VOLUNTARY AND CONDITIONAL TAKEOVER BID
IN CASH

BY

Gfi Informatique
Boulevard Victor Hugo 145
93400 Saint Ouen, France
Bobigny Commercial and Companies Register
385.365.713

FOR

all Shares and Warrants outstanding on the date of the Bid and not yet owned by Gfi Informatique issued by

Realdolmen NV/SA
Vaucampslaan 42,
1654 Huizingen, Belgium
Brussels RC 0429.037.235

Centralizing Receiving Agent

BNP PARIBAS FORTIS

The Bid runs from 26 April 2018 to 31 May 2018 inclusive

Date Prospectus: 24 April 2018

Financial advisors to Gfi Informatique

BNP PARIBAS FORTIS

Voluntary and Conditional Takeover Bid

possibly followed by a

Squeeze-out

for all 5,207,767 Shares and 80,000 Warrants not yet owned by Gfi Informatique issued by

REALDOLMEN NV/SA

a public limited liability company (*naamloze vennootschap / société anonyme*) incorporated and existing under the laws of Belgium, having its registered office at A. Vaucampslaan 42, 1654 Huizingen, Belgium and registered with the Crossroads Bank For Enterprises under number 0429.037.235

by

Gfi Informatique SA

a public limited liability company (*société anonyme*) incorporated and existing under the laws of France, having its registered office at Boulevard Victor Hugo 145 at 93400 Saint Ouen, France and registered with the Bobigny Commercial and Companies Register under number 385.365.713.

Bid Price:	EUR 37 per Share EUR 0.37 per Fraction of Share EUR 11.03 per Warrant
Initial Acceptance Period:	From 26 April 2018 from 9 a.m. CET to 31 May 2018 until 4.00 p.m. CET
Squeeze-out:	If (i) the Bidder's stake reaches 95% or more of the Shares at the close of the Bid, or subsequent thereto in connection with the reopening of the Bid, and (ii) provided it has acquired, through acceptance of the Bid, at least 90 % of the Shares that form the object of the Bid, Gfi Informatique shall proceed with the Squeeze-out at the same terms as the Bid if the legal requirements for a squeeze-out are fulfilled. This Squeeze-out shall extend to all the remaining Shares and to the Warrants.

Centralizing Receiving Agent

BNP PARIBAS FORTIS NV/SA

An electronic version of this Prospectus (including the Acceptance Form) can be found on the following websites: www.realdolmentenderoffer.com, www.bnpparibasfortis.be/epargneretplacer (French and English), www.bnpparibasfortis.be/sparenenbeleggen (Dutch and English), www.gfi.world and www.realdolmen.com. This Prospectus can also be obtained free of charge by contacting the Centralizing Receiving Agent at +32 (0)2 433 41 13.

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SUMMARY OF THE PROSPECTUS

Important notice

The present summary covers the principal characteristics of the Bid (possibly followed by the Squeeze-out), which are described in more detail in the Prospectus. This summary should be read as an introduction to the Prospectus.

Any decision to accept or not to accept the Bid must be based on a careful and comprehensive reading of the whole Prospectus. The Securities Holders of Realdolmen are requested to form their own opinion on the conditions of the Bid as well as on the advantages and disadvantages which this decision is likely to have for them.

No civil liability can be attributed to anyone simply on the basis of this summary or the translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus.

The terms used with a capital letter in the present summary that are not expressly defined therein shall have the meaning attributed to them in the Prospectus.

The Bidder	
Gfi Informatique	Gfi Informatique SA, a public limited liability company (*société anonyme*) incorporated and existing under the laws of France, having its registered office at Boulevard Victor Hugo 145 at 93400 Saint Ouen, France and registered with the Bobigny Commercial and Companies Register under number 385.365.713.
The Target	
Realdolmen	Realdolmen NV/SA, a public limited liability company (*naamloze vennootschap*) incorporated and existing under the laws of Belgium, having its registered office at A. Vaucampslaan 42, 1654 Huizingen, Belgium and registered with the Crossroads Bank For Enterprises under number 0429.037.235.
Background, objectives and intentions of the Bidder	
Background	The Bid is a friendly bid that has received the support of both the Company and the Supporting Shareholders, and is the outcome of a competitive process organized by the Company, with the assistance of Lazard. On 22 February 2018, Gfi Informatique and Realdolmen entered into a support agreement setting out the terms under which Realdolmen will support the bid (the "**Support Agreement**").

	On the same date, Gfi Informatique entered into agreements with a number of shareholders of Realdolmen, respectively Etablissementen Franz Colruyt NV, Korys NV and Quaeroq CVBA (together, the "**Supporting Shareholders**"), according to which the Supporting Shareholders have committed to contribute their Shares in the Bid to Gfi Informatique. On 24 April 2018, Gfi Informatique entered into agreements with the holders of all of the warrants issued by the Company (the "**Warrant holders**"), according to which the Warrant Holders have committed not to exercise the Warrants, but to contribute them in the Bid to Gfi Informatique.
Reasons for the Bid	Gfi Informatique believes that it is well positioned to market Realdolmen's services and solutions to Gfi Informatique's corporate-wide clients and is convinced that bringing together the capabilities of both companies will lead to further product and service innovations in Europe. Gfi Informatique points out the following elements: - The combined group would have a comprehensive coverage of Europe with strong presence in all regions and three core markets, namely France, Iberia and BeLux; - The combined group would be able to market complementary portfolios, in terms of both customers and offerings; - Realdolmen has valuable experience in servicing mid-size companies and this experience may benefit to Gfi Informatique's activities in other countries; and - The combined group would be offered potential opportunities to expand geographically in the Benelux.
Objectives of the Bid	The acquisition of Realdolmen is fully consistent with Gfi Informatique's strategy and ambition to become a leading player in Europe in IT services. Gfi Informatique strongly believes that Realdolmen provides a compelling opportunity and that the combination of both Gfi Informatique's operations in Belgium and Luxembourg; and Realdolmen's business offers significant opportunities to exploit future growth.
Intentions	Gfi Informatique intends to maintain Realdolmen as a separate legal entity organised and existing under the laws of Belgium, with its head office in Huizingen (Belgium).
Characteristics of the Bid	
Nature of the Bid	The Bid is a voluntary and conditional takeover bid made by Gfi Informatique in accordance with the Takeover Act and Chapter II of the Takeover RD. The Bid Price will be paid in cash.

Scope of the Bid	The Bid covers all 5,207,767 Shares and 80,000 Warrants, which are not already, directly or indirectly, held by Gfi Informatique.
Bid Price and payment	The price offered for each Share tendered to the Bid amounts to EUR 37.00 or EUR 0.37 per Fraction of Share resulting from the 1/100 reverse stock split that took place on 1 April 2009. The price offered for each Warrant tendered to the Bid amounts to EUR 11.03. The Bid Price shall be paid within ten Business Days following the announcement of the results of the Initial Acceptance Period to the Securities Holders that have validly tendered their Securities during the Initial Acceptance Period. If there are subsequent Acceptance Periods (due to one or more reopening(s) of the Bid), the Bid Price will then be paid within ten Business Days following the announcement of the results of the subsequent Acceptance Period(s). The Bid Price shall be paid to Securities Holders that have duly accepted the Bid, without condition or restriction, by wire transfer to the bank account specified by the Securities Holders in its Acceptance form.
Justification of the Bid Price	The Bidder offers EUR 37 per Share, EUR 0.37 per Fraction of Share and EUR 11.03 per Warrant. The Bidder has considered a multi-criteria approach to determine the price per Share offered under the Bid. a. Analysis of the historical share price performance Realdolmen has been listed on Euronext Brussels since 1997. The Share Bid Price represents a premium of 11%, 22%, 28% and 33% respectively over the last unaffected closing price, the 3-month, the 6-month and the 12-month volume weighted average prices prior to the Bid announcement. b. Analysis of discounted cash flows (“DCF”) The Share Bid Price represents a premium of 4% on the central value obtained through the DCF methodology, an 8% premium to the lower end of the DCF valuation range and is at par with the upper end. A cost of capital equal to 9.25% and a perpetual growth rate of 1.25% have been retained with sensitivities of +/- 25 basis points. c. Analysis of broker target price (for reference only)

	There is one broker regularly covering Realdolmen, KBC Securities. The broker updated its target price on January 19, 2018, from EUR 32 to EUR 37. The Share Bid Price is at par with the EUR 37 target price. The analyst target price is however not a valuation method on its own and is presented for informative purposes only. d. Analysis of the trading multiples (for reference only) A sample of six European mid-cap companies specialized in IT Services has been selected to derive the value of Realdolmen from their multiples. As Realdolmen is not fully comparable in terms of business mix with these peers, and lagging behind these companies in terms of size as well as sales growth and profitability, this method is presented for informative purposes only. The application of the median FY2019 EBITDA and EBIT multiples to Realdolmen FY2019 EBITDA and EBIT leads to EUR 36.6 and EUR 35.9 for the implied equity value per share, representing for the Share Bid Price a 1% and 3% premium, respectively. The application of the median FY2020 EBITDA and EBIT multiples to Realdolmen FY2020 EBITDA and EBIT leads to EUR 36.0 and EUR 35.1 for the implied equity value per share, representing for the Share Bid Price a 3% and 5% premium, respectively. e. Analysis of the transaction multiples (for reference only) A sample of six past transactions in the IT Services sector has been selected to derive the value of Realdolmen from their multiples. However, no company of the sample is truly comparable to Realdolmen in terms of size or geography. Thus, this method is presented for informative purposes only. The application of the median EBITDA and EBIT multiples to Realdolmen FY2018 metric leads to EUR 33.0 and EUR 34.3 for the implied equity value per share, representing for the Share Bid Price a 12% and 8% premium, respectively. Excluded valuation methodologies are the net book asset value of the assets approach and the dividend discount model. In conclusion, the Share Bid Price of EUR 37 implies a premium or is in line with the different valuations resulting from the multi-criteria analysis performed by the Bidder. A complete justification of the Bid Price is provided in Section 7.1.4 of the Prospectus.

Condition of the Bid	The Bid is subject to the following condition precedent: there having been tendered (and not withdrawn) Shares representing more than 75% of the Securities issued by the Company (on a fully diluted basis) and more than 75% of the voting rights attached to the Shares. This condition is stipulated for the sole benefit of Gfi Informatique. Gfi Informatique reserves the right to waive it, in whole or in part, at any time. If this condition is not fulfilled, Gfi Informatique shall announce its decision on whether to waive the condition precedent, no later than the time at which the results of the Bid are announced.
Projected timetable	**Event** / **Scheduled Date**

Event	Scheduled Date
Publication of a press release announcing the intention to launch an offer pursuant to Article 8 of the Takeover RD	23 February 2018
Filing of the first takeover notice pursuant to Article 5 of the Takeover RD	7 March 2018
Publication of the first notice pursuant to Article 7 of the Takeover RD	8 March 2018
Approval of the Prospectus and of the Response Memorandum by the FSMA	24 April 2018
Publication of the Prospectus and of the Response Memorandum	26 April 2018
Opening of the Initial Acceptance Period	26 April 2018
Close of the Initial Acceptance Period	31 May 2018
Publication of the results of the Bid	4 June 2018

	Voluntary reopening, mandatory reopening (in one of the instances mentioned in Article 35 of the Takeover RD) or simplified squeeze-out (if the Bidder holds at least 95% of the Shares) — 5 June 2018 Initial Payment Date (i.e. settlement) — 12 June 2018 Closing of the Second Acceptance Period (if applicable) — 25 June 2018 Publication of the results of the period of reopening of the Bid (and Squeeze-out, as the case may be) — 27 June 2018
Initial Acceptance of the Bid	The Initial Acceptance Period for the Bid runs from 26 April 2018 until 31 May 2018, subject to extension. Securities Holders that wish to accept the Bid must complete, sign and submit the Acceptance Form appended to the Prospectus, in two copies, not later than the last day of the Initial Acceptance Period or, as the case may be, of the subsequent Acceptance Period(s) after the reopening of the Bid. Acceptance Forms, duly completed and signed, may be submitted free of charge directly to the Centralizing Receiving Agent. Securities Holders may choose to register their acceptance either directly or indirectly through a financial intermediary. In the latter case, Securities Holders are requested to inquire with their financial institution about any costs they may incur in connection with the Bid.
Centralizing Receiving Agent	BNP Paribas Fortis NV/SA acts as the Centralizing Receiving Agent in the context of the Bid. The Centralizing Receiving Agent shall centralise, directly or indirectly, the receipt of Acceptance Forms and ensure payment of the Bid Price.
Prospectus	The Prospectus was approved by the FSMA on 24 April 2018, in accordance with Article 19 §3 of the Takeover Act.

	An electronic version of this Prospectus (including the Acceptance Form) can be found on the following websites: www.realdolmentenderoffer.com, www.bnpparibasfortis.be/epargneretplacer (French and English), www.bnpparibasfortis.be/sparenenbeleggen (Dutch and English), www.gfi.world and www.realdolmen.com. The Prospectus and the Acceptance Form are also available free of charge by contacting the Centralizing Receiving Agent at +32 (0)2 433 41 13. Dutch and French translations of the Prospectus and the Acceptance Form are available in digital format on the abovementioned websites. In the event of inconsistencies between the Dutch and the French versions of the Prospectus, on the one hand, and the English version as approved by the FSMA, on the other, the English version shall prevail. However, the Securities Holders can invoke towards the Bidder, any other versions of the Prospectus. Gfi Informatique has verified the translations and is responsible for their consistency.
Applicable law and jurisdiction	The Bid is governed by Belgian law, in particular the Takeover Act and the Takeover RD. Any dispute relating to the present Bid shall be submitted to the exclusive jurisdiction of the Market Court (*Marktenhof* / *Cour des Marchés*) (Belgium).

1. DEFINITIONS

For the purposes of this Prospectus, the following capitalised terms shall have the meanings set out below:

Acceptance Form	the form attached hereto as **Annex 1** (*Acceptance Form*) allowing Securities Holders to accept the Bid, or any other form provided by the Securities Holders' financial institution for the purpose of tendering Securities into the Bid
Acceptance Period	the Initial Acceptance Period of the Bid and/or the subsequent acceptance period(s) of any reopening of the Bid (including within the context of the Squeeze-out)
Act of 2 May 2007	the Act of 2 May 2007 on the disclosure of major shareholdings in issuers whose shares are admitted to trading on a regulated market, as amended from time to time
Bid	the voluntary and conditional takeover bid in cash made by Gfi Informatique for the Shares and Warrants of Realdolmen in accordance with the Takeover Act and the Takeover RD, as detailed in Section 7 (*The Bid*) of the Prospectus
Bid Price	the Share Bid Price and the Warrant Bid Price
Business Day	any day on which the Belgian and French banks are open to the public, except Saturdays and Sundays, as defined in Article 3 §1 (27) of the Takeover Act
Centralizing Receiving Agent	BNP Paribas Fortis NV/SA
Companies Code	the Belgian Companies Code, as in effect on the date of the Prospectus
Fraction of Share	any of the 858,820 fractions of shares issued by Realdolmen, representing 8,588.2 Shares
FSMA	the Belgian Financial Services and Markets Authority

Gfi Informatique	Gfi Informatique, a public limited liability company (*société anonyme*) incorporated and existing under the laws of France, having its registered office at Boulevard Victor Hugo 145 at 93400 Saint Ouen, France and registered with the Bobigny Commercial and Companies Register under number 385.365.713
Initial Acceptance Period	the initial acceptance period of the Bid during which Securities Holders may tender their Securities under the Bid, starting at 9.00 CET on 26 April 2018 and ending at 16.00 CET on 31 May 2018, subject to the extension of the Initial Acceptance Period, as mentioned in Section 7.5.2 (*Extension*)
Prospectus	the present prospectus, including the Annexes which form an integral part hereto, and any possible supplement published in accordance with the applicable laws
Realdolmen, Target or Company	the company targeted by the Bid made by Gfi Informatique, namely Realdolmen NV, a public limited liability company (*naamloze vennootschap / société anonyme*) incorporated and existing under the laws of Belgium, having its registered office at A. Vaucampslaan 42, 1654 Huizingen, Belgium, and registered with the Crossroads Bank For Enterprises under number 0429.037.235
Response Memorandum	the response memorandum prepared by the board directors of Realdolmen, appended hereto as **Annex 4** (*Response memorandum Realdolmen*)
Section	any section of this Prospectus
Securities	the Shares and the Warrants
Securities Holder	any holder of one or several Securities
Share Bid Price	the cash compensation granted by Gfi Informatique for each Share tendered in the framework of the Bid, as detailed in Section 7.1.3.1 (*Share Bid Price*)
Shareholder	a holder of one or more Shares

Shares	any of the 5,207,767 outstanding ordinary shares issued by Realdolmen representing the entire share capital of Realdolmen, including, where relevant, the Fractions of Shares
Squeeze-out	a squeeze out made by Gfi Informatique, in accordance with Articles 42 and 43 of the Takeover RD and Article 513 of the Companies Code, pertaining to the Securities, on the same terms as the Bid, if (i) Gfi Informatique's stake reaches 95% or more of the Shares upon close of the Bid, or subsequent thereto in connection with the reopening of the Bid, and (ii) provided it has acquired, through acceptance of the bid, at least 90% of the Shares that form the object of the Bid
Support Agreement	the agreement entered into on 22 February 2018 between Gfi Informatique and Realdolmen relating to the Bid
Supporting Shareholders	Etablissementen Franz Colruyt NV, Korys NV and Quaeroq CVBA
Takeover Act	the Act of 1 April 2007 on takeover bids, as amended from time to time
Takeover RD	the Royal Decree of 27 April 2007 on takeover bids, as amended from time to time
Warrant Bid Price	the cash compensation granted by Gfi Informatique for each Warrant tendered in the framework of the Bid, as detailed in Section 7.1.3.2 (*Warrant Bid Price*)
Warrant Holder	any holder of one or several Warrants
Warrants or Warrants 2008	any of the 80,000 outstanding warrants issued by Realdolmen pursuant to the stock option plan of 12 June 2008, giving right to a maximum of 80,000 new ordinary shares

2. IMPORTANT NOTICES

2.1 INFORMATION CONTAINED IN THE PROSPECTUS

The Prospectus contains the only information authorised about the Bid. Gfi Informatique has not authorised any other person to provide information to Securities Holders other than that contained in the Prospectus. The information contained in the Prospectus is correct as of its date. Any new significant fact or any material error or inaccuracy in the information contained in the Prospectus which could influence the evaluation of the Bid, occurring or noticed between approval of the Prospectus and the close of the final Acceptance Period, shall be mentioned in a supplement to the Prospectus, in accordance with Article 17 of the Takeover Act.

Securities Holders are requested to read the Prospectus carefully and in its entirety and to base their decision on their own analysis of the terms and conditions of the Bid, taking into account the advantages and disadvantages it presents. Any summary or description contained in the Prospectus relating to legal provisions, corporate or restructuring transactions or contractual relations is provided for information purposes only and should not be construed as a legal or tax opinion on the interpretation or applicability of such provisions. If in doubt as to the substance or meaning of information contained in the Prospectus, Securities Holders are requested to seek advice from an accredited financial consultant or professional specialising in the purchase and sale of financial instruments.

2.2 RESTRICTIONS

It is prohibited to copy or distribute all or part of this Prospectus and to disclose its content or use the information contained herein for any purpose other than assessment of the Bid, unless the information is already publicly available in another form. Receipt by a Securities Holder of this Prospectus indicates that Securities Holder's agreement with the foregoing and the following provisions.

This Prospectus does not constitute an offer to buy or sell Securities or the solicitation of an offer to buy or sell Securities (i) in a jurisdiction where such an offer or solicitation is not authorised or (ii) vis-à-vis any person to whom it would be unlawful to make such an offer or solicitation. It is the responsibility of every person in possession of this Prospectus to obtain information regarding the existence of such restrictions and to ensure that they are observed, where appropriate.

No action has been or will be taken elsewhere than in Belgium to allow a public bid in any jurisdiction in which such steps would be required.

Neither the Prospectus, the Acceptance Form nor any advertisement or other information shall be publicly disseminated in a jurisdiction other than Belgium in which a registration, authorisation or other obligation exists or could exist with respect to an offer to buy or sell Securities or a solicitation to that end by any person. Gfi Informatique expressly disclaims all liability for any violation of the present restrictions by any person.

2.3 AVAILABLE INFORMATION

The notice required by Article 11 of the Takeover Act, setting out the publication terms of the complete Prospectus, shall be published in the Belgian financial press around 26 April 2018.

An electronic version of this Prospectus (including the Acceptance Form) can be found on the following websites: www.realdolmentenderoffer.com, www.bnpparibasfortis.be/epargneretplacer (French and English), www.bnpparibasfortis.be/sparenenbeleggen (Dutch and English), www.gfi.world and www.realdolmen.com.

The Prospectus and the Acceptance Form are also available free of charge by contacting. the Centralizing Receiving Agent at +32 (0)2 433 41 13.

Dutch and French translations of the Prospectus and the Acceptance Form are available in digital format on the abovementioned websites. In the event of inconsistencies between the Dutch or French version of the Prospectus, on the one hand, and the English version as approved by the FSMA, on the other, the English version shall prevail. However, the Securities Holders can invoke towards the Bidder, any other versions of the Prospectus. Gfi Informatique has verified the translations and is responsible for their consistency.

The text of the Prospectus, as available on the Internet, does not constitute a bid in a jurisdiction where such a bid is not authorised. It is expressly prohibited to reproduce the electronic version of the Prospectus on another website or in any other place, or to reproduce the Prospectus in printed form for distribution.

2.4 FORWARD-LOOKING STATEMENTS

The Prospectus contains forward-looking statements such as those with the terms: "believe", "foresee", "expect", "anticipate", "project", "pursue", "tend to", "may" and similar expressions, as well as future and conditional tenses. These forward-looking statements demonstrate and involve risks and uncertainties, and although Gfi Informatique considers that the expectations and assumptions reflected in these forward-looking statements are based on reasonable and sensible hypotheses, nothing in this Prospectus can be construed as a guarantee that the subject projections will be realised or accomplished, nor that they will be proven exact. Such statements deal with known and unknown risks, uncertainties and other factors capable of leading to a substantial difference between the actual earnings, financial situation, performance or achievements of Gfi Informatique or Realdolmen and the future sector results, earnings, performance or achievements expressly or implicitly alluded to in these forward-looking statements. These forward-forward looking statements are only valid as of the date of the Prospectus. Gfi Informatique expressly disclaims any obligation to update the forward-looking statements contained in this Prospectus if the relevant expectations, conditions, circumstances or facts on which they are based should change, unless such an update is required pursuant to Article 17 of the Takeover Act.

2.5 FINANCIAL AND OTHER INFORMATION

Certain financial and statistical information in this Prospectus has been rounded off and adjusted. Accordingly, the sum of certain data may not be equal to the expressed total.

Unless indicated otherwise in this Prospectus, the information, industry data, market share data and other data provided in this Prospectus was derived from independent industry publications, reports of marketing research and other independent sources or on Gfi Informatique's management own estimates, believed by management to be reasonable. The information has been accurately reproduced and as far as Gfi Informatique is aware and able to ascertain, no facts have been omitted which would render the reproduced information inaccurate or misleading. Gfi Informatique and its advisors have not independently verified this information. Furthermore, market information is subject to change and cannot always be verified with complete certainty due to limits on the availability and reliability of data and other limitations and uncertainties inherent in any statistical survey of market information. As a result, the Securities Holders should be aware that market share, ranking and other similar data in this Prospectus, and estimates and beliefs based on such data, may not be reliable.

2.6 APPLICABLE LAW AND JURISDICTION

The Bid is governed by Belgian law, in particular the Takeover Act and the Takeover RD.

The Market Court (*Marktenhof* / *Cour des Marchés*) (Belgium) shall have exclusive jurisdiction to settle any disputes relating to the Bid.

3. GENERAL INFORMATION

3.1 APPROVAL BY THE FSMA

The English version of the Prospectus was approved by the FSMA on 24 April 2018, in accordance with Article 19 §3 of the Takeover Act. Such approval does not imply an assessment or evaluation of the merits or quality of the Bid or of the position of Gfi Informatique or Realdolmen.

In accordance with Article 8 of the Takeover RD, Gfi Informatique published a press release on 23 February 2018 in order to announce its intention to launch an offer on Realdolmen.

In accordance with Article 5 of the Takeover RD, Gfi Informatique formally notified the FSMA of its intention to proceed with the Bid on 7 March 2018. This notification was published by the FSMA on 8 March 2018 in accordance with Article 7 of the Takeover RD.

Apart from the FSMA, no other authority in any other jurisdiction has approved the Prospectus or the Bid. The Bid is launched in Belgium only and no action has been taken or will be taken to obtain authorisation to distribute the Prospectus outside Belgium.

3.2 RESPONSIBILITY FOR THE PROSPECTUS

Gfi Informatique, represented by Vincent Rouaix, its Chairman and CEO, duly authorised by the board of directors ("*conseil d'administration*"), is exclusively responsible for the content of the Prospectus, in accordance with Article 21 of the Takeover Act, with the exception of the following documents for which responsibility is accepted by their authors: (i) the consolidated financial statements of Realdolmen for the financial year which ended on 31 March 2017, appended hereto as **Annex 2** (*Realdolmen consolidated financial statements at 31 March 2017*), (ii) the half-year report of Realdolmen for the period ending on 30 September 2017, appended hereto as **Annex 3** (*Realdolmen half-year report at 30 September 2017*) and (iii) the Response Memorandum of the board of directors of Realdolmen, appended hereto as **Annex 4** *(Response memorandum Realdolmen)*.

The information contained in this Prospectus about Realdolmen has been compiled, reproduced and represented correctly, based on publicly available information.

Subject to the foregoing, Gfi Informatique, represented by Vincent Rouaix, its Chairman and CEO, duly authorised by the board of directors confirms that, to the best of its knowledge, the content of this Prospectus is accurate, not misleading and consistent with reality and it does not contain any material omission capable of altering its scope.

No person is authorised to provide information or make statements about the Bid other than those contained in the Prospectus or claim that such information or statements were authorised by Gfi Informatique.

3.3 FINANCIAL AND LEGAL ADVISORS TO GFI INFORMATIQUE

BNP Paribas Fortis SA/NV advised Gfi Informatique on certain financial aspects of the Bid. This advice was provided for the sole benefit of Gfi Informatique, and third parties may not rely on it. BNP Paribas Fortis SA/NV does not accept any responsibility for the information contained in the Prospectus, and no part of that information may be construed as a promise, guarantee or opinion by BNP Paribas Fortis SA/NV.

Clifford Chance LLP advised Gfi Informatique on certain legal aspects of the Bid as to Belgian law. This advice was provided for the sole benefit of Gfi Informatique, and third parties may not rely on it. Clifford Chance LLP accepts no responsibility for the information contained in the Prospectus, and no part of that information may be construed as a promise, guarantee or opinion by Clifford Chance.

3.4 RESPONSE MEMORANDUM OF REALDOLMEN'S BOARD OF DIRECTORS TO THE BID

In accordance with Articles 22 and following of the Takeover Law and Articles 26 and following of the Takeover RD, the board of directors of Realdolmen has (i) studied the Bid and this Prospectus as submitted with the FSMA, and (ii) drawn up the response memorandum, a copy of which is appended hereto as **Annex 4** *(Response memorandum Realdolmen).*

4. THE BIDDER – GFI INFORMATIQUE

4.1 IDENTIFICATION OF GFI INFORMATIQUE

Corporate name	Gfi Informatique
Registered office	Boulevard Victor Hugo 145 at 93400 Saint Ouen, France
Date of incorporation and term of existence	8 April 1992, for a duration of 99 years from 5 May 1992
Registre du Commerce et des Sociétés number	Bobigny Commercial and Companies Register under number 385.365.713
Corporate form	a public limited liability company (*société anonyme*)
Financial year	1 January to 31 December
Date of the annual general meeting	8 June 2018
Auditor(s)	Grant Thornton Rue du Pont 25 92200 Neuilly-sur-Seine Represented by Samuel Clochard Ernst & Young et Autres Tour First Place des Saisons 1 Paris La défense 92400 Courbevoie Represented by Pierre Jouanne

4.2 CORPORATE PURPOSE OF GFI INFORMATIQUE

Pursuant to Article 2 of its articles of association, the corporate purpose of Gfi Informatique reads as follows:

- the provision of services and advice, at its own offices or those of its clients, relating to the study, design, equipment, installation, administration, usage and upgrading of computer systems and networks;
- the design, production and operation of information technology products;

- and more generally, carrying out all forms of commercial, industrial or financial operations, whether movable or immovable, which may be directly or indirectly connected with, or likely to contribute to or facilitate the achievement of the Company's purpose.

4.3 MANAGEMENT STRUCTURE OF GFI INFORMATIQUE & CORPORATE GOVERNANCE

Gfi Informatique is administered by a board of directors and run by the general manager. To enhance its overall effectiveness, the board of directors has created specialised committees:

4.3.1 The board of directors

The board of directors determines the business policies of Gfi Informatique's business and oversees their implementation. Subject to the powers expressly attributed to the shareholders' meeting and within the limits of the company's purpose clause; the board of directors deals with any matter relating to the smooth running of the Company and regulates by its discussions matters that concern it.

The board of directors is composed of nine directors, including one director representing employees. There are seven observers and two representatives of the Gfi Informatique ESU Central Works Council who may also attend the board meetings.

The board of directors consists of the following persons:

Name	Age	Term(1)	Position(s)
Vincent Rouaix		2019	Chairman and General Manager
Anne-Lise Bapst		2019	Independent director
William Bitan		2018	Independent director
Carolle Foissaud		2020	Independent director
Alekh Grewal		2019	Director
Keith Highley		2019	Director
Itefin Participations represented by Gilles Rigal		2019	Director
Sabine Schimel		2019	Independent director
Jean-Philippe Duboust		2020	Director representing the employees
Jean-Paul Lepeytre		2020	Observer
Nicolas Roy		2020	Observer
Patrick de Giovanni		2019	Observer
Henry Capelle		2019	Observer
Santhosh Krishnamoorth		2019	Observer
Gérard Longuet		2020	Observer
Henri Moulard		2018	Observer
Laurent Calvet			Representative Central Works Council of Gfi Informatique ESU
Nadira Zeroual			Representative Central Works Council of Gfi Informatique ESU

(1) The term of the mandates of the directors will expire immediately after the annual general meeting of shareholders held in the year set forth next to the director's name.

4.3.2 <u>The Chief Executive Officer</u>

The board of directors determines each year, during its first meeting following the annual general meeting, an aggregate amount for which the Chief Executive Officer may enter into obligations on behalf of the Company in the form of deposits, endorsements or guarantees.

The Chief Executive Officer must submit the following decisions prior to the approval of the board of directors:

- acquisition of holdings exceeding EUR 10 million (enterprise value);
- disposal of assets or holdings exceeding 5% of the group's consolidated annual turnover;
- acquisition of assets or holdings outside the group's usual business;
- strategic alliance or partnership that could have a structuring impact for the group (to the extent that such an operation could affect the group's strategy or change its financial structure or scope of activity);
- guarantees by the parent company exceeding the delegation granted to the CEO.

*All acquisitions or disposal projects are also submitted to the Investment Committee.

4.3.3 <u>Specialised committees</u>

In accordance with the AFEP-MEDEF guidelines, the board of directors has created 4 specialised committees:

i. Audit and Internal Audit Committee

The Audit and Internal Audit Committee is responsible for ensuring the relevance and permanence of the accounting principles and rules used for the preparation of the consolidated and individual financial statements. To this end, it follows the process of preparing financial information and, where appropriate, make recommendations to ensure its integrity. Together with the statutory auditor, it assesses the reliability of the systems and procedures involved in drawing up the financial statements, as well as the validity of positions taken to deal with significant transactions. Regarding the company's internal audit and risk monitoring, it also regularly reviews the financial position, cash position and significant commitments and risks and reviews the procedures used to assess and manage these risks;

The Audit and Internal Control Committee is composed of following board members:

– Mr William Bitan (Chairman);
– Mr Patrick de Giovanni;
– Mr Alekh Grewal; and

- Ms Sabine Schimel.

ii. *Appointments and Compensation Committee*

The Appointments and Compensation Committee's mission is to make proposals to the board of directors on all the conditions for the appointment of members of the board of directors, members of the group's general management and or the corporate officer of the holding company of one of the group's business divisions. It reviews the application for appointment to all these positions. It makes recommendations to the board of directors concerning compensation, the pension and health care plan, benefits in kind and various pecuniary rights, including, where applicable, the granting of stock options or share purchase options in the company, for members of the board of directors, members of group general management and corporate officers in the holding company of one of the group's business divisions. It also formulates proposals for the free allocation of existing and future shares pursuant to the authorisations granted by the shareholders' meeting.

The Appointments and Compensation Committee is composed of following board members:

- Mr Henri Moulard (Chairman);
- Ms Anne-Lise Bapst;
- Mr Alekh Grewal; and
- Mr Gilles Rigal.

iii. *Investment Committee*

The Investment Committee is mandated by the board of directors to review, make recommendations and assist with:

- internal restructuring operations;
- divestment transactions;
- large-scale growth investment projects, previously recommended by the Strategy Committee and approved by the board of directors; and
- significant operations/contracts likely to affect the group's strategy, its result or to modify its financial structure.

The Investment Committee is composed of following board members:

- Mr Vincent Rouaix (Chairman);
- Mr Henri Capelle;
- Mr Alekh Grewal;
- Mr Santhosh Krishnamoorthy;
- Mr Jean-Paul Lepeytre;
- Mr Gilles Rigal; and
- Mr Nicolas Roy.

iv. *Strategic Committee*

The Strategic Committee receives an assignment from the board of directors to examine proposals made by the Chairman and the corporate executive committee and make recommendations to the board of directors and ensure monitoring of execution after the board's decision covering:

the group's strategic plan;
strategic partnership, acquisition and asset sale projects
plans to change the group's capital structure between shareholders; and
any project concerning the development and implementation of the group's strategy.

The Strategic Committee is composed of following board members:

- Mr Jean-Paul Lepeytre (Chairman);
- Mr Henry Capelle;
- Ms Carolle Foissaud;
- Mr Alekh Grewal;
- Mr Santhosh Krishnamoorthy;
- Mr Gilles Rigal; and
- Mr Vincent Rouaix.

4.4 SHAREHOLDER AND CAPITAL STRUCTURE OF GFI INFORMATIQUE

At 31 December 2017, Gfi Informatique's share capital amounted to EUR 133,141,542. It was split into 66,570,771 shares with a par value of EUR 2 per share, all of the same category. At 31 December 2017, Gfi Informatique held 158,825 treasury shares which do not have voting rights attached to them.

The shares are fully paid-up and are available in registered or bearer form as chosen by each shareholder. All shares of Gfi Informatique carry one voting right per share. Fully paid-up shares held in registered form for at least two years in the name of the same shareholder do not hold double voting rights.

The shares are listed on Euronext Paris (Compartment B).

To the best knowledge of Gfi Informatique, its estimated shareholder base is as follows (31 December 2017):

	2017			2016			2015		
Shareholders	Number of shares held	% share capital	% voting rights	Number of shares held	% share capital	% voting rights	Number of shares held	% share capital	% voting rights
Public[(1)]	1,781,284	2.7%	2.7%	1,898,103	2.9%	2.9%	8,594,916	13.0%	13.1%
Shareholders acting in concert	64,269,502	96.5%	96.7%	63,570,897	95.5%	95.7%	52,919,135	80.2%	80.4%
Mannai Corporation Q.P.S.C	54,062,807	81.2%	81.4%	34,109,194	51.2%	51.4%	none	none	none
Itefin Participations[(2)]	4,265,572	6.4%	6.4%	12,329,361	18.5%	18.6%	17,069,443	25.9%	25.9%
Infofin Participations	none	none	none	none	none	none	10,416,431	15.8%	15.8%
Boussard & Gavaudan[(3)]	5,941,123	8.9%	9.0%	17,132,342	25.7%	25.8%	25,433,261	38.5 %	38.7%
Financière de l'Échiquier	none	none	none	none	none	none	2,222,825	3.4%	3.4%
Manager and employee shareholders	127,078	0.2%	0.2%	613,897	0.9%	0.9%	1,194,406	1.8%	1.8%
Directors & Non-voting members[(4)]	46,387	0.1%	0.1%	151,179	0.2 %	0.2 %	536,320	0.8 %	0.8%
FCPE Gfi Informatique Expansion[(1)]	187,695	0.3%	0.3%	187,695	0.3 %	0.3 %	326,520	0.5%	0.5%
Repurchases and sales of treasury shares	158,825	0.2%	none	149,000	0.2 %	none	186,144	0.3 %	none
TOTAL	66,570,771	100.00%	100.00%	66,570,771	100.0%	100.0%	65,980,266	100.0%	100.0%

(1) In accordance with the Public Tender Offer filed on April 19, 2016 with the AMF and registered under number 216C0925, Mannai Corporation Q.P.S.C. stated that they do not have the intention to implement a mandatory withdrawal on the Company's shares at the end of the Offer or to ask Euronext to cancel the trading of the Gfi Informatique shares.
(2) Itefin Participations is a holding company held by FCPR Apax VII (52.56%), Altamir (39.65%), Auteuil Conseil (7.76%), and Vincent Rouaix (0.03%).
(3) Boussard & Gavaudan, representing BG Select Investments Limited (Ireland) (6.57%), Boussard & Gavaudan Holding Limited (1.96%), and BG Master Fund ICAV (0.40%).
(4) Excluding Itefin Participations, whose shares are listed under Shares held in concert.

