemble Group)	Full	France	100	100	100
AUTODIS	Full	France	100	100	100
AUTODISTRIBUTION SOGO	Full	France	99.95	99.95	99.95
AUTODISTRIBUTION	Full	France	100	100	100
AD GRAND OUEST	Full	France	100	100	100
AD MANCHE CALVADOS	Full	France	79.40	79.40	79.40
AD NORMANDIE MAINE	Full	France	79.40	79.40	79.40
ALES PL	Full	France	50.50	50.50	50.50
AM DEVELOPPEMENT renamed COMPTOIR DU FREIN	Full	France	100	100	100
ANDRIEU SARL (Enssemble Group)	Full	France	100	100	100
BOURY V.I.	Full	France		100	100
BREMSTAR	Full	France	100	100	100
BUGISY (Enssemble Group)	Full	France	100	100	100
BUSNENGO	Full	France	99.98	99.98	99.98
COFIRHAD	Full	France	100	100	100
COGEMAD	Full	France	100	100	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	50.50
CORA SAS	Full	France	100	100	100
DIGITAL AFTERMARKET	Full	France	100	100	100
ENSSEMBLE SAS	Full	France	100	100	100
ETABLISSEMENTS REMBAUD	Full	France	100	100	100
ETABLISSEMENT ROUGON QUEYREL	Full	France	100	100	100
FIA	Full	France	100	100	100
FRA SARL (Groupe Enssemble)	Full	France	100	100	100
GADEST	Full	France	100	100	100
GADSO	Full	France	100	100	100
GIBELIN	Full	France	99.92	99.92	99.92
GIRDE	Full	France	100	100	100
FPLS GROUPE	Full	France	100	100	100
H.I.S.	Full	France		100	100
HOLDING SAP	Full	France	95.10	95.10	95.10
ILE DE FRANCE POIDS LOURDS	Full	France	100	100	100
LOGISTEO	Full	France	100	100	100

	Consolidation method	Country	% interest 31 Aug. 2015	% interest 31 Dec. 2014	% interest 31 Aug. 2014
LORAT SCI (Groupe Enssemble)	Full	France	100	100	100
MAGENTA AUTOS PIECES	Full	France	99.97	99.97	99.97
PAO	Full	Belgium	100	100	100
PLATEFORME TECHNIQUE NATIONALE MONTAJAULT	Full	France	100	100	100
PORTERET ET GOBILLOT (Groupe Enssemble)	Full	France	100	100	100
ROUGON QUEYREL 04	Full	France	95.10	95.10	95.10
RM DISTRIBUTION (Groupe FPLS)	Full	France	100	100	100
SDFM	Full	France	100	100	100
STATION TECHNIQUE AUTO CARROSSERIE	Full	France	100	100	100
SYLMART Belgique	Full	Belgium	100	100	100
SYNIMALAU SCI (Groupe Enssemble)	Full	France	100	100	100
TC26	Full	France	100	100	100
TRUCK & CAR SERVICES	Full	France	100	100	100
TRUCKS SERVICES OCCITANS	Full	France	100	100	100
VAL DE LOIRE PL	Full	France	100	100	100
AD POLSKA	Full	Pologne	100	100	100
AD INTERNATIONAL	Equity method	Belgium	20.00	20.00	20.00
NEOPARTS	Equity method	France	20.00	20.00	20.00
PARTS Distribuzione Italia	Equity method	Italie	18.16	18.16	18.16
PARTS HOLDINGS Italie	Equity method	Italie	20.00	20.00	20.00

26. 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.

There are no restrictions on the transfer of funds with these entities or any unrecognised share of losses, in accordance with the equity method.

27. 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 controlling 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 Executive Committee, directors, area managers and general brand managers. Compensation recorded in Autodis Group expenses for the eight-month periods ended 31 August 2015 and 31 August 2014 are set out in the table below:

In millions of euros	2015 Ytd August	2014 Ytd August
Basic salaries	4.7	4.5
Bonuses	1.4	1.4
Payroll costs (excl. paid leave and termination benefits)	2.5	2.3
Pensions, provision for paid leave and benefits in kind	(0.2)	(0.1)
Profit-sharing and incentive plans	0.1	0.1
Termination benefits	0.1	0.0
Net personnel costs	**8.6**	**8.2**

Moreover, no directors' fees have been paid or are due to be paid in respect of the eight-month period ended 31 August 2015.

28. Commitments

28.1. 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

Six 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, 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.

• In the event of a change of control, the senior secured notes reimbursement is settled in the contract under specific conditions.

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.

28.2. 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: €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.

28.3. Litigations

It shall be noted, that the Group has not recorded any provision relating to Klarius France as management and its advisors are still considering that, in view of the facts of the case, there is still currently no likelihood of an outflow of resources. For information, Klarius France, a manufacturer of automobile spare parts in France, sued, in collective proceedings, 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 approximately €2.4 million.

29. Events after the end of the reporting period

Autodis Group S.A.S shareholders' entered into an exclusive discussion with Bain Capital regarding the group acquisition.

Autodis Group (formerly Parts Holdings (France))

Simplified joint-stock company (*société par actions simplifiée*)
22, avenue Aristide Briand
94110 Arcueil

Statutory auditors' report on the consolidated financial statements

For the year ended 31 December 2014

Ernst & Young et Autres
1/2, place des Saisons
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Autodis Group (formerly Parts Holdings (France))

Simplified joint-stock company (*société par actions simplifiée*)
22, avenue Aristide Briand
94110 Arcueil

Statutory auditors' report on the consolidated financial statements

For the year ended 31 December 2014

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 2014, on:

- the audit of the accompanying consolidated financial statements of Autodis Group (formerly 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 consolidated 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 2014 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II. Justification of our assessments

In accordance with the requirements of article L.823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you that the assessments we made concerned the appropriateness of the accounting policies used, in particular the following:

- 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 Sup Bonds valuation, business combinations, deferred tax, pensions and other post-employment benefits and inventory impairment, as set out in notes 3.2.4 and 21.1, 3.3.8, 3.3.18 b), 3.3.14 b) and 3.3.11 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 also assesses whether there is an indication that a long-term asset is impaired in accordance with the methodology described in notes 3.3.7 and 3.3.8 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 3.2.1, 3.3.7, 3.3.8 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.

Paris — La Défense and Neuilly-sur-Seine, 10 April 2015
The Statutory Auditors

Ernst & Young et Autres

Benoit Schumacher

Constantin Associés
Member of Deloitte Touche Tohmatsu Limited

Benoît Pimont

Constantin Associés
Member of Deloitte Touche Tohmatsu Limited

Ernst & Young et Autres

Parts Holdings (France)

For the year ended 31 December 2013

Statutory Auditors' report
on the consolidated financial statements

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

	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**	**Shareholders' 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**	**(0.1)**	**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

	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**	**Shareholders' equity**	**Non-controlling interests**	**Total equity**
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

	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

21.3.2 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**	**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	Reclassifications	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**

In millions of euros	2013	New financing	Newly-consolidated	Repayment	2014	Lease payments outstanding			
						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

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 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

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**	**(0.2)**	**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:

<u>Basic plans</u>

In France, the Group pays into basic pension plans for which the expense recorded equals the contributions required by government agencies.

<u>Defined contribution plans</u>

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.

<u>Defined benefit plans</u>

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

	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	0.9	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.

Parts Holdings (France) S.A.S.

Consolidated Financial Statements
31 December 2012

This is a free translation into English of the statutory auditors' report on the consolidated financial statements issued in French and it is provided solely for the convenience of English-speaking users.

The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit 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 balances, transactions or disclosures.

This report also includes information relating to the specific verification of information given in the group's management report.

This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

Parts Holdings (France)

Year ended December 31, 2012

Statutory auditors' report
on the consolidated financial statements

CONSTANTIN ASSOCIES
Member of Deloitte Touche Tohmatsu
185, avenue Charles-de-Gaulle
92524 Neuilly-sur-Seine Cedex
S.A. au capital de € 831.000

Commissaire aux Comptes
Membre de la compagnie
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S.A.S. à capital variable

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

Parts Holdings (France)
Year ended December 31, 2012

Statutory auditors' report
on the consolidated financial statements

To the Sole Shareholder,

In compliance with the assignment entrusted to us by your articles of association and by a collective decision of the shareholders, we hereby report to you, for the year ended December 31, 2012, 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 consolidated 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 consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2012 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II. Justification of our assessments

In accordance with the requirements of article L. 823-9 of the French commercial code (Code de commerce) relating to the justification of our assessments, we bring to your attention the following matter(s):

- In the context of our assessment of the accounting rules and methods applied by your company, we have ensured that the accounting rules and methods relating to business combinations, deferred taxes, pensions and other post-employment benefits, and inventory impairment, as described respectively in the notes 3.3.8, 3.3.19b), 3.3.15b) and 3.3.11 to the consolidated financial statements, are appropriate and were applied consistently. In the case estimates need to be performed for their implementation, our procedures consisted in assessing the data and assumptions on which these estimates were based, and the reasonableness of the resulting valuations.
- The group performs systematically, at the end of each reporting period, impairment tests of goodwill and intangible assets with indefinite useful lives, and also assesses whether an

indication of impairment of other non-current assets exists, following the methodology described in the notes 3.3.7 and 3.3.8 to the consolidated financial statements. We have reviewed the soundness of the chosen approach and the assumptions used for these impairment tests and we carried out the assessment of the reasonableness of the calculations made by the group in that respect. We have also ensured that the information given in the notes 3.2.1, 3.3.7, 3.3.8b), 6.5, 6.6, 8.1 and 8.2 to the consolidated financial statements is appropriate.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific verification

As required by law we have also verified in accordance with professional standards applicable in France 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, April 29, 2013

The statutory auditors
French original signed by

CONSTANTIN ASSOCIES *Member of Deloitte Touche Tohmatsu*	ERNST & YOUNG et Autres	
Jean Paul Seguret	Benoit Pimont	Benoit Schumacher

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Consolidated Income Statement

In millions of euros

	Notes	2012 12 months	2011(*) 12 months	2011 published 12 months
REVENUE	*6.1*	**1,084.3**	**1,085.4**	**1,101.5**
Cost of goods for sale		(689.9)	(702.4)	(716.5)
Personnel costs	*6.2*	(223.7)	(219.2)	(220.6)
Other purchases and external expenses	*6.3*	(121.9)	(120.7)	(122.5)
Taxes		(8.2)	(6.6)	(6.6)
Other operating income and expenses	*6.4*	4.4	2.7	2.3
EBITDA		**45.0**	**39.2**	**37.6**
Depreciation/amortisation expense	*9 & 10*	(15.1)	(17.0)	(17.1)
RECURRING OPERATING INCOME		**29.9**	**22.2**	**20.5**
Other income from operations	*6.5*	3.4	125.5	125.5
Other expenses from operations	*6.6*	(7.2)	(18.9)	(18.9)
OPERATING INCOME		**26.1**	**128.8**	**127.1**
Financial income	*6.7*	2.3	1.7	1.7
Financial expenses	*6.8*	(10.7)	(15.0)	(15.2)
Share of income of associates	*11*	(0.0)	0.4	0.4
INCOME BEFORE TAX		**17.7**	**115.9**	**114.0**
Income tax	*6.9*	(7.8)	14.1	14.1
NET INCOME FROM CONTINUING OPERATIONS		**9.9**	**130.0**	**128.1**
Net income (loss) from discontinued operations	*5*	(3.9)	(1.9)	—
NET INCOME FOR THE YEAR		**6.0**	**128.1**	**128.1**
Attributable to:				
Owners of the parent:				
Net income (loss) from continuing operations		9.7	129.8	128.3
Net income (loss) from discontinued operations		(3.5)	(1.5)	—
Net income attributable to owners of the parent		6.2	128.3	128.3
Non-controlling interests:				
Net income (loss) from continuing operations		0.2	0.2	(0.2)
Net income (loss) from discontinued operations		(0.4)	(0.4)	—
Net income (loss) attributable to non-controlling interests		(0.2)	(0.2)	(0.2)
Earnings per share from continuing operations		€ 0.064	€ 0.852	€ 0.840

(*) 2011 data has been restated in order to reclassify the Group's Italian activities within discontinued operations.

