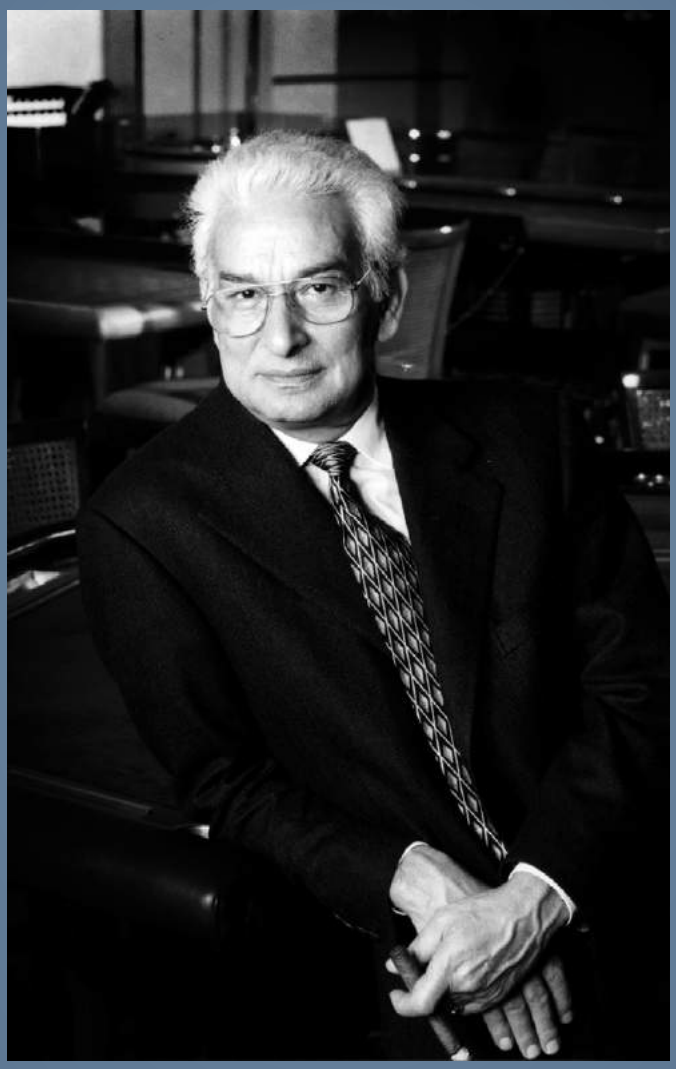
GROUPE PARTOUCHE

2015

ANNUAL REPORT

A WORD FROM THE FOUNDER
MESSAGE FROM THE CHAIRMEN
2015 FINANCIAL REPORT



A WORD FROM THE FOUNDER

It has taken us almost ten years to finally emerge from the storm.

From November 2006 to today, we have been spared nothing. And yet, in spite of the circumstances unleashed upon us amid an unprecedented economic environment, we have demonstrated our enormous ability to fight.

I have sometimes asked myself whether the glorious years we enjoyed – those years of unbridled growth, when every idea immediately became reality – ended up dulling our ability to face difficult situations. Well, I'm pleased to be able to say that we have faced these adversities and emerged stronger from these testing times!

While it is important to maintain a degree of caution, there is every indication that the situation has now been remedied and our magnificent company is in much better shape.

Our return to net profit (for the first time in eight years) is the ultimate demonstration of the work that has been accomplished.

My congratulations go to the management team, which has fought tirelessly, and especially to all our captains and their crews, who have braved the storm with renewed energy and commitment to make sure the ship did not sink. I have always seen this group as an extension of my own family, and I am both proud and glad that everyone on board understands that every single person is critical to our success and the continuation of this wonderful adventure.

I would also like to thank our many customers and friends for their unwavering loyalty through these challenging times.

May all of that be no more than a memory! Enriched and strengthened by experience, we can now look to the future.

Isidore Partouche

MESSAGE FROM THE CHAIRMEN

Back to the future… In returning to profit, we have travelled back a few years into the past, to a time before the smoking ban, discriminatory rules on online gaming and unfair competition from state monopolies; and a time when Groupe Partouche was seen as not only a French but a European champion, and when financial partners were beating down our doors to win our custom!

Like many others, we suffered, but our financial difficulties were as nothing beside the valley of tears we had to walk through. If our role is to entertain, thrill and craft unforgettable experiences in our casinos, our mission – which falls to both the management and the staff of this wonderful firm, which is still a family business – is more than ever to keep on fighting for our group and to keep on shaping the future through projects like La Ciotat, Cannes, Pornic and others besides.

The titanic restructuring undertaken over the past two years means we can now focus on the future.

Between September 2013 and October 2015, we went through an efficiently managed Safeguard Procedure (procédure de sauvegarde), sold off non-core assets and restructured the business to optimise its scope. Our staff were mobilised upfront at all times and constantly focused on our customers. Thanks to these efforts, our position is now satisfactory in many respects.

Turnover is up 2.9% on a like-for-like basis and, thanks to our strict management, profitability has improved: our EBITDA margin has risen to 18.7% and the Group has returned to a net profit for the first time since 2007. And the trend for 2016 looks positive.

With net debt considerably lower at €65 million, which is less than our annual EBITDA of €75 million, we are once again in a position to grow.

Refocused on our core casino business and strengthened by the adversity we have faced, we remain committed to ensuring that our staff do everything in their power to make sure our customers enjoy themselves, and the time they spend with us is a unique experience.

Patrick Partouche, Fabrice Paire

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PERSONS RESPONSIBLE

1.1 PERSON RESPONSIBLE FOR THE REFERENCE DOCUMENT

Fabrice Paire, Chairman of the Executive Board.

1.2 CERTIFYING STATEMENT BY THE PERSON RESPONSIBLE FOR THE REFERENCE DOCUMENT

"Having taken all reasonable care to ensure that such is the case, I certify that, to the best of my knowledge, all the information contained in the Reference Document is consistent with the facts and contains no omission likely to affect its import.

To the best of my knowledge, I certify that the financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the company's assets, financial position and profit or loss, as well as those of all consolidated companies, and that the information in the management report (see 'Reconciliation Table' on page 256 of this document) presents a true and fair view of the development of the business, results and financial position and those of all consolidated companies, as well as describing the main risks and uncertainties to which they are exposed.

I have obtained a letter from the Statutory Auditors certifying that they have completed their tasks, indicating that they have verified the information concerning the financial position and financial statements set out in this Reference Document and that they have read the Reference Document in full.

The Statutory Auditors issued a report on the Group's consolidated financial statements for the financial year ended 31 October 2015, set out on page 231 of the Reference Document; this report contains an observation:

'Without qualifying the opinion given above, we wish to draw your attention to Note 2.1.2 to the consolidated financial statements, which presents the change in procedure relating to the first application of IFRIC 21 – Levies on 1 November 2014.'

The Statutory Auditors issued a report on the Group's parent company financial statements for the financial year ended 31 October 2015, set out on page 232 of the Reference Document.

The Statutory Auditors issued a report on the Group's consolidated financial statements for the financial year ended 31 October 2014, set out on page 205 of the Reference Document, filed with the AMF on 24 February 2015 under No. D15-0083; this report contains an observation:

'Without qualifying the opinion given above, we wish to draw your attention to Note 2 "Standards applied" to the consolidated financial statements, which presents the change in procedure relating to the first application of IAS 19 (revised) – Employee Benefits on 1 November 2013.'

The Statutory Auditors issued a report on the Group's parent company financial statements for the financial year ended 31 October 2014, set out on page 206 of the Reference Document.

The Statutory Auditors issued a report on the Group's consolidated financial statements for the financial year ended 31 October 2013, set out on page 203 of the Reference Document, filed with the AMF on 24 February 2014 under No. D14-090; this report contains an observation:

'Without qualifying the opinion given above, we wish to draw your attention to the uncertainty regarding business continuity set out in Note 1 "Key events" in the section entitled "Initiation of a Safeguard Procedure (procédure de sauvegarde) for the Groupe Partouche SA holding company" in the Notes to the consolidated financial statements.'

The Statutory Auditors issued a report on the Group's parent company financial statements for the financial year ended 31 October 2013, set out on page 204 of the Reference Document; this report contains an observation:

'Without qualifying the opinion given above, we wish to draw your attention to the uncertainty regarding business continuity set out in the notes to the parent company financial statements in the section entitled "Safeguard Procedure (procédure de sauvegarde)".'"

Paris, 24 February 2016

Fabrice Paire

Chairman of the Executive Board

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AUDITORS

2.1 STATUTORY AUDITORS

IDENTITY OF THE STATUTORY AUDITORS	PROFESSIONAL BODY	DATE OF THE LAST RENEWAL	DATE OF FIRST APPOINTMENT	END OF TERM
PRINCIPAL				
MCR Baker Tilly 232 avenue du Prado 13008 Marseille	Independent member of Baker Tilly France	Ordinary Shareholders' Meeting of 20 April 2010	Ordinary Shareholders' Meeting of 24 April 2007	Ordinary Shareholders' Meeting called to approve the financial statements for the financial year ending 31 October 2015
PRINCIPAL				
France Audit Expertise 1 boulevard Saint-Germain 75005 Paris			Ordinary Shareholders' Meeting of 20 April 2010	Ordinary Shareholders' Meeting called to approve the financial statements for the financial year ending 31 October 2015
SECONDARY				
Orfis Le Palais d'Hiver 149 boulevard de Stalingrad 69100 Villeurbanne	Independent member of Baker Tilly France	Ordinary Shareholders' Meeting of 20 April 2010	Ordinary Shareholders' Meeting of 24 April 2007	Ordinary Shareholders' Meeting called to approve the financial statements for the financial year ending 31 October 2015
SECONDARY				
M. José David 47 avenue du Président Franklin Roosevelt 92330 Sceaux			Ordinary Shareholders' Meeting of 20 April 2010	Ordinary Shareholders' Meeting called to approve the financial statements for the financial year ending 31 October 2015

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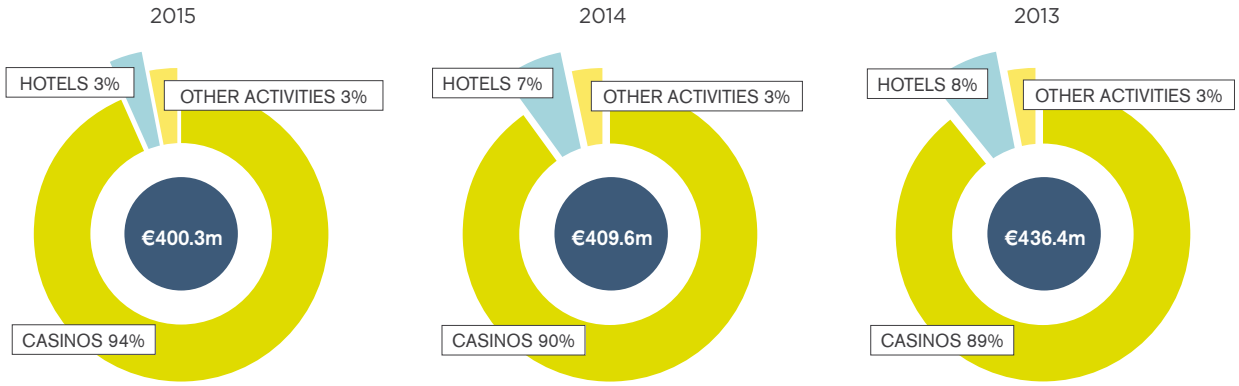
SELECTED FINANCIAL INFORMATION

The tables below present extracts of the Group's balance sheet and income statement for the financial years ended 31 October 2013, 2014 and 2015 prepared in accordance with International Financial Reporting Standards (IFRS), as adopted in the European Union.

The consolidated financial statements for the financial years ended 31 October 2013 and 31 October 2014 have been retroactively restated as part of the first application of IFRIC 21, effective 1 November 2014 (see Section 20.2.1, Note 2.1.2).

BUSINESS ACTIVITY

BREAKDOWN OF TURNOVER



Under IFRS 8 – Operating Segments, the divisions shown are based on the internal reporting used by management to assess the performance of the Group's different divisions. From now on, the Group is managed as three divisions:

- The "Casino" division, which comprises gaming, catering and entertainment;
- The "Hotel" division, which comprises accommodation and hospitality services;
- The Group's "Other activities", which mainly comprise the business of Groupe Partouche SA, the Group's parent company, and all the other secondary businesses (holding companies, thermal baths, real estate vehicles and the companies in the former "Interactive" division).

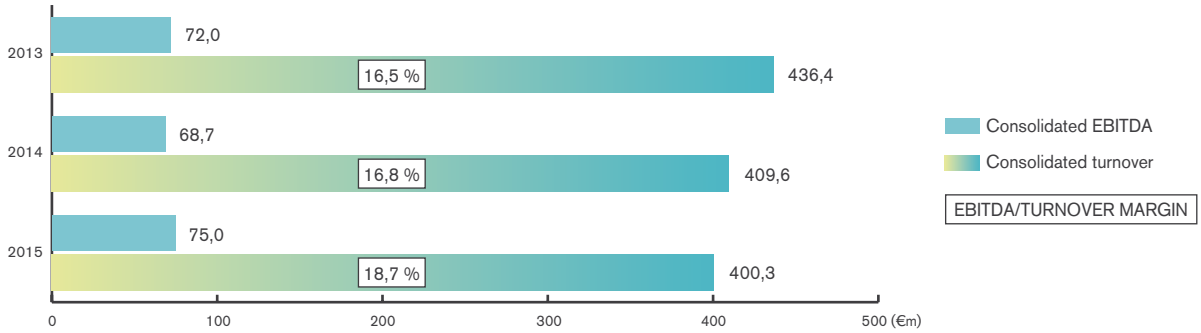
CASINOS €000 AT 31 OCTOBER	2015	2014	2013
Gross Gaming Revenue of table games	94 405	89 816	84 032
Gross Gaming Revenue of slot machines	524 679	527 680	557 981
TOTAL GROSS GAMING REVENUE	**619 084**	**617 496**	**642 013**
Levies	307 710	309 318	322 353
As % of Gross Gaming Revenue	49,7 %	50,1 %	50,2 %
NET GAMING REVENUE	**311 375**	**308 178**	**319 660**
Number of casinos	44	46	50
Of which number of casinos in France	40	41	42
Number of slot machines in France	5 106	5 244	5 497

HOTELS AT 31 OCTOBER	2015	2014	2013
Number of hotels	14	18	19
Number of rooms	820	1 048	1 245
Occupancy rate	59,07 %	55,80 %	60,28 %

PROFITABILITY

INCOME STATEMENT €000 AT 31 OCTOBER (EXCEPT DATA PER SHARE)	2015	2014 RESTATED	2013 RESTATED
Turnover	400 342	409 641	436 378
Current operating profit	33 824	23 945	30 677
Operating profit	21 954	24 825	16 227
Total net profit	**9 304**	**5 335**	**(4 477)**
o/w Group share	1975	(1 541)	(13 343)
Net earnings per share attributable to the Group	0,2	(0,16)	(1,38)
Dividend distributed per share	-	-	-

EBITDA €000 AT 31 OCTOBER	2015	2014 RESTATED	2013 RESTATED
Consolidated EBITDA	**75 014**	**68 734**	**71 984**
As % of turnover	18,74 %	16,78 %	16,50 %



BALANCE SHEET AND FINANCIAL STRUCTURE

ASSETS €000 AT 31 OCTOBER	2015	2014 RESTATED	2013 RESTATED
Non-current assets	519 627	550 993	621 947
Current assets	199 750	158 174	165 423
Assets held for sale	867	29 210	16 376
TOTAL ASSETS	**720 243**	**738 377**	**803 745**

LIABILITIES AND EQUITY €000 AT 31 OCTOBER	2015	2014 RESTATED	2013 RESTATED
Equity attributable to the Group	303 400	302 292	303 293
Minority interests	28 849	27 934	29 984
Total equity	332 250	330 226	333 277
Total non-current liabilities	238 825	281 240	258 095
Total current liabilities	148 952	125 907	208 400
Held for sale liabilities	216	1 004	3 973
TOTAL LIABILITIES AND EQUITY	**720 243**	**738 377**	**803 745**

CASH LESS GAMING LEVIES

€000 AT 31 OCTOBER	2015	2014	2013
Cash and cash equivalents (assets)	164 858	116 711	112 553
- Gaming levies	(29 791)	(28 649)	(28 115)
= CASH LESS GAMING LEVIES	**135 067**	**88 062**	**84 438**

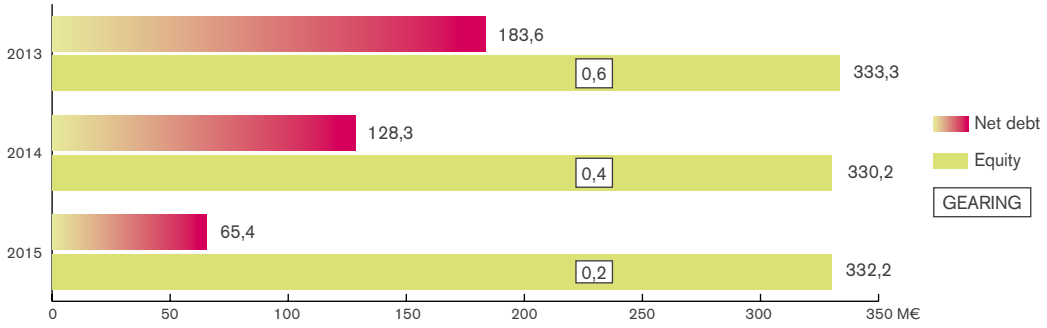
DEBT AND RATIOS

€000 AT 31 OCTOBER	2015	2014 RESTATED	2013 RESTATED
Equity	332 250	330 226	333 277
Consolidated EBITDA	75 014	68 734	71 984
Gross debt *	200 458	216 397	268 043
Available cash less gaming levies **	135 067	88 062	84 438
Net debt	65 391	128 335	183 605
Net debt to equity ("gearing") ratio	0,20	0,39	0,55
Net debt to consolidated EBITDA ("leverage") ratio	0,9x	1,9x	2,5x

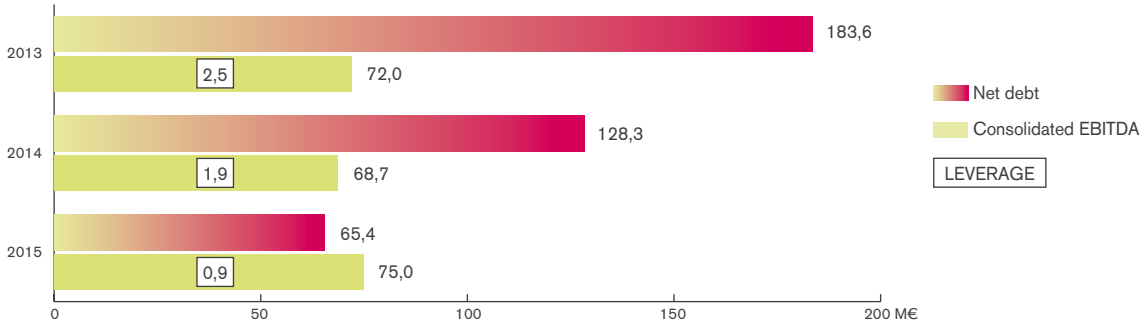
(*) See Section 9.1.2.

(**) See Section 9.1.2 and Section 20.2.1, Note 9.2.

NET DEBT / EQUITY



NET DEBT / EBITDA



SUMMARY CASH FLOW

CASH FLOW €000 AT 31 OCTOBER	2015	2014 RESTATED	2013 RESTATED
Cash flow from/(used in) operating activities	56 891	44 523	39 262
Cash flow from/(used in) investing activities	13 063	21 481	(21 754)
Cash flow from/(used in) financing activities	(24 273)	(62 169)	(31 008)
CLOSING CASH POSITION	**164 841**	**116 701**	**112 544**

CASINO TIER

RISK FACTORS

The Company carried out a review of the risks which could have a significant negative impact on its business activity, financial position and results, and believes that there are no significant risks other than those disclosed. The means implemented to assure risk management and control are explained in Section 16.5. The Company notably analysed the financial risk related to the Safeguard Plan (plan de sauvegarde) and the repayment of the syndicated loan.

4.1 FINANCIAL RISKS

The quantitative data presented in this section have been audited.

Monitoring and managing financial risks is handled by the Finance Department, which manages all financial exposure and prepares monthly reporting for the Executive Board.

4.1.1 RISK OF NON-COMPLIANCE WITH THE SAFEGUARD PLAN

Having operated in a challenging environment for several years and unable to come to an understanding with its banking syndicate on the restructuring of its debt, on 30 September 2013 Groupe Partouche successfully petitioned the Paris Commercial Court to open a Safeguard Procedure (procédure de sauvegarde) limited to Groupe Partouche SA, the Group's holding company. By decision of the Paris Commercial Court, a Safeguard Plan (plan de sauvegarde) was agreed on 29 September 2014 that included significant breakthroughs for Groupe Partouche (phasing of debt repayments, a reduced interest margin, the removal of numerous constraints, etc.). Thus began the plan's nine-year implementation phase, supervised by a court-appointed administrator.

As such, if Groupe Partouche SA fails to honour its commitments within the deadlines laid down in the plan, the court may, at the request of a creditor, the court-appointed administrator or the public prosecutor, or at its own discretion, decide to terminate the plan. If the court observes a suspension of payments, it will open court-ordered insolvency proceedings (redressement judiciaire), or court-ordered liquidation proceedings (liquidation judiciaire) if recovery is manifestly impossible.

As of this writing, the Company is not aware of any reason why the Safeguard Plan should not be followed.

4.1.2 LIQUIDITY RISK

Liquidity risk, as analysed by the Company, concerns all financial debt.

A breakdown of financial debt by type and maturity date can be found in Note 9.3 of Section 20.2.1 «Consolidated financial statements» for the financial year ended 31 October 2015. Readers may also refer to Note 9.2 "Cash and cash equivalents" of Section 20.2.1, and to Sections 10.3.2 "Cash pooling agreement" and 10.3.3 "Restrictions on the transfer of funds".

The majority of financial debt is made up of a syndicated loan.

The Group's holding company, Groupe Partouche SA, successfully petitioned the Paris Commercial Court on 30 September 2013 to open a Safeguard Procedure. This procedure ended on 29 September 2014, with a ruling by the Paris Commercial Court approving a Safeguard Plan, the principal characteristics of which are described below.

SYNDICATED LOAN

Under the terms of the plan validated on 29 September 2014 and taking into account an initial payment made in September 2014 and early repayments in connection with disposals, the balance owed on the syndicated loan is due to be repaid to lenders in eight annual repayments as follows:

MATURITY DATES €000	PRINCIPAL AMOUNT OUTSTANDING BEFORE AMORTISATION	AMORTISATION	PRINCIPAL AMOUNT OUTSTANDING AFTER AMORTISATION
15/12/2015	174 783	21 529	153 254
15/12/2016	153 254	21 529	131 726
15/12/2017	131 726	16 165	115 560
15/12/2018	115 560	21 353	94 207
15/12/2019	94 207	21 353	72 854
15/12/2020	72 854	21 353	51 501
15/12/2021	51 501	28 984	22 517
15/12/2022	22 517	22 517	0

▸ Under the Safeguard Plan, interest continuing to accrue on the syndicated loan is calculated and paid under identical terms as those that applied before the Safeguard Procedure was initiated, i.e. on the outstanding balance of the loan at an annual rate corresponding to one-, two- or three-month Euribor plus a margin of 3.5% per annum over the period from the date on which the plan was adopted to 15 December

2016, and 3.25% per annum from 16 December 2016 until the syndicated loan is repaid in full. Furthermore, Groupe Partouche's lenders waived their right to all late payment interest on condition that the plan is adhered to in all respects.

▸ Compulsory early repayment in the event of the sale of one or more assets directly or indirectly owned by Groupe Partouche: 50% of all net sale proceeds in excess of €1m, whether collected all at once or in more than one payment, must be allocated in full to the compulsory early repayment of Groupe Partouche's syndicated loan.

All payments in this respect will be deducted from the outstanding principal owed to the syndicate of lenders as follows:

For any sale completed between the date on which the plan was adopted and 15 December 2016, the share of the net sale proceeds assigned to the repayment of the syndicated loan will be applied equally to each of the planned repayments with effect from the repayment scheduled for 15 December 2017; for sales completed between 16 December 2016 and the completion of the plan, the share of the net sale proceeds assigned to the repayment of the syndicated loan will be applied equally to each future repayment except the repayment immediately following such sale.

SHAREHOLDER'S ADVANCE FROM FINANCIÈRE PARTOUCHE

Under the terms of the plan agreed on 29 September 2014, the amount owed to Financière Partouche in respect of the shareholder's loan is treated as follows:

▸ Payment to Financière Partouche, within one month of the date on which the Safeguard Plan was adopted by the Paris Commercial Court, of an amount strictly equal to the amount of the first dividend payable by Financière Partouche to the creditors in its banking syndicate under the terms of its own Safeguard Plan. This payment, totalling €9,886,500 and including the payment of accrued interest up to the date on which the plan was adopted, was made during the financial year ended 31 October 2014. Following this initial payment, the balance is due to be repaid in eight annual repayments as follows:

MATURITY DATES €000	PRINCIPAL AMOUNT OUTSTANDING BEFORE AMORTISATION:	AMORTISATION	PRINCIPAL AMOUNT OUTSTANDING AFTER AMORTISATION:
15/12/15	22 357	2 236	20 122
15/12/16	20 122	2 236	17 886
15/12/17	17 886	2 236	15 650
15/12/18	15 650	2 795	12 856
15/12/19	12 856	2 795	10 061
15/12/20	10 061	2 795	7 266
15/12/21	7 266	3 354	3 913
15/12/22	3 913	3 913	-

▸ Under the Safeguard Plan, interest continuing to accrue on the shareholder's advance will be calculated and paid under the same terms as those that applied before the Safeguard Procedure was initiated, i.e. on the outstanding balance of the shareholder's advance at an annual rate corresponding to one-, two-, three- or six-month Euribor plus a margin of 2.00% per annum for the shareholder's advance itself and at a rate of 0.8% for the current account.

SUBORDINATION AGREEMENT

On 26 August 2003, Groupe Partouche and Financière Partouche signed a subordination agreement governing the shareholder's advance granted by Financière Partouche. Under this agreement and before the Safeguard Procedure was initiated, repayment of the syndicated loan took precedence over the repayment of the shareholder's advance. No dividends or interest were paid by Groupe Partouche to Financière Partouche under the subordinated shareholder's advance or for any other motive except for repayments from the surplus cash flow system already in place.

Under the terms of the Paris Commercial Court ruling of 29 September 2014 on the Groupe Partouche SA Safeguard Plan, the subordination agreement was adjusted to serve the sole purpose of implementing the Safeguard Plan, and, if and only if that plan is scrupulously executed, the purpose of clearing the debt described in the preceding paragraph.

LINES OF CREDIT

Groupe Partouche has no short-term lines of credit granted by banks at its disposition.

MANAGEMENT OF LIQUIDITY RISK

This risk is examined by the Finance Department and relies notably on financial reporting based on actual cash flows, supplemented by a provisional cash flow budget.

Groupe Partouche considers that its liquidity risk management is now based on a sound foundation, following the favourable outcome of the Safeguard Procedure. The new framework of the Safeguard Plan, particularly including the

restructuring of financial debt, provides better visibility for managing the Group, with cash flows returning to balanced levels, and authorises the occasional recourse to long-term financing methods for real estate financing.

4.1.3 INTEREST RATE RISK

The interest rates that apply to the syndicated loan resulting from the Safeguard Procedure, which makes up the major part of the Group's financial debt, are composed of a variable reference rate (Euribor 1 month, 2 months or 3 months) plus a margin. The attendant risk of changing rates to which the Group is exposed leads it to use interest rate hedges, with the aim of reducing its exposure. At financial year 2015 closing, the net position is as follows:

LIABILITIES €000 AT 31 OCTOBER 2015	TOTAL	< 1 YEAR		1 TO 5 YEARS		> 5 YEARS	
		Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate
Syndicated loan	174 783	-	21 529	-	80 400	-	72 854
Bank borrowings	2 543	891	-	1 652	-	-	-
Accrued interest / loans	17	-	17	-	-	-	-
Bank overdrafts	17	-	17	-	-	-	-
Financière Partouche current account	22 357	-	2 236	-	10 061	-	10 061
TOTAL	199 717	891	23 799	1 652	90 461	-	82 915

ASSETS €000 AT 31 OCTOBER 2015	TOTAL	< 1 YEAR		1 TO 5 YEARS		> 5 YEARS	
		Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate
Cash (net of gaming levies)	98 456	25 000	73 456	-	-	-	-
Investments	36 611	33 000	3 611	-	-	-	-
TOTAL	135 067	58 000	77 067	-	-	-	-
NET POSITION BEFORE HEDGING AT 31 OCTOBER 2015	**64 650**	**(57 109)**	**(53 268)**	**1 652**	**90 461**	**-**	**82 915**
Interest rate hedging		-	-	50 000	(50 000)	-	-
NET POSITION AFTER HEDGING AT 31 OCTOBER 2015	**64 650**	**(57 109)**	**(53 268)**	**51 652**	**40 461**	**-**	**82 915**

Exposure to interest rate risk is periodically assessed by the Group's management, with assistance from the Treasurer, among others. The interest rate hedging policy is designed to protect future cash flows and reduce any volatility in financial expenses. The Finance Department implements the favoured solutions centrally. All of the interest rate hedging instruments are set in place to hedge interest rate risks centrally, particularly in interest-rate future (swap) contracts or option (caps and collar) contracts corresponding to identified risks related to the Company's future financial flows, with the Group taking no speculative positions.

A 1% increase in the interest rate applied to the net amount exposed to potential fluctuations in the variable interest rate, namely €70.1m, would have an effect on consolidated financial items of €701k.

Reminder of net position at the previous financial year-end:

LIABILITIES €000 AT 31 OCTOBER 2014	TOTAL	< 1 YEAR		1 TO 5 YEARS		> 5 YEARS	
		Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate
Syndicated loan	193 601	-	-	-	87 405	-	106 195
Bank borrowings	22	8	-	14	-	-	-
Bank overdrafts	10	-	10	-	-	-	-
Financière Partouche current account	22 357	-	-	-	9 502	-	12 855
Total	**215 990**	**8**	**10**	**14**	**96 907**	**-**	**119 050**

ASSETS €000 AT 31 OCTOBER 2014	TOTAL	< 1 YEAR		1 TO 5 YEARS		> 5 YEARS	
		Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate
Cash (net of gaming levies)	71 418	-	71 418	-	-	-	-
Investments	16 644	13 000	3 644	-	-	-	-
Total	**88 062**	**13 000**	**75 062**	**-**	**-**	**-**	**-**
NET POSITION BEFORE HEDGING AT 31 OCTOBER 2014	**127 928**	**(12 992)**	**(75 062)**	**14**	**96 907**	**-**	**119 050**
Interest rate hedging	-	30 000	(30 000)	-	-	-	-
NET POSITION AFTER HEDGING AT 31 OCTOBER 2014	**127 928**	**17 008**	**(105 052)**	**14**	**96 907**	**-**	**119 050**

4.1.4 FOREIGN EXCHANGE RISK

In order to measure the Group's exposure to exchange rate risk, it is necessary to identify Groupe Partouche's activities outside France, which are performed by subsidiaries operating in the country in which they are located; the consolidated financial statements thus include 18 companies outside France, seven of which are located outside the euro zone. Some foreign exchange risk exposure remains, however, given the Group's operations in Tunisia and Switzerland. The total of these activities represents 10% of total consolidated turnover.

Transactions carried out by these subsidiaries outside the euro zone are denominated in the local currency.

The Group's normal operations do not involve purchases of assets financed in currencies that could lead to the implementation of a hedging policy.

Regarding the significant portion of the Group's profit made in Switzerland, it should first of all be noted that the regulations related to the Swiss gaming industry do not allow these establishments to transfer free cash flow, with the exception of payment of dividends.

Considering this limited leeway, no specific measures have been taken to cover this risk.

The table below sets out the impact of a 1% change in each exchange parity on the Group's turnover and operating profit at 31 October 2015:

IMPACT OF A +/- 1% CHANGE IN THE EXCHANGE RATE

€M AT 31 OCTOBER 2015	ON TURNOVER	% GROUP'S TOTAL	ON OPERATING PROFIT	% GROUP'S TOTAL
GBP	0	0,00 %	0	0,00 %
CHF	0,40	0,10 %	0,16	0,71 %
TND	0,01	0,00 %	0	0,00 %

The table below sets out the impact of a 1% change in each exchange parity on the Group's turnover and operating profit at 31 October 2014:

IMPACT OF A +/- 1% CHANGE IN THE EXCHANGE RATE

€M AT 31 OCTOBER 2014	ON TURNOVER	% GROUP'S TOTAL	ON OPERATING PROFIT	% GROUP'S TOTAL
GBP	0	0,00 %	0	0,00 %
CHF	0,37	0,09 %	0,15	0,60 %
TND	0,01	0,00 %	0	0,00 %

The table below presents the local currency positions of receivables and payables denominated in foreign currency at 31 October 2015:

Under assets, the items that may be affected by exchange rate risk are trade receivables and other debtors with their related provisions, income tax receivables and other current assets with the provisions attached to them.

Under liabilities, the items that may be affected by exchange rate risk are current and non-current borrowings, trade and other payables, current tax liabilities and other current and non-current liabilities.

CURRENCY BY COUNTRY	K CHF SWITZERLAND	K GBP UNITED KINGDOM	K TND TUNISIA
ASSETS	2 178	0	450
LIABILITIES	14 114	6	892
Net position before hedging	(11 936)	(6)	(443)
Hedging position	-	-	-
Net position after hedging	(11 936)	(6)	(443)

The table below presents the local currency positions of receivables and payables denominated in foreign currency at 31 October 2014:

CURRENCY BY COUNTRY	K CHF SWITZERLAND	K GBP UNITED KINGDOM	K TND TUNISIA
ASSETS	1 651	1	350
LIABILITIES	13 169	6	856
Net position before hedging	(11 518)	(5)	(506)
Hedging position	-	-	-
Net position after hedging	(11 518)	(5)	(506)

4.1.5 TRANSLATION RISK

Consolidating the financial statements of foreign subsidiaries entails the translation of the financial statements (assets, liabilities, income and expenses) denominated in foreign currencies into euros. This translation at the applicable year-end exchange rate, may, if exchange rates change, generate an impact on the Group's consolidated financial statements.

Given the long-term nature of these investments, Groupe Partouche does not hedge this exposure.

4.1.6 EQUITY RISK

The Group's cash investments do not include any listed shares, and money-market products and term-deposit accounts are used exclusively. Given that the investment policy for cash excludes investments in share-based products, no specific measures are used to monitor this risk.

Since 2000, Groupe Partouche has held some of its own shares 19,166 as of 31 October 2015, (i.e. 1,917 shares after reverse stock splits) as part of a liquidity provider's agreement (see Section 21.1.3 "Acquisition by the Company of its own shares"), as well as 12,241 other shares.

At the close of financial year 2015, the Company thus owned a total of 14,158 treasury shares, recorded on Groupe Partouche's balance sheet with a par value of €283,160 and a net book value of €391,839, as shown in the following table:

	NUMBER OF SHARES *	CARRYING AMOUNT IN €	MARKET VALUE (PRICE AT 31 OCTOBER 2015) IN €	POTENTIAL CAPITAL LOSS IN €
Acquired in 2000	1 917	168 774	34 698	134 076
Liquidity provider's agreement	12 241	223 065	221 562	1 503
TOTAL	**14 158**	**391 839**	**256 260**	**135 580**

(*) See Section 21.1.1 for a description of the reverse stock split transaction.

A 10% drop in the share price of Groupe Partouche would have a limited impact on the parent company financial statements and none on the consolidated financial statements since the item "Treasury shares" is deducted from the consolidated reserves.

Such a drop would lead to an impairment provision of approximately €25,626 in the parent company financial statements.

Lastly, a share repurchase programme authorised by the Combined Shareholders' Meeting of 25 March 2015 was launched by the Executive Board on 28 September 2015.

At 31 October 2015, 2,587 shares had been acquired under this programme for a total of €45,879.

These shares are not provided for in the parent company financial statements since they are intended to be cancelled. At the end of the programme, when the shares are cancelled, the difference between the purchase price and the nominal value will have an impact on the reserve accounts.

4.1.7 GOODWILL IMPAIRMENT RISK

Please refer to Section 20.2.1, Note 6.2 to the consolidated financial statements.

In application of IAS 36, the Company carries out goodwill impairment tests annually or more frequently if there is any indication of identified impairment in value.

The impairment tests performed by the Group in application of IAS 36 consist of comparing the recoverable values of the cash generating units (CGUs) with the net carrying amount of the corresponding assets, including goodwill.

The recoverable value of a CGU is determined as the higher of the value in use and the fair value (less disposal costs).

Considering, on the one hand, the total net amount of goodwill (€245,680k) with regard to the Company's consolidated shareholders' equity (€332,250k) and, on the other hand, the difficulties with which the Group's business sector was confronted over the last few years, it cannot be ruled out that, if there should be another adverse context in the future, the Company may have to carry out more impairments of goodwill. Such impairments could have a significant negative impact on the Group's business, its financial position, its results or outlook.