Mid 2017, Mannai Corporation acquired 19,295,102 shares representing c. 29% of the share capital and voting rights of Gfi Informatique (on a fully diluted basis) from Apax France, Altamir and Boussard & Gavaudan at a price per share of 8.50 EUR.

Mannai Corporation will acquire the remainder of the share capital and voting rights in Gfi Informatique held by the above-mentioned companies – which corresponds to an additional c. 15% stake in Gfi Informatique – during the second quarter of 2018 (after the shareholders' general meeting called to approve the financial statements for the 2017 financial year and the detachment of the coupon), subject to applicable regulatory approvals. The expected price per share of such acquisition is 8.50 EUR.

4.5 ACTIVITIES

Gfi Informatique is a major player in value-added IT services and software, which strengthened its international positioning in 2016 following the acquisition of Impaq in Eastern Europe, Efron in Spain and

South America, and Roff in Portugal, South America and Angola. It occupies a unique strategic position between global operators and niche providers. With its profile as a multispecialist, the Gfi group provides its customers with local service, combined with sector-based organisation and industrial quality solutions. The Gfi group has grown considerably by using its skills and expertise in six business lines.

The activities of Gfi Informatique are organised in six divisions: consulting, business solutions, application services, infrastructure services, outsourcing and software and SAP.

Gfi group revenue per business line is as follows (2017):

December 31, 2017	**Total**	**Consulting**	**Business Solutions**	**Application services**	**Infrastructure services**	**Software**	**SAP**
Revenue by Business line (in € millions)	1,131.9	47.2	113.8	467.7	293.77	129.3	80.2

Beside the organisation of the business lines, Gfi Informatique has chosen to develop a strategy based on a sectoral approach. Six major sectors have been identified at a group level. This responds to the new market requirements which are increasingly oriented towards trade knowledge, beyond technological expertise.
The sectors where Gfi Informatique is active are: Banking-Finance-Insurance, Public sector, Telecom-Media-Entertainment, Aerospace-Transport-Industry, Distribution-Services and Energy-Utilities-Chemicals.

Gfi group revenue per sector is as follows (2017):

December 31, 2017	**Total**	**Banking Finance Insurance**	**Distribution services**	**Industry Aerospace/Transport**	**Energy Utilities Chemicals**	**Sector Public**	**Telecom, media Entertainment**
Revenue per sector (in € millions)	1,131.9	333.9	183.2	176.2	117.0	182.2	139.4

4.6 FINANCIAL INFORMATION PER 31 DECEMBER 2017

Gfi Informatique's consolidated financial statements for the financial year ending on 31 December 2017 were drafted in accordance with International Financial Reporting Standards (IFRS).

Gfi Informatique's consolidated financial statements for the financial year ending on 31 December 2017 were audited by Ernst & Young and Grant Thornton which did not formulate any reservations. Gfi Informatique's consolidated financial statements for the financial year ending on 31 December 2017 will be submitted to the general shareholders' meeting for approval on 8 June 2018.

Gfi Informatique's consolidated financial statements for the financial year ending on 31 December 2017 including the auditors' report on these financial statements are appended hereto as **Annex 5** (*Gfi Informatique consolidated financial statements at 31 December 2017*).

4.7 SHAREHOLDINGS IN REALDOLMEN

Gfi Informatique does not hold any Securities on the date of this Prospectus nor has it acquired Securities in the twelve months preceding the date of this Prospectus.

Following entities, acting in concert with Gfi Informatique within the meaning of article 3, §1, (5) of the Takeover Act, held Shares in Realdolmen as follows:

- Etablissementen Franz Colruyt NV holds 37,922 Shares in Realdolmen, representing 0.72% of the latter's share capital; and none of these Shares were acquired in the twelve months preceding the date of the Prospectus;
- Korys NV holds 530,873 Shares in Realdolmen, representing 10.19% of the latter's share capital; and none of these Shares were acquired in the twelve months preceding the date of the Prospectus, and
- Quaeroq CVBA holds 480,861 Shares in Realdolmen, representing 9.23% of the latter's share capital; and none of these Shares were acquired in the twelve months preceding the date of the Prospectus.

4.8 GFI INFORMATIQUE ACTING IN CONCERT

The Bid (and, if applicable, the Squeeze-out) emanates only from Gfi Informatique, who launches the Bid (and, if applicable, the Squeeze-out) entirely on its own behalf.

In the context of the Bid, Gfi Informatique is acting or may be considered as acting in concert (within the meaning of Article 3, §1 (5) of the Takeover Act and Article 1, §2 (5) of the Takeover RD) with Mannai Corporation Q.S.C., Apax France and Boussard & Gavaudan Holding Limited, i.e., Gfi Informatique's shareholders with a controlling interest in it (joint control).

On 22 February 2018, Gfi Informatique entered into agreements with major shareholders of Realdolmen, respectively Etablissementen Franz Colruyt NV, Korys NV and Quaeroq CVBA (the "**Supporting Shareholders**") pursuant to which the Supporting Shareholders are considered as acting in concert with Gfi Informatique within the meaning of article 3, §1, (5) of the Takeover Act.

Gfi Informatique has not undertaken (and does not currently intend) to transfer any Securities which it will hold following the Bid or Squeeze-out to any third party.

5. THE TARGET – REALDOLMEN

5.1 IDENTIFICATION OF REALDOLMEN

Company name	Realdolmen NV/SA
Registered office	A.Vaucampslaan 42, 1654 Huizingen, Belgium
Date of incorporation and term of existence	6 June 1986 – indefinite term
Register of legal entities	Brussels
Register of legal entities number	0429.037.235
Corporate form	Public limited liability company (*naamloze vennootschap / société anonyme*)
Financial year	1 April till 31 March
Date of the AGM	Second Wednesday of September at 5:00 p.m. CET
Statutory auditor	Deloitte Bedrijfsrevisoren CVBA

5.2 CORPORATE PURPOSE OF REALDOLMEN

Realdolmen is a leading ICT expert company in Belgium and Luxembourg established in 2008 as a result of a merger between Real Software and Dolmen Computer Applications.

Pursuant to Article 4 of its articles of association, the corporate purpose of Realdolmen reads as follows:

I. All commercial, industrial, financial, movable and immovable transactions in the field of information, communication and computer sciences, for clients in Belgium and/or abroad, for its own account or on behalf of third parties, in particular but not limited to all transactions that relate to the following activities or are of a nature to promote them:
(i) the construction, purchase, sale, rental, distribution, development, equipment, management, operation, transformation and / or implementation of products in the field of information, communication and computer technology, whether technical, electrical or electronic products or hardware, or business processes or methodologies, or programs, design or software or graphic design, or any other products in this domain of any kind;
(ii) providing services, including performing monitoring, audits, studies and research and providing advice, directly or indirectly related to the aforementioned products, industries and / or markets;
(iii) the coordination of the activities described above and below;
(iv) the purchase, sale, development, execution and / or participation in research and studies, whether practical or operational, theoretical or methodical, as a consultant or otherwise, in relation to information, communication and computer sciences;
(v) the purchase, sale, rental, development, management and / or execution of training and / or management programs of various nature.

II. Advising, supporting and guiding organizations, in improving their business operations in the areas in which the company is active, in particular, but not limited to the field of information, communication and computer sciences.
III. To act as a study bureau for electronic, chemical, technological applications for distribution, production and industry, including, but not limited to, climate control and heating, electricity, high voltage, low voltage, low-voltage refrigeration; (mini) computer applications and mechanization in distribution, industry and production, laboratory research, security systems, etc.
IV. Construction, sale, installation, start-up and / or repair of equipment with microprocessors and/or microcomputers.
V. Contracting, execution and coordination of works and various activities, including, but not limited to: road construction, woodwork, metal constructions, mechanical equipment, hydro mechanical equipment, electronic equipment, transport and transport installations in buildings, electrical installations, electrical installations, telecommunications equipment, installation of wiring for telephone and computer systems and data management, installation of electric heating installations, installation of electrical wiring and accessories, installation of communication lines and networks, supply and attachment of installations to buildings and maintenance thereof, installations for household refuse, installations for water treatment, laying cables and various pipes and special installations.

5.3 MANAGEMENT STRUCTURE OF REALDOLMEN

Realdolmen is a public limited liability company (*naamloze vennootschap / société anonyme*), which is the most common type of limited liability company under Belgian law.

The corporate governance of Realdolmen has been organised pursuant to the Companies Code, Realdolmen's articles of association and Realdolmen Corporate Governance Charter.

Realdolmen is administered by a board of directors and run by the executive management. To enhance its overall effectiveness, the board of directors has created two specialised committees:

- an audit committee; and
- a nomination and remuneration committee.

The committees are advisory bodies only and the decision-making remains within the collegial responsibility of the board of directors. The board of directors determines the terms of reference of each committee with respect to its organization, procedures, policies and activities.

The composition and function of all committees is in compliance with all applicable requirements of the Companies Code.

5.3.1 Board of directors

In general, the board of directors is authorised to perform all acts necessary (or useful) to fulfil the corporate purpose, with the exception of those reserved by law to the general meeting of shareholders (e.g. amendment of the articles of association, winding-up of the company, approval of the annual accounts and allocation of profits, appointment and removal of directors and auditors, and capital decreases).

Under the Companies Code and under Realdolmen's articles of association, the board of directors of such listed company must be composed of at least five directors, at least two of which must be independent. Above this minimum, the size of the board is determined by the shareholders. Pursuant to Realdolmen's articles of association, the directors are elected for a maximum term of six years.

In accordance with article 17 of the articles of association, the board can only validly deliberate and decide if at least the majority of the directors is present or represented. A new meeting must be convened if such quorum is not reached. The second meeting can validly deliberate and decide on the items that were already on the agenda of the first meeting, regardless of the number of directors present or represented. In any event, the meeting of the board of directors can only take place if at least two directors are present.

The board of directors can only validly deliberate and resolve on matters not appearing on the agenda if all members of the board are present or represented at the meeting and consent thereto. This consent is assumed to have been given, when no objection is recorded in the minutes.

Decisions are taken by a majority of the votes cast by the directors present or represented, and in case of abstention from voting by one or more of them, by the majority of the votes cast by the other directors present or represented. In case of a tie, the chairman has no casting vote.

Realdolmen's board of directors currently consists of seven directors.

The following table sets forth certain information with respect to the current members of Realdolmen's board of directors:

Name	**Term**(1)	**Position(s)**
Nonomar BVBA (represented by its permanent representative Mr Henri Van Engelen)	2021	Independent director
Jozef Colruyt	2019	Director
Willem Colruyt	2018	Director
Vauban NV (represented by its permanent representative Mr Gaëtan Hannecart)	2019	Independent Director
M&A Services BVBA (represented by its permanent representative Ms Nadia Verwilghen	2020	Independent director
Inge Buyse BVBA (represented by its permanent representative Ms Inge Buyse)	2018	Independent Director
Fast Forward Services BVBA (represented by its permanent representative Ms Rika Coppens)	2021	Independent director

(1) The term of the mandates of the directors will expire immediately after the annual general meeting of shareholders held in the year set forth next to the director’s name.

The shareholders of Realdolmen have determined that currently five members of the board are independent under Belgian law. In making such determination, Realdolmen's shareholders meetings considered the requirements under Article 526*ter* of the Companies Code and under provision 2.3 of the Belgian Corporate Governance Code and the acknowledgment of each such director that he, she or it complies with such requirements.

5.3.2 Board committees

5.3.2.1 Audit Committee

The Audit Committee advises the board of directors on financial, legal and regulatory supervision. The Audit Committee has specific tasks, including overseeing financial reporting, internal control and risk management of the Company, as well as the control of the reporting process relating to the Company and its subsidiaries. The Audit Committee regularly reports to the board of directors on the execution of its duties and particularly points out matters which require further action or improvement and makes recommendations on possible optimizations.

The Audit Committee is composed of following board members:

- Mr Willem Colruyt;
- Ms Rika Coppens (permanent representative of Fast Forward Services BVBA); and
- Ms Nadia Verwilghen (permanent representative of M&A Services BVBA).

All members of this committee have the necessary experience that makes them suitable for the assignments of the Audit Committee, a fortiori the committee composition complies with the legal expectation that "at least one member of the Audit Committee has competence in accounting .and/or auditing". Furthermore, the committee members have demonstrated collective competence in the field of IT services being the Company's sector of activity.

5.3.2.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee issues recommendations to the board of directors regarding the appointment of directors, to ensure that the appointment and selection process is organized in an adequate and professional manner. It advises on the allocation of functions within the board of directors. The Nomination and Remuneration Committee discusses the remuneration for directors, which is submitted to the General Meeting for approval, as well as the appointment, dismissal, remuneration and possible bonuses for the executive management, and is involved in the management remuneration policy of the group.

The Nomination and Remuneration Committee consists of the following Board Members:

- Mr Henri van Engelen (permanent representative of Nonomar BVBA);
- Mr Gaëtan Hannecart (permanent representative of Vauban NV);
- Mr Willem Colruyt; and
- Ms Inge Buyse (permanent representative of Inge Buyse BVBA).

All members have the necessary experience which makes them suitable for the tasks of the Nomination and Remuneration Committee.

5.3.3 Executive management

The Realdolmen management team consists of the general manager and five of his direct reports. The daily management of the Company is entrusted to the general manager and he therefore represents the Company without prejudice to the general representation competence of the board of directors. The executive management does not consist in an executive committee according to article 524*bis* of the Belgian Companies Code.

The executive management is composed of:

- Mr Marc De Keersmaecker; General Manager;
- Mr Paul De Schrijver, CFO;
- Mr Thierry de Vries, Secretary-General;
- Mr Tim Claes (permanent representative of BVBA Quéribus), Sales and Marketing Director;
- Mr Johnny Smets, Managing Director Business Consulting and Business support; and
- Mr William De Plecker, CPO-Human Resources.

5.4 SHAREHOLDER STRUCTURE OF REALDOLMEN

At the date of this Prospectus and taking into account the transparency notifications made at that date in accordance with the Act of 2 May 2007, the shareholder structure of Realdolmen is as follows:

Name shareholder	Number of voting rights	% of voting rights
Colruyt	661,926	12.71%
QuaeroQ	480,861	9.23%
Capfi Delen Asset Management	265,011	5.09%
Cegeka	206,769	3.97%
Otus Capital Management	165,584	3.18%
Oddo	163,976	3.15%

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These figures represent the shareholdings on a non-diluted basis, i.e. without taking into account the possible conversion of warrants, or other financial instruments which may result in the creation of Realdolmen's Shares. They are based on the shareholder's declarations made in accordance with the applicable transparency legislation, which are also made available on Realdolmen’s website and, for Colruyt and QuaeroQ, based on more recent information received.

5.5 SHARE CAPITAL OF REALDOLMEN

5.5.1 Ordinary Shares

The capital of the Company amounts to EUR 30,682,847.57, represented by 5,207,767 Shares, i.e. (i) 40,425 registered Shares, (ii) 5,158,753 dematerialized Shares and (iii) 858,820 Fractions of Shares (representing 8,588.2 Shares). The fractions result from the reverse stock split decided by the general shareholders’ meeting of Realdolmen and have never been cancelled by the company. The fractions of shares are tradeable on the Euronext Expert Market (Public Auctions Market).

Realdolmen's share capital is represented by ordinary Shares without nominal value, which is its only class of shares. Realdolmen's share capital is fully paid-up. Realdolmen's ordinary Shares are not separated into classes.

As the date of the Prospectus, Realdolmen holds 3,192 own ordinary Shares.

The Shares are listed on the regulated market of Euronext Brussels under ISIN code (ISIN BE0003899193) and under ticker symbol REA.

5.5.2 Authorized capital

The extraordinary general meeting of the shareholders of the Company of 30 September 2015 authorized the board of directors of the Company to issue shares, convertibles bonds or subscription rights within the context of the authorized capital up to EUR 30,682,847.57.

The board of directors of the Company has not made used of this authorized capital.

5.5.3 Warrants

Realdolmen has established a number of warrant plans, under which it has granted warrants free of charge to the recipients, i.e., employees, directors and independent consultants of Realdolmen.

On 12 July 2008, the board of directors in the framework of the authorized capital issued 210,900 Warrants 2008, for grant to employees and, in secondary order, consultants, members of the senior executive management of the Business ("Warrants 2008"). As of the date of the Prospectus, 80,000 of these Warrants 2008 are outstanding, representing the number of warrants held by the four beneficiaries who are still under employment with the Company (130,900 warrants lapsed when the beneficiaries terminated their employment agreement with Realdolmen). The Warrants 2008 outstanding give right to a maximum of 80,000 new ordinary shares.

The key features of the Warrants 2008 can be summarized as follows:

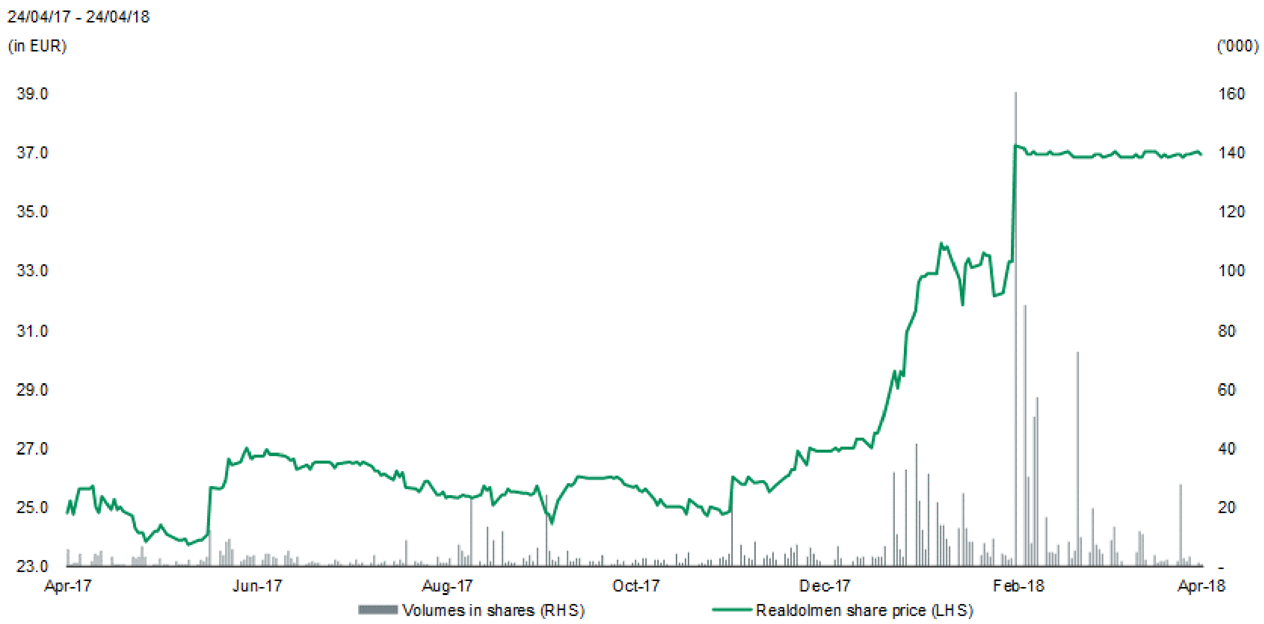
• *Stock Option Plan*:	The Warrants 2008 are issued in the framework of a stock option plan substantially for employees and, in secondary order, for other members of the senior executive management of the Company.
• *Form*:	The Warrants 2008 have been issued in registered form.
• *Warrants on Shares of the Company*:	Each warrant entitles the holder thereof to subscribe to one (1) new bundle share of the Company (REA ISIN BE0003899193).
• *Shares:*	The shares to be issued upon exercise of the Warrants 2008 will have the same rights and benefits as the existing shares of the Company. The shares will participate in the result of the Company as of and for the full fiscal year in which they will be issued.
• *Exercise price of the warrants:*	EUR 26

• *Term:*	12 July 2018
• *Vesting policy*:	The Warrants 2008 granted to a selected participant vested (*i.e.* became definitively exercisable) in three installments of 1/3 each on the date of grant and on the first and second anniversary of the date of grant.
• *Exercise period*:	Warrants 2008 which have vested can only be exercised during the following periods: annually, during the term of the Warrants 2008, annually, during the term of the Stock Options, between August 1 and August 31, between December 1 and December 20 and between May 15 and June 15. The board of directors may provide for additional exercise periods.

Aside from the Warrants, Realdolmen granted no other stock options, options to purchase securities, or other rights to subscribe for or purchase outstanding securities.

The Warrants 2008 are in principle not freely transferable, except in the event of death or liquidation of the relevant Warrant Holder. Pursuant to Article 6.2 of the Stock Option Plan, the board of directors of Realdolmen may however, in its absolute discretion, decide otherwise. In the context of this Bid, the board of directors of Realdolmen declared, on 22 February 2018, that the Warrants 2008 are freely transferable to the Bidder. As a result, the Warrants 2008 may be tendered to the Bid. The Warrants are exercisable by the Bidder.

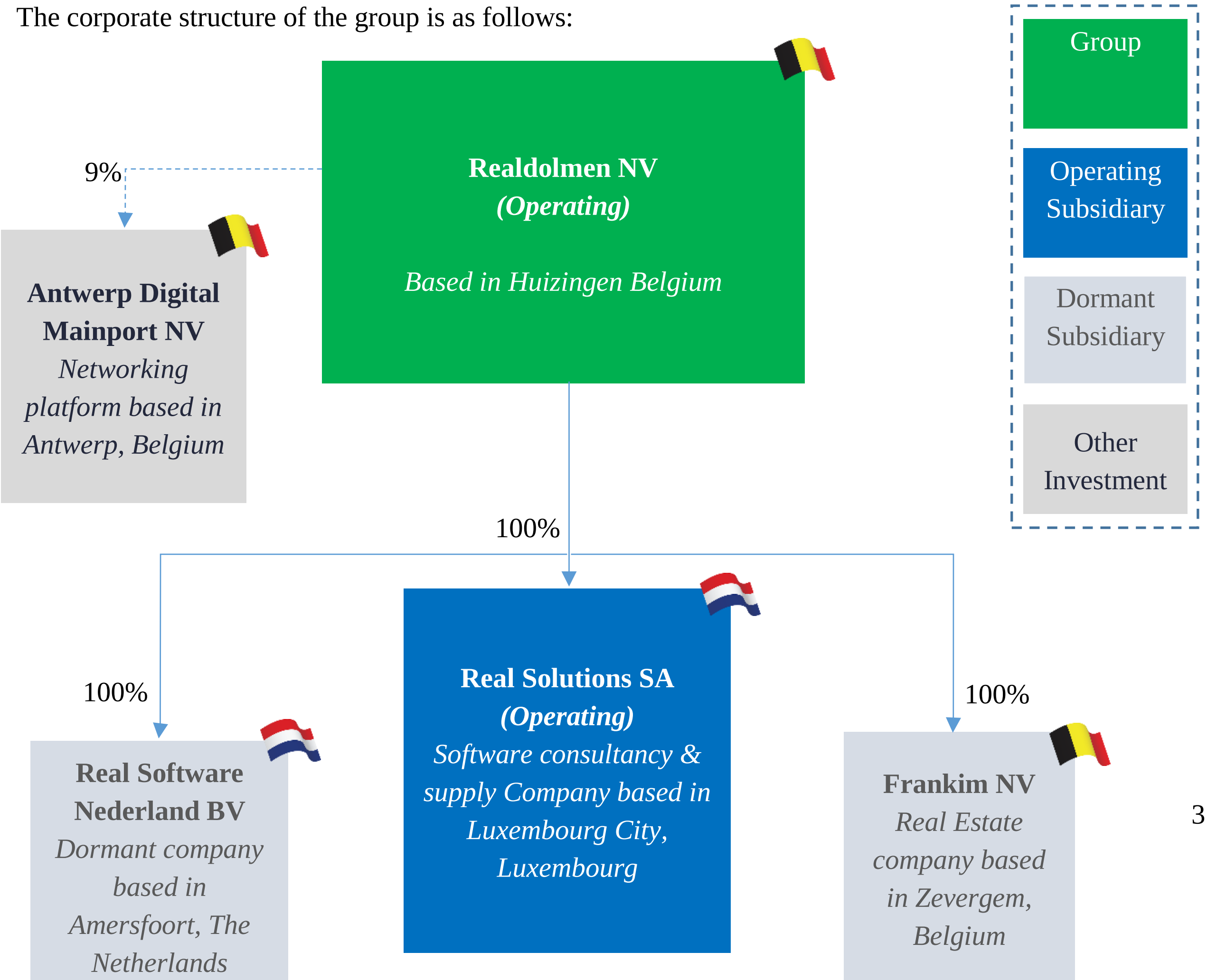
5.6 EVOLUTION OF THE SHARE PRICE OF REALDOLMEN ON EURONEXT BRUSSELS



5.7 Structure of Realdolmen

Following the divestment of its French operations in 2014, Realdolmen is now a BeLux focused ICT player with currently 7 locations across Belgium and Luxembourg: Huizingen, Harelbeke, Kontich, Lummen, Gent, Mons and Luxembourg.

The corporate structure of the group is as follows:



The principal operating entities are Realdolmen NV and Real Solutions SA which cover the main activities of IT applications and services in respectively Belgium and Luxembourg. The other entities in the corporate structure chart are dormant entities.

5.8 ACTIVITIES OF REALDOLMEN

Realdolmen is active in Belgium and Luxembourg in IT applications and infrastructure services. It has an especially strong position in the mid-market segment with long-standing client relationships.

Realdolmen addressable market is over 6,500 organizations of which Realdolmen covers more than 25%. Realdolmen has historically realized strong growth in the upper midmarket-segment. Recent trends have shown that the mid-market requires the same services as enterprise customers but will still require a single point of contact, making it challenging for smaller local IT services companies and non-integrated players to compete.

Before 2016, Realdolmen was organized around 3 major "technology/product based" segments:

1) **Professional services** (development and infrastructure technology competences)
2) **Business solutions** (turnkey solutions built with own or on top third party platforms based on specific technologies and sector)
3) **Infrastructure services** (hardware products and third party software licenses)

The "Walk & Talk" strategic initiative revised the entire operations of the Company in an attempt to offer more relevant solutions to its customers, in the most efficient way.

For management purposes, the group is currently organized into two operating divisions: IT & Business Consulting and IT & Business Support Services. These divisions are the basis on which the group reports its primary segment information. The principal activities are as follows:

1. IT & Business Consulting segment : this segment includes Realdolmen's service business, both sourcing, consulting and projects (bespoke developments and own IP), involving as common measurement features billability, available resources, sales prices and cost of resources (own people versus subcontractors); such services relate to application and infrastructure technologies which are converging. These common characteristics are the key parameters to monitoring and measuring the performance of the segment.

2. IT & Business Support Services segment : this segment includes two sub-domains which are undeniably connected: IT Outsourcing and Product & Licences. IT Outsourcing includes both infrastructure and application solutions support as well as assistance provided for both software and hardware offerings that are sold through Realdolmen's product and license department. The future also indicates a trend from one-off product sales to SaaS and cloud models, where one-time sales are increasingly being offered in a pay-per-use model including ITO services and productized packages combining hardware, software and services.

Realdolmen has a strong, trusted brand with long-standing customer relationships and providers.

5.9 FINANCIAL INFORMATION

5.9.1 <u>Financial statements per 31 March 2017</u>

Realdolmen's consolidated financial statements for the financial year ending on 31 March 2017 were drafted in accordance with International Financial Reporting Standards (IFRS).

Realdolmen's statutory financial statements for the financial year ending on 31 March 2017 were approved by the general shareholders' meeting held on 13 September 2017.

Realdolmen's statutory financial statements for the financial year ending on 31 March 2017 were audited by Deloitte Bedrijfsrevisoren CVBA, which did not formulate any reservations.

Realdolmen's consolidated financial statements for the financial year ending on 31 March 2017 are appended hereto as **<u>Annex 2</u>** (*Realdolmen consolidated financial statement at 31 March 2017*).

5.9.2 <u>Interim financial statements per 30 September 2017</u>

Realdolmen's consolidated interim financial statements for the period ending on 30 September 2017 were prepared in accordance with International Financial Reporting Standards (IFRS) and IAS 34.

Realdolmen's consolidated interim financial statements for the period ending on 30 September 2017 were reviewed (not audited) by Deloitte Bedrijfsrevisoren CVBA which did not formulate any reservations.

Realdolmen's half-year financial report, including the consolidated interim financial statements, for the period ending on 30 September 2017 is appended hereto as **<u>Annex 3</u>** (*Realdolmen half-year report at 30 September 2017*).

6. BACKGROUND TO AND OBJECTIVES OF THE BID

6.1 BACKGROUND OF THE BID

The Bid is a friendly bid that has received the support of both the Company and the Supporting Shareholders, and is the outcome of a competitive process organized by the Company, with the assistance of Lazard:

- On 22 February 2018, Gfi Informatique and Realdolmen entered into the Support Agreement setting out the terms under which Realdolmen will support the Bid (see below);

- On 22 February 2018, Gfi Informatique entered into agreements with the Supporting Shareholders, according to which the Supporting Shareholders have committed to contribute their Shares in the Bid to Gfi Informatique (see below);

- On 23 February 2018, in a joint press release with Realdolmen, Gfi Informatique announced its intention to launch a voluntary and conditional bid in cash for the outstanding securities issued by Realdolmen at a price of EUR 37 per Share and EUR 11.03 per Warrant.

6.2 SUPPORT AGREEMENT

On 22 February 2018, Gfi informatique entered into the Support Agreement with Realdolmen, pursuant to which, amongst others:

- the board of directors of Realdolmen has considered that the Bid is in the best interest of the Company and its stakeholders, and has indicated that the board supports the bidder's strategic plans for the Company;

- Realdolmen has resolved to unanimously recommend the Bid; and

- Realdolmen has resolved not to contribute its treasury shares (i.e. 3,192 Shares) in the Bid.

The terms of Realdolmen's recommendation are set out in the Response Memorandum.

6.3 UNDERTAKINGS TO TENDER

On 22 February 2018, Gfi Informatique entered into agreements with each of the Supporting Shareholders (the "**Commitment Agreement(s)**"), pursuant to which each of them irrevocably commits:

- to tender all the Shares it holds, *i.e.* respectively 37,922 for Etablissementen Franz Colruyt NV, 530,873 for Korys NV and 480,861 for QuaeroQ CVBA, into the Bid pursuant to the terms of the Bid on the first day of the Acceptance Period, and to not dispose of any Shares in any manner prior to such date;

- not to withdraw or revoke its acceptance of the Bid for whatsoever reason, including if there is a valid counteroffer, unless the Bid lapses or is withdrawn;

- starting from the date of the Commitment Agreement and for a period ending twelve months after the end of the offer period, not to directly or indirectly acquire any Shares or other securities issued by Realdolmen on terms or conditions that are more advantageous than those offered in the Bid.

Korys NV has also undertaken to cause that persons affiliated to Korys NV, who hold in total 93,131 Shares, representing 1.79% of the capital of Realdolmen, will tender their Shares into the Bid under the same conditions as those applicable to Korys NV.

On 24 April 2018, Gfi Informatique entered into agreements with the holders of all of the warrants issued by the Company (the "**Warrant holders**"), pursuant to which each of them commits:

- not to exercise the Warrants but to tender them into the Bid pursuant to the terms of the Bid on the first day of the Acceptance Period;

- not to sell or transfer the Warrants (or any part thereof) or grant any option over or otherwise dispose of any interest in any of the Warrants (or any part thereof) to any other than the Bidder and not to withdraw or revoke this acceptance of the Bid, for whatsoever reason except in the event that a valid counteroffer is made and the Bidder does not improve the terms of the Bid before the expiry of such valid counteroffer.

6.4 OBJECTIVE AND INTENTIONS OF GFI INFORMATIQUE

6.4.1 Reasons for making the Bid

The acquisition of Realdolmen represents an important transaction for Gfi Informatique and is fully consistent with Gfi Informatique's strategy and ambition to become a leading player in Europe in IT services. Gfi Informatique regards this acquisition as a key step in realising its strategy towards European expansion.

Gfi Informatique strongly believes that Realdolmen provides a compelling opportunity and that the combination of both Gfi Informatique's operations in Belgium and Luxembourg and Realdolmen's business offers significant opportunities to exploit future growth for, inter alia, the following reasons:

– The combined group would have a comprehensive coverage of Europe with strong presence in all regions and three core markets, namely France, Iberia and BeLux. Although the latter may not be the largest, Gfi Informatique believes it is a dynamic one with potential for growth and a natural extension for some key clients of Gfi Informatique;

– The combined group would be able to market complementary portfolios, in terms of both customers and offerings; Gfi Informatique believes it is strong in providing specialty solutions (such as Outsourcing, Digital Transformation, IT Migration, CRM and Big Data) and vertical products (such as ERP software for Insurance, E-commerce companies, Time Management solutions and Document Management solutions) and considers Realdolmen to be strong in providing IT applications and infrastructure services for mid-size companies and business specific solutions (notably towards Healthcare and Finance companies and generically in document filing and document flow automation);

– Realdolmen has valuable experience in serving mid-size companies and this experience may benefit to Gfi Informatique's activities in other countries; and

– The combined group would be offered potential opportunities to expand geographically, in the Benelux.

Gfi Informatique believes that it is well positioned to market Realdolmen's services and solutions to Gfi Informatique's corporate-wide clients and is convinced that bringing together the capabilities of both companies will lead to further product and service innovations in Europe. As the Bidder's current activities in Belgium are limited, no material synergies are expected in terms of costs. In particular, the Bidder does not contemplate any significant synergies in terms of employees or real estate costs as there is no plan to merge the Belgian activities of the Bidder with those of Realdolmen in the short or medium term. The rationale of the acquisition of Realdolmen by Gfi Informatique is more driven by commercial improvements including cross-selling of products. However, these actions are expected to generate profit mainly over the medium term.

6.4.2 Gfi Informatique's intentions with respect to Realdolmen

6.4.2.1 Realdolmen's position within Gfi Informatique following the Bid

Gfi Informatique intends to maintain Realdolmen as a separate legal entity organised and existing under the laws of Belgium, with its head office in Huizingen (Belgium). At the date of this Prospectus, Gfi Informatique has no intention to carry out any material restructuring or reorganisation of Realdolmen.

6.4.2.2 Impact on employment within Realdolmen

Gfi Informatique attaches great importance to the skills and experience of the management team and employees of Realdolmen and their ongoing role in the success of Realdolmen. Consequently, Gfi Informatique has no intention to change the management team. Gfi Informatique believes that the employees and the management of the enlarged business will benefit from the increased opportunities that such a combination would bring. Gfi Informatique intends to ensure that Realdolmen continues to provide an environment for its employees within which they will be well placed to continue to flourish. At the date of this Prospectus, Gfi Informatique has no intention to amend the current terms and conditions of employment within Realdolmen. Moreover, the Bid may have a positive impact on employment within Realdolmen if for example synergies can be created and geographic expansion can be achieved. Ultimately, Gfi Informatique's objective for Realdolmen's employees is, as a result of further developing the business of Realdolmen, to create new employment opportunities. It is Gfi Informatique's hope and expectation that the vast majority of the Realdolmen employees adhere to Gfi Informatique's values for a long-term association and mutual benefits.

6.4.2.3 Impact on corporate governance of Realdolmen

As mentioned above, Gfi Informatique recognises the importance of retaining the necessary skills and experience within Realdolmen. In that spirit, Gfi Informatique wishes that some of the current board members retain their seat in the board of directors of Realdolmen. In accordance with the Support Agreement, Willem Colruyt, a member of the Colruyt family will continue to serve as a director of Realdolmen. After the completion of the Bid, Gfi Informatique further intends to ensure that three current independent directors will continue to act in their capacity of independent director in Realdolmen's board. Gfi Informatique intends to appoint five other new board members including Vincent Rouaix, Gfi Informatique Chairman and CEO.

Regardless of whether Gfi Informatique will be able to effect a delisting of Realdolmen, Gfi Informatique intends to align the governance of Realdolmen at the level of the board of directors with the governance of the Gfi Informatique group. This entails that Gfi Informatique intends that the board of directors will be composed of a majority of directors representing the majority shareholder. Gfi Informatique will use its voting and other corporate governance rights in such a manner as to align the strategic, operational and financial objectives and policies of Realdolmen with those of the Gfi Informatique group. From an organisational perspective, Realdolmen will put in place decision processes and reporting lines, which will be aligned with those already in place within the Gfi Informatique group. In addition, if the Bidder is able to effect a delisting, the corporate governance and articles of association of Realdolmen will be amended to reflect a governance which according to Gfi Informatique is more appropriate for privately held companies, such as a reduction of the number of directors and the removal of the need to appoint independent directors and the need to maintain separate committees of the board of directors of Realdolmen.

6.4.2.4 Dividend policy

Over the last years, Realdolmen has paid its shareholders the following dividend:

Figures in EUR	2008-2015	2015-2016	2016-2017
Gross dividend (in millions)	/	3.5	3.6
Gross dividend per share	/	0.68	0.69

Shareholders should not assume that the dividend policy of Realdolmen of the recent past will necessarily be continued in the future. As a strategic investor, Gfi Informatique's investment in Realdolmen is not driven by set expectations regarding an annual dividend. Gfi Informatique will assess the future dividend policy in light of the realisation of Realdolmen's business plan, the implementation of further investments, the evolution of working capital requirements, the strategic choices as defined by the board of directors of Realdolmen from time to time and whether a delisting of Realdolmen can be obtained. Moreover, the transaction costs incurred by Realdolmen in the context of the competitive process will impact the distributable amounts and the ability of the Company to distribute a dividend for the current financial year.

