JEAN-MICHEL BLOCH | ERNST & YOUNG Audit

This is a free translation into English of the statutory auditors' report on the consolidated financial statements issued in French and it is provided solely for the convenience of English-speaking users.
The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures.
This report also includes information relating to the specific verification of information given in the group's management report.
This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

Altrad Investment Authority
A.I.A.

Year ended August 31, 2014

Statutory auditors' report
on the consolidated financial statements

JEAN-MICHEL BLOCH
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69300 Caluire-et-Cuire

Statutory auditor
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Statutory auditor
Member of the Compagnie
régionale de Versailles

Altrad Investment Authority
A.I.A.

Year ended August 31, 2014

Statutory auditors' report
on the consolidated financial statements

To the Shareholders,

In compliance with the assignment entrusted to us by your Articles of Incorporation, we hereby report to you, for the year ended August 31, 2014, on:

- the audit of the accompanying consolidated financial statements of Altrad Investment Authority (A.I.A);
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

I. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at August 31, 2014 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Without qualifying our opinion, we draw your attention to the matters set out in the following notes to the consolidated financial statements:

- Note 3 "Scope of consolidation" to the consolidated financial statements regarding the acquisition by your group during the period of Trad and Profix Groups, as well as Star Events and Spectra Scaffolding companies, and the provisional allocation of the fair values of assets, liabilities and contingent liabilities of these companies. This allocation will be finalized during the financial year ending August 31, 2015, and will then give rise, if necessary, to retrospective adjustments in the comparative 2014 accounts.

- Note 1.4 "Restructuring and utilization rates of industrial sites" and Note 2.3.2 "Income statement items" under "Restructuring costs and treatment of idle capacity" to the consolidated financial statements regarding the global cost of idle capacity and restructuring costs classified on a separate line in the operating income.

II. Justification of our assessments

In accordance with the requirements of article L. 823-9 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we bring to your attention the following matters:

- Note 2.3.2 "Income statement items" under "Restructuring costs and treatment of idle capacity" to the consolidated financial statements sets out the accounting rules and methods for the recognition and presentation of the global cost of idle capacity and restructuring costs. As part of our assessment of the accounting principles applied by the Group, we reviewed the assumptions used to calculate these costs of idle capacity and restructuring costs, and we ensured that Notes 1.4 "Restructuring and utilization rates of industrial sites" and 2.3.2 "Income statement items " under " Restructuring costs and treatment of idle capacity " to the consolidated financial statements provide appropriate information.

- The group performs annual impairment tests of assets with an indefinite useful life (goodwill and other intangible assets not subject to amortization), and also assesses whether there is any indication of impairment of tangible and intangible assets subject to amortization, according to methods described in Notes 2.3.1 "Accounting Principles" (paragraphs "Business Combinations and Goodwill" and "Impairment of assets") and 5.2 "Impairment Tests on intangible assets with an indefinite useful life" to the consolidated financial statements. We reviewed the implementation modalities of such impairment tests and the estimates and assumptions used, and verified that the notes to the consolidated financial statements provide appropriate information.

- As indicated in Note 2.3.1 "Accounting principles" to the consolidated financial statements under "Provisions for other liabilities", your group records provisions to cover liabilities and charges. The nature of such provisions is detailed in Note 16 "Provisions for liabilities and charges" to the consolidated financial statements. Based on our procedures performed and information available to date, we have verified the appropriateness of the methods and data used to determine such provisions. We have carried out an assessment of the reasonableness of these estimates.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific verification

As required by law we have also verified in accordance with professional standards applicable in France the information presented in the Group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Caluire-et-Cuire and Montpellier, February 11th 2015

The statutory auditors

French original signed by

Jean-Michel BLOCH	ERNST & YOUNG Audit
	Marie-Thérèse Mercier

ALTRAD GROUP

CONSOLIDATED FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED ON AUGUST 31, 2014

Altrad Investment Authority, S.A.S.
16, avenue de la Gardie
34 510 FLORENSAC

Consolidated statement of profit or loss
for the year ended 31 August 2014

(in thousands of euros)	Notes	August 31st, 2014	August 31st, 2013 [1]
Revenue from current activities	20.1	860 803	714 282
Cost of raw materials and merchandises		(326 072)	(280 478)
Personnel costs	20.2	(261 094)	(231 934)
General expenses		(141 238)	(116 857)
Depreciations and amortizations		(43 614)	(34 742)
Current operating profit		88 785	50 271
Other non-recurring revenues and expenses	21	(3 782)	7 079
Restructuring and underactivity costs	1.4	(13 161)	(12 565)
Operating profit		71 842	44 785
Income from cash and cash equivalents	22	1 345	1 046
Cost of gross financial debt	22	(11 942)	(8 060)
Cost of net financiel debt		**(10 597)**	**(7 014)**
Other financial products	22	1 088	1 989
Other financial expenses	22	(784)	(2 075)
Profit before tax from continuing operations		61 550	37 685
Income tax expense	7	(12 092)	(9 010)
Profit for the year from continuing operations		49 458	28 675
Profit/(loss) after tax for the year from discontinued operations			
Profit for the year		49 458	28 675
Attributable to:			
Equity holders of the parent		***49 405***	***27 515***
Non-controlling interests		***53***	***1 160***
Basic, profit for the year attributable to ordinary equity holders of the parent	23	***14,63***	***8,15***
Basic, profit from continuing operations attributable to ordinary equity holders of the parent	23	***14,63***	***8,15***
Diluted, profit for the year attributable to ordinary equity holders of the parent	23	***14,63***	***8,15***
Diluted, profit from continuing operations attributable to ordinary equity holders of the parent	23	***14,63***	***8,15***

(1) Certain amounts shown here do not correspond to the 2013 financial statements and reflect adjustments made, refer to Note 2.4.

Consolidated statement of other comprehensive income
for the year ended 31 August 2014

(In thousands of euros)	Notes	August 31st, 2014	August 31st, 2013 [1]
Consolidated net profit		49 458	28 675
Net other comprehensive loss to be reclassified to profit or loss in subsequent periods		7 637	(4 698)
Exchange differences on translation of foreign operations		7 555	(6 313)
Net gain on hedge of a net investment - gross value	12	125	2 463
Net gain on hedge of a net investment - tax effect		(43)	(848)
Net other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods		(289)	403
Remeasurement gains (losses) on defined benefit plans - gross value	17	(350)	597
Remeasurement gains (losses) on defined benefit plans - tax effect		61	(194)
Total comprehensive income for the year, net of tax		56 806	24 381
Attributable to:			
Equity holders of the parent		***56 771***	***23 778***
Non-controlling interests		***35***	***601***

(1) Certain amounts shown here do not correspond to the 2013 financial statements and reflect adjustments made, refer to Note 2.4

Consolidated statement of financial position
as at 31 August 2014

ASSETS (in thousands of euros)	Notes	August 31st, 2014			August 31st, 2013 (1)
		Gross value	Depreciation Impairment	Net book value	Net book value
Goodwill	4	167 431	(702)	166 729	103 681
Intangible assets	5	60 961	(4 620)	56 340	54 708
Property, plant and equipment	5	455 031	(208 036)	246 994	156 805
Non-current financial assets and other non-current assets	6	3 453	(627)	2 826	3 259
Deferred tax assets	7	6 131	-	6 131	8 633
Non-current assets		**693 006**	**(213 986)**	**479 021**	**327 086**
Inventories	8	121 075	(4 279)	116 796	96 535
Trade and other receivables	9	230 207	(14 767)	215 440	167 513
Income tax receivable		645	-	645	469
Other current assets	9	33 111	(977)	32 134	24 779
Cash and short-term deposits	10	144 163	-	144 163	126 343
Current assets		**529 201**	**(20 023)**	**509 178**	**415 639**
Assets held for distribution	14	1 549		1 549	1 517
Total assets		**1 223 757**	**(234 009)**	**989 748**	**744 242**

EQUITY & LIABILITIES (in thousands of euros)	Notes	August 31st, 2014	August 31st, 2013 (1)
Issued capital and other capital reserves	15	206 330	171 879
Foreign currency translation reserve		5 072	(2 499)
Profit for the period		49 405	27 515
Non-controlling interests	15	52	7 470
Total equity		**260 859**	**204 365**
Interest-bearing loans and borrowings, non-current	10	244 273	160 352
Reserve for risks and social engagement, non-current	16/17	14 846	23 767
Other non-current liabilities	19	58 026	1 509
Deferred tax liabilities	7	17 254	17 481
Non-current liabilities		**334 398**	**203 109**
Interest-bearing loans and borrowings, current	10	76 882	54 691
Reserve for risks and social engagement, current	16/17	16 298	12 222
Trade and other payables	18	199 061	185 959
Income tax payable		10 105	7 307
Other liabilities	18	92 145	76 589
Current liabilities		**394 491**	**336 768**
Total equity and liabilities		**989 748**	**744 242**

(1) Certain amounts shown here do not correspond to the 2013 financial statements and reflect adjustments made, refer to Note 2.4.

Consolidated statement of changes in equity
for the year ended 31 August 2014

(In thousands of euros)	Issued capital	Other capital reserves	Foreign currency translation reserve	Retained earnings	Attributable to the equity holders of the parent	Non controlling interests	Total equity
Equity as at August 31st, 2012	337 593	16 972	3 255	(178 978)	178 843	6 989	185 832
Cash dividends	-	-	-	(5 227)	(5 227)	-	(5 227)
Change in perimeter	-	-	-	(609)	(609)	(66)	(675)
Profit for the period	-	-	-	27 515	27 515	1 160	28 675
Other comprehensive income	-	-	(5 754)	2 018	(3 736)	(559)	(4 295)
Other	-	-	-	109	109	(54)	55
Equity as at August 31st, 2013 (1)	337 593	16 972	(2 499)	(155 172)	196 895	7 470	204 365
Cash dividends	-	-	-	-	-	-	-
Change in perimeter	-	-	-	7 059	7 059	(7 449)	(390)
Profit for the period	-	-	-	49 405	49 405	53	49 458
Other comprehensive income	-	-	7 571	(205)	7 366	(18)	7 348
Other	-	-	-	83	83	(4)	79
Equity as at August 31st, 2014	337 593	16 972	5 072	(98 830)	260 807	52	260 859

(1) Certain amounts shown here do not correspond to the 2013 financial statements and reflect adjustments made, refer to Note 2.4.

Consolidated statement of cash flows
for the year ended 31 August 2014

(In thousands of euros)	August 31st, 2014	August 31st, 2013 (1)
Operating activities		
Net Profit - Attributable to equity holders of the parent	**49 405**	**27 515**
Non-controlling interests	53	1 160
Depreciation, amortisation and impairment of tangible and intangible assets	37 247	22 191
Gain / (Loss) on disposal of property, plant and equipment	14 308	(1 510)
Gain / (Loss) on disposal of change in perimeter	(383)	0
Deferred tax	(1 144)	(292)
Self-financing capacity	**99 486**	**49 064**
Current income tax	13 236	9 302
Income tax paid	(12 099)	(10 062)
Cost of net financial debt	10 597	7 014
Working capital adjustments	**(13 355)**	**146**
Net cash flows from operating activities	**97 864**	**55 464**
Investing activities		
Purchase of intangible assets	(801)	(272)
Purchase of property, plant and equipment	(103 123)	(39 058)
Proceeds from sale of property, plant and equipment and intangible assets	1 303	1 368
Purchase of financial assets	0	(420)
Proceeds from sale of financial assets	542	22
Acquisition of a subsidiary, net of cash acquired	(69 545)	(29 669)
Net cash flows used in investing activities	**(171 624)**	**(68 029)**
Financing activities		
Dividends paid to equity holders of the parent	0	(5 227)
Dividends paid to non-controlling interests	0	(54)
Interest paid	(5 869)	(6 580)
Change in factor financing	0	(6 722)
Proceeds from borrowings	175 800	79 200
Repayment of borrowings	(79 682)	(42 227)
Net cash flows from/(used in) financing activities	**90 249**	**18 390**
Net increase in cash and cash equivalents	16 489	5 825
Net foreign exchange difference	(887)	(1 208)
Cash and cash equivalents at opening	115 685	111 068
Cash and cash equivalents at closing	131 287	115 685

(1) Certain amounts shown here do not correspond to the 2013 financial statements and reflect adjustments made, refer to Note 2.4.

ANNEX TO THE CONSOLIDATED FINANCIAL STATEMENTS

Description of the business

The Altrad Group specialises mainly in the hiring of equipment, with or without services, in the building and industry sectors and the manufacture and sale of scaffolding, cement mixers, wheelbarrows and tubular products.

Basis of preparation of the consolidated financial statements

The simplified joint-stock company (*société par actions simplifiée*) Altrad Investment Authority (A.I.A.) is subject to the legal obligation of consolidation in accordance with the Law of January 3, 1985.

The consolidated financial statements of the Altrad Group were approved by the Chairman of Altrad Investment Authority on February 2, 2015. They will be submitted for the shareholders' approval at the Annual General Meeting of February 26, 2015.

The following explanatory notes accompany the presentation of the financial statements and are an integral part thereof.