4.1.8 PLEDGES

1) PLEDGES OF SECURITIES

On 21 October 2009, Groupe Partouche, Financière Partouche and the pool of banks led by Natixis agreed on the restructuring of Groupe Partouche's debt.

The memorandum of understanding between the parties signed at that date lays down the terms and conditions for restructuring the debt, with particular reference to the conditions for substituting a new loan agreement to the one entered into on 30 September 2005.

As a guarantee of payment and reimbursement of all amounts due by Groupe Partouche to banks in respect of the loan contract dated 30 September 2005 in principal, interest, commission, fees and other expenses, Groupe Partouche pledged to banks the shares or other financial instrument accounts that it held in the accounts of the subsidiaries listed in the table below :

- **Beneficiary:** the bank syndicate led by Natixis comprises the following banks: The Governor and Company of the Bank of Ireland, Arkea Banque, Bred Banque Populaire, CIC Lyonnaise de Banque, Commerzbank International SA, Caisse Régionale de Crédit Agricole Mutuel de Normandie Seine, Deutsche Bank London Branch, Idinvest Dette Senior FCT, Crédit Suisse International, Natixis, Scotiabank Europe PLC and OCM Luxembourg French Leisure SV.

It should be noted that two companies belonging to Butler Capital Partners group have sub-participated in the syndicated loan contract with a bank, related to receivables the bank holds under the syndicated loan, corresponding to a €3.1m principal amount.

Butler Capital Partners group has undertaken (i) not to increase the share of the said syndicated loan it holds pursuant to the aforementioned sub-participation contract, without the company's and Financière Partouche's approval, including by sub-participation, and (ii) not to take a share of the loan agreed to by Financière Partouche as borrower on 27 September 2005 (and modified on 31 December 2009) without the company's and Financière Partouche's consent, including by sub-participation;

- **Condition for the removal of the pledge:** repayment of the loan;
- **Commencement date of the pledge:** 30 September 2005; pursuant to the agreement on 21 October 2009, the maturity date of the pledge was deferred from 30 September 2012 to 31 October 2015.

SUBSIDIARY	NUMBER OF SHARES PLEDGED	% OF SUBSIDIARY'S CAPITAL PLEDGED	SUBSIDIARY	NUMBER OF SHARES PLEDGED	% OF SUBSIDIARY'S CAPITAL PLEDGED
COMPAGNIE EUROPÉENNE DE CASINOS SAS	4 962 577	100,00 %	FORGES THERMAL SA	7 000	58,33 %
SOCIÉTÉ DU CASINO DE SAINT-AMAND SAS	116 250	100,00 %	HÔTEL INTERNATIONAL DE LYON SA	18 500	92,50 %
SATHEL SA	20 080	99,60 %	CASINOS DU TOUQUET SAS	24 384	99,52 %
GROUPE PARTOUCHE INTERNATIONAL SA	5 990	99,83 %	ÉLYSÉE PALACE EXPANSION SA	1 895	75,80 %
SARL HÔTEL COSMOS	49 950	99,90 %	CASINOS DE VICHY SAS	11 978	79,85 %
SOCIÉTÉ CIVILE IMMOBILIÈRE DE LA RUE ROYALE	8 917	99,98 %	NUMA SAS	5 000	100,00 %
SOCIÉTÉ CIVILE IMMOBILIÈRE LES THERMES	9 950	99,90 %	SOCIETÉ DES CHEMINS DE FER ET HÔTELS DE MONTAGNE AUX PYRÉNÉES SA	178 000	76,17 %
SCI SOCIÉTÉ FONCIÈRE DE VITTEL ET CONTREXÉVILLE	49 950	99,90 %	SOCIÉTÉ D'EXPLOITATION DU CASINO ET HÔTELS DE CONTREXÉVILLE SAS	4 950	99,00 %
SOCIÉTÉ DU CASINO ET BAINS DE MER SAS	6 600	100,00 %	JEAN METZ SAS	1 000	100,00 %
LE TOUQUET'S SAS	1 801	90,05 %	GRAND CASINO DU HAVRE SAS	149 993	99,99 %

Under the terms of the plan agreed on 29 September 2014, the securities pledges given as guarantees and described above remain in effect.

It is further stated that Financière Partouche, which on 30 September 2005 had pledged its 26,848,500 shares in Groupe Partouche to its bank syndicate, made a further pledge, in accordance with the memorandum of understanding of 31 October 2009, of an additional 1,991,500 shares arising from the merger with Sogesic that occurred subsequently to the signature of the initial loan agreement. Following Groupe Partouche's capital increase in 2010, Financière Partouche assigned the 37,295,843 new shares it had subscribed to the pool of banks of Financière Partouche as collateral. Subsequently, on 19 November 2011, Financière Partouche ceded 1,800,000 shares to Ispar SA.

NAME OF REGISTERED SHAREHOLDER	BENEFICIARY	COMMENCEMENT DATE OF PLEDGE	TERMINATION DATE OF PLEDGE	CONDITION FOR THE REMOVAL OF PLEDGE	NUMBER OF THE ISSUER'S SHARES PLEDGED	% OF ISSUER'S CAPITAL PLEDGED
FINANCIÈRE PARTOUCHE SA	Bank syndicate led by Natixis	30 sept 2005	31 décembre 2015	Repayment of loan	6 433 584	66,45 %

2) PLEDGES OF BUSINESS ASSETS

As part of the implementation of new bank borrowings during the 2015 financial year, certain subsidiaries pledged business assets.

SUBSIDIARIES CONCERNED	BENEFICIARIES	AMOUNT	COMMENCEMENT DATE	END DATE
CASINO LE LION BLANC - ST-GALMIER	Arkea	600 000 €	30/10/2015	30/10/2020
CASINO DE SAINT-AMAND-LES-EAUX	Crédit agricole Nord de France	500 000 €	30/10/2015	30/10/2018
NUMA - CASINO DE BOULOGNE-SUR-MER	Crédit agricole Nord de France	125 000 €	30/10/2015	30/10/2018
CASINO MUNICIPAL DE ROYAT	Banque populaire du Massif central	220 000 €	20/10/2015	20/10/2018

4.2 OPERATING RISKS

4.2.1 GAMING ADDICTION

Excessive gaming can cause some people to develop symptoms commonly associated with addictive behaviour, and they may be driven to commit more financial resources than would be considered reasonable. This behaviour is harmful to these individuals, as they no longer enjoy gaming in moderation and can put themselves and their families at risk. It is also harmful to the casino as it indirectly affects the brand image.

To ensure gaming remains a pleasure and a pastime to be enjoyed in moderation, the Group has for a long time been promoting "responsible gaming" within its establishments, an initiative that it is currently developing in partnership with Adictel (the first interactive platform providing prevention services and help to dependent players).

Groupe Partouche is therefore keen to give the staff members who have contact with clients continuing training, with the aim of providing clients with information, giving help to those in difficulty as well as someone in whom they can confide. Furthermore, posters and leaflets are placed at appropriate locations in casinos to remind clients of the dangers of excessive gaming and the options available to them for assistance (Freephone number, consultation with a psychologist, etc.).

Nevertheless, while the Group may not be able to fully gauge the effects of the trend in gaming addiction among its casino clients, it cannot rule out the possibility that this trend could directly or indirectly lead to its business, results, financial position or future prospects being significantly and negatively impacted (notably through the adoption of public health and safety measures).

4.2.2 ETHICAL AND BEHAVIOURAL RISKS

The very nature of the Group's business, which in particular involves the handling of large sums of money, can lead, in some circumstances, to staff or outside persons committing fraudulent acts.

The casino business must be able to deal with the risks of embezzlement and cheating. To confront these risks, casinos implement strict procedures, most of which are imposed by regulatory texts (methods to proceed with counting from tables and slot machines, highly developed video protection systems that can record up to 28 days of footage covering all games, cash registers, safes and counting rooms). It should be noted that all employees involved in the gaming sector are subject to a preliminary police background check before being granted ministerial approval, and carry out their work under the permanent supervision of a member of the executive committee.

Furthermore, since 2009, casinos have been subject to measures aimed at fighting money laundering and the financing of terrorism. Laundering, which consists in using gaming to lend a legitimate appearance to money originating from illicit criminal or terrorist activities, is neither organised nor widespread in our industry. Dissuasive measures are in place, including checks at entrances to games rooms, consistently recording gains and losses when they exceed €2,000 per gaming session, and ongoing monitoring by specially designated agents of the Ministry of the Interior. It should also be noted that,

in case of doubt or suspicion, the legal representatives and directors in charge of establishments are required to advise Tracfin, the national anti-money laundering unit, of the person's identity. Failure to abide by the regulation relating to the fight against money laundering and the financing of terrorism can lead to administrative and legal sanctions and have an adverse effect on the business of the subsidiary concerned and, more widely, on that of the Group, its results, its financial position or its future prospects.

4.2.3 FOOD SAFETY

Owing to its highly developed activity as an operator in the restaurant sector, Groupe Partouche is committed to ensuring a high level of food safety. The Company's main concern is of course ensuring the satisfaction and loyalty of its customers. Besides this, in the event of a breach coming to light during an inspection by the regulatory authorities (such as the French Office of Fair Trading [DDCCRF], the Departmental Directorate for Public Health and Consumer Protection [DDPP] or the Departmental Directorate for Health, Safety and Social Affairs [DDASS]) the establishment's closure could be ordered, which would lead to a negative impact on the establishment's reputation and profitability. Such closures, especially if they should recur or go on for an extended period of time, could have a significant negative impact on the Group's business, results, financial position or future prospects.

In order to guard against these risks, all Groupe Partouche's establishments have entered into contracts with Mérieux NutriSciences, an outside approved firm tasked with improving food safety and quality. To this end, Mérieux NutriSciences provides consulting, training, analysis and audit services on an ongoing basis. In cooperation with Mérieux NutriSciences, Groupe Partouche has developed a system of ongoing procedures, traceability and alerts based on the HACCP (Hazard Analysis and Critical Control Point) principles. In 2014, Groupe Partouche also put in place a Group-specific sanitary control plan that brings together all the documentation required to comply with food safety regulations in force.

In addition, Groupe Partouche began working with Convergence Achats, a buying group specialising in liquid and food purchasing for food service establishments. Launched by Groupe Flo and Disneyland, Convergence Achats represents around €220 million of purchases per year of liquid and food products on behalf of its clients.

It helps us select suppliers and products with purchasing solutions that range from sourcing to restaurant supply, making it possible to truly customise their approach to fit our needs.

Given these advantages, it made perfect sense for our two companies to work together to provide better service to our subsidiaries while also bolstering our strategy along two main lines.

This relationship naturally involves making better purchasing decisions by relying on experts for each type of market, but it also reinforces traceability and lets us only work with suppliers whose safety processes are all clearly identified. This approach is in line with our hygiene control plan.

4.2.4 HEALTH AND SAFETY

As are all businesses who play host to the general public (known as "ERPs" in France), Groupe Partouche is duty-bound to guarantee the highest level of safety to its customers and employees. The Group's establishments therefore apply all health and safety instructions regarding, in particular, the risks of accident, health hazards, fire and environmental impairment, while assessing workplace-related risks as part of a preventive approach.

The Group's establishments are also regularly inspected by the commissions of health and safety, such as Apave and Bureau Veritas, who verify, in particular:

- fire and panic prevention within the Group's ERPs;
- ease of access for the disabled.

In the event of a breach of the regulation concerning fire and panic prevention in the ERPs, or ease of access for the disabled, the relevant regulatory authority can call upon the establishment to make improvements or have work done, or even close. Such events, especially if they should recur or go on for an extended period of time, could have a significant negative impact on the Group's business, results, financial position or future prospects.

4.2.5 SECURITY

Our casinos have both technical and human resources which together ensure the security of people and goods. The terms under which they are activated are naturally linked to the unique character of the casino business, their size and their configuration.

Some of the security measures that have been implemented at the Group's establishments are listed below:

- CCTV cameras cover all areas of the establishments that may need monitoring, such as car parks, entrances, the main hall, games rooms, safe deposit vaults, cash registers, game tables and slot machines. Should an incident occur, the control room guard can alert security and the games room managers, and if necessary the police or fire brigade;
- a traditional surveillance system of volumetric radars connected to a central desk which detects the presence of an intruder in the establishment during closing hours;
- installing vaults, secure money boxes, with information displayed to the public at the cash registers can significantly reduce aggravated burglaries. By taking such measures, no keys can be handed over to criminals because the only people that have the keys are those who collect the funds. Only a nominal amount of cash is kept in cash registers and safe deposit boxes to cover frequent transactions (such as currency exchanges and cash payments);
- a computerised access control system operated by badges is used to record the movement of staff and visitors in the buildings;
- security officers are stationed at entrances to prevent unauthorised entry to the establishments, and during closing hours, dog handlers guard the building when necessary.

Since 2012, the Group's establishments have upgraded their security systems in terms of both procedures and equipment, particularly by installing a high-tech property protection system named "Smart Water". This system has been installed in many of the casino's sensitive areas and sprays a colourless, indelible liquid on potential criminals. The chemical marker used, also known as artificial DNA, remains detectable on skin for at least six months and indefinitely on any other surface by means of specific equipment used by forensic identification teams, thus enabling police officers to easily identify delinquents and produce evidence before the courts.

However, in spite of the Group's numerous safety systems and mechanisms, they may experience failures or be totally or partially circumvented, which could have a significant negative impact on the Group's business, results, financial position or future prospects.

4.2.6 RMATION SYSTEMS RISKS

The Group may be subject to computerised attacks (viruses, denial of service attacks, etc.) and technical failure leading to the unavailability of computer systems or data theft.

Within Groupe Partouche, the Information Systems Department (ISD) is responsible for securing the Group's networks and information systems. It puts in place the resources needed to ensure continuity of the Group's business.

In 2015, the ISD continued with work to reorganise and rationalise its infrastructure, in particular to improve the availability of systems and applications. As such, system applications for managing accounting and payroll company-wide were outsourced to specialised data centres during the first quarter of 2015.

During the period from 2015 to 2017, the ISD is also continuing to renew a substantial amount of network equipment to better secure its infrastructures.

However, despite the level of security aimed for by Groupe Partouche, its information systems may be subject to total or partial failure, potentially giving rise to an unfavourable material impact on the Group's business, performance, financial position and future outlook.

4.2.7 RISKS RELATING TO KEY INDIVIDUALS

The Group's performance and success depends to a large extent on the quality, experience and involvement of the members of its management teams (including the Group's founders and members of its Executive Board and Supervisory Board) and certain key employees. In particular, the Group relies heavily on its founders to assure the growth of its business and to define and implement its strategy.

The executive team have extensive knowledge and experience of the market in which the Group operates.

The Group cannot guarantee that the key members of its executive teams and key managers will continue to work within the Group.

The loss of one or more key executives or one or more key employees could lead to a loss of specific know-how and a loss of detailed knowledge of the sector. Should such persons not be replaced quickly by persons with equivalent competences, there could be a significant negative impact on the Group's business, results, financial position or future prospects.

Moreover, if the Group fails to attract, train, retain and motivate skilled staff and highly qualified senior managers, it could have a significant negative impact on the Group's business, results, financial position or future prospects.

4.2.8 LABOUR DISPUTES

Labour disputes or wage disputes can take many forms, depending on the type of business, and their adverse effects on operations and the image of the business and Group represent a risk that must be addressed. Therefore, even if no such disputes exist today, their occurrence could have a significant negative impact on the Group's business, results, financial position or future prospects.

4.2.9 CUSTOMER RISK

As is the case with all businesses, Groupe Partouche's establishments are exposed to customer risk (i.e. bad debt risk). Nevertheless, given the Group's main business activity, this risk is very limited. With respect to gaming, most customer payments are made in cash (verified by forgery detection equipment) or by credit or debit card. Suitable protection is taken out for the risk associated with some payments being made by cheque.

Despite the relative unlikelihood of this risk occurring and the measures taken by the Group to prevent its occurrence, a rise in the number of payment defaults, especially if they were to happen often, could have a significant negative impact on the Group's business, results, financial position or future prospects.

4.2.10 COUNTERPARTY RISK

Table games account for around 15% of the Group's total gross gaming revenue (GGR), which represents a significant risk of losses for the establishments concerned. This is in particular the case of Palm Beach in Cannes, which plays host to high-rolling clients and so can run the risk of losing amounts of several million euros for such clients, which would severely affect the establishment's financial position, or even that of the Group.

Although this potential loss can be offset by expected equivalent revenues, it represents a structural risk for the Group, which could have a significant negative impact on the business of the subsidiary and that of the Group, its results, financial position or future prospects.

4.2.11 CASINO PUBLIC SERVICE CONCESSIONS AND GAMING LICENCES

The industry in which the Group operates is subject to extensive regulation. Casinos are subject to public service concession agreements, which local authorities and the casino's operators enter into. The agreement is based on specifications following an invitation to tender initiated by the local authority concerned, pursuant to Act 93-122 of 29 January 1993, known as the "Sapin" Act.

To be able to conduct gaming activities, casino operators must also obtain licence from the French Minister of the Interior, who is advised by the Advisory Committee on Gaming, to which applicants must submit a report including the opinion of the prefect concerned and a detailed investigation by the Central Racing and Gaming Department, which reports directly to the Central Directorate of the Judicial Police.

The gaming licence is granted through a ministerial resolution, which sets forth the number of table games, electronic versions of these games and slot machines authorised that the casino is allowed to operate. The licence is subject to surveillance and control measures.

See Section 6.1.1 (e) for concession expiry dates.

The continued operations of the casinos run by the Group are subject to these public service concessions and gaming licences being renewed. Pursuant to the Sapin Act, the local authority must extend an invitation to tender to more than one company when the concession comes up for renewal. The companies thus invited to tender submit competing proposals and, if successful, take over the operation of the casino.

Under such circumstances, the renewal of the public service concession agreement (specifications for operating casino activities) can generate increased expenses for the subsidiaries concerned. When a concession is renewed, the proposal made by the candidate entity can lead to an increase in the levy raised by the local authority and/or an increase in additional contractual commitments (to develop tourism and community life, for example) made to the local authority, which may therefore adversely affect its future results.

During the life of the concession, the directors of the Group's casinos are duty-bound to strictly comply with the specifications and gaming regulations.

The casinos' commitments under these specifications can result in capital expenditure of varying amounts: besides simple improvements to existing premises, operators can be obliged to construct new buildings (see Section 5.2.3 "Major investments either scheduled or arising from firm commitments made by the Group's executive committees").

The specifications can only be amended through riders negotiated with the local authority concerned in its capacity as delegating party. In view of the changes in economic, financial or technological circumstances with which the Group may have to deal and the measures it may consequently need to take with short notice, the particular characteristics of public service concessions are likely to hinder the Group's ability to adapt itself or its business accordingly; this could have an adverse effect on the Group's results.

Under the rules that apply to public contracts, local authorities can, at any time and subject to the judge's control, unilaterally cancel any public service concession, on the grounds of public interest. In the event of a local authority exercising its right of cancellation, the Group is entitled to compensation its entire losses, the subsequent setting of the amount of which is also subject to the administrative judge's control.

As delegating parties, local authorities can also withdraw concessions. Likewise, the Minister of the Interior can in certain cases decide not to renew gaming licences, mainly following a concessionaire's serious breach of its legal or contractual obligations and, more specifically, a breach of the specifications of public service concession agreements.

Thus, a breach of the provisions of the specifications or of the gaming regulations can lead to penalties, ranging from a partial and temporary suspension of gaming, to the operating authorisation being withdrawn, which may, where applicable, be accompanied by other penalties; the main risk that operators are exposed to is the sudden termination of their business operations.

Considering Groupe Partouche's know-how in the industries of gaming and entertainment, the Group, to date, has never lost a concession and has every chance of having its concessions renewed in the future.

However, should the Group lose a public service concession or fail to have a gaming concession or licence renewed, it would have a substantial negative impact on the Group's business, results, financial position and future prospects.

4.2.12 COMPETITION RISK

The Group competes directly with other companies' offers of a gaming nature (such as Française des Jeux's lottery and horse race betting), online gaming (see Section 4.2.14), destination competition (Monaco, Las Vegas) and establishment competition, insofar as slot machine clients are generally local residents. Moreover, in certain areas, the Group competes directly with other casinos; this is notably the case in coastal areas, where there are a number of casinos. The Group's casinos most exposed to this competition include the casinos in Cannes, Juan-les-Pins, Nice, Hyères, Bandol, La Ciotat, Cabourg and Le Havre.

Another potential competition risk occurs where a competitor establishes a new casino in one of the Group's casino catchment areas. The extent of this risk depends on the location and size of the new casino, but it must still be assessed by a mandatory impact study, as is the case every time a new casino is established; since the Order of 31 December 2014 (Article 4), the reasoned opinion of the regional prefect has been required.

This phenomenon occurred in summer 2012 in the Var, where the opening of the Seyne-sur-Mer casino weighed heavily on the Bandol and Hyères casinos. In the same sector, in Sanary-sur-Mer, an opening was also authorised by the Minister of the Interior and planned.

It should however be noted that following the Toulon Administrative Court's February 2014 decision to revoke the gaming operating permits that had been granted by the Minister of the Interior to the Seyne-sur-Mer and Sanary-sur-Mer casinos, on the grounds that the impact study had been largely underestimated, the Seyne-sur-Mer casino (Joa Casinos) appealed to the minister and had this revocation overturned. The creation of the Sanary-sur-Mer casino, on the other hand, is still on hold.

The 2013 opening of Larmor Plage casinos in the Morbihan region and Fort-Mahon in the Somme markedly impacted the results of the La Trinité-sur-Mer and Berck casinos. The opening of the Vannes casino made it definitively impossible to achieve a balanced operation of the La Trinité-sur-Mer casino, which was closed at the end of June 2015.

The risk is greatest in cases where a new casino is established in a large town, within the framework of Act 88-13 of 5 January 1988, when a catchment area that has historically included a conurbation of more than 500,000 inhabitants suddenly find itself deprived. This was the case for the casinos of Andernos and Arcachon when the Bordeaux casino was created.

This risk is however tempered by the already high number of casinos in France and the current situation of the industry, which is currently experiencing a difficult period. Nevertheless, both the setting up of casinos in the Group's catchment areas and the growth of new activities, such as online gaming (authorised in France in 2010, but limited to poker and sports betting), could have a substantial negative impact on the Group's business, results, financial position and future prospects.

On this subject, the media has recently reported on plans to open a new casino in Marseille. If these plans were to succeed, there would be consequences for business in nearby casinos.

4.2.13 REGULATORY RISK

As is the case for all highly regulated industries, changes in regulation applying either to casinos or establishments open to the public ("ERPs") – regarding, in particular, safety of people, cash handling and the safety of the security firms transporting money – could lead to the Group's incurring additional costs; this could have an adverse effect on the Group's turnover or results.

As shown in Section 6.1.1 of this report, the casino industry is subject to extensive regulation. The tax levied on the industry is a key component of the profitability of the Group, which remains exposed to any change in taxation (cf. rise in taxes by way of increased social security contributions – CRDS and CSG). On the other hand, some measures can have a positive effect on the Group's profitability, for example the updating and separating of sliding scale levies.

The gaming industry and the Group's casinos in particular traditionally play host to a large number of smokers. The application of Order 2006-1386 of 15 November 2006, and of Act 91-32 of 10 January 1991 (known as the "Evin" Law) from 1 January 2008 in the Group's casinos led to a change in clients' attendance habits. In 2013, the Group, after having substantially invested in creating smoking areas for players wishing to smoke, was required by the supervisory authority to close the dedicated areas equipped with extractor fans, which had been installed in games rooms at the Casino du Palais de la Méditerranée in Nice, the Pasino de Saint-Amand-les-Eaux and the Grand Casino de Lyon.

In addition, Act 2010-476 of 12 May 2010, on the opening to competition and the regulation of the online gaming industry (sports, horse racing and poker), noticeably impacted casinos' client numbers, as some clients gradually abandoned the "poker rooms" for online gaming sites (see Section 4.2.14 below for specific risks related to online poker).

Generally speaking, certain changes in regulation applying to casinos or establishments open to the public could have a significantly negative impact on the Group's business and results.

4.2.14 ONLINE GAMING LEGISLATION RISK

In April 2006, Groupe Partouche set up a new subsidiary, Partouche Interactive, to develop gaming business through the use of remote communication, such as television, mobile phones and the internet. Act 2010-476 of 12 May 2010 on the opening of the online gaming industry to competition and its regulation legalised online betting and gaming (sports, horse racing and poker).

On 25 June 2010, Partouche Gaming France SAS, a subsidiary of Groupe Partouche, obtained an online poker operating licence, which enabled the Group to position itself to counter the risks posed by this new form of gaming compared to its traditional casino business.

However, considering the ill-adapted conditions for setting up these online games (see Section 6.1.3) which have impeded operating profitability, it was decided that this business should be terminated, and Groupe Partouche's online games offering in France was therefore discontinued on 17 June 2013.

Generally speaking, the permanent presence of different offers made by the competition in this market may have a significant adverse effect on the numbers of clients of the Group's casinos and, consequently, on its business, results, financial position or its future prospects.

4.2.15 CLIMATE RISK

For the past few years, exceptional climatic events have been occurring on a fairly regular basis: heat waves, large storms, heavy seas, unusually high tides and heavy snow falls. All these events can directly or indirectly disrupt the casinos'

businesses, either by blocking their access routes or obliging clients to stay at home. They can thus have a substantial negative impact on the Group's business, results, financial position, or future prospects.

4.2.16 ECONOMIC RISKS

The casino market depends on a certain number of factors, including changes in behaviour (due to economic and socio-cultural factors) and changes in the economic situation.

Casinos' core and peripheral businesses (hotels and restaurants) are particularly dependent on seasonal travel movements. As such, they are also particularly vulnerable to the vagaries of the weather during the holiday season.

At casinos, table games have been affected by the sector-wide downturn in turnover and a reduction in the amount that clients wager.

The economic and financial crisis of the past few years has already had an adverse effect on the Group's business and performance. An increase in severity of this crisis could both adversely affect the Group's casino client numbers and revenue per client and, thus, have a substantial negative impact on the Group's business, results, financial position and future prospects.

4.2.17 GLOBAL HEALTH RISKS

An epidemic, or the fear of an epidemic, could lead to a drop in numbers of those visiting public places, and hence a fall in the Group's casino client numbers. Such a drop in client numbers, especially if significant and persistent, would have a significant negative impact on the Group's business, results, financial position and future prospects. In the event of a global pandemic, the government or the World Health Organisation (WHO) could declare a high-level state of emergency, which could, under certain circumstances, lead to the closure of the Group's facilities. An epidemic could also pose a threat to the health and safety of clients and employees, which would have a significant negative impact on the Group's business, results, financial position and future prospects.

4.3 ENVIRONMENTAL INFORMATION

See Section 17.1.3 "Environmental information".

4.4 INSURANCE SCHEMES

The precautionary policy is based on obtaining Group insurance programmes that cover all subsidiaries and apply to all risks associated with casino operations and related activities.

The programmes are contracted via brokers with highly reputed insurers.

Groupe Partouche does not have any self-insurance system and does not use any captive insurer.

To the best of our knowledge, there are no significant uninsured risks.

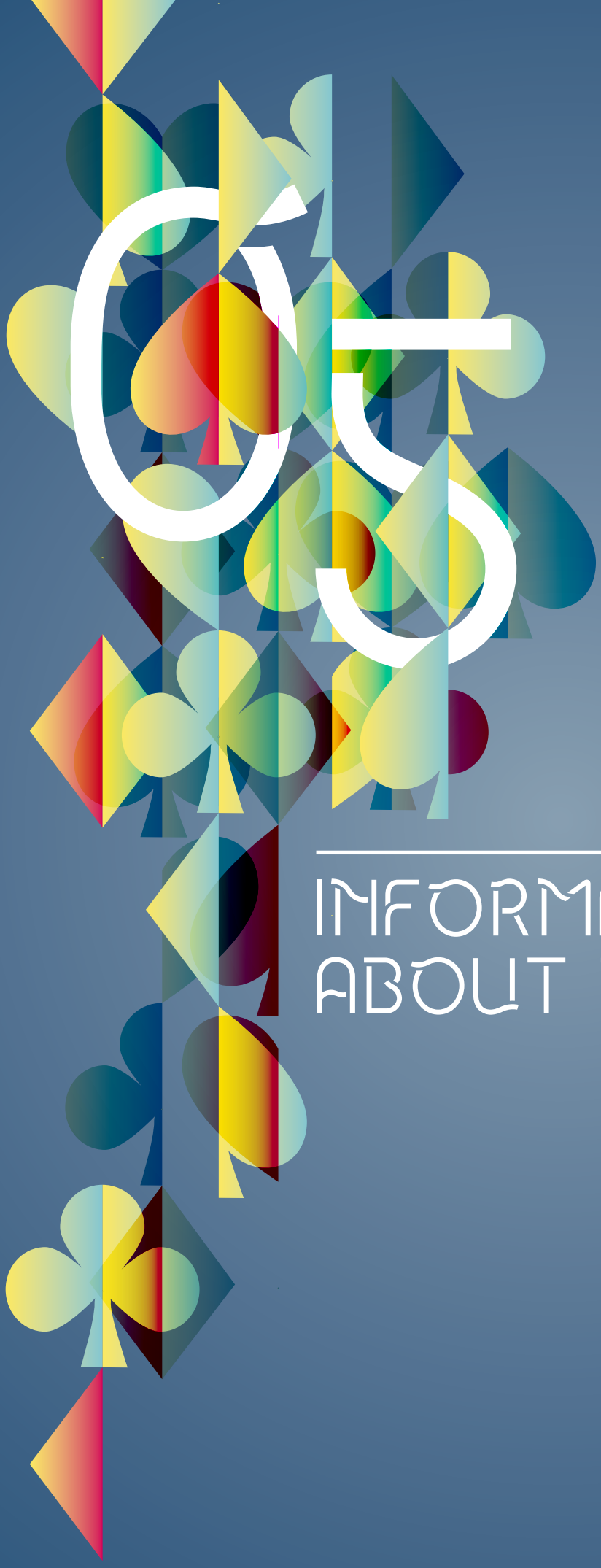
The main insurance programmes cover:

- **damages and operating losses for casinos, hotels and related activities**, with a contractual compensation limit of €70m;
- **civil liability**, covering all subsidiaries' business operations of establishments (games, hotels and leisure) and the interactive division;
- **the vehicle fleet**, guaranteeing damages caused to others as well as damages incurred, whether involving bodily injury, property damage or intangible damage.

NOUVEAU CATALOGUE PLAYERS PLUS

Découvrez tous les nouveaux cadeaux en casino.

Visuels non contractuels



03

INFORMATION ABOUT THE ISSUER

5.1 HISTORY

5.1.1 HISTORY AND DEVELOPMENT OF THE COMPANY

1973 - 1990 DEVELOPMENT IN ADVERSITY, THANKS TO GENUINE KNOW-HOW

Arriving in 1973 in France from Algeria, where he was a Philips representative, Mr. Isidore Partouche bought, with the help of his brothers and sisters, the Saint-Amand-les-Eaux casino, together with its spa and mineral water source.

The popularity of the casino was restored thanks to a family-oriented marketing strategy. This enabled Isidore Partouche to embark upon a growth strategy for his business; he acquired casinos in the north of France (Le Touquet in 1976, Forges-les-Eaux in 1986, Dieppe in 1988, Fécamp, Bagnoles and Vichy in 1989); in 1982, he created a casino in Calais.

At this time, gaming was limited to traditional games, which were not very profitable for the casinos. This however did not deter Isidore Partouche, who, convinced of the need to develop the gaming activity and with a clear vision, continued growing his business, even selling his spring water operations to keep his casinos.

1991 - 1995 INCREASED PROFITS AND STOCK EXCHANGE LISTING

Group profits substantially increased through the progressive introduction of slot machines in all of its establishments. In 1991, the group took over the Le Lyon Vert casino in La Tour de Salvagny and its subsidiaries the St-Galmier and Juan-les-Pins casinos.

The Group's growth continued with the reopening of the Berck (1991) casino and the Royat casino (1992), and the purchase of the casinos of Aix-en-Provence, La Ciotat and Palavas (1994).

To establish its professional standing, Groupe Partouche was the first group of integrated casinos in France to launch an initial public offering (IPO). On 29 March 1995, Groupe Partouche SA was listed on the Paris stock exchange's Second Marché, through a capital increase. The funds thus raised enabled the group to consolidate the companies it had acquired in France and to grow its business, notably abroad.

1995 - 2005 DIVERSIFICATION AND EXTERNAL GROWTH

Strengthened by this newly gained standing and swelling profits, the Group started diversifying its business activities and locations.

Hotels are added to Groupe Partouche's array of assets, with the purchase in 1997 of a 4-star hotel, the Méridien-Garden Beach hotel, the opening in 2000 of the Hilton de la Cité Internationale de Lyon and of the Aquabella hotel in Aix-en-Provence, and the acquisition in 2001 of the Savoy (now 3.14) in Cannes.

And in September 1995, the first casino located outside France joined the group, with the acquisition of the prestigious casino of the Belgian resort of Knokke-le-Zoute. New establishments followed with the creation in 1996, in partnership with Club Méditérranée, of a casino in Agadir, Morocco, the casino of Djerba in Tunisia in 1998, in the form of a Pasino, original concept combining an entertainment complex and a gaming facility, and in 1999 the casino of San Roque in Andalusia.

In the meantime, the Group continued growing its core business of casinos in France, with the addition of the Cabourg and Beaulieu-sur-Mer casinos in 1997, the Carlton Casino Club in Cannes in 1998, the transfer of the licence to allow the re-opening of the prestigious Palm Beach casino, and the casino of Lyon in 1999.

The Group also concentrated its efforts on developing the very concept of the casino. Following on from its experiment in Djerba, it opened a second Pasino, in 2001, in Aix-en-Provence. The first of a new generation of casinos was a great success and went on to be ranked number two in France. In 2003, the St-Amand-les-Eaux casino changed location and was transformed into a Pasino, thirty years after its acquisition.

In 2002, the Group made the largest purchase of its history. Between January and April, thanks to a successful counter-offer it succeeded in purchasing the Compagnie Européenne de Casinos, thus acquiring twenty-two additional casinos: eighteen in France and four outside France.

At the same time, new establishments were opened: Meyrin in Switzerland in 2003 and the Palais de la Méditerranée in Nice in 2004.

Then in 2005, the Group undertook a second external growth operation with the acquisition of Groupe de Divonne, comprising five casinos, including the Divonne-les-Bains casino, the apotheosis of a period of good fortune when the market reached maturity.

2006 – 2013 NEW TECHNOLOGIES AND A DIFFICULT CONTEXT

In April 2006, Groupe Partouche set up a new subsidiary, Partouche Interactive, to develop games through the use of remote communication, such as television, mobile phones and the internet, which quickly obtained an online gaming licence from the Government of Gibraltar.

Following this, major changes were made to the regulations that govern the gaming industry. In 2007, new gaming regulations began to be introduced, including the possibility of having a mix of gaming activities and the removal of stamp duty on the entrance fee of traditional gaming facilities. In November of the same year, identity controls at the entrance became

mandatory for French casinos. Then, in 2008, the smoking ban was introduced, another measure that had a very dissuasive effect on client numbers.

The economic crisis has also made itself felt through falling client numbers, as well as a clientele with less money to spend. Groupe Partouche therefore focused its efforts on optimising its operations.

At the same time, the Group intends to stay on the cutting edge of the industry; from the beginnings of the tests conducted on Texas Hold'em Poker in Aix-en-Provence, up to the success of Partouche Poker Tour, Partouche was becoming a major force in poker. In 2009, the Group was the first to launch its Megapot, a jackpot linking 200 slot machines in more than 45 establishments. Lastly, in 2010, the Group obtained an online poker gaming licence as part of the legal institution of remote gaming in France. In September, the Main Event of the Partouche Poker Tour Season 3 beat all records, playing host to 764 players, including the major international stars of the game, at its Casino du Palm Beach, in Cannes. The Prizepool, comprising the sum total of players' wins, was nearly €5.7m. 2011's edition confirmed the great success of this tournament.

2011 witnessed the deployment of the Pcash solution (Partouche Cashless), a proprietary system which will eventually bring to an end the use of chips in slot machines.

Finally, in the scope of a reserved capital increase, amounting to €30.6m, conferring 12.52% of Groupe Partouche SA's share capital to the group Butler Capital Partners, the latter became a minority but pro-active partner in May 2011.

In 2012, Groupe Partouche once again faced a challenging economic climate (with the decline of Gross Gaming Revenue in France leading to a significant deterioration in the Group's operating profitability). Faced with declining activity in the Interactive Division, mainly caused by the unsuitable business model of French online poker, the area in which the Group's subsidiary Partouche Gaming France operates, in September 2012 Groupe Partouche announced a strategic reorientation of the Group's poker activities and its online poker website www.partouche.fr.

Construction was completed at the Pasino in La Grande-Motte, and the new establishment opened its doors on 10 July 2012.

2013 saw lower revenue affecting the entire casino sector; Groupe Partouche continued adapting to this situation by concentrating its financial and human resources on its historical core businesses, and discontinued its online poker business in France.

Nevertheless, Groupe Partouche remains a driving force behind innovation in its profession. Following Casino War's test period in Aix-en-Provence, the game was expanded throughout the rest of France. Sic Bo, an Asian dice game, was tested at Forges-les-Eaux, and the well-loved classic bingo was launched at the Pasino d'Aix-en-Provence in early 2014. As part of the shift toward new products awaited by the clientele, a large number of electronic English roulette wheels have been rolled out at the Group's casinos. Moreover, Group Partouche remains the only operator in France with a multi-site jackpot: the millionaire-making Megapot, with more than 200 interconnected slot machines at the Group's casinos which let players take home exceptional winnings.