Statement of Comprehensive Income

In millions of euros

	2012 12 months	2011 12 months
NET INCOME	**6.0**	**128.1**
Foreign exchange gains (losses)	0.3	0.6
Remeasurement of hedging instruments		
Remeasurement of financial instruments		
Remeasurement of available-for-sale financial assets		
Remeasurement of non-current assets		
Actuarial gains and losses on defined benefit plans		
Share in comprehensive income of associates		
OTHER COMPREHENSIVE INCOME	**6.3**	**0.6**
TOTAL COMPREHENSIVE INCOME	**6.3**	**128.7**

Foreign exchange gains and losses for 2012 are attributable to fluctuations in the Polish zloty exchange rate and are shown in the table below:

	2012	2011
Closing rate	4.0740	4.4580
Average rate	4.1834	4.1203

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 2012	31 December 2011
ASSETS			
Goodwill	*8*	8.2	4.2
Intangible assets	*9*	142.0	141.3
Property, plant and equipment	*10*	45.6	39.5
Investments in associates	*11*	0.4	3.1
Available-for-sale financial assets	*12*	0.3	0.3
Other non-current assets	*13*	12.1	6.5
Deferred tax assets	*6.9.2*	18.3	21.2
TOTAL NON-CURRENT ASSETS		**226.9**	**216.1**
Inventories	*14*	176.7	170.2
Trade receivables	*15*	147.9	168.0
Other current assets	*16*	9.6	13.3
Cash and cash equivalents	*17*	58.4	71.5
Derivative financial instruments		—	—
TOTAL CURRENT ASSETS		**392.6**	**423.0**
Non-current assets held for sale	*5*	10.9	—
TOTAL ASSETS		**630.4**	**639.1**
EQUITY AND LIABILITIES			
Share capital	*18*	152.6	152.6
Other reserves	*18*	21.4	(117.7)
Net income attributable to owners of the parent		6.2	128.3
SHAREHOLDERS' EQUITY		**180.2**	**163.2**
NON-CONTROLLING INTERESTS		**(0.4)**	**0.5**
- Net assets		(0.2)	0.7
- Net income (loss)		(0.2)	(0.2)
TOTAL EQUITY		**179.8**	**163.7**
Non-current borrowings and debt	*20*	167.7	205.6
Non-current provisions	*24.2*	4.8	6.0
Liabilities relating to employee benefits	*22*	25.5	25.3
Deferred tax liabilities	*6.9.2*	—	—
Other non-current liabilities	*23*	4.4	3.7
TOTAL NON-CURRENT LIABILITIES		**202.4**	**240.6**
Current borrowings and debt	*20*	37.8	12.4
Current provisions	*24.1*	8.2	10.1
Trade payables	*25*	138.0	151.4
Other current liabilities	*25*	58.4	60.0
Derivative financial instruments		—	0.9
TOTAL CURRENT LIABILITIES		**242.4**	**234.8**
Liabilities directly associated with assets held for sale	*5*	5.8	—
TOTAL EQUITY AND LIABILITIES		**630.4**	**639.1**

Consolidated Statement of Changes in Equity

In millions of euros

For the year ended 31 December 2011

In millions of euros	**Attributable to owners of the parent**							
	Share capital	**Additional paid-in capital**	**Foreign exchange gains and losses**	**Remeasure-ment of financial instruments**	**Consolidated reserves**	**Share-holders' equity**	**Non-controlling interests**	**Total equity**
At 31 December 2010	**152.6**	**—**	**(1.3)**	**—**	**(115.2)**	**36.1**	**0.3**	**36.4**
Net income for the year					128.3	128.3	(0.2)	128.1
Other comprehensive income (expense)			(0.6)			(0.6)	—	(0.6)
Comprehensive income (expense)	**152.6**	**—**	**(1.9)**	**—**	**13.1**	**163.8**	**0.1**	**163.9**
Other changes					(0.6)	(0.6)	0.7	0.1
Dividends paid						—	(0.3)	(0.3)
At 31 December 2011	**152.6**	**—**	**(1.9)**	**—**	**12.5**	**163.2**	**0.5**	**163.7**

For the year ended 31 December 2012

In millions of euros	**Attributable to owners of the parent**							
	Share capital	**Additional paid-in capital**	**Foreign exchange gains and losses**	**Remeasure-ment of financial instruments**	**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**
Net income for the year					6.2	6.2	(0.2)	6.0
Other comprehensive income			0.3		—	0.3	—	0.3
Comprehensive income (expense)	**152.6**	**—**	**(1.6)**	**—**	**18.7**	**169.7**	**0.3**	**170.0**
Other changes				10.0	0.5	10.5	(0.5)	10.0
Dividends paid							(0.2)	(0.2)
At 31 December 2012	**152.6**	**—**	**(1.6)**	**10.0**	**19.2**	**180.2**	**(0.4)**	**179.8**

Consolidated Statement of Cash Flows

	Notes	2012 12 months	2011 12 months
Cash flows from operating activities			
Net income		**6.0**	**128.1**
Net income from discontinued operations		3.9	
Cancellation of unrealised income and expenses		17.9	(90.4)
- *Depreciation/amortisation*		15.1	17.1
- *Provisions (net of reversals)*		(2.5)	6.8
- *Share in earnings of associates*		0.0	(0.4)
- *Gains or losses on disposals of fixed assets*		0.4	(0.1)
- *Allocation/reversal of impairment of the Autodistribution trademark*		—	(117.9)
- *Allocation of goodwill impairment*		—	0.5
- *Financial expenses without a cash effect*		4.9	3.7
- *Other income expenses without a cash effect*		0.0	(0.1)
Financial expenses and income with a cash effect		3.1	9.6
Income tax		7.8	(14.1)
Changes in working capital		6.7	1.4
- *Inventories*		2.4	(1.5)
- *Receivables*		21.1	(1.2)
- *Payables*		(15.2)	(0.9)
- *Other receivables and payables*		(1.6)	5.0
Other items with a cash impact		(6.4)	(4.1)
- *Income tax*		(6.4)	(4.1)
Net cash from operating activities — continuing operations		**39.0**	**30.4**
Net cash used in operating activities — discontinued operations	*5*	**(4.0)**	**—**
Cash flows from investing activities			
Acquisitions of fixed assets	*10.2*	(15.9)	(15.9)
Changes in other financial assets		(1.1)	—
Disposal of fixed assets		0.7	1.5
Advances paid		(3.8)	—
Business acquisitions		(13.8)	(2.7)
- *Acquisitions net of cash acquired*	*4.1.1*	(13.8)	(2.7)
- *Disposals net of cash transferred*		—	—
Net cash used in investing activities — continuing operations		**(33.9)**	**(17.1)**
Net cash from investing activities — discontinued operations	*5*	**0.7**	**—**
Cash flows from financing activities			
Dividends paid to the owners of the parent company	*7*	—	—
Dividends paid to non-controlling interests of consolidated companies		(0.3)	(0.3)
Dividends received from associates	*11*	—	—
Capital increase in cash		—	—
Financial expenses with a cash effect		(4.7)	(10.8)
Financial income with a cash effect		1.6	1.2
Increase in borrowings		6.6	1.2
Repayment of borrowings		(16.8)	(20.1)
Change in other financial liabilities		(0.2)	2.3
Net cash used in financing activities — continuing operations		**(13.8)**	**(26.5)**
Net cash used in financing activities — discontinued operations	*5*	**(0.2)**	**—**
Change in cash and cash equivalents — continuing operations		**(8.7)**	**(13.3)**
Change in cash and cash equivalents — discontinued operations		**(3.5)**	**—**
Cash and cash equivalents at the beginning of the year	*17*	**63.5**	**75.6**
Impact of currency rate fluctuations		0.8	(1.2)
Decrease in cash and cash equivalent of discontinued operations at end of year		(0.4)	
Cash and cash equivalents at end of year	*17*	**50.1**	**63.5**

Notes to the Consolidated Financial Statements

1 Approval of the financial statements

On 29 March 2013, the Chairman approved Parts Holdings (France) S.A.S.'s consolidated financial statements for the year ended 31 December 2012. 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.

The Parts Holdings (France) Group specialises in the distribution of automotive spare parts. The Group's activities focus on two areas: Light Vehicles (LV) and Heavy Vehicles (HV).

2 Information relating to the parent company

Parts Holdings (France)

A 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 Schiphol 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 2012 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 (€m) unless stated otherwise.

3.1 Basis of preparation

The accounting principles applied are consistent with those used to prepare the annual consolidated financial statements for the year ended 31 December 2011, with the exception of the adoption of the amendment to IFRS 7 — Disclosures: Transfer of Financial Assets, applicable to accounting periods beginning on or after 1 July 2011.

The adoption of said amendment has had no impact on the company's financial statements.

The Group has not opted for the early application of:

- Amendment to IAS 19 — Employee Benefits, applicable to accounting periods beginning on or after 1 January 2013 and adopted by the European Union on 5 June 2012.

The main changes that will have an impact on the provision for post-employment benefits are as follows:

- Discontinuation of the corridor method that the Group has used until now: the actuarial gains and losses created during the period must be recorded in other comprehensive income and will no longer be amortised in the consolidated income statement over employees' remaining service period;
- Immediate recognition in income of the effect of plan amendments (e.g., amendment of collective bargaining agreement), which are no longer recognised on a straight-line basis over the remaining service period;

- Alignment of the expected return on plan assets rate with the yield from high quality bonds used for the calculation of the present value of the obligation;
- Accumulated unrecognized past service costs and actuarial gains and losses at the beginning of the first comparative period shown must be recorded in reserves.