6.4.2.5 Intentions of Gfi Informatique with respect to Realdolmen's articles of association

At present, Gfi Informatique does not plan any amendments to the articles of association of Realdolmen, unless this would be required or appropriate in the context of a future delisting of Realdolmen, as the case may be.

6.5 ADVANTAGES FOR REALDOLMEN AND ITS SECURITIES HOLDERS

The transaction being structured as a full cash offer, the main and immediate advantage of the Bid for Realdolmen's Securities Holders is the Bid Price and the premium implied by such price. The Bid Price also constitutes an opportunity for the Securities Holders to obtain immediate and certain liquidity. This should be appreciated in light of the actual limited liquidity of the Shares on Euronext Brussels. Furthermore, the Securities Holders should take into account that the liquidity of the Shares of Realdolment is expected to be further reduced after the Takeover Bid.

In the long term, a stable majority shareholder such as Gfi Informatique will allow Realdolmen to develop securely its activities instead of facing alone a strong competition requesting more and more investments to remain competitive.

7. THE BID

7.1 CHARACTERISTICS OF THE BID

7.1.1 Nature of the Bid

The Bid is a voluntary and conditional takeover bid made by Gfi Informatique in accordance with the Takeover Act and Chapter II of the Takeover RD. The Bid Price will be paid in cash.

7.1.2 Scope of the Bid

The Bid consists of a cash consideration and relates to all (i) 5,207,767 outstanding Shares and (ii) 80,000 outstanding Warrants, which are not already, directly or indirectly, held by Gfi Informatique.

Realdolmen has not issued any securities with voting rights or giving access to voting rights, other than the here above mentioned Shares and Warrants.

7.1.2.1 Shares

The Bid covers all 5,207,767 outstanding Shares representing the entire share capital of Realdolmen, and which are not already, directly or indirectly, held by Gfi Informatique.

The Shares are freely transferable.

7.1.2.2 Warrants

The Bid covers all 80,000 outstanding Warrants, which are not already, directly or indirectly, held by Gfi Informatique.

The Warrants are, in the context of the Bid, freely transferable to the Bidder following a decision of the board of directors of Realdolmen.

7.1.3 Bid Price

The total consideration for the outstanding Shares and Warrants under the Bid amounts to EUR 194m in cash[1]. This amount is determined based upon the number of outstanding Shares and Warrants at the date of this Prospectus. A calculation of the fully diluted number of Shares is provided in Section 7.1.4 *(Justification of the Share Bid Price)*.

[1] Assuming that the 80,000 Warrants will be tendered to the Bid pursuant to undertakings to tender signed by all Warrants holders on 24 April 2018.

7.1.3.1 The Share Bid Price

The price offered for each Share tendered to the Bid amounts to EUR 37.00 (the Share Bid Price) or EUR 0.37 per Fraction of Share resulting from the 1/100 reverse stock split that took place on April 1, 2009.

A justification of the Share Bid Price is provided in Section 7.1.4.1 (*Justification of the Share Bid Price*).

7.1.3.2 The Warrant Bid Price

The price offered for each Warrant tendered to the Bid amounts to EUR 11.03 (the Warrant Bid Price).

A justification of the Warrant Bid Price is provided in Section 7.1.4.2 (*Justification of the Warrant Bid Price*).

7.1.4 Justification of the Bid Price

7.1.4.1 Justification of the Share Bid Price

The Bidder offers a Bid Price of EUR 37.00 per Share or EUR 0.37 per Fraction of Share resulting from the 1/100 reverse stock split that took place on April 1, 2009.

Fully diluted number of Shares

All calculations are based on a fully diluted number of Shares for Realdolmen equal to 5,228,359, corresponding to the number of issued Shares as of February 22, 2018, i.e., 5,207,767 Shares, increased by the number of Shares issued as a result of the exercise of some of the outstanding Warrants (based on the treasury stock method calculation[2]), i.e., 23,784 Shares, and reduced by the amount of treasury shares, i.e., 3,192 Shares.

Fully diluted number of shares	
Number of shares outstanding	**5,204,575**
Number of shares issued	5,207,767
Treasury shares	(3,192)
Dilutive instruments	23,784
Fully diluted number of shares	**5,228,359**

[2] As per IAS 33, the treasury stock method computes a theoretical dilution assuming that all outstanding Warrants are exercised (80,000 new Shares created) and that all proceeds received from the exercise of these Warrants (EUR 2,080,000) are used to buy back underlying Shares at the Share Bid Price (56,216 Shares).

Adjustments to enterprise value

The adjustments presented below have been established on the basis of Realdolmen's consolidated accounts as of September 30, 2017, as well as other information provided by Realdolmen or estimated by the Bidder.

Category (in EURm)		Comments
Calculation of net cash	**34.4**	Estimate as of 31/03/2018
Cash and cash equivalent	*28.6*	*Book value as of 30/09/2017*
Financial debt	*(0.2)*	*Book value as of 30/09/2017*
Additional cash generation	*6.1*	Estimated net cash generated from 30/09/2017 to 31/03/2018
Net deferred tax assets	**16.5**	Present value of DTAs used from FY18 onward
Post tax transaction costs	**(6.5)**	Costs linked to sale process & transaction incurred by Realdolmen (post tax)
Other adjustments	**(7.0)**	Various adjustments
Overtime payable	*(2.8)*	*Overtime balance payable to employees - Book value as of 30/09/2017*
Pension obligations	*(1.3)*	*Pension obligations - Book value as of 30/09/2017*
Accrued bonus	*(1.3)*	*Bonus accrued to management for FY18 performance - Book value as of 30/09/2017*
Provision for litigation and charges	*(1.1)*	*Provisions for potential litigations and charges*
Others	*(0.5)*	
EV-Eq.V adjustments	**37.5**	

There has been no significant change to the amounts of the above-mentioned "Other adjustments" between September 30, 2017 and March 31, 2018.

The amount of net deferred tax assets assumes a full implementation of Belgian tax reforms as described in the Belgian federal government's 2017 summer agreement (tax rate reaching 25.0% as of 2020).

Post tax transaction costs of EUR 6.5m refer to transaction costs incurred by Realdolmen only. This amount was communicated to the Bidder by Realdolmen. Such costs derive from a decision of the Company which was taken before the contemplated closing of the acquisition of Realdolmen by the Bidder and notably include all costs related to the auction process (advisors, organisation, success fee, etc.) which was organized ahead of the acquisition.

Valuation methodology

The Share Bid Price has been assessed according to the following multi-criteria approach:

i. Analysis of the historical share price performance;
ii. Analysis of discounted cash flows.

Additional methodologies have been retained for indicative purposes only:

iii. Analysis of broker target price;
iv. Analysis of the trading multiples;
v. Analysis of the transaction multiples.

Finally, some valuation methodologies have not been retained:

vi. Net book value of assets;
vii. Dividend discount method.

i. ***Analysis of the historical share price*** performance

Realdolmen has been listed since 1997. Realdolmen's Shares are traded on Euronext Brussels under ISIN code BE0003899193.

Average daily volumes traded over the past 3 months prior to the Bid announcement stand at 8,234 Shares and represent 0.2% of the floating shares of Realdolmen. Even if Realdolmen's liquidity is low in absolute value, the continuous listing of the share on Euronext Brussels ensures a fair price determination. Although the analysis of the historical share price performance does not constitute a valuation method, its remains an important reference for shareholders in the context of a public tender offer on the Company.

The reference date to assess the share price has been set at February 22, 2018, which is the last trading day prior to the announcement of Gfi Informatique's Bid intention.

The table below shows Realdolmen's share price and relative premiums during reference periods prior to the announcement.

	Share price (€)				Premium (%)				Average daily volume ('000)	Rotation (vol. in % of float)
	Closing price / VWAP	Average	Min.	Max.	Closing price / VWAP	Average	Min.	Max.		
As at 22/02/2018	33.3	n.a.	n.a.	n.a.	11%	n.a.	n.a.	n.a.	2.8	0.1%
1-month period	32.6	33.0	31.6	33.9	13%	12%	17%	9%	11.9	0.3%
3-month period	30.3	29.1	24.8	33.9	22%	27%	49%	9%	8.2	0.2%
6-month period	28.8	27.2	24.5	33.9	28%	36%	51%	9%	5.7	0.1%
12-month period	27.9	26.4	23.7	33.9	33%	40%	56%	9%	4.2	0.1%

Source: Factset (as of 22/02/2018)
Note: Asssuming of float of 59.06% of share capital as of 22/02/2018

The Share Bid Price represents a premium of 11%, 22%, 28% and 33% respectively over the last unaffected closing price, the 3-month, the 6-month and the 12-month volume weighted average prices prior to the Bid announcement.

ii. Analysis of discounted cash flows

This methodology consists in computing the value of Realdolmen's assets (intrinsic value) by discounting the expected cash flows generated by these assets. The equity value attributable to Realdolmen's shareholders is obtained by adding to or subtracting from the enterprise value of the target, as the case may be, the sum of the net cash and other elements of adjustments.

The discounted cash flows valuation was computed as of 31 March 2018 (end of FY2018). The valuation period encompasses FY2019-FY2027 (from 1 April 2018 to 31 March 2027). The cash flows were discounted using a conventional cash flow reception at mid-year, i.e. on 30 September of each year. This valuation method has been applied over FY2019-FY2027, with a terminal value computation, using the Gordon-Shapiro formula, based on a normalised free cash flow after FY2027.

The Bidder had no access to the business plan drawn up by Realdolmen's management. The Bidder had access to FY2018 estimates for sales, operating margin and cash flows. Based on these estimates, the Bidder has built its own business plan with the following hypotheses that were disclosed to the Company:

- A compounded annual growth rate of sales of c.3% per year between FY2018 and FY2021 in line with Realdolmen's guidance driven by market fundamentals, company re-organization and new hires, helping to meet higher demand. This compares to a historical FY2016-2017 growth of 3.2% and a broker's estimated CAGR for FY2018-2020 of 3.1%;
- Steady increase in EBIT expected (above 4% compounded annual growth rate between FY2018 and FY2021) following top line and operating margin improvement coupled with fairly contained S&M and overhead costs. This compares to a historical FY2016-2017 growth of 1.7% and a broker's estimated CAGR for FY2018-2020 of 4.3%;
- Capital expenditures expected to be stable as a percentage of sales (c.0.8%) following recent investment efforts. This compares to a historical FY2016-2017 average capex over sales ratio of 0.8% and a broker's estimated average ratio for FY2018-2020 of 0.9%;
- Changes in working capital levels as a percentage of sales projected to be minor (c.-0.2%) as working capital intensity shall stabilize. This compares to a historical FY2016-2017 average change in working capital over sales ratio of -0.5% and a broker's estimated average ratio for FY2018-2020 of -0.1%;
- Taxes projected assuming full implementation of Belgian tax reforms as described in the Belgian federal government's 2017 summer agreement (reaching 25.0% as of 2020).

Over FY2022-FY2027, numbers have been extrapolated under the following assumptions:

- A compounded annual growth rate of sales of c.2% between FY2022 and FY2027 with the growth rate decreasing linearly to a normative perpetual growth rate of 1.25%;
- EBIT margin stable as from FY2022 onward;
- The capital expenditures/D&A ratio stable at 100% as from FY2022 onward;
- Changes in working capital levels stable as from FY2022 onward;
- Full implementation of Belgian tax reforms as described in the Belgian federal government's 2017 summer agreement with a base tax rate of 25.0% as from 2022 onward.

A cost of capital equal to 9.25% has been retained. This cost of capital was computed using the Capital Asset Pricing Model as it is the equivalent of calculating the cost of equity of a debt free company. It was computed on the basis of the following assumptions:

- A risk free rate of 0.7% being the 3-month average yield of 10-year Belgian OLO as of 22 February 2018;
- An Equity Risk Premium of 7.4%, corresponding to the 3-month average as of 22 February 2018 of the Equity Risk Premium from Exane BNP Paribas;
- A median unlevered beta (beta of the assets) of 0.86x and an average unlevered beta of 0.83x based on the comparable companies referred to in Paragraph iv below (source: MSCI Barra Global Betas as of 31 January 2018);
- A size premium of 2.3% (sources: Associés en Finance and Duff & Phelps calculations)

Small size companies support additional risks due to several factors, such as smaller management teams, lower access to financing, lower efficiency in cost structure, greater sensitivity to economic environment from lack of diversification, etc. This motivates the use of a size premium in the cost of capital computation.

The cost of capital was computed based on the following formula:

$$Cost\ of\ capital = r_f + \beta_a(ERP) + SP$$

Cost of capital		
Risk free rate EUR (R_f)	0.7%	
Asset Beta (β_a) (median / average)	0.86x	0.83x
Equity Risk Premium (ERP)	7.4%	
Size Premium (SP)	2.3%	
Cost of Capital	**9.35%**	**9.14%**
Mid point Cost of Capital	**9.25%**	

A perpetual growth rate of 1.25% and a normalised free cash flow of EUR 13.2m have also been retained for the calculation of the terminal value. The terminal value represents 52% of the total enterprise value.

DCF valuation summary	
DCF central enterprise value (EURm)	148.2
EV-Eq.V adjustments (EURm)	37.5
Equity value (EURm)	185.7
Fully diluted number of shares (m)	5.2
Equity price per share (EUR)	**35.5**
Share Bid Price premium	**4%**

Finally, some sensitivity analyses of the equity value per Share have been carried out, assuming small deviations of the cost of capital and the perpetual growth rate, as follows:

- Cost of capital between 9.00% and 9.50% (+/- 25 basis points)
- Perpetual growth rate between 1.00% and 1.50% (+/- 25 basis points)

Equity price per share (EUR)				
		Perpetual growth rate		
		1.00%	1.25%	1.50%
Cost of capital	9.00%	35.9	36.4	37.0
	9.25%	35.0	35.5	36.1
	9.50%	34.2	34.7	35.2

On the basis of these analyses, the enterprise value of Realdolmen ranges between EUR 141m and EUR 156m, corresponding to an equity value per Share from EUR 34.2 to EUR 37.0.

The Share Bid Price represents a premium of 4% on the central value obtained through the DCF methodology, an 8% premium to the lower end of the DCF valuation range and is at par with the upper end.

iii. Analysis of broker target price (for indicative purposes only)

There is only one broker regularly covering Realdolmen: KBC Securities

The analyst target price is not a valuation method on its own as (i) the analyst bases its valuation solely on publicly available information and (ii) GFI Informatique cannot verify the valuation methods of the broker. However, the Bidder is of the view that the analyst has a good understanding of the company and its market. Over 2017-2018, KBC Securities has published 6 updates of its recommendation on Realdolmen and updated its target price, on January 19, 2018, from EUR 32 to EUR 37 with a buy recommendation.

Broker	Report date	Reco.	Target price (EUR)	Premium (%)
KBC Securities	19/01/2018	Buy	37.0	0%

The Share Bid Price is at par with the EUR 37 target price.

iv. Trading multiples of listed comparable companies (for indicative purposes only)

This methodology consists in determining the value of Realdolmen by applying the multiples observed on a sample of comparable listed companies, admitted to trading on regulated markets, to the Realdolmen's estimated financial aggregates. The selected sample of comparable companies is composed of six European mid-cap companies specialized in IT Services. As Realdolmen is lagging behind these companies in terms of size as well as sales growth and profitability, this method is presented for informative purposes only. Furthermore, Realdolmen has a different business mix (with a higher portion of product & license component) which makes the comparison to peers difficult.

Selected comparable companies

a. Neurones

Founded in 1984, Neurones SA provides management consulting and information technology services. Its services include infrastructure, application and management consultations. The company operates business through its segments: Infrastructure Services, Application Services and Consulting.

- The Infrastructure Services segment engages in the systems and networks, service desk, workstation outsourcing, server and application outsourcing in cloud, computing mode, IT security, IT operations, IT service management and IT governance.
- The Application Services segment engages in the web and decision support BI, IT consulting for finance, SAP, content management and business process management, IT training and change management.
- The Consulting segment engages in the management and organization consulting.

b. Devoteam

Founded in 1995, Devoteam SA engages in the provision of innovative technology consulting services. Its portfolio includes information technology (IT) transformation, digital enabler, cloud transformation, IT service excellence, risk and security, and network transformation.

c. Aubay

Founded in 1998, Aubay SA engages in integration and technology consulting. It specializes in information and industrial systems, networks and telecommunications. Aubay SA works with large clients in the Banking, Finance, Insurance, Manufacturing, Energy, Transport and Telecoms sectors.

d. Infotel

Founded in 1979, Infotel SA produces, develops, and distributes software solutions for businesses. It provides consultancy, analysis, IT system audits, third-party application maintenance, and software testing solutions. The company offers software for system optimization and dematerialization of data.

e. Group Open

Founded in 1989, Groupe Open SA engages in the provision of industrial and digital transformation for businesses. It offers consulting, application and infrastructure services. It operates mainly in France and internationally in the Netherlands, Luxembourg and Romania.

f. SQLI

Founded in 1990, SQL Ingénierie SA engages in the design and creation of information technology systems. Its activity includes design and integration of internet technologies and consulting services. The company operates through two segments: Digital Commerce and Digital Technologies. It is active in France and 10 other European countries.

Company	Historical Sales				Historical EBITDA			
	2015	2016	2017	15-17 CAGR	2015	2016	2017	15-17 CAGR
European Mid Cap								
Neurones	366	411	457	11.7%	37	44	51	17.8%
Devoteam	453	503	550	10.1%	29	40	51	31.2%
Aubay	251	287	333	15.2%	23	28	33	21.7%
Infotel	161	179	195	10.0%	21	24	26	11.6%
Groupe Open	269	288	308	7.0%	55	24	24	(33.9%)
SQLI	166	182	196	8.7%	4	9	14	88.9%
Median - European Mid Cap	**260**	**287**	**321**	**11.1%**	**26**	**26**	**30**	**6.6%**
Realdolmen	**224**	**236**	**244**	**4.4%**	**11**	**13**	**14**	**13.4%**

Company	Sales growth			EBITDA margin			EBIT margin		
	2018e	2019e	2020e	2018e	2019e	2020e	2018e	2019e	2020e
European Mid Cap									
Neurones	9.0%	8.9%	9.2%	10.9%	10.9%	10.8%	9.4%	9.4%	9.3%
Devoteam	(0.8%)	9.8%	nm	10.7%	11.1%	nm	9.9%	10.6%	nm
Aubay	9.5%	10.7%	nm	10.0%	10.1%	nm	9.5%	9.6%	nm
Infotel	9.6%	8.4%	6.2%	12.8%	12.6%	12.5%	11.2%	11.3%	11.3%
Groupe Open	4.4%	5.5%	5.4%	8.3%	8.8%	8.9%	7.7%	8.2%	8.4%
SQLI	11.6%	10.6%	4.0%	7.1%	8.9%	9.8%	6.1%	7.9%	9.0%
Median - European Mid Cap	**9.2%**	**9.4%**	**5.8%**	**10.3%**	**10.5%**	**10.3%**	**9.4%**	**9.5%**	**9.2%**
Realdolmen	**2.5%**	**2.4%**	**3.7%**	**6.2%**	**6.2%**	**6.3%**	**5.4%**	**5.4%**	**5.5%**
KBC Securities view	**1.0%**	**3.1%**	**3.1%**	**6.3%**	**6.4%**	**6.6%**	**5.5%**	**5.4%**	**5.6%**

Sources: Companies, FactSet as of 22/02/2018 – Financials calendarized as of 31/03

Comparable companies' fiscal years end on 31 December of each year. Their financials have thus been adjusted to fit with Realdolmen's fiscal year ending on 31 March of each year and allow a proper comparison. As an example, comparable companies' adjusted financials as of 31 March 2019 would thus encompass 75% of their unadjusted 2018e financials (from 1 April 2018 to 31 December 2018) and 25% of their unadjusted 2019e financials (from 1 January 2019 to 31 March 2019).

For the purposes of this methodology, enterprise value over EBITDA and enterprise value over EBIT multiples have been retained as the most relevant. We do not consider enterprise value over sales as very relevant since this multiple does not take into account the comparative operational performance of each company.

Multiples have been computed as of February 22, 2018. The valuation has been performed by applying FY2019 and FY2020 multiples to Realdolmen's EBITDA and EBIT aggregates for FY2019 and FY2020 as estimated by the Bidder.

Company	Market Cap. (€m)	EV (€m)	EV/EBITDA 2018e	EV/EBITDA 2019e	EV/EBITDA 2020e	EV/EBIT 2018e	EV/EBIT 2019e	EV/EBIT 2020e
European Mid Cap								
Neurones	684	564	10.4x	9.5x	8.8x	12.1x	11.0x	10.2x
Devoteam	610	568	9.7x	8.5x	nm	10.5x	9.0x	nm
Aubay	494	491	13.5x	12.0x	nm	14.2x	12.6x	nm
Infotel	373	328	12.0x	11.2x	10.6x	13.6x	12.5x	11.7x
Groupe Open	297	291	10.9x	9.8x	9.1x	11.8x	10.5x	9.7x
SQLI	147	162	10.5x	7.6x	6.6x	12.1x	8.5x	7.2x
Median - European Mid Cap			**10.7x**	**9.7x**	**9.0x**	**12.1x**	**10.7x**	**9.9x**
RealDolmen	**174**	**137**						

Sources: Companies, FactSet as of 22/02/2018 – Financials calendarized as of 31/03. Enterprise values computed taking into account market capitalizations, net debt / net cash positions, pension obligations, associates and minority interests

Trading comparables valuation summary				
	FY2019		FY2020	
	EBITDA	EBIT	EBITDA	EBIT
Realdolmen financial aggregate (EURm)	16.0	14.0	16.8	14.7
Median EV multiple from peers	9.7x	10.7x	9.0x	9.9x
Implied enterprise value (EURm)	154.0	149.9	150.9	146.2
EV-Eq.V adjustments (EURm)		37.5		
Equity value (EURm)	191.5	187.5	188.4	183.7
Fully diluted number of shares (m)		5.2		
Equity price per share (EUR)	**36.6**	**35.9**	**36.0**	**35.1**
Share Bid Price premium	**1%**	**3%**	**3%**	**5%**

The application of the FY2019 and FY2020 median EBITDA multiples to Realdolmen FY2019 and FY2020 EBITDA metrics[3] leads to EUR 36.6 and EUR 36.0 for the implied equity value per share, respectively. The Share Bid Price represents a 1% premium and a 3% premium over these values, respectively.

The application of the FY2019 and FY2020 median EBIT multiples to Realdolmen FY2019 and FY2020 EBIT metrics[4] leads to EUR 35.9 and EUR 35.1 for the implied equity value per share, respectively. The Share Bid Price represents a 3% premium and a 5% premium over these values, respectively.

v. Analysis of the transaction multiples (for indicative purposes only)

This method consists in determining an enterprise value by applying the multiples observed in previous transactions to Realdolmen's financial aggregates for 2018. The following transactions have been retained

[3] KBC Securities view on Realdomen's EBITDA metrics (report dated 19 January 2018): EUR 16.2m for FY2019, EUR 17.3m for FY2020

[4] KBC Securities view on Realdolmen's EBIT metrics (report dated 19 January 2018): EUR 13.7m for FY2019, EUR 14.8m for FY2020

for the comparative analysis. However, no company of the sample is truly comparable to Realdolmen in terms of size or geography. Thus, this method is presented for informative purposes only.

a. Acquisition of an additional 44% stake in Gfi Informatique by Mannai Corporation

Mannai is a listed Qatar-based conglomerate spanning the key industry and services sector. On May 10th 2017, it announced the acquisition of an additional c.29% stake in 2017 and an additional c.15% stake in 2018 in Gfi Informatique from Apax France, Altamir and Boussard & Gavaudan. Mannai was holding c.51% of the share capital and voting rights of Gfi Informatique before these additional acquisitions.

b. Acquisition of Frontica Business Solutions by Cognizant

Cognizant is a listed US-based company engaged in the provision of information technology, consulting, and business process services. On October 3rd 2016, it announced having reached an agreement with Akastor ASA, an oil service investment company, to buy Frontica Business Solutions. Frontica Business Solutions AS, a Norway-based company headquartered in Fornebu, is a commercial provider of ITO and BPO services within the oil and gas industry and a subsidiary of Frontica Group AS.

c. Acquisition of Engineering Ingegneria Informatica by a consortium formed of Neuberg Berman, Intesa Sanpaolo and Apax.

NB Renaissance, a fund formed through a partnership between Neuberger Berman and Intesa Sanpaolo, and Apax Partners, a global private equity advisory firm, announced on 8th February 2016 that they have entered into an agreement to acquire a c.37% interest in Engineering Ingegneria Informatica S.p.A. (“Engineering”) and their intention to launch a tender offer on the company. Engineering is an Italian-based and listed provider of integrated ICT services, products and consultancy.

d. Acquisition of a 51% stake in Gfi Informatique by Mannai Corporation

Mannai is a listed Qatar-based conglomerate spanning the key industry and services sector. On November 23rd 2015, it announced the acquisition of a 51% stake in Gfi Informatique from Apax Partners SA and Boussard & Gavaudan Partners Limited.

e. Acquisition of Evry by Apax Partners

Apax Partners, a global private equity firm, announced on December 8th 2014 a voluntary cash offer to acquire Evry, a leading IT services provider in the Nordic region.

f. Acquisition of Steria by Sopra

On April 8th 2014, Sopra Group and Groupe Steria, two listed IT services companies have agreed to combine their businesses through a merger of equal in order to create a European leader in digital services. The proposed tie-up took the form of a friendly, voluntary public exchange offer initiated by Sopra for all of the shares of Steria. On August 6th 2014, Sopra’s friendly public exchange offer for Steria was declared successful.

The following table provides an overview of selected transactions and the corresponding multiples:

Date	Target	Country	Acquiror	% Acquired	EV (€m)	Implied LTM multiples xEBITDA	xEBIT
10-May-17	Gfi Informatique	France	Mannai Corporation	44%	723	8.9x	11.4x
3-Oct-16	Frontica Business Solutions	Norway	Cognizant	100%	110	11.0x	n.m.
8-Feb-16	Engineering	Italy	Consortium	95%	746	7.1x	8.5x
23-Nov-15	GFI Informatique	France	Mannai Corp.	51%	614	8.8x	10.4x
8-Dec-14	Evry	Norway	Apax Partners	88%	849	5.5x	9.1x
8-Apr-14	Steria	France	Sopra	100%	1,173	8.6x	11.3x
Median - Selected transactions						**8.7x**	**10.4x**

Sources: Companies, Mergermarket, Press

The median of the whole transactions sample was selected and was applied to Realdolmen's EBITDA and EBIT for FY2018 in order to estimate its enterprise value.

Transaction comparables valuation summary		
	FY2018	
	EBITDA	EBIT
Realdolmen financial aggregate (EURm)	15.5	13.6
Median EV multiple from transactions	8.7x	10.4x
Implied enterprise value (EURm)	135.0	141.6
EV-Eq.V adjustments (EURm)	37.5	
Equity value (EURm)	172.5	179.1
Fully diluted number of shares (m)	5.2	
Equity price per share (EUR)	**33.0**	**34.3**
Share Bid Price premium	**12%**	**8%**

The application of the median EBITDA multiples to Realdolmen FY2018 EBITDA metric leads to EUR 33.0 for the implied equity value per share. The Share Bid Price represents a 12% premium over this value.

The application of the median EBIT multiples to Realdolmen FY2018 EBIT metric leads to EUR 34.3 for the implied equity value per share. The Share Bid Price represents an 8% premium over this value.

vi. Net book value of the assets (methodology not retained)

The net book value of the assets methodology principally accounts for contributions in kind and in cash by a company's shareholders, and for the historical accumulation of net earnings. As it excludes the future prospects of the company, this methodology has not been retained.

vii. Dividend discount method (methodology not retained)

This methodology consists of the valuation of Realdolmen's equity by relying on assumptions regarding future dividend distributions, based on a business plan. These future flows to shareholders are discounted at the cost of equity. This methodology is dependant of the distribution policy voted by majority shareholders and is not necessarily representative of a company's ability to generate free cash flows. As a consequence, this methodology has not been retained.

Conclusion

The Share Bid Price compares to the different valuation methodologies or references, as presented below:

	Equity per share (EUR)			Premium per share (%)		
Historical share prices (as at 22/02/2018)	**Min.**	**Central value (closing price/VWAP)**	**Max.**	**Min.**	**Central value (closing price/VWAP)**	**Max.**
Spot		33.3			11%	
1-month	31.6	32.6	33.9	17%	13%	9%
3-month	24.8	30.3	33.9	49%	22%	9%
6-month	24.5	28.8	33.9	51%	28%	9%
12-month	23.7	27.9	33.9	56%	33%	9%
Discounted Cash Flows	**Min.**	**Central value**	**Max.**	**Min.**	**Central value**	**Max.**
	34.2	35.5	37.0	8%	4%	0%
Broker recommendation - For information only		**Target price**			**Target price**	
		37.0			*0%*	
Comparables - For information only	**EV/EBITDA**		**EV/EBIT**	**EV/EBITDA**		**EV/EBIT**
Trading comparables - 2019 metrics	*36.6*		*35.9*	*1%*		*3%*
Trading comparables - 2020 metrics	*36.0*		*35.1*	*3%*		*5%*
Transaction comparables - 2018 metrics	*33.0*		*34.3*	*12%*		*8%*

In conclusion, the Share Bid Price of EUR 37 implies a premium or is in line with the different valuations resulting from the multi-criteria analysis performed by the Bidder as described above.

7.1.4.2 Justification of the Warrant Bid Price

The key features of the Warrants are described in section 5.5.3. Warrants

The Bidder offers a Bid Price of EUR 11.03 for each Warrant. Such valuation has been calculated by using the standard market model for the valuation of options, i.e. the Black & Scholes model. This model takes into account the current Share price, the exercise price of the Warrant, interest rates, dividends, the exercise period of the Warrant and the expected future volatility of the underlying Share. The Black & Scholes model leads to a fair value of EUR 11.02 for each Warrant, which represents the sum of the intrinsic value and the time value. The Warrant Bid Price was rounded up to EUR 11.03.

The model uses the following formula:

Option/Warrant Value = [EXP((0-Div)xT))xPxN(d1)] – [S x (EXP((0-RF)xT))xN(d2)]

Whereby:
Div: annualized Dividend Yield;

T: time to expiry (in years);
P: current Share price (i.e. the Share Bid Price);
S: strike price of the Option;
RF: risk free interest for the period to expiry;
N(d1): normal distribution of d1;
whereby d1 = [ln (P/S)+((RF-Div)+((V^2)/2))xT] / [V x (T^0.5)];
whereby V: volatility;
N(d2): normal distribution of d2; whereby d2 = d1 – [V x (T^0.5)].

Parameters taken into account:

- No dividend paid until the Settlement Date;
- Time to expiry: (12 July 2018 - 22 February 2018) / 365 = 0.38
- Price of the underlying asset set at EUR 37.00 per Share, ie, at the Share Bid Price;
- Strike price: EUR 26.00 per Warrant
- Interest rates included: Euribor 6-month = -0.27%;
- Volatility: 28%.

Some sensitivity analyses of the value per Warrant have been carried out, assuming small deviations of the rates and the volatility, as follows:

Warrant price (EUR)		
Additional volatility		
-5.0%	0.0%	+5.0%
10.98	11.02	11.08

Warrant price (EUR)		
Additional rates		
-0.5%	0.0%	+0.5%
10.97	11.02	11.06

7.2 CONDITIONS OF THE BID

The Bid is subject to the following condition precedent: there having been tendered (and not withdrawn) Shares representing more than 75% of the Securities issued by the Company (on a fully diluted basis) and more than 75% of the voting rights attached to the Shares.

The abovementioned condition precedent is stipulated for the sole benefit of Gfi Informatique. Gfi Informatique reserves the right to waive it, in whole or in part, at any time. If the abovementioned condition precedent is not fulfilled, Gfi Informatique shall announce its decision on whether to waive the condition precedent, no later than the time at which the results of the Bid are announced.

If the applicable requirements are met, Gfi Informatique intends to re-open the Bid and/or to make a Squeeze-out. Gfi Informatique reserves the right to reopen the Bid voluntarily at its sole discretion.

If the Bid is revoked because the condition is not met, any Security tendered in the Bid will be returned to the entitled Securities Holder.

7.3 REGULARITY AND VALIDITY OF THE BID

7.3.1 Gfi Informatique's board of directors' resolution to make the Bid

The Bid was approved by the board of directors of Gfi Informatique on 21 February 2018.

7.3.2 Requirements of Article 3 of the Takeover RD

The Bid is subject to the requirements of Article 3 of the Takeover RD:

(i) the Bid relates to the totality of securities with voting rights or that give access to voting rights issued by Realdolmen and not yet held by Gfi Informatique or persons affiliated to Gfi Informatique;

(ii) the aggregate Bid Price for all Securities are available through a credit facility agreement with BNP Paribas Fortis SA/NV and to be used exclusively for the purpose of paying the Bid Price;

(iii) the conditions of the Bid comply with the applicable legislation, more specifically the Takeover Act and the Takeover RD, and Gfi Informatique considers that these conditions, notably the Bid Price, should normally allow it to achieve the desired outcome;

(iv) the prices offered for the Shares, the Fractions of Shares and the Warrants do not contain differences other than those attributable to the respective characteristics of each category of securities;

(v) Gfi Informatique undertakes, as far as it is concerned and without prejudice to the provisions set forth under Articles 16 and 17 of the Takeover RD, to pursue its best efforts to carry out the Bid until the closing thereof; and

(vi) the Centralizing Receiving Agent is entrusted with the receipt of the Acceptance Form and the payment of the Bid Price.

7.3.3 Regulatory approvals

The Bid is not subject to any regulatory approval other than the FSMA's approval of this Prospectus.

7.4 PROJECTED TIMETABLE

Event	Scheduled Date
Publication of a press release announcing the intention to launch an offer pursuant to Article 8 of the Takeover RD	23 February 2018
Filing of the first takeover notice	7 March 2018
Publication of the first notice pursuant to Article 7 of the Takeover RD	8 March 2018
Approval of the Prospectus and of the Response Memorandum by the FSMA	24 April 2018
Publication of the Prospectus and of the Response Memorandum	26 April 2018
Opening of the Initial Acceptance Period	26 April 2018
Close of the Initial Acceptance Period	31 May 2018
Publication of the results of the Bid	4 June 2018
Voluntary reopening, mandatory reopening (in one of the instances mentioned in Article 35 of the Takeover RD) or Squeeze-out (if the Bidder holds at least 95% of the Shares)	5 June 2018
Initial Payment Date (i.e. settlement)	12 June 2018
Closing of the second Acceptance Period (if applicable)	25 June 2018
Publication of the results of the period of reopening of the Bid (and Squeeze-out, as the case may be)	27 June 2018

7.5 INITIAL ACCEPTANCE PERIOD

7.5.1 Initial Acceptance Period

The Initial Acceptance Period for the Bid runs from 26 April 2018 until 16.00 CET on 31 May 2018.

7.5.2 Extension

In accordance with Article 31, §2 of the Takeover RD, the Initial Acceptance Period may be extended by five Business Days. This will be the case if, at any time after publication of the Notice of the Bid but prior to publication of the results of the Bid, Gfi Informatique (and/or a person acting in concert with Gfi Informatique) acquires or undertakes to acquire Securities outside the framework of the Bid at a price which exceeds the Bid Price. In that case, the Bid Price shall be aligned to this higher price and the Initial Acceptance Period shall be extended by five Business Days as from publication of the price increase, so that Securities Holders may accept the Bid at this higher price.

Furthermore, in accordance with Article 40, §1, (4) of the Takeover RD, in case of a counterbid, the Acceptance Period shall also be extended until the expiry of the acceptance period of a counterbid.

7.6 REOPENING OF THE BID AND SQUEEZE OUT

7.6.1 Holding of 90% of the Shares

Pursuant to Article 35 (1) of the Takeover RD, a takeover bid shall be reopened for a period of no less than five Business Days and no more than fifteen Business Days if Gfi Informatique and/or persons affiliated to it hold, upon expiry of the Initial Acceptance Period, 90% or more of the Shares. Under these circumstances, the Bid shall be reopened within ten Business Days following publication of the results of the Bid.

7.6.2 Increase in the Bid Price

If Gfi Informatique undertakes to acquire Shares, prior to the expiration of the bid period, at a price exceeding the Bid Price, Articles 35 and 36 of the Takeover RD require that the Acceptance Period be reopened within ten Business Days from notification of the fact requiring the reopening, unless the Bid has been extended in accordance with Article 31 of the Takeover RD, as explained in Section 7.5.2 (*Extension*).

In the event of reopening of the Bid in accordance with Articles 35 and 36 of the Takeover RD, it shall be reopened at the increased price and Gfi Informatique shall pay the difference between the increased price and the Bid Price to the Securities Holders that accepted the earlier offer.

Gfi Informatique does not intend to proceed with such an acquisition of Securities at a price in excess of the Bid Price.

7.6.3 Voluntary reopening of the Bid

If Gfi Informatique, persons affiliated to it and persons acting in concert with it following the Bid hold less than 90% of the Shares, and the condition precedent has been fulfilled, Gfi Informatique reserves the right to reopen the Bid at its sole discretion under the same terms and conditions after the publication of the results of the Bid following the Initial Acceptance Period.

In no event shall the aggregate of the Initial Acceptance Period and any voluntary reopening of the Bid exceed 10 weeks.