NOTE 1 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

1.1 External growth operations

This year, external growth operations were marked by the buyout of minority interests, to hold the entire capital, and by four acquisitions in the rental and services sector:

1.1.1 Buyouts of minority interests

The buyouts of minority interests carried out over the period 2013/2014 were all subject to a liability in the balance sheet of the financial statements at August 31, 2013:

Altrad Limex

In accordance with the shareholders' agreement signed on the creation of Altrad Limex, in Croatia, the Group acquired, on September 9, 2013, for an amount of 1.375 M€, the interest of the minority shareholder, i.e. 30% of the company's capital, bringing its stake to 100 %.

Altrad Bragagnolo

On September 20, 2013, the Group negotiated the takeover of the stake of the minority shareholder (20%) for an amount of 122 K€, bringing its stake to 100 %.

Jalmat

Following the acquisition of 60% of the Jalmat Group on September 6, 2012, the minority shareholder owning 37.4% wished to sell its stake. On September 30, 2013, the Group negotiated this takeover for a flat-rate value of 3.9 M€ and thus held, after the transaction, 97.4% of the Jalmat Group.

Poujaud Altrad

Following the partial takeover of the Poujaud Group in February 2012, the Altrad Group acquired the additional stake, i.e. 45% of the Poujaud Altrad Group on October 15, 2013, for an amount of 26 million Euros, and became owner of the entire share capital.

1.1.2 New acquisitions

Trad

The Group also strengthened its presence in the UK through the acquisition, on September 30, 2013, of the Trad Group (Trad H&S and Trad Group), an English group specialising in the sale of scaffolding, rental and associated services, respectively for 75.5% and 84%.

Spectra Scaffolding

On October 23, 2013, the English subsidiary Altrad NSG acquired 100% of the entity Spectra Scaffolding, to expand its commercial network.

Profix

On March 18, 2014, Altrad Balliauw (Belgium) enhanced its service offering with the acquisition of 100% of the Profix Group, specialised in insulation and painting work in industrial units in the Benelux sector.

Star Events

On May 31, 2014, Altrad Beaver84 (UK) expanded its product range with the acquisition of 70% of Star Events, specialised in the hire of event equipment, such as stages, seating, etc.

Additional information concerning these entries into the consolidation scope are provided in Note 3 - Consolidation scope below.

1.2 Operations on the existing scope

To streamline the Group's organisational structure, the following operations were carried out:

- merger of Jalmat Finance (France) and all its subsidiaries on August 29, 2014 with retroactive effect from September 1, 2013;
- merger of Profix (Belgium) and three of its subsidiaries on January 1, 2014;
- merger of Altrad Rodisola (Spain) and Servindustria on August 29, 2014 with retroactive effect from September 1, 2013.

1.3 Funding

Bond issue

The Group moved towards a new form of funding through a non-convertible bond issue on a regulated market, fully subscribed in November 2013. It was the first to benefit from the NOVO I and NOVO II funds, made available to mid-caps selected by the investment funds. It was thus able to dispose of 100 million Euros, repayable at the end of a seven-year period.

Subscription of a new syndicated credit

With the aim of securing the long-term future of drawdown possibilities devoted to the funding of potential targets, the Group's banking pool was solicited and a new syndicated loan was signed on December 20, 2013 for an amount of 150 million Euros. No amounts were drawn down on this loan during the financial year.

1.4 Restructuring and utilisation of industrial sites

As in the previous year, the consolidated financial statements were approved according to the following option, i.e. costs arising from the restructuring of industrial sites and under-activity costs were identified for each entity and isolated on a separate line in the income statement "restructuring costs and total cost of under-activity" for a total amount of 13,161 K€.

3 different types of costs are identified:

- Costs incurred to adapt the structure of the Group to the current level of economic activity totalled 8,552 K€ and correspond to redundancy and restructuring costs.

- Despite the restructuring operations carried out in several phases during the last four years, the Group has experienced periods of under-activity that it has restated. The total cost of under-activity not absorbed given the level of activity of the financial year compared to a standard level was calculated for each entity, and presented on the line "restructuring costs and total cost of under-activity" for an amount of 4,207 K€.

- Furthermore, the production cost of inventories of manufactured products at the balance sheet date was also restated for the share of unabsorbed fixed costs. It was excluded from the production cost and recognised in expenses for the year amounting to 402 K€ on the line "restructuring costs and total cost of under-activity".

Details of these elements are provided in Note 2.3.2.

NOTE 2 ACCOUNTING PRINCIPLES AND METHODS

2.1 Accounting standards

The consolidated financial statements of the Altrad Group are established in accordance with the IFRS repository (International Financial Reporting Standards) published by the IASB (International Accounting Standards Board) as adopted by the European Union on the date the accounts were approved by the Board of Directors and applicable at August 31, 2014.

The IFRS repository includes the IFRS standards, IAS (International Accounting Standards) and their interpretations (IFRIC and SIC) and is available on the website of the European Commission: http://ec.europa.eu/internal_market/accounting/ias_fr.htm#adopted-commission

The accounting methods presented below have been applied consistently for all periods presented in the consolidated financial statements, after taking into account, or with the exception of the new standards and interpretations described below.

2.1.1 New standards and interpretations applicable for the year ended August 31, 2014

The accounting principles applied are consistent with those used in preparing the consolidated financial statements for the year ended August 31, 2013, with the exception of the following new standards and interpretations:

The following new standards, amendments and interpretations became mandatorily applicable for the Altrad Group as of September 1, 2013:

- revised standard IAS 19 "Employee benefits" which introduced several changes to the accounting of post-employment benefits, and in particular the immediate recognition of all actuarial gains and losses in non-recyclable equity by the result, while they were previously recognised by the profit and loss account in the Altrad Group. The application of this new standard is retrospective and its impacts are presented in Note 2.4.1.

- standard IFRS 13 "Fair value measurement", which establishes the rules for determining fair value and disclosures to be provided in the annex, when it is used, but does not change the circumstances in which fair value is used. The impact of the application of this standard by the Group is not significant.

- amendment to IFRS 7 "Off-setting financial assets and liabilities", which requires new disclosures to be provided in the annex to help users of financial statements to assess the current or potential impact of financial assets or liabilities netting agreements on the financial position. The impact of the application of this standard by the Group is not significant.

- improvement of IFRS (2009-2011), specifying in particular the minimum information to be provided in terms of comparative information and the accounting classification of maintenance equipment and spare parts in fixed assets or inventories. The impact of the application of this standard by the Group is not significant.

- amendment to IAS 12 "Income taxes": Recovery of underlying assets, concerning deferred taxes relating to investment property and non-depreciable assets recognised at fair value. The impact of the application of this standard by the Group is not significant.

- IFRIC 20 "Stripping costs incurred during the production phase of an open pit mine". This standard has no impact for the Altrad Group.

- IFRS 1 "Serious hyperinflation". This standard has no impact for the Altrad Group.
- IFRS 1 "Government loans". The impact of the application of this standard by the Group is not significant.

The following standards, amendments and interpretations that will apply to the Altrad Group from September 1, 2014 or later and whose effects are still being analysed, have not given rise to an early application for the year ended August 31, 2014:

- amendment to IAS 32 "Financial instruments - presentation: offsetting financial assets and financial liabilities" which clarifies the concept of "legal right to offset".

- IFRS 10 defining to concept of control over an entity.
- IFRS 11: it provides that jointly owned shareholdings are consolidated using the equity method and removes the option of consolidating them using the proportional integration method, as previously provided by IAS 31. As the Group does not currently hold any jointly owned shareholding, the application of this standard should have a limited impact on the Group's consolidated financial statements.

- IFRS 12 supplementing the information required in the annex to the consolidated financial statements on the determination of the consolidation scope and minority interests.

- amendment to IFRS 10, 11, 12 on transitional provisions.

- revision of IAS 27 "Individual financial statements".

- revision of IAS 28 "Investments in associates and joint ventures".

- Amendments to IFRS 10, IFRS 12 and IAS 27: Investment entities.

- Amendment to IAS 36 "Recoverable amount disclosures for non-financial assets".

- Amendment to IAS 39 "Novation of derivatives and continuation of hedge accounting".

- IFRIC 21 "Duties and taxes".

- Amendment to IAS 19 "Defined benefit plans: contributions of staff members"

- Improvements to IFRS (cycle 2010-2012 and cycle 2011-2013)

The annual consolidated financial statements of the Altrad Group do not take into account:

- Draft standards and interpretations which still have the status of exposure drafts of the IASB and the IFRIC at the balance sheet date;

- new standards, amendments to existing standards and interpretations issued by the IASB but not yet approved by the European Accounting Regulation Committee on the date of the annual consolidated financial statements (in particular IFRS 9 Financial Instruments, IFRS 14, IFRS 15 contracts, Amendment to IAS 16, IAS 38, IAS 41, IFRS 11, IFRS 7, IAS 1, IAS 27, IFRS 9, IFRS 10, IAS 28, IFRS 12 and Improvements to IFRS (cycle 2012-2014)).

2.1.2 Options adopted by the Altrad Group upon first-time adoption of IFRS

Within the framework of the first-time adoption of IFRS on the financial statements at 31/08/2008, the Altrad Group chose the following options:

- measurement of property, plant and equipment and intangible assets: the option to measure these assets at fair value on the transition date was not adopted;

- business combinations prior to September 1, 2006 have not been restated;

- conversion of the accounts of foreign subsidiaries: translation reserves relating to the consolidation of subsidiaries in foreign currencies were cancelled on September 1, 2006 and offset against retained earnings.

2.1.3 Options adopted by the Altrad Group when the IFRS provide for measurement or recognition options

Some IFRS standards provide for options concerning the measurement and recognition of assets and liabilities. The Group has therefore chosen:

- Measurement of property, plant and equipment and intangible assets (IAS38 and 16): fixed assets are measured at their depreciated historical cost. Therefore, no annual revaluation of property, plant and equipment and intangible assets is planned.

- Inventories are recognised according to the "First in, first out" method (IAS 2).

- For the treatment of put options on minority interests within the framework of business combinations, the Group opted, as of the takeover, for the recognition of a liability in the consolidated balance sheet in return for the non-recognition of minority interests (applicable in particular to the subsidiaries IRBAL, Atika, Trad Group, Trad H&S, Generation and Star Events).

2.2 Use of estimates and assumptions

The preparation of financial statements requires that the management of the Altrad Group makes estimates and adopts certain assumptions that can have an impact on the amounts of assets and liabilities in the consolidated balance sheet and the amounts of income and expenses on the profit and loss account. Subsequent actual results could therefore substantially differ from the estimates adopted by the Group according to the different conditions on the completion date.

The accounting estimates used in the preparation of the financial statements at August 31, 2014 were made, like last year, in a context of economic crisis, causing some difficulty in assessing the economic outlook.

The estimates and assumptions concern, in particular:

- Goodwill impairment tests (IAS 36), sensitive to assumptions used to forecast future cash flows and for the discount rate (see Note 4);

- Calculation of the impact of under-activity on the measurement of the production cost of inventories and on the overall burden of under-activity on a separate line (see Note 1.4);

- The estimate of provisions for risks and charges related to ongoing litigation and restructuring plans (see Note 16);

- The evaluation of provisions for depreciation of trade receivables (see Note 9) and inventories (see Note 8);

- The recoverability of deferred tax assets related to the probable future utilisation of available tax losses (see Note 7.3).

2.3 Accounting principles

2.3.1 Balance sheet elements

Business combinations and goodwill

Upon an acquisition, the assets, liabilities and possible liabilities of the subsidiary are recognised at fair value in an allocation period of twelve months, and retroactively on the acquisition date. Any additional acquisition cost compared to the buyer's share in the fair values of identifiable assets and liabilities acquired is recognised as goodwill. Any negative difference between the acquisition cost and the fair value of identifiable net assets acquired is recognised in income in the year of acquisition.

Goodwill, assessed at its cost as described above, is, where appropriate, reduced by accumulated impairment losses. They are allocated by cash-generating units (CGU), are not depreciated and are subject to annual impairment tests. The accounting value of goodwill is compared to the fair value or value in use, whichever is higher. If this test confirms a loss in value, goodwill is written-down.

The assessment of the value in use is based on expected changes in cash flows discounted by cash-generating units, which correspond to the Group's subsidiaries.

The method extends over five years the cash flow of the following year's budget according to a specific growth rate for each CGU, then to infinity according to a standard rate of 2%.

The assessment of the value in use is based on expected changes in cash flows discounted by cash-generating units, which correspond to the Group's subsidiaries.

The discount rate used corresponds to the weighted average cost of capital for financial year 2013/2014, i.e. 10%, like for 2012/2013.

Intangible fixed assets and property, plant and equipment

Land, buildings and industrial equipment are assessed at historical cost, less accumulated depreciation and impairment losses. The cost of assets may also include incidental expenses directly attributable to the asset. The Group has not retained any residual value for its capital assets. Industrial assets are supposed to be used until the end of their life and it is not generally planned to sell them.

The depreciation of property, plant and equipment is calculated on a straight-line basis according to the components and estimated useful lives.