The year 2012 reporting period must also be presented as restated in the 2013 financial statements (see Note 3.3.15 b).

- Amendment to IAS 1 — Presentation of items of net income, gains and losses recorded directly in equity, applicable to reporting periods beginning on or after 1 July 2012.

Moreover, the Group has not applied the following standards and amendment adopted by the European Union and published in the Official Journal of the European Union on 29 December 2012:

- IFRS 9 — Financial Instruments – recognition and measurement, applicable on or after 1 January 2015;
- IFRS 10 — Consolidated Financial Statements, applicable on or after 1 January 2014;
- IFRS 11 — Joint Arrangements, applicable on or after 1 January 2014;
- IFRS 12 — Disclosure of Interests in Other Entities, applicable on or after 1 January 2014;
- IFRS 13 — Fair Value Measurement, applicable on or after 1 January 2013;
- IAS 27 — Consolidated and Separate Financial Statements, applicable on or after 1 January 2013;
- IAS 28 — Investment in Associates and Joint Ventures, applicable on or after 1 January 2013;
- Amendment to IAS 12 — Deferred Tax: Recovery of Underlying Assets, applicable on or after 1 January 2012.

The Group will apply said standards and amendment on their respective effective dates.

Finally, the Group has not applied the following standards and amendment, which the European Union had not adopted as of 31 December 2012:

- Amendment to IFRS 1 — Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters, applicable to annual periods beginning on or after 1 July 2011;
- Amendment to IFRS 7 — Disclosures: Offsetting Financial Assets and Liabilities, applicable on or after 1 January 2013;
- Amendment to IAS 32 — Offsetting Financial Assets and Liabilities, applicable on or after 1 January 2014;
- Amendment to IFRS 1 — Government Loans, applicable on or after 1 January 2013;
- Amendments relating to transitional provisions for IFRS 10, IFRS 11 and IFRS 12, applicable on or after 1 January 2013;
- Annual improvements — 2009-2011 cycle for amendments applicable on or after 1 January 2013. Said improvements relate to:
  - IFRS 1, which explains:
    - repeated applications of IFRS 1
    - borrowing costs relating to qualifying assets for which the commencement date for capitalisation precedes the date of transition to IFRSs;
  - IAS 1, which clarifies the requirements for comparative information;
  - IAS 16, which provides a classification of servicing equipment;

- IAS 32, which explains the tax effect relating to distributions to holders of equity instruments and to the costs relating to equity transactions;
- IAS 34, which clarifies interim financial reporting and segment information for the total assets in a segment.

The Group is reviewing all these standards and interpretations in order to measure their potential impact on the results, financial position and consolidated cash flow, and to assess the impact on disclosures.

3.2 Significant judgments 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.

The key assumptions relating to future events and other sources of uncertainty connected to the use of estimates on the reporting date, for which changes during a financial year could involve a significant risk of material change in the carrying amount of assets and liabilities, are shown hereinafter.

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 subject to an impairment test at least once a year and whenever there is an indication of impairment. Other non-financial assets are subject to an impairment test 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 on the basis of discounted cash flows taking into account the components of the Group's 2013 budget and the three-year business plan approved by the Executive Committee.

The impairment test on cash-generating units (CGU) is based on the four-year EBIDTA plan. The assumptions used then undergo a sensitivity test to assess the variability of the result following the amendment of all assumptions.

Historically, the impairment test performed on the France CGU resulted in recording a goodwill impairment loss of €368.5 million and a €150.4 million impairment loss for the AD brand in 2008.

Each year, the Group carries out impairment tests on the France CGU, which includes the AD brand, and the Poland CGU. 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 the indicators that led to a loss being recorded no longer exist.

Valuation of the AD brand

The "Autodistribution" brand, recognised at the time of the acquisition, is included in the France CGU. 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 a valuation carried out by an independent external firm and in conjunction with the impairment test on the France CGU, the value of the brand had decreased to €135 million in the consolidated accounts 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). It is based on revenue generated over five years by the AD brand, i.e., by the PHF Group's subsidiaries or the 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 shows 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, whereas the assumptions relating to increase in revenue were relatively stable.

Accordingly, by way of caution in a difficult and uncertain market, no impairment reversal was recorded at 31 December 2012 and the value of the AD brand remained at €135 million.

The table below shows the sensitivity of the valuation in relation to discount and royalty rate assumptions.

		Discount rate		
		11.0%	**11.2%**	**12.0%**
Royalty rate	**1.00%**	**96**	**94**	**88**
	1.50%	**144**	**142**	**132**
	2.00%	**193**	**189**	**176**

France CGU

At 31 December 2012, the assets tested, including goodwill and the AD brand, stood at €313 million. The assets tested are compared with the value in use which is calculated using a valuation based on future cash flows discounted at 9.5% and with a perpetuity growth rate of 1%, i.e., €368 million. A sensitivity calculation was performed that shows that the valuation would amount to €331 million in the event that objectives in the business plan were achieved at 90%, i.e., higher than the value of the net assets tested. Accordingly, no asset impairment was recorded.

		Discount rate					
		8.5%	**9.0%**	**9.5%**	**10.0%**	**10.3%**	**10.8%**
% achievement of the BP	90%	374	351	331	313	303	288
	95%	395	371	349	330	320	304
	100%	416	390	368	348	337	320

Poland CGU

At 31 December 2011, goodwill, intangible assets and property, plant and equipment were fully impaired.

At 31 December 2012, the value in use stood at €1.5 million (valuation based on discounted cash flows at the rate of 10.5% with a perpetuity growth rate of 1%). Accordingly, no reversal is to be recorded for the year. However, an additional allowance of €0.3 million corresponding to the increase in the gross value of assets for the year was recorded.

Information relating to the procedures for impairment tests is provided in Note 3.3.8.

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 said unused tax losses can be charged. 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, with regard to 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 2012, the recognised deferred tax assets were calculated on the basis of the Group's 2013 budget and the three-year business plan. Further details are provided in Notes 3.3.19 and 6.9.2.

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 rely on assumptions as regards 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. The net liability in respect of these employee benefits at 31 December 2012 stood at €25.5 million. Further details are provided in Note 22. There are no other post-employment benefits.

3.2.4 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.

The provision for inventory impairment at 31 December 2012 totalled €19.9 million.

3.3 Summary of the main accounting methods

3.3.1 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 reference period as those of the parent company, applying homogeneous 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 took control of them, and until the date on which it ceases to exercise such control. The financial statements of the 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, they 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 accounts.

The financial statements of entities that use a different functional currency from the euro are translated as follows:

- Assets and liabilities are translated at the current exchange rate on the reporting date.
- Income statement and statement of cash flows items are translated at the average exchange rate for the year.

Foreign exchange gains or losses arising from said conversion are allocated directly to a separate line item under equity. On the disposal of a foreign operation, the cumulative amount of deferred foreign exchange gains or losses shown in the separate item of equity and relating to said foreign operation is recognised in the income statement.

In the Group, the only subsidiaries that use a different functional currency 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 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 current exchange rate on the transaction date. On the reporting date, the monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the current exchange rate on 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.

Replacement costs are included in the carrying amount of the property, plant and equipment if the accounting criteria are met.

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 of disposal of said asset and its 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 in accordance with the following periods of use:

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, if necessary, on each annual reporting date.

3.3.4 Intangible assets

Intangible assets acquired separately are valued at their purchase 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 for 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 in accordance with their economic useful life and are subject to an impairment test whenever there is an indication that the intangible asset is impaired. The amortisation period and method for an intangible asset with a finite useful life are reviewed at least on the reporting date every year. Any change to the projected useful life or projected rate of consumption of the representative future economic benefits of the asset is recorded by changing the amortisation period or 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 comprise, primarily, software licences for Movex accounting software.

These fixed assets are amortised on a straight-line basis in accordance with the following estimated period of useful life:

Software	5 years

b) Intangible assets with an indefinite useful life

These fixed assets are not amortised but are subject to annual impairment tests, either individually or at the level of the cash-generating unit to which the intangible asset belongs. 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 not, the change in assessment of the nature of the useful life from indefinite to finite is recorded prospectively.

The "Autodistribution" brand, recognised at the time of acquisition, is attached to the cash generating unit consisting of Autodistribution and its subsidiaries (France CGU).

3.3.5 Leases

Determining whether an arrangement is a lease, or contains a lease, depends on the substance of the agreement on its commencement date. This requires assessing whether performance of the agreement depends on the use of a specific asset or specific assets, and whether the agreement grants a right to use the asset. For agreements entered into before 1 January 2005, the commencement date 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 virtually 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 term of the lease at the fair value of the leased asset or, if it is lower, at the discounted value of the minimum payments under the lease. Payments in respect of the lease are broken down between the financial expense and the amortisation of the debt so as to obtain a constant periodic interest rate on the remaining balance of the liability. The financial expenses are recorded directly in the income statement.

Assets that are subject to a finance lease are amortised over the shorter of the lease term and its useful life, 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 2012, the Group has finance leases in the capacity of lessee (see Notes 29.1 and 29.2).

b) Leases in the Group's financial statements where the Group is lessor

Leases under which the Group does not transfer virtually 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 over the period in which it is acquired.

At 31 December 2012, the Group does not have any finance leases in the capacity of lessor.

3.3.6 Non-current held-for-sale assets 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 is/are presented separately in the statement of financial position when it is/they are significant, without restatement of previous periods. The assets or group of assets are measured at the lower of their carrying amount and their estimated selling price 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 operation for the Group. This component must either be discontinued or classified as held-for-sale assets or it must form part of an overall plan to sell an operation or a significant geographical area for the Group; or, finally, it must be a significant subsidiary acquired solely for the purpose of resale. The components of the income statement and statement of cash flows relating to said discontinued operations are presented separately in the financial statements for all the periods presented if they are significant. The components of the statement of financial position relating to previous years are not presented separately; only the components of the last period shown are classified as assets and liabilities discontinued.

At 31 December 2011, the Group did not have any discontinued operations.

In 2012, strategies for alliance or disposal of Italian operations were examined as Italy's results 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 said operations. Negotiations opened with GIADI, an independent Italian distributor, resulted in a framework agreement signed by the parties on 19 December 2012. The agreement provides 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 consent of both entities' Boards of Directors.

At the end of December 2012, Italy is therefore deemed to be a held-for-sale asset in accordance with IFRS 5. Moreover, since Italy is a CGU for the Group and a major geographical area, 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 (see Note 5).

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, individually or at the level of the cash-generating unit to which they are attached.

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 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 level of its 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 or amortisation, if no impairment had 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 revised 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 fair value on the acquisition date, which takes into account all the probabilities of occurrence. Considerations are classified as debt or equity according to their nature, those classified as debts 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 the fair value determined on the acquisition date, with the exception of non-current assets classified as held-for-sale assets, which are recorded at fair value less disposal costs, and other assets and liabilities (IAS 19 and IAS 12) valued in accordance with the applicable standards.