Lastly, as it was constantly exposed to the potential risk related to non-compliance with a covenant for the syndicated loan, which could have triggered the immediate mandatory repayment of the principal owed, Groupe Partouche entered into negotiations with the bank syndicate in June 2013 and, in the absence of an agreement, on 30 September 2013 the Groupe Partouche SA holding company obtained the initiation of a Safeguard Procedure (procédure de sauvegarde) from the Paris Commercial Court.

2014 A PIVOTAL YEAR

As early as March 2014, the Safeguard Plan (plan de sauvegarde) put forward by Groupe Partouche SA, including in particular the phased repayment of the syndicated loan over almost nine years, was unanimously adopted by the committee members of credit institutions and their equivalents and by the Group's key suppliers. This plan was agreed by the Paris Commercial Court under a ruling dated 29 September 2014, bringing to an end the Safeguard Procedure (procédure de sauvegarde) that had begun a year earlier.

The Group also sold off a number of assets in financial year 2014 (the casinos in Hauteville, Knokke and Dinant and the Lyon Hilton hotel), part of the proceeds of which was allocated to the early repayment of the syndicated loan.

2015 ONGOING RECOVERY

In 2015, Groupe Partouche's financial structure returned to a very sound position, thanks to the combination of cash flow generated by its activities, controlled investments and asset disposals, part of the proceeds from which went toward the early repayment of the syndicated loan.

The 2015 financial year also saw much stronger results, reflecting the marked upturn in business and the improvement in the operating margin.

Strengthened by these important positive factors, Groupe Partouche can now focus fully on reviving its business while continuing to work on improving its financial structure and consolidating its profitability.

5.1.2 COMPANY NAME

The name of the Company is Groupe Partouche – Ticker "GP".

5.1.3 COMMERCIAL REGISTER

The Company is registered in the Paris register of commerce and companies under number 588 801 464.

Its NAF code is 7010 Z.

5.1.4 DATE OF INCORPORATION AND TERM OF THE COMPANY

Groupe Partouche, which was initially called SA Compagnie Fermière des Eaux et Boues de Saint-Amand, was formed, by a deed received by Maître Cartigny, Notary at Valenciennes, on 18 March 1903.

The term of the Company, initially set at 60 years, was last extended by the Extraordinary Shareholders' Meeting of 27 April 1994 to 26 April 2058, except in the event of it being wound up before that date or having its term extended as provided by the Articles of Association.

5.1.5 REGISTERED OFFICE, FINANCIAL YEAR, LEGAL FORM AND APPLICABLE LEGISLATION

The registered office is located at 141 bis, rue de Saussure, 75017 Paris, France.

Its telephone number is +33 (0)1 47 64 33 45 and its fax number is +33 (0)1 47 64 19 20.

The Company is a French Société Anonyme with an Executive Board and a Supervisory Board. The Company is under the jurisdiction of French legislation.

Its legal and accounting documents may be consulted at the registered office.

The financial year commences on 1 November and ends on 31 October of the following year.

5.2 INVESTMENTS

5.2.1 PRINCIPAL INVESTMENTS MADE IN THE COURSE OF THE LAST THREE FINANCIAL YEARS

2013 INVESTMENTS

The Group's cash flow from investing activities was a net use of cash of €21.8m, down from financial year 2012 (net use of €37.0m, which notably reflected the construction of the Pasino de La Grande-Motte). 2013 cash flows were comprised mainly of €24.1m in capital expenditures, including investments in maintenance, renovation and the renewal of the slot machine stock, as well as €2.6m in proceeds from the disposal of tangible fixed assets, mainly related to the sale of the San Roque property.

2014 INVESTMENTS

Cash from investing activities represented a net cash inflow of €21.5m, mainly driven by sale proceeds recognised in the financial year (companies and real estate assets).

Sale proceeds recognised in 2014 mainly arose from the sale of the casino businesses in Knokke, Dinant and Hauteville-Lompnes (€22.7m) and the sale of the Reno real estate asset and with regard to assets, above all, the premises and business of the Lyon Hilton hotel (€24.1m).

Conversely, acquisitions of assets, mainly consisting of tangible assets, represented a €25.4m use of funds in 2014, similar to the amount recognised in 2013 (€24.1m), and including investments to maintain, renovate and replace the Group's slot machines.

2015 INVESTMENTS

Cash from investing activities represented a net cash inflow of €13.1m, mainly driven by sale proceeds recognised in the financial year (companies and real estate assets).

Sale proceeds recognised in 2015 concerned:

- consolidated companies for €13.7m, mainly resulting from the sale of the Chaudfontaine casino (€8.5m) and the Garden Beach hotel in Juan-les-Pins (€4.5m),
- tangible fixed assets for €30.1m, relating to the sale of the Juan-les-Pins and Vichy buildings, as well as the balance collected for the sale of the premises and business assets of the Lyon Hilton hotel.

Acquisitions of assets, mainly consisting of tangible assets, represented a €31.0m use of funds; in the absence of any construction of new establishments, this was limited to investments to maintain, renovate and replace the Group's slot machines.

5.2.2 MAJOR INVESTMENTS IN PROGRESS

Assets in progress, which had a net value of €5.0m at the end of the financial year, mainly relate to the La Ciotat casino project for €2.5m, and to work concerning the Forges-les-Eaux hotel for €1.0m.

5.2.3 MAJOR INVESTMENTS EITHER SCHEDULED OR ARISING FROM FIRM COMMITMENTS MADE BY THE GROUP'S EXECUTIVE BODIES

Major capital expenditure arising from commitments under the local authority's specifications comprises:

A) CONSTRUCTION OF THE NEW CASINO IN LA CIOTAT

The future Pasino in La Ciotat obtained a building permit on 5 March 2013, which was modified by an amended building permit concerning a developed area (including the terraces and basement) of about 4,800 sq.m.

The land (13,003 sq.m) had already been purchased by Partouche Immobilier in 2007; the forecast cost of construction is approximately €11.8m.

Work began in January 2016 and will be finished in March 2017. The planned total outlay in financial year 2016 is €6m.

B) RENOVATION OF THE PALM BEACH CASINO IN CANNES

Considering the forthcoming expiry date of the long lease (2028) and the economic difficulties encountered by the establishment, these works, which amount to €17.6m, are no longer programmed and discussions have taken place with the town council and the condominium association in order to determine the future of the site which should offer interested operators long-term visibility enabling them to amortise their investment.

As part of this process, the casino obtained the town's approval and a licence from the Minister of the Interior to transfer its activities to the 3.14 Hotel in Cannes.

C) OTHER INVESTMENTS

The other significant investments planned by the Group relate to existing casinos and hotels and mainly concern:

- the completion of construction of an underground car park at the Crans-Montana casino for €2.2m;
- work required to move the Juan-les-Pins casino to a new location;
- the refurbishment of the La Roche-Posay casino;
- the construction of a new establishment in Pornic, currently under discussion with the town regarding the renewal of the public service concession.

5.2.4 DIVESTMENT PROGRAMME

Groupe Partouche has no further divestment obligations to meet.

The Safeguard Procedure ended without there being any obligation to dispose of assets to pay financial creditors.

Furthermore, as a result of the disposals carried out over the past few years that exceed the €25m threshold, the commitment made by Financière Partouche, in the scope of the shareholders' pact entered by BCP and Financière Partouche (see Section 18.3), was met in late January 2014.

5.2.5 RELATIONS BETWEEN INVESTMENTS AND FINANCING ACTIVITIES

Since the end of the Safeguard Procedure in September 2014, Groupe Partouche has regained freedom with regard to its investment decisions and sources of funding, since the previous constraints associated with the syndicated loan no longer apply.

The phasing of debt repayments allows the Group to take into account its relevant investment needs (such as building new establishments, renovating its slot machines and asset maintenance); these investments may be made using medium- or long-term bank financing and the Group's present and future cash surpluses.

GRATUIT ET OUVERT À TOUS*

LA TOURNÉE DES PLAGES

2015

DÉBARQUE

DU 4 JUILLET AU 30 AOÛT 2016

DES CONCERTS GRATUITS

DES JEUX

ET DES CADEAUX À GAGNER

DES ANIMATIONS

PLUS D'INFOS SUR

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PARTOUCHE SPECTACLES

NOSTALGIE

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18+ www.groupecomplus.com - 04140618DL.

* Opération publicitaire sans obligation d'achat soumise à conditions, voir règlement sur le car podium Partouche correspondant. La participation à l'opération est réservée aux personnes majeures non interdites de jeux, sur présentation d'une pièce d'identité en cours de validité.
**Les dates et emplacement sont donnés à titre indicatif et sont susceptibles de modification ultérieure. Groupe Partouche S.A. à Directoire et Conseil de Surveillance, RCS de Paris 588 801 444, 141 bis rue de Saussure 75017 Paris.
L'entrée des salles de jeux est réservée aux personnes majeures non non interdites de jeux, sur présentation d'une pièce d'identité en cours de validité ou d'une carte Players Plus.

06

BUSINESS OVERVIEW

MEGAPOT LE VOYAGE

Virtual reality is booming, and its status as the new "El Dorado of entertainment" is becoming more firmly established every day.

The Megapot Le Voyage experience is made possible by technologies developed by Oculus VR, recently acquired by Facebook.

Partouche VR offers the chance to enjoy a unique sensory experience by diving into the heart of a Megapot slot machine!

Equipped with an Oculus Rift virtual reality mask and seated in a specially designed cabin, customers are immersed in an unforgettable journey through an unfamiliar universe, with 360° visibility.

ROLLER BLASTER

A Partouche VR innovation!

A preview of the attraction – the world's first of its kind – was launched at the Paris Games Week by Partouche Lab, the Group's research and development unit.

Roller Blaster VR is an extraordinary virtual voyage that is guaranteed to appeal to thrill-seekers.

As with a classic roller coaster, passengers wait in a queue before boarding Roller Blaster VR in four-person cars and donning their Oculus Rift virtual reality helmets.

They are then immersed for over three minutes in a journey of twists, turns and high-speed acceleration through a fantasy world bedecked with castles of cards, huge piles of casino chips and an Olympian roulette table. All this is made possible by a jack-mounted module and 4D effects that totally immerse travellers in this incredible roller-coaster universe.

THE PARTOUCHE BEACH TOUR

Last summer, every seaside resort with a Partouche casino once again played host to the Partouche Beach Tour.

This colourful and spectacular show, which has now become a must-see event, attracts thousands of people who throng to join in games, dance and win a range of prizes. Fun for all the family!

MEGAPOT

Partouche Megapot is an innovation only found in Partouche casinos. It was launched in December 2008 after receiving operational approval from the Ministry of the Interior.

Megapot is a progressive jackpot; its innovation lies in the fact that it links multiple slot machines, not just in a single casino but across the Group's 39 French casinos.

The principle of the progressive jackpot is simple and very popular with players.

It is a large jackpot driven by multiple slot machines, where the available winnings increase as players place their bets across all linked machines. This means it is possible to win large amounts – around a million euros – for only a €2 bet!

To date, the Megapot has:

- created 53 winners;
- generated over €60m in winnings.

MEGAPOK

Megapok is the first multi-site poker jackpot.

Like Megapot, it links a number of slot machines so players have the chance to win substantial jackpots.

To date, Megapok has:

- created 55 winners;
- generated over €5m in winnings.

THE WINNING HAND

Building on its success, La Main Gagnante ("The Winning Hand") is now a must-play game for customers who are members of the Players Plus loyalty programme.

The game is even more appealing and offers more chances to win, with €100,000 up for grabs every week. All you have to do to win is pick the right six-card combination from the 52 cards proposed. New this year was the addition of a 100%-win game for players who pick two winning cards, as well as the option of using a bonus card for an even higher chance of winning!

This year, the game had 45,000 winners!

PARTOUCHE MOBILE APP AND ONLINE SPACE

Keen to constantly improve customer satisfaction, Groupe Partouche has developed an application for use with Android and iOS, available free from Google Play and the Apple App Store.

The main purpose of the app is to keep users up to date with news about the Group and their favourite casino so they are always in the know about future events and activities.

Groupe Partouche has also launched an online account function that can be accessed from the app, as can Partouche casino websites.

By setting up a Partouche online account, customers can:

- access their customer profile;
- find out about events taking place at their favourite casinos.

Members of the Players Plus loyalty programme can also:

- view their total Players Plus loyalty points;
- view personalised offers available to them in casinos;
- view their casino poker tournament history and register online for poker tournaments via PokerScope.

BINGO

Bingo was trialled in casinos for the first time, led by the Aix-en-Provence Pasino on 1 November 2014. The event was a great success.

Almost 900 players shared more than €50,000 in winnings, including €30,000 in cash and a Toyota Aygo!

This will be a key area of development for our casinos in the year ahead, with a number of further such events already scheduled.

MISS AND MISTER CHINESE GUIDE

2016欧洲华语导游小姐先生大赛
MISS ET MISTER GUIDE CHINOIS EN EUROPE 2016

The Association des professionnels chinois du tourisme en France (Association of Chinese Tourism Professionals in France) and Groupe Partouche launched Europe's first ever Miss and Mister Chinese Guide competition, a talent and beauty contest that took place on Saturday, 16 January 2016 at Domaine de Divonne.

The event's launch was eagerly awaited by Chinese tourism professionals. No fewer than 400 Chinese guides from every European country, representing Chinese travel agencies and tour operators in Europe, took part in the out-of-the-ordinary competition.

During the morning before the beauty contest, workshops and talks were held by dozens of major French luxury brands, including LVMH, Groupe Swatch, Lancel, Fragonard, Galeries Lafayette, Tourbillon, Paris Look and Galerie du Diamant, to discuss and meet with hundreds of Chinese tourism professionals in Europe attending the event.

This event was jointly organised by the Association chinoise des agences de voyages en France (Association of Chinese Travel Agencies in France – ACAV) and EFCT (European Federation of Chinese Tourism) and supported by the Beijing tourist office and the Chinese embassy. It was attended by a number of Chinese media operators including Phoenix TV, China's most watched channel.

RENOVATION OF THE VICHY GRAND CAFÉ CASINO

Thanks to a completely revised internal layout, the casino now offers a more modern, light and friendly environment.

The casino has added 35 new slot machines to its offering.

The brasserie has been completely redesigned around the Grand Café's "historic" buffet, with a new through bar offering an unrestricted view of the games room.

RENOVATION OF THE SAINT-GALMIER CASINO

The Saint-Galmier casino has had a makeover!

An area of around 500 square metres has been restored and renovated from floor to ceiling. Internal openings have been enlarged to offer more space and improved traffic flow for customers. Accessibility requirements for persons with reduced mobility have been fully taken into account.

The brasserie, which forms an integral part of the casino, is now also open to non-playing customers. It offers a panoramic view over Saint-Galmier's park and outdoor swimming pool.

The kitchens have also been completely renovated and the "Tara" and "Ambassadeur" meeting rooms have been redesigned to let in more natural light while integrating the latest technology to meet the expectations of both business and "leisure and pleasure" customers.

Saint-Galmier is also the first Partouche casino to sport the Group's new visual signage, which uses new technology and consumes little power.

RENOVATION OF THE ANDERNOS CASINO

Renovation work began in late September and finished at Christmas 2015.

Our customers can now explore a brand new casino sporting the Group's colours with a new offering and brasserie.

Andernos is now a latest-generation casino providing our customers with the convenience of gaming and non-gaming services under the same roof. This has unquestionably given the casino fresh momentum and early feedback is very promising.

RENOVATION OF THE TERRACE AT THE LE HAVRE PASINO

The brasserie at the Le Havre Pasino has been completely renovated and its capacity doubled to meet growing demand.

A bold, innovative theme has been adopted to meet customers' expectations. The ambiance can be adjusted to suit lunch, teatime, before dinner, dinner and after dinner. Everything you need to relax and enjoy yourself whatever the time of day.

OPENING OF THE FIRST HIPPOPOTAMUS RESTAURANT AT A CASINO IN LA GRANDE-MOTTE

In early April, Groupe Partouche announced the opening of a Hippopotamus restaurant (run by Groupe Flo) inside its Pasino at La Grande-Motte.

This partnership is a first step towards incorporating a strong, well-known brand into our casinos with the power to attract new customers.

A number of Hippopotamus restaurants should open over the next two years.

This partnership with Groupe Flo follows an initial approach adopted two years ago with the aim of purchasing from Convergence Achats, an offshoot of Groupe Flo and Disney.

NEW SLOT MACHINES

SPHINX 3D :

The Sphinx 3D machine is a revolutionary innovation that brings together the most recent technological advances. Having won the innovation award at Las Vegas in the United States, the Sphinx is coming to France.

Its eye movement detectors mean there is no longer any need for players to wear special glasses, giving them a three-dimensional view of images on the machine's screen and transforming the slot machine into a whole new experience. Two cameras constantly track the player's eyes, ensuring that he/she has a three-dimensional view at all times regardless of position.

VIP :

New slot machines are arriving in our casinos!

VIP slot machines are multi-game, multi-denomination machines focused on complete comfort. They are equipped with an ultra-comfortable seat with integrated buttons so the player can play directly from the seat.

The seat can be adjusted to different positions.

Also with the aim of increased comfort, a touch screen allows players to select the type of game, the amount of each bet, and so on. VIP machines also have a second giant remote screen to increase the visibility of the current player.

6.1 MAIN ACTIVITIES AND NOTABLE CHANGES IN 2015

MAIN ACTIVITIES

Historically, Groupe Partouche's main business has been operating casinos, some of which include hotels.

BREAKDOWN OF TURNOVER BY BUSINESS AREA

BREAKDOWN OF TURNOVER €000 AT 31 OCTOBER	2015	%	2014	%	2013	%
Casinos	374 530	93,6 %	368 863	90,0 %	390 036	89,4 %
Hotels	14 213	3,6 %	27 692	6,8 %	33 166	7,6 %
Other	11 599	2,9 %	13 086	3,2 %	13 175	3,0 %
TOTAL TURNOVER	**400 342**	**100,0 %**	**409 641**	**100,0 %**	**436 378**	**100,0 %**

Groupe Partouche has from the outset been a major casino operator in France. It also has a presence in other countries, mainly Belgium and Switzerland.

TURNOVER BY GEOGRAPHICAL REGION

BREAKDOWN OF TURNOVER €000 AT 31 OCTOBER	2015	%	2014	%	2013	%
France	336 081	83,9 %	342 423	83,6 %	362 958	83,2 %
Eurozone (excluding France)	23 402	5,8 %	28 707	7,0 %	34 583	7,9 %
Non-eurozone	40 858	10,2 %	38 711	9,4 %	38 837	8,9 %
TOTAL	**400 342**	**100,0 %**	**409 641**	**100,0 %**	**436 378**	**100,0 %**

COMMUNICATION AND MARKETING

Numerous new products and innovations were once again introduced this year.

The Group's casinos received new slot machines like the Sphinx 3D, VIP machines, and so on. We work hard to ensure that new gaming products appear every year so that our offering is constantly updated and our customers remain satisfied.

Furthermore, to diversify our offering, the Group's development unit, Partouche Lab, is constantly working to offer our customers innovative products never before seen in France. Last year saw the launch of two next-generation products: Megapot Le Voyage and the Roller Blaster.

Other key events:

- We overhauled our communication charter, exploring the creative focus that would best correspond to our target audience and our image. This long-term undertaking will bear fruit in the first quarter of financial year 2016;
- We adopted a new radio system that will enable us to announce jackpot winnings in our casinos and broadcast personalised messages tailored to each of our establishments. This system will also be rolled out over the coming financial year;
- We relaunched online casino games reserved for our Players Plus customers by developing a dedicated gaming platform.

6.1.1 CASINOS

Casinos are the Group's core business.

In France, Article 1 of the Order of 14 May 2007 on the regulation of casino gaming defines a casino as an establishment encompassing three distinct activities – entertainment, catering and gaming – under a single management, with no option for gaming or entertainment to be leased out. Prior to 31 December 2014, none of the three activities could be leased out, but with effect from 1 January 2015, catering can now be leased out.

Games liable to be authorised in casinos are set out in the French Internal Security Code (Article D. 321-13). There are four categories of game:

TABLE GAMES PLAYED AGAINST THE HOUSE:

"Boule",
American, English or French roulette,
Casino War,
Punto Banco,
Blackjack, Stud Poker, Hold'em Poker;

TABLE GAMES PLAYED AGAINST OTHER PLAYERS:

Texas Hold'em Poker and Omaha Poker 4 high,
Bingo;

ELECTRONIC VERSIONS OF TABLE GAMES:

Roulette,
Blackjack,
Texas Hold'em Poker;

SLOT MACHINES:

A slot machine is legally defined as a gaming device that, upon inserting a coin or other form of payment, automatically triggers a system resulting in the display of a random combination of symbols, with certain combinations winning varying amounts of money for the player.

Slot machines may be linked together to build up a progressive jackpot. Such a system may connect machines located in different casinos.

INNOVATIONS :

Leveraging its extensive experience in the gaming sector, Groupe Partouche stays abreast of the latest technological advances to round out its offerings.

For instance, the Group's smart card gaming system now offers the option of ticketed games. All forms of payment are thus accepted by the Group's machines (cash, cards, tickets and chips). The unique feature offered by Groupe Partouche is the option of combining two payment methods (cards and tickets).

Drawing on its pioneering role in wide-area progressive (WAP) systems – Groupe Partouche was France's first casino operator to offer a multi-site jackpot under the name "Megapot" – the Group has continued to expand upon this concept to meet the demands of its customers. Along these lines, Groupe Partouche has introduced a second multi-site jackpot called "Megapok", dedicated to poker.

Groupe Partouche is still the only operator in France able to offer its customers a multi-site jackpot, resulting in sizable winnings of up to several million euros for an initial bet of no more than three euros.

Smart card technology now powers a broad range of offerings made available to the Group's customers.

Groupe Partouche is working to forge partnerships with major gaming equipment manufacturers (Williams, Bally, Aristocrat, Aruze and Novomatic) that will enable it to offer its customers exclusive access to new machines, prior to their nationwide release.

Groupe Partouche works closely with research and development laboratories operated by major automatic gaming equipment brands to suggest new product concepts and improve the functionality of slot machines.

It should also be noted that two new games trialled in the Group's casinos so that the authorities could assess their lawfulness and fairness can now be operated in all French casinos (Decree 2015-540 of 15 May 2015). The two games in question are as follows:

- Sic Bo: a game where players bet on a combination of three dice rolled by an automated device under a glass cover. This game was tested at the Forges-les-Eaux casino, where it enjoyed great success;
- Bingo: this game, particularly well known in Spain and at casinos in Las Vegas, was successfully trialled at the Aix-en-Provence Pasino.

The panoply of gaming options offered by the Group was recently further enriched with the installation of a number of electronic roulette machines, which continue to be extremely popular with customers.

A) LEGAL AND REGULATORY FRAMEWORK

Under French law, unlicensed gaming is prohibited, subject to criminal penalties as laid down in the Act of 12 July 1983. The Act of 15 June 1907 created an exception to this prohibition, allowing casinos to be opened in seaside and health resorts and thermal spas, prior to 3 March 2009, in towns or cities where a casino was regularly operated at that date, in tourist resorts (the reform brought in by the Act of 14 April 2006 simplified and updated the rules on official tourist resorts by combining the six previous official categories into a single "tourist resort" category (station de tourisme).

Act 88-13 of 5 January 1988 allowed casinos to be opened in official tourist municipalities and official tourist towns/cities and resorts constituting the main town or city in a conurbation with more than 500,000 inhabitants and contributing more than 40%, together with other local authorities as the case may be, to the operation of a "national centre for dramatic arts" (centre dramatique national), a national theatre, a national orchestra or an opera house regularly staging at least 20 opera performances per season.

Since the publication of Order 2012-351 of 12 March 2012, the texts referred to above have been codified in the French Internal Security Code (Book III: Special administrative police; Title II: Games of chance, casinos and lotteries – Article L. 321-1 et seq.).

Licences to operate casinos are granted by the Minister of the Interior, acting on the advice of the local council of the area in which the casino is to operate, following a public inquiry and on the basis of specifications drawn up by the local council. The latter then grants the operator a business concession after checking that the conditions of the tender procedure defined in Act 93-122 of 29 January 1993 (the "Sapin Act") have been met, and following an opinion from the Gaming Advisory Committee. These licences are temporary in nature; their validity period, which may not exceed the period laid down in the each casino's specifications, is generally limited to no more than five years.

The Gaming Advisory Committee (Commission consultative des jeux) established by the French Ministry of the Interior has

12 members, including 8 senior officials representing the supervisory ministries, one senator and one député representing Parliament, and 2 mayors appointed by France's national association of mayors of listed resorts. It is chaired by a special councillor of the French Council of State.

Its remit is confined to primary applications for gaming authorisation renewals, applications to increase the number of authorised gaming tables and applications to increase the number of authorised slot machines where this exceeds the threshold of 500 machines.

Since the publication of an Order on 29 July 2009, the authorisation criteria for slot machines have been laid down in the regulations governing casino gaming. The first gaming table gives entitlement to 50 slot machines, with each subsequent table giving entitlement to 25 additional machines. This reform was a major step forward for casinos in gaining greater control over the definition of their gaming offering. It means the gaming offering can now be tailored to the specific characteristics of the local market and customers' wishes without any need to embark on a cumbersome administrative procedure requiring an opinion from the Gaming Advisory Committee at the end of a four- or five-month application processing period. Changes once a casino is already authorised are now agreed by the Ministry of the Interior following notification procedures with a short processing period, allowing operators to respond more quickly to market trends.

In a similar reform movement, a few additional adjustments have been made to the regulations: since the publication of the Order of 6 December 2013, casino managers have had the right to set the opening and closing times of gaming rooms and games, within the limits set by each casino's operating permit and in compliance with its specifications. This provision allows casinos to better match their offering of table games to customer demand (with the priority on opening tables during peak periods only), and thus to make productivity gains and optimise casino workforce management.

Certain changes were made by amending Decrees and Orders during the financial year.

On 30 December 2014, a change was made to simplify adjustments to the nature of games by allowing casinos to freely choose which games they wish to operate from a list of authorised games, subjecting to declaring them in advance to the Ministry of the Interior. Previously, requests for these types of adjustments had to be submitted to the Gaming Advisory Committee.

The gaming licence, which is formalised by an order issued by the Minister of the Interior, sets out the number and type of authorised table games, electronic versions of these games, and slot machines; the period of authorisation; minimum bets; and the opening and closing times of gaming rooms.

An initial Decree of 30 December 2014 added Wheel of Fortune, ultimate poker, three-card poker and Rampo to the list of games that may be authorised in casinos, while a second Decree of 15 May 2015 added Sic Bo and Bingo.

The slot machine market has also undergone a number of technical developments, now possible thanks to the latest regulatory changes, such as multi game and multi denomination slot machines, as well as "community" games that are of greater interest to a new generation of gamers. It should be noted that slot machines are legally required to pay out at least 85% of their takings, and that only French supply and maintenance companies with experience in electronics and licensed by the Ministry of the Interior are authorised to supply and maintain such machines and adjust their settings. Such companies are required to inspect the entire portfolio of slot machines four times a year.

Gaming licences may be withdrawn by the Ministry of the Interior in the event of failure to comply with specifications or with legal or regulatory provisions governing gaming in casinos.

At each casino, a manager and an executive committee approved by the Ministry of the Interior are responsible for ensuring strict compliance with applicable laws and regulations and the casino's specifications.

Gaming staff, personnel responsible for access control, inspectors responsible for security and video protection operators must be licensed by the Ministry of the Interior before taking up their duties.

The administration and operation of casinos and the rules governing gaming operations are subject to strict regulations that have been considerably updated in recent years under pressure from gaming trade unions.

Since the codification exercise of 12 March 2012, legislation covering casinos is grouped together in the French Internal Security Code, in Book III, Title II: Games of chance, casinos and lotteries.

Meanwhile, the regulatory component was codified on 1 December 2014, by Decree 2014-1253 of 27 October 2014.

A number of non-codified Orders apply to casinos, among them the Order of 14 May 2007 on the regulation of casino games, which sets out the conditions for the submission and processing of gaming authorisation applications, the terms under which casinos are run and operated, the rules governing games, and surveillance and inspection principles; the Order of 29 October 2010 on the collection, recovery and supervision of levies on casino games; and the Order of 23 December 1959 on gaming staff.

Lastly, casinos are covered by a number of codes, including the General Local Authorities Code, which notably lays down procedures governing casino levies, the Civil Code, which deals with taxes on automatic machines, the Monetary and Financial Code, which makes casino legal representatives and managers subject to anti-money laundering and counter-terrorist financing requirements, the Electoral Code and the Tourism Code.

B) LEVIES ON GROSS GAMING REVENUE

A sliding-scale levy is applied to gross gaming revenue, which represents the total amount of money left by players at gaming tables and slot machines) after deducting a statutory 25% tax allowance and, in certain cases, an additional maximum allowance of 5% for high-quality artistic productions and/or an additional 5% allowance for investments in hotel and thermal spa facilities.

The levy scale, which had not changed since 1986, was revised during the year ended 31 October 2009, with the changes to be applied retroactively over the whole of the financial year to take into account inflation.

During the financial year ended 31 October 2010, a reform in the way gaming levies are calculated, eagerly awaited by the industry for several years, was introduced through the addition of new provisions to the Online Gaming Act of 12 May 2010 (Article 55). The reform means that the base on which the levy on table games is calculated is no longer the same as that for slot machines (Article L. 2333-54 of the French General Local Authorities Code). This is a departure from the previous method of calculating the levy on the aggregate of gross gaming revenue from table games and slot machines. This use of distinct bases on which the levy is calculated for table games and slot machines means that casinos will pay a lower levy rate on table game revenue.

New tax measures were introduced during the 2015 financial year, with effect for the whole of the financial year, by the promulgation on 30 December 2014 of Act 2014-1655 of 29 December 2014, the Amending Finance Act for 2014.

This Finance Act removed the following:

- the principle of the special casino tax (prélèvement à employer) by repealing Article L. 2333-57 of the General Local Authorities Code;
- the 0.5% fixed levy on gross gaming revenue from table games and the 2% fixed levy on slot machines by repealing Article 50 of Act 90-1168 of 29 December 1990, the 1991 Finance Act.

In addition, it transposes into the General Local Authorities Code, in Article L. 2333-56, a sliding-scale levy on gross gaming revenue after deduction of a 25% tax allowance, and where appropriate an allowance "for hotel or spa acquisition, equipment and maintenance costs". The sliding-scale levy rate applicable to each of the shares will be set by decree, with a minimum of 6% and a maximum of 83.5% (instead of the previous limits of 10% and 80%).

To calculate the levy on table games, apart from electronically operated ones, a coefficient of 93.5% is applied to the amount of gross gaming revenue.

Another decree regarding provisions for levies on gaming revenue defers the time limit for monthly payment of levies to that laid down for the tax on turnover, instead of the fifth day of the month.

It should be noted that local councils undertaking activities to promote tourism can apply a levy on casinos' gross gaming revenue, using the same tax base as the state-imposed levy. Under no circumstances may this levy, which is applied in accordance with each casino's specifications, exceed 15%.

Furthermore, 10% of the state-imposed levy is paid over to each local council of an area in which a casino is located.

Where the combined total of the state and local council levies exceeds 83.5% of total gross gaming revenue, the state levy rate is reduced such that the combined total of both levies is 83.5%.

Furthermore, since the introduction of the Act of 12 May 2010 opening up online gaming to competition and regulation, a portion of the levies raised on online table games, not exceeding €10,150,000, is paid over to local councils within whose geographical boundaries are one or more casinos open to the public, in proportion to those casinos' gross gaming revenue.

The new scale for the sliding-scale levy payable to the state based on casinos' gross gaming revenue, in accordance with Act 2014-1654 of 29 December 2014 (the Amending Finance Act for 2014), is as follows:

GROSS GAMING REVENUE

6% up to	100 000		
16% from	100 001	to	200 000
25% from	200 001	to	500 000
37% from	500 001	to	1 000 000
47% from	1 000 001	to	1 500 000
58% from	1 500 001	to	4 700 000
63.3% from	4 700 001	to	7 800 000
67.6% from	7 800 001	to	11 000 000
72% from	11 000 001	to	14 000 000
83.5% above	14 000 000		

Since 1996, a 3% CRDS (Contribution to the Repayment of Social Debt) tax has been levied on gross gaming revenue, followed in 1997 by a 3.40% CSG (General Social Contribution) levy on gross gaming revenue from slot machines.

In January 1998 the CSG levy was increased to 7.5% and calculated on a reduced base of 68% of gross gaming revenue from slot machines. With effect from 1 January 2005, the CSG levy increased by two percentage points to 9.5%.

The Decree of 12 April 2002, which took effect on 1 May 2002, stipulates that gaming levies must be based on actual revenue taken in by slot machines, with a rebate of no more than 15% (unless theoretical revenue is higher than rebated actual revenue). The Decree of 28 October 2008 cancels the provisions concerning the 15% rebate coefficient set out in the Decree of 12 April 2002.

The tax on automatic machines, laid down in the General Tax Code and applicable to casino slot machines, was abolished by Act 2014-1654 of 29 December 2014 (the 2015 Finance Act), with effect from the 2014-2015 financial year.

Casino games – Groupe Partouche SA's core business – are exempt from value-added tax (VAT).

One of the provisions of Amending Finance Act 2014-1655 provided for the removal of the first paragraph of Article 34 of Act 95-1347 of 30 December 1995 on the additional allowance for high-quality artistic productions.

This provision, still in force for the 2014-2015 financial year, will be replaced for the next financial year by a tax credit, the principle of which is now set out in Article L. 2333-55-3 of the General Local Authorities Code. The aim is to enhance the security of the system, which now falls within the scope of the regulation and is compatible with the domestic market.

The new system does not call into question productions that were recognised as eligible when it entered into force, and the introduction of a tax credit will make it possible to considerably reduce repayment deadlines relative to the current situation. The introduction of a decision support system using a points-based scale will make it possible to assess the production eligibility criteria objectively.

The time required to process rebate requests in respect of this tax credit and for the authorities to make a decision will be significantly reduced due to the elimination of the interministerial committee provided for under Article 5 of Decree 97-663 of 29 May 1997 and the decentralisation of the procedure for managing the scheme. These provisions will apply to the 2015-2016 financial year.

C) CASINO LOCATIONS

At 31 October 2015, Groupe Partouche operated a total of 44 casinos via its directly or indirectly owned subsidiaries; 40 of these are located in France and four in other countries.

The Group generated 77.8% of its turnover from gaming, which remains its core business. Groupe Partouche's 44 casinos are spread throughout France and abroad as follows:

FRANCE - REGIONS	MUNICIPALITY IN WHICH CASINO IS LOCATED
NORD - PAS-DE-CALAIS	SAINT-AMAND-LES-EAUX, CALAIS, BOULOGNE-SUR-MER, LE TOUQUET PARIS PLAGE, BERCK-SUR-MER
HAUTE-NORMANDIE	FORGES-LES-EAUX, DIEPPE, LE HAVRE
BASSE-NORMANDIE	CABOURG, AGON-COUTAINVILLE
BRETAGNE	PLÉNEUF-VAL-ANDRÉ, PLOUESCAT
PAYS DE LA LOIRE	PORNICHET, PORNIC
POITOU-CHARENTES	LA ROCHE-POSAY, LA TREMBLADE
LORRAINE	CONTREXÉVILLE, PLOMBIÈRES-LES-BAINS
RHÔNE-ALPES	LYON, LA TOUR DE SALVAGNY, SAINT-GALMIER, DIVONNE-LES-BAINS, ANNEMASSE
AUVERGNE	ÉVAUX-LES-BAINS, VICHY (LES 4 CHEMINS ET GRAND CAFÉ), ROYAT
AQUITAINE	ANDERNOS, ARCACHON, SALIES-DE-BÉARN
LANGUEDOC-ROUSSILLON	PALAVAS-LES-FLOTS, LA GRANDE-MOTTE
PROVENCE - ALPES - CÔTE D'AZUR	GRÉOUX-LES-BAINS, AIX-EN-PROVENCE, LA CIOTAT, BANDOL, HYÈRES, CANNES, JUAN-LES-PINS, NICE

COUNTRIES OUTSIDE FRANCE	MUNICIPALITY IN WHICH CASINO IS LOCATED
BELGIUM	OSTENDE
TUNISIA	DJERBA
SWITZERLAND	MEYRIN, CRANS-MONTANA

D) CONCESSIONS TO OPERATE CASINOS

Concessions to operate casinos never exceed 20 years in France. At 31 October 2015, Groupe Partouche had 40 casinos in France with a concession agreement and ministerial authorisation for gaming operations (including the "Les 4 Chemins" casino in Vichy, whose public service concession expired on 31 December 2015 and was not renewed).

There are no applications pending with the Ministry of the Interior in respect of gaming authorisations. The tender process is public (under the Sapin Act) and other casino operators are allowed to bid.

To date, Groupe Partouche has never lost a gaming concession.