	Breakdown by components	Depreciation period
INTANGIBLE ASSETS		
Development costs		3 to 5 years
Concessions, patents, licences		1 to 11 years
Other intangible assets		1 to 5 years
TANGIBLE ASSETS		
Buildings:		
- Structure (structural work)	60%	17 to 60 years
- Façades, watertightness	15%	15 to 20 years
- General and technical facilities	15%	10 to 15 years
- Fixtures	10%	5 to 10 years
Welding robots:		
- Generator	7%	7 years
- Other	93%	15 years
Paint booth:		
- Booth	75%	15 years
- PLC & electronics	25%	10 years
Technical installations and equipment		5 to 15 years
Transport equipment		7 months to 5
Other capital assets		2 to 15 years

Finance lease and operating lease

Assets covered by a finance lease that effectively transfer the benefits and risks of ownership to the Group are recorded as assets under property, plant and equipment. These assets are measured at the fair value of the leased property or, if it is lower, at the present value of the minimum payments under the lease. In return, an equivalent liability in leasing debts is recognised, broken down into short term and long term portion. These assets are depreciated using the straight-line method and useful life applied by the Group to other similar assets it owns or, if it is shorter, the term of the finance lease.

Operating lease costs are recognised as expenses in the income statement.

Non-current financial assets

They include securities available for sale and other securities as well as other non-current assets: long-term loans, deposits and guarantees.

Impairment of assets

Property, plant and equipment are impaired when there exists an indication of loss of value or a decrease in the estimated future cash flows from the use of these assets. An assessment at their fair value is then performed by an independent expert and the higher value between the fair value or value in use is then retained.

Assets and liabilities held for sale

Assets and liabilities immediately available for sale are classified in assets and liabilities held for sale. Assets held for sale are measured at the lower between the carrying amount and fair value less costs to sell. Tangible assets held for sale are no longer depreciated.

Inventories

Inventories are measured at the lower between the cost and net realisable value, according to the "first in, first out" method. The net realisable value is the estimated sale price in the normal course of business less estimated costs of completion and the estimated costs necessary to make the sale.

Deferred taxes

They are recognised using the balance sheet liability method for all temporary differences existing at the balance sheet date between the tax base of assets and liabilities and their carrying amount in the balance sheet, unless they result from differences between the carrying value of an asset or liability and its tax value resulting from the initial recognition of an asset or liability from a transaction that is not a business combination or which, at the date of the transaction, does not affect taxable income.

Deferred tax assets corresponding to temporary differences or loss carryforwards are recognised to the extent that it is probable that a tax profit will be available and against which these elements can be charged.

These deferred taxes are not discounted in accordance with IAS12.

Under the liability method, deferred taxes are calculated at the latest tax rate enacted at the balance sheet date and applicable to the reversal period for temporary differences, i.e. at August 31, 2014:

Country	Tax rate
Germany	30%
Austria	25%
Belgium	33.99%
China	25%
Croatia	20%
Spain	30%
France	34.43% or 33.33%
United	20% **(1)**
Hong Kong	16.50%
Hungary	10%
Italy	31.40%
Netherlands	25%
Poland	19%
Portugal	25%
Romania	16%
Slovenia	17%
Tunisia	0%

(1) The tax rate in the United Kingdom was reduced to 21% as of April 1, 2014 compared to 24% previously, and will be reduced to 20% from April 1, 2015.

Net financial debt

Long-term financial debts: they include long-term bank loans and bonds and capitalised borrowings related to finance leases and commercial papers. Regarding borrowing costs, the simplified method permitted by IFRS is applied: transaction fees are depreciated on a straight-line basis and interest expenses are recognised based on the variable rate observed, the additional margin rate being estimated steady over the remaining term of the structured financing.

Short-term financial debts: they include the short-term portion of borrowings and current bank overdrafts.

Cash and cash equivalents: they consist mainly of bank accounts and risk-free cash investments with a maturity of less than 3 months.

Interest-rate derivatives

The Group uses derivative financial instruments to manage and hedge its exposure to changes in interest rates on money borrowed through a structured loan. These instruments are many swaps, caps and tunnels, exchanging variable rates against fixed rates. Derivative financial instruments are measured at fair value at the balance sheet date and according to the market positions evaluated by our financial partners and reviewed by the Group.

The instruments, which are not classified as hedging instruments within the meaning of the criteria defined by IAS 32/39, are recognised in the balance sheet at fair value and changes are recorded in the income statement under "other financial income" and "other financial expenses".

Instruments classified as hedging instruments within the meaning of the criteria defined by IAS 32/39, are recognised in the balance sheet at fair value and changes are recorded in equity for the effective portion. The ineffective portion is recognised in the income statement under "other financial income" and "other financial expenses".

Borrowing costs

In the absence of qualifying assets, borrowing costs are recognised as an expense in the period in which they are incurred.

Employee benefits

Defined benefit plans: the Group's commitments relating to pension and retirement benefits are calculated using the method of projected unit credit upon retirement, taking into account the economic conditions observed and collective agreements and local regulations.
Actuarial gains and losses arising from changes in actuarial assumptions from one period to another in the valuation of commitments are recognised in other comprehensive income, in accordance with IAS19 as revised.

Defined contribution plans: contributions paid under a defined contribution plan are recognised as expenses for the financial year.

Specific social benefits, such as termination benefits in accordance with specific agreements or national legal and regulatory provisions, are subject to a provision.

Provisions for other liabilities

A provision is recorded when there is a legal or implied obligation towards a third party, resulting from past events, which can be reliably estimated and will ultimately result in an outflow of resources.

These provisions are discounted if the impact is significant. Provisions recorded during the year by the Group have not been discounted, apart from those concerning termination benefits recognised in accordance with IAS19 (see Note 17).

2.3.2 Items of the income statement

Income from ordinary activities

It is recognised when the transfer of risks and benefits inherent to ownership is made to a third party, or according to the percentage of completion method, in accordance with IAS18. This income is recognised net of price reductions, rebates, discounts, annual flat-rate discounts and cash discounts granted.

Sales of used equipment from the rental stock

In the consolidated income statement, income from the sale of used equipment initially leased is recognised in income from ordinary activities. The net book value of these assets is recognised under costs of materials and goods consumed.

In the cash flow table, sales of used equipment impact the net cash flow generated by the activity.

Restructuring costs and treatment of under-activity

The continuing economic crisis has led to the restructuring and reorganisation of the activity to adapt the production tool to the new constraints of the market. However, by comparison between the actual activity and the normal activity, some of the group's entities are still subject to under-activity costs.

The effects of the under-activity have been quantified and restated in the consolidated accounts as indicated below, as in the previous year. The under-absorption of fixed costs in a production company of the Altrad Group can therefore be measured according to the evolution of the quantities produced.

The overall fixed cost of under-activity is determined according to the following formula:

Fixed costs x [1-((Quantity produced in N / Maximum productive capacity)/Standard rate)]

Where:

- fixed costs, by opposition to variable costs, are costs which do not vary according to the level of activity;

- the quantity produced in N is expressed in tonnes or units;

- the maximum productive capacity corresponds to the quantity (expressed in tonnes or units) which would be produced by 3 teams each working 5 days out of 7 for 8 hours;

- the standard rate means the maximum utilisation rate of the production site taking into account the ongoing restructuring and weighted by the vagaries or technical restrictions than can intervene in the production process.

Restructuring costs include:

- personnel costs: economic redundancy payments, costs of settlements with employees for their departure, partial unemployment costs
- site closure costs which include the cost of equipment, termination costs.

Other non-current income and expenses

To facilitate communication on its level of recurring operating performance, and in accordance with CNC Recommendation n° 2009-R-03 of July 2, 2009, the Group has chosen to present an intermediate line in the profit and loss account entitled "Current operating income", allowing to isolate the impact of non-recurring operating income and expenses, corresponding to unusual and infrequent events.

Earnings per share

Earnings per share are presented in accordance with IAS33 "Earnings per share". The basic earnings per share is calculated by dividing the profit or loss attributable to the company's shareholders by the average weighted number of ordinary shares outstanding during the period. There are no treasury shares or dilutive instruments in the Group.

2.3.3 Cash flow statement

The cash flow statement is presented in accordance with IAS7 "Cash flow statement" and provides a breakdown of cash flows between operational activities, investment activities and financing activities.

2.3.4 Translation of foreign currency transactions

The consolidated financial statements are presented in Euros which is the operating currency of the Group's parent company.

The accounts of foreign subsidiaries whose operating currency is different from that of the parent company are translated according to the closing rate method:

- the assets and liabilities are translated into Euros at the exchange rate prevailing at the balance sheet date;
- equity is translated at historical rates;
- the income statement and cash flow statement items are translated into Euros at average rates for the period.

Translation differences arising from the application of this method are shown in a separate equity item.

Transactions in foreign currency are converted into Euros by applying the exchange rate in force on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are converted into Euros at the exchange rate prevailing at the balance sheet date, the resulting exchange differences are recognised in the income statement as gains or losses.

Below are the exchange rates of currencies at August 31, 2014:

(in Euros)		Opening rate	Average rate	Closing rate
CNY	Chinese renminbi yuan	0,123489	0,119650	0,123429
GBP*	British pound sterling	1,171029	1,215082	1,257387
HKD	Hong Kong dollar	0,097440	0,094813	0,097840
HRK	Croatian kuna	0,132130	0,131177	0,131216
HUF	Hungarian forint	0,003325	0,003282	0,003174
PLN	Polish zloty	0,234560	0,239155	0,237130
10,000 RON	Romanian leu	0,225632	0,224605	0,226937
TND	Tunisian dinar	0,457810	0,447351	0,435909
USD	US dollar	0,755572	0,735224	0,758265

* The GBP exchange rate on the date of consolidation (30/09/2013) of the entities TRAD GROUP and TRAD HIRE & SALES is 1.202935.

2.4 Changes made to the balance sheet and consolidated income statement initially published for the financial year ended August 31, 2013

2.4.1 Change of method

Retrospective application of the revised IAS 19 standard "Employee benefits"

The amendment to IAS 19 Employee benefits is mandatorily applicable to financial years starting as of January 1, 2013 and to subsequent financial years presented. Accordingly, the summary statements for financial year 2013 have been restated.

The main impact on the 2013 consolidated financial statements is a reclassification of 0.4 M€ of profit to reserves.

2.4.2 Finalisation of the allocation of fair values relating to first-time consolidations N-1

Definitive allocation of the ATIKA negative goodwill

On September 28, 2012, ALTRAD INVESTMENT AUTHORITY acquired, for 1,898 K€, a stake of 80% in the German company ATIKA, which produces construction, building and garden products.

At August 31, 2013, the allocation of the fair values of assets and liabilities acquired, and the final calculation of goodwill, had not been finalised within the 12-month time limit granted by IFRS3. Therefore, the provisional goodwill was negative and amounted to 3,762 K€. In parallel, the Group recorded a new provision for risks of an amount of 4 M€.

On the acquisition date, ATIKA had 21 K€ in existing cash.

The finalisation of the evaluation of fair values of assets and liabilities acquired resulted in a final negative goodwill of 7,262 K€:

(in K€)	
Provisional negative goodwill	(3 762)
ATIKA brand	(5 000)
Deferred tax	1 500
Final negative goodwill	(7 262)

The brand was valued using the royalty method, based on a royalty rate of 2%, a discount rate of 10% and an indefinite life. Therefore, it is not amortised and is subject each year to an impairment test.

2.4.3 Change of presentation of the consolidated income statement

To facilitate communication on its level of recurring operating performance, and in accordance with CNC Recommendation n° 2009-R-03 of July 2, 2009, the Group has chosen to present an intermediate line in the profit and loss account entitled "Current operating income", allowing to isolate the impact of non-recurring operating income and expenses, corresponding to unusual and infrequent events.

This change of presentation has been applied retrospectively, to ensure the comparability of financial statements.

2.4.4 Error corrections

2.4.4.1 Corrections of estimates in the financial statements

Altrad Rodisola

The 2013 financial statements of the subsidiary ALTRAD RODISOLA were modified late following information discovered post-closing relating to a labour dispute that arose in 2013. The company's net profits were reduced by a net amount of 2 M€. This change was recorded in the 2013 comparative accounts of these financial statements.

Atika

The 2013 financial statements of ATIKA were modified late following the occurrence of a significant post-closing event connected to the ongoing restructuring. The company's net profits were reduced by a net amount of 634 K€.

The Group estimated the additional cost of this restructuring and therefore recorded an additional provision in the account of 1 M€ net of tax.

As these new estimates occurred subsequent to the publication of the consolidated financial statements of the Altrad Group at August 31, 2013, they were recorded in the 2013 comparative accounts of these financial statements.

2.4.4.2 Restatement of finance leases for commercial vehicles

The Group prepared an exhaustive inventory of commercial vehicles which are the subject of a finance lease under which the benefits and risks inherent to ownership of the property is effectively transferred to the Group. During this work, a certain number of contracts that meet the criteria of IAS 17 and not restated were identified. The consolidated financial statements at August 31, 2013 were corrected to take the restatement of these finance leases into account. The impacts were:

- in the balance sheet:
  - increase in net property, plant and equipment: 7.8 M€
  - increase of non-current financial debt: 5.5 M€
  - increase of current financial debt: 2.3 M€

- in the income statement:
  - cancellation of fees: 2.4 M€
  - increases in depreciation charges: (1.8) M€
  - increase in financial charges: (0.6) M€

2.4.4.3 Other error corrections

A reclassification of lease-back (deferred revenue to be reclassified as a reduction of depreciation) was omitted from the accounts published at 31/08/2013 and was corrected this year in the opening balance sheet for 3,005 K €.