Goodwill represents any excess in the amount of consideration transferred and, where appropriate, the value of the 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 a period of twelve months of the acquisition date. After said time, the effects are recorded directly in the income statement unless they correspond to corrections of errors.

b) Impairment of goodwill

Goodwill and CGU

Goodwill acquired when businesses are combined 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 by their use or by selling them.

If the recoverable amount is less than the carrying amount, an impairment loss is recorded for the difference between both amounts.

For this test, goodwill is grouped with other assets and liabilities in a cash-generating unit or group of CGUs. CGUs are homogeneous groups of assets whose continued use generates cash inflows that are primarily independent from cash inflows generated by other groups of assets.

An analysis of the segmentation of the Group into CGUs resulted in deeming the following as CGUs:

- the perimeter consisting of Autodistribution and its subsidiaries

- the perimeter consisting of AD Polska and its subsidiary
- the perimeter consisting of Parts Holdings Italia and its subsidiary (see Note 5 on the discontinued assets).

Assessment of 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 net fair value of the disposal costs or value in use, whichever is higher.

The value in use of a CGU is determined by reference to projected discounted future cash flows from said assets, in light of economic assumptions and the Group management's projected operating requirements.

An impairment loss recorded on goodwill cannot be reversed because of an increase in its recoverable amount.

3.3.9 Financial investments and other financial assets

Depending on the type of instrument, financial assets that fall within the scope of IAS 39 are classified as financial assets at fair value through income, as loans and receivables, as held-to-maturity investments or as financial assets available for sale. 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 when they are initially recognised in the accounts and, when it is authorised and appropriate, it reviews said classification on each annual reporting date.

a) Financial assets measured at fair value through income statement

The category of financial assets at fair value through income statement includes financial assets acquired with a view to resale in the short term.

Duly designated and effective hedging derivatives do not fall within this category.

At 31 December 2012, 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 a fixed maturity date that the Group obviously intends to hold and is able to hold to maturity. After initially recording them in the accounts, held-to-maturity investments are valued at amortised cost.

The gains and losses are recorded in the income statement when said investments are derecognised or impaired, using the amortised cost mechanism.

At 31 December 2012, the Group did not own any 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 they have been initially recorded, loans and receivables are valued at amortised cost applying the effective interest rate method less, where appropriate, an amount for 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 method as well as transaction costs.

Gains and losses are recorded in the income statement when the loans and receivables are derecognised or are impaired using the amortised cost mechanism.

d) Available-for-sale financial assets

Available-for-sale financial assets (equity investments not consolidated at 31 December 2012) 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 other comprehensive income in a reserve for net unrealised gains and losses. On disposal of an available-for-sale asset, the accumulated profit or loss previously recorded in equity is recycled 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 asset market to which the entity has access;
- Level 2: directly observable market inputs other that does not correspond to quoted prices for identical instruments;
- 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 players would have applied to value the asset's other values.

All the fair value measurements are presented in Note 19 of the notes 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 impairment 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 discounted 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.

Regarding trade receivables, an impairment loss is recorded when there is an objective indication (such as a probability that the debtor will become bankrupt or is in serious financial difficulties) that the Group will not be able to recover the amount payable 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 recorded as a loss when they are deemed non-recoverable.

b) Available-for-sale assets

If a financial asset is impaired, the difference between its acquisition cost (less the repayment of the principal and any amortisation) and its current fair value, less any impairment loss previously recorded in the income statement, is transferred from equity to the income statement.

Impairment relating to equity instruments cannot be reversed inthe income statement. Impairment losses relating to debt instruments are reversed in 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 the lower of cost and net realisable value.

Cost is calculated using the method of the last supplier price applicable at 31 December of the current year, taking into account an average stock rotation. The valuation of inventory also takes into account the impact of discounts and allowances, and discounts granted by suppliers, as well as the transportation cost on purchases.

This method of inventory valuation is deemed to be a good approximation of FIFO because of the fast stock rotation.

Net realisable value is the estimated selling price on the reporting date, less estimated selling costs taking into account their technical or commercial obsolescence and the risks relating to slow rotation.

In the case the inventory shown in the statement of financial position of a company included in the scope of consolidation derives from a purchase made from another entity that is a member of the Group, the internal income recorded in the selling company's accounts is neutralized.

3.3.12 Cash and cash equivalents

Cash and cash equivalents recorded in the statement of financial position include cash in the bank and on hand, short term deposits with a term of three months or less and investment securities which meet the criteria of cash equivalent, i.e.:

- short-term investment;
- highly liquid;
- readily convertible into known amounts of cash;
- 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.

Investment securities owned by the Group are euro money market funds with a negligible risk of changes in value.

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. The issue costs have an impact on the entry value and are spread via the effective interest rate method. The amortised issue costs are presented as a deduction from the debts to which they relate.

The income (loss) is recorded in the income statement when the debts are derecognised and through the amortised cost mechanism.

3.3.14 Derivatives and hedge accounting

At 31 December 2012, the Group does not hold any hedging instruments.

3.3.15 Provisions

a) General information

A provision is recorded when the Group has a present obligation (legal or constructive) arising from a past event, when it is likely that an outflow of resources embodying economic benefits will be necessary in order to settle the obligation and when the amount of the obligation can be reliably estimated.

When the Group expects partial or total reimbursement of the provision, for example from an insurance policy, the reimbursement is recorded as a separate asset but only if the reimbursement is virtually certain. The amount of the expense corresponding to a provision is recorded in the income statement net of any reimbursements.

If the effect of the time-value of money is significant, 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 elapsing 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 belongs to 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 the investment. The Group's liability is limited to contributions paid that are recorded as an expense.

Defined benefit plans

In accordance with French legislation, each employee of the Group receives a retirement severance payment when he retires. This plan is very poorly pre-funded. 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 with reference to the yield from bonds issued by high-ranking companies. The actuarial gains and losses generated are recognised in accordance with the corridor method. The Group has no multi-employer plans.

At 31 December 2012, the Group chose not to record actuarial gains and losses relating to employee benefits directly in equity in accordance with the option available by IAS 19. The Group still uses the "corridor" method.

According to IAS 19R, the application of which is mandatory from 1 January 2013 for post-employment plans, actuarial gains and losses may no longer be recognised in the income statement (via the corridor method). Actuarial gains and losses must be recognised immediately in equity. The impact of the application of the standard at 1 January 2013 is estimated to be approximately €9.2 million.

3.3.16 Revenue recognition

Revenue is recorded when it is probable that the 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 to be received, to the exclusion of discounts and allowances and other taxes on sales and customs duty. 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 goods.

b) Rendering of services

Transactions involving the rendering 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 accurately discounts future cash flows over the expected life of the financial instrument so as to obtain the carrying amount of the financial asset).

d) Dividends

Revenue is recorded when the shareholders' right to receive payment thereof is established.

3.3.17 Recurring operating income

Recurring operating income comprises revenue, cost of goods for sale, personnel costs, other purchases and external expenses, taxes, 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 effect 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.

3.3.18 Other operating income and expenses

Other operating income and expenses relates to unusual events with significant amounts effects.

Other operating income can include, in particular, gains on the disposal of operations and gains on the disposal of property, plant and equipment and intangible assets.

Other operating expenses can also 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.

3.3.19 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 rules applied to determine said amounts are those that were enacted or substantially enacted on 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), one of the components of which is 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, in the particular case, 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 liability method for any timing differences on 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 charged.

The carrying amount of the deferred tax assets is reviewed on each reporting date and reduced if it no longer appears probable that a sufficient taxable profit will be available to enable all or some of said deferred tax asset to be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised if it becomes likely that future taxable profit will enable them to be recovered.

Deferred tax assets and liabilities are valued at the tax rate that is expected to be applied for the year in which the asset is realised or the liability settled, on the basis of tax rates (and tax rules) that were enacted or substantially enacted on 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 an enforceable legal right to offset them 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 26 and the amount of goodwill in Note 8.

4.1 Changes in the scope of consolidation in 2012

4.1.1 Acquisitions and newly-consolidated companies

Autodistribution's acquisition of additional shares in the Enssemble group

The Group acquired 80% of the Enssemble group on 9 July 2012 thereby increasing its interest from 20% to 100%.

The Enssemble group, located in the Lyon area, consists of the following eight companies, all wholly-owned subsidiaries of the Enssemble holding company:

- Porteret et Gobillot
- Bugisy
- SCI Lorat
- SCI Synimalau
- SARL Andrieu
- SARL Auto Contrôle
- EURL PAPL
- SARL FRA

The above-mentioned entities have been consolidated using the full consolidation method as of 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 Enssemble group's statutory financial statements were drawn up and audited by Eurex at 30 September.

The PHF group's 2012 revenue and net income if Enssemble had been consolidated over 12 months are not presented in this report. The fact that the reporting date is not 31 December makes the calculation impracticable.

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
Cash and cash equivalents	(1.2)
Other assets	2.2
Borrowings and debt	2.4
Tax and social security liabilities	4.4
Trade payables	8.5
Other liabilities	1.8
Net assets	**10.4**

Independent experts valued the property, plant and equipment enabling the fair value to be assessed at the acquisition date.

In accordance with the Group's principles described in Note 3.3.11, a proportion of discounts, rebates, refunds and allowances granted by suppliers and the transportation costs for purchases were added back to the value of inventories.

Inventories and trade receivables were impaired in accordance with the Group's current methods.

In addition to assets acquired and liabilities assumed, the following contingent liabilities were recognised in the opening statement of financial position:

Provision for compliance work at the sites	€ 97k
Provision for tax risks	€950k

The provision for tax risks is covered by a vendor's liability guarantee which has been recognized.

The goodwill arising from the provisional allocation of the purchase price is €2.6 million (see Note 8.1). It 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):

Acquisition 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

Allocation of the purchase price remains provisional, particularly as regards the value of inventories. The Group continues to analyse old inventories and therefore adjustments may be made in the first half of 2013.

Val de Loire PL's acquisition of "Station Technique Auto" and "Station Technique Auto Carrosserie"

On 31 July 2012, the Group acquired 100% of Station Technique Auto's shares, which in turn fully owns the operational subsidiary Station Technique Auto Carrosserie.

These companies are located in the French department Indre-et-Loire. 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.

The goodwill arising from the provisional allocation of the purchase price is €1.4 million (See Note 8.1).

4.1.2 Incorporation of companies

No companies were incorporated in 2012.

4.1.3 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 combined with Gadest in 2012.

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 combined with AD Bassin Parisien-Nord in 2012.

4.1.4 Disposals

The Group did not dispose of any of its entities in 2012.

4.2 Changes in the scope of consolidation in 2011

4.2.1 Acquisitions and newly-consolidated companies

Acquisition of Société d'Investissement Automobile (SIA) and its subsidiaries by AD Bassin Parisien-Nord

On 30 June 2011, the Group acquired 100% of the shares of Société d'Investissement Automobile (SIA), which in turn fully owns an operational subsidiary, Teulat SARL, and two holding companies: SA JP. David and SA J. David.