E) CONCESSIONS EXPIRING

YEAR	NUMBER OF CONCESSIONS TO BE RENEWED
2016	6
2017	6
2018	2
2019	1
2020	3
2021	2
2022	4
2023	2
2024	1
2025	1
2026	1
2027	2
2028	3
2029	2
2030	0
2031	0
2032	2
2033	0
2034	1

F) ANCILLARY OPERATIONS

The Group's casinos generate a portion of their turnover from complementary business areas, such as catering and entertainment; beyond the regulatory obligation resulting from the legal definition of a casino, these are regarded as a prime means of receiving and entertaining customers under optimum conditions. Some of the larger casinos, such as Saint-Amand-les-Eaux, Forges-les-Eaux and Divonne-les-Bains, have integrated hotel accommodation affording greater hospitality.

Most casinos provide private reception areas, whose size and style varies widely according to purpose, along with customised high-quality entertainment to enliven receptions. Lastly, the presence in some resorts of spas provides customers with "relaxation and well-being" solutions, including well-being and beauty treatments as well as themed spa cures.

At 31 October 2015, the Group operated:

- **11 hotels rated 3* to 4*L** with more than 510 rooms each;
- **80 restaurants**, from brasseries to gourmet restaurants and including themed restaurants;
- **5 health spas and 2 golf courses**.

Among their other activities, the following casinos also offer one or more hotels:

- Casino de Forges-les-Eaux
- Casino de Saint-Amand-les-Eaux
- Casino du Havre
- Casino de Divonne-les-Bains
- Casino du Lyon Vert à La Tour de Salvagny
- Casino de Hyères
- Casino de La Roche-Posay
- Casino de Dieppe
- Casino de Salies-de-Béarn
- Casino de La Trinité-sur-Mer (after the casino business was wound up in June 2015, the hotel business was let out under a trading lease with effect from 1 November 2015).

6.1.2 HOTELS

Besides hotels tied with casinos, the Group owns four independent hotels rated from 3* to 4*L with more than 310 rooms each. Revenue from these hotels accounts for the Group's entire turnover in the hotel sector.

These independent hotels are the following:

- the 3.14 hotel in Cannes;
- the Aquabella hotel in Aix-en-Provence;
- the Cosmos hotel and the Grand Hôtel du Parc in Contrexéville;
- the Garden Beach Hotel in Juan-les-Pins (hotel sold in May 2015);
- the Georges hotel in Pléneuf-Val-André (the hotel business was let out under a trading lease with effect from 1 June 2015).

6.1.3 OTHER BUSINESSES

Groupe Partouche's other activities are marginal, accounting for less than 3% of total turnover. They mainly include the Interactive division, holding companies, real estate companies, online betting in Belgium and the thermal spa business in Aix-en-Provence.

INTERACTIVE DIVISION

A) DEVELOPMENT

In April 2006, Groupe Partouche created Partouche Interactive, a subsidiary specialising in the development of games using new technology platforms such as interactive television, mobile phones and the internet.

Following its subsidiary Partouche Interactive's announcement in a press release dated 14 September 2012 that it would be refocusing its strategy and the discontinuation of its French online gaming operations on 17 June 2013, Groupe Partouche continues to refocus its online and TV gaming business through its Partouche Images subsidiary.

In March 2014 the government added an article to the Consumer Affairs Act (Hamon Act) to prohibit free gaming with advances of refundable bets. This resulted in Partouche Images having to close down all its TV and online gaming operations in France. It was then decided to refocus the business of Partouche Images around the two core business areas in which it has developed unique expertise and unrivalled experience, at an international level:

- developing an offering of interactive TV programmes for game developers;
- developing a mobile TV gaming offering (SMS/web app/USSD) for Africa.

These two offerings are now being actively marketed.

B) COMPANIES

Through its subsidiaries, **Partouche Interactive** offers solutions and services designed for the web, mobile phones and interactive television, via the following key subsidiaries:

Partouche Technologies provides a wide range of software solutions developed using various web and mobile programming languages, mainly intended for the Group's various establishments;

Partouche Images offers an array of interactive game shows associated with an online gaming offering;

Partouche Production produces televised programmes and events;

Partouche Tournois which organised logistics for poker tournaments, is no longer active;

Quarisma is an interactive platform dedicated to the real-time management of quality services between customers and casino operators;

Appolonia (Caskno) manages casino information systems as well as data communication hardware and networks;

Partouche Interactive Holdings is the entity that controls Partouche Interactive Gibraltar, whose role is now limited to administrative supervision;

International Gambling Systems, a provider of online gaming technologies in Belgium, considered a Type E licensed provider by the Belgian gaming authorities, is no longer active;

Partouche Gaming France France held an online poker licence in France. The company began operations on 6 July 2010 and ceased trading on 17 June 2013.

6.2 MAIN MARKETS

6.2.1 FRENCH GAMING MARKET

THE CASINO SECTOR

In the financial year ended 31 October 2015, gross gaming revenue (GGR) for the French bricks-and-mortar casino sector as a whole totalled €2,181m, up 2.7%. GGR from slot machines totalled €1,905m, equating to 87.3% of total GGR, up 0.3%. GGR from table games was up 24% compared to the previous financial year.

France's casino sector consists of 201 authorised casinos, more than two thirds of which are operated by groups. The main market players are as follows:

NAMES OF GROUPS IN FRANCE	NUMBER OF CASINOS OPERATED	ACTUAL 2015 GROSS GAMING REVENUE (€M)
GROUPE PARTOUCHE SA	41	521,7
GROUPE BARRIÈRE SAS	33	702,8
GROUPE JOA	22	191,1
GROUPE TRANCHANT	16	177,8
GROUPE VICKING	10	51,9
GROUPE COGIT	9	78,9
GROUPE ÉMERAUDE	8	64.8
SMCFC	2	46,4

Source: Statistical report on the 2014-2015 season, Central Racing and Gaming Department, as at 31 October 2015.

6.2.2 SWISS GAMING MARKET

Switzerland has a total of 21 casinos. Eight of them are operated under a Type A concession (Type A or large casinos), while the remaining 13 hold a Type B concession (Type B casinos).

The difference between Type A concessions and Type B concessions relates to the restrictions imposed on Type B casinos, which are limited to 250 slot machines with bets limited to CHF 25 and winnings to CHF 25,000. Casinos can have more than one jackpot system, with the maximum jackpot amount limited to CHF 200,000 for Type B casinos. For table games, Type B casinos can only offer three types of games with limited bets. Only Type A casinos can offer a multi-site jackpot. The following table sets out the main regulatory differences between Type A and Type B casinos:

	SWITZERLAND – MAIN DIFFERENCES BETWEEN TYPE A AND TYPE B CASINOS	
	TYPE B CASINO	TYPE A CASINO
Number of slot machines	Limited to 250	Unlimited
Bets at slot machines	Limited to CHF 25	Unlimited
Wins at slot machines	Limited to CHF 25,000	Unlimited
More than one jackpot system	Amount limited to CHF 200,000	Unlimited
Types of table games	Limited to three (e.g. English roulette, blackjack and poker)	Unlimited
Bets at table games	English roulette: limited to CHF 200 straight bet Blackjack: limited to CHF 1,000 Poker: limited to CHF 200	Unlimited

Swiss casinos offer games of chance in the form of both table games and slot machines. Slot machines can be linked to form a jackpot. Before it can award a licence for a slot machine or jackpot system, the Swiss Gaming Commission (CFMJ) must be in possession of an assessment report prepared by an authorised certification firm.

CHF 000	CALENDAR YEAR 2014	CALENDAR YEAR 2013	CHANGE
Gross gaming revenue	709'812	746'168	-4,87 %
Casino taxes	336'051	356'349	-5,75 %
Net gaming revenue	373'761	389'679	-4,07 %

(Source: 2014 CFMJ report)

In 2014, for the sixth consecutive year, the Swiss casino sector sustained a decline in GGR of 4.9% (having fallen by 1.5% in 2013, 8.1% in 2012, 5.1% in 2011, 7.2% in 2010 and 5.6% in 2009). This brings the total decline since 2009 to 24.2%.

This decline has mainly been driven by new gaming habits, linked in particular to the growing availability of online games. Furthermore, the strong Swiss franc, the increased availability of gaming in border areas and growth in illegal gaming (particularly online) have also combined to undermine performance.

The central theme of the year under review was the consultation of the bill on gaming (known as "LJAR"). In particular, the Swiss Gaming Commission (CFMJ) approves the idea of a single law governing all forms of gaming, since it would allow for consistent regulation of all aspects of gaming. The CFMJ noted with satisfaction that most of the provisions in the current law on gaming establishments have been incorporated with no changes.

6.2.3 BELGIAN GAMING MARKET

The regulatory authority in Belgium is the Belgian Gaming Commission, which falls under the Ministry of Justice.

A. CASINOS

Licensed games consist of roulette, blackjack, all forms of poker, and slot machines.

The Belgian market consists of nine casinos (Knokke, Ostend, Blankenberge, Middelkerke, Brussels, Chaudfontaine, Spa, Namur and Dinant).

Groupe Partouche owns one casino in Belgium, at Ostend.

Information on market developments in 2015 (the 12-month calendar year) was not available at the date of preparation of this annual report. Information is henceforth based on in-house figures to 31 December 2014.

At end-December 2014, total GGR (slot machines and table games) from casinos in Belgium was €105.9m, stable relative to 2013 (up 0.4%).

However, GGR from table games in the Belgian casino sector as a whole was down 4.6% compared to 2013 (down €2.1m). The main reason for this decline was once again the anti-smoking law, which prohibits smoking in casinos with effect from summer 2011. GGR from table games at the Ostend casino grew by 7% over the same period.

Conversely, GGR from slot machines in the Belgian casino sector as a whole was up 4.2% (from €59.8m to €62.4m). GGR from slot machines at the Ostend casino grew by 10.41% over the same period.

At 31 December 2014, the casino owned by Groupe Partouche (Ostend) had a market share (based on GGR from table games and slot machines, not including online gaming) of 8.2%, up 0.7 percentage points compared to December 2013, attributable to the increase in GGR from both slot machines and table games.

B. ONLINE CASINOS

In Belgium, licences to operate online casinos (Type A+ licences) are only granted to casinos holding a Type A licence. There are nine such licences in Belgium.

The following casinos have licences to operate online casinos (Type A+ licences):

Ostend: since February 2013, an A+ licence has been operated under the name www.bwin.be as part of a joint operation between the Ostend casino, CKO Betting and Bwin. Party. The www.bwin.be website offers an online casino (under the Ostend casino A+ licence) and sports betting (under the CKO Betting F+ licence). The website contributed gross gaming revenue of €14.6m during financial year 2015, consisting of €7.2m from casinos and poker (Ostend casino) and €7.4m from sports betting (CKO Betting).

C. GAMING LEVIES IN BELGIUM

Gaming levies fall under the authority of the Belgian regions, namely Flanders for the Ostend casino.

There are three types of levies in Flanders, all based on GGR.

Levies on GGR from table games

From	0,00 – €865 000,00	33 %
From	€865 000,00	44 %

Levy on GGR from slot machines

From	0,00 -.€1 199 999	20 %
From	€1 200 000 – €2 449 999	25 %
From	€2 450 000 – €3 699 999	30 %
From	€3 700 000 – €6 149 999	35 %
From	€6 150 000 – €8 649 999	40 %
From	€8 650 000 – €12 349 999	45 %
From	€12 350 000	50 %

Levies on online GGR (common to both regions)

From	€1	11 %

6.3 EXCEPTIONAL EVENTS AFFECTING BUSINESS AND MARKETS

The 2008 to 2015 financial years were affected by the following exceptional events:

- On 1 January 2008, smoking became prohibited in all public establishments. The Group's casinos apply this rule in all areas. A significant proportion of the customer base has changed its attendance habits as a result;
- The financial crisis that initially struck banks led to a more general economic crisis which is now directly affecting customers' resources; both casino traffic and the volume of bets have fallen as a result.

6.4 ISSUER'S DEGREE OF DEPENDENCY

There is no significant dependency on licences, industrial, commercial or financial contracts, or production procedures. In order to build and operate their casinos, casino operators in France enter into municipal service agreements with a maximum renewable term of 20 years.

Please refer to Section 4.2.11, "Casino public service concessions and gaming licences".

6.5 EVIDENCE ON WHICH THE STATEMENT OF COMPETITIVE POSITION IS BASED

Please refer to Section 6.2, which sets out the Group's position with regard to its competitors and the sources used.


PARTOUCHE
POUR L'AMOUR DU JEU
CHANGEZ DE VIE AVEC SEULEMENT 2€
MEGAPOT
LE JACKPOT CRÉATEUR DE MILLIONNAIRES
Déjà 22 millionnaires et 50 Millions d'euros gagnés
18+
www.groupecomplus.com - 121327480L - * Somme totale des jackpots redistribués depuis Mars 2009 dans les casinos Partouche au Mégapot. Entrée des salles de jeux réservée aux personnes majeures et non interdites de jeux sur présentation d'une pièce d'identité au de votre carte Players Plus.

07

ORGANISATIONAL STRUCTURE

7.1 INTERNAL ORGANISATION OF THE GROUP

Groupe Partouche SA is a holding company for a group of leisure industry companies that operate casinos, hotels, restaurants, dancehalls and bars. As the Group's parent company, its shares are traded on Compartment C of the NYSE Euronext stock exchange in Paris. Groupe Partouche SA, which does not directly operate the establishments of the Group, fulfils a guidance role, ensuring that its consolidated companies benefit from its knowledge, resources and skills, particularly in terms of human and technical resources. Upon their requests, it provides its consolidated companies with a package of services defined under a head office services agreement. These services notably cover intellectual services in the areas of strategic planning, marketing, communication, business development, administration, legal affairs, finance and information technology.

The remuneration paid by each of Groupe Partouche's subsidiaries is calculated on the basis of a margined share of the expenses incurred by them, in terms of human and technical resources, which is allocated in relation to the turnover generated by each of the subsidiaries bound by the head office services agreement.

For the financial year ended 31 October 2015, the total amount received under head office services agreements was €9,434k excluding VAT.

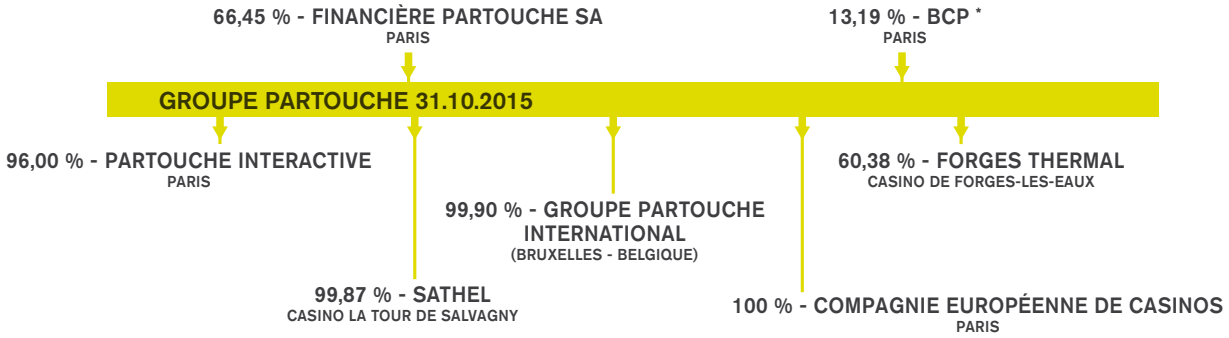
Furthermore, Groupe Partouche SA maintains a parent-subsidiary relationship with each of the consolidated companies, for which the main related elements for the year ended 31 October 2015 are centralised cash management and the administration of a French tax consolidation structure.

As the Group's holding company, which does not have any independent operating activity of its own, Groupe Partouche SA has substantial fixed assets with €553m in net value, essentially attributable to investments in the Group's subsidiaries. The other significant portion comprises receivables of €131m, net of provisions, mainly relating to the Group's subsidiaries.

Groupe Partouche SA's liabilities and equity comprise €421m in equity, €22m in the current account of the majority shareholder Financière Partouche, €229m in the current accounts of the subsidiaries and €175m in bank debt.

7.2 GROUP STRUCTURE

In order to provide a graphical representation of the entire group of consolidated companies, on the following pages we present the organisation chart of Group companies.



(*) BCP holds 1,200,399 shares through FCPR France Private Equity III and 76,621 shares through Butler Capital Partners SA, representing holdings in Group Partouche SA of 12.40% and 0.79%, respectively.

GROUPE PARTOUCHE 31.10.2015

99,90 % - GROUPE PARTOUCHE INTERNATIONAL

(BRUXELLES - BELGIQUE)

- 99,99 % — **STÉ DU CASINO DE DJERBA** — Casino de Djerba (Tunisie)
- 99,00 % — **CASINO NUEVO SAN ROQUE** — Casino de San Roque (Espagne)
- 99,90 % — **CASINO DE CHAUDFONTAINE** — Chaudfontaine (Belgique) *
- **GRAND CASINO DE TABARKA** — Casino de Tabarka (Tunisie) — 99,99 %

60,38 % - FORGES THERMAL

CASINO FORGES-LES-EAUX

- 20,00 % — **CASINO DE VICHY** — Casino Vichy « Les 4 Chemins » — 79,93 %
- 20,00 % — **ÉLYSÉE PALACE HÔTEL** — Vichy — 79,68 %
- 17,24 % — **CHM** — Vichy — 76,63 %
- 20,00 % — **ÉLYSÉE PALACE EXPANSION** — Vichy — 79,68 %
- **SOCIÉTÉ DE L'ÉLYSÉE PALACE** — Vichy — 99,97 %
- 98,70 % — **CASINO DE DIVONNE** — Casino Divonne-les-Bains
- 99,93 % — **CASINO D'ANNEMASSE** — Casino Annemasse
- 0,04 % — **SCI L'ARVE** — Annemasse — 99,96 %
- 57,00 % — **CASINO CRANS-MONTANA** — Casino Crans-Montana (Suisse)
- **SOCIÉTÉ D'EXPLOITATION DU CASINO DE DIVONNE** — Divonne-les-Bains — 100,00 %

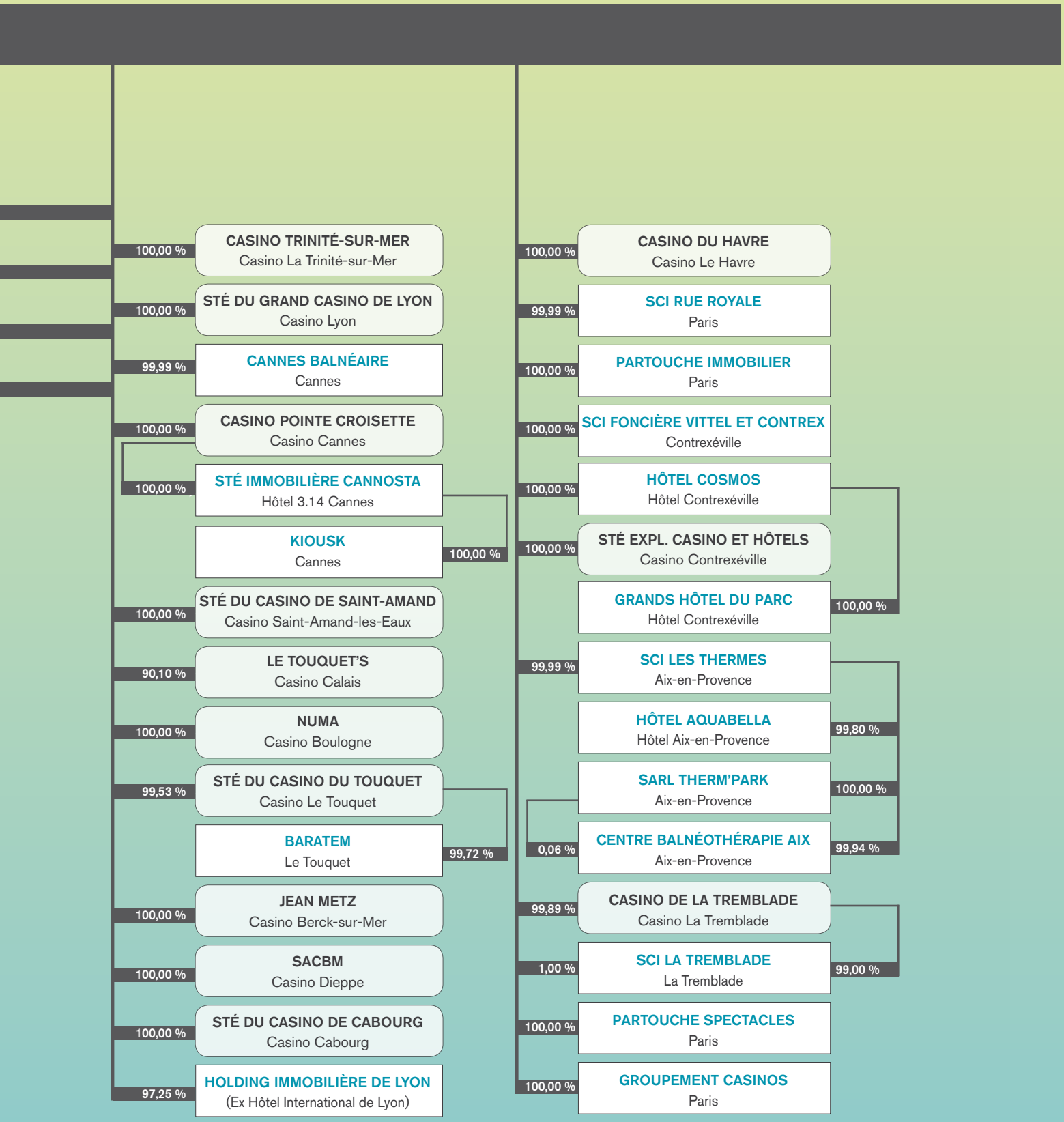
96,00 % - PARTOUCHE INTERACTIVE

PARIS

- 95,07 % — **QUARISMA** — Paris
- 75,43 % — **PARTOUCHE PRODUCTION** — (ex Sogimage) Paris
- 100,00 % — **PARTOUCHE TECHNOLOGIES** — (ex Que des Jeux) Saint-Avertin
- 88,66 % — **PARTOUCHE IMAGES** — (ex New Screens) Paris
- 100,00 % — **PARTOUCHE TOURNOIS** — Paris
- 100,00 % — **WORLD SERIES OF BACKGAMMON** — Londres
- 70,00 % — **APPOLONIA** — Antibes
- 100,00 % — **PARTOUCHE INTERACTIVE HOLDINGS** — Gibraltar
- **PARTOUCHE INTERACTIVE GIBRALTAR** — Gibraltar — 100,00 %
- 100,00 % — **PARTOUCHE GAMING** — France

LÉGENDE

- Casinos
- Autres entités
- * 0,10 % sont détenus par Belcasinos


100,00 %
CASINO TRINITÉ-SUR-MER
Casino La Trinité-sur-Mer
100,00 %
STÉ DU GRAND CASINO DE LYON
Casino Lyon
99,99 %
CANNES BALNÉAIRE
Cannes
100,00 %
CASINO POINTE CROISETTE
Casino Cannes
100,00 %
STÉ IMMOBILIÈRE CANNOSTA
Hôtel 3.14 Cannes
KIOUSK
Cannes
100,00 %
100,00 %
STÉ DU CASINO DE SAINT-AMAND
Casino Saint-Amand-les-Eaux
90,10 %
LE TOUQUET'S
Casino Calais
100,00 %
NUMA
Casino Boulogne
99,53 %
STÉ DU CASINO DU TOUQUET
Casino Le Touquet
BARATEM
Le Touquet
99,72 %
100,00 %
JEAN METZ
Casino Berck-sur-Mer
100,00 %
SACBM
Casino Dieppe
100,00 %
STÉ DU CASINO DE CABOURG
Casino Cabourg
97,25 %
HOLDING IMMOBILIÈRE DE LYON
(Ex Hôtel International de Lyon)
100,00 %
CASINO DU HAVRE
Casino Le Havre
99,99 %
SCI RUE ROYALE
Paris
100,00 %
PARTOUCHE IMMOBILIER
Paris
100,00 %
SCI FONCIÈRE VITTEL ET CONTREX
Contrexéville
100,00 %
HÔTEL COSMOS
Hôtel Contrexéville
100,00 %
STÉ EXPL. CASINO ET HÔTELS
Casino Contrexéville
GRANDS HÔTEL DU PARC
Hôtel Contrexéville
100,00 %
99,99 %
SCI LES THERMES
Aix-en-Provence
HÔTEL AQUABELLA
Hôtel Aix-en-Provence
99,80 %
SARL THERM'PARK
Aix-en-Provence
100,00 %
0,06 %
CENTRE BALNÉOTHÉRAPIE AIX
Aix-en-Provence
99,94 %
99,89 %
CASINO DE LA TREMBLADE
Casino La Tremblade
1,00 %
SCI LA TREMBLADE
La Tremblade
99,00 %
100,00 %
PARTOUCHE SPECTACLES
Paris
100,00 %
GROUPEMENT CASINOS
Paris

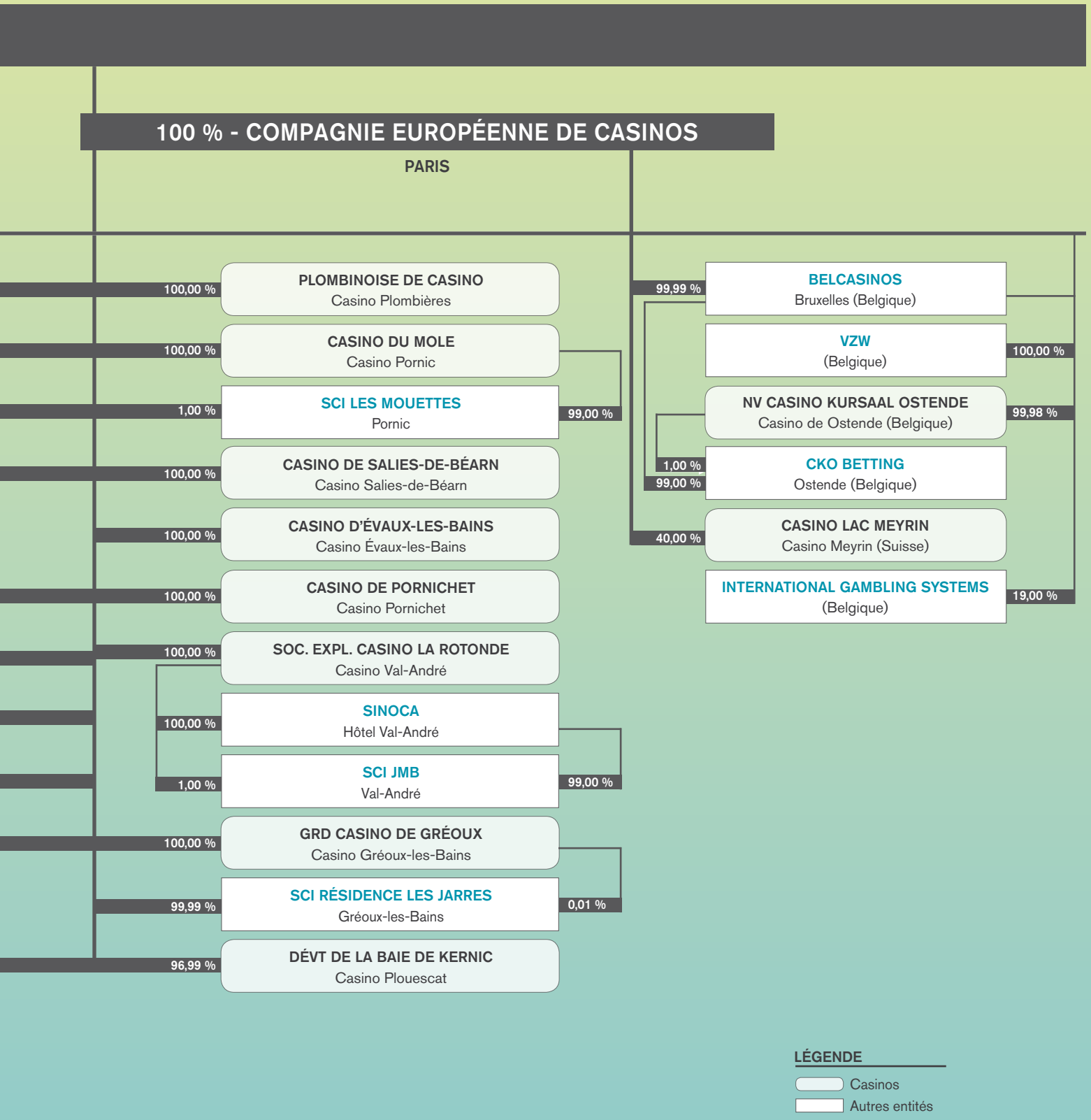
GROUPE PARTOUCHE 31.10.2015

99,86 % - SATHEL

CASINO LA TOUR DE SALVAGNY

98,09 %	STÉ DU CASINO DE ROYAT Casino de Royat	1,91 %
61,99 %	STÉ DU CASINO DU GRAND CAFÉ Casino Vichy	
61,06 %	SCMAT Casino Aix-en-Provence	38,63 %
	CASINO LES FLOTS BLEUS Casino La Ciotat	99,96 %
100,00 %	SEK Juan-les-Pins	0,02 %
55,00 %	SCI DE L'EDEN BEACH CASINO Juan-les-Pins	45,00 %
	STÉ DE L'EDEN BEACH CASINO Casino Juan-les-Pins	98,34 %
1,00 %	SCI HÔTEL GARDEN PINÈDE Juan-les-Pins	1,44 %
	HOLDING GARDEN PINÈDE Juan-les-Pins	99,00 %
90,91 %	CASINO DE PALAVAS Casino Palavas-les-Flots	100,00 %
90,00 %	SCI PALAVAS INVESTISSEMENT Palavas-les-Flots	9,09 %
99,84 %	STÉ DU CASINO LE LION BLANC Casino Saint-Galmier	10,00 %
		0,16 %

	LE MIAMI Casino Andernos	99,78 %
0,05 %	CASINO DE COUTAINVILLE Casino Coutainville	89,57 %
0,03 %	STÉ DU CASINO D'ARCACHON Casino Arcachon	98,70 %
	LUDICA Paris	100,00 %
99,99 %	GRAND CASINO DE BANDOL Casino Bandol	
95,24 %	CASINO DE LA GRANDE-MOTTE Casino La Grande-Motte	4,74 %
	CIE DÉVT TOURISME HYÉROIS Casino Hyères	99,90 %
	CASINO DU PALAIS DE LA MÉDITERRANÉE Casino Nice	100,00 %
	CPLXE CCIAL DE LA ROCHE-POSAY Casino La Roche-Posay	89,70 %
99,00 %	SCI GAFA La Roche-Posay	1,00 %
80,00 %	SARL HÔTEL DU CHÂTEAU La Roche-Posay	
99,90 %	SCI PARC DE POSAY La Roche-Posay	0,10 %


100 % - COMPAGNIE EUROPÉENNE DE CASINOS
PARIS
100,00 %
PLOMBINOISE DE CASINO
Casino Plombières
100,00 %
CASINO DU MOLE
Casino Pornic
1,00 %
SCI LES MOUETTES
Pornic
99,00 %
100,00 %
CASINO DE SALIES-DE-BÉARN
Casino Salies-de-Béarn
100,00 %
CASINO D'ÉVAUX-LES-BAINS
Casino Évaux-les-Bains
100,00 %
CASINO DE PORNICHET
Casino Pornichet
100,00 %
SOC. EXPL. CASINO LA ROTONDE
Casino Val-André
100,00 %
SINOCA
Hôtel Val-André
1,00 %
SCI JMB
Val-André
99,00 %
100,00 %
GRD CASINO DE GRÉOUX
Casino Gréoux-les-Bains
99,99 %
SCI RÉSIDENCE LES JARRES
Gréoux-les-Bains
0,01 %
96,99 %
DÉVT DE LA BAIE DE KERNIC
Casino Plouescat
99,99 %
BELCASINOS
Bruxelles (Belgique)
VZW
(Belgique)
100,00 %
NV CASINO KURSAAL OSTENDE
Casino de Ostende (Belgique)
99,98 %
1,00 %
99,00 %
CKO BETTING
Ostende (Belgique)
40,00 %
CASINO LAC MEYRIN
Casino Meyrin (Suisse)
INTERNATIONAL GAMBLING SYSTEMS
(Belgique)
19,00 %
LÉGENDE
Casinos
Autres entités

6

PROPERTY, PLANT AND EQUIPMENT

8.1 EXISTING OR PLANNED MAJOR ITEMS OF PROPERTY AND EQUIPMENT

The Group's property and equipment, consisting mainly of buildings and slot machines, is virtually entirely dedicated to use in the operation of casinos and hotels. These assets' utilisation rate is close to 100%.

The Group holds the property ownership, directly or under long leases, of 26 out of the 44 casinos at the end of financial year 2015, and rents the buildings of the remaining 18 under classic commercial leases or local authority occupancy agreements. It also owns 16 hotels out of the 17 the Group operated at the end of financial year 2015.

At the close of financial year 2015, the Group's main real estate assets, based on floor space, were as follows:

ESTABLISHMENT	LEGAL STATUS	FLOOR SPACE
Casino d'Aix-en-Provence	Long lease agreement	9 907 m^2
Hôtel 3.14 de Cannes	Full ownership	3 445 m^2
Casinos et hôtels de Contrexéville	Full ownership	13 398 m^2
Casino, hôtel et golf de Divonne-les-Bains	Full ownership	16 399 m^2
Casino et hôtel de Forges-les-Eaux	Full ownership	34 273 m^2
Casino de La Grande-Motte	Long lease agreement	8 248 m^2
Casino et hôtel de La Tour de Salvagny	Full ownership	12 243 m^2
Casino de Saint-Amand-les-Eaux	Long lease agreement	10 584 m^2

At 31 October 2015, Groupe Partouche had 5,106 slot machines installed in France and 636 machines installed abroad.

In view of the market's maturity and the amendment of the regulations concerning the installation of these machines (see Section 6.1.1.a "Statutory framework"), the number of slot machines is not expected to develop significantly.

The planned tangible fixed assets are detailed in Sections 5.2.2 "Major investments in progress" and 5.2.3 "Major investments either scheduled or arising from firm commitments made by the Group's executive bodies".

8.2 STATUS AND VALUATION OF THE PROPERTY PORTFOLIO

With regard to its fully owned property assets, in 2005 Groupe Partouche commissioned a real estate expert to provide the Group with a summary estimate of its properties located in France; the estimate is based primarily on applying market values to premises considered "occupied", except those that are commonly known to be vacant. This study was completed at the end of 2005 and has since been updated, most recently in December 2011. This latest update was included in Groupe Partouche's 2012 Reference Document.

Since this latest update, no further updates have been made and information on the valuation of the property portfolio is no longer provided.

8.3 PROPERTY ASSETS OWNERSHIP POLICY AND DIVESTMENT PROGRAMME

The Group's investment policy over the past several years has been aimed at maintaining an ongoing offering of competitive products while at the same time seeking opportunities for external growth.

The inclusion in the Group of the Compagnie Européenne de Casinos (CEC) establishments in 2002 and those of Groupe de Divonne in 2005 went hand-in-hand with sales of casinos, particularly those of the Société Française de Casinos (Gruissan, Châtelguyon, Port-la-Nouvelle and Agadir) and of the casino at Saint-Julien-en-Genevois, since these establishments were of lesser strategic value from the standpoint of the Group's territorial coverage.

The same thinking underlay early divestments from non-strategic activities, such as the thermal spa establishments at Vittel and Contrexéville and the minority interest in SFCMC (Société Fermière du Casino Municipal de Cannes).

Today, the investment policy of the Group is being reshaped according to the following major thrusts:

- A halt to the establishment of new casinos with the sole aim of increasing territorial coverage;
- Limiting the development of new establishments.

Regarding disinvestment, Groupe Partouche has no further obligations to meet.

The Safeguard Procedure ended without there being any obligation to dispose of assets to pay financial creditors.

Moreover, the disposals carried out in the last few financial years which exceed the €25m threshold made it possible to comply, from the end of January 2014, with the commitment made by Financière Partouche in the shareholder agreement concluded between BCP and Financière Partouche (see Section 18.3).

8.4 EXISTENCE OF ASSETS USED BY THE GROUP BELONGING TO SENIOR EXECUTIVES OR THEIR FAMILY

Significant assets operated by the Company and belonging to the senior executives or their family are owned by Financière Partouche, namely:

- a property complex housing the premises of the Le Touquet casino;
- a portion of a building located on rue de Saussure in Paris (17th arrondissement) housing the registered offices of Groupe Partouche SA and of several other Group companies.

8.5 ENVIRONMENTAL CONSTRAINTS LIKELY TO HAVE AN IMPACT ON THE UTILISATION OF THESE PROPERTY ASSETS

There are no environmental constraints likely to have a significant impact on the utilisation of property assets, given the nature of the service activities related to these property assets.

DUNAMIQUE

6

REVIEW OF FINANCIAL POSITION AND RESULTS

9.1 GROUP FINANCIAL POSITION AND PERFORMANCE

Pursuant to Article 28 of Regulation (EC) 809/2004, the following information is referenced in this document:

- The Group's financial position and results for the year ended 31 October 2013 prepared in accordance with IFRS/IAS as adopted by the European Union, shown on pages 56 et seq. of the Company's Reference Document, registered with the AMF on 26 February 2014 under No. D.14-0090.
- The Group's financial position and results for the financial year ended 31 October 2014 prepared in accordance with IFRS/IAS as adopted by the European Union, shown on pages 56 et seq. of the Company's Reference Document, registered with the AMF on 26 February 2015 under No. D.15-0083.