An effect of the deconsolidation of Altrad Production over the period 2012/2013 has been reclassified, in the opening balance sheet, from other financial charges to other non-recurring operating income and expenses for 683 K€.

The comparative financial statements at August 31, 2013 have therefore been corrected by the impacts and allocations outlined above. The table below shows the transition from the accounts at August 31, 2013 initially published to the corrected accounts:

Consolidated statement of profit or loss (in thousands of euros)	31/08/2013 published	Changes in accounting policies	Correction of errors	Finalisation of PPA N-1	31/08/2013 restated
Revenue from current activities	714 281	0	0	0	714 282
Cost of raw materials and merchandises	(280 478)				(280 478)
Personnel costs	(230 957)	(357)	(620)		(231 934)
General expenses	(119 187)		2 330		(116 857)
Depreciations and amortizations	(32 964)		(1 778)		(34 742)
Current operating profit	50 695	(357)	(68)	0	50 271
Other non-recurring revenues and expenses	4 262		(683)	3 500	7 079
Restructuring and underactivity costs	(8 826)		(3 739)		(12 565)
Operating profit	46 131	(357)	(4 490)	3 500	44 785
Income from cash and cash equivalents	1 046				1 046
Cost of gross financial debt	(7 443)		(617)		(8 060)
Cost of net financiel debt	**(6 397)**		**(617)**		**(7 014)**
Other financial products	2 101	(112)			1 989
Other financial expenses	(2 631)	(126)	683		(2 075)
Profit before tax from continuing operations	39 204	(595)	(4 424)	3 500	37 685
Current income tax	(9 857)		555		(9 302)
Deferred income tax	70	192	30		292
Income tax expense	(9 787)	192	585	0	(9 010)
Profit for the year from continuing operations	**29 417**	**(403)**	**(3 839)**	**3 500**	**28 675**
Profit/(loss) after tax for the year from discontinued operations	-				
Profit for the year	**29 417**	**(403)**	**(3 839)**	**3 500**	**28 675**
Equity holders of the parent	***28 256***	***(403)***	***(3 839)***	***3 500***	***27 515***
Non-controlling interests	***1 160***				***1 160***
Basic, profit for the year attributable to ordinary equity holders of the parent	***8,37***	***(0,12)***	***(1,14)***	***1,04***	***8,15***
Basic, profit from continuing operations attributable to ordinary equity holders of the parent	***8,37***	***(0,12)***	***(1,14)***	***1,04***	***8,15***
Diluted, profit for the year attributable to ordinary equity holders of the parent	***8,37***	***(0,12)***	***(1,14)***	***1,04***	***8,15***
Diluted, profit from continuing operations attributable to ordinary equity holders of the parent	***8,37***	***(0,12)***	***(1,14)***	***1,04***	***8,15***

Consolidated statement of other comprehensive income (inn thousands of euros)	31/08/2013 published	Changes in accounting policies	Correction of errors	Finalisation of PPA N-1	31/08/2013 restated
Consolidated net profit	29 418	(403)	(3 839)	3 500	28 676
Net other comprehensive loss to be reclassified to profit or loss in subsequent periods	(4 698)	0	0	0	(4 698)
Exchange differences on translation of foreign operations	(6 313)				(6 313)
Net gain on hedge of a net investment - gross value	2 463				2 463
Net gain on hedge of a net investment - tax effect	(848)				(848)
Net other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods		403	0	0	403
Remeasurement gains (losses) on defined benefit plans - gross value		597			597
Remeasurement gains (losses) on defined benefit plans - tax effect		(194)			(194)
Total net other comprehensive income	(4 698)	403	0	0	(4 295)
Total comprehensive income for the year, net of tax	**24 720**	**0**	**(3 839)**	**3 500**	**24 381**
Equity holders of the parent	***24 117***		***(3 839)***	***3 500***	***23 778***
Non-controlling interests	***601***				***601***

ASSETS (in thousands of euros)	31/08/13 published	Correction of errors	Finalisation of PPA N-1	31/08/2013 restated
	Net			Net
Goodwill	103 681			103 681
Intangible assets	49 961	(253)	5 000	54 708
Property, plant and equipment	152 019	4 786		156 805
Non-current financial assets and other non-current assets	3 259			3 259
Deferred tax assets	9 096	742	(1 205)	8 633
Non-current assets	318 016	5 275	3 795	327 086
Inventories	96 535			96 535
Trade receivables	167 538	(25)		167 513
Income tax receivable	343	125		468
Other receivables	24 779	1		24 780
Cash and short-term deposits	126 343			126 343
Current assets	415 538	101	0	415 639
Assets held for distribution	1 517			1 517
Total assets	**735 071**	**5 376**	**3 795**	**744 242**

EQUITY & LIABILITIES (in thousands of euros)	31/08/2013 published	Changes in accounting policies	Correction of errors	Finalisation of PPA N-1	31/08/2013 restated
Issued capital and other capital reserves	171 477	403			171 879
Foreign currency translation reserve	(2 499)				(2 499)
Profit for the period	28 256	(403)	(3 839)	3 500	27 515
Non-controlling interests	7 470				7 470
Total equity	**204 704**	**0**	**(3 839)**	**3 500**	**204 365**
Interest-bearing loans and borrowings, non-current	154 873		5 479		160 352
Reserve for risks and social engagement, non-currei	22 108		1 659		23 767
Other non-current liabilities	1 509				1 509
Deferred tax liabilities	16 471		715	295	17 481
Non-current liabilities	**194 961**	**0**	**7 853**	**295**	**203 109**
Interest-bearing loans and borrowings, current	52 378		2 313		54 691
Reserve for risks and social engagement, current	10 082		2 140		12 222
Trade and other payables	185 920		39		185 959
Income tax payable	7 736		(429)		7 307
Other liabilities	79 290		(2 701)		76 589
Current liabilities	**335 406**	**0**	**1 362**	**0**	**336 768**
Total equity and liabilities	**735 071**	**0**	**5 376**	**3 795**	**744 242**

NOTE 3 SCOPE OF CONSOLIDATION

The companies over which the ALTRAD Group directly or indirectly has exclusive control are Fully Consolidated (FC).

At August 31, 2014, all companies are under exclusive control and are fully consolidated.

All Group companies close their accounts on August 31, with the exception of the SCI Les Prés Sapins, Gros Chêne and Financière de l'Ain, Belle Inc and Belle Equipos, whose financial year ends on December 31. An interim statement at August 31, 2014 has therefore been established for these 5 companies.

The duration of the financial year is 12 months for all consolidated companies, except for companies acquired during the year, i.e.:

- TRAD SCAFFOLDING: financial year from October 1, 2013 to August 31, 2014 (11 months)
- TRAD HIRE & SALES: financial year from October 1, 2013 to August 31, 2014 (11 months)
- SPECTRA SCAFFOLDING: financial year from October 1, 2013 to August 31, 2014 (11 months)
- PROFIX sub-group: financial year from January 1, 2014 to August 31, 2014 (8 months)
- SART EVENTS: financial year from June 1, 2014 to August 31, 2014 (3 months)

All transactions, reciprocal assets and liabilities and significant intra-group income between fully consolidated companies are eliminated.

3.1 List of consolidated companies

Denomination	Currency	31/08/2014 Method	31/08/2014 Holding %	31/08/2014 Control %	31/08/2013 Method	31/08/2013 Holding %	31/08/2013 Control %
ALTRAD INVESTMENT AUTHORITY	EUR	Parent			Parent		
Germany							
ALTRAD BAUMANN	EUR	FC	100,00	100,00	FC	100,00	100,00
ALTRAD PLETTAC ASSCO	EUR	FC	100,00	100,00	FC	100,00	100,00
ALTRAD PLETTAC PRODUCTION	EUR	FC	100,00	100,00	FC	100,00	100,00
ATIKA **(9)**	EUR	FC	80,00	80,00	FC	80,00	80,00
LESCHA	EUR	FC	100,00	100,00	FC	100,00	100,00
Belgium							
ALTRAD BENELUX	EUR	FC	100,00	100,00	FC	100,00	100,00
ALTRAD HAVICO	EUR	FC	100,00	100,00	FC	100,00	100,00
ALTRAD STELLINGBOUW BALLIAUW GROUP **(4)**	EUR	FC	100,00	100,00	FC	100,00	100,00
Spain							
ALTRAD PLETTAC IBERICA	EUR	FC	100,00	100,00	FC	100,00	100,00
ALTRAD RODISOLA **(10)**	EUR	FC	100,00	100,00	FC	100,00	100,00
SERVINDUSTRIA **(10)**	EUR	FC	-	-	FC	99,90	99,90
France							
ALTRAD ARNHOLDT **(9)**	EUR	FC	100,00	100,00	FC	57.25	57.25
ALTRAD COLLECTIVITES	EUR	FC	99.97	100,00	FC	99.97	100,00
ALTRAD EQUIPEMENT	EUR	FC	99.97	99.97	FC	99.97	99.97
ALTRAD ETAIS	EUR	FC	99.87	99.87	FC	99.87	99.87
ALTRAD FAMEA ECA	EUR	FC	100,00	100,00	FC	100,00	100,00
ALTRAD INDUSTRIE	EUR	FC	100,00	100,00	FC	100,00	100,00
ALTRAD INTERNATIONAL	EUR	FC	99.97	99.97	FC	99.97	99.97
ALTRAD LOGISTIQUE	EUR	FC	99.97	99.97	FC	99.97	99.97
ALTRAD PLETTAC	EUR	FC	100,00	100,00	FC	100,00	100,00
ALTRAD RICHARD FRAISSE	EUR	FC	100,00	100,00	FC	100,00	100,00
ALTRAD SAINT-DENIS	EUR	FC	99.89	99.89	FC	99.89	99.89
ALTRAD SOFRAMAT ETEM	EUR	FC	100,00	100,00	FC	100,00	100,00
AURORE **(1)**	EUR	FC	100,00	100,00	-	-	-
COMI DEVELOPPEMENT **(9)**	EUR	FC	100,00	100,00	FC	44,00	44,00
COMI SERVICE **(9)**	EUR	FC	100,00	100,00	FC	55,00	55,00
ELYSEES SERVICES **(8)**	EUR	-	-	-	FC	70.25	70.25
ETABLISSEMENTS GUY NOËL	EUR	FC	100,00	100,00	FC	100,00	100,00
FINANCIERE GUY NOËL	EUR	FC	100,00	100,00	FC	100,00	100,00
GARRONE **(9)**	EUR	FC	100,00	100,00	FC	44,00	44,00
JALMAT GROUP **(5)** **(9)**	EUR	FC	97,40	97,40	FC	60,00	60,00
GUY NOËL PRODUCTION	EUR	FC	100,00	100,00	FC	100,00	100,00
POUJAUD ALTRAD **(9)**	EUR	FC	100,00	100,00	FC	55,00	55,00
POUJAUD SAS **(9)**	EUR	FC	100,00	100,00	FC	55,00	55,00
SAMIA DEVIANNE	EUR	FC	99.95	99.95	FC	99.95	99.95
SCI FINANCIERE DE L'AIN	EUR	FC	100,00	100,00	FC	100,00	100,00
SCI GROS CHÊNE	EUR	FC	99.99	99.99	FC	99.99	99.99
SCI LES PRES SAPIN	EUR	FC	100,00	100,00	FC	100,00	100,00
SOCACEN **(9)**	EUR	FC	100,00	100,00	FC	55,00	55,00
VEDIF COLLECTIVITES	EUR	FC	100,00	100,00	FC	100,00	100,00

Denomination	Currency	31/08/2014 Method	Holding %	Control %	31/08/2013 Method	Holding %	Control %
Italy							
ALTRAD Italy	EUR	FC	99.93	100,00	FC	99.93	100,00
BRAGAGNOLO **(9)**	EUR	FC	100,00	100,00	FC	80,00	80,00
Poland							
ALTRAD MOSTOSTAL **(2)**	PLN	FC	100,00	100,00	FC	100,00	100,00
ALTRAD POLAND (SPOMASZ)	PLN	FC	99.70	99.70	FC	99.70	99.70
Romania							
ALTRAD ROMANIA	RON	FC	100,00	100,00	FC	100,00	100,00
COMATEX **(8)**	RON	-	-	-	FC	99,00	99,00
United Kingdom							
ALTRAD BEAVER 84 **(7)**	GBP	FC	100,00	100,00	FC	100,00	100,00
ALTRAD NSG **(6)**	GBP	FC	100,00	100,00	FC	100,00	100,00
BAROMIX **(8)**	GBP	-	-	-	FC	100,00	100,00
GENERATION **(9)**	GBP	FC	80,00	80,00	FC	80,00	80,00
ALTRAD BELLE GROUP **(3)**	GBP	FC	100,00	100,00	FC	100,00	100,00
MTD	GBP	FC	100,00	100,00	FC	100,00	100,00
TRAD GROUP **(1) (9)**	GBP	FC	84,00	84,00	-	-	-
TRAD HIRE & SALES **(1) (9)**	GBP	FC	75,51	75,51	-	-	-
Other European countries							
ALTRAD ALUCON (Hungary)	HUF	FC	100,00	100,00	FC	100,00	100,00
ALTRAD FORT (Netherlands)	EUR	FC	100,00	100,00	FC	100,00	100,00
ALTRAD HOFMANINGER (Austria)	EUR	FC	100,00	100,00	FC	100,00	100,00
ALTRAD LIMEX (Croatia) **(9)**	HRK	FC	100,00	100,00	FC	70,00	70,00
ALTRAD LIV (Slovenia)	EUR	FC	100,00	100,00	FC	100,00	100,00
IRBAL (Portugal) **(9)**	EUR	FC	66,70	66,70	FC	66,70	66,70
Other countries of the World							
ALTRAD ASIA	HKD	FC	80,00	80,00	FC	80,00	80,00
ALTRAD CEDRIA	TND	FC	100,00	100,00	FC	100,00	100,00
SHANDONG ALTRAD ZHONGYUAN TRADE CO. **(8)**	CNY	-	-	-	FC	80,00	80,00

(1) Companies consolidated during the financial year ended August 31, 2014.