This Group, which generates annual revenue of approximately €2.1 million, employs approximately 13 people and is a member of the Autodistribution's VL Network. The operational subsidiary Teulat is located in Montreuil, in the French department Seine Saint Denis.

The acquisition cost of the transaction was €0.5 million. The cash contributed by these companies was €0.3 million.

The goodwill in respect of this acquisition was a negative €0.2 million (see Note 8.1).

Acquisition of APS Saillard and Comptoir Vitryat by Gadest

On 30 October 2011, the Group acquired 100% of the shares of APS Saillard and Comptoir Vitryat for €2.0 million.

These companies are located in the French department Haute Marne and generate annual revenue of approximately €3.7 million. The cash contributed by these companies was €0.2 million.

The goodwill in respect of this acquisition is €1.2 million (see Note 8.1).

Acquisition of Truck Car Services and TC26 by Cofirhad

On 30 December 2011, the Group acquired 100% of the shares of Truck Car Services and TC26 for €1.0 million.

These companies are located in Portes-lès-Valence in the French department Drôme and generate annual revenue of approximately €2.5 million. The cash contributed by these companies was €0.3 million.

The goodwill in respect of this acquisition is €0.5 million (See Note 8.1).

Acquisition of additional shares in AD International by Autodistribution

The interest in the Belgian company AD International increased from 17.14% to 20%.

4.2.2 Incorporation of companies

No companies were incorporated in 2011.

4.2.3 Mergers within the Group

In order to improve the operational and administrative organisation, the three Polish companies Dakol, Stachura and Stenmot were merged into a new entity named AD Polska Aftermarket on the basis of the financial statements at 31 December 2010. This company is wholly owned by AD Polska. These internal transactions have no impact on the consolidated financial statements.

4.2.4 Disposals

The Group did not dispose of any of its entities in 2011.

5 Discontinued operations

5.1 Discontinued operations at 31 December 2012

All the Italian operations are deemed to be discontinued at 31 December 2012. Income from these entities is presented in the item "Net income (loss) from discontinued operations".

Changes in net income (loss) from discontinued operations are as follows:

In millions of euros	2012	2011
Net income (loss) from discontinued operations	**(3.9)**	**(1.9)**

The main line items in the consolidated income statement for discontinued operations are as follows:

In millions of euros	2012	2011
Revenue	14.8	16.1
Expenses from operations	(18.4)	(17.8)
Income from operations	(3.6)	(1.7)
Financial items	(0.2)	(0.2)
Income tax	—	—
Net income (loss) from discontinued operations	**(3.8)**	**(1.9)**

The main line items in the consolidated statement of financial position for discontinued operations are as follows:

In millions of euros	2012
Fixed assets	0.0
Inventories	2.9
Trade receivables	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**

5.2 Discontinued operations at 31 December 2011

The Autodistribution Group decided not to discontinue or dispose of any operations in 2011.

6 Income and Expenses

6.1 Revenue

In millions of euros	2012	2011
Sales of goods held for resale	1,033.5	1,040.6
Rendering of services	50.8	44.8
Revenue	**1,084.3**	**1,085.4**

6.2 Personnel costs

In millions of euros	2012	2011
Wages	(160.0)	(156.4)
Social security contributions	(62.0)	(59.7)
Profit-sharing plans	(1.9)	(1.6)
Pension costs (see Note 22.1)	0.2	(1.5)
Personnel costs	**(223.7)**	**(219.2)**

The 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 21.1).

The Group's workforce at the year end can be broken down as follows:

Number of employees	2012	2011
Engineers and managerial staff	838	967
Technical and supervisory staff	1,068	736
Employees	4,466	4,503
Total workforce	**6,372**	**6,206**

6.3 Other purchases and external expenses

In millions of euros	2012	2011
Rental expenses	(37.6)	(36.9)
Shipping expenses	(38.2)	(37.5)
Maintenance and repairs	(12.1)	(11.6)
Legal and other fees	(8.1)	(7.8)
IT expenses	(6.8)	(7.1)
Advertising expenses	(2.5)	(3.4)
Subcontracting	(4.4)	(4.9)
Travelling expenses	(3.3)	(3.7)
Other expenses	(8.9)	(7.8)
Other purchases and external expenses	**(121.9)**	**(120.7)**

6.4 Other operating income and expenses

In millions of euros	2012	2011
Net (allocation to)/reversal of impairment of receivables	0.1	2.1
Net (allocation to)/reversal of current provisions for liabilities	0.1	—
Other	4.2	0.6
Other operating income and expenses	**4.4**	**2.7**

6.5 Other income from operations

In millions of euros	2012	2011
Gains on the disposal of property, plant and equipment and intangible assets	0.7	1.8
Reversal of provision for risk	2.4	3.8
Reversal of impairment on the AD brand	—	117.9
Other income	0.3	2.0
Other income from operations	**3.4**	**125.5**

The reversal of the provision for risk in the sum of €2.4 million in 2012 consists primarily of reversals of provisions for tax risks (AD and Arnaudiès) in the sum of €1.3 million.

6.6 Other expenses from operations

In millions of euros	2012	2011
Disposal of property, plant and equipment and intangible assets	(1.0)	(2.0)
Goodwill impairment loss (Note 8.2)	—	(0.5)
Impairment of fixed assets for the Polish entities	(0.3)	(3.9)
Allocation to provisions and expenses for restructuring, and employee and tax disputes	(1.2)	(7.1)
Other expenses	(4.7)	(5.4)
Other expenses from operations	**(7.2)**	**(18.9)**

Following the results of the impairment test of the Poland CGU, property, plant and equipment and intangible assets were written down in full at 31 December 2011 and 31 December 2012 (see Note 3.2.1).

In 2011, the line "Allocation to provisions and expenses for restructuring, and employee and tax disputes" corresponds to the closure of Moissy Cramayel's Building B at Logisteo. This amount includes all the remaining rent due until the lease expires in May 2017, including rental charges and taxes. This provision is discounted at 4%. In 2012, the reversal of this provision, net of amortisation of the €1.2 million discount, covered the expenses recorded for the year. At 31 December 2012, the balance of said provision stood at €6.3 million.

6.7 Financial income

In millions of euros	2012	2011
Income from financial investments	0.7	0.6
Foreign exchange gains	0.9	0.2
Gains on the disposal of financial assets	—	0.1
Other financial income	0.7	0.8
Total financial income	**2.3**	**1.7**

6.8 Financial expenses

In millions of euros	2012	2011
Cost of external loans and bank overdrafts	(5.7)	(6.5)
Discounting of borrowings and debt	(3.8)	(4.4)
Expenses related to financial instruments	(0.4)	(1.0)
Financial expenses on finance leases	(0.3)	(1.5)
Foreign exchange losses	—	(1.5)
Other financial expenses	(0.5)	(0.1)
Total financial expenses	**(10.7)**	**(15.0)**

6.9 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.

6.9.1 Tax expense

The tax expense for the reference years is as follows:

In millions of euros	2012	2011
Current tax expense	(0.3)	(0.7)
Deferred tax income (expense)	(2.8)	19.4
Company Value-Added Contribution (CVAE)	(4.7)	(4.6)
Income tax	**(7.8)**	**14.1**

6.9.2 Nature of deferred tax

Breakdown of deferred tax according by nature before offset :

In millions of euros	2012	2011
Deferred tax on valuation of the AD brand	35.4	39.6
Deferred tax on recognition of losses carryforwards — Poland	1.4	1.7
Deferred tax on adjustments on pension liabilities for companies not consolidated for tax purposes	0.6	0.5
Deferred tax on recognition of losses carryforwards — France	30.0	27.4
Deferred tax on miscellaneous adjustments	0.8	0.5
Deferred tax assets before offset	68.2	69.7
Deferred tax on valuation of the AD brand	(47.2)	(47.2)
Deferred tax on miscellaneous adjustments	(2.6)	(1.3)
Deferred tax liabilities before offset	(49.8)	(48.5)
Deferred tax asset, net	**18.4**	**21.2**

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. Tax losses carryforwards of this tax consolidation group were offset against the taxable income of the profitable companies in the expanded base in 2012.

Moreover, there is a tax consolidation group in France 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 in Autodis).

In 2012, the tax group in France generated a taxable profit.

The French Finance Act of 2013 applicable at 31 December 2012 changed the rules for offsetting 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.

The 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 in which the available 50% loss relief of tax-loss carryforwards also applies.

A tax planning exercise for the operations in France was carried out on the basis of the 2013 Group budget and a three-year business plan for France in order to determine the future use of loss carryforwards in light of current loss relief rules so as to assess the deferred tax asset to be recognised in the accounts at 31 December 2012.

This tax planning shows €85.6 million in tax loss carryforwards would be used, i.e., a tax saving of €30.0 million. As a precautionary measure, and as there is little visibility beyond the timeframe of the plan, the deferred tax asset recognised in the financial statements was limited to this amount.

At 31 December 2012, the loss carryforwards, after allocating €12.7 million to 2012, stood at €257 million for the expanded base and €283 million for the PHF tax consolidation group.

Moreover, the deferred tax asset on the AD brand was adjusted at 31 December 2012 owing to the change to the limits for offsetting the losses described above.

No other deferred tax asset was recorded in respect of consolidation adjustments presenting a long-term prospect of reversing. As these adjustments fall outside the time horizon of the Group's 2013 budget and the three-year business plan, the Group deemed it prudent not to record any deferred tax asset after said period, except as a deduction from deferred tax liabilities identified at the year end.

6.9.3 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	2012	2011
Income (loss) before tax	**17.7**	**115.9**
Theoretical tax: tax rate	35.00%	35.00%
Theoretical tax income (expense)	**(6.2)**	**(40.6)**
Effect of non-taxable income and non-deductible expenses	(3.4)	0.2
Differences in tax rates	—	—
Unrecognised tax losses	(2.7)	(2.8)
Company Value-Added Contribution (CVAE)	(4.7)	(4.6)
Recognition of tax loss carryforwards — France	8.5	61.1
Recognition of tax loss carryforwards — Poland	0.7	0.8
Tax income (expense) recorded in the consolidated income statement	**(7.8)**	**14.1**

7 Dividends paid and proposed

In millions of euros	2012	2011
Dividends approved during the year	—	—

8 Goodwill

8.1 Analysis of changes in gross value and goodwill impairment

In millions of euros	Gross value	Impairment	Net value
At 31 December 2010	**382.7**	**(379.8)**	**2.9**
• business combinations (including business assets)	1.8	—	1.8
• disposals	—	—	—
• impairment for the period	—	(0.5)	(0.5)
• foreign exchange gains (losses)	(2.7)	2.7	—
At 31 December 2011	**381.8**	**(377.6)**	**4.2**
• business combinations (including business assets)	4.0	—	4.0
• disposals	—	—	—
• impairment for the period	—	—	
• foreign exchange gains (losses)	2.1	(2.1)	—
At 31 December 2012	**387.9**	**(379.7)**	**8.2**

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 €2.6 million (see Note 4.1.1).