7.6.4 Squeeze-out

If, in accordance with Article 513 § 1(1) of the Companies Code and Articles 42 and 43 of the Takeover RD, Gfi Informatique, following the Bid or its reopening, possesses 95% of the Shares, it can require the remaining Securities Holders to sell their Securities at the relevant Bid Price, provided it has acquired, through acceptance of the Bid, at least 90% of the Shares that form the object of the Bid. For the purposes of application of the preceding paragraph, securities held by persons acting in concert with Gfi Informatique within the meaning of Article 513 § 1(4) of the Companies Code, shall be treated as securities held by Gfi Informatique itself.

If a Squeeze-out is launched, the Bid shall be reopened within three months from expiry of the Initial Acceptance Period (or the first reopening thereof) for a period of at least 15 Business Days. This reopening shall be at the same conditions as the Bid. The launch of a Squeeze-out and the reopening of the Bid shall be notified in advance.

Any such reopening shall be considered to be a simplified squeeze-out within the meaning of Article 513 of Companies Code, to which the Royal Decree of 27 April 2007 on squeeze-outs shall not apply.

Shares and Warrants not offered upon expiry of the acceptance period of the reopened Bid shall be deemed transferred to Gfi Informatique by operation of law. The funds necessary to pay the price for the Shares and Warrants thus transferred shall be deposited with the Bank for Official Deposits (*Deposito- en Consignatiekas* /*Caisse des dépôts et consignations*) in favour of the former Securities Holders that did not sign or submit the Acceptance Form in due time.

7.6.5 Application for a delisting

Even if the conditions for a reopening or Squeeze-out would not be satisfied, Gfi Informatique may apply for a delisting of the Shares pursuant to article 26, §1 of the Law of 21 November 2017, in which case such delisting will need to be approved by Euronext Brussels. The FSMA may oppose the delisting in the interest of the protection of investors. In such a case and assuming Gfi Informatique requests the delisting within three months following expiry of the Acceptance Period without having applied for a Squeeze-out beforehand, the Bid must be reopened in accordance with Article 35 of the Takeover RD.

7.7 SELL-OUT

If, in accordance with Article 513 § 1 (1) of the Companies Code, Gfi Informatique, following the Bid or its reopening, possesses 95% of the Shares, any Securities Holder can force Gfi Informatique to acquire its Securities at the relevant Bid Price, provided Gfi Informatique acquired, through acceptance of the Bid, at least 90% of the Shares. For the purposes of application of this paragraph, securities held by persons acting in concert with Gfi Informatique within the meaning of Article 513 § 1 (4) of the Companies Code shall be treated as securities held by Gfi Informatique itself.

In the event the right described in the preceding paragraph is exercised, the Securities Holders concerned shall bring their request to the attention of Gfi Informatique, within three months from expiry of the last Acceptance Period, by registered mail with acknowledgement of receipt. Gfi Informatique shall inform the FSMA of any such request, as well as the purchases made and the prices thereof.

7.8 ACCEPTANCE OF THE BID AND PAYMENT

7.8.1 Acceptance procedure for the Bid

7.8.1.1 Acceptance procedure for the Shares

(i) Valid tender of the Shares

In order for Shares to be tendered validly to the Bid, Shareholders must deliver to the Centralizing Receiving Agent the Acceptance Form (set forth in **Annex 1** (*Acceptance Form*)) at the latest on the last day of the Initial Acceptance Period before 4:00 p.m. CET correctly completed and duly signed, along with the following documents as the case may be:

for registered Shares:

- evidence of record in the shareholders register as provided by Realdolmen; and
- for natural persons: a copy of the Shareholders' identity card or passport containing a signature specimen; or
- for legal entities: a certified copy of the articles of association of the Shareholder, evidence of who can validly represent the Shareholder, the power of attorney, if any, and a copy of the identity card or passport containing a signature specimen of the person(s) competent to represent the Shareholder that executed the Acceptance Form.

for dematerialized Shares:

- no additional document is required.

The Shareholders who hold both registered and dematerialized Shares are explicitly requested to fill in two separate Acceptance Forms (for the registered Shares tendered to the Bid to be delivered by email (cfcm-ecm@bnpparibasfortis.com) to the Centralizing Receiving Agent and for the dematerialized Shares tendered to the Bid to be delivered to their financial institution or broker where such dematerialized Shares are held).

The Acceptance Form for the registered Shares is required to permit the Centralizing Receiving Agent to register the acceptance of the Bid and to make the necessary verification with Realdolmen of the shareholding of the Shareholder concerned. The Acceptance Form for the dematerialized Shares is required to permit Centralizing Receiving Agent to register the acceptance of the Bid and to permit the custodian of such tendered dematerialized Shares to transfer the Shares to the Centralizing Agent in favour of Gfi Informatique.

If the Shares are co-owned by two or more holders, each of them must sign the same Acceptance Form. If the Shares are subject to beneficial ownership, both the bare owner and the beneficial owner must sign the same Acceptance Form. If the Shares are pledged, both the pledging debtor and the creditor benefiting from such pledge must sign the Acceptance Form with the understanding that the creditor benefiting from the pledge will be deemed irrevocably and unconditionally to renounce and release the Shares concerned from his pledge.

(ii) *Centralizing Receiving Agent for the Shares*

BNP Paribas Fortis NV/SA acts as Centralizing Receiving Agent.

All Acceptance Forms (along with any other document that could be required) must be delivered:

> *for registered Shares*: these Acceptance Forms cannot be delivered through another financial institution or broker other than the above mentioned Centralizing Receiving Agent by email (cfcm-ecm@bnpparibasfortis.com); and
>
> *for dematerialized Shares*: directly with one of the offices of the Centralizing Receiving Agent, if the Shareholder has an account there or if the account is held elsewhere through the relevant financial intermediary.

All Acceptance Forms should be submitted during business hours and at the latest by 4:00 p.m. on 31 May 2018.

There are no costs for Shareholders who tender their Shares directly with the Centralizing Receiving Agent provided that such Shareholder has an account with the Centralizing Receiving Agent. Shareholders must inquire about the cost that other financial intermediaries might charge and which they will have to bear themselves.

(iii) *Payment of Shares - Transfer of title*

The Acceptance Form includes, for registered Shares, a power of attorney in favour of any director of Realdolmen to record the transfer in the shareholders' register and, for dematerialized Shares, a power of attorney in favour of the financial institution of the Shareholder to transfer the Shares by way of book-entry to the Centralizing Receiving Agent on a delivery free of payment basis once the condition of the Bid has been fulfilled or waived by Gfi Informatique. Shareholders who have validly tendered their Shares in the Bid during the Acceptance Period will be paid by transfer into the bank account specified by the Shareholder in the Acceptance Form in accordance with Section 7.10 (*Payment of consideration*).

The risk associated with and the title to the Shares that were validly tendered during the Acceptance Period will pass to Gfi Informatique on the initial settlement date (or relevant subsequent settlement date), upon payment of the Bid Price by the Centralizing Receiving Agent in the name of Gfi Informatique (i.e. when Gfi Informatique's account is debited for this purpose). The risk associated with the payment of the Bid Price remains with Gfi Informatique after it issues a payment instruction to the paying banks on the settlement date and passes to the Shareholder at the point the Bid Price consideration arrives at the Shareholder's first nominated financial intermediary or such financial intermediary's correspondent bank as applicable.

7.8.1.2 Acceptance procedure for the Fractions of Shares

(i) Valid tender of the Fractions of Shares

In order for Fractions of Shares to be tendered validly to the Bid, Shareholders must deliver to the Centralizing Receiving Agent the Acceptance Form (set forth in **Annex 1** (*Acceptance Form*)) at the latest on the last day of the Initial Acceptance Period before 4:00 p.m. CET correctly completed and duly signed, along with the following documents as the case may be:

for registered Fractions of Shares:

- evidence of record in the shareholders register as provided by Realdolmen; and
- for natural persons: a copy of the Shareholders' identity card or passport containing a signature specimen; or
- for legal entities: a certified copy of the articles of association of the Shareholder, evidence of who can validly represent the Shareholder, the power of attorney, if any, and a copy of the identity card or passport containing a signature specimen of the person(s) competent to represent the Shareholder that executed the Acceptance Form.

for dematerialized Fractions of Shares:

- no additional document is required.

The Shareholders who hold both registered and dematerialized Fractions of Shares are explicitly requested to fill in two separate Acceptance Forms (for the registered Fractions of Shares tendered to the Bid to be delivered by email (cfcm-ecm@bnpparibasfortis.com) to the Centralizing Receiving Agent and for the dematerialized Fractions of Shares tendered to the Bid to be delivered to their financial institution or broker where such dematerialized Fractions of Shares are held). The Acceptance Form for the registered Fractions of Shares is required to permit the Centralizing Receiving Agent to register the acceptance of the Bid and to make the necessary verification with Realdolmen of the shareholding of the Shareholder concerned. The Acceptance Form for the dematerialized Fractions of Shares is required to permit Centralizing Receiving Agent to register the acceptance of the Bid and to permit the custodian of such tendered dematerialized Fractions of Shares to transfer the Fractions of Shares to the Centralizing Agent in favour of Gfi Informatique.

If the Fractions of Shares are co-owned by two or more holders, each of them must sign the same Acceptance Form. If the Fractions of Shares are subject to beneficial ownership, both the bare owner and the beneficial owner must sign the same Acceptance Form. If the Fractions of Shares are pledged, both the pledging debtor and the creditor benefiting from such pledge must sign the Acceptance Form with the understanding that the creditor benefiting from the pledge will be deemed irrevocably and unconditionally to renounce and release the Shares concerned from his pledge.

(ii) Centralizing Receiving Agent for the Fractions of Shares

BNP Paribas Fortis NV/SA acts as Centralizing Receiving Agent.

All Acceptance Forms (along with any other document that could be required) must be delivered:

for registered Fractions of Shares: these Acceptance Forms cannot be delivered through another financial institution or broker other than the above mentioned Centralizing Receiving Agent by email (cfcm-ecm@bnpparibasfortis.com); and

for dematerialized Fractions of Shares: directly with one of the offices of the Centralizing Receiving Agent, if the Shareholder has an account there or if the account is held elsewhere through the relevant financial intermediary.

All Acceptance Forms should be submitted during business hours and at the latest by 4:00 p.m. on 31 May 2018.

There are no costs for Shareholders who tender their Fractions of Shares directly with the Centralizing Receiving Agent provided that such Shareholder has an account with the Centralizing Receiving Agent. Shareholders must inquire about the cost that other financial intermediaries might charge and which they will have to bear themselves.

(iii) Payment of Fractions of Shares - Transfer of title

The Acceptance Form includes, for registered Fractions of Shares, a power of attorney in favour of any director of Realdolmen to record the transfer in the shareholders' register and, for dematerialized Fractions of Shares, a power of attorney in favour of the financial institution of the Shareholder to transfer the Fractions of Shares by way of book-entry to the Centralizing Receiving Agent on a delivery free of payment basis once the condition of the Bid has been fulfilled or waived by Gfi Informatique. Shareholders who have validly tendered their Fractions of Shares in the Bid during the Acceptance Period will be paid by transfer into the bank account specified by the Shareholder in the Acceptance Form in accordance with Section 7.10 (*Payment of consideration*).

The risk associated with and the title to the Fractions of Shares that were validly tendered during the Acceptance Period will pass to Gfi Informatique on the initial settlement date (or relevant subsequent settlement date), upon payment of the Bid Price by the Centralizing Receiving Agent in the name of Gfi Informatique (i.e. when Gfi Informatique's account is debited for this purpose). The risk associated with the payment of the Bid Price remains with Gfi Informatique after it issues a payment instruction to the paying banks on the settlement date and passes to the Shareholder at the point the Bid Price consideration arrives at the Shareholder's first nominated financial intermediary or such financial intermediary's correspondent bank as applicable.

7.8.1.3 Acceptance procedure for the Warrants

(i) Valid tender of the Warrants

In order for Warrants to be tendered validly to the Bid, Warrant Holders must deliver by email (cfcm-ecm@bnpparibasfortis.com) to the Centralizing Receiving Agent the Acceptance Form (set forth in **Annex 1** (*Acceptance Form*) at the latest on the last day of the Initial Acceptance Period before 4:00 p.m. CET correctly completed and duly signed, along with the following documents as the case may be:

- evidence of record in the register of the Warrants as provided by Realdolmen; and
- for natural persons: a copy of the Warrant Holder's identity card or passport containing a signature specimen; or
- for legal entities: a certified copy of the articles of association of the Warrant Holder, evidence of who can validly represent the Warrant Holder, the power of attorney, if any, and a copy of the identity card or passport containing a signature specimen of the person(s) competent to represent the Warrant Holder that executed the Acceptance Form.

The Acceptance Form for the registered Warrants is required to permit the Centralizing Receiving Agent to register the acceptance of the Bid and to make the necessary verification with Realdolmen of the ownership of the Warrant Holder concerned.

If the Warrants are co-owned by two or more holders, each of them must sign the same Acceptance Form. If the Warrants are subject to beneficial ownership, both the bare owner and the beneficial owner must sign the same Acceptance Form. If the Warrants are pledged, both the pledging debtor and the creditor benefiting from such pledge must sign the Acceptance Form with the understanding that the creditor benefiting from the pledge will be deemed irrevocably and unconditionally to renounce and release the Shares concerned from his pledge.

(ii) Centralizing Receiving Agent for the Warrants

BNP Paribas Fortis NV/SA acts as Centralizing Receiving Agent.

All Acceptance Forms (along with any other document that could be required) cannot be delivered through another financial institution or broker other than the above mentioned Centralizing Receiving Agent by email (cfcm-ecm@bnpparibasfortis.com);

All Acceptance Forms should be submitted during business hours and at the latest by 4:00 p.m. on 31 May 2018.

There are no costs for Warrant Holders who tender their Warrants directly with the Centralizing Receiving Agent provided that such Warrant Holder has an account with the Centralizing Receiving Agent. Warrant

Holders must inquire about the cost that other financial intermediaries might charge and which they will have to bear themselves.

(iii) Payment of Warrants - Transfer of title

The Acceptance Form includes, for registered Warrants, a power of attorney in favour of any director of Realdolmen to record the transfer in the register of warrants once the condition of the Bid has been fulfilled or waived by Gfi Informatique. Warrant Holders who have validly tendered their Warrants in the Bid during the Acceptance Period will be paid by transfer into the bank account specified by the Warrant Holder in the Acceptance Form in accordance with Section 7.10 (*Payment of consideration*).

The risk associated with and the title to the Warrants that were validly tendered during the Acceptance Period will pass to Gfi Informatique on the initial settlement date (or relevant subsequent settlement date), upon payment of the Bid Price by the Centralizing Receiving Agent in the name of Gfi Informatique (i.e. when Gfi Informatique's account is debited for this purpose). The risk associated with the payment of the Bid Price remains with Gfi Informatique after it issues a payment instruction to the paying banks on the settlement date and passes to the Warrant Holder at the point the Bid Price consideration arrives at the Warrant Holder's first nominated financial intermediary or such financial intermediary's correspondent bank as applicable.

7.8.2 Withdrawal of acceptance

In accordance with Article 25 (1) of the Takeover RD, Securities Holders that have accepted the Bid may still retract their acceptance during the Initial Acceptance Period (or any subsequent Acceptance Period(s)). However, after the end of the Acceptance Period, acceptance of the Bid is irrevocable and unconditional.

Any withdrawal of an acceptance shall be made in writing and submitted to the financial intermediary to which the Securities Holder had delivered its Acceptance Form and must be received by the Centralizing Receiving Agent at the latest on the date of closing of the Initial Acceptance Period (or any subsequent Acceptance Period(s)) before 4:00 p.m. CET.

7.9 ANNOUNCEMENT OF THE RESULTS

In accordance with Article 32 of the Takeover RD, Gfi Informatique shall announce, within five Business Days following the end of the Initial Acceptance Period, (i) the results of the Bid, as well as the number of Shares Gfi Informatique holds following the Bid, (ii) the number of Warrants that have been validly conditionally tendered, and (iii) whether the conditions of the Bid have been fulfilled and, if not, if it waives the benefit of such conditions. If the conditions have been fulfilled or waived by Gfi Informatique, the Bid will be successful.

This announcement shall be made in a distributed press release and published on the following websites: www.realdolmentenderoffer.com, www.bnpparibasfortis.be/epargneretplacer (French and English), www.bnpparibasfortis.be/sparenenbeleggen (Dutch and English), www.gfi.world and www.realdolmen.com.

If the Bid is reopened as described in Section 7.6 (*Reopening of the Bid and Squeeze-out*), Gfi Informatique shall announce, within five Business Days following the end of the subsequent acceptance period(s), the results of the reopening, as well as the number of Securities Gfi Informatique holds thereafter. This announcement shall be made in a distributed press release published on the following websites: www.realdolmentenderoffer.com, www.bnpparibasfortis.be/epargneretplacer (French and English), www.bnpparibasfortis.be/sparenenbeleggen (Dutch and English), www.gfi.world and www.realdolmen.com..

7.10 PAYMENT OF CONSIDERATION

If the Bid is successful, then within ten Business Days following announcement of the results of the Initial Acceptance Period, Gfi Informatique shall pay the Bid Price to the Securities Holders that have validly offered their Securities during the Initial Acceptance Period, the Bid Price.

If there are subsequent Acceptance Periods (due to one or more reopening(s) of the Bid) as described in Section 7.6 (*Reopening of the Bid and Squeeze-out*) then within ten Business Days following the announcement of the results of the subsequent Acceptance Period(s), Gfi Informatique shall pay the Bid Price to the Securities Holders that have validly offered their Securities during the relevant Subsequent Acceptance Period.

The Bid Price shall be paid to the Securities Holders that have duly accepted the Bid, without condition or restriction, by wire transfer to the bank account specified by the Securities Holders in its Acceptance Form.

Gfi Informatique shall bear the tax on stock market transactions. See Sections 8.3.5 and 8.4.3 for more details. The Centralizing Receiving Agent shall not charge the Securities Holders any commission, fees or other costs under the Bid. Securities Holders registering their acceptance with a financial institution other than the Centralizing Receiving Agent are requested to inquire about any costs they could incur in connection with the Bid.

Risk and title to Securities validly tendered during the Initial Acceptance Period (or any subsequent Acceptance Period(s)) shall be transferred to Gfi Informatique on the initial settlement date (or relevant subsequent settlement date), upon payment of the Bid Price by the Centralizing Receiving Agent in the name of Gfi Informatique (i.e. when Gfi Informatique's account is debited for this purpose).

7.11 HIGHER BID

In the event of a higher bid (the price of which must be at least 5% above the Bid Price in accordance with Articles 37 to 41 of the Takeover RD), the Initial Acceptance Period shall be extended until expiry of the acceptance period for the higher bid.

In the event of a valid and more favourable higher bid and without prejudice to the commitments of the Supporting Shareholders, all Securities Holders that have offered their Securities under the Bid may exercise their right to retract their acceptance in accordance with Article 25 of the Takeover RD and the procedure described in Section 7.8 (*Acceptance of the Bid and payment*).

7.12 SUBSEQUENT INCREASE IN THE BID PRICE

If Gfi Informatique increases the Bid Price, all Securities Holders that accepted the Bid prior to the price increase will benefit from it.

7.13 OTHER ASPECTS OF THE BID

7.13.1 Financing of the Bid

As required by Article 3 of the Takeover RD, Gfi Informatique has entered into an irrevocable and unconditional bank credit facility for an amount of EUR 200 million with BNP Paribas Fortis SA/NV. The purpose of this credit line is solely for the purpose of the acquisition of all or part of the Securities. Should all the Securities be tendered to the Bid, this credit line would be fully drawn, increasing Gfi Informatique indebtedness by EUR 200 million. Gfi Informatique's equity would not be impacted.

The letter of certain funds dated 27 February 2018 and signed by BNP Paribas Fortis SA/NV states that an irrevocable and unconditional credit facility is available to Gfi Informatique for the purpose of the Bid.

7.13.2 Applicable law

This Bid is governed by Belgian law, in particular the Takeover Act and the Takeover RD. Any dispute relating to the present Bid shall be submitted to the exclusive jurisdiction of the Market Court (*Marktenhof / Cour des Marchés*) (Belgium).

7.13.3 Cost associated with the tender of Shares in the Bid

Gfi Informatique shall not pay any costs charged by financial intermediaries, other than the Centralizing Receiving Agent, to which Securities Holders submit their Acceptance Forms. If the Acceptance Forms are submitted to the Centralizing Receiving Agent, however, Securities Holders shall not be charged any costs for acceptance of the Bid. Securities Holders are therefore requested to inquire with their respective financial institution about any costs they may incur in connection with the Bid.

8. TAX TREATMENT OF THE BID

The information provided below does not purport to describe all tax implications of the Bid and does not take into account the specific circumstances of individual Securities Holders, some of which may be subject to special rules (such as credit institutions, organization for financing of pensions, insurance companies, undertakings for collective investment, securities or currency traders, and persons holding Securities as part of a straddle position, repo transaction, conversion transaction, hybrid transaction or any other integrated financial transaction), or tax laws of countries other than Belgium. The information provided in this Section is based on laws and practices in effect in Belgium on the date of this Prospectus. These laws and practices are subject to change, with retroactive effect as the case may be.

The information set out below does not constitute legal or tax advice or recommendations. Securities Holders are advised to ask their tax consultants about the tax implications of accepting the Bid, having regard to their specific situation.

Please find below a general overview of the potential tax implications of the Bid for each type of Securities Holder, i.e. the Shareholders and the Warrant Holders.

8.1 GENERAL DEFINITIONS

For the purposes of this Section, (i) "Belgian individual" means any individual subject to Belgian personal income tax (i.e. a natural person whose residence or seat of wealth are in Belgium or individuals treated as such for the purposes of Belgian tax law); (ii) "Belgian company" means any company subject to Belgian corporate income tax (i.e. a company with its registered office, principal place of business or place of effective management in Belgium); (iii) "Belgian legal entity" means any legal entity subject to the Belgian legal entities tax (i.e. a legal entity other than a Belgian company); and (iv) "non-resident" means a natural person, company or legal entity that does not fall into any of the three preceding categories.

8.2 TAXATION IN BELGIUM OF INCOME DERIVED FROM THE SHARES]

For Belgian income tax purposes, the gross amount of all benefits paid on or attributed to the Shares is generally treated as a dividend distribution. By way of exception, the repayment of capital carried out in accordance with the Belgian Companies Code is not treated as a dividend distribution to the extent that such repayment is imputed to and is deemed to derive from fiscal capital. This fiscal capital includes, in principle, the actual paid-up statutory share capital and, subject to certain conditions, the paid-up issuance premiums and the cash amounts subscribed to at the time of the issue of profit sharing certificates.

For any decision of capital reduction taken as from 1 January 2018 in accordance with the Belgian Companies Code, the amount of the capital reduction will be deemed to derive proportionally (a) from the fiscal capital of the Target, on the one hand and (b) on the other hand, from the total of (i) certain taxed reserves incorporated in the capital of the Target, (ii) certain tax reserves not incorporated into the capital of the Target and (iii) certain untaxed reserves incorporated into the capital of the Target (it being understood that the imputation of the capital reduction on these different categories of reserves will be made in that order of priority). The part of the capital reduction that is deemed to derive from the abovementioned taxed and untaxed reserves will be treated as a dividend distribution from a tax perspective and be subject to Belgian withholding tax, if applicable. The part of the capital reduction that is deemed to derive from the abovementioned untaxed reserves may additionally give rise to a corporate income tax charge at the level of the Target.

Belgian withholding tax of 30% is normally levied on dividends, subject to such relief as may be available under applicable domestic or tax treaty provisions.

In the case of a redemption of Shares, the redemption distribution (after deduction of the part of the fiscal capital represented by the redeemed Shares) will be treated as a dividend subject to a Belgian withholding tax of 30%, subject to such relief as may be available under applicable domestic or tax treaty provisions. No withholding tax will be triggered if this redemption is carried out on a stock exchange and meets certain conditions. In case of liquidation of the Company, any amounts distributed in excess of the fiscal capital will in principle be subject to a withholding tax of 30%, subject to such relief as may be available under applicable domestic provisions.

8.2.1 Belgian individuals

For Belgian resident individuals who acquire and hold Shares as a private investment, the Belgian dividend withholding tax fully discharges their personal income tax liability (i.e. they do not have to declare the dividends in their personal income tax return and the Belgian withholding tax in principle constitutes a final tax). They may nevertheless elect to report the dividends in their personal income tax return. Where the beneficiary opts to report them, dividends will normally be taxable at the lower of the generally applicable 30% withholding tax rate on dividends or at the progressive personal income tax rates applicable to the taxpayer's overall declared income. If the beneficiary reports the dividends, the income tax due will not be increased by local surcharges. In addition, if the dividends are reported, the dividend withholding tax withheld at source may be credited against the personal income tax due and is reimbursable to the extent that it exceeds the personal income tax due, provided that the dividend distribution does not result in a reduction in value of or a capital loss on the Shares. This condition is not applicable if the individual can demonstrate that he has held the Shares in full legal ownership for an uninterrupted period of 12 months prior to the payment or attribution of the dividends.

Since 1 January 2018, a (withholding) tax exemption applies on the first EUR 640 (amount for income year 2018) of certain dividend income received (per year) directly by Belgian tax resident individuals under certain equity instruments (such as the Shares). The Belgian federal government announced its intention to increase this tax exempt amount to EUR 800 per year (although this increase has not yet been enacted).

For Belgian resident individual investors who acquire and hold the Shares for professional purposes, the Belgian withholding tax does not fully discharge their income tax liability. Dividends received must be reported by the investor and will be taxable at the investor's personal income tax rate. Withholding tax withheld at source may be credited against the personal income tax due and is reimbursable to the extent that it exceeds the income tax due, subject to two conditions: (1) the taxpayer must own the Shares in full legal ownership at the time the dividends are paid or attributed and (2) the dividend distribution may not result in a reduction in value of or a capital loss on the Shares. The latter condition is not applicable if the investor can demonstrate that he has held the full legal ownership of the Shares for an uninterrupted period of 12 months prior to the payment or attribution of the dividends.

8.2.2 Belgian companies

8.2.2.1 Corporate income tax

For Belgian resident companies, the dividend withholding tax does not fully discharge the corporate income tax liability. Gross dividends (including the withholding tax) received must be reported and will be subject to corporate income tax at a rate of 29.58%, unless the reduced corporate income tax rate for small income companies (as provided for in Article 215 of the Belgian Income Tax Code) applies. Any Belgian dividend withholding tax levied at source may be credited against the corporate income tax due and is reimbursable to the extent that it exceeds the corporate income tax due, subject to two conditions: (1) the taxpayer must own the Shares in full legal ownership at the time the dividends are paid or attributed and (2) the dividend distribution may not result in a reduction in value of or a capital loss on the Shares. The latter condition is not applicable (a) if the company can demonstrate that it has held the Shares in full legal ownership for an uninterrupted period of 12 months prior to the payment of or attribution on the dividends or (b) if, during the said period, the Shares never belonged to a taxpayer other than a resident company or a non-resident company which has, in an uninterrupted manner, invested the Shares in a Belgian permanent establishment.

Belgium resident companies may generally (although subject to certain limitations) deduct up to 100% of gross dividends received from the taxable income, provided that at the time the dividends are paid or attributed, (1) they hold at least 10% of the share capital of the Company or a participation with an acquisition value of at least €2,500,000 (the "**Minimum Participation Condition**"); (2) they held or will hold the Shares in full legal ownership for an uninterrupted period of at least one year (the "**Minimum Holding Period Condition**") and (3) the conditions relating to the taxation of the underlying distributed income, as described in Article 203 of the Belgian Income Tax Code (the "**Article 203 ITC Taxation Condition**") are met (together, the "**Conditions for the application of the dividend received deduction regime**").

The Conditions for the application of the dividend received deduction regime depend on a factual analysis and for this reason the availability of this regime should be verified upon each dividend distribution.

8.2.2.2 Withholding tax

Dividends distributed to a Belgian resident company will be exempt from Belgian withholding tax provided that the Belgian company holds, upon payment or attribution of the dividends, at least 10% of the Company's share capital and such Shares are held or will be held during an uninterrupted period of at least one year.

In order to benefit from this exemption, the investor must provide the Company or its paying agent with a certificate confirming its qualifying status and the fact that it meets the two required conditions. If the investor holds the Shares for less than one year, at the time the dividends are paid on or attributed to the Shares, the Company will levy the withholding tax but will not transfer it to the Belgian treasury provided that the investor certifies its qualifying status, the date from which the investor has held the Shares, and the investor's commitment to hold the Shares for an uninterrupted period of at least one year. The investor must also inform the Company or its paying agent if the one-year period has expired or if its shareholding will drop below

10% of the Company's share capital before the end of the one-year holding period. Upon satisfying the one-year shareholding requirement, the levied dividend withholding tax will be refunded to the investor.

8.2.3 Belgian legal entities

For taxpayers subject to the Belgium income tax on legal entities, the Belgian dividend withholding tax in principle fully discharges its income tax liability.

8.2.4 Non-residents

8.2.4.1 Withholding tax

For non-resident individuals and companies, the dividend withholding tax will be the only tax on dividends in Belgium, unless the non-resident holds the Shares in connection with a business conducted in Belgium through a fixed base in Belgium or a Belgian permanent establishment.

If the Shares are acquired by a non-resident in connection with a business in Belgium, the investor must report any dividends received, which will be taxable at the applicable non-resident individual or corporate income tax rate, as appropriate. Withholding tax levied at source may be credited against non-resident individual or corporate income tax and is reimbursable to the extent that it exceeds the income tax due, subject to two conditions: (1) the taxpayer must own the Shares in full legal ownership at the time the dividends are paid or attributed and (2) the dividend distribution may not result in a reduction in value of or a capital loss on the Shares. The latter condition is not applicable if (1) the non-resident individual or the non-resident company can demonstrate that the Shares were held in full legal ownership for an uninterrupted period of 12 months prior to the payment or attribution of the dividends or (2) with regard to non-resident companies only, if, during the said period, the Shares have not belonged to a taxpayer other than a resident company or a non-resident company which has, in an uninterrupted manner, invested the Shares in a Belgian permanent establishment.

Non-resident companies whose Shares are invested in a Belgian permanent establishment may deduct up to 100% of the gross dividends included in their taxable profits if, at the date dividends are paid or attributed, the Conditions for the application of the dividend received deduction regime are met. Application of the dividend received deduction regime depends, however, on a factual analysis to be made upon each distribution and its availability should be verified upon each distribution.

8.2.4.2 Relief of Belgian withholding tax

Under Belgian tax law, withholding tax is not due on dividends paid to a foreign pension fund which satisfies the following conditions: (1) to be a legal entity with fiscal residence outside of Belgium; (2) whose corporate purpose consists solely in managing and investing funds collected in order to pay legal or complementary pensions; (3) whose activity is limited to the investment of funds collected in the exercise of its statutory mission, without any profit making aim; (4) which is exempt from income tax in its country of residence; and (5) provided that it is not contractually obligated to redistribute the dividends to any ultimate beneficiary of such dividends for whom it would manage the Shares, nor obligated to pay a manufactured dividend with respect to the Shares under a securities borrowing transactions. The exemption will only apply if the foreign pension fund provides a certificate confirming its qualifying status and that it is the full legal owner or usufruct holder of the Shares. The foreign pension fund must then forward that certificate to the Company or its paying agent.

Dividends distributed to non-resident companies established in a Member State of the EU or in a country with which Belgium has concluded a double tax treaty that includes an exchange of information clause and qualifying as a parent company, will be exempt from Belgian withholding tax provided that the Shares held by the non-resident company, upon payment or attribution of the dividends, amount to at least 10% of the Company's share capital and are held or will be held during an uninterrupted period of at least one year. A company qualifies as a parent company provided that (i) for companies established in a Member State of the EU, it has a legal form as listed in the annex to the EU Parent Subsidiary Directive of July 23, 1990 (90/435/EC), as amended by Directive 2003/123/EC of December 22, 2003, or, for companies established in a country with which Belgium has concluded a qualifying double tax treaty and it has a legal form similar to the ones listed in such annex, (ii) it is considered to be a tax resident according to the tax laws of the country where it is established and the double tax treaties concluded between such country and third countries and (iii) it is subject to corporate income tax or a similar tax without benefiting from a tax regime that derogates from the ordinary tax regime.

In order to benefit from this exemption, the investor must provide the Company or its paying agent with a certificate confirming its qualifying status and the fact that it meets the three aforementioned conditions. If the investor holds the Shares for less than one year, at the time the dividends are paid on or attributed to the Shares, the Company will deduct the withholding tax but will not transfer it to the Belgian treasury provided that the investor certifies its qualifying status, the date from which the investor has held the Shares, and the investor's commitment to hold the Shares for an uninterrupted period of at least one year. The investor must also inform the Company or its paying agent if the one-year period has expired or if its shareholding will drop below 10% of the Company's share capital before the end of the one-year holding period. Upon satisfying the one-year shareholding requirement, the levied dividend withholding tax will be refunded to the investor.

An exemption of withholding tax is available to dividend paid by a Belgian company to a non-resident company (located in the EEA or in a country with which Belgium has entered in a qualifying double tax treaty) to the extent that its participation in the distributing company represents less than 10% of the share capital of the distributing company but that its acquisition or investment value is at least equal to EUR 2,500,000.00 and that the participation has been or is held in full ownership for an uninterrupted period of at least one year. This exemption will apply to the extent that the withholding tax that would otherwise be due would not be creditable or refundable for the beneficiary of the dividend. For this exemption to apply, both the Belgian distributing company and the non-resident company receiving the dividend must fulfil the following conditions, i.e. they must (i) have one of the legal forms listed in the annex to the EU Parent Subsidiary Directive of November 30, 2011 (2011/96/EU) as amended by Directive 2014/86/EU of July 8, 2014 or, for companies established in a country with which Belgium has concluded a qualifying double tax treaty, have a legal form similar to the ones listed in such annex and (ii) be each subject to corporate income tax or a similar tax without benefiting from a tax regime that derogates from the ordinary tax regime. The application of this exemption is also subject to the fulfilment of certain formalities.

Belgium has concluded tax treaties with over 93 countries, reducing the dividend withholding tax rate to 20%, 15%, 10%, 5% or 0% for residents of those countries, depending on conditions, among others, related to the size of the shareholding and certain identification formalities.

Prospective holders should consult their own tax advisors as to whether they qualify for reduction in withholding tax upon payment or attribution of dividends, and as to the procedural requirements for obtaining a reduced withholding tax upon the payment of dividends or for making claims for reimbursement.

8.3 TAXATION IN BELGIUM UPON TRANSFER OF THE SHARES

8.3.1 Belgian individuals

As regards Belgian individuals, the tax treatment upon disposal of the Shares notably in the context of the Bid will depend on the type of investment.

For individuals holding Shares as a private investment, capital gains realized upon disposal of the Shares are generally not subject to Belgian income tax. Likewise, capital losses on the Shares are in principle not tax deductible.

However, individuals may be subject to income tax at a special rate of 33% (plus local surcharges) if the capital gain on the Shares is deemed to have been realized outside the scope of the normal management of their private estate. Capital losses on the Shares are in principle not tax deductible.

Capital gains realized by individuals upon disposal of Shares held for professional purposes are taxable at the normal progressive income tax rates (which are currently in the range of 25% to 50%, plus local taxes), except for Shares held for more than five years, in which case the capital gain is taxable at a separate rate of 16.5% (plus local taxes). Capital losses on the transfer of Shares held for professional purposes are in principle tax deductible.

Capital gains realized by Belgian resident individuals on the disposal of Shares for consideration, outside the exercise of a professional activity, to a non-resident company (or a body constituted in a similar legal form), to a foreign State (or one of its political subdivisions or local authorities) or to a non-resident legal entity with their registered office, main establishment or place of management or administration outside the European Economic Area, are in principle taxable at a rate of 16.5% (plus local surcharges) if, at any time during the five years preceding the sale, the Belgian resident individual has owned directly or indirectly, alone or with his/her spouse or with certain relatives, a substantial shareholding in the Target (that is, a shareholding of more than 25% in the Target).

8.3.2 Belgian companies

Capital gains realised upon disposal of the Shares notably in the context of the Bid by Belgian companies are exempt from Belgian corporate income tax provided that the income distributed in respect of the Shares is deductible pursuant to the Conditions for the application of the dividend received deduction regime.

In case the Minimum Participation Condition and/or the Article 203 ITC Taxation Condition is/are not met, the realized capital gains are considered as ordinary profits taxable at the standard corporate income tax rate of 29.58% (20.40% on the first bracket of EUR 100,000 for small companies within the meaning of Article 15 of the Companies Code, hereafter "SMEs")**.**

If the Minimum Holding Period Condition is not met (but the other Conditions for the application of the dividend received deduction regime are met), the capital gains realized upon disposal of the Shares by Belgian resident companies are taxable at a separate rate of 25.50% (20.40% on the first bracket of EUR 100,000 for SMEs).

Capital losses on Shares incurred by Belgian companies (regardless of whether they are SMEs) are not tax deductible.

The Shares held in the trading portfolios (*portefeuille commercial/handelsportefeuille*) of qualifying credit institutions, investment enterprises and management companies of collective investment undertakings which are subject to the Royal Decree of 23 September 1992 on the annual accounts of credit institutions, investment firms and management companies of collective investment undertakings (*comptes annuels des établissements de crédit, des entreprises d'investissement et des sociétés de gestion d'organismes de placement collectif/jaarrekening van de kredietinstellingen,de beleggingsondernemingen en de beheervennootschappen van instellingen voor collectieve belegging*) are subject to a different regime. The capital gains on such shares are taxable at the ordinary corporate income tax rates and the capital losses on such shares are tax deductible. Internal transfers to and from the trading portfolio are assimilated to a realization.