(2) The Altrad MOSTOSTAL Group includes the parent company Altrad Mostostal and its four Polish subsidiaries:

- Altrad-Mostostal Montaz in Siedlce, wholly-owned,
- Altrad-Konskie in Konskie, wholly-owned,
- Altrad-Pomorze in Szczecin, wholly-owned,
- Altrad-Prymat in Dzierzoniow, wholly-owned,

Its wholly-owned Russian subsidiary, Mostostal Altrad in Moscow, is no longer consolidated since August 31, 2006.

(3) The Altrad Belle sub-group consists of Belle holding Ltd and its 8 subsidiaries:

- Belle Engineering, in England, wholly-owned,

- ErruT in England, wholly-owned,
- Avon, in England, wholly-owned,
- Defiant, in England, wholly-owned,
- Panther, in England, wholly-owned,
- Belle, in the USA (Virginia), wholly-owned,
- Belle France, wholly-owned,
- Belle Equipos, in Spain, wholly-owned.

(4) The ALTRAD STELLINGBOUW BALLIAUW sub-group includes the parent company ALTRAD STELLINGBOUW BALLIAUW and its four subsidiaries:
- ALTRAD EUROSCAFF, in Belgium, wholly-owned,
- ALTRAD AnD, in Belgium, wholly-owned;
- the subsidiary ALTRAD BALLIAUW MULTISERVICES, in Belgium, wholly-owned;
- the subsidiary STEIGERBAUW BALLIAUW, in the Netherlands, wholly-owned;
- the PROFIX sub-group, in Belgium, all of whose shares were acquired on March 18, 2014 and composed of 4 subsidiaries (Altrad Profix-Belgium, Altrad Proscaff-Belgium, Profix Flexible Solutions-Belgium, Altrad Profix Bv-Netherlands)

(5) On August 31, 2013, the JALMAT sub-group included the parent company JALMAT FINANCE and 9 subsidiaries all directly or indirectly wholly-owned. On August 29, 2014, JALMAT FINANCE absorbed its 9 subsidiaries with retroactive effect from September 1, 2013.
The subsidiaries located in Morocco, Romania and Qatar were not absorbed and, at August 31, 2014 as at August 31, 2013, were not consolidated as they are considered non-significant for the Group.

(6) In its financial statements at August 31, 2014, ALTRAD TRADING includes the financial position of SPECTRA SCAFFOLFING, wholly-owned since October 23, 2013.

(7) In its financial statements at August 31, 2014, ALTRAD BEAVER84 includes the financial position of the STAR EVENTS sub-group, wholly-owned since May 31, 2014.

(8) Companies deconsolidated during the financial year due to their dissolution.

(9) In accordance with the accounting treatment adopted, the Group opted for the companies concerned, as of the takeover, for the recognition of a liability in the consolidated balance sheet in return for the non-recognition of minority interests.
At August 31, 2014, the unexercised options concerned the entities ATIKA, IRBAL, TRAD GROUP, TRAD HIRE & SALES, STAR EVENTS (owned by Beaver) and GENERATION.

(10) ALTRAD RODISOLA absorbed SERVINDUSTRIA on August 29, 2014 with retroactive effect from September 1, 2013.

3.2 Changes in the consolidation scope

3.2.1 Changes in scope during financial year 2013/2014

Financial year 2013/2014 recorded the following changes in scope:

Acquisition of the TRAD GROUP

The Group strengthened its presence in the UK through the acquisition, on September 30, 2013, of the Trade Group, an English group specialising in the sale of scaffolding, rental and associated services, for 84 %.

The acquisition cost of the securities amounted to 21,909 K€ and the corresponding goodwill was provisionally assessed at August 31, 2014 at 7,730 KGBP. The allocation of the fair values of assets and liabilities acquired, and the final calculation of goodwill, have not been finalised and will be, within the 12-month time limit granted by IFRS3. On the acquisition date, the TRAD GROUP had 792 K€ in existing cash and no outstanding bank overdrafts.

In accordance with Group standards, the option to buy out the minority shareholders, provided for in the shareholders' agreement, was subject to a recognition of debt (6.3 M€) in return for an ownership percentage of 100% (instead of 84%).

The contribution of TRAD GROUP to the turnover and consolidated profit amounted respectively at August 31, 2014 to 24,154 K€, and to 2,095 K€.

Acquisition of the TRAD HIRE & SALES Group

The Group strengthened its presence in the UK through the acquisition, on September 30, 2013, of Trad Hire & Sales, an English group specialising in the sale of scaffolding, rental and associated services, for 75.5%.

The acquisition cost of the securities amounted to 15,715 K€ and the corresponding goodwill was provisionally assessed at August 31, 2014 at 18,450 KGBP. The allocation of the fair values of assets and liabilities acquired, and the final calculation of goodwill, have not been finalised and will be, within the 12-month time limit granted by IFRS3. On the acquisition date, the TRAD HIRE & SALES had 1,686 K€ in existing cash and no outstanding bank overdrafts.

In accordance with Group standards, the option to buy out the minority shareholders, provided for in the shareholders' agreement, was subject to a recognition of debt (21 M€) in return for an ownership percentage of 100% (instead of 75.5%).

The contribution of TRAD HIRE & SALES to the turnover and consolidated profit amounted respectively at August 31, 2014 to 51,471 K€, and to 6,421 K€.

Acquisition of the PROFIX Group

On March 18, 2014, Altrad Balliauw enhanced its service offering with the acquisition of 100% of the Profix Group, specialised in insulation and painting work in industrial units in the Benelux sector.

The acquisition cost of securities amounted to 1,000 K€ and the contract provides for a maximum price supplement of 2,000 K€ payable in September 2014, 2015, 2016 and 2017 depending on the level of EBITDA reached. At August 31, 2014, the corresponding goodwill was provisionally assessed at 2,208 K€. The allocation of the fair values of assets and liabilities acquired, and the final calculation of goodwill, have not been finalised and will be, within the 12-month time limit granted by IFRS3. On the acquisition date, the PROFIX GROUP had 127 K€ in existing cash and (720) M€ in outstanding bank overdrafts.

The contribution of the PROFIX GROUP to the turnover and consolidated profit amounted respectively at August 31, 2014 to 13,294 K€, and to 160 K€.

Acquisition of SPECTRA SCAFFOLDING

On October 23, 2013, the English subsidiary Altrad NSG acquired 100% of the entity Spectra Scaffolding, to expand its commercial network.

The acquisition cost of the securities amounted to 240 KGBP and the corresponding goodwill was provisionally assessed at August 31, 2014 at 200 KGBP. The allocation of the fair values of assets and liabilities acquired, and the final calculation of goodwill, have not been finalised and will be, within the 12-month time limit granted by IFRS3. On the acquisition date, Spectra Scaffolding had 23 KGBP in existing cash.

Acquisition of the STAR EVENTS group

On May 31, 2014, Altrad Beaver84 expanded its product range with the acquisition of 70% of Star Events for an amount of 365 KGBP, specialised in the hire of event equipment, such as stages, seating, etc.

The allocation of the fair values of assets and liabilities acquired, and the final calculation of goodwill, have not been finalised and will be, within the 12-month time limit granted by IFRS3. At August 31, 2014, the provisional goodwill was negative and amounted to 330 KGBP.

On the acquisition date, STAR EVENTS had 400 KGBP in existing cash.

In accordance with Group standards, the option to buy out the minority shareholders, provided for in the shareholders' agreement, was subject to a recognition of debt (201 K€) in return for an ownership percentage of 100% (instead of 70%).

The contribution of STAR EVENTS to the turnover and consolidated profit amounted respectively at August 31, 2014 to 3,045 KGBP, and to (113) KGBP.

Recognition of the option to buy out Generation's minority shareholders

At August 31, 2014, the option to buy out the minority shareholders (20%) of Generation, provided for in the shareholders' agreement, was assessed and recognised in liabilities for an amount of 26,951 K€ in return for an ownership percentage of 100% (instead of 80%).

Exercise of the option to buy out Altrad Limex's minority shareholders

In accordance with the shareholders' agreement signed on the creation of Altrad Limex, in Croatia, the Group acquired, on September 9, 2013, for an amount of 1.4 M€, the stake of the minority shareholder, i.e. 30% of the company's capital, bringing its stake to 100 %.

In accordance with Group standards, the option to buy out the minority shareholders, provided for in the shareholders' agreement, was subject to a recognition of debt in return for an ownership percentage of 100% (instead of 70%) upon the acquisition. This debt was repaid at August 31, 2014.

Exercise of the option to buy out Altrad Bragagnolo's minority shareholders

On September 20, 2013, the Group negotiated the takeover of the stake of the minority shareholders (20%) for an amount of 122 K€, bringing its stake to 100 %.

In accordance with Group standards, the option to buy out the minority shareholders, provided for in the shareholders' agreement, was subject to a recognition of debt in return for an ownership percentage of 100% (instead of 80%) upon the acquisition. This debt was repaid at August 31, 2014.

Recognition of the option to buy out Jalmat's minority shareholders

Following the acquisition of 60% of the Jalmat Group on September 6, 2012, the minority shareholder owning 37.4% wished to sell its stake. On September 30, 2013, the Group negotiated this takeover for a flat-rate value of 3.9 M€ and thus held, after the transaction, 97.4% of the Jalmat Group.

In accordance with Group standards, the option to buy out the minority shareholders, provided for in the shareholders' agreement, was subject to a recognition of debt in return for an ownership percentage of 100% (instead of 60%) upon the acquisition. This debt was repaid at August 31, 2014.

Exercise of the option to buy out Poujaud Altrad's minority shareholders

Following the partial takeover of the Poujaud Group in February 2012, the Altrad Group acquired the additional stake, i.e. 45% of the Poujaud Altrad Group on October 15, 2013, for a total amount of 26 million Euros, and became owner of the entire share capital.

In accordance with Group standards, the option to buy out the minority shareholders, provided for in the shareholders' agreement, was subject to a recognition of debt in return for an ownership percentage of 100% (instead of 55%) upon the acquisition. This debt was repaid at August 31, 2014.

3.2.2 Changes in scope of the previous year

Financial year 2012/2013 recorded the following changes in scope:

Acquisition of the JALMAT Group

On September 6, 2012, ALTRAD INVESTMENT AUTHORITY acquired 60% of the capital of JALMAT FINANCE, parent company of a French group (9 subsidiaries directly or indirectly held at 100%) offering services to construction companies, specialising in the rental and installation, after project studies, of formwork, scaffolding, props and shoring.

The acquisition cost of the securities amounted to 22,490 K€ and the corresponding goodwill was provisionally assessed at August 31, 2013 at 19,447 K€. The allocation of the fair values of assets and liabilities acquired, and the final calculation of goodwill, finalised within the 12-month time limit granted by IFRS3, did not give rise to any adjustment: the final goodwill amounted to 19,447 K€.

On the acquisition date, JALMAT had 985 K€ in existing cash and 4.8 M€ in outstanding bank overdrafts.

The contribution of JALMAT to the turnover and consolidated profit amounted respectively at 31/08/2013 to 32,027 K€, and to 443 K€.

Concerning the option to buy out the minority shareholders, provided for in the shareholders' agreement, the Group opted to recognise a debt (3.9 M€) in return for an ownership percentage of 100% (instead of 60%). This option was exercised over the period 2013/2014 (see 3.2.1).

Acquisition of ATIKA

On September 28, 2012, ALTRAD INVESTMENT AUTHORITY acquired, for 1,898 K€, a stake of 80% in the German company ATIKA, which produces construction, building and garden products.

The allocation of the fair values of assets and liabilities acquired, and the final calculation of goodwill, were finalised within the 12-month time limit granted by IFRS3. At August 31, 2013, the provisional goodwill was negative and amounted to 3,762 K€. In parallel, the Group recorded a new provision for risks of an amount of 4 M€. At August 31, 2014, the final allocation of fair values allowed to value the ATIKA brand at 3.5 M€ (net of tax). The definitive negative goodwill amounted to 7,262 K€ and an additional provision for risks of 1 M€ (net of tax) was recognised.

On the acquisition date, ATIKA had 21 K€ in existing cash.

Concerning the option to buy out the minority shareholders, provided for in the shareholders' agreement, the Group opted to recognise a debt (525 K€) in return for an ownership percentage of 100% (instead of 80%).

The contribution of ATIKA to the turnover and consolidated profit amounted respectively at August 31, 2013 to 22,178 K€ and to 1,397 K€.

Acquisition of BRAGAGNOLO

On October 8, 2012, the Altrad Group acquired 80% of the shares of the Italian company BRAGAGNOLO, specialised in the production of construction materials, to develop synergies with Altrad Italy.