Changes in goodwill in 2011

- The acquisition of Société d'Investissement Automobile and its subsidiaries generated negative goodwill of €0.2 million recorded in financial income.
- The acquisition of APS Saillard and Comptoir Vitryat generated goodwill of €1.2 million.
- The acquisition of Truck Car Services and TC26 generated goodwill of €0.5 million.
- The goodwill of AD Polska was written down by €0.5 million (Note 8.2).

8.2 Impairment tests

Impairment tests on goodwill were carried out in accordance with the methodology set out in Note 3.3.8.

These tests did not result in any additional impairment being recorded in 2012.

9 Intangible assets

In millions of euros	Software and licences	AD brand	Other	Total
Gross value				
At 31 December 2010	**45.8**	**156.9**	**0.7**	**203.4**
• acquisitions (Note 10.2)	5.4	—	—	5.4
• reclassification	0.1	—	(0.1)	—
• disposals	(0.1)	—	—	(0.1)
• business combinations	—	—	—	—
• foreign exchange gains (losses)	(0.2)	—	—	(0.2)
At 31 December 2011	**51.0**	**156.9**	**0.6**	**208.5**
• acquisitions (Note 10.2)	6.1	—	—	6.1
• reclassification	0.2	—	—	0.2
• disposals	(0.4)	—	—	(0.4)
• business combinations	—	—	—	—
• foreign exchange gains (losses)	0.2	—	—	(0.2)
At 31 December 2012	**57.1**	**156.9**	**0.6**	**214.6**
Amortisation/impairment				
At 31 December 2010	**38.1**	**139.8**	**0.3**	**178.2**
• amortisation (Note 10.1)	6.8	—	0.1	6.9
• impairment	0.3	—	—	0.3
• reclassification	—	—	—	—
• reversals of impairment loss	(0.1)	(117.9)	—	(118.0)
• business combinations	—	—	—	—
• foreign exchange gains (losses)	(0.2)	—	—	(0.2)
At 31 December 2011	**44.9**	**21.9**	**0.4**	**67.2**
• amortisation (Note 10.1)	4.9	—	—	4.9
• impairment	0.3	—	—	0.3
• reclassification	—	—	—	—
• reversals	—	—	—	—
• business combinations	—	—	—	—
• foreign exchange gains (losses)	0.2	—	—	0.2
At 31 December 2012	**50.3**	**21.9**	**0.4**	**72.6**
Net value				
At 31 December 2011	6.1	135.0	0.2	141.3
At 31 December 2012	**6.8**	**135.0**	**0.2**	**142.0**

10 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 31 December 2010	**2.4**	**73.3**	**37.6**	**12.3**	**20.0**	**4.3**	**1.3**	**151.2**
• acquisitions (Note 10.2)	—	4.0	2.3	1.3	1.2	0.1	1.6	10.5
• reclassification	—	(1.8)	3.0	0.1	0.6	0.2	(1.5)	0.6
• disposals	(0.1)	(1.8)	(1.4)	(2.4)	(2.8)	(0.1)	0.1	(8.5)
• business combinations	—	0.1	—	—	0.1	—	—	0.2
• foreign exchange gains (losses)	—	(0.3)	(0.4)	(0.1)	(0.2)	—	—	(1.0)
At 31 December 2011	**2.3**	**73.5**	**41.1**	**11.2**	**18.9**	**4.5**	**1.5**	**153.0**
• acquisitions (Note 10.2)	—	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 combinations	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**
Depreciation/impairment								
At 31 December 2010	**0.5**	**46.8**	**30.5**	**9.3**	**16.5**	**3.4**	**—**	**107.0**
• depreciation (Note 10.1)	—	4.3	2.7	1.2	2.1	0.2	—	10.5
• impairment	0.3	0.2	1.5	0.1	0.7	0.2	0.2	3.2
• reclassification	—	(0.9)	1.4	0.1	—	—	—	0.6
• reversals	—	(0.7)	(1.3)	(2.1)	(2.7)	(0.1)	—	(6.9)
• business combinations	—	(0.1)	—	—	0.1	—	—	—
• foreign exchange gains (losses)	—	(0.1)	(0.4)	(0.1)	(0.3)	—	—	(0.9)
At 31 December 2011	**0.8**	**49.5**	**34.4**	**8.5**	**16.4**	**3.7**	**0.2**	**113.5**
• depreciation (Note 10.1)	—	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 combinations	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**
Net value								
At 31 December 2011	1.5	24.0	6.7	2.7	2.5	0.8	1.3	39.5
At 31 December 2012	**4.2**	**26.2**	**7.5**	**3.5**	**3.4**	**0.6**	**0.2**	**45.6**

Property, plant and equipment held under finance leases is set out in Note 29.2.

10.1 Reconciliation of depreciation/amortisation expense recorded in the income statement

	2012	2011
• intangible assets (Note 9)	(4.9)	(6.8)
• property, plant and equipment (Note 10)	(10.2)	(10.2)
Depreciation/amortisation expense	**(15.1)**	**(17.0)**

10.2 Reconciliation of acquisitions of property, plant and equipment and intangible assets presented in the statement of cash flows

	2012	2011
• intangible assets (Note 9)	6.1	5.4
• property, plant and equipment (Note 10)	9.8	10.5
Acquisitions of non-current assets	**15.9**	**15.9**

11 Investments in associates

In millions of euros	ENSSEMBLE	NEOPARTS	AD INTERNATIONAL	Total
At 31 December 2010	**2.1**	**—**	**0.3**	**2.4**
• net income (loss)	0.4	—	—	0.4
• dividends paid	—	—	—	—
• other changes	—	0.2	0.1	0.3
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**

(*) The change in the equity interest in the Enssemble group is attributable to the acquisition of a controlling interest (see Note 4.1.1). The revaluation surplus is not material.

Key indicators at 31 December 2012 (100% data)

In millions of euros	NEOPARTS	AD INTERNATIONAL
Total current assets	6.3	10.7
Total non-current assets	0.7	0.6
Total current liabilities	5.0	9.8
Total non-current liabilities	1.6	0.0
Total equity	0.4	1.5
Total revenue	18.6	0.0
Net income (loss)	(0.5)	(0.4)

The Group's interest in each of the equity-accounted companies cited above is set out in Note 26.

12 Available-for-sale financial assets

The table below summarises the available-for-sale financial assets corresponding to non-consolidated equity investments measured at fair value at 31 December 2012.

Companies (€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**

At 31 December 2011:

Companies (€m)	% interest	Gross value	Impairment	Net value
AD Maroc	8.4%	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**

13 Other non-current assets

In millions of euros	Receivables from controlled entities	Loans	Guarantees and deposits	Other	Total
Gross value					
At 31 December 2010	**0.3**	**0.7**	**4.9**	**0.2**	**6.1**
• acquisitions	—	0.3	0.3	0.3	0.9
• reclassification	—	—	0.2	—	0.2
• disposals	(0.3)	(0.1)	(0.2)	—	(0.6)
• business combinations	—	—	—	—	—
• foreign exchange gains (losses)	—	—	—	—	—
At 31 December 2011	**—**	**0.9**	**5.2**	**0.5**	**6.6**
Amortisation, depreciation and impairment	—	—	—	(0.1)	(0.1)
Net value at 31 December 2011	**—**	**0.9**	**5.2**	**0.4**	**6.5**

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 combinations(B)	—	—	1.1	0.1	1.2
• foreign exchange gains (losses)	—	—	—	—	—
At 31 December 2012	**—**	**1.6**	**6.8**	**3.7**	**12.1**
Amortisation, depreciation 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 triggering of the vendor's liability guarantee agreed at the time of the acquisition of the Enssemble group.

14 Inventories

In millions of euros	31 Dec. 2012	31 Dec. 2011
Gross value	196.6	187.7
Impairment	(19.9)	(17.5)
Net value	**176.7**	**170.2**

15 Trade and other receivables

In millions of euros	31 Dec. 2012	31 Dec. 2011
Trade receivables	174.6	188.6
Discounts, rebates and refunds	(16.2)	(10.5)
Impairment	(10.5)	(10.1)
Net value	**147.9**	**168.0**

The Autodistribution group entered into a factoring agreement with Eurofactor for a total of €35.0 million. There is no offsetting effect of the factoring agreement in the consolidated financial statements.

The Group has drawn down its credit lines in an amount of between €8.0 million and €10.0 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 2012, the analysis of receivables past due but not impaired is summarised 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	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

At 31 December 2012, impairment relates primarily to trade receivables past due.

At 31 December 2011, 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	188.6	169.2	5.9	2.5	1.0	0.7	9.3
DRR(*)	(10.5)						
Impairment	(10.1)						
Total	**168.0**						

(*) Discounts, rebates and refunds

Changes in impairment of trade and other receivables can be broken down as follows:

	2012		2011	
	Trade receivables	**Other receivables**	**Trade receivables**	**Other receivables**
Balance at 1 January	**10.1**	**0.1**	**12.0**	**0.2**
Allocation	3.3	—	3.5	—
Reversal	(3.4)	—	(5.5)	(0.1)
Changes in scope	0.5	—	0.1	—
Reclassifications	—	—	—	—
Balance at 31 December	**10.5**	**0.1**	**10.1**	**0.1**

16 Other current assets

In millions of euros	**31 Dec. 2012**	**31 Dec. 2011**
Prepaid income	7.4	8.0
Other receivables	0.1	2.3
Accrued income	1.9	2.8
Other	0.2	0.2
Total	**9.6**	**13.3**

17 Cash and cash equivalents

In millions of euros	31 Dec. 2012	31 Dec. 2011
Cash equivalents	46.0	70.7
Cash on hand and at bank	12.2	0.7
Restricted cash	0.2	0.1
Total	**58.4**	**71.5**

Cash equivalents include LCL fixed-term deposits (€4.1 million), Caisse d'Epargne term accounts (€0.4 million) and open-ended collective investment scheme (SICAV) taken out with Amundi and BNPP (€41.6 million). These investments meet the cash equivalent criteria.

The book value of all these items corresponds to their fair value.

For the purposes of the consolidated statement of cash flows, the heading "Cash and cash equivalents" includes the following items at 31 December:

In millions of euros	31 Dec. 2012	31 Dec. 2011
Cash equivalents	46.0	70.7
Cash on hand and at bank	12.2	0.7
Restricted cash	0.2	0.1
Bank overdrafts (Note 20.2)	(8.3)	(8.0)
Net cash (liability)	**50.1**	**63.5**

18 Issued capital and reserves

Parts Holdings (France) 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 inclusion of a shareholder current account of €1,100,000, thereby bringing it 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 2012, it consists of 152,598,261 registered shares of €1 each. No preference shares were issued.

There was no change in the number of shares between 2011 and 2012.