Both of the Reference Documents referred to above are available on the website of the Company (www.partouche.com) and the Autorité des Marchés Financiers (www.amf-france.org).

9.1.1 MAIN CHANGES IN CONSOLIDATION SCOPE AND BUSINESS ACTIVITIES

The regulations governing levies on casino games were amended in financial year 2015, with a positive overall impact on net gaming revenue (NGR) of €3.5m.

Groupe Partouche completed two significant disposals during the financial year:

- the Chaudfontaine casino company, for a selling price of €10m;
- the Garden Beach hotel and real estate assets in Juan-les-Pins (treated in accordance with IFRS 5, "Non-current assets held for sale and discontinued operations" at 31 October 2014), for a total selling price of approximately €30m.

Taking into account various disposals of real estate assets (including unused assets in Vichy), the cumulative impact of asset disposals on profit for the year was a net gain on disposals of over €10m.

The Maltese companies in the former Interactive division, Partouche Betting and Partouche Interactive Malta, together with the inactive GIE IMCJC, were deconsolidated during the year after being wound up, in accordance with IAS 28.

Finally, the La Trinité casino closed permanently on 30 June 2015.

9.1.2 GROUP POSITION AND ACTIVITY IN THE FINANCIAL YEAR ENDED 31 OCTOBER 2015

GROUP ACTIVITY

In the financial year ended 31 October 2015, Groupe Partouche generated consolidated turnover of €400.3m.

- Like-for-like (*) turnover grew by 2.9%;
- Including businesses sold off, consolidated total turnover was down 2.3%.

€M	2015	2014	CHANGE
First quarter	109,2	111,3	(1,8 %)
Second quarter	97,0	96,4	0,6 %
Third quarter	93,5	102,1	(8,4 %)
Fourth quarter	100,6	99,8	0,8 %
Consolidated total turnover	**400,3**	**409,6**	**(2,3 %)**

(*) Throughout this section, the expression "like-for-like" means after adjusting to exclude the contribution from the following:
- the Knokke, Dinant and Hauteville casinos, sold in 2014
- the Lyon Hilton hotel, the premises and business assets of which were sold in 2014
- the Chaudfontaine casino and the Garden Beach hotel in Juan-les-Pins, sold in 2015
- the La Trinité-sur-Mer casino, closed in financial year 2015 .

The following table shows a breakdown of turnover:

SUMMARY OF TURNOVER

€M		2015	2014	CHANGE	% CHANGE
	France	66,2	58,5	7,8	13,3 %
	Other countries	28,2	31,3	(3,2)	(10,1 %)
GGR FROM TABLE GAMES		94,4	89,8	4,6	5,1 %
% OF ACTUAL GGR		15,2 %	14,5 %		
	France	455,4	456,6	(1,2)	(0,3 %)
	Other countries	69,2	71,1	(1,8)	(2,6 %)
GROSS REVENUE FROM SLOT MACHINES		524,7	527,7	(3,0)	(0,6 %)
% OF ACTUAL GGR		84,8 %	85,5 %		
	France	521,7	515,1	6,6	1,3 %
	Other countries	97,4	102,4	(5,0)	(4,9 %)
GROSS GAMING REVENUE (TOTAL)		619,1	617,5	1,6	0,3 %
	France	270,3	270,1	0,1	0,1 %
	Other countries	37,5	39,2	(1,8)	(4,5 %)
GROUP LEVIES		307,7	309,3	(1,6)	(0,5 %)
	France	51,8 %	52,4 %		
	Other countries	38,4 %	38,3 %		
LEVY RATE		49,7 %	50,1 %		
	France	251,4	245,0	6,5	2,6 %
	Other countries	60,0	63,2	(3,3)	(5,2 %)
NET GAMING REVENUE (NGR)		311,4	308,2	3,2	1,0 %
% OF TOTAL TURNOVER		77,8 %	75,2 %		
	France	84,7	97,5	(12,8)	(13,1 %)
	Other countries	4,3	4,0	0,3	7,5 %
TURNOVER EXCLUDING NGR		89,0	101,5	(12,5)	(12,3 %)
% OF TOTAL TURNOVER		22,2 %	24,8 %		
	France	336,1	342,4	(6,3)	(1,9 %)
	Other countries	64,3	67,2	(3,0)	(4,4 %)
TURNOVER		400,3	409,6	(9,3)	(2,3 %)

N.B. Net gaming revenue of €6.5m (2014: €6.7m) from Belgian subsidiary CKO Betting is included in NGR from other countries.

When analysing activity, the significant change in the scope of consolidation must be taken into account. The following tables present the like-for-like change in activity:

LIKE-FOR-LIKE ACTIVITY

AT 31 OCTOBER, €M	2015	IMPACT OF CHANGES IN SCOPE	2015 LIKE-FOR-LIKE	2014	IMPACT OF CHANGES IN SCOPE	2014 LIKE-FOR-LIKE	LIKE-FOR-LIKE GROWTH
GGR	619,1	2,8	616,2	617,5	12,1	605,4	1,8 %
Levies	(307,7)	(1,0)	(306,7)	(309,3)	(3,9)	(305,4)	0,4 %
NGR	311,4	1,9	309,5	308,2	8,2	300,0	3,2 %
Turnover excluding NGR	89,0	1,3	87,6	101,5	15,6	85,9	2,1 %
Total turnover	**400,3**	**3,2**	**397,2**	**409,6**	**23,8**	**385,9**	**2,9 %**

AT 31 OCTOBER, €M	2015	IMPACT OF CHANGES IN SCOPE	2015 LIKE-FOR-LIKE	2014	IMPACT OF CHANGES IN SCOPE	2014 LIKE-FOR-LIKE	LIKE-FOR-LIKE GROWTH
Casinos	374,5	2,1	372,4	368,9	8,8	360,1	3,4 %
Hotels	14,2	1,0	13,2	27,7	15,0	12,7	3,7 %
Other	11,6	-	11,6	13,1	-	13,1	(11,4 %)
Total turnover	**400,3**	**3,2**	**397,2**	**409,6**	**23,8**	**385,9**	**2,9 %**

N.B. Following the strategic withdrawal in financial years 2013 and 2014, the Interactive division is no longer subject to separate internal monitoring, since its business is no longer material. From financial year 2015 onwards, the companies that comprise this sector are included under "Other". Similarly, turnover from Belgian betting subsidiary CKO Betting is also shown under this sector.

GROUP GGR

Like-for-like GGR grew by 1.8% or €10.8m. This growth was driven by casino business, both in France (up 1.6%) and abroad (up 3.3%). Meanwhile, GGR from sports betting generated by the CKO Betting Ostende subsidiary declined by a modest 2.4% after having benefited in 2014 from the football World Cup.

GAMING BUSINESS IN FRANCE

The Group's strategy of constant innovation and its ongoing quest to deliver customer satisfaction, in particular by constantly increasing the appeal of its casinos, enabled it to achieve 2.5% growth.

Thanks to these efforts, as well as to an improvement in the economic environment, like-for-like GGR from French casinos grew by 1.6% after declining for several years, reaching €520.5m, compared with €512.3m in 2014.

Having declined by a further 2.8% in 2014, GGR from slot machines picked up in 2015 (up 0.1% or €0.3m on a like-for-like basis); however, growth was mainly driven by table games, up €7.8m or 13.4% on a like-for-like basis, linked to the success of electronic English roulette (up €10.9m), which continued to be rolled out in French casinos in 2015 and was available in 28 casinos at the financial year-end.

The total number of slot machines operated in French casinos was 5,106 at the financial year-end.

GAMING BUSINESS ABROAD

Like-for-like GGR generated outside France grew by 2.9%, broken down as follows:

€M	2015	2014	CHANGE	%
GGR: "bricks and mortar" casinos	81,2	78,9	2,3	2,9 %
GGR: online and sports betting	14,5	14,2	0,3	2,4 %
GGR outside France on a like-for-like basis	**95,8**	**93,1**	**2,7**	**2,9 %**

Having disposed of its casinos in Knokke, Dinant and Chaudfontaine over the past two financial years, the Group's only presence in Belgium is now in Ostend, where it has a bricks-and-mortar casino that is also licensed to operate as an online casino. Its GGR grew by 1.7% in 2015 (including 7.9% growth in online GGR).

GGR from the Group's two Swiss casinos in Meyrin and Crans-Montana declined by a total of 7.3% in CHF, adversely affected by the euro exchange rate after the Swiss National Bank's decision to abandon its euro ceiling in January 2015 led to an appreciation in the Swiss franc. Once converted into euros, GGR from these two casinos grew by 3.2% and 6.6% respectively relative to the previous financial year.

NET GAMING REVENUE

In France, the regulations governing gaming levies were amended in financial year 2015: fixed levies and the special casino tax (prélèvement à employer) were scrapped and the scales and tax bases used for sliding-scale levies were amended (see Section 6.1.1 of this Reference Document). These changes had a positive overall impact on full-year NGR of €3.5m. The average levy rate in France went from 52.4% in 2014 to 51.8% in 2015.

Net gaming revenue for the Group as a whole totalled €311.4m, up 1.0% relative to 2014 and 3.2% on a like-for-like basis.

TURNOVER EXCLUDING NET GAMING REVENUE

Like-for-like turnover excluding net gaming revenue also returned to growth, up 2.1%, broken down as follows:

AT 31 OCTOBER, €M	2015	IMPACT OF CHANGES IN SCOPE	2015 LIKE-FOR-LIKE	2014	IMPACT OF CHANGES IN SCOPE	2014 LIKE-FOR-LIKE	LIKE-FOR-LIKE CHANGE	LIKE-FOR-LIKE GROWTH
Casinos	69,7	0,3	69,4	67,4	0,6	66,8	2,6	4,0 %
Hotels	14,2	1,0	13,2	27,7	15,0	12,7	0,5	3,7 %
Other	5,1	-	5,1	6,4	-	6,4	(1,3)	(20,8 %)
Turnover excluding NGR	**89,0**	**1,3**	**87,7**	**101,5**	**15,6**	**85,9**	**1,8**	**2,1 %**

Ancillary casino business, mainly consisting of catering, also grew strongly, up 4.0% thanks to sustained optimisation efforts over the past two years.

The hotel sector, scaled down significantly following the disposal of the Lyon Hilton and the Garden Beach in Juan-les-Pins, saw like-for-like turnover grow by 3.7%, mainly thanks to the hotels in Aix-en-Provence and Cannes.

Finally, the decline in the "Other" sector was mainly driven by the winding-up of the Partouche Images subsidiary's French business following an adverse regulatory development (this business has been relocated to Belgium).

Taking into account all of the above factors, the Group's consolidated total turnover grew by 2.9% on a like-for-like basis.

CONSOLIDATED RESULTS

(Reminder: the financial year 2014 figures shown have been restated by retroactively applying IFRIC 21, as stated in Note 1, "Key events", in Section 20.2.1. The full-year impact of these adjustments is negligible.)

Thanks to its people's day-to-day diligence and rigorous management, Groupe Partouche achieved a further significant improvement in EBITDA, up from €68.7m in 2014 to €75.0m in 2015. The ratio of EBITDA to turnover thus increased by almost 200 basis points to 18.7%.

The Group's current operating profit increased by €9.9m to €33.8m, compared with €23.9m previously, mainly driven by growth in the casino business.

As shown in the tables below, on a like-for-like basis:

- EBITDA would have totalled €77.2m (compared with €69.4m a year earlier);
- current operating profit would have grown by €7.9m (27.5%) in the year, reflecting a conversion rate of 70% of the additional turnover generated in the year, thanks to tight control over costs.

€M	GROUP FIGURES, LIKE FOR LIKE			
	2015	2014	Change	% change
Turnover	397,2	385,9	11,3	2,9 %
Purchases and external expenses	(125,9)	(125,8)	(0,1)	0,1 %
Taxes and duties	(17,4)	(18,1)	0,7	(3,9 %)
Employee expenses	(169,7)	(169,4)	(0,3)	0,2 %
Amortisation, depreciation and impairment of non-current assets	(36,8)	(35,6)	(1,2)	3,3 %
Other current operating income and expenses	(10,9)	(8,4)	(2,5)	30,4 %
Current operating profit	36,4	28,6	7,9	27,5 %
Current operating margin/turnover	9,2 %	7,4 %		
EBITDA	77,2	69,4	7,8	11,3 %
EBITDA margin/turnover	19,4 %	18,0 %		

Like-for-like segment information

To make its segment performance easier to interpret, with effect from financial year 2015 Groupe Partouche has opted to show segment contributions before eliminating intra-group transactions. The following table shows like-for-like segment performance (note that turnover by sector set out under "Summary of turnover" above is after eliminating intra-group transactions):

€M	LIKE-FOR-LIKE TOTAL: GROUP		LIKE-FOR-LIKE TOTAL: CASINOS		LIKE-FOR-LIKE TOTAL: HOTELS		OTHER		ELIMINATIONS	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Turnover	397,2	385,9	373,1	360,8	14,0	13,7	35,0	38,7	(24,9)	(27,3)
Purchases and external expenses	(125,9)	(125,8)	(111,2)	(109,9)	(7,5)	(7,4)	(23,0)	(25,8)	15,9	17,3
Taxes and duties	(17,4)	(18,1)	(25,0)	(25,5)	(0,9)	(1,4)	(1,2)	(1,9)	9,8	10,7
Employee expenses	(169,7)	(169,4)	(152,9)	(152,6)	(6,0)	(6,0)	(10,7)	(10,7)	(0,1)	(0,0)
Depreciation, amortisation and impairment of non-current assets	(36,8)	(35,6)	(31,0)	(29,2)	(1,0)	(1,0)	(4,8)	(5,5)	0,0	0,0
Other current operating income and expenses	(10,9)	(8,4)	(9,6)	(9,0)	0,0	0,6	(0,8)	0,6	(0,6)	(0,6)
Current operating profit	**36,4**	**28,6**	**43,3**	**34,7**	**(1,3)**	**(1,6)**	**(5,6)**	**(4,5)**	**0,0**	**0,0**

N.B. The online betting operator (CKO Betting) is included under "Other" in the above table.

Growth in operating profitability was mainly driven by casinos (whose current operating profit grew by €8.6m year on year), which posted higher turnover (up 3.4%) and controlled their costs (up 1.1%).

Following the disposal of the Lyon and Juan-les-Pins hotel businesses, the hotel sector now represents only around 3.5% of Group turnover. Having grown its turnover (by €0.3m), the sector delivered a corresponding uplift in current operating profit.

The "Other" sector saw a decline in both turnover and profitability, mainly due to the winding-up of the Partouche Images subsidiary's French business following a change in the law (this business has been relocated to Belgium), with an adverse effect on full-year performance reflected in current operating profit for the sector.

On a reported basis:

Non-current operating profit (loss) was a net expense of €11.9m, compared with net income of €1.0m in 2014. Goodwill impairment associated with certain casinos belonging to the former group Compagnie Européenne de Casinos totalled €21.5m, compared with €22m in 2014.

The change in non-current operating profit is thus mainly due to lower income from disposals, and particularly from the disposal of consolidated investments: net proceeds from disposals of investments totalled €7.8m in 2015, compared with €19.3m the previous year. The main disposals in 2015 were the Chaudfontaine casino and the Garden Beach hotel in Juan-les-Pins.

Furthermore, the disposal of real estate assets in Juan-les-Pins and unused assets in Vichy resulted in proceeds from asset disposals of €2.6m in 2015, included in "Other non-current operating income and expenses".

Taking into account these items, operating profit for the year totalled €22.0m, compared with €24.9m in 2014.

As regards net financial income (expense), the Group posted a net expense of €3.5m, a €4.6m improvement relative to 2014, mainly thanks to a €3.0m reduction in interest expenses on the syndicated loan (including hedging costs), positive forex effects and growth in investment income.

Profit before tax rose from €16.7m in 2014 to €18.4m in 2015; the Group's total tax expense fell by €2.3m, down from €11.4m in 2014 to €9.1m in 2015. The 2015 tax expense consisted of €5.7m in corporate income tax (including deferred taxes) and €3.4m in respect of the "CVAE" tax on corporate added value.

The Group posted a net profit for the second year running, totalling €9.3m in 2015, compared with €5.3m in 2014. The share of this net profit attributable to equity holders of the Group parent was €2.0m.

BALANCE SHEET

It should be noted that the financial statements for the past two years were impacted by the disposal of various assets affecting numerous balance sheet items. The main disposals were as follows:

- in financial year 2014, the Hauteville-Lompnes, Knokke and Dinant casinos and the premises and business assets of the Hilton hotel in Lyon
- in financial year 2015, the Chaudfontaine casino, the Garden Beach hotel in Juan-les-Pins (premises and business assets) and the premises of the casino in Juan

On the asset side of the balance sheet, the net value of non-current assets declined by €31.3m, mainly due to goodwill impairment recognised in the year and disposals of real estate assets and subsidiaries completed in 2015 (bearing in mind that the real estate assets of the Garden Beach hotel in Juan-les-Pins, the sale of which was already considered highly probably at 31 October 2014, had already been reclassified as "Non-current assets held for sale" in the financial statements at that date).

Thanks to a notable improvement in operating cash flow and to the asset disposals undertaken, the Group's cash position stood at €164.9m at 31 October 2015, up €48.1m year on year.

On the liability side, shareholders' equity was stable at €332.2m. Borrowings totalled €203.6m; in spite of no syndicated loan repayments falling due in the year (with the first repayment due on 15 December 2015, in accordance with the Safeguard Plan), borrowings were down €16.2m year on year: the application of the early repayment clause in connection with asset disposals resulted in €18.8m of the syndicated loan being paid off in the financial year.

The following table summarises the Group's improved capital structure at the financial year-end:

€M AT 31 OCTOBER	2015	2014 RESTATED **
Shareholders' equity	332,3	330,2
Consolidated EBITDA	75,0	68,7
Gross debt *	200,5	216,4
Cash less gaming levies	135,1	88,1
Net debt	65,4	128,3
Net debt / Equity (gearing)	0,2	0,4
Net debt / Consolidated EBITDA (leverage)	0,9	1,9

(*) The notion of gross debt includes bank borrowings and restated leases, accrued interest, miscellaneous borrowings and financial debts, banking facilities and financial instruments.

(**) Retroactive application of IFRIC 21.

RECENT EVENTS AND OUTLOOK

Vichy city council decided not to reopen the invitation to tender for the concession covering the "Les 4 Chemins" casino, which expired on 31 December 2015. As such, this loss-making casino permanently closed its doors at end 2015. Le Grand Café, the Group's other casino in Vichy, which has adjusted its offering accordingly, will pick up former clients of "Les 4 Chemins", thus consolidating its solidity and profitability.

Construction work has begun on the new casino in La Ciotat. Operations will be transferred in early spring 2017.

The innovative design of this casino, which is open to the outside, will make it possible to offer games on the terrace, making it the first casino designed to win back and satisfy clients who wish to smoke while playing.

Groupe Partouche is already the only operator to offer a multi-site jackpot in France, and its gaming offering is set to expand further with the arrival of bingo. This game, now fully licensed by the authorities and successfully trialled in Aix-en-Provence in the form of special bingo nights, is finally set to be rolled out more widely. It will mainly attract a new clientele of inexperienced players who are unfamiliar with casinos and who will therefore be introduced to the full range of games and activities offered by the Group.

In keeping with the leading role they have always played in the sector, this year Groupe Partouche's casinos are set to try out new electronic and virtual versions of traditional table games, as well as tournaments and new slot machine concepts, including a new category of games combining tombolas and slot machines.

Partouche Images, which supplies interactive audiovisual content for games, has launched CashChrono in Senegal, a unique televised lottery concept broadcast via satellite and covering sub-Saharan Africa. This is the first phase in a development that will hopefully prove promising across the entire African continent.

Groupe Partouche also remains attentive to opportunities to develop new casinos. The Group recently joined a consortium of major local and international operators to participate in the invitation to tender for the future casino in Cyprus.

Thanks to strong performance driven by the relevance of its product offering and continued investment to boost activity at its casinos, as well as a very healthy financial position, Groupe Partouche is confident on its outlook. Given the continued growth in turnover and its ability to convert a high proportion of this growth into profitability, the Group expects to once again grow its earnings in 2016.

ACTIVITY OF SUBSIDIARIES

GROSS GAMING REVENUE BY ENTITY			
€000 AT 31 OCTOBER	2015	2014	2013
CASINO-MEYRIN (Switzerland)	52 354	50 748	51 954
CASINO-AIX-EN-PROVENCE	45 915	44 981	47 811
CASINO-CHARBONNIÈRE (LYON VERT)	40 964	40 739	43 209
CASINO-DIVONNE	36 666	31 981	32 592
CASINO-SAINT-AMAND	35 325	34 825	33 897
CASINO-FORGES	32 827	31 347	30 626
CASINO-LYON (PHARAON)	32 704	32 953	32 672
CASINO-ANNEMASSE	25 242	25 831	23 976
CASINO-LA GRANDE-MOTTE	24 859	23 496	23 891
CASINO-OSTENDE (Belgium)	21 273	20 912	17 012
CASINO-PORNICHET	18 009	16 777	17 369
CASINO-HYÈRES	16 250	15 922	17 104
CASINO-NICE-PALAIS	15 037	14 427	14 974
CASINO-LA ROCHE-POSAY	14 372	14 237	13 893
CASINO-LE HAVRE	14 223	13 378	13 874
CASINO-CRANS-MONTANA (Switzerland)	13 631	12 785	14 061
CASINO-BANDOL	12 707	12 105	11 532
CASINO-PALAVAS	12 389	11 435	11 278
CASINO-JUAN-LES-PINS	11 217	11 913	12 031
CASINO-ROYAT	11 104	11 308	11 942
CASINO-SAINT-GALMIER	10 309	11 165	11 049
CASINO-PORNIC	8 720	8 444	8 780
CASINO-DIEPPE	8 564	8 218	8 726
CASINO-VICHY-GRAND CAFÉ	7 708	7 669	8 130
CASINO-PLOUESCAT	7 549	7 306	7 652
CKO BETTING OSTENDE (Belgium) *	7 358	7 537	2 255
CASINO-BOULOGNE	7 006	6 761	6 643
CASINO-LA CIOTAT	6 793	6 433	6 447
CASINO-CANNES-PALM BEACH	6 499	11 202	14 065
CASINO-CALAIS	6 456	6 364	6 507
CASINO-CABOURG	5 659	5 366	5 505
CASINO-BERCK	5 502	5 291	5 878
CASINO-VAL-ANDRÉ	4 904	4 526	4 607
CASINO-AGON COUTAINVILLE	4 649	4 350	4 335
CASINO-ANDERNOS	4 259	4 203	4 550
CASINO-PLOMBIÈRES	3 736	3 534	3 683
CASINO-TOUQUET	3 505	3 554	3 801
CASINO-ARCACHON	3 493	3 613	3 846

GROSS GAMING REVENUE BY ENTITY			
€000 AT 31 OCTOBER	2015	2014	2013
CASINO-GRÉOUX-LES-BAINS	3 281	3 576	3 314
CASINO-VICHY 4 CHEMINS	2 879	3 887	4 317
CASINO-CONTREXÉVILLE	2 760	2 829	3 041
CASINO-LA TREMBLADE	2 322	2 348	2 097
CASINO-ÉVAUX	2 265	2 190	2 226
CASINO-SALIES	1 844	1 849	1 707
CASINO-CHAUDFONTAINE (Belgium)	1 637	6 833	7 290
CASINO-LA TRINITÉ	1 213	2 204	2 112
CASINO-DJERBA (Tunisia)	1 148	1 128	1 284
CASINO-DINANT (Belgium)	-	1 503	7 392
CASINO-KNOKKE (Belgium)	-	964	12 655
CASINO-HAUTEVILLE-LOMPNES	-	548	2 421
CASINO TABARKA (Tunisia)	-	-	-
TOTAL GGR	**619 084**	**617 496**	**642 013**

(*) GGR from this entity is related to sports betting.

TURNOVER BY ENTITY			
€000 AT 31 OCTOBER	2015	2014	2013
CASINO-MEYRIN (Switzerland)	28 594	26 889	26 346
CASINO-DIVONNE	26 103	24 006	25 320
CASINO-AIX-EN-PROVENCE	24 899	24 434	25 920
CASINO-FORGES	23 585	22 541	22 222
CASINO-CHARBONNIÈRE (LYON VERT)	22 600	21 929	23 446
CASINO-SAINT-AMAND	22 336	21 922	21 521
CASINO-OSTENDE (Belgium)	15 530	15 036	11 722
CASINO-LYON (PHARAON)	15 273	15 185	15 087
CASINO-LA GRANDE-MOTTE	14 009	13 172	13 665
CASINO-ANNEMASSE	11 880	11 982	11 179
CASINO-CRANS-MONTANA (Switzerland)	11 007	10 202	10 977
CASINO-PORNICHET	10 737	9 791	9 974
CASINO-LE HAVRE	10 047	9 734	10 296
CASINO-NICE-PALAIS	8 780	7 945	8 262
CASINO-HYÈRES	8 600	8 216	8 808
CASINO-LA ROCHE-POSAY	8 233	8 168	7 998
CASINO-BANDOL	6 610	6 062	5 854
CASINO-PALAVAS	6 495	5 832	5 670
CASINO-ROYAT	6 400	6 357	6 612
CASINO-JUAN-LES-PINS	6 212	6 457	6 496
CASINO-PORNIC	6 210	6 025	6 218
CASINO-CANNES-PALM BEACH	5 732	7 778	9 423

TURNOVER BY ENTITY			
€000 AT 31 OCTOBER	2015	2014	2013
CASINO-DIEPPE	5 549	5 148	5 676
CASINO-SAINT-GALMIER	5 540	5 869	6 144
CASINO-CABOURG	5 291	4 885	4 930
CASINO-VICHY GRAND CAFÉ	5 188	5 044	5 505
CASINO-PLOUESCAT	4 665	4 419	4 520
CASINO-BOULOGNE	4 434	4 246	4 136
CASINO-VAL-ANDRÉ	4 088	3 710	3 874
CASINO-LA CIOTAT	3 821	3 557	3 566
CASINO-CALAIS	3 742	3 574	3 659
CASINO-BERCK	3 458	3 340	3 627
CASINO-LE TOUQUET	3 270	3 160	3 183
CASINO-ANDERNOS	2 683	2 616	2 795
CASINO-AGON COUTAINVILLE	2 666	2 472	2 513
CASINO-PLOMBIÈRES	2 601	2 304	2 326
CASINO-ARCACHON	2 416	2 367	2 560
CASINO-GRÉOUX-LES-BAINS	2 246	2 298	2 164
CASINO-SALIES	2 142	2 093	2 121
CASINO-VICHY 4 CHEMINS	2 045	2 747	3 079
CASINO-CONTREXÉVILLE	1 955	1 886	1 951
CASINO-LA TREMBLADE	1 751	1 686	1 548
CASINO-ÉVAUX	1 724	1 610	1 645
CASINO-DJERBA (Tunisia)	1 258	1 401	1 468
CASINO-CHAUDFONTAINE (Belgium)	1 094	4 964	5 153
CASINO-LA TRINITÉ	1 030	1 539	1 578
CASINO DINANT (Belgium)	-	1 111	5 664
CASINO-KNOKKE (Belgium)	-	701	9 901
CASINO-HAUTEVILLE-LOMPNES	-	457	1 733
CASINO TABARKA (Tunisia)	-	-	-
CASINO-SAN ROQUE	-	-	-
CASINOS TOTAL	374 530	368 863	390 036
HÔTEL-AIX-AQUABELLA	6 630	6 335	6 548
HÔTEL-CANNES-3.14	4 805	4 673	5 654
HÔTEL-CONTREX-COSMOS	1 681	1 552	1 502
HÔTEL-JUAN-GARDEN BEACH	1 023	7 340	7 682
HÔTEL-CONTREX-GRAND HÔTEL DU PARC	28	21	24
HÔTEL-VAL-ANDRÉ-SINOCA	24	120	129
HÔTEL-LYON-HIL	23	7 652	11 628
HOTELS TOTAL	14 213	27 692	33 166

TURNOVER BY ENTITY			
€000 AT 31 OCTOBER	2015	2014	2013
CKO BETTING OSTENDE	6 549	6 708	2 007
THERMES-AIX - CBAP (Centre de Balnéothérapie)	2 270	2 331	2 416
APPOLONIA	1 349	1 300	1 425
BARATEM	514	500	438
GROUPE PARTOUCHE	193	193	127
SARL THERM'PARK	150	180	177
BELCASINOS	140	132	0
PARTOUCHE IMAGES	112	1 324	2 566
ÉLYSÉE PALACE (EPSA)	82	88	88
INTERNATIONAL GAMBLING SYSTEMS	80	55	-
PARTOUCHE TECHNOLOGIES	44	37	2 483
SCI RUE ROYALE	38	38	46
PARTOUCHE IMMOBILIER	35	35	35
CANNES BALNÉAIRES	28	25	13
PARTOUCHE BETTING LTD	10	-	135
CHM	3	4	4
SCI FONCIÈRE DE VITTEL ET CONTREXÉVILLE	2	2	2
PARTOUCHE TOURNOIS	0	0	0
PARTOUCHE SPECTACLES	-	112	6
PI GIBRALTAR	-	20	33
PARTOUCHE PRODUCTION	-	1	2
CASINO VIRGINIAN DE RENO	-	0	13
PARTOUCHE GAMING FRANCE	-	-	1 159
PARTOUCHE INTERACTIVE	-	-	-
WS BACKGAMMON	-	-	-
OTHER TOTAL	11 599	13 086	13 175
TOTAL TURNOVER	400 342	409 641	436 378

9.2 COMPANY FINANCIAL POSITION AND PERFORMANCE (PARENT COMPANY FINANCIAL STATEMENTS)

The 12-month period under review, which ran from 1 November 2014 to 31 October 2015, was covered by the Groupe Partouche SA Safeguard Plan, approved in a ruling by the Paris Commercial Court on 29 September 2014, the financial terms of which are set out in Section 20 of Groupe Partouche's 2014 annual report). Key events in the period were as follows:

- At an Extraordinary Shareholders' Meeting on 15 January 2015, the shareholders voted to withdraw shareholders' pre-emptive right to subscribe for nine new shares, and to reserve the subscription of those nine new shares, with a par value of €2 each, for a third party.

  The share capital increased from €193,631,182 to €193,631,200.

  The shareholders then voted to carry out a reverse stock split by issuing one new share with a par value of €20 for every ten old shares with a par value of €2;
- The Group acquired 100% of Casino de la Pointe Croisette for €1 and bought out the €6.1m current account loan for a price of €1.5m from Cannes Balnéaire SA;
- The Group paid off €18.8m of the syndicated loan under the terms of the early redemption clause as set out above, following the disposal of the Chaudfontaine casino, the Garden Beach hotel in Juan-les-Pins and real estate assets in Juan-les-Pins.

Turnover for the year totalled €11.0m, mainly consisting of €9.4m in fees paid by subsidiaries. Operating income totalled €12.8m, compared with €12.1m in 2014.

Operating expenses include, under "Other purchases and external expenses", a self-supply entry of €1.4m, with a balancing entry for the same amount recognised in operating income. Excluding the effect of these entries, operating expenses increased by 3.6%.

The company posted an operating loss of €6.5m, higher than the loss posted in 2014 (€5.2m).

Financial income totalled €36.6m, including €32.2m in dividends paid by subsidiaries. Financial expenses decreased by €7.5m in 2015, down from €33.4m to €25.9m. Taking into account a €4.3m decrease in additions to provisions for securities and current accounts and a €3.0m decrease in interest expenses corresponding to the saving on the cost of the syndicated loan, the Group posted net financial income of €10.7m, up €7.0m year on year.

The Group posted a net non-recurring expense of €2.1m, of which €0.9m was covered by the reversal of a provision recognised in net financial income and €1.2m represented non-recurring expenses.

Under its tax consolidation agreement, the company recognised a tax saving of €13.0m in respect of the financial year ended 31 October 2015.

In light of the above items, the company posted a net profit for the year of €15.0m, compared with €3.1m in 2014.

On the balance sheet, net non-current assets were stable and notable changes in current assets were as follows:

- a €16.5m reduction in other receivables, mainly consisting of a €4.0m decrease in Group and shareholder current accounts, a €14.9m increase in impairment losses on those current accounts and a €4.7m increase in income tax receivables on Group companies resulting from the recognition of the tax receivable in respect of the 2014 competitiveness and employment tax credit (CICE), not yet applied;
- a €51.2m increase in cash and investments

Given the net profit for the year, shareholders' equity increased by €15.0m to €420.9m.

In spite of no syndicated loan repayments falling due in the financial year (with the first repayment due on 15 December 2015, in accordance with the Safeguard Plan), bank borrowings and debt were down €18.8m year on year: the application of the early repayment clause in connection with asset disposals resulted in €18.8m of the syndicated loan being paid off in the year. The principal amount outstanding at 31 October 2015 was €174.8m.

Other liabilities increased by €40.0m, including €39.1m under "Subsidiaries and associates", mainly as a result of cash flows linked to asset disposals.

9.3 PROPOSED APPROPRIATION OF INCOME FOR FINANCIAL YEAR 2015

NET PROFIT TO 31 OCT 2015 (€)	15 044 577
LEGAL RESERVE	**906 108**
of which adjustment to legal reserve on 31 Oct 2014 not appropriated at 2015 Shareholders' Meeting*	153 880
of which legal reserve for year ended 31 Oct 2015	752 229
Retained earnings	14 138 469
After appropriation, retained earnings will stand at	**148 898 628**

(*) Accounting profit to 31 October 2014: €3,077,590.

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CASH AND CAPITAL RESOURCES

10.1 INFORMATION CONCERNING THE GROUP'S EQUITY

Please refer to Note 11 of Section 20.2.1 of the Group's consolidated financial statements for financial year 2015.
Please refer to Note 14 of Section 20.2.1 of the Group's consolidated financial statements for financial year 2014.
Please refer to Note 14 of Section 20.2.1 of the Group's consolidated financial statements for financial year 2013.

10.2 SOURCES, AMOUNTS AND A NARRATIVE DESCRIPTION OF THE GROUP'S CONSOLIDATED CASH FLOWS

Please refer to Note 13 of Section 20.2.1 of the Group's consolidated financial statements for financial year 2015.
Please refer to Note 28 of Section 20.2.1 of the Group's consolidated financial statements for financial year 2014.
Please refer to Note 27 of Section 20.2.1 of the Group's consolidated financial statements for financial year 2013.

10.3 FINANCING STRUCTURE AND CASH RESOURCES; INFORMATION REGARDING ANY RESTRICTIONS ON THE USE OF CAPITAL RESOURCES THAT HAVE MATERIALLY AFFECTED, OR COULD MATERIALLY AFFECT, DIRECTLY OR INDIRECTLY, THE COMPANY'S OPERATIONS

10.3.1 FINANCIAL STRUCTURE, CASH FLOWS

Please refer to Note 9.3 of Section 20.2.1 related to bank debt and to Note 9.2 of Section 20.2.1 relating to cash and cash equivalents for financial year 2015.

Please refer to Note 17 of Section 20.2.1 related to bank debt and to Note 13 of Section 20.2.1 relating to cash and cash equivalents for financial year 2014.

Please refer to Note 17 of Section 20.2.1 related to bank debt and to Note 13 of Section 20.2.1 relating to cash and cash equivalents for financial year 2013.

Please refer to Note 1 of Section 20.2.1 and to Section 4.1.1 for information on the Safeguard Procedure (procédure de sauvegarde) for Groupe Partouche SA.

10.3.2 CASH POOLING AGREEMENT

Groupe Partouche has a signed cash pooling agreement with all of its subsidiaries.

This agreement provides a strong incentive to subsidiaries to invest their cash surpluses with Groupe Partouche SA to obtain a rate of return on cash that is higher than the market rates. Groupe Partouche SA can thereby ensure the cash requirements of certain subsidiaries are met and can invest the cash surpluses in an optimal manner. This management is handled by the Finance Department.

This organisation thus allows a certain measure of independence to be achieved in the cash management of subsidiaries.

It should be noted that the Swiss casinos (Meyrin and Crans-Montana), in light of applicable regulations, invest their cash surpluses themselves.

10.3.3 RESTRICTIONS ON THE TRANSFER OF FUNDS FROM ABROAD

For the two Swiss casinos owned by the Group, Meyrin and Crans-Montana, the country's legal constraints prohibit the transfer of funds except for dividend distributions.

10.4 INFORMATION REGARDING THE ANTICIPATED SOURCES OF FUNDS NEEDED TO FULFIL COMMITMENTS REFERRED TO IN ITEMS 5.2.3 AND 8.1

Please refer to Section 4.1.2 "Liquidity risks" and Section 5.2.5 "Relations between investments and financing activities".