8.3.3 Belgian legal entities

Capital gains realized upon the transfer of Shares notably in the context of the Bid by legal entities are in principle tax exempt. Capital losses are not tax deductible.

8.3.4 Non-residents

Non-resident individuals or companies are, in principle, not subject to Belgian income tax on capital gains realized upon transfer of the Shares notably in the context of the Bid, unless the Shares are held as part of a business conducted in Belgium through a Belgian establishment. In such a case, the same principles apply as described with regard to Belgian individuals (holding the Shares for professional purposes) or Belgian companies.

Non-resident individuals who do not use the Shares for professional purposes and who have their fiscal residence in a country with which Belgium has not concluded a tax treaty or with which Belgium has concluded a tax treaty that confers the authority to tax capital gains on the Shares to Belgium, will be subject to tax in Belgium if the capital gains arise from transactions which are to be considered speculative or beyond the normal management of one's private estate and the capital gains are obtained or received in Belgium. Capital losses are generally not deductible.

8.3.5 Tax on stock exchange transactions

The purchase and the sale and any other acquisition or transfer for consideration of the Shares (secondary market transactions) is subject to a Belgian tax on stock exchange transactions (the "**Tax on Stock Exchange Transactions**") if (i) it is executed in Belgium through a professional intermediary, or (ii) deemed to be executed in Belgium, which is the case if the order is directly or indirectly made to a professional intermediary established outside of Belgium, either by private individuals with habitual residence in Belgium, or legal entities for the account of their seat or establishment in Belgium (both, a Belgian Investor). Gfi Informatique will bear the Tax on Stock Exchange Transactions .

The Tax on Stock Exchange Transactions is levied at a rate of 0.35% of the purchase price. This tax is however limited to a maximum of EUR 1,600 per transaction and per party. The tax is due separately by each party to the transaction, i.e. the seller (transferor) and the purchaser (transferee), and is collected by the professional intermediary.

However, if the intermediary is established outside of Belgium, the tax will in principle be due by the Belgian Investor, unless that Belgian Investor can demonstrate that the tax has already been paid. Professional intermediaries established outside of Belgium can, subject to certain conditions and formalities, appoint a representative (the "**Belgian Stock Exchange Tax Representative**"), which will be liable for the Tax on Stock Exchange Transactions in respect of the transactions executed through the professional intermediary. If the Stock Exchange Tax Representative would have paid the Tax on Stock Exchange Transactions due, the Belgian Investor will, as per the above, no longer be the debtor of the Tax on Stock Exchange Transactions.

No Tax on Stock Exchange Transactions is due on transactions entered into by the following parties, provided they are acting for their own account: (i) professional intermediaries described in article 2,9° and 10° of the Belgian Law of August 2, 2002; (ii) insurance companies described in article 2, §1 of the Belgian Law of July 9, 1975; (iii) professional retirement institutions referred to in article 2,1 of the Belgian Law of October 27, 2006 concerning the supervision on institutions for occupational pension; (iv) collective investment institutions; (v) regulated real estate companies; and (vi) Belgian non-residents provided they deliver a certificate to their financial intermediary in Belgium confirming their non-resident status.

The EU Commission adopted on February 14, 2013 the Draft Directive on a Financial Transaction Tax, or FTT. The Draft Directive currently stipulates that once the FTT enters into force, the Participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of November 28, 2006 on the common system of value added tax). For Belgium, the tax on stock exchange transactions should thus be abolished once the FTT enters into force. The Draft Directive regarding the FTT is still subject to negotiation between the Participating Member States and therefore may be changed at any time.

8.3.6 Annual Tax on Securities Accounts

As of financial year 2018, certain individuals holding certain types of qualifying securities such as shares, bonds, shares or units of undertakings for collective investment (UCI) and warrants, for an aggregate amount of at least EUR 500,000 on one or more securities accounts, are charged an annual subscription tax of 0.15% on the full balance of their share in the securities account(s). The individuals subject to this tax are (i) Belgian tax resident individuals holding (a share in) one or more securities accounts with Belgian and/or foreign financial intermediar(y)/(ies) and (ii) non-resident individual investors holding (a share in) one or more securities account with (a) Belgian financial intermediair(y)/(ies).

The Shares will be qualifying securities for the purposes of this tax. Prospective individual investors should thus be aware that the value of the Shares that they hold may be taken into account in determining whether the aforementioned EUR 500,000 threshold is met or not and that, depending on their concrete situation, an investment in the Shares may trigger a 0.15% tax on the value thereof (and possibly also on the value of any other qualifying securities they may hold through one or more securities accounts)**..**

8.4 TAXATION IN BELGIUM UPON TRANSFER OF THE WARRANTS

This section addresses the basic tax consequences related to capital gains or losses upon transfer or exercise of the Warrants in the context of the Bid only for Warrant Holders who are Belgian individuals or Belgian companies.

The below assumes that the warrants are currently vested or will become vested at the occasion of the Bid.

The Bidder will not be liable for any taxation on the part of the Warrant Holders, which shall exclusively be borne by the Warrant Holders.

8.4.1 Belgian individuals

8.4.1.1 Transfer of Warrants

Any capital gains realized on the transfer of the Warrants will in principle be subject to the tax regime for Shares described under Section 8.3.1 (*Belgian individuals*) above.

8.4.1.2 Exercise of Warrants during the Bid

If the Warrants are exercised prior to the closing of the Bid, the newly issued Shares that result from that exercise can be tendered in the Bid. Any capital gains realized upon the exercise of the Warrants will in principle be subject to the tax regime for Shares described under Section 8.3.1 (*Belgian individuals*) above.

Capital gains realized on Shares that were obtained as a consequence of the above exercise by Warrant Holders and that are tendered in the Bid will in principle be subject to the tax regime for Shares described under Section 8.3.1 (*Belgian individuals*) above.

8.4.1.3 Transfer of Warrants in the framework of a squeeze-out

Capital gains realized on the transfer of the Warrants in the framework of a squeeze-out will in principle be subject to the tax regime for Shares described under Section 8.3.1 (*Belgian individuals*) above.

8.4.2 Belgian companies

8.4.2.1 Transfer of Warrants

Any capital gains realized upon the transfer of the Warrants shall, as a principle, be subject to corporate income tax at the ordinary corporate income tax rate of currently 29.58% (20.40% on the first bracket of EUR 100,000 for SMEs).

8.4.2.2 Exercise of Warrants during the Bid

The tax treatment follows the accounting treatment at the level of the company holding the Warrants. Taxation of gains resulting from the exercise of the Warrants followed by a tender of the Shares in the Bid at the ordinary corporate income tax rate cannot be excluded. Warrant Holders are advised to consult their own tax advisor.

8.4.2.3 Transfer of Warrants in the framework of a squeeze-out

Any capital gains realized upon the automatic transfer of Warrants to the Bidder upon completion of the squeeze-out will, in principle, be subject to corporate income tax at the ordinary corporate income tax rate of currently 29.58% (20.40% on the first bracket of EUR 100,000 for SMEs) in the hands of the Warrant Holders, who should consult their own tax advisor.

8.4.3 Tax on Stock Exchange Transactions

The Tax on Stock Exchange Transactions is levied at a rate of 0.35% of the purchase price. This tax is however limited to a maximum of EUR 1,600 per transaction and per party. The tax is due separately by each party to the transaction, i.e. the seller (transferor) and the purchaser (transferee), and is collected by the professional intermediary. Gfi Informatique will bear the Tax on Stock Exchange Transactions .

However, if the intermediary is established outside of Belgium, the tax will in principle be due by the Belgian Investor, unless that Belgian Investor can demonstrate that the tax has already been paid. Professional intermediaries established outside of Belgium can, subject to certain conditions and formalities, appoint a Belgian Stock Exchange Tax Representative, which will be liable for the Tax on Stock Exchange Transactions in respect of the transactions executed through the professional intermediary. If the Stock Exchange Tax Representative would have paid the Tax on Stock Exchange Transactions due, the Belgian Investor will, as per the above, no longer be the debtor of the Tax on Stock Exchange Transactions.

No Tax on Stock Exchange Transactions is due on transactions entered into by the following parties, provided they are acting for their own account: (i) professional intermediaries described in article 2,9° and 10° of the

Belgian Law of August 2, 2002; (ii) insurance companies described in article 2, §1 of the Belgian Law of July 9, 1975; (iii) professional retirement institutions referred to in article 2,1 of the Belgian Law of October 27, 2006 concerning the supervision on institutions for occupational pension; (iv) collective investment institutions; (v) regulated real estate companies; and (vi) Belgian non-residents provided they deliver a certificate to their financial intermediary in Belgium confirming their non-resident status.

The EU Commission adopted on February 14, 2013 the Draft Directive on a Financial Transaction Tax, or FTT. The Draft Directive currently stipulates that once the FTT enters into force, the Participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of November 28, 2006 on the common system of value added tax). For Belgium, the tax on stock exchange transactions should thus be abolished once the FTT enters into force. The Draft Directive regarding the FTT is still subject to negotiation between the Participating Member States and therefore may be changed at any time.

8.4.4 Annual Tax on Securities Accounts

As of financial year 2018, certain individuals holding certain types of qualifying securities such as shares, bonds, shares or units of undertakings for collective investment (UCI) and warrants, for an aggregate amount of at least EUR 500,000 on one or more securities accounts, are charged an annual subscription tax of 0.15% on the full balance of their share in the securities account(s). The individuals subject to this tax are (i) Belgian tax resident individuals holding (a share in) one or more securities accounts with Belgian and/or foreign financial intermediar(y)/(ies) and (ii) non-resident individual investors holding (a share in) one or more securities account with (a) Belgian financial intermediair(y)/(ies).

The Warrants will be qualifying securities for the purposes of this tax. Prospective individual investors should thus be aware that the value of the Warrants that they hold may be taken into account in determining whether the aforementioned EUR 500,000 threshold is met or not and that, depending on their concrete situation, an investment in the Warrants may trigger a 0.15% tax on the value thereof (and possibly also on the value of any other qualifying securities they may hold through one or more securities accounts)].

ANNEX 1. ACCEPTANCE FORM

To be filled out in two originals:
- one original for the Securities Holder
- one original for the financial intermediary

Capitalized terms used in this Acceptance Form have the meaning ascribed to such terms in the Prospectus.

VOLUNTARY AND CONDITIONAL TAKEOVER BID IN CASH
FOR ALL SECURITIES OF REALDOLMEN NV ("REALDOLMEN")

BY GFI INFORMATIQUE
a public limited liability company (*société anonyme*) incorporated and existing under the laws of France, having its registered office at Boulevard Victor Hugo 145 at 93400 Saint Ouen, France and registered with the Bobigny Commercial and Companies Register under number 385.365.713

I, the undersigned (*name, first name)* ……………………………………………………………….

Residing at/Having its registered office at (*full address)* ……………………………………………………………………..
……………………………………………………………………..
……………………………………………………………………..

Declare, after having had the possibility to read the Prospectus, that:

(i) I accept the terms and conditions of the Bid described in the Prospectus;

(ii) I hereby agree to transfer the Securities identified in this Acceptance Form that I fully own to Gfi Informatique for a price consisting of a payment in cash of:

€ 37.00	**for each Share**	
€ 0.37	**for each Fraction of Share**	
€ 11.03	**for each Warrant**	

(iii) I transfer the Securities in agreement with the acceptance process described in the Prospectus.

I acknowledge that all representations, warranties and undertakings deemed to be made or given by me under the Prospectus are incorporated in this Acceptance Form with respect to the transfer of my Securities.

Shares		
Number	**Form**	**Instructions**
………………	Shares in dematerialized form (book-entry form)	These Shares are available on my securities account and I authorize the transfer of these Shares from my securities account to the Centralizing Receiving Agent.
………………	Shares in registered form	Realdolmen's letter confirming the ownership of the Shares is attached herewith. I request that these Shares be transferred to Gfi Informatique and that such transfer be registered in the register of the Shares of Realdolmen. I hereby appoint for purposes of such registration each director of Realdolmen as attorney-in-fact ("*mandataire*"/"*lasthebber*"), acting individually and with the right of sub-delegation.

Shares		
Number	**Form**	**Instructions**
………………	Fraction of Share in dematerialized form (book-entry form)	These Fractions of Shares are available on my securities account and I authorize the transfer of these Fractions of Shares from my securities account to the Centralizing Receiving Agent.
………………	Fraction of Share in registered form	Realdolmen's letter confirming the ownership of the Fraction of Share is attached herewith. I request that these Fractions of Shares be transferred to Gfi Informatique and that such transfer be registered in the register of the Fractions of Shares of Realdolmen. I hereby appoint for purposes of such registration each director of Realdolmen as attorney-in-fact ("mandataire"/"lasthebber"), acting individually and with the right of sub-delegation.

Number	Form	Instructions
……………	Warrants in registered form	Realdolmen's letter confirming the ownership of the Warrants is attached herewith. I request that these Warrants be transferred to Gfi Informatique and that such transfer be registered in the register of the Warrants of Realdolmen. I hereby appoint for purposes of such registration each director of Realdolmen as attorney-in-fact ("*mandataire*"/"*lasthebber*"), acting individually and with the right of sub-delegation.

I hereby request that on the payment date, the price be credited to my account IBAN Nr ………………………………..; BIC/SWIFT code: ……………………………….. opened with bank (*designation*) ………………………………………..

I am aware that:

(i) to be valid, this Acceptance Form must be submitted at the latest on the last day of the Acceptance Period (as extended, as applicable), *i.e.* 31 May 2018 before 4 p.m. (Brussels time) directly with the Centralizing Receiving Agent or through another financial intermediary (in accordance with Section 7.8.1 of the Prospectus); and

(ii) I will not bear any costs, fees and commissions in case of depositing the Acceptance Form directly with the Centralizing Receiving Agent, other than costs associated with the opening and management of cash accounts and/or securities accounts, if any. In the event that the Acceptance Form is delivered to a financial intermediary other than the Centralizing Receiving Agent, I will inquire about the costs, fees and commissions that such financial intermediary might charge and which I will have to bear.

I acknowledge to have received all information necessary to make an informed decision as to whether or not to tender my Securities to the Bid. I am fully aware of the lawfulness of this Bid and the risks related thereto and I have inquired about the taxes I could owe in the framework of the transfer of my Securities to Gfi Informatique, which I will exclusively bear, to the sole exception of the tax on stock market transactions, which will be borne by Gfi Informatique.

Made in two originals (*place*) at ……………………………
On (*date*) ……………………………………………..

For the Securities Holder:	For the Centralizing Receiving Agent / other financial intermediary:
(*signature*)	(*signature*)
(*name, first name*)	(*financial intermediary*)

March 31, 2017

Consolidated statement of comprehensive income for the period ended March 31, 2017

	31/03/2017	31/03/2016
	EUR '000	**EUR '000**
CONTINUING OPERATIONS		
Operating Revenue	**245.352**	**237.620**
Turnover	243.759	236.197
Other operating income	1.593	1.423
Operating Charges	**-233.359**	**-226.984**
Purchases of goods for resale, new materials and consumables	-91.861	-90.071
Services and other goods	-52.263	-47.311
Employee benefits expense	-87.749	-85.210
Depreciation and amortization expense	-2.223	-2.404
Impairment of inventory and receivables	631	-474
Provisions	890	-910
Other operating expenses	-784	-604
OPERATING RESULT before NON-RECURRING (REBIT)	**11.993**	**10.636**
Other non-recurring income	0	1.214
Other non-recurring charges	0	-53
OPERATING RESULT (EBIT) [1]	**11.993**	**11.796**
Financial income	2	39
Financial charges	-73	-195
Profit (Loss) before income taxes	**11.922**	**11.641**
Income taxes	-951	-981
Profit (Loss) for the year from continuing operations	**10.971**	**10.660**
Discontinued Operations		
Profit (Loss) for the year from discontinued operations	0	0
Profit (Loss) for the year	**10.971**	**10.660**

Total profit (Loss) for the year	**10.971**	**10.660**
Items that will not be reclassified subsequently to profit of loss	-373	13
Remeasurement of defined benefit plans, net of taks	-373	13
Other comprehensive income for the period	**-373**	**13**
Total comprehensive income for the period	**10.598**	**10.673**
Attributable to:		
Equity holders of the parent	10.598	10.673
Non-controlling interest	0	0
EPS (in EURO)		
Basic earnings per share (EUR)	2,107	2,047
Diluted earnings per share (EUR)	2,107	2,047

Consolidated statement of financial position for the period ended March 31, 2017

	31/03/2017	31/03/2016
	EUR '000	EUR '000
ASSETS		
Non Current Assets	**120.862**	**122.304**
Goodwill	89.214	89.214
Intangible assets	1.126	1.409
Property, plant and equipment	11.108	11.075
Deferred tax assets	19.158	19.415
Finance lease receivables	142	299
Long term receivables	114	892
Current Assets	**90.529**	**82.977**
Inventories	471	971
Trade and other receivables	61.765	55.141
Cash and cash equivalents	28.293	26.865
Total Current Assets	**90.529**	**82.977**
TOTAL ASSETS	**211.391**	**205.281**
EQUITY AND LIABILITIES		
Shareholder's Equity	**154.366**	**147.114**
Share capital	30.683	30.683
Treasury shares (-)	-55	-274
Share premium	32.196	32.196
Retained earnings	91.542	84.509
Equity attributable to equity holders of the parent	**154.366**	**147.114**
TOTAL EQUITY	**154.366**	**147.114**
Non-Current Liabilities	**2.817**	**3.774**
Obligations under finance lease	246	648
Bank loans and Other Borrowings	0	0
Other non-current liabilities	0	343
Retirement benefit obligations	1.306	1.543
Provisions	1.218	1.154
Deferred tax liabilities	47	87
Current Liabilities	**54.208**	**54.393**
Obligations under finance lease	245	239
Bank overdrafts and loans	0	2.193
Trade and other payables	53.321	50.421
Current income tax liabilities	546	384
Provisions	96	1.156

Total Current Liabilities	**54.208**	**54.393**
TOTAL LIABILITIES	**57.025**	**58.167**
TOTAL EQUITY and LIABILITIES	**211.391**	**205.281**

Consolidated statement of cash flows for the period ended March 31, 2017

	31/03/2017 EUR '000	31/03/2016 EUR '000
OPERATING RESULT (EBIT)(1)	**11.993**	**11.796**
Depreciation and amortisation	2.223	2.404
Provisions and allowances	-2.231	693
(Gains) / Losses on disposals of assets	0	-1.205
Other adjustments	-10	-9
Gross Operating Cash Flow	**11.975**	**13.679**
Changes in working capital	-2.220	-88
Net Operating Cash Flow	**9.755**	**13.591**
Income taxes paid	-563	-738
Net Cash Flow from Operating Activities	**9.192**	**12.853**
Interest received	0	2
Investments in intangible assets	-165	-289
Investments in property, plant and equipment	-1.805	-1.422
Cash-out deferred consideration on acquisition Alfea Consulting	0	-240
Disposals of intangible assets and property, plant and equipment	0	1.454
Net Cash Flow from Investment Activities	**-1.970**	**-495**
Interest paid	-16	-207
Capital decrease	0	-1.501
Dividend paid	-3.539	0
Increase / Decrease financial liabilities cash inflow	0	2.000
Increase / Decrease financial liabilities cash outflow	-2.239	-14.837
Cash Flow from Financing Activities	**-5.794**	**-14.545**
Changes in Cash and Cash Equivalents	**1.428**	**-2.187**
Net cash position opening balance	26.865	29.052
Net cash position closing balance	28.293	26.865
Total Cash movement	**1.428**	**-2.187**

(1) EBIT is earnings before interest and taxes

Consolidated statement of changes in equity for the period ended March 31, 2017

	Share Capital	Treasury shares	Defined Benefit Obligations	Share Premium	Convertible bond	Retained earnings	Total
	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000
Balance at April 1, 2015	**32.193**	**-499**	**-366**	**25.866**	**12.687**	**67.830**	**137.711**
Net profit/(loss)						10.660	10.660
Capital increase (2)				-6.357		6.357	0
Capital decrease (3)	-1.510						-1.510
Deferred consideration ex-Alfea shareholders (1)		225				15	240
Other comprehensive income			13				13
Balance at March 31, 2016	**30.683**	**-274**	**-353**	**19.509**	**12.687**	**84.862**	**147.114**
Balance at April 1, 2016	**30.683**	**-274**	**-353**	**19.509**	**12.687**	**84.862**	**147.114**
Net profit/(loss)						10.971	10.971
Deferred consideration ex-Traviata shareholders (4)		219				-26	193
Dividend (5)						-3.539	-3.539
Other comprehensive income (6)			-373				-373
Balance at March 31, 2017	**30.683**	**-55**	**-726**	**19.509**	**12.687**	**92.268**	**154.366**

(1) Relates to the payment on the deferred consideration in shares to the former Alfea Consulting shareholders for 240 KEUR. The difference of 15 KEUR last year relates to the realized profit on this payment since the fair value of the shares at the moment of payment was higher than the initial purchase price of the treasury shares.

(2) Reduction of capital in accordance with article 614 of the Belgian Companies Code, followed by a capital increase through absorption of the share premium in order to bring the capital to 32.193 KEUR, approved by the extraordinary shareholders' meeting of September 30, 2015.

(3) Reduction of capital approved by the extraordinary shareholders' meeting of September 30, 2015.
(4) Relates to the payment on the deferred consideration in shares to the former Traviata shareholders for 193 KEUR. The difference of 26 KEUR relates to the realized losses on this payment since the fair value of the shares at the moment of payment was lower than the initial purchase price of the treasury shares.
(5) Dividend payment as approved by the shareholders' meeting of September 14, 2016.

(6) IAS19 impact changes in assumptions on Defined Contributions Plans.

8.4.5 Condensed consolidated statement of comprehensive income for the period ended 30 September 2017

	30/09/2017 EUR '000	30/09/2016 EUR '000
CONTINUING OPERATIONS		
Operating Revenue	**114 214**	**114 407**
Turnover	113 398	113 582
Other operating income	816	825
Operating Charges	**-108 966**	**-110 614**
Purchases of goods for resale, new materials and consumables	-38 526	-40 288
Services and other goods	-25 413	-25 911
Employee benefits expense	-43 557	-43 380
Depreciation and amortization expense	-1 127	-1 114
Impairment of inventory and receivables	-151	264
Provisions	86	126
Other operating expenses	-278	-311
OPERATING RESULT before NON-RECURRING	**5 248**	**3 793**
Other non-recurring income	511	0
OPERATING RESULT (EBIT) (1)	**5 759**	**3 793**
Financial income	0	0
Financial charges	-38	-54
Profit (Loss) before income taxes	**5 721**	**3 739**
Income taxes	-256	-40
Profit (Loss) for the year from continuing operations	**5 465**	**3 699**
Discontinued Operations		
Profit (Loss) for the year from discontinued operations	0	0
Profit (Loss) for the year	**5 465**	**3 699**
Total profit (Loss) for the year	**5 465**	**3 699**
Total comprehensive income for the period	**5 465**	**3 699**
Attributable to:		
Equity holders of the parent	5 465	3 699
Non-controlling interest	0	0
EPS (in EURO)		
Basic earnings per share (EUR)	1,0495	0,7104
Diluted earnings per share (EUR)	1,0495	0,7104

(1) EBIT is earnings before interest and taxes

8.4.6 Condensed consolidated statement of financial position for the period ended September 30, 2017

	30/09/2017 EUR '000	31/03/2017 EUR '000
ASSETS		
Non Current Assets	**120 280**	**120 862**
Goodwill	89 214	89 214
Intangible assets	1 052	1 126
Property, plant and equipment	10 782	11 108
Deferred tax assets	19 002	19 158
Finance lease receivables	116	142
Long term receivables	114	114
Current Assets	**85 933**	**90 529**
Inventories	905	471
Trade and other receivables	56 457	61 765
Cash and cash equivalents	28 571	28 293
Total Current Assets	**85 933**	**90 529**
TOTAL ASSETS	**206 213**	**211 391**
EQUITY AND LIABILITIES		
Shareholder's Equity	**156 233**	**154 366**
Share capital	30 683	30 683
Treasury shares (-)	-55	-55
Share premium	32 196	32 196
Retained earnings	93 409	91 542
Equity attributable to equity holders of the parent	**156 233**	**154 366**
TOTAL EQUITY	**156 233**	**154 366**
Non-Current Liabilities	**2 097**	**2 817**
Obligations under finance lease	116	246
Retirement benefit obligations	1 287	1 306
Provisions	667	1 218
Deferred tax liabilities	27	47
Current Liabilities	**47 883**	**54 208**
Obligations under finance lease	227	245
Trade and other payables	47 179	53 321
Current income tax liabilities	427	546
Provisions	50	96
Total Current Liabilities	**47 883**	**54 208**
TOTAL LIABILITIES	**49 980**	**57 025**
TOTAL EQUITY and LIABILITIES	**206 213**	**211 391**

8.4.7 Condensed consolidated statement of cash flows for the period ended September 30, 2017

	30/09/2017 EUR '000	30/09/2016 EUR '000
OPERATING RESULT (EBIT) (1)	**5 759**	**3 793**
Depreciation and amortization	1 127	1 114
Provisions and allowances	-466	-455
Other adjustments	0	-17
Gross Operating Cash Flow	**6 420**	**4 435**
Changes in working capital	-2 463	-3 016
Net Operating Cash Flow	**3 957**	**1 419**
Income taxes paid	-329	-409
Net Cash Flow from Operating Activities	**3 628**	**1 010**
Investments in intangible assets	-225	-43
Investments in property, plant and equipment	-502	-919
Disposals of intangible assets and property, plant and equipment	12	0
Net Cash Flow from Investment Activities	**-715**	**-962**
Interest paid	-3	-11
Dividend paid	-2 510	-3 539
Increase / Decrease financial liabilities cash outflow	-122	-2 120
Cash Flow from Financing Activities	**-2 635**	**-5 670**
Changes in Cash and Cash Equivalents	**278**	**-5 622**
Net cash position opening balance	28 293	26 865
Net cash position closing balance	28 571	21 243
Total Cash movement	**278**	**-5 622**

(1) EBIT is earnings before interest and taxes

8.4.8 Condensed consolidated statement of changes in equity for the period ended September 30, 2017

	Share Capital	Treasury shares	Defined Benefit Obligations	Share Premium	Convertible bond	Retained earnings	Total
	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000
Balance at April 1, 2016	**30 683**	**-274**	**-353**	**19 509**	**12 687**	**84 862**	**147 114**
Net profit/(loss)						3 699	3 699
Deferred consideration ex-Traviata shareholders (1)		219				-26	193
Dividend (2)						-3 539	-3 539
Balance at September 30, 2016	**30 683**	**-55**	**-353**	**19 509**	**12 687**	**84 996**	**147 467**
Balance at April 1, 2017	**30 683**	**-55**	**-726**	**19 509**	**12 687**	**92 268**	**154 366**
Net profit/(loss)						5 465	5 465
Dividend (3)						-3 598	-3 598
Balance at September 30, 2017	**30 683**	**-55**	**-726**	**19 509**	**12 687**	**94 135**	**156 233**

(1) Relates to the payment on the deferred consideration in shares to the former Traviata shareholders for 193 KEUR. The difference of 26 KEUR relates to the realized losses on this payment since the fair value of the shares at the moment of payment was lower than the initial purchase price of the treasury shares.
(2) Dividend payment as approved by the shareholders' meeting of September 14, 2016.
(3) Dividend payment as approved by the shareholders' meeting of September 13, 2017.

ANNEX 4. RESPONSE MEMORANDUM REALDOLMEN

RESPONSE MEMORANDUM OF THE BOARD OF DIRECTORS

OF REALDOLMEN NV

with respect to

the voluntary and conditional public takeover bid by

Gfi Informatique S.A.

for all shares and warrants

issued by

Realdolmen NV

24 April 2018

This document is the English version of the response memorandum relating to the voluntary and conditional takeover bid by Gfi Informatique S.A. on Realdolmen NV. The response memorandum is also available in Dutch and in French. The Dutch version is the one which was approved by the FSMA The Company has verified and is responsible for the consistency between the respective versions. In case of differences between the English and French versions of the response memorandum, on the one hand, and the Dutch version as approved by the FSMA, the Dutch version will prevail.

The electronic version of the prospectus (including the response memorandum as an exhibit) is available on the websites of Realdolmen NV (www.realdolmen.com and www.realdolmentenderoffer.com), Gfi Informatique S.A. (www.gfi.world) and BNP Paribas Fortis NV/SA (www.bnpparibasfortis.be/sparenenbeleggen (Dutch and English) and www.bnpparibasfortis.be/epargneretplacer (French and English)).

Hard copies can be requested free of charge from BNP Paribas Fortis NV/SA by telephone at +32 (0)2 433 41 13.

Clause **Page**

1. GENERAL INFORMATION

1.1 Background information

On 23 February 2018, Gfi Informatique S.A., (the **Bidder** or **Gfi**), a public limited liability company (*société anonyme*) incorporated under French law, with its registered office at Boulevard Victor Hugo 145, 93400 Saint-Ouen, France and registered with the Bobigny Commercial and Companies Register under number 385.365.713, announced its intention to launch a voluntary and conditional takeover bid (the **Bid**) for all Shares and Warrants issued by Realdolmen NV, a limited liability company (*naamloze vennootschap*/*société anonyme*) incorporated under Belgian law, with its registered office at A. Vaucampslaan 42, 1654 Huizingen, with the company number 0429.037.235 (the **Company** or **Realdolmen**).

On 8 March 2018, the Belgian Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten*/*Autorité des Services et Marchés Financiers*) (the **FSMA**) has published a notification regarding the Bid, in accordance with Article 7 of the Belgian royal decree of 27 April 2007 on public takeover bids (*Koninklijk besluit op de openbare overnamebiedingen*/*Arrêté royal relatif aux offres publiques d'acquisition*) (the **Takeover RD**).

The board of directors of the Company (the **Board**) has examined the draft prospectus in view of drawing up this response memorandum in accordance with Articles 22 to 30 of the Belgian law of 1 April 2007 on public takeover bids (*Wet op openbare overnamebiedingen*/*Loi relative aux offres publiques d'acquisition*) (the **Takeover Act**) and articles 26 to 29 of the Takeover RD (the **Memorandum**). The Board approved this Memorandum on 24 April 2018. All directors of the Company were present or validly represented during this meeting.

The Board was assisted by PricewaterhouseCoopers Enterprise Advisory cvba/scrl, a cooperative company with limited liability (*cooperatieve vennootschap me beperkte aansprakelijkhied*/*société cooperative à responsabilité limitée*) incorporated under Belgian law, with its registered office at Woluwedal 18, 1932 Zaventem, with the company number 0415.622.333, which acted as financial expert to the Company (the **Financial Expert**).

1.2 Composition of the Board

The Board is composed as follows:

Name	Function	Executive – Non-executive
Nonomar BVBA, represented by its permanent representative Mr Henri Van Engelen	Chairman and independent director	Non-executive
Inge Buyse BVBA, represented by its permanent representative Mrs Inge Buyse	Independent director	Non-executive
Fast Forward Services BVBA, represented by its permanent representative Mrs Rika Coppens	Independent director	Non-executive
Mr Jozef Colruyt	Director	Non-executive

Mr Willem Colruyt	Director	Non-executive
Vauban NV, represented by its permanent representative Mr Gaëtan Hannecart	Independent Director	Non-executive
M&A Services BVBA, represented by its permanent representative Mrs Nadia Verwilghen	Independent director	Non-executive

The Board has approved this Memorandum unanimously.

1.3 Definitions

Except when indicated otherwise in this Memorandum, capitalized words and expressions have the same meaning as in the prospectus which was approved by the FSMA on 24 April 2018 (the **Prospectus** and together with this Memorandum, the **Offer Documents**).

2. DESCRIPTION OF THE BID

2.1 Object of the Bid and Bid Price

The Bid relates to all 5,207,767 currently outstanding Shares of the Company which represent the entire share capital of the Company. The Bidder offers EUR 37 (thirty-seven euros) in cash for each Share (the **Bid Price**).

The Bid also relates to all 80,000 outstanding Warrants issued by the Company. The price offered in cash for each Warrant tendered is EUR 11.03 (eleven euros and three cents). The strike price per Warrants is EUR 26 (twenty-six euros) and the expiration date of the Warrants is 12 July 2018.

The Bid Price represents a premium of 11% compared to the Company’s last closing price on 22 February 2018, and a premium of 22% and 28% compared to the volume weighted average share price over 3 months and 6 months, respectively, prior to Gfi’s announcement of its intention to launch a takeover bid.

The Bid is the outcome of a competitive process organized by the Company, with the assistance of Lazard. Mid-2017 the Board decided to start a strategic review to assess strategic alternatives with the aim to extend the Company’s footprint. The Board of Directors has established that the market of IT services transforms rapidly and the complexity only increases. Important investments are required to continue to offer full and future-oriented services which satisfy the needs of the clients. Moreover, there is a need for internationalisation in order to guide clients better with regards to their foreign growth. For this and other reasons, the market of IT services is consistently consolidating. By associating with a larger, international player, Realdolmen can take on this challenge and can better safeguard and further build its competitive position as one of the market leaders in the Belux. The company is thus enabled to attract and maintain strong competencies, also in the future.

In a first phase, Lazard informally contacted, on a no-name basis, about twenty companies to test their appetite for a possible cooperation with a Benelux company active in the information technology sector. As confidentiality was key, due to the public nature of the Company, its project based business and the retention of key employees, only a limited number of short-listed parties showing the highest interest and presenting the best fit were included in the second phase of the process.

On 22 February 2018, the Company has entered into a support agreement with the Bidder setting out the terms under which the Company will support the Bid. According to the terms of this agreement, the Company agreed not to tender the treasury shares, i.e. 3,192 Shares, in the Bid.

2.2 Support for the Bid by certain shareholders

On 22 February 2018, QuaeroQ CVBA, Etablissementen Franz Colruyt NV and Korys NV (the "**Supporting Shareholders**"), who in total hold 1,049,656 Shares in the Company (which represents 20.14% of all outstanding Shares) have marked their support to the Bid and have committed to contribute their Shares in the Bid.

Beside these undertakings, Korys NV will cause that the persons affiliated to Korys NV (for the avoidance of doubt other than Etablissementen Franz Colruyt NV), who hold in total 93,131 Shares, representing 1.78% of the capital of Realdolmen shall tender their Shares into the Bid under the same conditions as the Supporting Shareholdings.

2.3 Condition precedent

The Bid is subject to the condition precedent of the tender into the Bid, in aggregate, of a number of Shares that represents more than 75% of the Securities issued by the Company (on a fully diluted basis) and more than 75% of the voting rights attached to the Shares, as of the end of the acceptance period.

3. ASSESMENT OF THE CONSEQUENCES OF THE BID

The Board has examined the possible consequences of the Bid, as described in the Prospectus, taking into account the interests of the Company, of the holders of Securities, of the employees – including the employment – and of the creditors of the Company and has assessed the Bid as follows:

3.1 Assessment of the Bid in view of the interest holders of Securities

(a) The Shareholders

The Bidder is offering EUR 37 (thirty-seven euros) in cash for each Share.

The Board has noted the justification provided by the Bidder in the Prospectus (see Section 7.1.4.1 of the Prospectus) regarding the proposed price for the Shares.

The Board has obtained a fairness opinion from the Financial Expert. The fairness opinion takes into account different methods of valuation, including the DCF approach, market multiples approach, transaction multiples approach, the Company's share price and analyst research.

The DCF approach is based on a 4.5 year business plan. This business plan takes into account the transformation plan launched in 2015, focusing on revenue growth initiatives and margin improvement.

The Board notes that the Bid Price exceeds the valuation range set out in the fairness opinion.

Furthermore, the Board would like to add that:

- the premium can be viewed as a consideration for the future positive value that the Bidder expects to receive from the business that Realdolmen has established and the integration of the Company within its organisation. While the Board is confident that the Company's current business, people and organisation based on the 2015 transformation plan will, on a standalone basis, also bear fruits in the future, it remains uncertain to what extent and when, this value will continue to crystalize. This uncertainty is, *inter alia*, due to the competitive and rapidly evolving and consolidating environment in which the Company operates and the fact that IT investments are strongly linked to economic climate. There is therefore no guarantee at all that the present value of the execution of the Company's business plan will be near or equal to the currently offered price for each Share;

- there will always be a degree of uncertainty to what extent a successful execution of Realdolmen's business plan will effectively be reflected in the Company's share price;
- the Bidder has indicated that the shareholders should not assume that the dividend policy of the Company of the recent past will necessarily be continued in the future, and
- as mentioned above, the Supporting Shareholders, each individually, irrevocably committed to tender their Shares in the Bid. The other shareholders can draw comfort with respect to the terms of the Bid from the fact the Supporting Shareholders, each of whom has a thorough knowledge of the business of the Company, have concluded, for their respective investment perspective and rationale, that the terms of the Bid are such that it merits a hard commitment to tender their Shares.

On the basis of the above, and in particular based on the fact that the Bidder's justification of the price is consistent with the findings of the Financial Expert, the Board is of the opinion that the proposed Bid Price is fair.

(b) The holders of Warrants

The Bidder is offering EUR 11.03 (eleven euros and three cents) in cash for each Warrant tendered.