19 Presentation of financial assets and liabilities

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 book value	Total fair value
Available-for-sale financial assets	—	—	0.3	0.3	0.3
Other non-current assets	—	12.1	—	12.1	12.1
Trade receivables	—	147.9	—	147.9	147.9
Other current assets	—	9.6	—	9.6	9.6
Cash and cash equivalents	45.7	12.7	—	58.4	58.4
Derivative financial instruments	—	—	—	—	—
Financial assets	**45.7**	**182.3**	**0.3**	**228.3**	**228.3**
Borrowings and debt (current and non-current)	—	205.5	—	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	**—**	**354.4**	**—**	**354.4**	**354.4**

At 31 December 2011:

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 book value	Total fair value
Available-for-sale financial assets	—	—	0.3	0.3	0.3
Other non-current assets	—	6.5	—	6.5	6.5
Trade receivables	—	168.0	—	168.0	168.0
Other current assets	—	13.3	—	13.3	13.3
Cash and cash equivalents	60.6	10.9	—	71.5	71.5
Derivative financial instruments	—	—	—	—	—
Financial assets	**60.6**	**198.7**	**0.3**	**259.6**	**259.6**
Borrowings and debt (current and non-current)	—	218.0	—	218.0	218.0
Trade payables	—	151.4	—	151.4	151.4
Other non-current liabilities	—	3.6	—	3.6	3.6
Other current liabilities(1)	—	5.9	—	5.9	5.9
Derivative financial instruments	—	0.9	—	0.9	0.9
Financial liabilities	**—**	**379.8**	**—**	**379.8**	**379.8**

(1) excluding tax and social security liabilities outside the scope of IAS 39.

20 Borrowings and debt

20.1 Group financing

In 2012, Group financing remained stable compared to 2011 and can be broken down as follows:

The Group has four interest-free loans:

Type of borrowings and debt	Nominal value (€m)	Fair value at 31 Dec. 2012 (€m)	Value at amortised cost at 31 Dec. 2012 (€m)	Variable interest rate	Margin on variable interest rate	Maturity	Comments
PH free shareholder loan	50.0	43.2	43.2	—	—	April 2060	Fully underwritten
Sup Bonds	25.5	22.0	22.0	—	—	April 2017	Fully underwritten
EP bonds	2.6	2.3	2.3	—	—	April 2017	Fully underwritten
Promissory note	5.0	4.3	4.3	—	—	April 2017	Fully underwritten
Total	**83.1**	**71.8**	**71.8**	**—**	**—**		

In accordance with IAS 32/39, the interest-free loans have been discounted since 2009 with a repayment assumption in April 2013. This assumption was extended to April 2017 generating a change in fair value and recorded in equity at €10.0 million as the transaction was between shareholders.

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	17.3	8.0%	—	—	April 2018	Fully underwritten
Refinancing term facility loan	81.1	73.3	—	Euribor	2.75%	April 2016	Fully underwritten
Corporate purposes term facility	23.4	21.2	—	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 2011, €15.0 million was repaid in advance of term on the above borrowings on 30 June 2012. 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**

A similar repayment is expected to be made in 2013.

20.2 Breakdown of borrowings and debt by type

In millions of euros	Notes	2012	2011
Non-current			
• Corporate purposes term facility		19.4	22.3
• Promissory note		4.3	4.7
• Refinancing term facility loan		67.0	77.2
• PH senior equity loan		8.4	26.7
• PH free shareholder loan		43.2	47.1
• Sup bonds		22.0	24.1
• EP bonds		2.3	2.5
• Amounts owed under finance leases (more than one year)	(1)	0.2	0.7
• Other borrowings and accrued interest	(2)	0.9	0.3
Sub-total of non-current borrowings and debt		**167.7**	**205.6**
Current			
• Corporate purposes term facility		1.8	—
• Refinancing term facility loan		6.3	—
• PH senior equity loan		10.0	—
• Value of put option held by minority shareholders		3.9	3.9
• Amounts owed under finance leases (less than one year)	(1)	0.1	0.5
• Other borrowings (less than one year)	(2)	0.8	—
• Eurofactor factoring		6.6	—
• Bank overdrafts (Note 17)	(3)	8.3	8.0
Sub-total of current borrowings and debt		**37.8**	**12.4**
Total borrowings and debt		**205.5**	**218.0**

(1) Amounts owed under finance leases 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 debts incurred by some of the Group's subsidiaries

(3) Bank overdraft used by the subsidiaries in Poland and bank account debit balances resulting from standard time lags between recording date for banking purposes and entry dates in the accounts.

20.2.1 Bond issues

The balance of bond issues at 31 December 2012 is broken down below:

Bond issue	Value at issue date (€m)	Liabilities at amortised cost	Fair value at 31 Dec. 2012 (€m)	Including interest eligible for capitalisation	Including accrued interest eligible for capitalisation	Including accrued interest payable
SUP Notes	25.5	22.0	22.0	—	—	—
EP Notes	2.6	2.3	2.3	—	—	—

20.2.2 Bank overdrafts

Interest on bank overdrafts used by the Group and its subsidiaries is charged at market rates. At 31 December 2012, the Group had available credit lines of €61.8 million as follows:

	Conditions	Drawdowns
Poland — Pekao Bank	PLN 24.0 million (i.e., €5.9 million at 31 Dec. 2012) at 1-month Wibor +1.70%	Partial drawdown of €5.6 million
BNPP — Ancillary facility	€2.9 million at 1, 2, 3 or 6-month Euribor +2.75%	Not drawn
Eurofactor AD and Gadso factoring	€35.0 million at 3-month Euribor +0.90%	Partial drawdown of €6.6 million
LCL Dailly	€15.0 million at 1-month Euribor +1.80%	Not drawn
Enssemble group — SG, BP, HSBC, BNP	Overdrafts: €3.0 million	Partial drawdown of €2.8 million

20.3 Breakdown of non-current borrowings and debt by maturity

The amounts below include contractual cash flows net of projected repayments plus interest payable.

20.3.1 At 31 December 2012

	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**	
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**

20.3.2 At 31 December 2011

In millions of euros	Interest payment				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	3.5		**4.5**		22.3		**22.3**	**26.8**
Promissory note				**0.0**			5.0	**5.0**	**5.0**
Refinancing term facility loan	3.3	12.2		**15.5**		77.2		**77.2**	**92.7**
PH senior equity loan			15.8	**15.8**			25.1	**25.1**	**40.9**
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	0.1	0.1		**0.2**	0.5	0.7		**1.2**	**1.4**
Other borrowings and accrued interest				**0.0**	0.3			**0.3**	**0.3**
Total non-current borrowings and debt	**4.3**	**15.9**	**15.8**	**36.0**	**0.8**	**100.2**	**108.2**	**209.2**	**245.2**

21 Management objectives and policies for financial risks

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 key objective of these financial instruments is 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 risks, foreign exchange risks, counterparty risk and liquidity risk. These policies are summarised below.

Moreover, the Group manages its capital in such a way as to optimise the debt to capital ratios and the financial leverage obtained by debt.

21.1 Interest rate risk

The Group borrows from Citibank at a variable rate and is therefore exposed to an interest rate risk for this portion of the 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.

21.2 Foreign exchange risk

The Group is exposed to exchange rate risk for its operations in Poland accounted for in zloty and translated 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 2012. No specific hedges were taken out for this exchange risk.

21.3 Counterparty risk

The Group only has commercial relationships with third parties that are financially healthy. The Group's policy is to verify the financial health of all customers that wish to obtain payment credit terms. Moreover, customer balances are continually monitored and, accordingly, the Group's exposure to bad debt is not material.

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 relevant third parties with a maximum exposure equal to the carrying amount of these instruments.

21.4 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 credit lines (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/servicing of the debt.

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/servicing of the debt" ratio must be above 1 at each maturity.

The Group has calculated and complied with these ratios since 30 June 2012.

21.5 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.

22 Liabilities relating to employee benefits

The provisions recorded in the statement of financial position relate to post-employment benefits.

22.1 Changes in the provision on the statement of financial position

In millions of euros	2012	2011
Obligation at 1 January	**13.8**	**18.3**
Service cost	0.9	0.6
Discounting cost	0.6	0.8
Actuarial losses (gains)(*)	1.6	(5.4)
Change in scope	0.2	—
Curtailments/terminations	(0.1)	—
Benefits paid	(0.3)	(0.5)
Obligation at 31 December	**16.7**	**13.8**
Plan assets at 31 December	(0.3)	(0.3)
Unrecognised actuarial gains (losses)	9.2	11.8
Provision before IFRS 5 reclassification	**25.6**	**25.3**
Discontinued operations — IFRS 5	(0.1)	—
Provision at 31 December	**25.5**	**25.3**

(*) In 2011, significant actuarial gains of €5.4 million were primarily a result of a change in the projected turnover rate of employees following a study conducted at that time.

The provision recorded in the statement of financial position has changed as follows:

In millions of euros	2012	2011
Provision at 1 January	25.3	24.7
Expense for the year	0.4	1.1
Benefits paid	(0.3)	(0.5)
Changes in scope/curtailments	0.2	—
Benefits paid by the fund	—	—
Provision before IFRS 5 reclassification	**25.6**	**25.3**
Discontinued operations — IFRS 5	**(0.1)**	**—**
Provision at 31 December	**25.5**	**25.3**

22.2 Costs of post-employment benefits recorded in income statement

In millions of euros	2012	2011
Service cost	(0.9)	(0.6)
Discounting cost	(0.6)	(0.8)
Recognised actuarial gain (loss)	1.1	0.3
Curtailments/terminations	—	—
Expense for the year	**(0.4)**	**(1.1)**

22.3 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 assumptions made for the valuations of the referenced periods are as follows:

	2012		2011	
	France	Poland	France	Poland
Discount rate	2.80%	4.18%	4.30%	5.80%
Assumption relating to long-term changes in the number of employees				
Employees — supervisors	2.50%/year	3.50%/year	2.50%/year	3.50%/year
Managerial staff	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 include 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:

	2012			2011		
Age	Managerial staff	Technical and supervisory staff	Employees	Managerial staff	Technical and supervisory staff	Employees
16-24	22%	8%	19%	22%	8%	19%
25-29	22%	8%	14%	22%	8%	14%
30-34	13%	8%	14%	13%	8%	14%
35-39	13%	8%	11%	13%	8%	11%
40-44	13%	8%	9%	13%	8%	9%
45-49	5%	3.5%	3.5%	5%	3.5%	3.5%
50-55	3.5%	3%	3%	3.5%	3%	3%
56 and over	0%	0%	0%	0%	0%	0%

23 Other non-current liabilities

In millions of euros	31 Dec. 2012	31 Dec. 2011
Employee profit-sharing	—	—
Guarantees and deposits received	1.7	1.6
Other	2.7	2.1
Total	**4.4**	**3.7**

24 Current and non-current provisions

24.1 Current provisions

Current provisions have changed as follows:

In millions of euros	1 Jan. 2012	Business Combinations	Reclassif-ications	Allocations	Reversals (used provisions)	Reversals (surplus provisions)	Total reversals	31 Dec. 2012
Industrial disputes	**1.5**	—	—	1.3	0.3	0.5	0.8	**2.0**
Site closures(*)	**2.0**	—	1.2	0.1	1.6	—	1.6	**1.7**
Repairs — major work	**0.8**	0.1	—	—	0.1	—	0.1	**0.8**
Tax risk	**2.4**	1.0	—	—	0.2	1.1	1.3	**2.1**
Provision for the risk relating to conditions of sale of AD Rhône	**2.2**	(2.2)	—	—	—	—	—	**—**
Supplier disputes	**0.3**	—	—	—	—	—	—	**0.3**
Customer disputes	**0.4**	—	—	0.1	—	—	—	**0.5**
Other provisions	**0.5**	0.4	—	0.5	0.5	0.1	0.6	**0.8**
Total	**10.1**	**(0.7)**	**1.2**	**2.0**	**2.7**	**1.7**	**4.4**	**8.2**

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 dispute and assesses the probability of an outflow of resources.