NOUVEAU

JOUEZ EN LIGNE AVEC VOS POINTS PLAYERS PLUS*

Retrouvez la **FLAMING SEVEN** sur le site ou l'appli Partouche

Du 23 septembre au 23 octobre 2015

100 parties OFFERTES**

18+

* La participation aux jeux interactifs promotionnels est avec obligation d'achat, en échange de points de fidélité Players Plus. Service réservé aux personnes majeures non interdites de jeux, titulaires de la carte de fidélité Players Plus ayant acquis le statut « actif » et titulaire d'un compte Players Plus activé en ligne. Voir conditions générales sur les sites des casinos Partouche.
** 10 points crédités pour toute personne titulaire d'un compte Players Plus activé en ligne et dont le titulaire détient une carte Players Plus « active ». Les points sont exclusivement valables pour le jeu promotionnel interactif « Flaming seven ». 0,1 point = 1 partie. Les points n'ont pas de valeur monétaire et ne peuvent être échangés contre tout autre bien et service.
Offre limitée à une par personne, jusqu'au 23 octobre 2015 inclus. Voir conditions sur les sites des casinos Partouche.

www.groupecomplus.com - 0014117210L - Entrée des salles de jeux réservée aux personnes majeures et non interdites de jeux, sur présentation d'une pièce d'identité ou de votre carte Players Plus. - Groupe Partouche, S.A. à directoire et conseil de surveillance, capital 193 651 200 €, RCS Paris 588 801 464, 141 bis rue de Saussure 75017 PARIS.

7

RESEARCH AND DEVELOPMENT, PATENTS AND LICENCES

Groupe Partouche invests in innovative projects through its subsidiary Partouche Interactive.

Partouche Images, whose activities in France were discontinued due to changes in the law, transferred its businesses abroad. Partouche Images continues to provide dynamic, interactive systems for broadcasting and enabling participation in games made available both on television and online.

Partouche Images already has its own unique system that allows real-time interaction with a TV game show using a smartphone, a tablet or a computer.

Appolonia and Partouche Technologies focus their efforts on designing and developing applications, information systems and electronic products dedicated to use in casinos (virtual slot machine chip system to replace physical chips, various digital games, management software, etc.).

All these projects are aimed at improving customer service and optimising costs.

12

TREND INFORMATION

GROUPE PARTOUCHE – GROWTH CONTINUES AND IMPROVES IN Q1 2016

(GROSS GAMING REVENUE UP 4.5% ON A LIKE-FOR-LIKE BASIS)

Paris, 17 February 2016 - Groupe Partouche, one of the market leaders in Europe for gaming, announces its revenue for the first quarter (November 2015 - January 2016) of financial year 2016.

Fabrice Paire, Chairman of the Executive Board, commented: *"Quarter after quarter, our performance indicators continue to improve at an extremely satisfactory pace, reflecting the soundness of our strategy and our staff's daily commitment to implementing it. Rollouts of new games, such as bingo and electronic English roulette machines, and the redeployment of certain casinos strengthen the appeal of our casino business among existing customers as well as attracting new customers. This strong start to the year, investments already made and yet to come and our constant focus on our customers' gaming experience and enjoyment reinforce our confidence in the outlook for Groupe Partouche."*

GROWTH IN ALL INDICATORS IN THE 1ST QUARTER

Groupe Partouche made a good start to the financial year, with turnover growth higher than the level recognised in 2015.

During the first quarter of the current financial year (November 2015 – January 2016), Groupe Partouche's turnover amounted to €112m, up 2.6% and 4.0% on a like-for-like basis.

In gaming (on a like-for-like basis), gross gaming revenue (GGR) totalled €156.8m, up 4.5%, mainly driven by 6.9% growth in revenue from table games with the success and continued rollout of electronic English roulette.

The return to sustained growth in GGR from slot machines, up 3.3% to €131.6m, is another source of satisfaction for the Group given the importance of slot machines within its casino business. This growth is driven by the continued increase in casino traffic combined with the relevance of our policy of improving our slot machine offering.

Finally, GGR from sports betting grew strongly.

Non-gaming business activities – restaurants and hotels in particular – recorded turnover of €20.2m, up 0.7% on a like-for-like basis.

Always keen to make its customers' casino experience even better, Groupe Partouche is constantly working to boost the appeal of its casinos by rolling out its offering of innovative games and opening up larger and renovated areas.

GAMING OFFERING

The first bingo sessions held at our establishments have confirmed their ability to attract a new clientele of inexperienced players who are unfamiliar with casinos and who will therefore be introduced to the full range of games on offer.

REDEPLOYMENT AND RENOVATION

Groupe Partouche continued its strategy of renovating and expanding its establishments:

- The Saint-Galmier casino in Loire was entirely redesigned. The interior spaces have been expanded and the brasserie now forms an integral part of the casino, while remaining open to non-playing customers;
- The latest-generation Andernos casino in Gironde offers customers gaming and non-gaming services under the same roof;
- At the Vichy Grand Café casino, the gaming area was expanded and the interior was redesigned to give it a more modern, friendly atmosphere. The casino added 35 new slot machines to its offering, following the closure of the "Les 4 Chemins" casino, the business volume of which was successfully transferred to the Grand Café casino.

AUTHORISATION TO TRANSFER THE CANNES CASINO TO OUR 3.14 HOTEL

In December 2015, the Cannes casino obtained a licence from the Minister of the Interior to transfer its activity to the 3.14 Hotel. The current casino operation, structurally heavily loss-making for many years, was adversely affected by its being located at a site no longer suited to its purpose. Its relocation to Hotel 3.14 should eventually see operations return to a balanced footing, with the casino offering a redefined range of games designed to meet customers' expectations.

UPCOMING EVENTS:

Shareholders' Meeting: Thursday, 6 April 2016

First-half turnover: Wednesday, 15 June 2016, after stock market close

Groupe Partouche was established in 1973 and has grown to become one of the market leaders in Europe in its business sector. Listed on the stock exchange, it operates casinos, hotels, restaurants, spas and golf courses. The Group operates 43 casinos and employs nearly 4,500 people. It is well known for innovating and testing the games of tomorrow, which allows it to be confident about its future, while aiming to strengthen its leading position and continue to enhance its profitability. Groupe Partouche was floated on the stock exchange in 1995, and is listed on Euronext Paris, Compartment B.
ISIN: FR0000053548
Reuters: PARP.PA
Bloomberg: PARP:FP

FINANCIAL INFORMATION

Groupe Partouche
Alain Cens, Chief Financial Officer
Phone: +33 (0)1 47 64 33 45 – Fax: +33 (0)1 47 64 19 20
info-finance@partouche.com

ANNEX: BUSINESS ACTIVITY

1 - CONSOLIDATED TURNOVER (INCLUDING REMOVALS FROM THE CONSOLIDATION SCOPE)

Q1 (NOV. 2015 TO JAN. 2016), IN MILLIONS OF EUROS	2016	2015	CHANGE
GGR	156,8	152,2	3,0 %
Levies	-65,0	-63,1	2,9 %
Net gaming revenue	91,9	89,1	3,1 %
Turnover excluding NGR	20,2	20,1	0,1 %
Total turnover	**112,1**	**109,2**	**2,6 %**

2 - LIKE-FOR-LIKE ACTIVITY

Business activity must be analysed taking into account the changes in the scope of consolidation in 2015 following the sales of the Chaudfontaine casino and the Garden Beach hotel in Juan-les-Pins, and the closing of the La Trinité-sur-Mer casino. The following tables show developments on a like-for-like basis.

€M	Q1 2016	NEUTRALISED COMPANIES	Q1 2016 NET OF NEUTRALISED COMPANIES	Q1 2015	NEUTRALISED COMPANIES	Q1 2015 NET OF NEUTRALISED COMPANIES	% CHANGE NET OF NEUTRALISED COMPANIES
GGR	156,8	-	156,8	152,2	2,1	150,1	4,5 %
Levies	-65,0	-	-65,0	-63,1	-0,7	-62,4	4,1 %
NGR	91,9	-	91,9	89,1	1,4	87,7	4,7 %
Turnover excluding NGR	20,2	0,0	20,2	20,1	0,1	20,0	0,7 %
Total turnover	**112,1**	**0,0**	**112,0**	**109,2**	**1,5**	**107,8**	**4,0 %**

3 - BREAKDOWN OF TURNOVER BY DIVISION (ON A LIKE-FOR-LIKE BASIS)

€M	Q1 2016	NEUTRALISED COMPANIES	Q1 2016 NET OF NEUTRALISED COMPANIES	Q1 2015	NEUTRALISED COMPANIES	Q1 2015 NET OF NEUTRALISED COMPANIES	% CHANGE NET OF NEUTRALISED COMPANIES
Casinos	107,5	0,0	107,5	104,8	1,5	103,3	4,0 %
Hotels	1,4	-	1,4	1,6	0,0	1,5	-10,7 %
Other	3,2	-	3,2	2,9	-	2,9	11,0 %
Total consolidated turnover	**112,1**	**0,0**	**112,0**	**109,2**	**1,5**	**107,8**	**4,0 %**

10

COMPANY PROJECTIONS AND TARGETS

In its press release dated 16 July 2014 entitled "Information regarding the Safeguard Plan", in Section B: "Forward-looking data", Groupe Partouche informed the public that:

"To facilitate discussions with lenders, Groupe Partouche appointed a specialised firm to draw up a report on the operational and cash forecasts of Groupe Partouche in connection with the Safeguard Plan, and in particular on the preparation of a business plan for the period from 2014 to 2024 and the implementation of assumptions regarding the extinguishment of liabilities.

The work of this firm, completed in December 2013, involved analysing past performance in 2012 and 2013, the operational forecasts for 2014-2024 as well as the related cash flow forecasts in connection with a Safeguard Plan.

The 2014 budget was drawn up within the scope of Groupe Partouche by combining firstly the budgets drawn up by the operational subsidiaries, for which the data are mainly determined by the management of the entities, and secondly the projected figures for non-operational entities, for which the data are determined by applying assumptions regarding growth.

To bring it into compliance with IFRS (the accounting standards used to prepare the consolidated financial statements of Groupe Partouche SA) the data were restated by the Group's management (only the most significant consolidation adjustments were taken into account).

The 2014-2024 plan was prepared on the basis of the following main assumptions:

- 2014 was taken as the reference year;
- The period from 2015-2024 was determined taking into account (i) savings resulting from rationalisation of committed costs and (ii) additional turnover generated by the Group investment programme.

The 2014 budget includes in particular (i) deconsolidation of the Knokke casino at the end of December 2013 (two months of business) and (ii) reorganisation of the Interactive division as a whole following the discontinuation of online gaming in France in 2013 and the development of online gaming in Belgium.

The following changes in the scope of consolidation are not included in these forward-looking data:

- sale of the Hauteville-Lompnes casino, deconsolidated at the end of November 2013;
- sale of the Dinant casino, deconsolidated at the end of February 2014;
- sale of the premises and business assets of the Hilton Hotel in Lyon, due to be completed at the end of July 2014.

Alongside these forward-looking data, there was a slight increase in the Group's consolidated turnover, given the difficult context in the casino sector.

There was a bigger increase in the Group's consolidated EBITDA than in turnover; this increase is mainly due to rationalization of committed costs (main saving: sponsoring/communications costs) and the positive impact (additional turnover) generated by the Group's investment programme.

Average investment flows amount to €30m per year and mainly relate to purchases of slot machines, non-recurring building work and maintenance. For the period from 2014-2016 they include the building of new operating sites for the La Ciotat and Pornic casinos.

Finally, regarding the financial debt, the annual repayments and outstanding capital indicated below were calculated based on the estimated liability at 31 March 2014. The methods of calculation of the repayments shown below are those specified in the Safeguard Plan adopted unanimously at the end of March by the committee members of the lending institutions and similar bodies and of the main suppliers.

Syndicated loan:

	ACTUAL	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
€M	OCT. 2013	OCT. 2014	OCT. 2015	OCT. 2016	OCT. 2017	OCT. 2018	OCT. 2019	OCT. 2020	OCT. 2021	OCT. 2022
Repayment		(37,9)	(21,1)	(21,1)	(21,1)	(26,1)	(26,1)	(26,1)	(33,6)	(25,6)
Balance	238,6	200,6	179,6	158,5	137,5	111,4	85,3	59,2	25,6	0,0

Shareholder's advance from Financière Partouche:

	ACTUAL	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
€M	OCT. 2013	OCT. 2014	OCT. 2015	OCT. 2016	OCT. 2017	OCT. 2018	OCT. 2019	OCT. 2020	OCT. 2021	OCT. 2022
Repayment		(9,8)	(2,2)	(2,2)	(2,2)	(2,7)	(2,7)	(2,7)	(3,3)	(3,8)
Balance	31,6	21,8	19,6	17,4	15,3	12,5	9,8	7,1	3,8	0,0

OTHER BUDGETARY INFORMATION

The forward-looking data mentioned above was established for the specific purpose of preparing a Safeguard Plan, in connection with the Safeguard Procedure of Groupe Partouche SA, and as such, include minimum assumptions for drawing up a schedule for clearing the Group's financial liabilities.

In addition, Groupe Partouche has budgetary data for each operational subsidiary, which are used for management purposes. These budgetary data are determined on the basis of assumptions that reflect the business and profitability targets of the operational subsidiaries, and may differ from the forward-looking data mentioned above and determined in connection with the Safeguard Plan.

In the light of the Group's results for financial year 2015, the basic trends used to draw up these forward-looking data are still relevant and it is therefore not necessary to question them. However, these data cannot constitute a profit forecast, since it is not possible to make a valid extrapolation, and therefore to calculate a future result, based solely on the trends indicated.

In addition, the projected repayment schedules for the syndicated loan and the advance from Financière Partouche presented above have been discounted since the adoption of the plan, in particular due to the early repayments made and the capitalisation of interest between the date of adoption of the Safeguard Plan by the creditors and the date of approval of the plan by the Commercial Court. The discounted schedules are presented in Section 4.1.2, "Liquidity risk"; Section 20.2.1, Note 9.3, "Financial debt"; and Section 20.2.2, Note 2.20, "Other information - Shareholder's Advance Agreement between Financière Partouche SA and Groupe Partouche SA".


CONVIVIAL

14

ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES AND SENIOR MANAGEMENT

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14.1 INFORMATION ON MANAGEMENT BODIES

14.1.1 SUPERVISORY BOARD

BOARD MEMBER IDENTITY, DATE AND PLACE OF BIRTH	DATE OF FIRST APPOINTMENT	EXPIRATION OF APPOINTMENT	PRINCIPAL POSITION HELD WITHIN THE COMPANY	PRINCIPAL POSITION HELD OUTSIDE THE COMPANY	FUNCTIONS AND MANDATES HELD OUTSIDE THE GROUP *
PATRICK PARTOUCHE BORN ON 13 JUNE 1964 IN ORAN (ALGERIA) 44,964 shares held	Co-opted to replace Isidore Partouche by decision of the Supervisory Board at its meeting held on 18 March 2011, approved by the Shareholders' Meeting held on 29 April 2011	31 October 2019	Chairman of the Supervisory Board	Chairman of the Executive Board of Financière Partouche SA	Director: Société Européenne des Grands Restaurants SA (Paris) Ispar Holding SA (Fribourg) Chairman and member of the Executive Committee: Mereal Biometrics SAS Chairman: Groupe Partouche Bahamas Limited (Bahamas)
ISIDORE PARTOUCHE BORN ON 21 APRIL 1931 IN TREZEL (ALGERIA) 116,092 shares held directly; 232,874 shares held indirectly	Ordinary Shareholders' Meeting of 20 June 1996	31 October 2019	Vice-Chairman of the Supervisory Board	Chairman of the Supervisory Board of Financière Partouche SA	**EN FRANCE** Managing Director: Société Européenne des Grands Restaurants SA (Paris) Director: Socle SA (Lille), Losc SA (Lille) **OUTSIDE FRANCE:** Chairman: Société Enderbury GR LTD (Cayman Islands) Chairman, Director: Ispar Holding SA (Fribourg)

	FUNCTIONS AND MANDATES HELD WITHIN THE GROUP *
	IN FRANCE : Chairman of the Supervisory Board of Groupe Partouche SA (with Executive Board and Supervisory Board) Chairman of the Executive Board of Financière Partouche SA (with Executive Board and Supervisory Board) Chairman of the Board of Directors, Director: Partouche Interactive SA (Paris) Chairman: Partouche Immobilier SAS (Paris) Deputy General Manager: Compagnie Européenne de Casinos SAS (Paris) Deputy General Manager and Director: Eden Beach Casino SA (Juan-les-Pins), Cannes Balnéaire SA (Cannes), Casino de la Pointe Croisette SAS (Cannes) Director: Casino de Saint-Amand SAS (Saint-Amand-les-Eaux), Le Touquet's SAS (Calais), Société du Casino et des Bains de Mer SAS (Dieppe), Société d'exploitation du Casino de Contrexéville SAS, Grand Casino de Lyon SAS, Forges Thermal SA (Forges-les-Eaux), Société du Grand Casino d'Annemasse SA (Annemasse), Société Touristique Thermale et Hôtelière de Divonne SA - "TTH Divonne" (Divonne-les-Bains), Partouche Technologies SAS (Saint-Avertin), Société d'exploitation du Casino de Divonne SAS - "SECD" (Divonne-les-Bains), Holding Garden Pinède SAS (Paris) Corporate Manager: SEK SARL (Paris) Member of the Executive Committee: Partouche Images SAS (Paris) Permanent Representative: - Legal entity of Compagnie Européenne de Casinos SAS (Paris), Director of Développement de la Baie de Kernic SAS (Plouescat), Casino de Pornichet SAS (Pornichet) and Casino de Mole SAS (Pornic) - Legal entity of SARL SEK, corporation manager of SCI de l'Eden Beach Casino (Paris) **OUTSIDE FRANCE:** Chairman of the Board of Directors, Deputy Director: Belcasinos SA (Belgium), Grand Casino de Djerba SA (Tunisia) Director: Grand Casino de Tabarka SA (Tunisia), Casino Kursaal Oostende SA (Belgium), Club Privé du Casino de Knokke (Belgium), CKO Betting SA (Belgium) Permanent Representative: Groupe Partouche SA, Director of Groupe Partouche International SA (Belgium)
	IN FRANCE: Vice-Chairman of the Supervisory Board of Groupe Partouche SA (with Executive Board and Supervisory Board) Chairman of the Supervisory Board of Financière Partouche SA (with Executive Board and Supervisory Board) Chairman, Director: Compagnie Européenne de Casinos SAS - "CEC" (Paris), Société du Casino de Saint-Amand SAS (Saint-Amand-les-Eaux) Director: Casinos du Touquet SAS (Le Touquet), Société du Casino et des Bains de Mer SAS (Dieppe), Grand Casino de Cabourg SAS (Cabourg), Société du Casino Municipal de Royat SAS (Royat), Casino de Palavas SAS (Palavas-les-Flots), Forges Thermal SA (Forges-les-Eaux), Sathel SA (La Tour de Salvagny), Société Touristique Thermale et Hôtelière de Divonne SA - "TTH Divonne" (Divonne-les-Bains), Société de Brasseries et Casinos SA "Les Flots Bleus" (La Ciotat), Cannes Balnéaire SA (Cannes), Société du Casino Municipal d'Aix Thermal SA (Aix-en-Provence), Eden Beach Casino SA (Juan-les-Pins), Holding Garden Pinède SAS (Paris) Corporate Manager: SCI Foncière de Vittel et Contrexéville (Contrexéville), SCI Les Thermes (Aix-en-Provence), Société Civile Immobilière et Mobilière Partouche ("SCIMP") (Paris) Permanent representative of: - Legal entity of Groupe Partouche SA, Director of Miami SA (Andernos) - Legal entity of Compagnie Européenne de Casinos SAS, Director of Casino de La Grande-Motte SAS. **OUTSIDE FRANCE:** Chairman, Deputy Director: Groupe Partouche International SA - "GPI" (Belgium) Director: Le Grand Casino de Djerba SA (Tunisia), International Gambling Systems - "IGS" (Belgium)

BOARD MEMBER IDENTITY, DATE AND PLACE OF BIRTH	DATE OF FIRST APPOINTMENT	EXPIRATION OF APPOINTMENT	PRINCIPAL POSITION HELD WITHIN THE COMPANY	PRINCIPAL POSITION HELD OUTSIDE THE COMPANY	FUNCTIONS AND MANDATES HELD OUTSIDE THE GROUP *
GASTON GHRENASSIA AKA ENRICO MACIAS BORN ON 11 DECEMBER 1938 IN CONSTANTINE (ALGERIA) 7 shares held	Co-opted to replace Jacques Benhamou by decision of the Supervisory Board at its meeting held on 11 December 1998	31 October 2019	Member of the Supervisory Board	Singer	Deputy General Manager, Director: Société Européenne des Grands Restaurants SA (Paris)
HUBERT BENHAMOU BORN ON 15 DECEMBER 1948 IN TIARET (ALGERIA) 16,934 shares held directly; 2,927 shares held indirectly	Shareholders' Meeting held on 29 April 2011	31 October 2016	Member of the Supervisory Board	Managing Director of Société Touristique Thermale Hôtelière de Divonne	Director: Shal & Co SA (Luxembourg)

FUNCTIONS AND MANDATES HELD WITHIN THE GROUP *
IN FRANCE: Member of the Supervisory Board of Groupe Partouche SA and Financière Partouche SA (with Executive Board and Supervisory Board) (Paris)
IN FRANCE: Member of the Supervisory Board of Groupe Partouche SA with Executive Board and Supervisory Board (Paris) Managing Director, Director: Société Touristique Thermale et Hôtelière de Divonne SA - TTH Divonne (Divonne-les-Bains) Director: Société du Grand Casino d'Annemasse SA, Société d'exploitation du Casino de Divonne - "SECD" (Divonne-les-Bains) **OUTSIDE FRANCE:** Chairman, Director, member: Club Privé du Casino de Knokke (Belgium) Director: Groupe Partouche International SA (Belgium), Grand Casino de Djerba SA (Tunisia), Belcasinos SA (Belgium)

BOARD MEMBER IDENTITY, DATE AND PLACE OF BIRTH	DATE OF FIRST APPOINTMENT	EXPIRATION OF APPOINTMENT	PRINCIPAL POSITION HELD WITHIN THE COMPANY	PRINCIPAL POSITION HELD OUTSIDE THE COMPANY	FUNCTIONS AND MANDATES HELD OUTSIDE THE GROUP *
WALTER BUTLER BORN ON 16 AUGUST 1956 IN RIO DE JANEIRO (BRAZIL) 1 share held	Shareholders' Meeting held on 29 April 2011	31 October 2016	Member of the Supervisory Board	Managing Director of Butler Capital Partners SA	Managing Director: Butler Industries SA, Butler Capital Partners SA, WB Debt Partners SA Chairman: Eden Innovations SAS, Doc SA, FBT Developpement SAS, Amstar Entreprises SAS Corporate Manager: SCI 30 Albert 1er Member of the Supervisory Board: Corum Asset Management SAS Representing Butler Capital Partners as Chairman: Financière Access Industrie SAS, Access Investissement SAS, ANS Holding SAS **IN FRANCE:** Permanent representative of Butler Capital Partners on the Supervisory Board: Access Industrie SA Permanent representative of Butler Capital Partners at the Board of Directors: Holdings Sports & Événements SA Permanent representative of Butler Capital Partners on the Supervisory Committee: Colfilm SAS Representing FBT Développement as Chairman: Fichet-Bauche Télésurveillance SASU **OUTSIDE FRANCE:** Director of the following English companies: Butler Investment Managers Limited, Butler Management Limited, BST Butler Technologies and Butler Safe Technologies UK Chairman of the following Swiss companies: Butler Safe Technologies (Switzerland), NexisFibers Holding Chairman of the Supervisory Board of the following German company: Safetic AG Corporate Manager of the following Luxembourg limited liability company (SARL): GP Lux Investissements Director of the following Belgian companies: Econom, BML Belgium Member of the Supervisory Board: Access Industrie SA, Financière Sernam SAS

FUNCTIONS AND MANDATES HELD WITHIN THE GROUP *

BOARD MEMBER IDENTITY, DATE AND PLACE OF BIRTH	DATE OF FIRST APPOINTMENT	EXPIRATION OF APPOINTMENT	PRINCIPAL POSITION HELD WITHIN THE COMPANY	PRINCIPAL POSITION HELD OUTSIDE THE COMPANY	FUNCTIONS AND MANDATES HELD OUTSIDE THE GROUP *
LIONEL MESTRE BORN ON 6 MAY 1972 IN NEUILLY-SUR-SEINE (FRANCE)	Supervisory Board Meeting held on 11 June 2014, in replacement of Lise Nobre, who resigned	31 October 2016	Permanent representative of Butler Capital Partners Member of the Supervisory Board		Member of the Supervisory Board: Access Industrie SA, Financière Sernam SAS
BUTLER CAPITAL PARTNERS **PERMANENT REPRESENTATIVE:** **LIONEL MESTRE** 76,621 shares held directly; 1,200,399 shares held indirectly	Co-opted on 12 December 2012	31 October 2016	Member of the Supervisory Board		Chairman: Financière Access Industrie SAS, Access Investissements SAS, ANS Holding SAS, Christian Bernard SAS Member of the Supervisory Board: Access Industrie SA, Financière Sernam SAS Member of the Supervisory Committee: Colfilm SAS Director: Holdings Sports et Événements SA
DANIEL COHEN BORN ON 27 OCTOBER 1962 IN CASABLANCA (MOROCCO) 1,078 SHARES HELD	Supervisory Board Meeting held on 13 December 2011 in replacement of Maurice Sebag, who resigned	31 October 2019	Member of the Supervisory Board	Chairman of Zalis SAS	Chairman: Zalis SAS (Toulouse) Corporate Manager: SCI Cohen Investissements (Toulouse)
VÉRONIQUE MASI FORNERI BORN ON 12 MAY 1963 IN NICE (FRANCE) 69 shares held	Shareholders' Meeting held on 24 April 2014	31 October 2019	Member of the Supervisory Board	General Manager of Adelphos SAS (Neuilly-sur-Seine)	Member of the Board of Directors: Erda Accentus Association – education, research and artistic development (Paris)

The business address of the members of the Supervisory Board with regard to their functions within Groupe Partouche is the registered office of Groupe Partouche (141 bis rue de Saussure - 75017 Paris - France).

(*) The aforementioned mandates are in force except for those whose date of expiration is expressly indicated.

FUNCTIONS AND MANDATES HELD WITHIN THE GROUP *

14.1.2 MEMBERS OF THE EXECUTIVE BOARD

BOARD MEMBER IDENTITY, DATE AND PLACE OF BIRTH	DATE OF FIRST APPOINTMENT	EXPIRATION OF APPOINTMENT	PRINCIPAL POSITION HELD WITHIN THE COMPANY	PRINCIPAL POSITION HELD OUTSIDE THE COMPANY	FUNCTIONS AND MANDATES HELD OUTSIDE THE GROUP (*)
FABRICE PAIRE **BORN ON 10 OCTOBER 1969 IN MONTMORENCY (VAL D'OISE)** 267 SHARES HELD	Supervisory Board Meeting held on 3 November 2008	30 October 2019	Chairman of the Executive Board		Member of the Executive Committee: Mereal Biometrics SAS (Paris) Corporate Manager: SCI Haute Bourgeois (Paris) Director: Ispar Holding SA (Fribourg)

FUNCTIONS AND MANDATES HELD WITHIN THE GROUP (*)

IN FRANCE:
Chairman of the Executive Board of Groupe Partouche SA (with Executive Board and Supervisory Board)
Chairman, Director: Ludica SAS (Paris), Grand Casino de Bandol SAS, Compagnie pour le Développement du Tourisme Hyérois SAS, Partouche Gaming France SAS (Paris), Partouche Technologies SAS (Saint-Avertin), Société d'Exploitation du Casino et Hôtels de Contrexéville SAS, Société Touristique de La Trinité SAS (Paris).
General Manager, Director: Partouche Interactive SA (Paris)
Deputy General Manager: Partouche Spectacles et Événements SAS (Paris), Compagnie Européenne de Casinos SAS (Paris)
Member of the Executive Committee: Partouche Images SAS (Paris)
Director: Le Touquet's SAS (Calais), Développement de la Baie de Kernic SAS (Plouescat), Casino de Pornichet SAS, Casino du Mole SAS (Pornic), Société du Casino Municipal de Royat SAS, Société d'exploitation du Casino de Divonne - "SECD" (Divonne-les-Bains), Casinos de Vichy SAS, Société des Chemins de Fer et Hôtel de Montagne aux Pyrénées SA - "CHM" (Paris), Élysée Palace Expansion SA (Paris), Casino de La Grande-Motte SAS, Casino de Palavas SAS (Palavas-les-Flots)

Permanent Representative:
- Legal entity of Compagnie Européenne de Casinos SAS, Director of Casino de Coutainville SA and of Le Miami SA (Andernos)
- Legal entity of Groupe Partouche SA, Director of Complexe Commercial de la Roche-Posay SA, Plombinoise de Casino SAS, Société d'Exploitation du Casino de la Rotonde SAS (Pléneuf-Val-André), Casino du Grand Café SAS (Vichy), Société du Casino du Palais de la Méditerranée SAS (Nice), Casino de Salies-de-Béarn SAS, Société d'Activités Thermales Hôtelières et de Loisirs - "Sathel" (La Tour de Salvagny), Société du Grand Casino de Gréoux-les-Bains SAS, Société du Casino d'Arcachon SA, Société du Grand Casino de Cabourg SAS, Casino d'Evaux-les-Bains SAS, Grand Casino du Havre SAS, Casino de la Tremblade SAS, Casino de la Pointe Croisette SAS (Cannes), Société Touristique Thermale et Hôtelière de Divonne SA (Divonne-les-Bains), Société Forges Thermal SA (Forges-les-Eaux), Eden Beach Casino SA (Juan-les-Pins), Casino Le Lion Blanc SAS (Saint-Galmier)
- Legal entity of Groupe Partouche SA, Corporate Manager of SCI Rue Royale (Paris)

Corporate Manager: Société du Casino de Bourbon Lancy SARL, Quarisma SARL (Paris), Partouche Tournois SARL (Paris)
Co-Corporate Manager: Appolonia SARL (Antibes)

OUTSIDE FRANCE:
Director: Casino Kursaal Oostende SA (Belgium), CKO Betting SA (Belgium)
Deputy Director: Belcasinos SA (Belgium), Casino de Chaudfontaine SA (Belgium)
Deputy Director, Member: Cercle Privé du Casino de Spa (Belgium), Club Privé du Casino d'Ostende (Belgium)

BOARD MEMBER IDENTITY, DATE AND PLACE OF BIRTH	DATE OF FIRST APPOINTMENT	EXPIRATION OF APPOINTMENT	PRINCIPAL POSITION HELD WITHIN THE COMPANY	PRINCIPAL POSITION HELD OUTSIDE THE COMPANY	FUNCTIONS AND MANDATES HELD OUTSIDE THE GROUP (*)
ARI SEBAG **BORN ON 25 SEPTEMBER 1961 IN TIARET (ALGERIA)** 5,682 shares held	Supervisory Board Meeting held on 20 June 1996	30 October 2019	Member of the Executive Board	Member of the Executive Board General Manager of Financière Partouche SA	Corporate Manager: SCI Elisa (Paris) General Manager: Groupe Partouche Bahamas Limited
KATY ZENOU **BORN ON 6 AUGUST 1961 IN TIARET (ALGERIA)** 9,972 shares held	Supervisory Board Meeting held on 20 June 1996	30 October 2019	Member of the Executive Board	Member of the Executive Board General Manager of Financière Partouche SA	
JEAN-FRANCOIS LARGILLIÈRE	Supervisory Board Meeting held on 30 October 2013	30 October 2019	Member of the Executive Board	Deputy General Manager, Director of Société Touristique Thermale et Hôtelière de Divonne SA	

The business address of the members of the Executive Board with regard to their functions within Groupe Partouche is the registered office of Groupe Partouche (141 bis, rue de Saussure, 75017 Paris, France)

(*) The aforementioned mandates are in force except for those whose date of expiration is expressly indicated.

FUNCTIONS AND MANDATES HELD WITHIN THE GROUP (*)
IN FRANCE: Member of the Executive Board of Groupe Partouche SA (with Executive Board and Supervisory Board) General Manager and Member of the Executive Board of Financière Partouche SA (with Executive Board and Supervisory Board) Managing Director, Director: Forges Thermal SA (Forges-les-Eaux) Chairman, Director: Société du Casino et Bains de Mer de Dieppe SAS, Casino du Grand Café SAS (Vichy), Casino de Salies de Béarn SAS, Casino Le Lion Blanc SAS (Saint-Galmier), Société d'Exploitation du Casino de Divonne SAS - "SECD" (Divonne-les-Bains), Casino Municipal de Royat SAS (Royat), Développement de la Baie de Kernic SAS (Plouescat), Casinos de Vichy SAS (Vichy), Partouche Spectacles & Evénéments SAS (Paris) Chairman of the Board of Directors: Le Miami SA (Andernos), Société du Casino d'Arcachon SA, Élysée Palace Hôtel SA (Paris) Chairman: Association Biennale d'Art Contemporain du Havre - ABACH Deputy General Manager, Director: Grand Casino du Havre SAS General Manager: Partouche Immobilier SAS (Paris) Director: Casino de Coutainville SA, Casino de la Tremblade SAS, Cannes Balnéaires SA (Cannes), Holding Garden Pinède SAS (Paris), Société du Grand Casino de Cabourg SAS (Cabourg), Société Touristique de La Trinité (Paris), Partouche Technologies SAS (Saint-Avertin), Le Touquet's SAS (Calais), Société du Casino de Saint-Amand SAS (Saint-Amand-les-Eaux), Société du Grand Casino de Gréoux-les-Bains SAS, Plombinoise de Casino SAS (Plombières-les-Bains), Société de L'Élysée Palace SA (Paris), Société d'Activités Thermales Hôtelières et de Loisirs SA - "Sathel" (La Tour de Salvagny), Partouche Gaming France SAS (Paris) Corporate Manager: Hôtel Cosmos SARL (Contrexéville), Grands Hôtels du Parc SARL (Contrexéville), Centre de Formation Professionnelle des Casinos SARL - CFPC (Paris) Co-Corporate Manager: Appolonia SARL (Antibes), Partouche Productions SARL (Paris) Member of the Executive Committee: Partouche Images SAS (Paris) Permanent Representative: - Legal entity of Groupe Partouche SA, Director of Numa SAS (Boulogne), Grand Casino de Bandol SAS, Casino de Pornichet SAS, Compagnie pour le Développement du Tourisme Hyérois SAS (Hyères), Casino de La Grand Motte SAS, Casino du Mole SAS (Pornic), Société d'Exploitation du Casino et Hôtels de Contrexéville SAS, Société des Brasseries et Casinos SA - "Les Flots Bleus" (La Ciotat), Société du Grand Casino d'Annemasse SA, Jean Metz SAS (Berck) - Legal entity of Compagnie Européenne de Casinos SAS, Director of Casino d'Évaux-les-Bains SAS, Complexe Commercial de La Roche-Posay SA, Société du Casino du Palais de la Méditerranée SAS (Nice), and Société d'Exploitation de la Rotonde SAS (Pléneuf-Val-André) **OUTSIDE FRANCE:** Chairman of the Board of Directors: Casino de Chaudfontaine SA (Belgium), Club Privé du Casino d'Ostende (Belgium) Director: Groupe Partouche International SA - "GPI" (Belgium), Casino Kursaal Oostende SA (Belgium), Belcasinos SA (Belgium) Member: Cercle Privé du Casino de Spa (Belgium) Permanent Representative: - Groupe Partouche International SA, Director of Grand Casino de Djerba SA (Tunisia) - Belcasinos SA, Chairman, Director of CKO Betting SA (Belgium) and of Casino Kursaal Oostende SA (Belgium)
IN FRANCE: Member of the Executive Board of Groupe Partouche SA (with Executive Board and Supervisory Board) General Manager and Member of the Executive Board of Financière Partouche SA (with Executive Board and Supervisory Board) General Manager, Director: Société de L'Élysée Palace SA (Paris) Deputy General Manager and Director: Casino du Touquet SAS (Le Touquet) Director: Numa SAS (Boulogne-sur-Mer), Baratem SA (Le Touquet), Partouche Gaming France SAS (Paris), Casino de Pornichet SAS Permanent representative of the following legal entities: - Groupe Partouche SA, Director of Cannes Balnéaire SA (Cannes), Société du Casino Municipal de Royat SAS - Compagnie Européenne de Casinos SAS, Director of Société du Casino d'Arcachon SA, Compagnie pour le Développement du Tourisme Hyérois SAS **OUTSIDE FRANCE:** Director: Groupe Partouche International SA - "GPI" (Belgium)
IN FRANCE: Member of the Executive Board of Groupe Partouche SA (with Executive Board and Supervisory Board) Chairman, Director: Casino de Palavas SAS (Palavas-les-Flots) Director and Deputy General Manager: Société Touristique Thermale et Hôtelière de Divonne SA (Divonne-les-Bains) Permanent representative of the legal entity Groupe Partouche SA, Director of Casino de Coutainville SA

14.1.3 TYPE OF FAMILY RELATIONSHIPS BETWEEN MEMBERS OF THE EXECUTIVE AND SUPERVISORY BOARDS

DIRECTION OF RELATIONSHIP ▸▸	ISIDORE PARTOUCHE	GASTON GHRENASSIA	PATRICK PARTOUCHE	HUBERT BENHAMOU	WALTER BUTLER	DANIEL COHEN	VERONIQUE FORNERI	ARI SEBAG	KATY ZENOU	FABRICE PAIRE	JEAN-FRANCOIS LARGILLIERE
ISIDORE PARTOUCHE	-	-	Father	Uncle	-	-	-	Uncle	Uncle	-	-
GASTON GHRENASSIA	-	-	-	-	-	-	-	-	-	-	-
PATRICK PARTOUCHE	Son	-	-	Cousin	-	-	-	Cousin	Cousin	-	-
HUBERT BENHAMOU	Nephew	-	Cousin	-	-	-	-	Cousin	Cousin	-	-
WALTER BUTLER	-	-	-	-	-	-	-	-	-	-	-
DANIEL COHEN	-	-	-	-	-	-	-	-	-	-	-
VERONIQUE FORNERI	-	-	-	-	-	-	-	-	-	-	-
ARI SEBAG	Nephew	-	Cousin	Cousin	-	-	-	-	Cousin	-	-
KATY ZENOU	Niece	-	Cousin	Cousin	-	-	-	Cousin	-	-	-
FABRICE PAIRE	-	-	-	-	-	-	-	-	-	-	-
JEAN-FRANCOIS LARGILLIÈRE	-	-	-	-	-	-	-	-	-	-	-

14.1.4 PROFESSIONAL EXPERIENCE

▸ **Isidore Partouche** arrived in France in 1965. In 1973 he took over the Saint Amand casino, thus laying the foundations of a business that brought together his brothers and sisters. During the following years he carried out a succession of takeovers, acquisitions and creations of casinos in France. In 1995, Groupe Partouche was the first French casino operator to carry out an initial public offering on the stock market, giving credibility to an industry which had suffered image problems until then. As the Group's Chairman, in 1998 he inaugurated its first Pasino in Djerba, a concept incorporating a gaming and leisure centre that he created. The second Pasino, the biggest casino in France, was opened in 2001 in Aix-en-Provence. In 1999, he opened the first casino in a major French city, Le Pharaon in Lyon. In 2002, he launched a successful counter-offer, opposing Accor, by means of a Public Cash Offer for the CEC, which propelled his Group into the position of European leader.