The Board refers to the justification of the proposed purchase price for the Warrants in the Prospectus (see Section 7.1.4.2 of the Prospectus) and to the fairness opinion of the Financial Expert and is of the opinion that the proposed purchase price for the Warrants is fair.

(c) Conclusion

Taking into account the above, the Board is of the opinion that the proposed purchase price for the Shares and for the Warrants is fair and that the Bid is in the best interest of all holders of Shares and Warrants.

3.2 Assessment of the Bid in view of the interest of the employees and employment

In the Prospectus, the Bidder states that:

"*Gfi Informatique attaches great importance to the skills and experience of the management team and employees of Realdolmen and their ongoing role in the success of Realdolmen. Consequently, Gfi Informatique has no intention to change the management team. Gfi Informatique believes that the employees and the management of the enlarged business will benefit from the increased opportunities that such a combination would bring. Gfi Informatique intends to ensure that Realdolmen continues to provide an environment for its employees within which they will be well placed to continue to flourish. At the date of this Prospectus, Gfi Informatique has no intention to amend the current terms and conditions of employment within Realdolmen. Moreover, the Bid may have a positive impact on employment within Realdolmen if synergies can be created and geographic expansion can be achieved. Ultimately, Gfi Informatique's objective for Realdolmen's employees is, as a result of further developing the business of Realdolmen, to create new employment opportunities. It is Gfi Informatique's hope and expectation that the vast majority of the*

Realdolmen employees adhere to Gfi Informatique's values for a long-term association and mutual benefits."

On the basis of the statements made by the Bidder in the Prospectus and the wider strategic implications of the combined entity (international, more diversified organisation with enlarged services offering), the Board is of the opinion that the Bid can have an overall positive impact on the interests of the employees of the Company and of the Group Companies.

On 16 April 2018, the works council of the Company adopted the following opinion:

"*Following the above, the members of the works council unanimously adopt a positive position towards the public takeover bid as described in the draft prospectus which was delivered to them on 11 April 2018.*

In that view, the works council supports article 3.2 of the response memorandum of the board of directors of Realdolmen."

3.3 Assessment of the Bid in view of the interest of the creditors

Based on the information included in the Prospectus and also taking into account the long term strategy which the Bidder pursues with the Bid, the Board does not see any reason why the Bid would adversely affect the interests of the creditors.

3.4 Assessment of the Bidder's key objectives for the Company and business rationale and the potential consequences thereof on the results, employments and locations

In the Prospectus, the Bidder has indicated that:

"*Gfi Informatique intends to maintain Realdolmen as a separate legal entity organised and existing under the laws of Belgium, with its head office in Huizingen (Belgium). At the date of this Prospectus, Gfi Informatique has no intention to carry out any material restructuring or reorganisation of Realdolmen.*"

The Board refers to the explanation of the Bidder in the Prospectus ("Objective and Intentions of Gfi Informatique") and confirms its belief in the Bidder's key objectives and business rationale for the Bid,, i.e.

(a) "*The combined group would have a comprehensive coverage of Europe with strong presence in all regions and three core markets, namely France, Iberia and BeLux. Although the latter may not be the largest, Gfi Informatique believes it is a dynamic one with potential for growth and a natural extension for some key clients of Gfi Informatique;*

(b) *The combined group would be able to market complementary portfolios, in terms of both customers and offerings; Gfi Informatique believes it is strong in providing specialty solutions (such as Outsourcing, Digital Transformation, IT Migration, CRM and Big Data) and vertical products (such as ERP software for Insurance, E-commerce companies, Time Management solutions and Document Management solutions) and considers Realdolmen to be strong in providing IT applications and infrastructure services for mid-size companies and business specific solutions (notably towards Healthcare and Finance companies and, more generally, with the automation of document storage and document streams);*

(c) *Realdolmen has valuable experience in serving mid-size companies and this experience may benefit to Gfi Informatique's activities in other countries; and*

(d) *The combined group would be offered potential opportunities to expand geographically, in the Benelux.*”

The Board is therefore of the opinion that the Bidder's key objectives for the Company and business rationale are promising.

3.5 General assessment

The Board unanimously supports the Bid. The Board unanimously considers the Bid to be in the best interest of the Company (including its shareholders):

- The Board is of the opinion that, on the basis of the information included in the Prospectus, the price offered by the Bidder is fair. Consequently, the Board recommends to the shareholders of the Company to tender their shares in the Bid.

- On the basis of the statements made by the Bidder in the Prospectus and the wider strategic implications of the combined entity (international, more diversified organisation with enlarged services offering), the Board is of the opinion that the Bid can have an overall positive impact on the interests of the employees of the Company and of the Group Companies.

- The Board believes that the Bid does not adversely affect the interests of its creditors

- The Board supports the Bidder's key objectives for the Company and business rationale.

4. DECLARATION OF INTENT

On the date of this Memorandum, the following Shares are held by the members of the Board or by persons who are in fact represented by those Board members and in this respect those persons make the following statements:

(a) Nonomar BVBA (Mr Henri Van Engelen) declares (i) that it does not own any Shares, and (ii) that it does not in fact represent a specific shareholder of the Company;

(b) Inge Buyse BVBA (Mrs Inge Buyse) declares (i) that it does not own any Shares, and (ii) that it does not in fact represent a specific shareholder of the Company;

(c) Fast Forward Services BVBA (Mrs Rika Coppens) declares (i) that it does not own any Shares, and (ii) that it does not in fact represent a specific shareholder of the Company;

(d) Mr Jozef Colruyt declares (i) that he represents a group of legal entities and persons affiliated to the Colruyt family which owns 661,926 Shares that will be tendered in the Bid and (ii) that any Shares he owns are included under (i);

(e) Mr Willem Colruyt declares (i) that he represents a group of legal entities and persons affiliated to the Colruyt family which owns 661,926 Shares that will be tendered in the Bid and (ii) that any Shares he owns are included under (i);

(f) Vauban NV (Mr Gaëtan Hannecart) declares (i) that it does not own any Shares, and (ii) that it represents QuaeroQ CVBA which owns 480,861 Shares that will be tendered in the Bid; and

(g) M&A Services BVBA (Mrs Nadia Verwilghen) declares (i) that it does not own any Shares, and (ii) that it does not in fact represent a specific shareholder of the Company.

On the date of this Memorandum, no member of the Board holds any Warrants.

On the date of this Memorandum, the members of the management team own 25,206 Shares that will be tendered in the Bid.

On the date of this Memorandum, the members of the management team own 80,000 Warrants that will be tendered in the Bid.

5. APPLICATION OF APPROVAL CLAUSES AND PRE-EMPTION RIGHTS

The articles of association of the Company do not contain any clauses of approval nor any pre-emption rights relating to the transfer of the Securities affected by the Bid.

6. FINAL PROVISIONS

6.1 Responsible persons

Realdolmen NV, a limited liability company (*naamloze vennootschap*/*société anonyme*) incorporated under Belgian law, with its registered office at A. Vaucampslaan 42, 1654 Huizingen, with the company number 0429.037.235 (*RPR*/*RPM* Brussels), represented by its board of directors, is responsible for the information included in this Memorandum.

The Board is composed of those members as set out above (under Section 1.2).

The Company, represented by its Board, declares that, to its knowledge, the information included in this Memorandum is true and accurate and that no information has been omitted whose disclosure would change the purpose of this Memorandum.

It also declares that the Company and the Board are not liable for the information included in the Prospectus.

6.2 Approval of the Memorandum by the FSMA

This Memorandum was approved by the FSMA on 24 April 2018 in accordance with Article 28, §3 of the Takeover Act. This approval does not imply an assessment of the suitability and the quality of the Bid.

6.3 Disclaimer

Nothing in this Memorandum should be construed as investment, tax, legal, financial, accounting or other advice. This Memorandum is not intended for use or distribution to persons if making the information available to such persons is prohibited by any law or jurisdiction. Holders of Securities need to make their own assessment of the Bid before making any investment decision and are invested to seek advice from professional advisors in order to assist them in making such decision.

6.4 Availability of the Memorandum

This Memorandum is included in the Prospectus.

This Memorandum is also available in an electronic version on the following websites: www.realdolmen.com, www.realdolmentenderoffer.com, www.gfi.world, www.bnpparibasfortis.be/sparenenbeleggen (Dutch and English) www.bnpparibasfortis.be/epargneretplacer (French and English).

ANNEX 5. GFI INFORMATIQUE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2017 AND AUDITORS' REPORT ON THESE FINANCIAL STATEMENTS[5]

[5] The information set out in this Annex 5 is an English translation of the corresponding information that the Bidder publishes on its website in the French language only. As such, regardless of the language of the prospectus, the financial communication of the Bidder towards its shareholders and investors occurs and will continue to occur in French.

2017

Consolidated financial statements

[redacted]

gfi.world

NEW CHALLENGES, NEW IDEAS

1. CONSOLIDATED FINANCIAL STATEMENTS

1.1. Consolidated comprehensive income statement

Net income

(in thousands of euros)		2017	2016
Revenue	*(Note 3)*	**1,131,874**	**1,015,415**
Staff costs	*(Note 4)*	(787,370)	(708,921)
Purchases and external charges		(243,683)	(211,602)
Taxes (other than corporation tax)		(16,496)	(16,095)
Depreciation (other than goodwill)		(17,978)	(16,678)
Other underlying operating income/(expenses)		2,647	(386)
OPERATING MARGIN		**68,994**	**61,733**
Operating margin %		6.1%	6.1%
Amortisation of intangibles identified on acquisitions		(2,421)	(1,873)
Restructuring costs	*(Note 5)*	(7,500)	(5,601)
Gains (losses) on disposals	*(Note 5)*	(36)	981
Goodwill impairment losses	*(Note 8)*	-	-
Other operating income and expenses	*(Note 5)*	(3,218)	(4,100)
OPERATING PROFIT		**55,819**	**51,140**
Income from cash and cash equivalents		58	110
Cost of gross debt		(3,921)	(3,302)
COST OF NET DEBT	*(NOTE 6)*	**(3,863)**	**(3,192)**
Other financial income (expenses)	*(Note 6)*	(1,306)	(1,143)
Income tax expense	*(Note 7)*	(13,341)	(14,696)
NET CONSOLIDATED INCOME FOR THE PERIOD		**37,309**	**32,109**
o/w attributable to owners of the Group		37,124	32,222
o/w non-controlling interests		185	(113)
Basic earnings per share (in euros)	*(Note 9)*	*0.56*	*0.49*
Diluted earnings per share (in euros)	*(Note 9)*	*0.56*	*0.49*

Other comprehensive income

(in thousands of euros)	2017	2016
NET CONSOLIDATED INCOME FOR THE PERIOD	**37,309**	**32,109**
Items that may be reclassified as net income		
Recognised translation differences	95	386
Changes in the value of hedging instruments	23	(71)
Other comprehensive income		
Changes in actuarial differences	(4,069)	(2,577)
Deferred taxes on changes in actuarial gains and losses	1,347	309
RECOGNISED COMPREHENSIVE INCOME	**(2,604)**	**(1,953)**
COMPREHENSIVE INCOME	**34,705**	**30,156**
o/w attributable to owners of the Group	34,520	30,269
o/w non-controlling interests	185	(113)

1.2. Consolidated cash flow statement

(in thousands of euros)		**2017**	**2016**
Consolidated net income		37,309	32,109
Net depreciation, amortization and other non-cash items		19,142	18,522
Fair value adjustments		441	588
Gains or losses on asset disposals		(598)	(1,033)
Dilution gain or losses		-	-
Operating cash flows after cost of net debt and income tax expense		**56,294**	**50,186**
Cost of net debt (adjusted for changes in fair value)		3,608	2,960
Cost of swaps		39	46
Tax charge		13,341	14,696
Operating cash flows before cost of net debt and income tax expense		**73,282**	**67,888**
Tax paid		(14,089)	(12,135)
- Change in working capital requirements from operations	*(Note 14)*	(35,496)	(22,195)
I- NET CASH FLOW FROM OPERATING ACTIVITIES		**23,697**	**33,558**
- Disbursements for acquisitions of intangible assets		(22,946)	(23,974)
- Disbursements for acquisition of property, plant and equipment		(11,891)	(11,488)
+ Proceeds on disposals of intangible assets and property, plant and equipment		6,658	2,906
- Disbursements for acquisition of financial investments		(479)	(198)
+/- Impact of changes in consolidation scope	*(Note 14)*	(15,158)	(49,198)
+/- Changes in loans and advances		(2,627)	(1,843)
II- NET CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES		**(46,443)**	**(83,795)**
+ Proceeds on issue of shares			
▪ Subscribed to by the equity holders of the parent		-	2,250
▪ Subscribed to by the non-controlling interests of consolidated subsidiaries		178	-
+/- Repurchases and sales of treasury shares		(67)	150
- Dividends paid during the period			
▪ to the equity holders of the parent		(9,963)	(9,875)
▪ to the non-controlling interests of consolidated subsidiaries		-	(234)
+ New borrowings	*(Note 6)*	10,270	50,014
- Repayment of borrowings	*(Note 6)*	(15,422)	(6,452)
+/- Change in factoring drawdowns		21,265	1,404
- Interest paid		(3,590)	(3,004)
- Cost of swaps		(38)	(46)
III- NET CASH FLOW FROM (USED IN) FINANCING ACTIVITIES		**2,633**	**34,207**
+/- Effect of changes in foreign exchange rates		(404)	72
CHANGE IN CASH AND CASH EQUIVALENTS		**(20,517)**	**(15,958)**

CHANGE IN NET FINANCIAL DEBT

(in thousands of euros)	**12.31.2016**	**Variation**	**12.31.2017**
Marketable securities	5,308	(5,163)	145
Cash at bank and in hand	23,617	5,913	29,530
Bank overdrafts	(11,750)	(21,267)	(33,017)
NET CASH AND CASH EQUIVALENTS	**17,175**	**(20,517)**	**(3,342)**
Non-current borrowings	(84,533)	3,180	(81,353)
Current borrowings (excluding bank overdrafts)	(33,908)	(19,553)	(53,461)
GROSS BORROWINGS	**(118,441)**	**(16,373)**	**(134,814)**
NET BORROWINGS	**(101,266)**	**(36,890)**	**(138,156)**

1.3. Consolidated statement of financial position

ASSETS

(in thousands of euros)		**12.31.2017**	**12.31.2016**
Goodwill	*(Note 8)*	283,126	280,935
Other intangible assets	*(Note 8)*	81,272	77,438
Property, plant and equipment	*(Note 8)*	21,315	19,342
Non-current financial assets	*(Note 11)*	14,909	11,907
Deferred tax assets	*(Note 7)*	8,068	5,070
Other non-current assets	*(Note 11)*	24,717	21,780
NON-CURRENT ASSETS		**433,407**	**416,472**
Goods purchased for resale		624	779
Trade receivables	*(Note 3)*	430,366	397,300
Other receivables	*(Note 12)*	39,729	36,069
Prepaid expenses		15,068	16,165
Cash and cash equivalents	*(Note 14)*	29,675	28,925
CURRENT ASSETS		**515,462**	**479,238**
TOTAL ASSETS		**948,869**	**895,710**

LIABILITIES

(in thousands of euros)		**12.31.2017**	**12.31.2016**
Share capital	*(Note 9)*	133,142	133,142
Additional paid-in capital		64,869	64,869
Consolidated reserves		129,839	105,110
Other		(6,186)	(3,435)
Translation reserve		(596)	891
Equity attributable to the Group		321,068	300,577
Non-controlling interests		850	31
EQUITY	***(Note 9)***	**321,918**	**300,608**
Non-current borrowings	*(Note 6)*	81,353	84,533
Deferred tax liabilities	*(Note 7)*	2,217	2,827
Non-current provisions	*(Note 10)*	45,497	39,096
Other non-current financial liabilities	*(Note 2)*	2,929	9,085
NON-CURRENT LIABILITIES		**131,996**	**135,541**
Current provisions	*(Note 10)*	5,310	6,233
Current borrowings	*(Note 6)*	86,478	45,658
Current financial liabilities	*(Note 6)*	60	83
Other current financial liabilities	*(Note 2)*	1,832	15,987
Trade payables		90,616	87,846
Tax and social security liabilities	*(Note 12)*	228,558	219,954
Other current liabilities	*(Note 12)*	13,807	15,122
Deferred income		68,294	68,678
CURRENT LIABILITIES		**494,955**	**459,561**
TOTAL EQUITY AND LIABILITIES		**948,869**	**895,710**

1.4. Change in consolidated shareholders' equity

(in thousands of euros)	**Share capital**	**Additional paid-in capital**	**Conso-lidated reserves**	**Treasury shares**	**Recog-nised income and expense**	**Translation reserves**	**Equity attributable to the Group**	**Non-controlling interests**	**Total equity**
POSITION AT 12.31.2015	**131,961**	**63,800**	**81,678**	**(1,130)**	**(116)**	**518**	**276,711**	**122**	**276,833**
2016 net income	-	-	32,222	-	-	-	32,222	(113)	32,109
Recognised income (expense)	-	-	-	-	(2,339)	386	(1,953)	-	(1,953)
2016 comprehensive income	**-**	**-**	**32,222**	**-**	**(2,339)**	**386**	**30,269**	**(113)**	**30,156**
Dividends paid	-	-	(9,875)	-	-	-	(9,875)	-	(9,875)
Treasury shares	-	-	(19)	150	-	-	131	-	131
Valuation of share-based payments	-	-	1,104	-	-	-	1,104	-	1,104
Capital increase	1,181	1,069		-	-	-	2,250	-	2,250
Change in consolidation scope	-	-	-	-	-	-	-	18	18
Change in translation reserve	-	-	-	-	-	(13)	(13)	4	(9)
POSITION AT 12.31.2016	**133,142**	**64,869**	**105,110**	**(980)**	**(2,455)**	**891**	**300,577**	**31**	**300,608**
2017 net income	-	-	37,124	-	-	-	37,124	185	37,309
Recognised income (expense)	-	-	-	-	(2,699)	95	(2,604)	-	(2,604)
2017 comprehensive income	**-**	**-**	**37,124**	**-**	**(2,699)**	**95**	**34,520**	**185**	**34,705**
Dividends paid	-	-	(9,963)	-	-	-	(9,963)	-	(9,963)
Treasury shares	-	-	(3)	(52)	-	-	(55)	-	(55)
Valuation of share-based payments	-	-	(536)	-	-	-	(536)	-	(536)
Capital increase	-	-	-	-	-	-	-	163	163
Change in consolidation scope	-	-	(1,893)	-	-	-	(1,893)	479	(1,414)
Change in translation reserve	-	-	-	-	-	(1,594)	(1,594)	-	(1,594)
POSITION AT 12.31.2017	**133,142**	**64,869**	**129,839**	**(1,032)**	**(5,154)**	**(608)**	**321,056**	**858**	**321,914**

2. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 Accounting rules and principles

Gfi Informatique SA is the parent company of an international Group providing IT services.

Gfi Informatique provides its structured know-how to customers in six areas: Consulting, Business Solutions, Application Services, Infrastructure Services & Outsourcing, Software and SAP.

On February 21, 2018 and March 20, 2018, the Board of Directors examined and approved the consolidated financial statements of Gfi Informatique. These financial statements will only be definitive after their approval by the shareholders' Annual General Meeting.

Significant accounting methods used for the preparation of the consolidated financial statements are described hereunder. Unless indicated otherwise, these methods were applied consistently in all the financial periods for which information is given in these statements.

1.1 STANDARDS USED

The accounting principles applied in preparing the consolidated financial statements are in compliance with IFRS as they were adopted by the European Union on December 31, 2017 and can be consulted at: https://ec.europa.eu/info/law/international-accounting-standards-regulation-ec-no-1606-2002/law-details_fr

These accounting principles are in line with those used in preparing the consolidated financial statements for the financial year ended December 31, 2016, except for the adoption of the following new standards and amendments:

- Amendment to IAS 12 – Recognition of Deferred Tax Assets for Unrealised Losses,
- Amendment to IAS 7 – Disclosure Initiative.

The Group decided against the early application of the following standards, interpretations and amendments whose application was not mandatory for the financial year beginning January 1, 2017:

- adopted by the European Union and not yet applicable:
  - IFRS 4 – Insurance contracts: Application of the standard,
  - IFRS 9 – Financial instruments,
  - IFRS 10 and IAS 28 – Sales or contributions of assets between an Investor and an Associate or Joint Venture (date of initial application postponed by the IASB to a date to be determined),
  - IFRS 15 – Revenue from Contracts with Customers,
  - IFRS 15 – Clarifications,
  - IFRS 16 – Leases,
  - IAS 40 – Transfers of Investment Property,
  - IFRS annual improvements (cycle 2015-2017),
- not yet adopted by the European Union:
  - IFRS 12 – Disclosure of Interests in Other Entities.

The IASB has also published the following Standards for which Gfi Informatique has identified no material impact on the Group's consolidated financial statements:

- IFRS 2 – Classification and Measurement of Share-based Payment Transactions,
- IFRS 17 – Insurance Contracts,
- IFRIC 22 – Foreign Currency Transactions and Advance Consideration,
- IFRIC 23 – Uncertainty over Income Tax Treatments,
- IAS 28 – Investments in Associates and Joint Ventures: Fair value measurement.

The Group is currently in the process of determining the potential impact of these new standards on its consolidated financial statements. The Group believes that, at this stage of the analysis, the impacts of applying these standards cannot be known with sufficient certainty.

Application of IFRS 15 - Revenue recognition

In May 2014, the IASB published IFRS 15 "Revenue from contracts with customers" along with clarifications in April 2016. The standard requires a single 5-stage model for recognising revenue, based on the transfer of control over the performance obligations identified as part of customer contracts.

As the application is mandatory at January 1, 2018, the Group conducted, in 2017, an internal project with the following objectives:

- the identification of the main differences between the current standard (IAS 18 and IAS 11) and IFRS 15,
- the collection of the necessary information to the assessment of the impacts on the consolidated financial statements and,
- the collection of the necessary information to the assessment of the impacts on the consolidated financial statements and,

Following this project, the Group identified the following subjects as the main restatements resulting from the application of IFRS 15:

- fixed-price Build and Run contracts: the identified issue concerned the existence of contract start-up costs that may not correspond to the definition of a separate performance obligation in certain cases.

  The application of IFRS 15 results in:

  - the revenue recognition up only to the level of services rendered during this start-up phase,
  - the capitalization of the cost incurred for the execution of this contract fulfilling the requirements of the standard (directly related to a contract, procuring to the entity new or increased resources that will be used to meet the service obligations in the future, and that Gfi Informatique expects to recover). The asset will be written of over the average duration of the contract.

  Based on our estimates, these different restatements will lead to a decrease in equity at December 31, 2017 of approximately €7 million, net of deferred tax.

- Software: the identified issue concerned the identification of the performance obligations, and specifically the distinction between licence and integration.

  The application of IFRS 15 results in:

  - the recognition of a single performance obligation in the case of the sale and integration of software considered as complex. The revenue from this performance obligation will be recognised overtime.

  Based on our estimates, this restatement will lead to a decrease in equity at December 31, 2017 of approximately €7 million, net of deferred tax.

1.2 BASIS OF PREPARATION

The financial statements are presented in euros rounded to the nearest thousand.

Estimates as well as critical judgements must be used in preparing the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). Management must also use its judgement in the application of Group accounting methods (see *Valuation methods* below).

The areas in which assumptions and estimates may have a material impact on the consolidated financial statements notably include the measurement of retirement benefit plans, testing of goodwill for impairment, provisions for liabilities and charges and the recoverability of deferred tax.

1.3 PRESENTATION

Assets linked to the Group’s normal operating cycle, assets held for sale within 12 months of the balance sheet date and available cash and marketable securities are reported under current assets. All other assets are reported under non-current assets. Liabilities falling due within the Group’s normal operating cycle or within 12 months of the balance sheet date are reported under current liabilities.

Note 2 Consolidation scope

2.1 ACCOUNTING POLICY AS TO CONSOLIDATED COMPANIES

CONSOLIDATION PRINCIPLES

The consolidated financial statements incorporate the financial statements of Gfi Informatique and its subsidiaries. Subsidiaries are consolidated as from the date of acquisition, which corresponds to the date on which the Group took control of them and until such time as control ceases.

Control is achieved when Gfi Informatique has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Intercompany transactions are eliminated on consolidation.

Valuation methods applied by Group companies are aligned with those used by the Group.

Non-controlling interests represent the portion of profit or loss and net assets that are not held by the Group. They are presented in equity in the consolidated balance sheet, separately from the parent shareholders' equity.

CLOSING DATE OF THE FINANCIAL STATEMENTS

Companies included in the consolidation scope were consolidated on the basis of the financial statements for the same reference period as the parent company.

FOREIGN CURRENCY TRANSLATION METHODS

Conversion of the financial statements in foreign currency

The Group's consolidated financial statements are prepared in euros.

The operating currency of each Group entity is the currency of the economic environment in which the entity operates.

All the assets and liabilities of consolidated entities whose functional currency is not the euro are converted at year-end into euros, which is the Group's reporting currency. Income and expense items are converted at the average exchange rates for the past financial year. Resulting exchange rate differences and those arising from the application of closing exchange rates to the subsidiaries' opening equity are recognised under *Translation reserve* in consolidated equity.

Exchange rate differences from converting net investment in foreign subsidiaries are recorded under equity.

When a foreign entity is sold, these exchange rate differences are incorporated in the income statement as part of the profit or loss from the sale.

Conversion of foreign currency transactions

Transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. All exchange differences are recognised to profit or loss except for exchange differences on items that, in substance, form part of the net investment in foreign operations that are recognised directly to equity.

2.2 CHANGES IN THE CONSOLIDATION SCOPE

Business combinations

The Group did not carry out any acquisition that falls within the scope of application of IFRS 3.

CHANGES IN OWNERSHIP INTERESTS

On June 14, 2017, the Group acquired, *via* Gfi Informatique SA, a 30% stake in the subsidiaries Somafor RCI and Somafor France from a minority shareholder individual. The Group now owns all the shares of both of these companies.

On March 1, 2017, the subsidiary Gfi Conseil et Intégration de Solutions (CIS) completed a capital increase in favour of some managers, enabling them to become minority shareholders with a 30% stake.

On August 4, 2017, the subsidiary Roffmex Consulting S.A. de C.V. completed a capital increase in favour of its minority shareholder Inndot S.A. de C.V. which now holds a 45% stake compared with its previous 30% stake in the Company.

MERGERS AND COMPANY NAME CHANGES

To simplify and streamline its organisation chart, the Group has carried out the following mergers:

- Efron Consulting, a Spanish subsidiary, absorbed by its parent company,
- Gfi PSF, a Luxembourg subsidiary, absorbed by Gfi Infrastructures Services.

The following Company name changes took place during the financial year:

- AST to Roff España Independientes SA,
- Gfi Infrastructure Services to Gfi PSF,
- Efromex to Gfi informatica Mexico S.A. de C.V.

2.3 IMPACT OF CHANGES IN CONSOLIDATION SCOPE

Other current and non-current financial liabilities

(in thousands of euros)	**12.31.2017**	**12.31.2016**
Other non-current financial liabilities	2,929	9,085
Other current financial liabilities	1,832	15,987
TOTAL	**4,761**	**25,072**

(in thousands of euros)		Debt maturities			
	12.31.2017	**2018**	**2019**	**2020**	**2021**
Other non-current financial liabilities	2,929	-	2,929	-	-
Other current financial liabilities	1,832	1,832	-	-	-
TOTAL	**4,761**	**1,832**	**2,929**	**-**	**-**

Other current and non-current financial liabilities include the liabilities incurred to acquire the consolidated subsidiaries (Metaware, Novulys and Somafor). The earn-outs calculated at December 31, 2017 are based on the expected results of the corresponding companies.

2.4 OFF BALANCE SHEET COMMITMENTS RELATED TO CHANGES IN CONSOLIDATION SCOPE

In the course of its disposals and acquisitions, the Group has given and received liability warranties, described below:

(in thousands of euros)				**12.31.2017**	
		Specific expiration			
Liability guarantees received in relation to the following acquisitions:	**Overall expiration**	**Tax and social security liabilities**	**Intellectual property**	**Overall, tax and social security limit**	**Intellectual property limit**
Tahis Consulting	06.25.2018	-	-	40	-
Ordirope	expired	12.31.2018	12.31.2018	410*	2,800
Business Document	expired	12.31.2018	12.31.2018	800*	12,500
Impaq	03.18.2018	03.18.2021	-	1,747	-
Efron	10.31.2018	legal prescription	-	2,000	-
Roff	04.04.2018	legal prescription	-	4,000 (+1,000 Angola)	
Metaware	11.22.2018	legal prescription	11.22.2021	600*	-
Novulys	10.10.2017	03.31.2018	-	322*	-
Computacenter	03.01.2018	legal prescription	-	400	-

** The limit on the warranty declines over time*

2.5 SUBSEQUENT EVENTS

Acquisition of Gesfor Group in Latin America

On February 22, 2018, Gfi Informatique acquired Gesfor Group which specialises in projects and application development. It also develops mobility and payment solutions and carries out fixed-price projects.

With 450 employees, Gesfor generates a revenue of 12 million euros, of which more than 90% is generated in Mexico and the remainder in Panama. The banking sector represents 80% of its revenue as, with 25 years of experience, Gesfor has been able to capitalise on its strong ties to banking leaders who were already customers of Gfi Informatique.

Acquisition of Cynapsys in Tunisia

On February 6, 2018, Gfi Informatique acquired the Cynapsys group companies (150 employees), a multi-specialist for French customers (in service centres), or local customers in Tunisia and in Africa in general. Cynapsys, already a group partner in some transactions in North Africa, generates revenue of 5 million euros with profitability in line with the comparable activities of Gfi Informatique.

Note 3 Revenue and trade receivables

3.1 REVENUE

Rules for the recognition of revenue are summarised below:

TECHNICAL ASSISTANCE, CONSULTING AND SYSTEMS INTEGRATION

Revenue arising from these services is recognised as and when the services are rendered. Revenue is determined by reference to the contractually agreed price and to billable chargeable hours spent on the job. Invoices to be raised or deferred income are recognised when billing is out of phase with the stage of completion.

SERVICES INVOICED FOR A FIXED AMOUNT

Revenue arising from these services is recognised overtime on the basis of costs incurred to date and costs that will be incurred subsequently. When it is probable that costs will exceed revenue, the expected loss is recognised immediately. Invoices to be raised or deferred income are recognised when billing is out of phase with the stage of completion.

SYSTEMS INTEGRATION ASSOCIATED WITH SALES OF SOFTWARE PACKAGES AND HARDWARE

That part of the revenue arising from the sale of software applications and hardware is recognised upon the transfer of the risks and rewards of ownership to the buyer. This transfer generally occurs on delivery, except when projects are of an unusually complex nature and may present particular completion risks, in which case projects are considered in their entirety and revenue is recognised according to the stage of completion. In this case, the project is considered as a whole and the revenue is recorded overtime.

The share of revenue relating to services is recorded overtime on the basis of the costs incurred and the costs remaining to be incurred.

SALES OF SOFTWARE AND HARDWARE

Revenue from the sale of software packages and hardware independently of any services is recognised when risks have been transferred to the buyer. This transfer occurs on delivery.

MAINTENANCE

Revenue arising from maintenance is recognised *prorata temporis* over the length of the contract.

TRANSACTIONS CARRIED OUT AS AN AGENT

When the Group acts as an agent, the revenue relating to the transaction is not recognised. Only the margin achieved on this transaction is recorded under *Revenue.*

3.2 SEGMENT REPORTING

The Group bases its segment reporting on geographic sectors in accordance with the internal management data used by Management.

The acquisition of the Efron, Roff and Impaq groups in 2016 resulted in the reorganisation of geographical segments by the management and the creation of two new segments: LatAm and Rest of the World.

The breakdown of revenue by geographical segment is therefore as follows:

(in thousands of euros)	**2017**	**Intragroup**	**France**	**International**	**Spain**	**Portugal**	**LatAm**	**Belux**	**Switzerland**	**Poland**	**Morocco & Africa**	**Rest of the World**
Revenue	1,131,874		842,860	289,014	126,992	76,706	15,670	27,464	9,734	15,914	12,668	3,866
	100%		74%	26%	11%	7%	1%	2%	1%	1%	1%	0%
Trade receivables	430,366	(7,285)	329,848	107,803	41,616	32,099	2,988	4,794	3,526	4,690	15,753	2,337

(in thousands of euros)	**2016**	**Intragroup**	**France**	**International**	**Spain**	**Portugal**	**LatAm**	**Belux**	**Switzerland**	**Poland**	**Morocco & Africa**	**Rest of the Worl**
Revenue	1,015,415	-	832,182	183,233	102,989	30,378	na	23,950	2,060	13,360	10,496	na
	100%	-	82%	18%	10%	3%	na	2%	0%	1%	1%	na
Trade receivables	397,300	(4,042)	311,336	90,006	36,267	31,955	na	4,678	284	5,263	11,559	na

3.3 TRADE RECEIVABLES

TRADE RECEIVABLES

Trade receivables are current financial assets, initially recognised at fair value and subsequently at amortised cost less any impairment loss. The fair value of trade receivables is deemed to be the face value, since their due date is usually less than three months.

IMPAIRMENT OF ACCOUNTS RECEIVABLE

Amounts disputed by customers are provisioned in full.

FACTORING

Gfi Informatique factors part of its receivables. Depending on the type of contract, the factoring company may be responsible for collecting the accounts receivable. Gfi Informatique and its subsidiaries have drawing rights limited to a certain fraction of the receivables assigned.

Trade receivables subject to drawing are kept in the “Trade receivables” item. A counterpart entry to the drawing is posted to “current borrowings”.

In the presence of a factoring agreement without recourse, receivables are not recognised under the “Trade receivables” but as “cash and cash equivalents”.

(in thousands of euros)	**12.31.2017**	**12.31.2016**
Trade receivables	157,837	137,792
Receivables sold to factoring companies	127,061	127,878
Impairment losses	(8,067)	(8,275)
TOTAL	276,831	257,395
Bills receivable	30	992
Invoices to be issued	153,505	138,913
TOTAL	**430,366**	**397,300**

All trade receivables are due within one year.

Changes regarding the provision for bad debts were as follows:

(in thousands of euros)	**12.31.2017**	**12.31.2016**
Accumulated provision at January 1	8,275	2,796
Depreciation	2,583	2,918
Reversals of provision	(2,264)	(2,767)
Change in consolidation scope	(313)	5,239
Foreign exchange effects	(214)	89
ACCUMULATED PROVISION AT THE CLOSING DATE	**8,067**	**8,275**

Trade receivables net of provisions are broken down as follows:

			Receivables overdue since		
(in thousands of euros)	**12.31.2017**	**Receivables not past due**	**Less than 6 months**	**6 to 12 months**	**Over 12 months**
Net trade receivables*	276,831	203,976	56,540	7,793	8,522

** Excluding bills receivable and Invoices to be issued*

Gfi Informatique’s top ten clients account for nearly 29% of 2017 consolidated revenue. None of these top ten clients alone represents more than 10% of the Group’s revenue.

In France, invoices worth 5,190 thousand euros excluding taxes were sold under a factoring agreement without recourse, and are therefore derecognised, as compared to 4,940 thousand euros at December 31, 2016.

In Spain and Portugal, invoices worth respectively 8,529 thousand euros excluding tax (7,060 thousand euros excluding tax at December 31, 2016) and 915 thousand euros excluding tax (595 thousand euros excluding tax at December 31, 2016) were sold under a factoring agreement without recourse and are therefore derecognised.

Note 4 Payroll and benefits expenses

4.1 HEADCOUNT

Average workforce	2017	2016
Managerial staff	12,219	10,503
Employees, technicians and supervisory staff	2,156	1,853
TOTAL	**14,375**	**12,356**

4.2 EMPLOYEE BENEFITS

PROFIT SHARING

Amounts distributed to employees under compulsory and discretionary profit-sharing schemes are reported under "Staff costs" in the statement of comprehensive income.

CICE

The French tax credit for competitiveness and employment (CICE) is reported in the statement of comprehensive income as a deduction from employee expenses.

RESEARCH COSTS AND RESEARCH TAX CREDIT

Research costs are recognised as an expense in the period when incurred.

Unless assigned to capitalised development costs, research tax credits (CIR) are recognised in underlying operating margin. They are reported as a deduction from employee expenses. If assigned to capitalised development costs, they are recorded as a deduction from capitalised development costs.

(in thousands of euros)	2017	2016
Wages and salaries	568,231	502,280
Social security costs	218,166	206,095
Profit sharing	973	546
TOTAL	**787,370**	**708,921**

The CICE credited in respect of 2016 amounted to 12,913 thousand euros compared with 10,700 thousand euros for 2016.

4.3 RETIREMENT BENEFIT PLANS

In the case of defined benefit plans covering post-employment benefits, the costs of these benefits are estimated using the projected unit credit method. The projected unit credit sees each period of service as giving rise to an additional unit of benefit entitlement applying the plan's vesting formula, taking into account the linearization effect when the rights do not vest uniformly over subsequent vesting periods.

Future payments corresponding to the benefits granted to employees are determined using various assumptions (rate of increase in salaries, retirement age, mortality, etc.) and these defined benefit obligations are then discounted to their present value using as discount rate the market yields on high quality corporate bonds.

When assumptions are revised, this results in actuarial differences that are recognised in the period in which they arise, not to profit or loss but directly to equity under *Recognised income and expense*.