In 2012, the provision for risks relating to the terms of the sale of AD Rhône to Mr Gobillot in 2004 was extinguished at Group level following the acquisition of the Enssemble group, which includes AD Rhône.

The balance of €1.5 million listed under "Business Combinations" corresponds to the provisions recorded at the time of the provisional purchase price allocation for the Enssemble group. These provisions are mostly offset by a vendor's liability guarantee in the amount of €1.1 million.

(*) The reversal of the provision for site closures at Logisteo amounts to €1.5 million, less a discounting adjustment of €0.3 million.

24.2 Non-current provisions

Movement in non-current provisions were as follows:

In millions of euros	1 Jan. 2012	Business Combinations	Reclassif-ications	Allocations	Reversals (used provisions)	Reversals (surplus provisions)	Total reversals	31 Dec. 2012
Site closures	**6.0**		(1.2)					**4.8**
Total	**6.0**		**(1.2)**					**4.8**

The non-current provision for site closures relates to the closure of Logisteo's "B" site at Moissy Cramayel, explained in Note 6.6.

25 Trade payables and other current liabilities

In millions of euros	31. Dec. 2012	31 Dec. 2011
Trade payables	**138.0**	**151.4**
Other current liabilities		
Tax and social security liabilities, employees	51.8	54.1
Employee profit-sharing (current)	1.2	0.7
Other payables	2.8	2.7
Prepaid income	2.5	2.5
Sub-total	**58.4**	**60.0**
Total	**196.4**	**211.4**

26 Scope of consolidation

At 31 December 2012, the scope of consolidation was as follows:

	Consolidation method	Country	% interest 2012	% interest 2011
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	20
Autodis	Full	France	100	100
Autodistribution SOGO (formerly MEXIA)(1)	Full	France	99.95	99.95
SDFM	Full	France	100	100
Magenta Autos Pièces	Full	France	99.97	99.97
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	20
Boury V.I.	Full	France	100	100
Bremstar	Full	France	100	100
Bugisy (Enssemble group)	Full	France	100	20
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 Technique V.I.	Full	France	100	100
Comptoir Technique du Limousin	Full	France	100	100
Comptoir V.I.	Full	France	50.50	50.50
Comptoir Vitryat(2)	Full	France		100
Cora SAS	Full	France	100	100
Digital Aftermarket (formerly Cofirad)(3)	Full	France	100	100
Etablissements Rembaud	Full	France	100	100
Etablissements Saillard(2)	Full	France		100
Enssemble SAS	Full	France	100.00	20.00
FIA	Full	France	100	100
FRA SARL (Group Enssemble)	Full	France	100	20
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
H.I.S.	Full	France	100	100
Immax	Full	France	100	100
Jean David(4)	Full	France		100
JP David(4)	Full	France		100
Logisteo	Full	France	100	100
Lorat SCI (Enssemble group)	Full	France	100	20
Malinge Chevalier	Full	France	79.40	79.40
PAM	Full	Belgium	100	100
PAO	Full	Belgium	100	100
PAPL (Enssemble group)	Full	France	100	20
Plateforme Technique Nationale Montajault	Full	France	100	100
Val de Loire PL (formerly Poids Lourds Blesois)	Full	France	100	100

	Consolidation method	Country	% interest 2012	% interest 2011
Porteret et Gobillot (Enssemble group)	Full	France	100	20
SIA[(4)]	Full	France		100
Sofar	Full	France	75.00	75.00
Station Technique Auto	Full	France	100	
Station Technique Auto Carrosserie	Full	France	100	
Sylmart Belgium	Full	Belgium	100	100
Synimalau SCI (Enssemble group)	Full	France	100	20
Teulat[(4)]	Full	France		100
TC26	Full	France	100	100
Truck & Car Services	Full	France	100	100
Parts Distribuzione Italia	Full	Italy	90.82	73.17
Parts HoldingS Italy	Full	Italy	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

(1) Mexia changed its business name to Autodistribution Sogo. Its objective is to provide services relating to quality, safety, the environment and legal metrology.

(2) All assets and liabilities of Comptoir Vitryat and Etablissements Saillard were transferred to Gadest in 2012.

(3) Cofirad changed its business name to Digital Aftermarket. Its business concerns the development and operation of websites that can provide editorial content and information and the sale and online reservation of products and services.

(4) All assets and liabilities of Jean David, JP David, SIA and Teulat were transferred to AD Bassin Parisien Nord in 2012.

27 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 following loans: PH free shareholder loan and PH senior equity loan described in Note 20.1.

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.

28 Management compensation

The key management personnel of a group within the meaning of IAS 24 are those persons having authority and responsibility for planning, directing and controlling 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 general brand managers. The amounts reported in the 2011 annual report included only directors and members of the Executive Committee. They were therefore adjusted in order to comply with the new definition.

Compensation recorded in PHF expenses for 2012 and 2011 are set out in the table below.

In millions of euros	2012	2011
Basic salaries	**6.9**	**7.3**
Bonuses	1.6	2.5
Payroll costs (excl. paid leave and termination benefits)	3.1	2.9
Pensions, provision for paid leave and benefits in kind	—	(0.1)
Profit-sharing and incentive plans	—	—
Termination benefits	0.4	0.5
Net personnel costs	**12.0**	**13.1**

Moreover, no directors' fees have been paid or are due to be paid in respect of 2012.

29 Commitments

29.1 Commitments in respect of 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 the non-cancellable operating leases are as follows at 31 December 2012:

29.1.1 Poland

In millions of euros	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Real estate rental	1.8	5.6	—	**7.4**
Vehicle rental	0.3	0.3	—	**0.6**
Other	—	—	—	**—**
Total	**2.1**	**5.9**	**—**	**8.0**

29.1.2 France

In millions of euros	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Real estate rental	27.3	69.5	7.6	**104.4**
Vehicle rental	3.8	7.0	—	**10.8**
Other	1.8	2.1	0.1	**4.0**
Total	**32.9**	**78.6**	**7.7**	**119.2**

Rental expenses for 2012 amount to €37.8 million.

29.2 Commitments to finance leases and similar leases

29.2.1 Poland

At 31 December 2012, AD Polska and its affiliates had not entered into any finance leases.

29.2.2 France

The following tables show the information relating to non-current assets held under finance leases in France.

In millions of euros	Software and licences	Property and fixtures	IT equipment	Furniture	Total
Gross value					
At 31 December 2011	**0.0**	**0.0**	**2.7**	**0.0**	**2.7**
• acquisitions	—	—	—	—	—
• reclassifications	—	—	—	—	—
• business combinations	—	2.1	—	—	2.1
• repurchases	—	—	(2.7)	—	(2.7)
At 31 December 2012	**0.0**	**2.1**	**0.0**	**0.0**	**2.1**
Depreciation, amortisation and impairment					
At 31 December 2011	**0.0**	**0.0**	**1.5**	**0.0**	**1.5**
• acquisitions	—	—	—	—	—
• allocations	—	—	0.6	—	0.6
• reclassifications	—	—	—	—	—
• business combinations	—	0.4	—	—	0.4
• repurchases	—	—	(2.1)	—	(2.1)
At 31 December 2012	**0.0**	**0.4**	**0.0**	**0.0**	**0.4**
Net value					
At 31 December 2011	0.0	0.0	1.2	0.0	1.2
At 31 December 2012	**0.0**	**1.7**	**—**	**—**	**1.7**

In millions of euros	2011	New financing	Business Combinations	Repayment	2012	Outstanding capital: Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Borrowings and debt	**1.2**		0.4	(1.2)	**0.4**	0.2	0.2	0.0	**0.4**

Commitments for minimum future rentals payable under finance leases entered into are as follows:

	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Rentals	0.2	0.2	0.0	**0.4**

29.3 Guarantees

29.3.1 Guarantees relating to the "Senior Facilities Agreement"

Pledges

The financing framework agreement with Citibank established on 24 February 2006 to which several amendments have been made, the last being in 2009, provides for the pledge of some of the assets of Autodis and its subsidiaries to lenders, detailed as follows:

- Pledge of equity interest:

Pledged securities (In numbers 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 trademarks 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, was signed for a maximum amount of €107.4 million in trade receivables.

At 31 December 2012, no assignment of receivables as security is in progress.

Bank covenants (see Note 21.4)

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.

29.3.2 Other Group guarantees

Bank overdrafts in Poland are secured by:

- pledges of inventory for a total value of €17.7 million,
- pledges of non-current assets for a total value of €2.0 million.

Enssemble bank overdrafts are secured (HSBC bank) by pledged business assets.

Moreover, the Group must comply with the following covenants for HSBC:

- equity/total assets > 20%

- total M/LT debt/equity < 1
- total M/LT debt/ self financing capacity ("Capacité d'autofinancement")< 4

In addition, an agreement was signed with the supplier Akzo Nobel in June 2012 in which Autodistribution undertakes to make a total number purchases of at least €55 million until 2019.

29.4 Individual training entitlement

The balance of the number of unused hours at 31 December 2012 was 429,464. The number of hours accrued over the year was 79,937 and 10,677 hours were used.

29.5 Disputes

In collective proceedings, Klarius France, a manufacturer of automobile 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 approximately €2.4 million. No provision was created in Group's accounts as of 31 December 2012 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.

30 Events after the end of the reporting period

On 1 January 2013, the Group acquired 100% of the shares of Group Freinage Poids Lourds Services, which consists of 17 entities located in western France.

On 31 January 2013, the Group acquired 100% of the shares of Rectification, in the northern French department Pas de Calais, as well as its subsidiary Lilcolor.

Since these companies had not closed their financial statements at 31 December 2012 and the Group had not allocated the purchase price, there are no related disclosures in this report.

The disposal of 80% of PHI's shares by Autodis to Giadi was approved by Giadi's Board of Directors on 10 January 2013 and Autodis's Board of Directors on 14 January 2013.

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