The acquisition cost of the securities amounted to 486 K€ and the corresponding goodwill was provisionally assessed at August 31, 2013 at 2,633 K€. The allocation of the fair values of assets and liabilities acquired, and the final calculation of goodwill, within the 12-month time limit granted by IFRS3, did not give rise to any adjustment of the provisional goodwill.

On the acquisition date, BRAGAGNOLO had 852 K€ in existing cash and 2.1 M€ in outstanding bank overdrafts.

Concerning the option to buy out the minority shareholders, provided for in the shareholders' agreement, the Group opted to recognise a debt (122 K€) in return for an ownership percentage of 100% (instead of 80%). This option was exercised over the period 2013/2014 (see 3.2.1).

The contribution of BRAGAGNOLO to the turnover and consolidated profit amounted respectively at 31 August 2013 to 3,301 K€, and to a loss of (47) K€.

Ongoing closures

To streamline the presence of the Altrad Group in Great Britain following the takeover of BELLE, ALTRAD BAROMIX ceased operations in April 2009. Its Fort wheelbarrows business was transferred to BELLE. The company was deconsolidated at August 31, 2014, generating a loss of (19) K€.

The following companies were also deconsolidated, generating a gain (loss) from disposals of:

- SAZT: (708) K€
- COMATEX: 89 K€
- ELYSEE SERVICES: 53 K€

At August 31, 2014, the ALTRAD HAVICO closure procedure is still ongoing.

Mergers, partial asset contributions between subsidiaries of the Group with no impact on the consolidated accounts

In order to streamline the legal structure:

- Altrad Rodisola and Servindustria were merged on August 29, 2014 with retroactive effect from September 1, 2013;

- Profix and three of its subsidiaries were merged on January 1, 2014;

- Jalmat Finance and all its subsidiaries were merged on August 29, 2014 with retroactive effect from September 1, 2013.

3.2.3 Exclusions from the scope of consolidation

The prior exclusions remain, i.e.:

- two non-significant subsidiaries with no activity of Altrad Baumann,
- the Moscow subsidiary of Altrad Mostostal, excluded from the Polish sub-consolidation as of August 31, 2006 due to the excessive cost that would have been incurred to obtain the accounting data at August 31, and given the non-significant nature of the entity,
- PREMIX, a distribution subsidiary held at 45% by Irbal (Angolan company).
- three non-significant subsidiaries with no activity belonging to Generation
- three non-significant subsidiaries of the JALMAT Group

NOTE 4 GOODWILL

in K€	Gross	Amortisation Impairment	Net
Balance at 31/08/2013	**105 371**	**(1 690)**	**103 681**
Price adjustment on earlier acquisitions	-	-	-
Changes in scope during the year	60 168	988	61 156
Impact of exchange rate fluctuations	1 607	-	1 607
Other	285	-	285
Balance at 31/08/2014	**167 431**	**(702)**	**166 729**

The change in scope during the year is mainly due to:

- the goodwill generated by the acquisition of the groups TRAD GROUP (9,384 K€), TRAD HIRE & SALES (22,370 K€), PROFIX (2,208 K€), SPECTRA SCAFFOLFING (243 K€) and GENERATION (26,951 K€) (see Note 3 - Scope of consolidation)
- the deconsolidation of BAROMIX (-769 K€) and SAZT (-219 K€)

The effects of exchange rate fluctuations are mainly due to the appreciation of the Pound Sterling (GBP) against the Euro.

At August 31, 2014, goodwill was broken down as follows:

In K€	31/08/2014 Gross	Depreciation	Net
Balliauw	22 488	-	22 488
BEAVER 84	686	-	686
Belle	8 434	-	8 434
Bragagnolo	2 633	-	2 633
Altrad Cedria	68	-	68
Altrad Collectivités	840	-	840
Altrad Equipement	2 779	-	2 779
Ets Guy Noël	74	(74)	0
Altrad Etais	187	-	187
Altrad Famea ECA	10	-	10
Altrad Fort	517	(517)	0
Generation	32 522	-	32 522
Profix Group	2 208	-	2 208
Altrad International	1 214	-	1 214
Irbal	318	-	318
Altrad Italy	61	(61)	0
Jalmat	19 447	-	19 447
Lescha	136	-	136
Altrad Limex	228	-	228
Altrad Logistique	33	-	33
Altrad Mostostal	440	-	440
MTD	639	-	639
NSG	3 718	-	3 718
Poujaud Altrad	26 914	-	26 914
Altrad Plettac Assco	50	(50)	0
Altrad Poland	179	-	179
Altrad Richard Fraisse	130	-	130
Altrad Rodisola	1 969	-	1 969
Altrad Saint-Denis	1 087	-	1 087
Samia Devianne	724	-	724
Servindustria	2 298	-	2 298
Spectra Scaffolding	243	-	243
Altrad Soframat Etem	1 076	-	1 076
Trad Group	9 720	-	9 720
Trad Hire & Sales	23 020	-	23 020
Altrad Védif	341	-	341
TOTAL	167 431	(702)	166 729

The goodwill was subject to an impairment test at August 31, 2014, according to the future discounted cash flows method, and on the basis of the forecast operating results for 2013/2014, extrapolated for the future periods of the concerned companies.

In the deteriorated economic situation, an impairment test was implemented with the following assumptions:

- the impairment test is performed by UGT, corresponding to the Group's subsidiaries;

- the 2014/2015 operating forecasts were established on the basis of the 2014/2015 budget and were extrapolated for the period 2016/2021 according to the following growth rates:

  - 2% compared to 4% previously for the local authorities branch;
  - 4% for the rental service branch;
  - 3% for the sale of scaffolding branch;
  - 2% for the wheelbarrow and cement mixer branch;
  - 2% for all branches on an infinite horizon.

- Discount rate of 10% applied, identical to the previous year.

Given the conservative assumptions made in terms of growth rate and discount rate, the impairment tests did not result in sensitivity tests.

No impairment of goodwill was recorded for the year.

NOTE 5 INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

	31/08/2014			31/08/2013
In K€	**Gross**	**Depreciations and amortisations**	**Net**	**Net**
Intangible fixed assets	**60,961**	**(4,621)**	**56,340**	**54,708**
Land	16,873	(5,645)	11,228	10,795
Constructions	31,117	(16,066)	15,051	14,545
Technical facilities, plant and equipment	287,190	(139,431)	147,759	124,164
Other tangible fixed assets and assets under construction	119,851	(46,895)	72,956	7,301
Tangible fixed assets	**455,031**	**(208,037)**	**246,994**	**156,805**
o/w assets under finance leases	79,335	(54,345)	24,990	34,008

5.1 Variation in intangible fixed assets

In K€	Gross value	Depreciations and amortisations	Net value
Balance period N-1	**58,395**	**(3,687)**	**54,708**
Acquisitions	801	-	801
Disposals, retirements	286	(275)	11
Impact of changes in the consolidation scope	441	-	441
Change in depreciations and amortisations	-	(430)	(430)
Impact of exchange rate fluctuations	1,632	(24)	1,608
Reclassification	(594)	(205)	(799)
Balance period N	**60,961**	**(4,621)**	**56,340**

Intangible fixed assets, in Net Value, are mainly composed of patents and licences for 0.4 M€, trademarks for 53.6 M€, goodwill for 0.2 M€ and other intangible fixed assets for 2.1 M€.

5.2 Impairment tests on non-depreciable intangible assets

In the deteriorated economic situation, an impairment test on the brands recorded in the consolidated financial statements was implemented with the following assumptions:

- the impairment test is performed by UGT, corresponding to the Group's subsidiaries;
- the 2014/2015 operating forecasts were established on the basis of the 2014/2015 budget and were extrapolated for the period 2016/2021 according to the following growth rates:
  - 2% compared to 4% previously for the local authorities branch;
  - 4% for the rental service branch;
  - 3% for the sale of scaffolding branch;
  - 2% for the wheelbarrow and cement mixer branch;
  - 2% for all branches on an infinite horizon.
- Discount rate of 10% applied, identical to the previous year.

Given the conservative assumptions made in terms of growth rate and discount rate, the impairment tests did not result in sensitivity tests.

No brand impairment was recorded for the year.

5.3 Changes in property, plant and equipment

In K€	Gross value	Depreciations and amortisations	Net value
Balance period N-1	**333,516**	**(176,711)**	**156,805**
Acquisitions	103,409		103,409
Disposals, retirements	(33,322)	17,707	(15,615)
Impact of changes in the consolidation scope	63,682	(28,316)	35,366
Change in depreciations and amortisations	-	(37,860)	(37,860)
Impact of exchange rate fluctuations	8,883	(2,143)	6,740
Other	(21,137)	19,287	(1,850)
Balance period N	**455,031**	**(208,036)**	**246,995**

The first-time consolidations, mainly composed of scaffolding equipment, relate in particular to the acquisition of the TRAD Group and STAR EVENTS.

The net results of disposals and outflows of assets other than of rental stock are recorded in "other non-recurring operating expenses". (see Note 21)

5.4 Geographic distribution of property, plant and equipment

Net values in K€	Land	Buildings	Industrial Facilities	Other property and equipment	Assets under construction	TOTAL
France	4 623	16 991	139 285	7 688	243	168 830
Germany	5 300	1 563	10 226	4 847	-	21 936
Poland	920	5 363	6 865	9 351	192	22 691
Benelux	-	-	37 558	8 716	214	46 488
UK	93	2 974	83 316	85 108	170	171 661
Portugal	4 550	958	1 441	221	17	7 187
Croatia	-	-	1 582	-	5	1 587
Spain	-	110	1 266	-	-	1 376
Other	1 388	3 158	5 651	3 061	17	13 275
TOTAL	**16 874**	**31 117**	**287 190**	**118 992**	**858**	**455 031**

NOTE 6 FINANCIAL AND OTHER NON-CURRENT ASSETS

In K€	31/08/2014	31/08/2013
	Net	Net
Deposits and Guarantees	1 661	2 207
Other	1 165	1 052
Total financial and other long term assets	2 826	3 259

NOTE 7 INCOME TAX

7.1 Details of taxes recognised in the income statement

In K€	31/08/2014	31/08/2013
Current tax	(13 236)	(9 302)
Deferred tax	1 144	292
Tax charge	(12 092)	(9 010)

7.2 Tax situation

Altrad Investment Authority is the parent company of the tax consolidation of the Altrad Group since September 1, 2011.

Altrad Investment Authority opted for the tax consolidation regime and, as such, is solely liable to pay corporation tax and additional contributions for itself and the French companies in the scope of consolidation at August 31, 2014, with the exception of new companies and/or companies not controlled at 95% and/or enjoying exemptions and three property companies (SCI Les Prés Sapins, SCI Gros Chêne and SCI Financière de l'Ain).

The tax group was in deficit at August 31, 2014.

7.3 Deferred taxes

The changes in deferred taxes recognised in the income statement primarily result from the following elements:

In K€	31/08/2014	31/08/2013
Temporary tax differences	945	14
Net utilisation of tax loss carryforwards	(983)	(1 678)
Other consolidation restatements	1 182	1 956
Deferred tax (expense) / Income	**1 144**	**292**

Deferred taxes recognised in the balance sheet are broken down as follows:

In K€	31/08/2014	31/08/2013
Deferred tax assets	6 131	8 633
Deferred tax liabilities	(17 254)	(17 481)
Net deferred taxes	**(11 123)**	**(8 848)**

They come from the following elements:

In K€	31 août 2014	31 août 2013
Temporary tax differences	328	890
Tax losses carried forward	2 740	4 269
Fair value of derivatives	0	43
Cancellation of special depreciation allowances and provisions for price increases	(2 056)	(1 573)
Other consolidation restatements	(12 135)	(12 477)
Net deferred taxes on the balance	**(11 123)**	**(8 848)**

The total of unrecognised losses carried forward at August 31, 2014 amounts to 15,613 K€, and is broken down as follows:

In K€	31/08/2014	31/08/2013
Germany	0	0
China	1 511	1 511
Spain	659	671
France	12 409	859
Great Britain	0	0
Italy	892	1 097
Romania	142	199
Uncapitalised tax loss carryforwards	15 613	4 337

Loss carryforwards can be used indefinitely, with the exception of those of the Italian subsidiary which expire between 2014 and 2015.

7.4 Tax proof

The "tax proof" consists in the reconciliation between the total tax expense recognised in the consolidated accounting income and theoretical tax expense calculated by applying to the pre-tax consolidated result the tax rate applicable to the consolidating undertaking on the basis of the tax legislation in force.

In K€	31/08/2014	31/08/2013
Consolidated income before tax	61 497	37 685
Tax rate in force	34,43%	34,43%
Theoretical tax expense	(21 173)	(12 975)
Impact of the difference in tax rates between countries	7 744	3 536
Uncapitalised tax loss carryforwards	(2 355)	(469)
Tax reassessment	3 074	0
Permanent differences	347	1 837
Impairment deferred tax assets		(1 200)
Miscellaneous	271	260
Tax expense recognised	(12 092)	(9 010)

At August 31, 2014, the tax adjustment corresponded to a reversal of unused provisions.

At August 31, 2013, the impairment of deferred tax assets for 1.2 M€ was the result of the impairment test on the goodwill of the sub-group Billiauw.