▸ **Patrick Partouche** arrived in France in 1965. He terminated his university studies in 1982 to join the business founded by his father Isidore Partouche. He took on his first operational position in the group at age 25, when he was appointed General Manager of the Dieppe casino, and held this position from 1989 to 1993. In 1993, he became Managing Director of Casino Eden Beach in Juan-les-Pins. In 1998, he took part in the acquisition of the Carlton casino and of Palm Beach in Cannes, which he obtained the authorisation to open in August 2002. As General Manager of Groupe Partouche until 2004, he assumed responsibility for the Group's business in South East France and was also in charge of marketing, communication and new technologies. He focused particularly on strategic issues and questions. He was Chairman of the Executive Board of Groupe Partouche from 31 January 2005 until 18 March 2011, when he was co-opted to the Supervisory Board.

▸ **Gaston Ghrenassia aka Enrico Macias** provides Groupe Partouche with his extensive knowledge and irreplaceable experience of live shows, which the casinos are legally required to provide.

▸ **Hubert Benhamou** arrived in France in 1962 at the age of 13. He actively participated in the growth of the Group

by managing several significant establishments from 1973 to 1996. He then held the position of Chairman of the Executive Board of Groupe Partouche until 31 January 2005. He remained CEO and an Executive Board member of Groupe Partouche until 2007, after which he took part in representing the profession as Chairman of the Syndicat des Casinos Modernes de France and in restoring the fortunes of Groupe de Divonne, acquired in September 2005.

▸ **Walter Butler** is a graduate of the ENA and head of the tax inspectorate. He is Chairman of Butler Capital Partners, which he founded in 1991. Over the last twenty years, Butler Capital Partners has invested in dozens of European companies including BDDP, Ipsos, Groupe Flo, SNCM, PSG, France Champignon, 1001 Listes, and Atys.

Before founding Butler Capital Partners, Butler was Executive Director of Goldman Sachs in New York. He was Chairman of the AFIC, member of the French Council for Economic Analysis. He is a member of the steering committee of the French Strategic Investment Fund (FSI).

▸ **Daniel Cohen** has managed several medium-sized and large companies in the technology sector. He created several companies and subsidiaries where he managed growth, mergers and restructuring in preparation for stock exchange listing in the following sectors: video games, multimedia, computing, technology, media, audio-visual, and telecoms. These companies gave him the latitude to manage units from 10 to 500 employees. An expert in strategy and the founding chairman of Zalis, which he created at the end of 2001, he managed around 50 assignments, acquired a reputation in turning round ailing companies thanks to his expertise in risk management, regarding both technical and financial aspects.

▸ After studying the history of art, **Véronique Masi Forneri** opened a gallery in the Carré Rive Gauche where she built up an upmarket international clientele of collectors of 18th century French furniture. She quickly combined this with a decoration consulting business in France and abroad which enabled her to meet important decision-makers in the industrial and financial sectors. These contacts led her to take her career in a new direction, providing promotion and development activities in France and abroad through the finance company Adelphos SAS.

▸ **Fabrice Paire** has a degree in Internal Audit and Chartered Accountancy (equivalent) (University of Paris Dauphine). He started his career with an Audit and Advisory firm, where he became a partner. He was in charge of the statutory audits of many of Groupe Partouche's casinos. He joined the latter in 2001 as administrative manager. Patrick Partouche appointed him company secretary of the Group in 2005; he became Managing Director in 2008 and Chairman of the Executive Board of the Group in 2011.

▸ **Ari Sebag** has a degree in business law and tax (University Paris 1 - 1984). After spending three years with a law firm and an experience in audio-visual production, he joined Groupe Partouche in 1989 as General Manager of Forges-Les-Eaux Casino. As General Manager and member of the Executive Board of Groupe Partouche following its initial public offering in 1995, he focuses on international business development while assuming operating responsibility of the establishments in northwest France.

▸ **Katy Zenou** joined the gaming business before the end of her business studies degree, as an employee in all departments. Over the last twenty years she has managed several casinos and provides a woman's perspective on this business, which is particularly important given the spectrum of the group's customer base.

▸ **Jean-François Largillière** has a degree from the Compiègne school of hotel management. He began his career at the Voile d'Or in Saint-Jean Cap Ferrat, then joined the Accor Group at the Grand Hôtel de Cabourg and completed several training programmes at the Académie Accor. He then took part in the opening of the Park Hotel in Aix-les-Bains on the occasion of the 1992 Winter Olympics. It was during this period that he joined Groupe Partouche, when it acquired the Européenne de Gestion Hôtelière (EGH). He pursued his career in several of the Group's hotel establishments, including the Mercure Centre Thiers in Nancy and the Méridien Part-Dieu in Lyon, and in February 2003 he was appointed general manager of the Aquabella hotel in Aix-en-Provence. In November 2008, he took the reins of the Domaine de Divonne hotel, an establishment containing a casino with 292 slot machines and table games, a four-star hotel with 133 rooms, and an 18-hole golf course.

14.1.5 ADDITIONAL INFORMATION

Each member of the Supervisory Board must own at least one share.

14.1.6 CONDEMNATIONS, BANKRUPTCIES, SANCTIONS, ETC.

To the best of the Company's knowledge, none of these people has been subject to the following during the five years prior to the date of registration of this document:

- condemnation for fraud;
- bankruptcy, sequestration of assets, liquidation as company officer, executive partner or CEO;
- prohibition by a court of law to act as a member of a management, executive or supervisory body of the issuer or participate in the management or the business operations of the issuer;
- incrimination and/or official public condemnation handed down by statutory or regulatory authorities (including designated professional bodies).

14.2 CONFLICTS OF INTEREST WITHIN ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND SENIOR MANAGEMENT

14.2.1 INDEPENDENCE OF EXECUTIVE BODIES

The Company is not aware of any potential conflicts of interest between responsibilities towards the issuer of any of the members of the Executive Board, or members of the Supervisory Board and their private interests and/or other duties.

At its meeting of 10 December 2013, the Supervisory Board selected five qualification criteria outlined by the MiddleNext code for independent members of the Supervisory Board, namely that the member:

- is not an employee or corporate officer of the Company or of any other Group company, and has not been during the past three years;
- is not a client, supplier or banker, in a material sense, of the Company or Group, or for which the Company or Group represents a significant proportion of its business;
- is not a reference shareholder of the Company;
- does not have any close family ties with a corporate officer or reference shareholder of the Company;
- has not been an auditor of the Company during the past three years.

It is stated that none of the members of the administrative, management and supervisory bodies are concerned by the provisions of Section 14.2 (arrangements or understandings entered into) of Annex I of Commission Regulation (EC) No. 809/2004.

Lastly, no restrictions have been accepted by any member of the management, executive or supervisory bodies in respect of the disposal, within a specific period, of their interest in the share capital of the issuer, aside from the partial lock-up commitment agreed upon with BCP, discussed in Section 18.3.

14.2.2 TRANSACTIONS IN SECURITIES BY GROUPE PARTOUCHE SENIOR EXECUTIVES

Members of the Supervisory Board must own at least one share. Otherwise, no restrictions have been accepted by any member of the management, executive or supervisory bodies in respect of the disposal, within the period of their ownership interest in the share capital of the issuer.

During the financial year, a 1-for-10 reverse stock split (one new share for every ten old shares) approved by the Extraordinary Shareholders' Meeting of 15 January 2015 was carried out. Members of the Executive Board and the Supervisory Board were thereby prompted to buy or sell between one and nine shares in order to hold a total number of shares that was a multiple of ten. This reverse stock split is described in Section 21.1.3.

Outside this context, Hubert Benhamou alone acquired 16,609 shares during the financial year and 21,067 shares after the financial year-end.

14.3 INTERNAL RULES OF PROCEDURE FOR THE SUPERVISORY BOARD

The guiding principles for the Supervisory Board's operations are presented in the internal rules of procedure adopted on 27 October 2005.

ARTICLE 1. STRATEGIC ORIENTATIONS

All important decisions pertaining to employment policies and labour-management relations as well as the strategic, economic, social, financial or technological orientations of the Company require the approval of the Supervisory Board, which also supervises their implementation by the Executive Board.

The Group's medium-term orientations are laid down in the form of a strategic plan, a draft of which is prepared and presented by the Executive Board for approval and adoption by the Supervisory Board. This draft notably includes forecasts for the development of the Group's main operating and financial indicators. In conjunction with this strategic plan, the Executive Board presents an annual budget proposal.

The Executive Board is responsible for implementing the orientations of the strategic plan.

ARTICLE 2. INFORMATION PROVIDED TO THE MEMBERS OF THE SUPERVISORY BOARD

In addition to the agenda of each meeting, the members of the Supervisory Board are individually provided with sufficient documentation to ensure that their decisions may be made in full possession of the facts concerning each of the issues before the meeting.

At each meeting of the Supervisory Board, its Chairman informs all members of the significant facts and events affecting the business of the Group that have come to pass or have been brought to his attention since its last meeting.

On the occasion of at least each review of the quarterly, half-yearly and annual financial statements, it seeks information from the finance director and the accounts department, and reviews the scope of the consolidated companies.

When it reviews the half-year and annual financial statements, in addition consulting with the finance and accounts directors, the Supervisory Board questions the Auditors and receives their observations.

ARTICLE 3. ARTICLE 3. CONTROL BY THE SUPERVISORY BOARD

The Supervisory Board may be convened by the Chairman to hear a proposal in support of a control or verification mission. In all circumstances, the Supervisory Board considers the matter at hand as quickly as possible.

Should the Supervisory Board decide that the control or verification needs to be performed, it enters into discussions to determine the objective and the procedures to be followed and either carries out the mission itself or entrusts it to one of its committees, one of its members or a third party.

Should the Supervisory Board decide that the control or verification mission shall be performed by one of its members or by a third party, the mission is defined under the terms and conditions set forth in Article 4.

The Chairman determines the conditions for the execution of the control or verification mission. In particular, the necessary measures are taken to ensure that the conduct of the mission disturbs the Group's operations as little as possible. Where required, employees of the Group are invited to appear before the Supervisory Board.

The Chairman ensures that the information required for control or verification is provided to the party carrying out the mission.

Irrespective of the party performing the control or verification mission, the conduct of such a mission does not authorise this party to intervene in any manner whatsoever in the Group's business operations.

A report is presented to the Supervisory Board upon the conclusion of the control or verification mission. The Supervisory Board then determines the actions to be taken based on these conclusions.

ARTICLE 4. OPTION TO ENTRUST A MISSION TO A MEMBER OF THE SUPERVISORY BOARD

Should the Supervisory Board decide to entrust a mission to one (or several) of its members or to one (or several) third parties, it enters into discussions to define the main parameters of the mission. Where the party or parties entrusted with the mission are members of the Supervisory Board, they are not allowed to participate in any votes pertaining to these determinations.

On the basis of the Supervisory Board's decisions, a proposed mission letter is prepared under the direction of the Chairman, which includes the following elements:

- a statement of the precise objective of the mission;
- the desired format for the mission report;
- the duration of the mission;
- the remuneration due, if applicable, to the party executing the mission, as well as the terms and conditions for payment of these sums to this party;
- indication, where applicable, of the ceiling for the reimbursement of travel and all other expenses incurred by the party that are related to the execution of the mission.

The mission report is distributed by the Chairman to the members of the Supervisory Board.

ARTICLE 5. SUPERVISORY BOARD COMMITTEES

To support its missions and to undertake preparatory work for its meetings, the Supervisory Board has formed a number of committees.

In these Rules of Procedure, the Supervisory Board sets forth the roles and responsibilities of each of these committees. Each committee drafts proposals, prepares recommenda-

tions or issues opinions, as applicable, in its particular area of expertise. To achieve these ends, the committees may decide to commission studies as necessary to facilitate the deliberations of the Supervisory Board.

The Supervisory Board appoints the members and the Chairman of each committee. Committee members are expected to attend meetings in person, or if necessary by way of telecommunication or videoconferencing methods.

Each committee decides how often meetings take place at the registered office or any other location set by its Chairman, who convenes each meeting at least five calendar days before the meeting date. The Chairman of each committee also establishes the agenda for its meetings and forwards this information to the Chairman of the Supervisory Board.

To reach a quorum, at least half of the members of a committee need be present.

Each committee deliberates on the basis of a simple majority of its present or represented members.

The Chairman of each committee may decide to invite one or several external persons without voting rights to certain meetings. He informs the Chairman of the Supervisory Board of the names of the persons he wishes to invite to a meeting.

The referral procedure for matters to be handled by committees functions as follows:

- Each committee handles all matters falling within the area of expertise assigned to it by these rules of procedure and determines its own annual schedule;
- It may be referred by the Supervisory Board with any matter falling within its specific area of expertise, and each committee may request that the Chairman of another committee convene a meeting with a specific agenda.

Each committee may decide, if required, on its other operational procedures. On a regular basis, it ensures that, under the responsibility of its Chairman, its rules and operational procedures help the Supervisory Board take valid decisions on matters in its field of competence.

ARTICLE 6. AUDIT COMMITTEE

The Audit Committee is responsible for the internal management control procedures and the reliability and clarity of the information to shareholders, banks and markets.

The Audit Committee effects an annual and half-year examination of the financial statements and consolidated financial statements and periodically examines internal control procedures and more generally all the procedures for auditing accounting or management that are in force within the Group.

It also acts as an intermediary between the Supervisory Board and the Statutory Auditors of the Group, and reviews their audit reports.

It studies modifications of accounting standards applied in the preparation of financial statements, as well as any non-compliance with such standards.

Any event exposing the Group to a significant risk is referred by the Chairman of the Supervisory Board to the Audit Committee for its review.

The Audit Committee may request that an internal or external audit or survey be performed on any subject that it considers to be relevant to its mission. Should it decide that such an audit or survey is required, its Chairman notifies the Supervisory Board.

The expenses incurred for all missions of the Audit Committee, and in particular for surveys and audits performed, are paid by the Company.

The Audit Committee may convene a meeting on any matter it considers to be relevant to its mission.

ARTICLE 7. APPOINTMENTS AND COMPENSATION COMMITTEE

The Appointments and Compensation Committee's task is to determine the remuneration of the members of the Executive Board, and to obtain, through the Executive Board, information relating to the remuneration and status of the Directors of the Group whose remuneration exceeds 120,000 euros.

The committee does not determine the allocation methods for bonuses in advance.

ARTICLE 8. MEETINGS OF THE SUPERVISORY BOARD

Acting upon a proposal from its Chairman, each year the Supervisory Board decides upon the meeting calendar for the following year.

This meeting calendar includes the dates for regular meetings of Supervisory Board (first- and third-quarter meetings, first-half results, meeting in advance of the Annual Shareholders' Meeting, etc.) and, on a provisional basis and subject to modification, the dates to be reserved by members of the Supervisory Board for possible special meetings.

The Chairman decides upon the agenda for each meeting of the Supervisory Board, which he communicates in a timely fashion and by all appropriate methods to all its members.

The documents required to ensure that decisions by members of the Supervisory Board on issues before the meeting included on the agenda received from the Chairman may be made in full possession of the facts are forwarded to the members of the Supervisory Board no less than 48 hours in advance of the meeting, with the exception of urgent matters or where there is a need to maintain complete confidentiality.

On the recommendation of its Chairman, the Supervisory Board may discuss urgent matters not included in the agenda received by members at any of its meetings.

ARTICLE 9. PARTICIPATION IN SUPERVISORY BOARD MEETINGS VIA VIDEOCONFERENCING

The Chairman is responsible for ensuring that reliable videoconferencing methods are made available to members of the Supervisory Board who do not reside in the Paris region or who live abroad, as well as to those who find themselves in distant locations for legitimate purposes, so as to allow them to participate in the meetings of the Supervisory Board.

Where the place that the Supervisory Board is convened is not the Company's registered office, the Chairman takes the necessary measures to ensure that the members of the Supervisory Board who have decided to attend the meeting can participate via the abovementioned means.

Members of the Supervisory Board who participate in meetings by way of videoconferencing or other telecommunication methods shall be deemed present when calculating the quorum and the majority.

The videoconferencing methods chosen must meet technical specifications guaranteeing effective participation in the meeting whose deliberations must be communicated without interruption. Should the equipment used not meet such specifications, the members in question shall not be deemed present and, in the absence of a quorum, the meeting of the Supervisory Board shall need to be adjourned.

The attendance register for the meetings of the Supervisory Board must mention, where applicable, which of its members have participated by way of videoconferencing.

In addition, the minutes of Supervisory Board meetings must indicate the names of members participating by way of videoconferencing.

The minutes must also note the occurrence of any technical incidents affecting a videoconferencing session when such an incident caused the meeting to be interrupted.

The preceding provisions are not applicable to the adoption of decisions of the nature specified under Article 9, Sections 1 and 3, of Act 83-675 of 26 July 1983, and under Articles L. 225-47, L. 225-53, L. 225-55, L. 232-1 and L. 233-16 of the French Commercial Code.

ARTICLE 10. DUTY OF CONFIDENTIALITY IMPOSED UPON MEMBERS OF THE SUPERVISORY BOARD

The members of the Supervisory Board are required to maintain absolute secrecy with respect to the content of discussions and deliberations of the Supervisory Board and its committees as well as the information presented.

As a general rule, the members of the Supervisory Board are obliged to refrain from communicating outside the Company, and in particular to the press, in their capacities as members.

The Chairman brings to the attention of the members of the Supervisory Board the information to be released to the various markets, as well as the contents of press releases distributed for this purpose in the name of the Group.

In the event of a proven breach of confidentiality by one of the members of the Supervisory Board, following discussion with the Chairmen of all Committees assembled for this purpose, the Chairman of the Supervisory Board reports to the entire body on the course of action, potentially including legal consequences that he intends to pursue with respect to this breach.

ARTICLE 11. DUTY OF INDEPENDENCE IMPOSED UPON MEMBERS OF THE SUPERVISORY BOARD

In the performance of his or her duties, each member of the Supervisory Board must make decisions based on the Company's best interests and without regard to any other interests.

Each member of the Supervisory Board is required to inform the Chairman of any situation with the potential to create a conflict of interest between his or her personal interests and the interests of the Company or of any of the Group's subsidiaries. Where appropriate, the Chairman requests the opinion of the Appointments and Compensation Committee. Based on the outcome of this procedure, it is the responsibility of the Supervisory Board member involved to take any action necessary, pursuant to applicable laws.

The members of the Supervisory Board must register the shares they hold in the Company upon their appointment as well as those they acquire while serving their term in office.

The members of the Supervisory Board inform the Chairman and the Autorité des Marchés Financiers (AMF) of any transactions involving shares in the Company to which they have been a party.

The members of the Supervisory Board must refrain from:

- carrying out any transaction involving shares in publicly listed Group companies while in possession of privileged information;
- engaging, either directly or indirectly, in any short selling of these shares.

The first prohibition applies in particular during the preparation and presentation of the Group's half-yearly, yearly and quarterly results.

It also applies exceptionally where the preparation of certain projects or operations justifies this prohibition.

The Chairman sets or confirms the start and end dates for the preparation periods mentioned and communicates these dates to the members of the Supervisory Board in a timely fashion.

The Chairman reports to the Supervisory Board on the measures taken to ensure that employees of the Group having access to information by virtue of their positions and/or participating as members of the teams involved in the operations concerned comply with these rules of procedure.

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REMUNERATION AND BENEFITS

15.1 AMOUNT OF REMUNERATION AND BENEFITS PAID

15.1.1 REMUNERATION ALLOTTED TO THE EXECUTIVE AND SUPERVISORY BOARDS BY GROUPE PARTOUCHE SA

The total remuneration paid to the Executive and Supervisory bodies during the financial year ended 31 October 2015 amounted to €1,842,026.

15.1.2 REMUNERATION OF COMPANY OFFICERS

A) SUMMARY OF THE REMUNERATION OF EACH SENIOR EXECUTIVE OFFICER

Pursuant to the provisions of Article L. 225-102-1 of the French Commercial Code, all remuneration received from Groupe Partouche during the financial year ended 31 October 2015 is summarised in the table below on an individual basis:

FINANCIAL YEAR ENDED	31/10/2015		31/10/2014		31/10/2013	
	AMOUNTS DUE	AMOUNTS PAID	AMOUNTS DUE	AMOUNTS PAID	AMOUNTS DUE	AMOUNTS PAID
MEMBERS OF THE SUPERVISORY BOARD						
Patrick Partouche, Chairman of the Supervisory Board						
Fixed remuneration	518 085	518 085	518 085	518 085	518 085	518 085
Exceptional remuneration						
Directors' fees	12 000					
Benefits in kind *	6 915	6 915	6 915	6 915	6 915	6 915
Total	537 000	525 000	525 000	525 000	525 000	525 000
Isidore Partouche, Vice-Chairman of the Supervisory Board						
Fixed remuneration	120 000	120 000	120 000	120 000	120 000	120 000
Exceptional remuneration						
Directors' fees	22 768	12 768				
Benefits in kind						
Total	142 768	132 768	120 000	120 000	120 000	120 000
Gaston Ghrenassia, Member of the Supervisory Board						
Fixed remuneration						
Exceptional remuneration						
Directors' fees	2 000					
Benefits in kind						
Total	2 000	-	-	-	-	-

FINANCIAL YEAR ENDED	31/10/2015		31/10/2014		31/10/2013	
	AMOUNTS DUE	AMOUNTS PAID	AMOUNTS DUE	AMOUNTS PAID	AMOUNTS DUE	AMOUNTS PAID
Hubert Benhamou, Member of the Supervisory Board						
Fixed remuneration	6 000	6 000	6 000	60 000	18 000	18 000
Exceptional remuneration	667	667				
Directors' fees	12 000					
Benefits in kind *	8 001	8 001	8 002	8 002	7 987	7 987
Total	26 668	14 668	14 002	14 002	25 987	25 987
Walter Butler, Member of the Supervisory Board						
Fixed remuneration						
Exceptional remuneration						
Directors' fees	6 000					
Benefits in kind						
Total	6 000	-	-	-	-	-
Lise Nobre, Member of the Supervisory Board (resigned on 12 December 2012)						
Fixed remuneration						
Exceptional remuneration						
Directors' fees						
Benefits in kind						
Total					-	-
Lionel Mestre, Member of the Supervisory Board (BCP Representative, appointed on 11 June 2014)						
Fixed remuneration						
Exceptional remuneration						
Directors' fees	10 000					
Benefits in kind						
Total	10 000	-	-	-		
Daniel Cohen, Member of the Supervisory Board						
Fixed remuneration						
Exceptional remuneration						
Directors' fees	10 000					
Benefits in kind						
Total	10 000	-	-	-	-	-
Véronique Masi Forneri, Member of the Supervisory Board						
Fixed remuneration						
Exceptional remuneration						
Directors' fees	6 000					
Benefits in kind						
Total	6 000	-	-	-		

FINANCIAL YEAR ENDED	31/10/2015		31/10/2014		31/10/2013	
	AMOUNTS DUE	AMOUNTS PAID	AMOUNTS DUE	AMOUNTS PAID	AMOUNTS DUE	AMOUNTS PAID
MEMBERS OF THE EXECUTIVE BOARD						
Fabrice Paire, Chairman of the Executive Board						
Fixed remuneration	353 000	353 000	318 000	318 000	318 000	318 000
Exceptional remuneration						
Directors' fees						
Benefits in kind *	7 207	7 207	4 062	4 062		
Total	360 207	360 207	322 062	322 062	318 000	318 000
Ari Sebag, Member of the Executive Board						
Fixed remuneration	402 583	402 583	402 583	402 583	402 583	402 583
Exceptional remuneration						
Directors' fees						
Benefits in kind *	8 266	8 266	8 204	8 204	8 117	8 117
Total	410 849	410 849	410 787	410 787	410 700	410 700
Katy Zenou, Member of the Executive Board						
Fixed remuneration	233 924	233 924	233 924	233 924	233 924	233 924
Exceptional remuneration						
Directors' fees						
Benefits in kind						
Total	233 924	233 924	233 924	233 924	233 924	233 924
Jean-François Largillière, Member of the Executive Board						
Fixed remuneration	164 000	164 000	144 429	144 429		
Exceptional remuneration			10 000	10 000		
Directors' fees						
Benefits in kind *	610	610	463	463		
Total	164 610	164 610	154 892	154 892		
Alexandre Schulmann, Member of the Executive Board (term expired on 30 October 2013, not renewed)						
Fixed remuneration					125 394	125 394
Exceptional remuneration						
Directors' fees **					9 600	9 600
Benefits in kind						
Total					134 994	134 994

(*) Benefits in kind for Patrick Partouche are in respect of insurance, those for Ari Sebag are in respect of insurance and accommodation, those for Hubert Benhamou are in respect of a company car, and those for Fabrice Paire and Jean-François Largillière are in respect of membership in the GSC social security regime for company managers.

(**) Attendance fees paid in respect of corporate office held at Casino Municipal d'Aix Thermal.

All items are fixed amounts.

Tables No. 4, 5, 6, 7, 8, 9 and 10 specified in Appendix 2 of Position/Recommendation No. 2014-14 of the French Financial Market Authority (AMF) do not apply.

B) SHARE SUBSCRIPTION OR PURCHASE OPTIONS AWARDED DURING THE FINANCIAL YEAR TO EACH SENIOR EXECUTIVE OFFICER BY THE ISSUER AND/OR ANY OTHER SUBSIDIARY

Company officers have not in the past benefited from – and do not currently benefit from – any share subscription or purchase options.

C) PERFORMANCE SHARES AWARDED TO EACH SENIOR EXECUTIVE OFFICER

Company officers have not in the past benefited from – and do not currently benefit from – any performance shares.

D) EMPLOYMENT CONTRACTS, SPECIFIC RETIREMENTS PLANS, INDEMNITIES FOR DEPARTURES, NON-COMPETITION CLAUSE IN FAVOUR OF THE SENIOR EXECUTIVE OFFICERS

	EMPLOYMENT CONTRACT		SUPPLEMENTARY PENSION		INDEMNITIES OR ADVANTAGES DUE OR LIKELY TO BE DUE UPON DEPARTURE OR CHANGE OF POSITION		INDEMNITIES RELATED TO A NON-COMPETITION CLAUSE	
	YES	NO	YES	NO	YES	NO	YES	NO
SUPERVISORY BOARD								
Patrick Partouche *Chairman of the Supervisory Board* *First appointment:* *18 March 2011* *End of office:* *31 October 2019*		X		X		X		X
Isidore Partouche *Vice-Chairman of the Supervisory Board* *First appointment:* *20 June 1996* *End of office:* *31 October 2019*		X		X		X		X
Gaston Ghrenassia *Member of the Supervisory Board* *First appointment:* *11 December 1998* *End of office:* *31 October 2019*		X		X		X		X
Hubert Benhamou *Member of the Supervisory Board* *First appointment:* *29 April 2011* *End of office:* *31 October 2016*		X		X		X		X
Walter Butler *Member of the Supervisory Board* *First appointment:* *29 April 2011* *End of office:* *31 October 2016*		X		X		X		X

	EMPLOYMENT CONTRACT		SUPPLEMENTARY PENSION		INDEMNITIES OR ADVANTAGES DUE OR LIKELY TO BE DUE UPON DEPARTURE OR CHANGE OF POSITION		INDEMNITIES RELATED TO A NON-COMPETITION CLAUSE	
	YES	NO	YES	NO	YES	NO	YES	NO
Lionel Mestre *Member of the Supervisory Board* *First appointment:* *11 June 2014* *End of office:* *31 October 2016*		X		X		X		X
Daniel Cohen *Member of the Supervisory Board* *First appointment:* *13 December 2011* *End of office:* *31 October 2019*		X		X		X		X
Véronique Masi Forneri *Member of the Supervisory Board* *First appointment:* *24 April 2014* *End of office:* *31 October 2019*		X		X		X		X
EXECUTIVE BOARD								
Fabrice Paire * *Chairman of the Executive Board* *First appointment:* *3 November 2008* *End of office:* *30 October 2019*	X			X		X		X
Ari Sebag *Member of the Executive Board* *First appointment:* *20 June 1996* *End of office:* *30 October 2019*		X		X		X		X
Katy Zenou *Member of the Executive Board* *First appointment:* *20 June 1996* *End of office:* *30 October 2019*		X		X		X		X
Jean-François Largillière ** *Member of the Executive Board* *First appointment:* *30 October 2013* *End of office:* *30 October 2019*	X			X		X		X

(*) Pre-existing employment contract with Groupe Partouche SA.
(**) Pre-existing employment contract with the subsidiary STTH – Domaine de Divonne.

15.1.3 DIRECTORS' FEES PAID TO THE MEMBERS OF THE SUPERVISORY BOARD

For the 2014-15 financial year, €70,000 in directors' fees were allocated by Groupe Partouche to the members of the Supervisory Board and paid in the amount of €68,000 in January 2016.

15.2 TOTAL AMOUNTS SET ASIDE OR ACCRUED BY THE ISSUER OR ITS SUBSIDIARIES TO PROVIDE PENSION, RETIREMENT OR SIMILAR BENEFITS

The total amount set aside in respect of retirement benefits for the past financial year for all persons listed in Section 14.1 was €10,364.

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16

OPERATION OF DIRECTORS' AND EXECUTIVE BODIES

16.1 APPOINTMENTS OF DIRECTORS AND EXECUTIVE COMPANY OFFICERS

On the Supervisory Board, the appointments of members Hubert Benhamou, Walter Butler and Butler Capital Partners, represented by Lionel Mestre, will expire at the end of the Annual Ordinary Shareholders' Meeting convened to approve the financial statements for the financial year ended 31 October 2016; those of Isidore Partouche, Patrick Partouche, Daniel Cohen, Gaston Ghrenassia and Véronique Masi Forneri will expire at the end of the Annual Shareholders' Meeting convened to approve the financial statements for the financial year ended 31 October 2019.

On the Executive Board, the appointments of members Katy Zenou, Fabrice Paire, Ari Sebag and Jean-François Largillière will expire on 30 October 2019.

16.2 SERVICE CONTRACTS PROVIDING FOR BENEFITS UPON TERMINATION OF EMPLOYMENT

Please refer to the special report of the Statutory Auditors on regulated agreements and commitments in Section 19.

SERVICE CONTRACTS INVOLVING FINANCIÈRE PARTOUCHE SA

Financière Partouche SA holds 6,433,585 shares (i.e. 66.45%) of the 9,681,560 shares with a par value of €20 each that make up Groupe Partouche SA's share capital.

Financière Partouche is a company with an Executive Board and a Supervisory Board chaired by Isidore Partouche, which has entered into the centralised cash pooling agreement concluded between Group companies and Groupe Partouche SA.

Furthermore, Groupe Partouche and Financière Partouche are parties to a subordinated shareholder's advance agreement, concluded on 26 August 2003, governing the advance granted by Financière Partouche to Groupe Partouche, which has been amended and supplemented by three riders, signed on 26 April 2005, 30 September 2005 and 30 October 2009. Upon the completion of negotiations with the pool of banks, this amended and supplemented agreement contained the following main clauses:

1. SHAREHOLDER'S ADVANCE AGREEMENT

The shareholder's advance maturing on 31 December 2015 was repaid as described below, in application of the judgment of the Paris Commercial Court dated 29 September 2014 governing the Safeguard Plan of Groupe Partouche SA.

The restructuring of the debt of Financière Partouche under the shareholder's advance was discontinued according to the following three terms (refer to Section 4.1.2):

(a) Payment to Financière Partouche, within one month following the Paris Commercial Court's adoption of the Safeguard Plan, of an amount equalling precisely the amount of the first dividend to be paid by Financière Partouche in implementing its own Safeguard Plan. This payment, set at €9,886,500, was made for the financial year ended 31 October 2014;

(b) Payment of the remaining balance due to Financière Partouche in eight annuities, according to the following schedule:

1st annuity	(15/12/2015)	10.0% of balance
2nd annuity:	(15/12/2016)	10.0% of balance
3rd annuity:	(15/12/2017)	10.0% of balance
4th annuity:	(15/12/2018)	12.5% of balance
5th annuity:	(15/12/2019)	12.5% of balance
6th annuity:	(15/12/2020)	12.5% of balance
7th annuity:	(15/12/2021)	15.0% of balance
8th annuity:	(15/12/2022)	17.5% of balance

(c) The interest that continues to accrue under the shareholder's advance will be calculated and paid as part of the Safeguard Plan according to the same terms applicable before the Safeguard Procedure was opened, i.e. the outstanding debt on the shareholder's advance at a rate equal to the 1-, 2-, 3- or 6-month Euribor plus a margin of 2.00% per annum for the shareholder's advance and a rate of 0.8% for the current account.

2. SUBORDINATION AGREEMENT

Before the Safeguard Procedure (procédure de sauvegarde) was initiated, repayment of the syndicated loan took precedence over the repayment of the shareholder's advance. No dividends or interest were paid by Groupe Partouche to Financière Partouche under the subordinated shareholder's

advance or for any other motive except for repayments from the surplus cash flow system already in place.

Under the terms of the Paris Commercial Court ruling of 29 September 2014 on the Groupe Partouche SA Safeguard Plan, the subordination agreement was adjusted to serve the sole purpose of implementing the Safeguard Plan, and, if and only if that plan is scrupulously executed, the purpose of clearing the debt described above in Section 1 "Shareholder's advance agreement".

SERVICE CONTRACTS INVOLVING ISPAR HOLDING SA

Ispar Holding SA, which is controlled and chaired by Isidore Partouche, provides assistance and advisory services to the Group's casinos in Switzerland.

It holds 232,874 shares in the Company, representing 2.40% of the share capital.

SERVICE CONTRACTS INVOLVING SHAL & CO SA

Shal & Co, a company controlled and chaired by Hubert Benhamou, entered into a management consultancy agreement with Groupe Partouche for some of its subsidiaries.

Except for the information provided here above and as provided in 16.2 of Annex I of Commission Regulation (EC) No. 809/2004, there are no other service contracts entered into by members of the administrative, management or supervisory bodies of the issuer or of any of its subsidiaries providing for benefits upon termination of employment.

16.3 EXECUTIVE AND SUPERVISORY BOARDS

16.3.1 EXECUTIVE BOARD

See Articles 16 to 19 of the Articles of Association.

COMPOSITION OF THE EXECUTIVE BOARD

Fabrice Paire : Chairman

Ari Sebag : Member

Katy Zenou : Member

Jean-François Largillière : Member

MEETINGS OF THE EXECUTIVE BOARD

The Executive Board met eight times during the financial year ended 31 October 2015, and three times after the balance sheet date from 1 November 2015 to 16 February 2016, with an attendance rate of 100%.

FUNCTIONING OF THE EXECUTIVE BOARD

As provided by Article 18.1 of the Articles of Association, the Executive Board's decisions are taken based on the majority of the votes of its members. Voting by proxy is prohibited. In the event of a tie, the Chairman casts the deciding vote.

For more information, please refer to Section 21.2.2 of this document.

MAIN WORK PERFORMED IN FINANCIAL YEAR 2015

The meetings of the Executive Board during the financial year ended 31 October 2015 were concerned with the preparation and presentation of the detailed activity reports submitted to the Supervisory Board at the end of quarterly, half-yearly and annual periods. These reports allow the Supervisory Board to completely fulfil its role.

MEETINGS TO REVIEW THE ACCOUNTS:

- Quarterly: 8 December 2014 (Q4 2014), 16 February 2015 (Q1 2015), 8 June 2015 (Q2 2015), 7 September 2015 (Q3 2015); after the balance sheet date: 7 December 2015 (Q4 2015) and 15 February 2016 (Q1 2016);
- Interim consolidated financial statements: 17 June 2015;
- Consolidated financial statements for the year ended 31 October 2014: 19 January 2015; after the balance sheet date: 18 January 2016 (approval of the financial statements for the year ended 31 October 2015).

Decisions by the Chairman of the Executive Board on 26 January 2015 to implement, under the authority delegated at the Extraordinary Shareholders' Meeting of 15 January 2015, the reverse stock split of the Company's shares.