Pursuant to the French pension reform act, the minimum legal age of retirement will increase gradually, by four months per year, from 60 years in 2010 to 62 years in 2018.

Excluding retirement benefits, the Group does not operate any other defined benefit plan in respect of post-employment benefits in Group companies.

The total value of the Group's total retirement indemnities payable in France changed as follows:

(in thousands of euros)	
PROVISION FOR RETIREMENT INDEMNITIES AT DECEMBER 31, 2015	**33,952**
Newly consolidated companies and other *	22
Cost of services rendered during the year	2,952
Interest costs	668
Amounts paid for severance/retirement during the year	(1,075)
Changes in actuarial differences	2,577
PROVISION FOR RETIREMENT INDEMNITIES AT DECEMBER 31, 2016	**39,096**
Newly consolidated companies and other*	423
Cost of services rendered during the year	3,412
Interest costs	677
Amounts paid for severance/retirement during the year	(2,180)
Changes in actuarial differences	4,069
PROVISION FOR RETIREMENT INDEMNITIES AT DECEMBER 31, 2017	**45,497**
** including taking on staff under outsourcing agreements*	

The legal and conventional indemnities are provisioned for each present employee of the Group according to their theoretical seniority on the date of their retirement, in accordance with IAS 19 as revised.

These commitments are based on the assumption that in all cases employees will leave at their own initiative. The average rate of social security costs applied is 47%. The calculation of the commitments includes:

- an attendance coefficient based on turnover by age bracket; the average in 2017 was 10% to 10.4% depending on the company,
- a wage increase rate of 2.25% to 3.00%, and,
- 2011-2013 INSEE mortality tables by gender.

The life of the plan is estimated at 14 years, the discount rate used is 1.51% (*versus* 1.75% at the end of 2016).

As regards sensitivity, a drop in this discount rate of 0.25 basis point would generate a 3% increase in the commitment.

Note 5 Operating income

5.1 OPERATING MARGIN BY SEGMENT

OPERATING MARGIN

The Group's key profit indicator, underlying operating margin, corresponds to operating profit before non-recurring items (including goodwill impairment losses) and before amortisation of recognized intangible assets from business combinations.

Gfi Informatique bases its segment reporting on geographic sectors in accordance with the internal management data used by Management.

Segment performance indicators, taking account of the new reorganisation of geographical segments, are as follows:

(in thousands of euros)	**2017**	**France**	**Spain**	**Portugal**	**LatAm**	**Belux**	**Switzerland**	**Poland**	**Morocco & Africa**	**Rest of the World**
Revenue	1,131,874	842,860	126,992	76,706	15,670	27,464	9,734	15,914	12,668	3,866
OPERATING MARGIN	68,994	48,234	6,623	7,845	694	1,728	398	2,897	423	152
Operating margin %	6.1%	5.7%	5.2%	10.2%	4.4%	6.3%	4.1%	18.2%	3.3%	3.9%

(in thousands of euros)	**2016**	**France**	**Spain**	**Portugal**	**LatAm**	**Belux**	**Switzerland**	**Poland**	**Morocco & Africa**	**Rest of the World**
Revenue	1,015,415	832,182	102,989	30,378	NA	23,950	2,060	13,360	10,496	NA
OPERATING MARGIN	61,733	49,300	5,370	2,948	NA	1,150	(465)	2,360	1,070	NA
Operating margin %	6.1%	5.9%	5.2%	9.7%	NA	4.8%	-22.6%	17.7%	10.2%	NA

5.2 NET OPERATING INCOME

Intangible assets recognised from business combinations

Amortisation associated with assigned intangible assets as part of the allocation of goodwill amounted to 2,421 thousand of euros (1,873 thousand of euros in 2016) and mainly concerns customer relationships.

Restructuring costs

Restructuring costs included in the operating profit are mainly related to France and Spain and amounted to 6,132 thousand of euros and 1,131 thousand euros respectively.

Other operating income and expenses

CONSOLIDATION TRANSACTIONS

In accordance with revised IFRS 3, costs related to business combination transactions are recorded under expenses.

FREE SHARES

The fair value of free shares allocated to employees is recognised under other operating income and expenses over the vesting period. Free shares are valued at the price on the day the share was allocated.

(in thousands of euros)		**2017**	**2016**
Business combinations transactions		(1,564)	(1,025)
Free shares		536	(1,104)
Disputes and tax/social security contingencies	*(Note 10)*	1,661	(200)
Relocation		(871)	(1,461)
Other		(2,980)	(310)
TOTAL		**(3,218)**	**(4,100)**

FREE SHARES

The Board of Directors meeting on January 21, 2016 allocated 310,000 rights to free shares to certain Group employees. The shares will be acquired by beneficiaries following a minimum vesting period of two years and are subject to Group performance conditions.

A revenue of 536 thousand euros was recognised over the period, resulting from updating the probability of performance attainment criteria for the awarding of free shares (see Note 9.5 Free share plans).

OTHER

Other non-current costs include:

- deferred interest on disposal of assets occurring during the year of 453 thousand euros;
- the impairment loss on the Théséus software for 800 thousand euros following the decision to change the ERP within the Group.

5.3 OFF BALANCE SHEET COMMITMENTS RELATED TO OPERATING ACTIVITIES

(in thousands of euros)	**12.31.2017**	**12.31.2016**
Guarantees on customer contracts	7,250	5,787
Guarantees on supplier contracts	113	69
Guarantees on the payment of rents	451	504
TOTAL	**7,814**	**6,360**

As part of an outsourcing contact in Spain signed in 2014, the Group assumed a certain number of initially uncertain liabilities totalling an estimated 3.8 million euros. A payment guarantee was given in that amount. Because of the low probability of payment, no provision was recognised.

Within the scope of its continuing activities, the Group has the following commitments in respect of non-cancellable lease agreements for real estate:

		Maturities		
(in thousands of euros)	**12.31.2017**	**Less than one year**	**1 to 5 years**	**Over 5 years**
Operating leases	52,809	15,105	36,934	770

The lease agreement for the head office was extended in 2015 to a six-year fixed term agreement from 2016. The rent due under this agreement, presented in the table above, amounted to 14.6 million euros at December 31, 2017.

Note 6 Financing and financial instruments

6.1 DEBT

When initially accounted for, borrowings are recorded at fair value adjusted to account for transaction costs directly attributable to the debt issuance.

Costs and issue premiums for loans are not included in the initial cost but are taken into account in calculating amortised cost using the effective interest method and are therefore recorded in income in an actuarial manner over the life of the debt

Borrowings

NON-CURRENT BORROWINGS

(in thousands of euros)	**12.31.2017**	**31.12.2016**
Bonds - long-term portion	24,885	24,827
Banks loans due in more than one year	56,468	59,706
TOTAL	**81,353**	**84,533**

CURRENT BORROWINGS

(in thousands of euros)	**12.31.2017**	**12.31.2016**
Bank loans due within 1 year	24,027	25,666
Finance lease obligations, short-term portion	124	204
Bank overdrafts	33,017	11,750
Amounts drawn down from factoring companies	29,267	8,006
Accrued interests on miscellaneous borrowings and debts	43	32
TOTAL	**86,478**	**45,658**

CHANGE IN BORROWINGS

In accordance with the new provisions of IAS 7, the Group will disclose for the first time the change in borrowings, which excludes bank overdrafts and accrued interest not yet due:

			"Non cash" changes				
(in thousands of euros)	**12.31.2016**	**Cash flows**	**Acquisitions**	**Change in exchange rate**	**Change in fair value**	**Payment schedule reclassifications**	**12.31.2017**
Long-term borrowings	84,533	10,254	-	-	82	(13,516)	81,353
Short-term borrowings	25,666	(15,326)	-	(3)	174	13,516	24,027
Finance lease obligations	204	(80)	-	-	-	-	124
Amounts drawn down from factoring companies	8,006	21,265	-	(4)	-	-	29,267
TOTAL ASSETS FROM FINANCING ACTIVITIES	**118,409**	**16,113**	**-**	**(7)**	**256**	**-**	**134,771**

BOND ISSUE

A bond was issued in 2014 for 25 million euros, maturing on December 27, 2019.

The issue bears interest of 3.947% per year. The interest on these bonds are payable yearly in arrears on December 27 of the year.

The AMF issued approvals No. 14–244, dated May 27, 2014 and No. 14-450, dated August 4, 2014, of the respective new issue prospectuses. These describe in detail the features of the issues and the debt. The prospectus is also accessible on the website (https://www.gfi.world/en/) in French only, under Shareholders' Information.

BANK LOANS

On October 9, 2015, the Group signed a syndicated credit agreement with a banking syndicate for 82.6 million euros. This agreement was amended on July 27, 2017, making an additional 37.0 million euros available to Gfi Informatique, which included:

- 12.0 million for financing acquisitions; and
- 25.0 million for financing working capital requirements.

10.4 million euros of this loan for acquisitions were drawn down.

The loan is redeemable over five years and carries interest at a variable rate.

It also authorises the Company to issue new EuroPP notes of up to 80 million euros.

This credit agreement accounts for most of the bank loans.

SUBSEQUENT EVENTS TO THE CLOSING DATE

In the context of the friendly takeover bid on Realdomen, Gfi Informatique signed a syndicated loan agreement on February 21, 2018, subject to the success of the takeover bid. The agreement provides for:

- a 200 million euros loan redeemable over five years (40% of the loan will be repaid on maturity) to finance the acquisition of Realdolmen;
- bridge financing for 110 million euros to refinance the existing syndicated loan and potentially the existing private placement also. This loan will be refinanced by a new private placement;
- a 50 million euros loan for acquisitions, redeemable over five years, which represents new sources of funds for the Group's acquisitions and investments;
- a five-year 50 million euros revolving credit to fund the Group's working capital requirements.

Debt maturities

(in thousands of euros)	**12.31.2017**	**2018**	**2019**	**2020**	**2021**	**Maturities beyond 2021**
Bonds	24,885	-	24,885	-	-	-
Bank loans	80,495	24,027	27,971	28,085	115	297
Finance lease obligations	124	124	-	-	-	-
TOTAL	**105,504**	**24,151**	**52,856**	**28,085**	**115**	**297**

The current portion of bank borrowings at December 31, 2017 shows the following maturities:

(in thousands of euros)	**12.31.2017**	**Less than 3 months**	**Between 3 and 6 months**	**Between 6 and 9 months**	**Between 9 and 12 months**
Loans due within one year *	24,201	11,714	762	11,602	123
** Capital due, nominal value*					

6.2 INTEREST RATE RISK ON CASH FLOWS

Fixed rate and variable rate distribution

The bank loans are subscribed at both fixed and variable rates according to the break down below (before interest rate hedges):

(in thousands of euros)		**12.31.2017**	**12.31.2016**
Variable interest rates	69%	55,826	58,072
Fixed interest rates	31%	25,527	26,461
NON-CURRENT BORROWINGS	**100%**	**81,353**	**84,533**

(in thousands of euros)		**12.31.2017**	**12.31.2016**
Variable interest rates	96%	22,957	19,357
Fixed interest rates	4%	1,070	6,309
CURRENT BORROWINGS	**100%**	**24,027**	**25,666**

LEVEL OF EXPOSURE

The Group’s exposure to risks of variation in market interest rates is linked to the level of its financial indebtedness. Interest rate management forms an integral part of debt management. The Group decides what proportion of the debt bears fixed interest rates and what proportion bears variable rates.

With this aim, the Group implements traditional swap type contracts. As at December 31, 2017, after taking account of the interest-rate swaps, 63% of the Group’s debt is at a fixed interest rate.

If the hedges are activated, the analysis of interest-rate sensitivity shows that a marginal 1 basis point increase in interest rates would have an impact of 0.4 million euros on the consolidated financial statements of Gfi Informatique on the basis of the financial liabilities recognised at December 31, 2017.

With regard to its principal financing contract, the Group hedged this loan within certain limits against an increase in the three-month Euribor.

Current financial liabilities

DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING

The Group’s current policy is to enter into transactions on the financial markets only for the purpose of hedging commitments arising from its activity and not for speculative purposes.

The Group uses derivative financial instruments such as interest rate swaps to cover itself against the risks associated with interest-rate variations. These derivative financial instruments are initially recorded at their fair value at the time when the contract is negotiated and later. The derivatives are recorded as assets when the fair value is positive and as liabilities when the fair value is negative.

The profits or losses resulting from the variations in the market value of hedge instruments, taken out to hedge future cash flows and for which the Group chose to apply hedge accounting, are recorded as equity capital at the hedge effectiveness percentage. When the Group chose not to apply hedge accounting, the profits or losses resulting from the variations in market value were entered into the income statement.

Current financial liabilities correspond to hedging instruments recognised at fair value. Some interest-rate hedging instruments are signed for a constant amount until maturity, whereas others are for amounts that decline gradually until maturity. These hedging instruments are valued in accordance with IFRS 7 revised, Level II, i.e. based on observable data other than a price listed on an active market.

At December 31, 2017 the Group used two hedging instruments, recorded under “Current financial liabilities” and with the following features:

(in thousands of euros)					Maturities				
Type of instrument	**Issue date**	**Date of expiration**	**Counter Party**	**Hedging at 12.31.2017**	**2018**	**2019**	**2020**	**2021**	**Fair Value**
Fixed rate swap	12.31.2015	09.30.2020	CACIB	13,560	4,520	4,520	4,520	-	(51)
Fixed rate swap	09.29.2017	09.30.2020	CACIB	11,829	3,943	3,943	3,943	-	(5)
Fixed rate swap	12.29.2017	09.30.2020	CACIB	5,216	-	2,608	2,608	-	(4)
CAP	12.31.2015	09.28.2018	CACIB	9,000	9,000	-	-	-	-
				39,605	**17,463**	**11,071**	**11,071**	**-**	**(60)**

6.3 DEBT-TO-EQUITY RATIO

The goal of the Group is to maintain a limited net debt-to-equity ratio in relation to equity capital. In the context of managing this goal, the Group seeks to maintain an optimal financial structure in relation to the financing of its external growth and the yield on its equity.

At December 31, 2017, the debt-to-equity ratio was as follows:

(in thousands of euros)	**12.31.2017**	**12.31.2016**
Net borrowings	138,156	101,266
Net equity	321,918	300,608
DEBT-TO-EQUITY RATIO	**43%**	**34%**

6.4 LIQUIDITY RISK

The goal of the Group is to maintain a balance between the continuity of financing and its flexibility thanks to the use of factoring contracts, overdrafts, bank loans and bonds debts.

Factoring agreements

Gfi Informatique has, through factoring agreements, credit facilities according to the value of the trade receivables sold. These credit facilities are limited to 100 million euros in France.

Bank overdraft facilities

The Group has negotiated bank overdraft facilities of up to 35.0 million euros. At December 31, 2017, the Group had used 16.1 million euros of these bank overdraft facilities, primarily in France.

EuroPPs issued

The credit agreement of October 9, 2015 authorises Gfi Informatique to issue new EuroPP notes for up to 80 million.

Agreements featuring so-called default covenants

The credit agreement of October 9, 2015, with a pool of banking institutions, includes so-called default covenants in the form of financial covenants with which the Group must comply (see Note 6.6 Off-balance sheet commitments relating to the Company’s financing activities).

6.5 FINANCIAL INCOME AND EXPENSE

Cost of net debt

(in thousands of euros)	**2017**	**2016**
Gains on disposal and income from marketable securities	58	110
INCOME FROM CASH AND CASH EQUIVALENTS	**58**	**110**
Interest expenses	(2,579)	(2,117)
Change in the fair value of borrowings and bonds	(255)	(232)
Interest expenses in connection with factoring	(1,087)	(953)
COST OF DEBT	**(3,921)**	**(3,302)**
TOTAL	**(3,863)**	**(3,192)**

Other financial income (expenses)

		2017	2016
Foreign exchange gains		357	326
Foreign exchange losses		(764)	(443)
Discounting effects		(140)	(340)
Provisions relating to employees	*(Note 4)*	(677)	(668)
Impairment losses		-	10
Other financial income (swaps and others)		21	30
Sundry financial expenses (swaps and others)		(103)	(58)
TOTAL		**(1,306)**	**(1,143)**

The discounting effects mainly concern receivables on loans to organisations hat collect employers' contributions to the "1% construction scheme" ("effort construction").

6.6 OFF-BALANCE SHEET COMMITMENTS RELATING TO THE COMPANY’S FINANCING ACTIVITIES

Pledges, guarantees and mortgages granted

As part of its financing arrangements with banks, the Group has pledged all shares that it holds in its subsidiary Gfi Progiciels.

Other commitments given in the context of financing operations

Within the framework of its main bank loan in France, the Group is obliged to comply with the following commitments.

CONTRACTUAL LIMITATIONS TO THE GROUP’S DIVIDEND PAYOUT POLICY

The Group is committed to adopting a dividend payout policy that takes into account the debt repayment requirements and payment of related interest. These payouts are limited to 40% of net income attributable to the Group if the R2 ratio is greater than 1.25.

CEILING ON INVESTMENTS

The Group must comply with certain ceilings on net investments.

COVENANTS

The financial criteria, measured at the yearly and half-yearly closing, are summarised below:

Covenants	Requirement	from 12.31.2015 to 06.30.2018	from 12.31.2018 to 06.30.2019	on 12.31.2019	on 06.30.2020
Net Financial Debt/EBITDA	R2 < than:	2.50	2.25	2.00	1.50
Net Financial Debt/Shareholders’ equity	R3 < than:	1.00	1.00	1.00	1.00

The amounts used to calculate these ratios are explained in detail in the terms of the loan agreement. The concept of EBITDA corresponds to underlying operating EBITDA plus the impact of restructuring costs and CVAE.

Gfi Informatique meets the bank contract requirements based on the 2017 balance sheet and performance. Therefore, the Group is not exposed to any risk of early payment related to covenants in respect of the financial year.

Note 7 Income tax expense

Accounting treatment of CVAE

The CVAE (French business value added tax), which according to the Group’s analysis complies with the definition of an income tax as set forth in IAS 12, is recorded under income tax.

For the period, the CVAE represented 10.4 million euros, as compared with 10.8 million euros in 2016.

Tax pooling

As at December 31, 2017, Gfi Informatique’s tax Group in France comprised sixteen companies (see table of consolidated companies in Note 18: List of consolidated companies). The existence of this tax consolidation group generated tax savings of 2,064 thousand euros over the year.

7.1 RECONCILIATION OF THEORETICAL AND ACTUAL INCOME TAX EXPENSE

The reconciliation between the tax expense and the result of the accounting profit multiplied by the applicable tax rate is as follows:

(in thousands of euros)	**2017**	**2016**
Profit before corporation tax	50,650	46,805
Parent company tax rate	33.33%	33.33%
Theoretical tax	16,882	15,600
Tax losses not recognised as deferred tax assets	5,658	1,153
Used to tax losses not recognised previously as deferred tax assets	(349)	(853)
Tax assets on non-recoverable consolidation adjustments	(2,873)	(1,230)
Impact of permanent tax differences	(4,316)	(3,771)
Impact of goodwill impairment losses	-	-
Impact of tax loss carry-forwards recognised	(4,065)	-
Impact of changes in tax rates	(1,539)	(710)
Net impact of CVAE	6,945	7,180
Tax savings from not-taxable income (CIR)	(3,040)	(2,838)
Other	38	165
INCOME TAX EXPENSE	**13,341**	**14,696**
Of which: Current tax	14,713	14,050
Deferred tax	(1,372)	646

Permanent differences include 4.3 million euros due to non-taxable CICE income, as compared to 3.6 million euros for 2016

7.2 DEFERRED TAXES

Deferred tax

Deferred taxes are recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are calculated using the balance sheet liability method at the tax rates known at the balance sheet date.

Deferred tax assets relating to tax loss carry-forwards are recognised only to the extent that it is probable that sufficient taxable profits will be available to allow these assets to be recovered.

Deferred tax assets and liabilities are offset at the level of the tax entity or tax group if one exists.

Deferred tax assets and liabilities are not discounted and are therefore reported at the nominal value.

At December 31, 2017, the sources of deferred taxes in France and abroad were as follows.

(in thousands of euros)	12.31.2016	Change in consolidation scope	Other and exchange differences	Impact on profit or loss	12.31.2017
Temporary differences arising from tax declarations					
Employee profit sharing and paid leave	416	-		(48)	368
Other tax timing differences	1,371	-	6	(992)	385
Temporary differences arising from consolidation adjustments					
Tax loss carry-forwards recognised	5,689	-	-	2,866	8,555
Provisions for retirement indemnities	13,024	141	1,356	636	15,157
Assets developed internally	(14,060)	-	-	(3,268)	(17,328)
Customer relationships	(3,310)	-	-	512	(2,798)
Other	1,805	-	(5)	(74)	1,726
NET DEFERRED TAX - FRENCH COMPANIES	**4,935**	**141**	**1,357**	**(368)**	**6,065**
Tax timing differences	422	-	(60)	522	884
Tax loss carry-forwards recognized	-	-	-	1,198	1,198
Customer relationships	(2,669)	788	10	173	(1,698)
Other	(445)	-	-	(153)	(598)
NET DEFERRED TAX - FOREIGN COMPANIES	**(2,692)**	**788**	**(50)**	**1,740**	**(214)**
NET DEFERRED TAX - TOTAL	**2,243**	**929**	**1,307**	**1,372**	**5,851**
Including: Deferred tax assets	5,070				8,068
Deferred tax liabilities	(2,827)				(2,217)

7.3 CARRYABLE TAX LOSSES

Recognition of tax loss carry-forward

Based on the projected consumption of tax losses, the Group used, both in France and abroad, capitalised tax loss carryforwards generating tax income of 4 million euros.

Tax loss carry-forwards

The tax savings from tax loss carry-forward from subsidiaries are shown in the table below:

(in thousands of euros)	Base at 12.31.2016	Tax losses used	New tax losses	Losses, exchange rate differences and corrections	Changes in consolidation scope and reclassification	Base at 12.31.2017	Future tax savings: Recognised	Future tax savings: Not recognised
France	40,506	(85)	15,138	-	-	55,562	8,555	9,963
Spain	4,574	(66)	120	-	(26)	4,602	691	483
Portugal	356	-	-	-	(356)	-	-	-
LatAm	-	(29)	218	(73)	251	367	-	119
Belux	416	(736)	-	5,368	-	5,048	507	875
Switzerland	4,199	(83)	683	(606)	2,791	6,984	-	1,676
Poland	3,686	-	-	-	(3,686)	-	-	-
Morocco and Africa	210	(196)	995	523	-	1,532	-	443
Rest of the World	-	-	360	(200)	1,026	1,186	-	209
TOTAL	**53,947**	**(1,195)**	**17,514**	**5,012**	**-**	**75,281**	**9,753**	**13,768**

Maturities

Breakdown of tax loss carryforwards by maturity:

		Expiration					
	Base at 12.31.2017	2018	2019	2020	2021	2022 and beyond	Without time limit
Tax losses carried forward	75,281	1,239	1,256	1,555	1,174	4,612	65,445

Note 8 Intangible assets and property, plant and equipment

8.1 MAIN ASSETS BY SEGMENT

The Group bases its segment reporting on geographic sectors in accordance with the internal management data used by Management.

(in thousands of euros)	12.31.2017	France	Spain	Portugal	LatAm	Belux	Switzerland	Poland	Morocco & Africa	Rest of the World
Goodwill	283,126	208,579	33,621	21,507	2,152	5,116	3,873	7,074	1,204	-
Other intangible assets	81,272	72,073	3,675	3,184	228	3	-	2,084	25	-
Property, plant and equipment	21,315	16,374	2,439	719	250	280	49	611	576	17

(in thousands of euros)	12.31.2016	France	Spain	Portugal	LatAm	Belux	Switzerland	Poland	Morocco & Africa	Rest of the World
Goodwill	280,935	213,328	35,601	16,614	NA	4,628	794	8,702	1,268	NA
Other intangible assets	77,438	63,613	3,960	7,402	NA	29	-	2,411	23	NA
Property, plant and equipment	19,342	14,704	2,319	1,155	NA	318	2	300	544	NA

8.2 GOODWILL

Business Combinations are accounted under the purchase method. The cost of an acquisition is measured as the sum of the counterpart transferred, measured at acquisition-date fair value, and the amount of all non-controlling interests (NCI) in the acquire. For each Business Combination, a choice is made to measure the non-controlling interests of the entity either at fair value or in accordance with their proportionate share of revalued net assets. The acquisition costs incurred are recognised as operating expenses for the period during which the corresponding services were rendered.

When the Group acquires an entity, it measures the acquired entity's assets and liabilities at fair value. When the Business Combination takes place in stages (Step Acquisitions), the investment held by the acquirer prior to control being obtained is measured at the fair value on the acquisition date, and the difference between this and the previous carrying amount is recognised in profit or loss under IFRS 3R.

Price adjustments are recognised at their acquisition-date fair value. They will be recorded as an asset or a liabilities and subsequent changes in fair value are recognised to profit or loss.

Resulting fair value adjustments are recognised on the same line as the asset or liability concerned. Residual goodwill being the excess of the cost of the Business Combination over the Group's interest in the net fair value of the identifiable assets and liabilities, it is recognised under "Goodwill" and allocated to each cash-generating unit likely to benefit from the Business Combination.

Subsequently, this goodwill is valued at cost less any impairment losses in accordance with the method described in the paragraph *Subsequent measurement of non-current assets*.

(in thousands of euros)	Gross values	Impairment losses	Net values
DECEMBER 31, 2015	**262,130**	**23,736**	**238,394**
Acquisitions	42,523	-	42,523
Disposals	-	-	-
Impairment for the period	-	-	-
Exchange differences	80	62	18
DECEMBER 31, 2016	**304,733**	**23,798**	**280,935**
Acquisitions	2,283	-	2,283
Disposals	-	-	-
Impairment for the period	-	-	-
Exchange differences	(669)	(577)	(92)
DECEMBER 31, 2017	**306,347**	**23,221**	**283,126**

Changes during the financial year

The valuation of the fair value of identifiable assets, liabilities and contingent liabilities related to acquisitions carried out in 2016 was completed during the year. The impact on goodwill valuation is 2.3 million euros. As the corresponding adjustments to the comparative accounts are not significant, they were not reprocessed, in accordance with IFRS 3.

Cash-generating units (CGU)

CGUs are identified on the basis of the geographical segments used by Management and in accordance with the "Services" and "Software" businesses.

At the national level, both businesses may be developed (as is the case in France and Spain). In fact, the various "Services" operations have generated powerful synergies, whilst the "Software" operations, owing to their specific nature, are relatively independent.

In view of this structure (geographical segments and businesses), and on the basis of the 2016 acquisitions, the Group now has ten CGUs, including three new ones:

- The "Poland" CGU,
- The "Morocco" CGU,
- The "LatAm" CGU, which encompasses the following countries: Brazil, Mexico, Colombia and the United States.

SUBSEQUENT MEASUREMENT OF NON-CURRENT ASSETS

Changes in the value of non-current assets are reviewed annually or more frequently if internal or external events or circumstances suggest that their value might have been impaired. If performances are significantly below the budgets used as a basis for determining carry values in the past, this is considered as evidence of a possible impairment in the value.

In particular, the carrying value at which goodwill is stated on the balance sheet is compared to the recoverable value. The recoverable value is the higher of the fair value less costs to sell and the value in use. To determine value in use, assets are regrouped into CGUs when it is not possible to determine cash inflows generated independently from assets or groups of assets. The CGUs correspond to the homogeneous units generating identifiable cash flows.

The value in use of a CGU is determined using the Discounted Future Cash Flow (DCF) method according to the following principles:

- cash flows arise from operational budgets set by Management for the coming financial year with predictions of changes in revenue, operating margins and WCR levels for the next four years;
- the combination of the discount rate and the infinite growth rate is in line with the standard values used in the sector for comparable profile groups;
- the terminal value is calculated by totalling to infinity the discounted cash flows, calculated according to a standardised flow and a perpetual growth rate. This growth rate is consistent with the development potential of the markets in which the entity concerned operates as well as with its competitive positioning.

The recoverable amount of the CGU determined as described above is then compared to the carrying value of the non-current assets (goodwill included) as reported in the consolidated balance sheet. An impairment loss is recognised if the carrying value of the CGU exceeds its recoverable amount, with the offsetting credit entry being against goodwill in priority.

Measurement method applied to continuing operations

The value in use of the CGUs is determined using the discounted future cash flow method (DCF).

Perpetual growth rates used:

- 2.0% for the France, Belux and Switzerland CGUs (2.0% at 2016 year-end),
- 2.0% for the Spain and Portugal CGUs (1.5% at 2016 year-end),
- 2.0% for the Poland, LatAm and Morocco CGUs.

The discount rates used for the year are presented below. This rate was 9.5 for all CGUs in 2016.

- 9.0% for the France, Belux and Switzerland CGUs,
- 9.5% for the CGUs in Spain,
- 10.0% for the Portugal and Poland CGUs,
- 12.0% for the LatAm and Morocco CGUs.

Business Projections are based on operating budgets set by Management for the 2018 financial year. For 2019 to 2022, the growth rates used were then between 3% and 8% for all CGUs.

Given the assumptions used in terms of profitability and working capital requirements, the tests carried out in 2017 did not lead to any impairment being recorded.

Sensitivity testing and goodwill impairment losses for each CGU

At year-end, the Group's assessment of the reasonably possible change in key assumptions corresponded to the brackets of values used in the sensitivity tests which are presented below:

- 0.5 basis point increase in discount rate,
- 0.5 basis point decrease in growth rate to infinity,
- 0.5 basis point decrease in margin over all 2018 to 2022 cash periods,
- 0.5 basis point decrease in revenue growth rate over all 2018 to 2022 cash periods,
- 10% decrease in working capital assumptions.

Sensitivity testing also uses the combined decrease of several of these assumptions, depending on their sensitivity.

At December 31, 2017, the results of the sensitivity tests show that no reasonably possible change in key assumptions brought the recoverable value of these CGUs below their net carrying amounts.

IN FRANCE

France accounts for 74% of the Group's goodwill. This amounted to 209 million euros at December 31, 2017 and breaks down as 148 million euros for the "Services Business" CGU and 61 million euros for the "Software Business" CGU.

INTERNATIONALLY

Goodwill internationally was 75 million euros. With the exception of Spain, the international CGUs correspond to the "Services" business.

In Spain, this amounted to 34 million euros at December 31, 2017 and breaks down as 33 million euros for the "Services Business" CGU and 1 million euros for the "Software Business" CGU.

Goodwill from the Roff and Efron acquisitions were assigned to the "Service Business" CGUs for the following geographical regions: Portugal, Spain, Switzerland and LatAm, respectively.

Goodwill from the Impaq acquisition was assigned to the new Poland CGU.

8.3 OTHER INTANGIBLE ASSETS

INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

Intangible assets and property, plant and equipment are stated at cost less any accumulated amortisation, depreciation and possible impairment losses.

Amortisation and depreciation are charged so as to write off the cost of these assets over their estimated useful lives, using the straight-line method.

The carrying value of each of these assets is reviewed at each balance sheet date to identify possible impairment losses of each of the assets in question *(see 8.2 "Subsequent measurement of non-current assets")*.

DEVELOPMENT COSTS

The development costs incurred in connection with the creation of Software applications (new projects and development of existing modules) are entered into the accounts as intangible assets, because the Group can demonstrate:

- the technical feasibility of the intangible asset in view of its bringing into service or its sale,
- its intention to complete this asset and its ability to use or sell it,

- the fact that this asset will generate future financial benefits,
- the existence of available resources to complete the development and,
- its ability to reliably value the expenses incurred in respect of the development project.

Development costs not meeting the criteria for capitalisation set out in IAS 38 are recognised as operating expenses as and when committed.

These development costs are amortised from the in-house date of “acceptance” of the project so as to write off these costs over the expected useful life of the Software, not exceeding eight years.

The assessment of the value of the fixed assets is carried out each year, or more frequently if events or circumstances, internal or external, indicate that a write-down is likely to occur. Performances significantly lower than the budgets on which the framework of the evaluations previously carried out, are considered as an indication of impairment.

The balance sheet value of the activated development costs is compared to the recoverable amount. The recoverable amount is the highest between fair value net of disposal costs and value in use. The value in use is determined using the discounted cash flow method (DCF), based on operating budgets for the year to come and forecast turnover for the following four years.

An impairment loss is recognized, if applicable, if the value at balance sheet is greater than the recoverable amount.

CUSTOMER RELATIONSHIPS

The client relationships acquired from a business combination are recorded at their fair value on the acquisition date. Subsequent to their initial entry into the accounts, they are valued at cost less the cumulative amortisation. Amortisation periods are 2 to 21 years.

COMPUTER SOFTWARE

Computer software purchased and computer software developed are amortised from the date they were brought into service so as to write off the cost of these assets over their estimated useful lives, using the straight-line method.

- Software purchased: 1 to 5 years,
- Software developed: 5 to 10 years.

In the case of internally developed computer software, development costs capitalised by Gfi Informatique comprise all costs directly attributable to software development and programming.

			12.31.2017	**12.31.2016**
(in thousands of euros)	**Gross values**	**Depreciation and amortisation**	**Net values**	**Net values**
Software purchased	37,404	27,200	10,204	1,095
Software developed	15,097	10,867	4,230	13,804
Development costs	96,666	46,766	49,900	40,691
Customer relationships and contracts	35,690	18,752	16,938	21,848
TOTAL	**184,857**	**103,585**	**81,272**	**77,438**

Software purchased refers to software operating licenses acquired.

Software created refers primarily to costs of the Group’s ERP project (Théséus project)

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Changes in intangible assets are shown in the table below:

(in thousands of euros)	Gross values	Depreciation and amortisation	Net values
DECEMBER 31, 2015	**109,503**	**59,837**	**49,666**
Assets purchased	8,703	-	8,703
Assets developed internally	15,271	-	15,271
Assets sold or retired	(918)	(918)	-
Depreciation in the period	-	14,717	(14,717)
First-time consolidation	31,504	12,993	18,511
Reclassifications	-	-	-
Exchange differences	17	13	4
DECEMBER 31, 2016	**164,080**	**86,642**	**77,438**
Assets purchased	2,828	-	2,828
Assets developed internally	20,118	-	20,118
Assets sold or retired	(59)	(58)	(1)
Depreciation in the period	-	16,581	(16,581)
First-time consolidation	(3,500)	(143)	(3,357)
Reclassifications	1,506	663	843
Exchange differences	(116)	(100)	(16)
DECEMBER 31, 2017	**184,857**	**103,585**	**81,272**

The fixed assets generated internally include capitalised software development costs related to the Group's "Software" activity.

EVALUATION METHOD APPLIED TO RESEARCH AND DEVELOPMENT COSTS.

The value in use is determined using the discounting future cash flow method (DCF).

The activity forecasts are based on the operating budgets set by the Management for the 2018 fiscal year. For the years 2019 to 2022, the growth rates retained are between 2% and 10% for all the software packages.

Given the assumptions made, the achievement of the impairment tests for 2017 did not lead to the recognition of impairment.

8.4 PROPERTY, PLANT AND EQUIPMENT

PROPERTY, PLANT AND EQUIPMENT

Depreciation is charged so as to write off the cost of the assets, using the straight-line method over their estimated useful lives. These useful lives are principally as follows:

- land: not depreciated,
- buildings: 20 to 40 years,
- hardware: 1 to 5 years,
- motor vehicles: 5 years,
- office equipment and other assets: 5 to 10 years.

Maintenance and repair costs are recognised as an expense of the period.

Non-current assets made available to the Group under finance leases are recorded in the same way as non-current assets purchased outright. They are depreciated over the shorter of the lease term and their estimated useful life according to the above principles. The corresponding lease obligation is recognised as a liability in the balance sheet.

			12.31.2017	12.31.2016
(in thousands of euros)	Gross values	Depreciation and amortisation	Net values	Net values
Land and buildings	1,142	697	445	272
Plant and equipment	9,471	7,025	2,446	2,133
Other property, plant and equipment	46,279	27,855	18,424	16,937
TOTAL	**56,892**	**35,577**	**21,315**	**19,342**

(in thousands of euros)	Gross values	Depreciation and amortisation	Net values
DECEMBER 31, 2015	**42,591**	**30,374**	**12,217**
Assets purchased	11,023	-	11,023
Assets developed internally	-	-	-
Assets sold or retired	(6,477)	(4,653)	(1,824)
Depreciation in the period	-	3,814	(3,814)
First-time consolidation	7,874	6,149	1,725
Reclassifications	-	-	-
Exchange differences	54	39	15
DECEMBER 31, 2016	**55,065**	**35,723**	**19,342**
Assets purchased	11,863	-	11,863
Assets developed internally	-	-	-
Assets sold or retired	(11,883)	(5,824)	(6,059)
Depreciation in the period	-	4,961	(4,961)
First-time consolidation	-	-	-
Reclassifications	1,986	810	1,176
Exchange differences	(139)	(93)	(46)
DECEMBER 31, 2017	**56,892**	**35,577**	**21,315**

The Group does not generate property, plant and equipment internally.

Note 9 Shareholders' equity and earnings per share

The statement of changes in equity is presented in the first part of the consolidated financial statements.

9.1 CHANGES IN SHARE CAPITAL

The share capital, unchanged since December 31, 2016, comprising 66,570,771 shares with a par value of 2 euros per share, amounts to 133,141,542 euros.

Number of shares at December 31

Number of shares	2017	2016
Number of common shares	66,570,771	66,570,771
Number of free shares that could be allocated	77,500	310,000
Number of issuable shares	**77,500**	**310,000**
TOTAL	**66,648,271**	**66,880,771**

9.2 AVERAGE NUMBER OF SHARES AND EARNINGS PER SHARE

Earnings per share

Earnings per share are calculated:

- based on net profits, not including profits from discontinued operations,
- based on net profits, attributable to owners of the Group.