NOTE 8 INVENTORIES

In accordance with IAS2, the Group has chosen to evaluate its inventories using the "first in, first out" method.

Inventory write-downs are recognised when the net book value exceeds the net realisable value.

In K€	31/08/2014	31/08/2013
	Net	Net
Inventories of raw materials	28 892	23 058
Work in progress	9 060	10 210
Inventories of semi-finished and finished pr	11 235	10 302
Inventories of goods	67 609	52 965
Total Net Inventories	116 796	96 535
o/w Provisions for depreciation	*(4 279)*	*(3 363)*

Provisions for inventory write-downs

In K€	31/08/2013	Allowances	Write-backs	Translation differences	Other	31/08/2014
Impairment of Inventories of Raw Materials	(1 368)	(436)	146	(82)	(239)	(1 979)
Impairment of Work in Progress	(27)	(50)	23	-	-	(54)
Impairment of Inventories of Finished Products	(1 116)	(151)	205	(60)	277	(845)
Impairment of Inventories of Goods	(852)	(572)	156	(63)	(70)	(1 401)
Total Impairment of inventories	(3 363)	(1 209)	530	(205)	(32)	(4 279)

NOTE 9 TRADE RECEIVABLES AND OTHER NON-CURRENT ASSETS

Trade receivables are recognised for the amount initially invoiced, less any provisions for the write-down of non-recoverable amounts.

In K€	31/08/2014	31/08/2013
Net accounts receivable	215 440	167 538
Advance payments	340	392
Derivative financial instruments	0	0
Tax receivable	645	343
Net other receivables	31 149	24 387
Total trade receivables and other current	247 574	192 660
o/w Provisions for doubtful accounts and collection risk	*(15 744)*	*(15 044)*

The amount of receivables transferred to the Factor stood at 7,024 K€ at August 31, 2014 (compared to 10,613 K€ at August 31, 2013). Trade receivables remain recognised in assets and, in return, the following was recognised:

- an amount of 205 K€ as a decrease in "other receivables", to offset the amount of outstanding receivables assigned;
- an amount of 6,308 K€ as a decrease from cash and cash equivalents (Factor account);
- an amount of 511 K€ in financial liabilities.

The "other current assets" item includes, in particular for the most significant amounts, tax debts (other than tax receivables) for 18.96 M€ and prepaid expenses for 6.10 M€.

Change in the provision for trade receivables

In K€	2013/2014	2012/2013
Provision on trade receivables N-1	(13 760)	(7 759)
Net provision	(1 713)	(4 835)
Reversal used	1 569	3 029
Change in scope	(1 376)	(97)
Translation adjustment	(217)	163
Other movements	730	(4 261)
Provision on trade receivables N	(14 767)	(13 760)

At August 31, 2014, the effect of changes in scope on provisions for trade receivables is due, for 1,236 K€, to the consolidation of TRAD HIRE & SALES.

At August 31, 2013, the other movements corresponded to the effect of the de-netting of provisions for trade receivables netted with trade receivables on the consolidation of the companies acquired (mainly Generation for 1.3 M€ and Servindustria for 1 M€). The Group considers that netting is no longer necessary at the close of the financial year following that of the acquisition.

NOTE 10 CASH FLOW AND NET INDEBTEDNESS

At the close of the financial year, net indebtedness was broken down as follows:

In K€	31 August 2014	Maturity - 1 year	Maturity + 1 year/- 5 years	Maturity + 5 years	31 August 2013
Borrowings	-284,742	-51,775	-132,967	-100,000	(177,951)
Financial and operating leases	-18,259	-6,953	-11,306		(24,386)
Other borrowings	-5276	-5276			(2,409)
Financial Debts	-308,277	-64,004	-144,273	-100,000	**(204,746)**
Investment securities	49,573	49,573			19,811
Cash and cash equivalents	94,590	94,590			106,532
Bank borrowings	(12,877)	(12,877)			(10,658)
Net cash	131,286	131286	0	0	**115,685**
Net indebtedness	**-176,991**	**67,282**	**-144,273**	**-100,000**	**-89,061**

Bank loans are taken out in Euros and the main contracts are floating rate indexed to the 3-month Euribor rate

Investment securities consist primarily of term deposits remunerated at fixed or progressive rates depending on the investment periods.

Bond issue

In November 2013, the Group launched a non-convertible bond issue on a regulated market, that allowed to raise funds in the amount of 100 M€, to be repaid at the end of 7 years. It is indexed at the fixed rate of 4.4%, with a coupon repayable annually.

Syndicated loans

1/ The syndicated loan signed with the Group's financial partners in March 2007 and its amendment in April 2008 was used to finance external growth and was fully repaid over the financial year for 11.8 M€.

2/ The syndicated loan signed with the Group's financial partners in January 2011, for a total amount of 32.5 M€, was used to finance the acquisition of Altrad SA shares held by CAPE, along with the current account amounting to 561 K€. The repayment schedule is as follows:

Tranche	Amount (M€)	Final repayment date	Comments	Amount remaining due at 31/08/2014 (M€)	Amount remaining due at 31/08/2013
A1	13.7	Feb.-16	Annual repayment 2.74 M€	5.46 M€	8.2 M€
A2	6	Feb.-17	Bullet repayment	6 M€	6 M€
B1	8.8	Feb.-16	Annual repayment 1.76 M€	3.54 M€	5.3 M€
B2	4	Feb.-17	Bullet repayment	4 M€	4 M€
TOTAL	**32.5**			19 M€	23.5 M€

3/ The syndicated loan signed in July 2012 with the Group's financial partners, for a total amount of 180 M€, is detailed as follows:

Tranche	Amount (M€)	Purpose	Comments	Amount remaining due at 31/08/2014 (M€)	Amount remaining due at 31/08/2013
A	150	Funding of external growth	Straight-line repayment on the basis of consolidated annual drawdowns in July of each year	134	109.2
B	30	WCR financing	Drawdown in tranches Available drawdown reserve 30 M€	0	25
TOTAL	**180**			**134**	**134.2**

During the financial year:

- Tranche A was fully drawn down for 150 M€, of which 40.8 M€ during the financial year. The portion corresponding to drawdowns made up to 20/07/2013, i.e. 72.2 M€, was subject to a repayment of 16 M€, over the year.

- Tranche B was repaid for an amount of 25 M€. The drawdown reserves amount to 30 M€.

4/ The syndicated loan signed in December 2013 with the Group's financial partners, for a total amount of 150 M€: not drawn over the financial year.

Some bank borrowings taken out and in particular the contracts mentioned above, contain clauses requiring compliance with financial ratios. These banking covenants mainly relate to the Group's equity and net debt. Non-compliance with the ratios set give the lenders concerned the right to demand early repayment of their loans.

Covenants	
R1 = **Net debt/ EBITDA**	**< 2,75**
R2 = **Net Debt / Equity**	**< 1,4**

The Group complied with all these conditions on August 31, 2014.

NOTE 11 OFF-BALANCE SHEET COMMITMENTS

11.1 Financial commitments

In K€	**31/08/2014**	**31/08/2013**
Guarantees in favour of third parties	1,211	833
Pledges of goodwill, equipment, stocks	1,055	3,130
Property mortgages	8,100	7,800
Commitments given	**10,366**	**11,763**
Market commitments	0	346
Bank guarantees	4,232	4,068
Commitments received	**4,232**	**4,414**

11.2 Individual Right to Training ("DIF")

The French law of May 4, 2004 allows each employee to benefit from an individual right to training of a minimum of 20 hours per year, which can be accumulated over 6 years. The Group's French companies pay a contribution of 0.10% of their payroll to their OPCA (approved collection body), which is responsible for paying the training and wage cost of this commitment. At December 31, 2013, the acquired rights not consumed under the DIF represented 140,159 hours (compared to 163,535 hours at December 31, 2012).

11.3 Sales with retention of title

The general and special conditions of sale guarantee some Group companies ownership of goods sold until full payment of the sums due to them. Therefore, some claims appearing in customer receivables and resulting from the sale of manufactured products and goods are accompanied by this clause.

NOTE 12 DERIVATIVE FINANCIAL INSTRUMENTS

In accordance with its obligations (mandatory minimum coverage 60% of outstandings), the Group has set up two CAP contracts to secure the rate of bank loans, remunerated at a floating rate (Euribor 3 months).

The characteristics of these CAP are as follows:

	CAP (1)	CAP (2)
Subscription date	16/11/2012	15/11/2013
Period guaranteed	18/07/2013 – 20/07/2015	20/11/2013 – 20/07/2015
Notional	56.4 M€	94.7 M€
Rate guaranteed	2%	2%
Market rate	EUR12M	EUR3M
Premium paid	0.0922% of the notional (52 K€)	0.03% of the notional (29 K€)

At August 31, 2014, their fair value at year-end is close to 0.

Furthermore, Rate Swap financial instruments reached maturity during the year and have not been renewed:

Amounts valued at the fair value, K€	31/08/2013	**variation in the financial result**	**variation registered in equity capital**	31/08/2014
Interest rate derivatives qualified as cover instruments	-	-	-	-
Interest rate derivatives not qualified as cover instruments	-	-	-	-
Total derivative instruments Assets	**-**	**-**	**-**	**-**
Interest rate derivatives qualified as cover instruments	(125)	-	125	-
Interest rate derivatives not qualified as cover instruments	-	-	-	-
Total derivative instruments Liabilities	**(125)**	**-**	**125**	**-**
Total derivative instruments NET	**(125)**	**-**	**125**	**-**

NOTE 13 DESCRIPTION OF THE MAIN RISKS

13.1 Financial risks

13.1.1 Exposure to the foreign exchange risk

Due to the geographic diversification of its business, the Altrad Group is exposed to translation risk, i.e. its financial statements are sensitive to changes in exchange rates on the consolidation of its foreign subsidiaries outside the "Euro zone ". Nevertheless, the foreign exchange risk remains moderate.

13.1.2 Exposure to the interest rate risk

Concerning the medium-term debt, the entirety is indexed on the Euribor 3-month and benefits from risk coverage for a maximum period of 5 years. The interest rate hedging agreements subscribed to back the structured credit are listed above.

Some medium-term credits and loans taken out by the Group contain clauses requiring compliance with financial ratios (mainly relating to equity, gross operating surplus and consolidated net debt). All of these conditions are subject to particular vigilance.

13.1.3 Exposure to the liquidity risk

At European level (the "Euro zone"), the implementation of a cash pooling system allows to cover liquidity risks on part of the Group entities, primarily in France, Belgium, the Netherlands and in Italy. The Group's cash agreement describes the rules for financing subsidiaries and in particular cash advances and repayments through current accounts and their remuneration.

13.1.4 Exposure to the credit risk

In July 2012, the Group implemented a new syndicated credit to finance external growth and restructured the available credit for its short-term cash requirements.

In October 2013, the Group issued bonds for 100 M€ repayable at the end of seven years.

In December 2013, the Group's banking pool was solicited and a new syndicated loan was taken out for an amount of 150 million Euros and was still unused at August 31, 2014.

13.2 Economic risks

The growth in the industrial rental sector has allowed to offset declines in activity related to the generic building and construction sectors of activity.

13.3 Risks on raw materials

Within the framework of its operations, the Group's activities require the purchase of a large volume of raw materials, such as steel, aluminium or zinc, for supply purposes. These purchased are centralised within the Group by a dedicated unit to optimise the supply of elements necessary to manufacture the Group's products. Sale contracts concluded with the Group's customers mostly contain price revision clauses allowing to a certain extent to reduce the risk of adverse developments in the price of raw materials.

13.4 Risks related to the security of goods

With respect to the safeguarding of assets, a theft prevention policy is applied at all times.

13.5 Risks related to the safety of persons

The Group's business lines incorporate activities likely to present risks to employees, whether related to equipment, the machinery used to design products or the logistical organisation of production sites. To ensure the safety of its staff, the Group has established a risk prevention plan intended to train its staff in safety awareness and ensure compliance with health and safety rules within the Group. The Group has also implemented a policy of investment in personal protective equipment for its employees and conducts regular checks.

NOTE 14 ASSETS HELD FOR SALE

This item changed slightly over the year to reach a balance of 1,549 K€. It concerns the property complex (land and buildings) on which Guy Noël Production carried out its production activity, which ceased in May 2011.

NOTE 15 EQUITY

15.1 Distribution of dividends

The Altrad Group did not distribute dividends outside of the Group for financial year 2012/2013.

Over the previous year, the Altrad Group distributed 5,227 K€ in dividends to its shareholders.