Earnings per share are calculated by reference to the weighted average number of shares in circulation during the financial year.

Diluted earnings per share are calculated by reference to the weighted average number of shares in circulation during the financial year plus the average number of free shares that could be allocated.

Average number of shares	2017	2016
Weighted average number of common shares	66,570,771	66,275,519
Weighted average number of treasury shares	(153,913)	(167,572)
Weighted average number of common shares outstanding	**66,416,858**	**66,107,947**
Weighted average number of common shares which may be diluted	77,500	310,000
Weighted average number of diluted shares	**66,494,358**	**66,417,947**

Earnings per share		2017	2016
Profit (loss), attributable to owners of the Group	*(in thousands of euros)*	**37,124**	**32,222**
Basic EPS	*(in euros)*	*0.56*	*0.49*
Diluted EPS	*(in euros)*	*0.56*	*0.49*

9.3 TREASURY SHARE TRANSACTIONS

Treasury shares are deducted from equity on the basis of their purchase value. When these shares are sold to unrelated parties, the gain or loss on the disposal net of taxation is recognised directly in “Consolidated reserves”.

At December 31, 2016, a total of 149,000 shares were held under the heading “Treasury shares of the consolidating enterprise”, valued at 980 thousand euros. During the financial year:

- the acquisition of 106,173 shares at an average price of 7.84 euros each,
- the disposal of 96,348 shares at the average price of 7.91 euros,

took this number of securities to 158,825 as at December 31, 2017.

These securities, valued at 1,032 thousand euros, accounted for 0.2% of the total outstanding shares at December 31, 2017.

9.4 DIVIDENDS AND APPROPRIATION OF INCOME FOR THE PERIOD

Dividends paid in 2017

The Combined Shareholders’ General Meeting of May 22, 2017 decided to pay a dividend of 0.15 euro per share in 2017 as part of the appropriation of 2016 income. A total dividend payout of 9,963 thousand euros was made this year.

Appropriation of parent company income for 2017

The proposed appropriation of parent company income presented to the Annual General Meeting would allocate parent company income equal to 24,104 thousand euros as follows: to the shareholders, as dividends in the amount of 9,986 thousand euros, to the financial statements in the legal reserve account in the amount of 1,205 thousand euros and the balance in retained earnings.

9.5 FREE SHARES PLANS

The Board of Directors' meeting on February 21, 2018, approving the results for the financial year ended December 31, 2017, noted that the conditions specified in the Plan of January 21, 2016 had been met in part, due to exceptional and unforeseeable events, and decided to adjust the initial performance criterion in the 2016 Plan.

On a proposal of the Appointments and Compensation Committee and having verified the beneficiaries' presence in the Company as at January 21, 2018, the Board of Directors authorised the final allocation of 77,500 free shares equating to 25% of the free shares (310,000) initially planned.

9.6 RELATED PARTIES DISCLOSURES

Transactions concluded with its reference shareholder

As part of the Amendment to the Shareholders' Agreement on May 10, 2017, Apax and Boussard & Gavaudan agreed to sell their shares to Mannai Corporation in the following manner:

- a "**First Block**" of around 29% of Gfi Informatique's share capital and voting rights at €8.00 per share was sold during the financial year, in accordance with the description disclosed below,
- a "**Second Block**" amounting to approximately 15% of the share capital and voting rights is due to be sold at €8.50 per share during the second quarter of 2018.

Pursuant to this commitment, the sale of the "First Block" was completed in two tranches:

- on June 19, 2017, Itefin Participations disposed of 8,063,789 shares, equating to some 12% of the share capital and voting rights of Gfi Informatique,
- on July 10, 2017, shareholders Boussard & Gavaudan sold 11,231,313 shares of Gfi Informatique, broken down as (i) 8,702,227 shares held by BG Select Investments Limited (Ireland), and (ii) 2,529,086 shares held by Boussard & Gavaudan Holding Limited, equal to approximately 17% of the share capital and voting rights of Gfi Informatique.

The purchase of this "First Block" brings Mannai Corporation's stake to 81.2% of the share capital.

Other transactions with management bodies

The other related-party transactions are presented in note 15.

Note 10 Other provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, when it is probable that the Group will be required to settle that obligation, and when the amount can be estimated reliably.

Provisions for disputes are analysed on an individual basis. Provisions reported in the balance sheet under *Disputes* correspond to the risk as estimated by the Management of Gfi Informatique and may differ from the amounts sought by the other party.

As regards provisions for restructuring, the estimated cost of the restructuring measure is recognised to profit or loss when these measures are the object of a detailed plan that has been announced or has started to be implemented.

Contingent liabilities are not recognised but are described in the notes if they are significant, except for Business Combinations where they are identifiable.

10.1 NON-CURRENT PROVISIONS

Retirement indemnities

Retirement indemnities in France are employee benefits and are shown in note 4 “Payroll and benefits expenses”.

(in thousands of euros)	12.31.2016	Consolidation scope	Increases	Decreases	Changes in actuarial differences	12.31.2017
Retirement indemnities	39,096	423	4,089	(2,180)	4,069	45,497
TOTAL	**39,096**	**423**	**4,089**	**(2,180)**	**4,069**	**45,497**

10.2 CURRENT PROVISIONS

(in thousands of euros)	12.31.2016	Consolidation scope	Increases	Decreases	12.31.2017
Labour disputes and restructuring undertaken	1,863	-	515	(483)	1,895
Miscellaneous disputes	44	118	-	(35)	127
Tax and social security contingencies	3,403	1,966	657	(2,976)	3,050
Other	923	119	63	(867)	238
TOTAL	**6,233**	**2,203**	**1,235**	**(4,361)**	**5,310**

A breakdown of the amounts set aside and reversed is presented in the table below:

	Expensed				Reversals				
	Operating				Operating				
(in thousands of euros)	Current	Non-current	Financial	**Total expenses**	Current	Non-current	Financial	**Total reversals**	Of which reversals unused
Labour disputes and restructuring undertaken	-	515	-	515	-	(483)	-	(483)	(60)
Miscellaneous disputes	-	-	-	-	(35)	-	-	(35)	-
Tax and social security liabilities	24	633	-	657	(198)	(2,778)	-	(2,976)	(1,997)
Other	63	-	-	63	(367)	(500)	-	(867)	(830)
TOTAL	**87**	**1,148**	**-**	**1,235**	**(600)**	**(3,761)**	**-**	**(4,361)**	**(2,887)**

Provisions for labour disputes and restructuring undertaken

The depreciation and provisions and reversals for labour risks and reorganisations essentially relate to France.

Tax and social security contingencies

The reversal primarily concerns the French and Portuguese subsidiaries for which tax audits were completed during the financial year.

10.3 OFF BALANCE SHEET COMMITMENTS RELATED TO RISKS AND DISPUTES

The payment of the outstanding debt relating to the VAT dispute led to an application for release to the state treasury. This pledge given by the Group on October 30, 2012, covered all of the shares it held in its subsidiary Gfi Informatique-Production.

Note 11 Other non-current assets

11.1 NON-CURRENT FINANCIAL ASSETS

			12.31.2017	12.31.2016
(in thousands of euros)	Gross values	Depreciation and amortisation	Net values	Net values
Construction funds and staff loans	6,720	-	6,720	4,888
Deposits and other forms of collateral	5,691	-	5,691	5,000
Other long-term receivables	2,394	-	2,394	1,946
Non-consolidated equity investments	169	65	104	73
TOTAL	**14,974**	**65**	**14,909**	**11,907**

11.2 OTHER NON-CURRENT ASSETS

(in thousands of euros)	12.31.2017	12.31.2016
Tax receivables	24,717	21,780
GROSS VALUES	**24,717**	**21,780**
Impairment losses	-	-
TOTAL	**24,717**	**21,780**

Other non-current assets mainly comprise research tax credits receivable for 2015 and subsequent years.

Tax credit for competitiveness and employment (CICE)

The Tax credit for competitiveness and employment (CICE) is a tax credit granted by the tax authorities as from the calendar year 2013. The CICE is calculated as a percentage of gross salaries below a certain limit. The CICE is reported in the statement of comprehensive income as a deduction from employee expenses.

The CICE receivables of the tax consolidation group of which Gfi Informatique is the parent were sold without recourse and therefore derecognised for the amount of 12,234 thousand euros during 2017, 10,149 thousand euros in 2016 and 9,648 in 2015.

The residual CICE will either be deducted from a potential corporation tax payment in the next three financial years or paid by the French tax authorities to the Company in 2021 at the latest.

Note 12 Current assets and liabilities

12.1 OTHER RECEIVABLES

(in thousands of euros)	**12.31.2017**	**12.31.2016**
Tax receivables	35,005	31,854
Other receivables	3,497	3,682
Advances paid	1,238	533
Receivables from asset disposals	-	-
GROSS TOTAL	**39,740**	**36,069**
Impairment losses	(11)	-
NET TOTAL	**39,729**	**36,069**

Tax receivables include, amongst other items, research tax credit receivables (CIR) recoverable in 2018 and sold with recourse during the financial year.

The “Other receivables” item mainly comprises social security receivables.

12.2 TAX AND SOCIAL SECURITY CONTINGENCIES

(in thousands of euros)	**12.31.2017**	**12.31.2016**
Social security debts	135,201	132,750
Tax debts	89,989	84,023
Income tax	3,368	3,181
TOTAL	**228,558**	**219,954**

All the above amounts are payable within one year.

12.3 OTHER CURRENT LIABILITIES

(in thousands of euros)	**12.31.2017**	**12.31.2016**
Debts on fixed assets	970	967
Down payments and instalments received, unraised bills	11,504	12,169
Other	1,333	1,986
TOTAL	**13,807**	**15,122**

All the above amounts are payable within one year.

Note 13 Financial instruments

13.1 FINANCIAL INSTRUMENTS RECORDED ON THE BALANCE SHEET

FINANCIAL ASSETS AND LIABILITIES

The Group defines its financial assets in accordance with the following categories: assets measured at fair value with corresponding entry in the income statement, hedge instruments for future cash flow, held-to-maturity assets, loans and debts, available-for-sale assets and debts measured at amortised cost. The classification depends on the reasons for the acquisition of the financial assets. Management determines the classification of its financial assets during the initial entry into the accounts.

FINANCIAL ASSETS AT THEIR FAIR VALUE WITH THE OFFSETTING ENTRY IN THE INCOME STATEMENT

The financial assets valued at their fair value with the offsetting entry to profit or loss is the financial assets held for transaction purposes. A financial asset is classified in this category if it was principally acquired for the purpose of short-term resale. Derivative financial instruments are also designated as being held for transaction purposes unless they are classified as hedging instruments. They are classified among non-current liabilities.

HELD-TO-MATURITY ASSETS

Non-derivative financial assets associated with determined or determinable payments and a fixed maturity are classified as investments held until maturity, provided that the Group has the manifest intention and the ability to retain them until their maturity. The profits or losses are entered into the income statement when these investments are removed from the accounts or depreciated.

LOANS AND RECEIVABLES

Loans and debts are non-derivative financial assets with fixed or determinable payment which are not listed on an active market. They are included in current assets, except those with a maturity greater than twelve months after the closing date.

On each closing, the Group evaluates whether an objective depreciation indicator exists for a financial asset or a group of financial assets.

A financial asset and a financial liability are offset if, and only if, the Group has a legally enforceable right to offset the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

		Breakdown by category of instruments				
(in thousands of euros)	**12.31.2017**	**Assets valued at fair value in profit or loss**	**Hedging instruments for future cash flows**	**Assets held to maturity**	**Loans and receivables**	**Debts at amortised cost**
Non-current financial assets	14,909	-	-	-	14,909	-
Other non-current assets	24,717	-	-	-	24,717	-
Trade receivables	430,366	-	-	-	430,366	-
Other receivables	39,740	-	-	-	39,740	-
Cash and cash equivalents	29,675	29,675	-	-	-	-
ASSETS	**539,407**	**29,675**	**-**	**-**	**509,732**	**-**
Non-current borrowings	81,353	-	-	-	-	81,353
Other non-current financial liabilities	2,929	-	-	-	-	2,929
Current borrowings	86,354	-	-	-	-	86,354
Current financial liabilities	60	-	60	-	-	-
Other current financial liabilities	1,832	-	-	-	-	1,832
Trade payables	90,616	-	-	-	-	90,616
Tax and social security liabilities	228,558	-	-	-	-	228,558
Other current liabilities	13,807	-	-	-	-	13,807
LIABILITIES	**505,509**	**-**	**60**	**-**	**-**	**505,449**

13.2 INCOME STATEMENT EFFECT OF FINANCIAL INSTRUMENTS

		Income statement effect of financial instruments			
(in thousands of euros)	**2017**	**Interest**	**Fair value**	**Amortised cost**	**Impairment loss**
Assets and liabilities at fair value in profit or loss	(82)	(82)	-	-	-
Loans and receivables	(1,488)	(1,029)	(140)	-	(319)
Assets held to maturity	-	-	-	-	-
Debts at amortised cost	(2,834)	(2,579)	-	(255)	-
	(4,404)	**(3,690)**	**(140)**	**(255)**	**(319)**

13.3 MATURITY

The following table shows the maturity profile of the financial liabilities of the Group as at December 31, 2017, on the basis of the non-discounted contractual payments.

(in thousands of euros)		**12.31.2017**	**2018**	**2019**	**2020**	**2021**	**2022 and beyond**
Other bond issues*		25,000	-	25,000	-	-	-
Interest		1,974	987	987	-	-	-
Loans due in more than one year*	*(note 6)*	56,918	-	28,257	28,256	115	290
Interest		1,091	-	809	282	-	-
Other non-current financial liabilities	*(note 2)*	2,929	-	2,929	-	-	-
NON-CURRENT FINANCIAL LIABILITIES		**87,912**	**987**	**57,982**	**28,538**	**115**	**290**
Current borrowings*	*(note 6)*	24,201	24,201	-	-	-	-
Interest		1,249	1,249	-	-	-	-
Current financial liabilities	*(note 6)*	60	60	-	-	-	-
Other current financial liabilities	*(note 2)*	1,832	1,832	-	-	-	-
Trade payables		90,616	90,616	-	-	-	-
Other current liabilities	*(note 12)*	13,807	13,807	-	-	-	-
CURRENT FINANCIAL LIABILITIES		**131,765**	**131,765**	**-**	**-**	**-**	**-**

** Capital due, nominal value*

Details on the maturities by quarter of short-term bank debt at December 31, 2017 are shown in note 6 "Financing and financial instruments".

All of the Group's other current financial liabilities mature in less than three months.

13.4 OBJECTIVES AND FINANCIAL RISK MANAGEMENT POLICY

The main financial liabilities of the Group consist of loans and bank overdrafts, financial lease obligations and trade payables. The principal purpose of these financial liabilities is to finance the operating activities of the Group. The Group holds financial assets such as customer receivables, cash and short-term deposits which are generated by its activities directly.

It also contracts derivative instruments, primarily interest rate swaps. These instruments have the goal of managing the interest rate risks associated with the Group's financing. The policy of the Group is not to subscribe to derivative instruments for speculative purposes.

The principal risks attached to the Group's financial instruments are as follows: interest rate risk on cash flow, liquidity risk and counterparty risk. The risk management policies are summarised below.

Credit risk

Regarding the credit risk relating to the financial assets of the Group, i.e. principally customers, cash and cash equivalents, the exposure of the Group is associated with the risk of possible failure of the third parties concerned, with a maximum exposure equal to the book value of these instruments.

The customer balances are subject to permanent monitoring. The ageing of these past due and non-impaired financial assets is shown in *note 3 "Revenue and trade receivables".* The table presenting the changes in impairment losses for the period is also provided in this note.

Currency risks

The currency risk in respect of commercial transactions is not hedged, as most transactions are made within the euro zone. Elsewhere (outside of the euro zone), revenue is generated in the same currency as the related operating charges, thereby limiting exposure to foreign exchange fluctuations. Very few intercompany operating transactions are denominated in currencies other than the euro.

The Group's net assets and liabilities in foreign currencies are broken down in the table below. The impact of a uniformly negative one-centime change in the euro would total 0.3 million euros.

(in thousands of euros)	**Assets**	**Liabilities**	**Net balance before hedging**
Polish zloty	19,930	(3,931)	15,999
Angolan kwanza	5,784	(1,580)	4,204
Moroccan dirham	13,887	(8,727)	5,160
Swiss franc	6,450	(5,081)	1,369
CFA franc	2,815	(3,579)	(764)
Pound sterling	1,982	(2,714)	(732)
US dollar	1,002	(298)	704
Mexican peso	2,067	(1,942)	125
Swedish kroner	881	(21)	860
Brazilian real	2,732	(661)	2,071
Macanese pataca	1,416	(166)	1,250
Colombian peso	2,806	(1,416)	1,390
Romanian leu	85	(220)	(135)
TOTAL 12.31.2017	**61,835**	**(30,336)**	**31,499**

Equity risk

The marketable securities held by the Group exclusively consist of money market funds. The risk linked to the evolution of the financial markets is therefore limited.

Note 14 Cash flow statement

Cash and cash equivalents

Cash and cash equivalents reported in the balance sheet comprise cash in hand, cash at bank and short-term deposits for less than three months as well as short-term highly liquid investments that are subject to an insignificant risk of changes in value.

Marketable securities are considered as being held for trading and are therefore measured at fair value on the balance sheet date. Changes in fair value are recognised to profit or loss. As these securities are adjusted to fair value with the offsetting entry to profit or loss, no impairment losses are recognised. Fair value of these securities is determined mainly by reference to listed prices.

In the consolidated cash flow statement, cash and cash equivalents comprise the items indicated above, from which are deducted current bank overdrafts.

Impact of changes in consolidation scope

Cash flow as a result of the impact of changes in consolidation scope of -15,158 thousand euros concern only acquisitions completed during prior periods.

Subscription and repayment of borrowings

Subscriptions and repayment of borrowings include:

- cash flow, net of costs associated with drawdowns of additional credit (Amendment to 2015 Syndicated Loan), for +10,270 thousand euros,
- cash flows, in the amount of -15,422 thousand euros, mainly relating to the repayment of said Syndicated Loan.

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Note 15 Compensation paid to members of the Board of Directors and senior management

Compensation paid

The total compensation and benefits, including all benefits in kind, paid in 2017 and 2016 to the members of the management and administrative bodies by Gfi Informatique and controlled companies are indicated in the table below:

(in thousands of euros)	Fixed remuneration	Variable remuneration	Benefits in kind	Directors' fees	Total remuneration	Commitments in respect of retirement indemnities
2017	836	316	4	224	1,380	-
2016	836	336	4	230	1,406	-

The variable portion of the remuneration paid to corporate officers is calculated using criteria established by the Appointments and Compensation Committee related to the year's performance and the external growth objectives.

Gfi Informatique considers that only the corporate officers have the authority and responsibility for the planning, management and control of the activities, directly or indirectly (IAS 24.9).

Non-compete agreement and post-engagement commitment

On December 18, 2007, the Company signed a non-compete agreement with Vincent Rouaix. By way of payment for the non-compete commitment entered into by Vincent Rouaix, this agreement stipulates the payment to the latter, on the day his office ends, of a lump sum of 850,000 euros by amendments of March 29, 2013.

As at December 31, 2017, there are no anticipated payments in respect of corporate officers after leaving office.

Awarding free shares

310,000 rights to free shares were awarded to certain Group employees under the 2016 Plan. By a decision of the Board meeting on February 21, 2018, 77,500 free shares were definitively awarded.

Note 16 Subsequent events to the closing date

PROPOSED FRIENDLY TAKEOVER BID FOR REALDOLMEN BY GFI INFORMATIQUE

On February 23, 2018, Gfi Informatique and Realdolmen, a leading IT services provider in Belgium and Luxembourg, announced the signature of a memorandum of understanding according to which Gfi Informatique will file a voluntary and conditional takeover bid for Realdolmen with the Belgian Financial Services and Markets Authority (FSMA). The bid is a cash offer.

The transaction will deepen Gfi Informatique's footprint in Belgium and Luxembourg, in line with its international expansion strategy. With around 1,250 highly trained employees, Realdolmen is an independent ICT expert providing IT services to over 1,000 clients in Benelux.
It supports clients through the complete ICT-lifecycle, combining support services in both infrastructure and applications with appropriate product offerings.

The main terms of the transaction are:

- cash takeover bid for all the company's shares at an offered price of €37.00 per share, giving a value of some €196 million,
- he offer will be conditional on Gfi Informatique obtaining more than 75% of Realdolmen's fully diluted share capital and voting rights,
- the commitment of a group of entities and individuals to tender their shares for the bid, amounting to 21.94% of the share capital.

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Note 17 Fees for Statutory Auditors

The fees for the Group's Statutory Auditors indicated in the consolidated income statement for France are as follows:

(in euros)	GRANT THORNTON				ERNST & YOUNG and Others				TOTAL			
	2017		2016		2017		2016		2017		2016	
	Amount	%	Montant	%	Amount	%	Montant	%	Amount	%	Montant	%
AUDIT												
* Statutory audit, reporting, review of company and consolidated financial statements	421 800	81%	386 214	89%	529 600	99%	550 800	93%	951 400	90%	937 014	91%
* Services other than the audit of financial statements	100 500	19%	45 475	11%	6 500	1%	42 900	7%	107 000	10%	88 375	9%
TOTAL	522 300	100%	431 689	100%	536 100	100%	593 700	100%	1 058 400	100%	1 025 389	100%

In 2017, the services other than the audit of financial statements covered the services required by the legal and regulatory texts (reports on capital increases, etc.) as well as the services provided at Gfi Informatique's request (agreed procedures on internal control processes, acquisition diligences and various attestations).

Note 18 List of consolidated companies

Company name	Registered office: Address	Registered office: Post code and city	Siren No.	Consolidation method	% of control	% of interest	Country of activity
FRANCE							
Gfi Informatique SA (1)	145, boulevard Victor-Hugo	93400 Saint-Ouen	385 365 713	Parent company – Group leader			France
Gfi 7 SARL	145, boulevard Victor-Hugo	93400 Saint-Ouen	808 372 924	FC	100%	100%	France
Gfi 8 SARL	145, boulevard Victor-Hugo	93400 Saint-Ouen	808 373 161	FC	100%	100%	France
Gfi 9 SARL	145, boulevard Victor-Hugo	93400 Saint-Ouen	808 373 237	FC	100%	100%	France
Gfi Progiciels SAS (1)	145, boulevard Victor-Hugo	93400 Saint-Ouen	340 546 993	FC	100%	100%	France
Cognitis France SAS (1)	145, boulevard Victor-Hugo	93400 Saint-Ouen	348 786 799	FC	100%	100%	France
Addstones SAS (1)	145, boulevard Victor-Hugo	93400 Saint-Ouen	432 146 504	FC	100%	100%	France
Gfi Business-Transformation SAS (1)	145, boulevard Victor-Hugo	93400 Saint-Ouen	790 077 937	FC	100%	100%	France
Awak'IT (S&I) SAS (1)	59-61 Quai Alphonse Le Gallo	92100 Boulogne Billancourt	412 013 922	FC	100%	100%	France
Tikawa Productions SARL (1)	59-61 Quai Alphonse Le Gallo	92100 Boulogne Billancourt	451 571 293	FC	100%	100%	France
ITN Consultants SAS (1)	82, rue Saint-Lazare	75009 Paris	333 489 532	FC	100%	100%	France
Gfi Informatique Telecom SASU (1)	145, boulevard Victor-Hugo	93400 Saint-Ouen	501 707 293	FC	100%	100%	France
Business Document SAS (1)	50, boulevard de la Reine	92100 Boulogne Billancourt	492 079 058	FC	100%	100%	France
Novulys SAS (1)	145, boulevard Victor-Hugo	93400 Saint-Ouen	534 713 789	FC	65%	65%	France
Metaware Technologies SA (1)	60, route de SartrouvilleParc les grillons BAT 1	78230 Le Pecq	398 138 545	FC	100%	100%	France
Garsys SAS	53, rue Sibert	42400 Saint-Chamond	493 036 602	FC	100%	100%	France
SCI Via Domitia	151, rue Gilles-Roberval	30900 Nîmes	418 871 166	FC	100%	100%	France
Gfi Informatique - Production SA (1)	145, boulevard Victor-Hugo	93400 Saint-Ouen	428 286 496	FC	100%	100%	France
Gfi Informatique Entreprise Solutions SAS (1)	145, boulevard Victor-Hugo	93400 Saint-Ouen	315 930 578	FC	100%	100%	France
Gfi Conseil et Intégration de Solutions SASU	145, boulevard Victor-Hugo	93400 Saint-Ouen	822 269 551	FC	70%	70%	France
Gfi Infogen Systems SAS (1)	145, boulevard Victor-Hugo	93400 Saint-Ouen	387 554 710	FC	100%	100%	France
SCI Gifimo (1)	145, boulevard Victor-Hugo	93400 Saint-Ouen	350 934 139	FC	100%	100%	France
Roff France	145, boulevard Victor-Hugo	93400 Saint-Ouen	494 239 908	FC	100%	100%	France
Somafor SARL	145, boulevard Victor-Hugo	93400 Saint-Ouen	389 150 137	FC	100%	100%	France

(1) Companies in the French tax consolidation group.
(2) Companies in the Spanish tax consolidation group.
FC = Full Consolidatio

EUROPE								
Gfi Benelux	Square de Meeûs 38/40	B-1000 BRUSSELS	0 427 608 266		FC	100%	100%	Belgium
Gfi NV	Square de Meeûs 38/40	B-1000 BRUSSELS	0 450 798 491		FC	100%	100%	Belgium
Gfi PSF SA	13-15, Parc d'activités	L-8308 Capellen	B 52.391		FC	100%	100%	Luxembourg
Impaq Sp. Z.o.o	ul.Wołoska 24	02-675 Warsaw Poland	0000008546		FC	100%	100%	Poland
IT Skills Sp. Z o.o	ul.Wołoska 22	02-675 Warsaw Poland	0000397402		FC	100%	100%	Poland
IMPAQ UK Limited	9 Bridle Close Surbiton Road, Kingston upon Thames	Surrey KT1 2JW	05054175		FC	100%	100%	United Kingdom
Impaq Addstone S.R.L.	48 Temisana Street	Bucharest	313033		FC	100%	100%	Romania
Gfi Österreich GmbH	Bozner Platz 4	6020 Innsbruck	466734 z		FC	100%	100%	Austria
Impaq Addstones Services S.R.L.	No 169A Floreasca Street, Building A, Floor 4, Office No. 2057	Bucharest	259897		FC	100%	100%	Romania
Gfi International	Chemin des Aulx, 10	1228 Plan-les-Ouates	CH-660 0,703,000-2		FC	100%	100%	Switzerland
IMPAQ AG	Badenerstrasse 580	CH-8048 Zürich	CHE – 107.414.656		FC	100%	100%	Switzerland
Gfi Levante SL (2)	C/Los Monegros S/N 0	03006 Alicante	B-53096749		FC	100%	100%	Spain
Gfi Cataluña Grupo Corporativo SA (2)	Passeig de Gracia	08007 Barcelona	A-82673542		FC	100%	100%	Spain
Grupo Corporativo Gfi Norte	C/Licenciado Poza, 55	48013 Bilbao (Vizcaya)	B-48301865		FC	100%	100%	Spain
Roff Espana Consultores Independientes SA (2)	C/Serrano Galvache, 56 – Edificio Olmo	28033 Madrid	A-78897964		FC	100%	100%	Spain
Savac Consultores SL	Máximo Aguirre, 18-Bis 3°	48011 Bilbao (Vizcaya)	B-48989990		FC	100%	100%	Spain
Grupo Corporativo Gfi Informatica SA (2)	C/Serrano Galvache, 56	28033 Madrid	A-82206400		FC	100%	100%	Spain
Gfi Portugal – Tecnologias de Informaçao, SA	Edifício Atlantis – Avenida D. João II, lote 1.06,2.2 – Parque das Nações	1990-095 Lisboa	PT502726890		FC	100%	100%	Portugal
Roff Consultores Independetes SA	Rua Afonso Praça n°30, 6ème étage, Torre de Monsanto Miraflores	1495 Algés	PT503882887		FC	100%	100%	Portugal
Roff SDF Lda	Parkurbis, Parque de Ciencia e Tecnologia da Covilha	6200-865 Tortosendo	508924928		FC	100%	100%	Portugal
Roff Suisse	Route de Saint-Cergue 303, C.P. 1171	CH-1260 Nyon	55011238122		FC	100%	100%	Switzerland

(1) Companies in the French tax consolidation group.
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FC = Full Consolidation

RNIC Independent Consultants AB	Stureplan 4C – 4ème étage, bureau 42	111 435 Stockholm	556824809901		FC	100%	100%	Sweden
Gfi Informatique Holding GmbH	Heilbronner Str., 86	70191 Stuttgart	HRB20548		FC	100%	100%	Germany
OUTSIDE EUROPE								
Somafor RCI SA	6, II Plateaux des Vallons	06 BP 1293 Abidjan	CI-Abj-1989-B-33816		FC	100%	100%	Ivory Coast
Gfi Informatique Maroc	1100, Bd Al Qods, Sidi Maârouf	20190 Casablanca	50 877		FC	100%	100%	Morocco
Value Team, SARL	131, Bd d'Anfa	20100 Casablanca	292 201		FC	100%	100%	Morocco
NVBS SARL	332, Bd Brahim Roudani, Maârif	20100 Casablanca	144 615		FC	100%	100%	Morocco
Holding Gfi Informatique Maroc	1100, Bd Al Qods, Sidi Maârouf	20190 Casablanca	113 607		FC	100%	100%	Morocco
Metaware Services	Lot Mandarouna 300 Sidi Maarouf	20190 Casablanca	1 125 255		FC	100%	100%	Morocco
Gfi Maroc Offshore	1100, Bd Al Qods, Sidi Maârouf	20190 Casablanca	163 083		FC	100%	100%	Morocco
Roff NCA SARL	14, avenue Mers Sultan, 3e étage	20190 Casablanca	40 453 753		FC	100%	100%	Morocco
RoffTec Angola-Consultoria, Serviços e Produtos, Lda.	Rua Comandante Stona No. 19/21	Bairro Alvalade	5401152493		FC	100%	100%	Angola
Roff Brasil - Consultoria em Sistemas de Informaçao, Ltda.	Avenida Paulista nº 37, 4e étage Bela Vista	CEP 01311-902, Sao Paulo	15.323.818/0001-12		FC	100%	100%	Brazil
RoffMex Consulting, S.A. de C.V.	Teololco No. 325 Colonia Jardines des Pedregal Delegacion Alavaro Obregon	01900 Ciudad de Mexico	558815/1		FC	55%	55%	Mexico
Roff Asia Limitada	Alameda Dr. Carlos D'Assumpçao n° 181-187, Edificio Brilhantismo 19°U	Macau	545154		FC	100%	100%	China
Efron Colombia SAS	Carrera 20	# 33 A - 20 Bogotá	830 053693-2		FC	100%	100%	Columbia
Gfi Informatica Mexico S.A. de C.V.	Calle Solón, 212 Dep 101 Colonia Palmas Polanco Distrito Miguel Hidalgo	11560 México DF	ECO110602KR2		FC	100%	100%	Mexico
Efron Consulting Inc	27 School Street, FL4	Boston MA02108	33-1223303		FC	100%	100%	USA
COMPANIES MERGED DURING THE PERIOD								
Gfi PSF SARL	ZI Am Bann, 2 rue de Drosbach	L-3372 LEUDELANGE	LU- 219,410 25		FC	100%	100%	Luxembourg
Efron Consulting SL	Calle Ulises, 97	28043 Madrid	B-81626913		FC	100%	100%	Spain

(1) Companies in the French tax consolidation group.
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GRANT THORNTON
French Member of Grant Thornton International

ERNST & YOUNG et Autres

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.
This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

GFI Informatique

Year ended December 31, 2017

Statutory auditors' report on the consolidated financial statements

GRANT THORNTON
French Member of Grant Thornton International
29, rue du Pont
92200 Neuilly-Sur-Seine
S.A. au capital de € 2.297.184
632 013 843 R.C.S

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

ERNST & YOUNG et Autres
Tour First
TSA 14444
92037 Paris-La Défense Cedex
S.A.S. à capital variable
438 476 913 R.C.S. Nanterre

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

GFI Informatique

Year ended December 31, 2017

Statutory auditors' report on the consolidated financial statements

To the annual general meeting of GFI Informatique,

Opinion

In compliance with the engagement entrusted to us by your annual general meetings, we have audited the accompanying consolidated financial statements of GFI Informatique for the year ended 31 December 2017.

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 31 December 2017 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.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from 1 January 2017 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or in the French code of ethics *(code de déontologie)* for statutory auditors.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Revenue recognition for fixed-priced contracts

Key audit matter	Our response
Revenue for fixed-price contracts is recognized by stage of completion on the basis of costs incurred to date and to be incurred. When a loss upon completion of a contract is likely, a provision for loss at completion is recorded. We considered the recognition of revenue on fixed-price contracts to be a key audit matter as the estimated costs on these contracts are based on operating assumptions which have a direct impact on the revenue and operating margin of the consolidated financial statements. The accounting principles for revenue recognition are disclosed in Note 3.1 to the consolidated financial statements.	We examined the internal control system for recognition of revenue from fixed-price contracts. We tested the effectiveness of the controls performed, particularly those related to costs incurred and to be incurred by contract. We performed the following procedures on a selection of contracts based on both quantitative (significant unbilled and deferred income) and qualitative (contracts with identified risks, unusual profitability, etc.) criteria: • We analyzed the contractual conditions and reconciled the financial information in the contract follow-up form prepared by management control (revenue, billing, costs incurred, unbilled and deferred income) with the accounting system; • We verified the accuracy of the calculation of the standard costs used to value the hours charged on the contracts; • We assessed the costs to be incurred and the percentage of completion of contracts selected by interviewing management controllers; • We performed analytical reviews of business units with management controllers; • We evaluated the assumptions used by the management to determine losses upon completion identified for loss-making contracts, if any.

Valuation of goodwill

Key audit matter	Our response

As at 31 December 2017, goodwill is recorded in the balance sheet for a net carrying amount of 283,126 thousand euros, representing 30% of total assets. These assets are the subject of impairment test at least once per year. This impairment test is based on the value in use of each Cash Generating Unit (CGU), determined on the basis of the discounted cash flow model, requiring the use of assumptions and estimates. CGUs correspond to the geographical areas used by the management for the "Services" and "Software" business lines. We considered goodwill valuation to be a key audit matter in view of (i) the significance of these assets in the consolidated balance sheet (ii) the significance of the judgments made by the management in determining cash flow, discount rate and long-term growth assumptions. Impairment, if any, is recorded if the recoverable value is lower than the book value. The recoverable value corresponds to the higher of the net fair value of disposal expenses and the value in use, as disclosed in Note 8.2 to the consolidated financial statements.	Within the context of our audit, we examined the methods used by the Group for impairment tests. We performed the following procedures on the impairment testing of each CGU: • We reconciled the 2018 forecast with the budget approved by the Board of Directors; • We evaluated the consistency of the key assumptions used to determine cash flow models for 2019 to 2022; • With assistance from our valuation specialists, we assessed the discount rates used in relation to market references; • We analyzed the sensitivity analyses performed by the management.

Valuation of capitalized development costs

Key audit matter	Our response
As at 31 December 2017, capitalized development costs are recorded in the balance sheet for a net carrying amount of 49,900 thousand euros. These assets are amortized over the useful life of the software programs and are also the subject of impairment tests on a yearly basis. This impairment test is performed on the basis of the discounted cash flow model, which itself draws on operating budgets for the coming year and revenue forecasts for the following four years. We considered the valuation of capitalized development costs to be a key audit matter due to the significance of the judgments and assessments made by the management in determining cash flow assumptions for the entire duration of the project. Impairment, if any, is recorded when the recoverable amount is lower than the book value. The recoverable amount corresponds to the higher of the fair value and the value in use, as disclosed in Note 8.3 to the consolidated financial statements.	We performed the following procedures: • For projects presenting impairment indicators, we checked that an appropriate impairment test was performed; • We reconciled the 2018 forecasts with the operating budgets approved by the management; • We challenged the consistency of the key assumptions used to determine cash flow amounts for 2019 to 2022;

Verification of the Information Pertaining to the Group Presented in the Management Report

As required by law we have also verified in accordance with professional standards applicable in France the information pertaining to the Group presented in the management report of the Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Report on Other Legal and Regulatory Requirements

Appointment of the Statutory Auditors

We were appointed as statutory auditors of GFI Informatique by the annual general meetings held on 19 May 2010 for Grant Thornton and on 21 May 2008 for ERNST & YOUNG et Autres.

As at December 31, 2017, Grant Thornton and ERNST & YOUNG et Autres were in the 8th year and 10th year of total uninterrupted engagement, respectively.

Previous to that date, ERNST & YOUNG Audit had been statutory auditor since 1996.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- ► Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ► Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- ► Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.

- ► Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- ► Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

- ► Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

■ Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code *(Code de commerce)* and in the French code of ethics *(code de déontologie)* for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-Sur-Seine and Paris-La Défense, 21 March 2018

The Statutory Auditors
French original signed by

GRANT THORNTON
French Member of Grant Thornton International

Samuel Clochard

ERNST & YOUNG et Autres

Pierre Jouanne

BIDDER

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