15.2 Composition of the share capital

	Number	Par Value
Shares making up the share capital at the start of the financial year	337 592 500	100 Euros
Shares issued during the financial year	-	-
Shares redeemed during the financial year	-	-
Shares making up the share capital at the end of the financial year	337 592 500	100 Euros

At August 31, 2014, the share capital stood at 337,592,500 Euros, i.e. 3,375,925 shares of 100 €, fully subscribed and paid-up. The distribution of the capital on this date was as follows:

Shareholders	Number of shares held	% of shares held
Mr. Mohed Altrad	2 625 641	78%
BPI France	366 987	11%
CM CIC capital	244 658	7%
Arkéa Finances	81 552	2%
BNP Paribas Développement	57 086	2%
Ms. Isabelle Garcia	1	0%
TOTAL	3,375,925	100%

15.3 Minority interests

At August 31, 2014, taking into account the existence of clauses for the purchase of minority interests (see 2.1.3), the main contributions to this item are from:

In K€	% of minorities	Minority interests	o/w 2014 result
Altrad Asia	20%	(209)	(4)
Jalmat	2,6%	241	56
Other		20	2
Total minority interests		52	54

NOTE 16 PROVISIONS FOR RISKS AND CHARGES

in K€	31/08/2014	31/08/2013
Provisions for employee benefits, non-current	8 945	8 870
Provisions for risks & charges, non-current	5 900	14 897
Provisions and employee benefits, non-current	**14 845**	**23 767**
Provisions for employee benefits, current	265	423
Provisions for risks & charges, current	16 033	11 799
Provisions and employee benefits, current	**16 298**	**12 222**
Total Provisions and employee benefits	31 143	35 989

The item "Provisions for employee benefits" includes the provisions recognised in consolidation in accordance with revised IAS19 for employee post-employment benefits, such as pension commitments, long-service awards, jubilees, etc.

The main items are detailed, in the section below, on "provisions for employee benefits".

The item "Provisions for risks and charges" corresponds to various disputes or risks that the Group considered appropriate to provision for in accordance with prudential rules, and the related procedural costs and fees. At August 31, 2014, these include:

- provisions for social costs (bonuses, settlements, URSSAF audit, etc.)
- provisions for tax costs (tax audit)
- provision for restructuring
- provisions for disputes such as:
    - termination fees for lease contracts;
    - site disputes of leasing subsidiaries;
    - labour disputes;
    - supplier disputes;
    - disputes relating to the acquisition of subsidiaries.

16.1 Variation of provisions for risks and charges and social benefits

The variations of provisions are broken down as follows:

In K€	31/08/2013	Change in profit (loss)			Change in equity	Changes in scope	oreign exchang differences	Other	31/08/2014
		Allowances	Uses	Reversals					
Provisions for employee benefits	**9 293**	2 243	- 424	- 1 075	350	-	54	- 1 231	**9 210**
Provisions for risks and charges	**18 809**	3 788	- 3 538	- 5 342	-	- 4	37	1 209	**14 959**
Provisions for restructuring	**7 887**	4 582	- 4 694	- 1 245		-	4	441	**6 974**
Total Provisions and employee benefit	**35 989**	**10 612**	**-8 656**	**-7 662**	**350**	**-4**	**95**	**419**	**31 143**

Provisions for risks and charges:

These contain in particular the provision for the Poujaud tax audit for 1.1 M EUR (against 4.3 M EUR at August 31, 2013). For memory, Poujaud was subject to an audit of its accounts for the periods 2009-2010 with respect to corporation tax and 2009-2011 for VAT and received a tax reassessment proposal on September 27, 2012. Although the Company challenges the reassessment on the grounds that the tax authority failed to take into account the justifications provided and did not grant additional time to finish the justification work, it considered at August 31, 2013 that the chances of success were limited. Favourable exchanges with the administration during 2013/2014 allowed to reverse the provision for 3.2 M€.

Provisions for restructuring:

Regarding GUY NOEL PRODUCTION, it was decided during the financial year ended 31.08.2010 to end operations. Thus, the stoppage took effect as May 2011 and the production of concrete mixers was transferred to ALTRAD SAINT DENIS. As none of the Guy Noël Production employees accepted a reclassification at Altrad Saint-Denis, the company was obliged to implement a Social Economic Plan.

The amount of the residual provision for this closure in the group's accounts at 31 August 2014 amounts to 622 K€ presented as a restructuring provision (compared to 891 K€ at 31 August 2013 presented as a provision for risks and charges).

The allowance of 4,582 K€ mainly corresponds to the constitution of provisions for restructuring of an amount of 2,407 K€ following the transfer of ARF's production activity to ASD, of an amount of 699 K€ relating to the Jalmat restructuring, of an amount of 669 K€ related to the Altrad Rodisola recovery plan and of an amount of 406 K€ concerning the reorganisation of the construction activity.

The reversal of provisions for restructuring used mainly concern ATIKA for ATIKA for 4,121 K€ and those not used concern JALMAT for 1,037 K€.

NOTE 17 PENSION COMMITMENTS AND ASSIMILATED BENEFITS

17.1 Key assumptions used

The key actuarial assumptions used to assess retirement benefits are as follows:

	31/08/2014			31/08/2013		
	France	Poland	UK	France	Poland	UK
Discount rate	2,20%	3,50%	3,75%	2,82%	5,00%	4,80%
Wage growth rate	2,00%	2,50%	NA	2,30%	2,50%	NA
Mobility rate	0-6.30%	3,00%	NA	0-6.30%	3,00%	NA
Mortality rate	INSEE 2013	2013 Life expectancy table (National Institute of Statistics)	120% S1PA CMI2013	INSEE 2011	2012 Life expectancy table (National Institute of Statistics)	PA00BMCFL 1%+2

17.2 Breakdown of provisions for employee benefits by nature:

In K€	31/08/2014		31/08/2013	
	LT	ST	LT	ST
Defined benefit plans	6 995	41	6 153	109
Long-service awards & Jubilee	832	111	867	80
Other regulatory commitments	90	101	75	92
Other provisions for social R&C	-	12	-	142
Employee profit-sharing	1 028	-	1 775	-
Other	-	-	-	-
Total Provisions for employee benefits	**8 945**	**265**	**8 870**	**423**

17.3 Breakdown of employee benefits by country

In K€	France	Poland	UK	Other countries	Total
Defined benefit plans	5 357	489	666	523	7 035
Long-service awards and Jubilees	111	832	-	-	943
Other regulatory commitments	39	87	-	65	191
Other provisions for risks and charges	-	-	-	12	12
Employee profit-sharing	1 028	-	-	-	1 028
Total Provisions for employee benefits at August	**6 535**	**1 408**	**666**	**600**	**9 210**
Total Provisions for employee benefits at August	**6 773**	**1 301**	**488**	**731**	**9 293**

17.4 Sensitivity analysis

The table below shows the sensitivity (in %) of the provision recognised at August 31, 2014 in respect of the defined benefit plans:

	31/08/2014
Increase of 0.25% in the discount rate	-3.11%
Decrease of 0.25% in the discount rate	+3.34%

17.5 Impact of pension commitments on future cash flows

in K€	TOTAL	Maturity expired	Maturity of one year of less	Maturity between 1 and 5 years	Maturity beyond 5 years
Defined benefit plans	7 035	40	62	316	6 617

NOTE 18 CURRENT LIABILITIES

In K€	31/08/2014	31/08/2013
Trade payables	199 061	185 959
Advance payments from customers	2 395	2 842
Tax debts	34 497	27 132
Social debts	33 521	28 760
Derivative financial instruments	-	72
Current tax liabilities	10 105	7 307
Other creditors	21 733	17 783
Total current Liabilities	**301 312**	**269 855**

"Trade payables" contain, in particular:

- the fair values of the options to buy out the minority interests of the following companies:
  - ATIKA: 525 K€
  - IRBAL: 3,800 K€

"Other accounts payable" includes, in particular:

- other liabilities for 15.1 M€ of which:
  - the vendor loan due in less than a year relating to the acquisition of the PROFIX Group, i.e. 500 K€ payable in September 2014;
  - the TRAD additional price estimated at 985 K€.

- deferred income for 6.6 M€.

NOTE 19 OTHER NON-CURRENT LIABILITIES

In K€	31/08/2014	31/08/2013
Other liabilities and non-current provisions	0	248
Non-current fixed asset suppliers	58 026	1 136
Non-current financial derivatives	0	125
Total other non-current liabilities	**58 026**	**1 509**

"Suppliers of non-current assets" includes, in particular:

- the fair values of put options on the buyout of minority interests:
  - GENERATION: 26,951 K€
  - TRAD HIRE & SALES: 21,037 K€

  - TRAD GROUP: 6,317 K€
  - STAR EVENTS: 201 K€

- the vendor loan due in more than a year relating to the acquisition of the PROFIX Group payable for 500 K€ in September 2015, September 2016 and September 2017

- debts towards fixed assets suppliers related to the activity for 1,000 K€

At August 31, 2013, the "hedging derivative" item corresponded to the fair value of the interest rate SWAP, recognised in non-current liabilities given its eligibility for hedge accounting under the IAS 39 standard. It reached maturity during the financial year.

NOTE 20 INFORMATION ON CURRENT OPERATING INCOME

20.1 Income from ordinary activities

The distribution of the Group's turnover by destination between France and abroad is as follows:

in M€	31/08/2014	31/08/2013
France	293	272
Abroad	568	438
Total turnover	**861**	**710**

The turnover by branch of activity is broken down as follows:

in M€	31/08/2014	31/08/2013
Rental and services	422	344
Scaffolding and supports	250	180
Concrete mixers, wheelbarrows and construction equipment	164	160
Local authorities	25	26
Total turnover	**861**	**710**

20.2 Staff costs

in K€	31/08/2014	31/08/2013
Salaries	(167 958)	(152,416)
Expenses	(63 743)	(60,031)
Profit-sharing	(3 321)	(1,241)
Other	(26 072)	(17,269)
Total staff expenses	(261 094)	(230,957)

The section "other" includes, in particular, interim staff costs.

Group workforce at the end of the financial year

	31/08/2014		31/08/2013	
	Workforce	%	Workforce	%
Executives	286	5%	264	5%
Supervisors / technicians	401	7%	369	7%
Employees	1 202	21%	1 160	22%
Workers	3 835	67%	3 480	66%
Total	5 724	100%	5 272	100%
Permanent employment contract	5 372	94%	4 921	93%
Fixed-term employment contract	352	6%	351	7%
France	1 793	31%	3 163	60%
Abroad	3 931	69%	2 109	40%

Breakdown of the workforce

	31/08/2014		31/08/2013	
	Workforce	%	Workforce	%
Production and Rental	4 834	85%	4 481	85%
Commercial	822	14%	738	14%
Management / administrative	68	1%	53	1%
Total	5 724	100%	5 272	100%

NOTE 21 OTHER NON-CURRENT OPERATING INCOME AND EXPENSES

"Other non-current operating income and expenses" is detailed as follows:

in K€	31/08/2014	31/08/2013
Other net income / (expenses) on management transactions	(1 311)	(1 058)
Net income / (expenses) on disposals of assets (1)	(2 754)	875
Negative goodwill (2)	283	7 262
Total Other non-current operating income and expenses	**(3 782)**	**7 079**

(1) Items concerning the sale of assets correspond, in particular, to the deconsolidation operations of the financial year (SAZT, Elysée Service, Baromix, Comatex)

(2) In 2014 and in 2013, the negative goodwill relates respectively to the entities STAR EVENTS and ATIKA. The calculations of this goodwill are detailed in Note 3 for STAR EVENTS and Note 2.4 for ATIKA.

NOTE 22 FINANCIAL RESULT

in K€	31/08/2014	31/08/2013
Income from cash and cash equivalents	1 345	1 046
Gross cost of financial indebtedness	(11 942)	(8 060)
Net cost of financial indebtedness	**(10 597)**	**(7 014)**
Other financial income (including exchange gains)	1 088	1 989
Other financial expenses (including exchange losses)	(784)	(2 075)
Total other financial income and expenses	**304**	**(86)**
Financial result	**(10 293)**	**(7 100)**

NOTE 23 EARNINGS PER SHARE

	31/08/2014	31/08/2013
Net result - Group share (K€)	49 405	27 515
Net income from continuing operations (K€)	49 405	27 515
Diluted consolidated net income (K€)	49 405	27 515
Diluted consolidated net income from continuing operations (K€)	49 405	27 515
Weighted average number of shares	3 375 925	3 375 925
Consolidated net earnings per share, Group share (in €)	**14,63**	**8,15**
Earnings per share from continuing operations, Group share (in €)	**14,63**	**8,15**
Diluted consolidated net earnings per share, Group share (in €)	**14,63**	**8,15**
Diluted earnings per share from continuing operations, Group share (in €)	**14,63**	**8,15**

NOTE 24 EVENTS SUBSEQUENT TO THE CLOSURE OF THE FINANCIAL YEAR

- **External growth**

On January 15, 2015, the British entities TRAD and GENERATION took a majority stake (60% i.e. 30% each), for a total amount of 1.4 MGBP, in the English company DESSA to complete their product offering (scaffolding - aluminium umbrella range).

- **Internal restructuring**

Altrad Soframat Etem / Jalmat

As of September 1, 2014, the Group consolidated the formwork activity in France within Jalmat. The specialised agents of Altrad Soframat Etem were thus brought together with those of Jalmat.

Altrad Equipement / Altrad Plettac

To reorganise the French distribution of scaffolding, the proposed merger of the Altrad Equipement and Altrad Plettac commercial networks was announced at the end of 2014. This operation should be formalised during the first half of 2015.

Altrad Richard Fraisse

The production site located in La Rivière (33) was closed at the end of December 2014.

Havico

The liquidation of the company was completed in October 2014.

NOTE 25 INFORMATION ON CORPORATE OFFICERS

The amount of attendance fees allocated in respect of the financial year, to the members of the management bodies of ALTRAD INVESTMENT AUTHORITY, due to their functions in controlled companies, is of 150 K€, with the exception of remuneration paid under employment contracts. This information is not mentioned, as this would amount to providing nominative information.