Meeting of 3 April 2015 with a view to taking a mortgage offered by Grand Casino de La Trinité-sur-Mer to secure its debt.

Meeting of 28 September 2015 with a view to implementing the share buyback procedure pursuant to Article L. 225-209 of the French Commercial Code.

16.3.2. SUPERVISORY BOARD

See Articles 20 to 23 of the Articles of Association.

COMPOSITION OF THE SUPERVISORY BOARD

Supervisory Board:
Patrick Partouche : Chairman
Isidore Partouche : Vice-Chairman
Gaston Ghrenassia : Member
Walter Butler : Member
Hubert Benhamou : Member
Daniel Cohen : Member
Véronique Masi Forneri : Member

Butler Capital Partners, with Lionel Mestre serving as its Permanent Representative

FUNCTIONING OF THE SUPERVISORY BOARD

Please refer to Section 21.2.2 of this document.

MEETINGS OF THE SUPERVISORY BOARD

During the financial year ended 31 October 2015, the Supervisory Board met seven times, with an attendance rate of more than 90%, and three times after the financial year-end.

PREPARATORY WORK IN ADVANCE OF BOARD MEETINGS

Supervisory Board members receive accounting documents and, in general, all documents relating to the items on the agenda for the Board meeting, ten days before the meeting, on average.

EVALUATION OF SUPERVISORY BOARD MEMBERS

Methods used by the Group to evaluate the performance of Supervisory Board members, in line with the recommendations of the Viénot report, aim above all to provide assurance to shareholders that Supervisory Board members have the skills and expertise necessary to carry out their responsibilities.

This is one of the chief concerns of the Chairman of the Supervisory Board and dovetails with the working methods applied within the Group.

Certain members of the Supervisory Board, such as Isidore Partouche, Patrick Partouche and Hubert Benhamou, have over thirty years' experience and a highly honed set of skills and knowledge of the leisure business, particularly of gaming establishments; others, such as Mr Butler, Mr Cohen and Mr Mestre (permanent representative of BCP), have expertise in business development and investment, financial strategy or risk management; others, such as Ms Forneri and Mr Ghrenassia, have valuable artistic expertise.

The Supervisory Board evaluates the performance of its members once a year. During the financial year under review, this evaluation was on the agenda of the meeting on 8 December 2015 and did not identify any failings with the potential to adversely impact the Company.

Company officers do not receive any variable component of remuneration based on individual or collective performance or progress.

MAIN WORK PERFORMED IN FINANCIAL YEAR 2015

The meetings of the Supervisory Board were concerned, first and foremost, with the review of the activity reports and the parent company and consolidated financial statements submitted by the Executive Board at the end of quarterly, half-yearly and annual periods. The Chairman of the Executive Board was often invited to attend these meetings to provide additional information and answers to any questions raised by the Supervisory Board.

The Supervisory Board was thus able to completely fulfil its role.

IT REVIEWED THE EXECUTIVE BOARD'S REPORTS ON:

- Quarterly business activity: 9 December 2014 (Q4 2014 business activity), 17 February 2015 (Q1 2015 business activity), 9 June 2015 (Q2 2015 business activity), and 8 September 2015 (Q3 2015 business activity); after the balance sheet date: 8 December 2015 (Q4 2015 business activity) and 16 February 2016 (Q1 2016 business activity);
- The interim consolidated financial statements: 23 June 2015;
- The parent company and consolidated financial statements for the financial year ended 31 October 2014: 27 January 2015; after the balance sheet date, the parent company and consolidated financial statements for the financial year ended 31 October 2015: 26 January 2016.

DURING THE FINANCIAL YEAR UNDER REVIEW, THE SUPERVISORY BOARD ALSO MET TO CONDUCT THE FOLLOWING ITEMS OF BUSINESS:

- **9 December 2014:** Decided, following the adoption of the Safeguard Plan, to dissolve the Debt Monitoring Committee, which was established for a finite duration;

- **27 January 2015:**
  - Heard the observations of the Audit Committee, following its meeting on 20 January 2015, on the annual financial statements for the year ended 31 October 2014,
  - Heard the observations of the Appointments and Compensation Committee, following its meeting on 18 December 2014,
  - Reviewed agreements subject to the provisions of Article L. 225-86 of the French Commercial Code;

- **21 April 2015:**
  - Granted various authorisations to the Executive Board: disposal of the shares of a subsidiary, signing of a lease and a rider to a current lease, etc.;

- **9 June 2015:**
  - Heard the Executive Board on the public service concessions under way and development plans,
  - Authorised transfers of assets to one of the subsidiaries,

- Reviewed a report by the Executive Board on the Company's activities in Q2 2015;

- **23 June 2015:**
  - Heard the report by the Audit Committee on the interim financial statements to 30 April 2015, following that committee's meeting of 18 June 2015,
  - Authorised two agreements subject to the provisions of Article L. 225-86 of the French Commercial Code: purchase of shares and receivables between GPSA and one of its subsidiaries;

- **8 September 2015:**
  - Reviewed new potential calls for tenders and concession renewals;

AFTER THE BALANCE SHEET DATE, THE SUPERVISORY BOARD MET THREE TIMES TO CONDUCT THE FOLLOWING ITEMS OF BUSINESS:

- **8 December 2015:**
  - Heard the Chairman of the Executive Board on his strategy for the 2016 financial year,
  - Discussed the functioning of the Supervisory Board,
  - Reviewed the performance of the Group's management,
  - Reviewed a report by the Executive Board on the Company's activities in Q4 2015;

- **26 January 2016:**
  - Heard the observations of the Audit Committee, following its meeting on 19 January 2016, on the annual financial statements for the year ended 31 October 2015,
  - Drew up the report containing the observations of the Supervisory Board at the Ordinary Shareholders' Meeting,
  - Heard the Chairman of the Executive Board on the provisional budget for the 2016 financial year,
  - Obtained the opinion of the Appointments and Compensation Committee from its Chairman;

- **16 February 2016:**
  - Reviewed a report by the Executive Board on the Company's activities in Q1 2016.

16.3.3. SUPERVISORY BOARD COMMITTEES

The Supervisory Board has had committees since 8 June 2011, including in particular two standing committees – the Audit Committee and the Appointments and Compensation Committee – together with temporary committees as and when deemed necessary, such as the working group appointed for a period of six months and the Debt Monitoring Committee dissolved by the Board on 9 December 2014 (see Section 14.3, Articles 5, 6 and 7 of the Board's internal rules).

THE AUDIT COMMITTEE

The Audit Committee has four members: Hubert Benhamou, Chair; Patrick Partouche; Daniel Cohen, appointed 31 January 2012; and BCP, represented by Lionel Mestre.

This committee has met regularly since it was formed. In particular, in the past financial year, it met: on 20 January 2015 with the Statutory Auditors to verify the annual parent company and consolidated financial statements and to assess, at the close of the 2014 financial year, the process of preparing financial reporting and the effectiveness of the internal control and risk management procedures in place within the Group (see the Chairman's report in Section 16.5.1); on 18 June 2015 to review the interim consolidated financial statements; and after the financial year-end on 19 January 2016 with the Statutory Auditors to review the parent company and consolidated financial statements for the year ended 31 October 2015 and to assess, at the close of the financial year, the process of preparing financial reporting and the effectiveness of the internal control and risk management procedures in place within the Group. The committee's members also verified that the Statutory Auditors were independent and had fulfilled their engagement. The Audit Committee met twice during the financial year under review, on 20 January and 18 June 2015, and once after the end of the financial year, on 19 January 2016.

THE APPOINTMENTS AND COMPENSATION COMMITTEE

The Appointments and Compensation Committee has three members: Isidore Partouche, Chair; Walter Butler; and Patrick Partouche. This committee is tasked with preparing and submitting to the Board its opinion on proposed executive compensation of any kind, as well as on changes pertaining to management personnel within the Group whose compensation exceeds €120,000 a year. This committee did not meet during the financial year, nor has it met as of this writing. The Appointments and Compensation Committee met once during the financial year under review, on 18 December 2014, and once after the end of the financial year, on 16 December 2015.

16.4 CORPORATE GOVERNANCE PRACTICES

Groupe Partouche SA refers to MiddleNext's governance code for small and medium-sized French listed companies issued in December 2009.

Since the Extraordinary Shareholders' Meeting of 20 June 1996, the Company has been governed by an Executive Board and a Supervisory Board.

The decision to adopt this structure was made in order to ensure compliance with principles of corporate governance that have since been adopted under French law. Moreover, recent developments in the legal framework have further reinforced transparency requirements.

This dual structure encourages a clear separation between, on the one hand, the functions of the Company's operational management, which is carried out by the four members of the current Executive Board, and on the other hand, the control function, which is permanently exercised by a Supervisory Board, at present consisting of seven members.

It should also be noted that the Supervisory Board meets very frequently, with an attendance rate of over 90%. Its members review all necessary documents and information obtained in advance of Supervisory Board meetings, during which each item on the agenda is discussed in detail.

Moreover, as advocated by the AMF's terms of reference for the implementation of corporate governance principles for small- and mid-cap companies, since October 2005 the Company has applied a set of internal rules (see Section 14.3) that governs the procedures to be followed by the Supervisory Board and sets out the duties of its members.

Lastly, during the financial year under review and to date, three members of the Supervisory Board – Véronique Forneri, Gaston Ghrenassia and Daniel Cohen – met the criteria set out by the Board at its meeting held on 10 December 2013 to be qualified as independent members, namely:

- is not an employee or corporate officer of the Company or of any other Group company, and has not been during the past three years;
- is not a client, supplier or banker, in a material sense, of the Company or Group, or for which the Company or Group represents a significant proportion of its business;
- is not a reference shareholder of the Company;
- does not have any close family ties with a corporate officer or reference shareholder of the Company;
- has not been an auditor of the Company during the past three years.

TABLE SUMMARISING COMPLIANCE WITH THE MIDDLENEXT CORPORATE GOVERNANCE CODE

	RECOMMENDATIONS	GROUPE PARTOUCHE
EXECUTIVE POWER	Appropriate skills	Yes: multiple complementary skills
	Executives not isolated	Yes: Executive Board
	Level and type of compensation	In line with recommendations No severance benefits No supplementary pension No share options or bonus shares No variable compensation
EXECUTIVE POWER	Combining employment contracts with corporate office: left to the discretion of the Supervisory Board	A reasoned yes: Fabrice Paire, Chairman of the Executive Board, was Chief Administrative Officer from 2001 to 2005, after which he was corporate secretary. In light of his experience and in the interests of the Company, he retained his employment contract after being appointed to the Executive Board; in any event, his duties in the two positions he holds are completely separate, as reiterated by the Supervisory Board on 25 June 2013. In the interests of the Company, Jean-François Largillière, a specialist in hotels and catering, retained his employment contract as Operations Director after being appointed to the Executive Board.
SUPERVISORY POWER	Internal rules	All recommendations followed apart from that on the rules for determining compensation; there is, however, an Appointments and Compensation Committee.
	Compliance	All recommendations followed
	Composition of the Supervisory Board: At least two independent members	Yes, since 1 January 2014, and three since April 2014: V. Forneri, G. Ghrenassia and D. Cohen
	Choice of members Prior communication of experience and skills	Yes
	Terms of office: appropriate to the Company's specific circumstances, subject to the limitations laid down in law	Yes
	Information provided to the members of the Supervisory Board	In line with recommendations
	Number and frequency of meetings	In line with recommendations
	Formation of committees No obligation for committees other than the Audit Committee. Option of forming an Audit Committee or convening the Board to perform the duties of the Audit Committee.	Two standing committees: - Appointments and Compensation - Audit, with one independent member since 1 January 2014
	Assessment of the Board's work	In line with recommendations
	Compensation	In line with recommendations: No severance benefits No supplementary pension No share options or bonus shares No variable compensation (bonuses)
	Corporate officers' obligations in respect of number of shares and multiple directorships	In line with recommendations
"SOVEREIGN" POWER	No specific recommendations	All critical areas covered

As the above table shows, Groupe Partouche is compliant with all the recommendations of the MiddleNext corporate governance code with the exception of the recommendations calling for rules for determining compensation, not combining employment contracts with corporate office, and the payment of directors' fees.

In addition, the Supervisory Board is composed of eight members, including one woman, and three of its members qualify

as independent members under the criteria set out by the MiddleNext Code which are used by the Supervisory Board.

Lastly, the Supervisory Board's committees include in particular two standing committees – the Audit Committee and the Appointments and Compensation Committee – together with temporary committees as and when deemed necessary (see Sections 14.3 and 16.3.3 and Articles 5, 6 and 7 of the Board's internal rules).

Furthermore, all committee members have genuine expertise in the areas of corporate governance, financial information and risk management, acquired while serving in their previous positions either within the Company or within other companies where they currently hold or formerly held key positions for a number of years. At all times, they carry out their work in accordance with the guidelines contained in the AMF report issued on 22 July 2010.

16.5 OTHER SIGNIFICANT ITEMS WITH RESPECT TO CORPORATE GOVERNANCE, PROCEDURES AND INTERNAL CONTROL

16.5.1 REPORT OF THE CHAIRMAN OF THE SUPERVISORY BOARD ON THE COMPANY'S INTERNAL CONTROL AND RISK MANAGEMENT ORGANISATION AND PROCEDURES

To the Shareholders,

Pursuant to the provisions of Article L. 225-68 of the French Commercial Code, as amended by Article 117 of the French Financial Security Act, it is my responsibility as Chairman of the Supervisory Board of Groupe Partouche SA to present (i) the conditions under which the Board's work is prepared and organised and (ii) the internal control procedures implemented by your Company during the financial year ended 31 October 2015, procedures which apply to all consolidated majority-controlled subsidiaries.

This report was prepared with the assistance of the Company's operational and functional divisions, and draws on MiddleNext's governance code for small- and mid-cap companies issued in December 2009. It should also be noted that the Board reviewed the key points requiring special attention, as set out in this code.

You are also informed that:

- Corporate governance practices are set out in Section 16.4;
- The methods used to determine remuneration for corporate officers are set out in Section 15.1.2;
- The terms under which shareholders may attend Shareholders' Meetings are set out in Items III and V of Article 27 of the Articles of Association;
- The information required by Article 225-100-3 of the French Commercial Code is presented in Sections 18 and 21 of this report. In particular, this includes:
  - the capital structure of the Company in Section 18.1,
  - voting rights in Section 18.2,
  - transfers of shares in Section 21.2.6,
  - rights attached to shares in Section 18.1,
  - change of control in Section 18.4,
  - rules applicable to the appointment of members of the Executive Board as well as amendments to the Articles of Association in 21.2.2 and 21.2.5,
  - powers granted to the Executive Board in 21.2.2;
- Changes in share capital in 21.2.8;
- There are no agreements providing for severance payments to the members of the Executive Board or employees in the event of resignation, dismissal or loss of employment due to a takeover bid;
- Nor are there any agreements into which the Company has entered that would be amended or terminated in the event of a change in control of the Company;
- There is no provision for any audit in the event of an employee share scheme.

CONDITIONS UNDER WHICH THE SUPERVISORY BOARD'S WORK IS PREPARED AND ORGANISED

Information on the conditions under which the Supervisory Board's work is prepared and organised is set out in

the Board's internal rules, as summarised above in Section 16.3.2 of this report. This information relates in particular to:

- the organisation and functioning methods of the Supervisory Board;
- the report on its actions for the financial year under review;
- its preparatory work;
- the evaluation of its members.

INTERNAL CONTROL PROCEDURES IMPLEMENTED

Although the Company's internal control procedures are not defined by any framework, Groupe Partouche has drawn on MiddleNext's governance code for small and mid-cap companies issued in December 2009 for their implementation.

The internal control procedures defined and implemented under the Company's responsibility are intended to prevent, manage and control the main risks to which the Company is exposed (see Section 4), by ensuring:

- compliance with legal and regulatory requirements;
- the proper application of instructions and guidelines issued by senior management;
- the smooth running of the Company's internal processes, in particular those that contribute to protecting the Company's assets;
- the reliability of financial information and transactions.

More generally, internal control arrangements also help the Company manage its activities, operate effectively and make efficient use of its resources.

By helping prevent and control risks that could affect the Company's ability to achieve its objectives, the internal control system plays a key role in the management and coordination of the Company's various activities.

However, internal control arrangements cannot provide an absolute guarantee that the Company's objectives will be achieved.

In the specific case of Groupe Partouche, which operates in an environment of decentralised functions and responsibilities, internal control arrangements are based on a set of rules, policies, procedures and practices intended to ensure that the required measures are implemented to control risks liable to have a material impact on the Group's assets or the achievement of its objectives.

SCOPE OF INTERNAL CONTROL

In order to achieve these objectives, the Group's internal control procedures are implemented within each subsidiary under the responsibility of the heads of operational and functional divisions at all levels of the organisation. Each person involved in internal control within the organisation is thus made aware of his or her role and responsibilities.

The internal control system therefore applies across Groupe Partouche, which consists of Groupe Partouche SA and all its fully consolidated entities.

IMPLEMENTATION OF INTERNAL CONTROL OBJECTIVES

Internal control procedures form part of the Shareholders' framework of policy defined by the Executive Board. At head office level, they are implemented by senior management and operational divisions; at subsidiary level, they are implemented by and under the responsibility of senior management.

IDENTIFICATION, ASSESSMENT, MONITORING AND CONTROL OF RISKS

The internal control procedures are part of an ongoing process of identifying, evaluating and managing risks that may affect the Group's ability to achieve its predetermined objectives.

The evaluation of risk factors helps to define the appropriate internal control procedures. These risk factors are identified through regular, detailed interviews held by senior management with members of operational and functional head office divisions, taking into account the Group's past experience in relation to risk.

The identification, assessment and monitoring of risks is regularly updated by senior management, with the help of the relevant operational staff, via meetings at head office. At subsidiary level, this information is updated via meetings involving members of senior management and staff from operational divisions.

Groupe Partouche SA uses these meetings to promote a controlled risk environment within its subsidiaries, and to manage as effectively as possible any risks liable to impact the achievement of the Group's objectives.

The main risk factors are described in Section 4. The methods implemented to manage and control these risks are set out below.

INTERNAL CONTROL PROCEDURES RELATING TO OPERATIONAL CONTROL AND LEGAL AND REGULATORY COMPLIANCE

OPERATIONAL CONTROL

Operational control mainly involves ensuring the sustainability and security of the Group's information systems.

INFORMATION SYSTEMS:

The financial and accounting information system used within the Group aims to meet requirements for the reliability, security, availability and traceability of information.

In order to achieve consistency between individual company and consolidated accounting data, the system is built around a reporting tool and a consolidation system complete with a set of powerful interfaces covering virtually all the Group's activities.

Specific information systems have been implemented within the subsidiaries, enabling day-to-day operational control and feedback concerning revenue from slot machines, recorded GGR and amounts of levies.

In addition, these systems enable the dissemination of infor-

mation to subsidiaries and ensure that the latter comply with the laws and regulations in force.

RELEVANT CONTROL AND RISK MONITORING PROCEDURES:

Accounting staff at subsidiaries are also provided with an internal user guide on managing payroll, covering both technical aspects (procedures and instructions) and legal aspects (calculation methods used by the Group in accordance with employment standards, collective bargaining agreements and tax regulations). This ensures that they are able to make proper use of these tools, thus guaranteeing that the information used is relevant.

The system is configured by external consultants. Updates to the software are performed only by the Group's in-house IT staff. The system runs on an AS/400 server and data is backed up on tape on a daily basis for all subsidiaries. These tapes are placed in fireproof safes so as to guarantee that the data is stored under optimal security conditions and an annual backup copy of data from each accounting entity is sent to the site on CD-ROMs.

The software used has numerous security features which can be used to restrict access to certain information on a user-by-user basis.

Moreover, payroll for the group's operating units is managed using a shared information system, which runs in the same environment, for which the control, maintenance and backup procedures are identical to those of the accounting information system.

Finally, the financial and accounting information system is regularly updated to ensure that it continues to meet the Group's specific requirements.

The Group is also exposed to IT security risks (see Section 4.2.6).

Its information systems may be vulnerable to attacks (computer viruses, denial of service, etc.), technical failures resulting in the unavailability of software or the theft of data, all of which require that preventive measures be put in place.

For this reason, Groupe Partouche has an information systems department in charge of network and IT system security, which has focused its efforts on improving and securing the network as much as possible, although it remains exposed to the potential risk of total or partial failure.

LEGAL AND REGULATORY COMPLIANCE

Some 79% of the Group's turnover is generated by the casino business in France, which has "three distinct segments: gaming, restaurants and entertainment, all of which are combined under a single management structure, without any individual segment being run separately" (Article 1 of the Order of 23 December 1959 relating to the regulation of gaming in casinos).

The management of these activities is therefore rigorously governed by this framework, put in place by gaming regulations, which lay down a very strict set of controls covering the authorisation and organisation of business operations, tax levies by the public authorities and oversight.

Groupe Partouche SA's head office shares its technical and staff-related skills, know-how and resources with its operating units, and provides them with technical support, particularly in legal matters.

LEGAL DEPARTMENT

This department, which reports to the Secretary General, has the following functions:

- to ensure that Groupe Partouche complies with its legal and regulatory requirements;
- to protect the Group's assets and business as a whole;
- to safeguard the Group's interests, and protect its company officers and employees in the performance of their duties.

RELEVANT CONTROL AND MONITORING PROCEDURES

The legal department is required to advise the Secretary General or senior management of sensitive matters that must be reported to them regularly and in particular:

- any changes in laws or regulations applicable to any of the Group's business segments, and in particular to gaming;
- any significant legal proceedings;
- any criminal proceedings against Groupe Partouche or any of its senior executives;
- any requirement for authorisation from the Executive or Supervisory Boards for projects related to developing the Group's business activities or exposing the Group to any specific risk.

In addition, all Group management personnel have been made aware of the need to observe laws and regulations by means of delegations of authority, wherever possible, and receive regular training on the prevention of risks in general and legal risks in particular.

INTERNAL CONTROL PROCEDURES RELATING TO THE PREPARATION AND PROCESSING OF ACCOUNTING AND FINANCIAL INFORMATION

One of the main objectives of internal control is to contribute to the assurance that the Group's accounting and financial information, in particular the parent company and consolidated financial statements, gives a true and fair view of the Group's net assets and business activities, and that this information makes possible the identification and evaluation of risks of any type to which it may be exposed.

STRUCTURE OF THE ACCOUNTING FUNCTION

The accounting department organises and schedules all accounting work to produce reliable consolidated accounts and consistent data; this is facilitated by using Group-wide accounting standards and procedures and a standardised procedure for accounting closes within the Group, which therefore applies to the operating companies from first consolidation.

One of the internal control procedure objectives of Groupe Partouche SA, the Group's parent company, is to ensure that the consolidated financial statements are reliable. Specific procedures deal with the preparation of the consolidated financial statements by the dedicated department at Groupe Partouche's head office.

All of the consolidation adjustments are performed at the head office on the basis of interim or year-end information communicated by the chief accountants of the subsidiaries.

The consolidated financial statements are audited by the Group's Statutory Auditors.

Information is regularly exchanged with the heads of subsidiaries, which means that any special transactions affecting the subsidiaries may be anticipated.

The extent of completion of the accounts, the homogeneity of accounting processes and any other element that is required in order to fully understand subsidiaries' data are monitored.

The various steps in the preparation of the consolidated financial statements are described below.

The definition of the scope of consolidation is performed by monitoring the equity stakes held by all of the companies within the Group and is validated by cross-checking with the information held by the Group's central legal department.

Changes in the regulatory framework governing consolidation are permanently monitored, where necessary, in conjunction with external advisors. This allows work to be carried out to make the standards applied consistent, ensuring that they comply with Group policies and that the information system is updated as appropriate, in liaison with consultants from the software supplier.

On receipt of the consolidation packages from the subsidiaries, the consolidation department ensures compliance with the Group's accounting policies, which allows the consistency of presentation of the financial statements to be guaranteed.

The subsidiaries are provided, on the one hand, with consolidation instructions for the production of consolidation packages, which describe consolidation work through the documents used and the procedures for relaying information, and on the other hand, accounting close information, comprising the schedule of consolidation operations and the list of specific information required for each accounting close.

Finally, the finance department checks for compliance with standards on all matters likely to have an impact on the consolidated financial statements. At its level it also brings together information on all issues reported by subsidiaries for technical evaluation and for making decisions on accounting treatments.

A standardised Group chart of accounts is used by the operating units, in line with specific provisions relating to general accounting records for casinos.

Procedural instructions are prepared by the Group's central accounting team for the subsidiaries, particularly to cover the specificities of accounting practices for their business sectors.

These arrangements ensure that accounting data transmitted to Groupe Partouche SA is consistent. The Group's central accounting team organises and schedules accounting close tasks for Groupe Partouche SA's parent company financial statements, and prepares an annual and half-yearly control reference.

It performs an exhaustive listing and ensures the reciprocity of inter-company transactions.

Groupe Partouche SA manages and co-ordinates the calculation and monitoring of the Group's tax charge, using a specific application dedicated to tax consolidation.

For companies that are part of a tax consolidation group, head office teams perform a control of the tax schedules prepared by chartered accountants.

Group financial information comes directly from applications integrated with accounting and management software, although technically the financial information has its own database.

This means accounts transaction processing can be monitored on site in real time, and is then uploaded monthly into the reporting package.

The head office consolidation team continually updates the expertise that it has acquired since it prepared the very first set of consolidated financial statements for Groupe Partouche SA.

Chief accountants at the operating units are responsible for preparing the consolidation packages by completing the accounting and financial information to be sent to the head office consolidation team.

The information system used to prepare the consolidation is one of the leading products on the market. A certain amount of work was required to configure the system to the specific needs of the Group, and this was performed exclusively by the software maker itself.

Information is collected from the subsidiaries using centralised information system modules.

These modules are secure; subsidiaries have access only to the current period, without being able to modify any parameters.

The accounting information validated by the subsidiaries is interfaced from the accounting information system to the centralised consolidation information system.

The finance department is responsible for the preparation and publication of financial and accounting information.

Groupe Partouche's central accounting department co-ordinates and supervises the structure of accounting departments across the Group.

Groupe Partouche SA uses a standard accounting information system, the same one in use by all its operating units.

All of the Group's management, financial and accounting systems are regularly updated in accordance with the Group's ongoing requirements as regards financial data reliability and management.

RELEVANT CONTROL AND MONITORING PROCEDURES

A series of controls has been implemented within the majority of subsidiaries, in particular those with casino operations, to check the principal risks associated with the activity of operating a casino and which may have a financial impact on the financial statements.

These controls cover in particular the recording of monthly turnover figures, the monitoring of investments, debt recovery, purchases and financial information, as communicated by all subsidiaries.

They are carried out each month by all Group subsidiary users of accounting and financial information and are designed to identify any irregularities.

Apart from the controls themselves, the Group makes sure that financial employees receive continuous training in order to stay abreast of the latest control techniques suited to the Group's changing requirements in this field.

Finally, the Group regularly assesses internal control points in order to check the pertinence of the models used as regards the reliability and security of financial data, thus ensuring that the risks of any inadequacies relating to these controls are properly managed.

The Group carries out monthly reporting on its accounts and performs half-yearly accounting closes.

The main monthly accounting controls carried out are as follows:

- Verification that accounts are properly kept and maintained;
- Audit of current accounts between Groupe Partouche SA and the other Group entities to ensure that they are properly reconciled and that their content is logical (performed by the head office accounting team);
- Bank reconciliations;
- Verification that turnover figures have been recorded correctly.

Furthermore, the main controls carried out by the finance department are as follows:

- Verification of the reciprocity of the current accounts at Group level;
- Monthly analysis of the results of operating companies;
- More complete balance sheet analyses performed in April and in October at the half-yearly and annual accounting closes alongside the publication of an in-depth analysis of all balance sheet items, off-balance sheet items and changes in financial position.

In association with accounting and financial management functions, the following monthly controls are carried out with a view to safeguarding assets:

- analysis of operating margins;
- analysis of budget variations;
- analysis of financial indicators and costs;
- analysis of investments;
- analysis of financial income;
- analysis of net borrowings.

HEAD OFFICE MANAGEMENT TEAMS

The management services of Groupe Partouche SA's head office are responsible for coordinating the Group's management controls.

They are supported by the management accountants in charge of preparing and monitoring budgets and the financial reporting of their operating units, within the subsidiaries.

The following control and monitoring procedures have been put in place:

BUDGET PROCESS

A market-leading software solution is used to handle the Group's entire budget process. This solution uses a single reference framework applicable to all operating units, which ensures the homogeneity of information. The units have decentralised data input modules which feed into a single group-wide database.

This database guarantees the reliability and the traceability of information, in particular by way of general controls and automated data validation as well as a set of controls that are specific to the Group's line of business.

The budget process also serves as an effective internal control procedure enabling the analysis of financial flows.

MONTHLY FINANCIAL REPORTING

At each month-end, financial reports are generated and submitted to senior management. Meetings are held during which division heads present their monthly activity reports. A comprehensive analysis of results for operating companies is also carried out on a monthly basis. Information entered by accounting teams is imported by the Group's management software package to support this analysis.

The budget process developed by Groupe Partouche SA allows the operating units to produce a forecast operating statement and an investment budget.

The key stages of the budget process are as follows:

- August: operating units prepare their budget for the year, including monthly forecasts, and their investment budget;
- September and October: heads of operating units present their budgets to the Budget Committee, which makes any necessary final adjustments. Budgets may be revised during the current reference period whenever a structural modification affects the operating conditions of a unit. Specific indicators are defined and summary reports are prepared on the basis of budgetary information in order to optimise the level of analysis.

All of this information helps to ensure the monitoring, control and co-ordination of operations, using the data generated by the financial and management reporting processes. The financial reporting process is fundamental to controlling accounting, financial and management information. It also produces a set of performance indicators.

Reporting based on the transmission of operating income statements and investment commitments makes detailed information available on the operation of the units.

On the basis of an analysis of this data, concerted efforts can be made to achieve the objectives that have been set.

TEAMS RESPONSIBLE FOR CASH MANAGEMENT AND FINANCING

The management of Groupe Partouche's cash flow and financing activities is centralised at the head office and is designed to guarantee the security, transparency and efficiency of the operations relating to cash flow and financing activities.

Specifically, these teams are responsible for:

- managing financial resources (financing and investment) to maintain the Group's cash levels;
- ensuring control of financial expenses;
- managing cash flows;
- quantifying and hedging financial risks;
- monitoring banking relationships;
- supporting the subsidiaries' management decisions and their financing of new projects.

RELEVANT CONTROL AND MONITORING PROCEDURES

In order to fulfil their responsibilities, the Group's cash management and financing teams have established rules and procedures applicable across the Group, including a procedure relating to signing authorities for bank accounts to limit fraud risk.

Weekly and monthly reports keep senior management informed of the Group's budgeted and actual debt and liquidity levels, the results of risk monitoring activities, maturities of hedging transactions and the status of banking relationships, etc.

FINANCIAL COMMUNICATIONS

The Group's financial communications team reports to the Chief Financial Officer and works from the head office. It is responsible for keeping financial market participants informed of the Company's strategy and the results of its operations.

RELEVANT CONTROL AND MONITORING PROCEDURES

A schedule is drawn up each year summarising all of the Company's financial reporting obligations to the market as well as regulatory and stock market authorities.

The schedule specifies the nature of all specific requirements that must be met over the course of the year, together with their deadlines.

This schedule is distributed internally to the relevant teams.

Procedures for regulating financial and accounting information provide the basis for:

- Monthly audits of all accounting and financial information (operational finance and cash management functions);
- Verification by the Statutory Auditors of information presented in the half-yearly and annual financial statements;
- Finally, the Chief Financial Officer, who is ultimately responsible for compliance with financial reporting requirements, works with the legal department to identify the applicable legal and regulatory reporting obligations relating to risk.

In conclusion, Groupe Partouche applies the policy it has implemented to increase awareness of the risks associated with its business activities, and has internal control procedures in place to ensure optimal risk monitoring and management, based in particular on the work of the Audit Committee, all of whose members bring considerable expertise in these areas.

Patrick Partouche
Chairman of the Supervisory Board

16.5.2 STATUTORY AUDITORS' REPORT, PREPARED IN ACCORDANCE WITH ARTICLE L. 225-235 OF THE COMMERCIAL CODE, ON THE REPORT OF THE PRESIDENT OF THE SUPERVISORY BOARD

To the shareholders,

In our capacity as Statutory Auditors of Groupe Partouche SA and in accordance with Article L. 225-235 of the French Commercial Code (Code de commerce), we hereby report to you on the report prepared by the Chairman of your Company in accordance with Article L. 225-68 of the French Commercial Code, (Code de commerce) for the year ended 31 October 2015.

It is the Chairman's responsibility to prepare and submit to the Supervisory Board's approval a report on internal control and risk management procedures implemented by the Company and to provide the other information required by Article L. 225-68 of the French Commercial Code (Code de commerce), relating to matters such as corporate governance.

Our role is to:

- report on any matters as to the information contained in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information; and
- confirm that the report also includes the other information required by Article L. 225-68 of the French Commercial Code (Code de commerce). It should be noted that our role is not to verify the fairness of this other information.

We conducted our work in accordance with professional standards applicable in France.

INFORMATION ON THE INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES RELATING TO THE PREPARATION AND PROCESSING OF ACCOUNTING AND FINANCIAL INFORMATION

The professional standards require that we perform the necessary procedures to assess the fairness of the information provided in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of accounting and financial information. These standards consist mainly of:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the Chairman's report is based and of the existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and of the existing documentation;
- determining if any significant weakness in the internal control procedures relating to the preparation and processing of the accounting and financial information that we would have noted in the course of our work are properly disclosed in the Chairman's report.

On the basis of our work, we have no matters to report on the information relating the Company's internal control and risk management procedures relating to the preparation and processing of the accounting and financial information contained in the report prepared by the Chairman of the Supervisory Board prepared in accordance with Article L. 225-68 of the French Commercial Code (Code de commerce).

OTHER INFORMATION

We confirm that the report prepared by the Chairman of the Supervisory Board also contains the other information required by Article L. 225-68 of the French Commercial Code (Code de commerce).

Marseille and Paris, 24 February 2016

MCR Baker Tilly	**France Audit Expertise**
Alexandra Mathieu	Emmanuel Quiniou

LABOUR INFORMATION

In accordance with the Grenelle 2 Act of 12 July 2010 and its implementing decree of 24 April 2012, Section 17.1 below presents Groupe Partouche's CSR report on its labour, social and environmental information.

17.1 LABOUR, SOCIAL AND ENVIRONMENTAL INFORMATION

17.1.1 LABOUR INFORMATION

EMPLOYMENT

CATEGORIES AT 31 OCTOBER	2015	2014	2013
Executives	822	880	948
Supervisors and technicians	243	255	299
Non-executives	2 969	3 136	3 521
Manual workers	164	176	212
Total	**4 198**	**4 447**	**4 980**

At 31 October 2015, Groupe Partouche had 4,198 full-time equivalent employees, down 5.6% from the previous financial year. This decrease is mainly due to disposals of assets during the period and an improvement in productivity gains.

The Group's total payroll including social security payments came to €168.9m, and the combined total of employee profit-sharing amounts paid by subsidiaries came to €3.6m.

With respect to the previous financial year, the Group's payroll, including social security payments, was down 5.5%.

At 31 October 2015, men made up 60.8% of the Group's workforce and women made up 39.2%.

Breakdown of workforce by age:

- 18 to 30: 29.60%
- 31 to 50: 53.60%
- Over 50: 16.80%

There was a total of 822 executive-level staff. Non-executive staff totalled 3,376.

The number of new staff recruited during the financial year, including both permanent and fixed-term contracts (excluding temporary contracts and artists), was 2,254.

The number of staff leaving (layoffs, voluntary redundancies, retirees and others) was 2,064.

Geographical breakdown of employees in service at 31 October, excluding temporary contracts (4,267 employees)

- France: 4,144
- Europe (excl. France): 91
- Outside Europe: 132

Turnover for employees with permanent contracts, in the casinos and hotels that were open to the public for the entire financial year and were not subject to restructuring, which was calculated based on the average of the number of employees who left the company and the number of employees hired from 1 November 2014 to 31 October 2015, divided by the initial number of employees at the beginning of the period, was 17.55%.

WORK ORGANISATION

In most of the subsidiaries, the business involves a work organisation of 7 days a week, with alternating working hours. This is explained by the range of opening hours of casinos and hotels, and by the fact that the establishments are open 7 days a week.

However, the use of part-time work remains very limited: this type of contract represents just 4.78% of the total workforce at Groupe Partouche's casinos.

The absence rate was 8.59% over the financial year.

ORGANISATION OF LABOUR-MANAGEMENT RELATIONS

Groupe Partouche's subsidiaries are legally independent of one another and enjoy full autonomy, both as a result of the Group's diversified organisational structure (geographic locations, different sizes of casinos and other subsidiaries, wide

range of activities, collective bargaining agreements, etc.) and in line with gaming regulations in force.

Each subsidiary makes sure that lines of communication between management and staff remain open, the key to successful working relationships within the Group. By giving subsidiaries complete autonomy in this area, thus respecting the importance of ensuring a "real-time" approach to staff supervision, management teams are able to effectively adapt to local circumstances.

At 31 October 2015, and in all subsidiaries, 100 collective bargaining agreements and 41 action plans were implemented.

937 meetings of representative bodies were held.

The Group committee met twice during the financial year, in accordance with applicable legal provisions.

While fostering exchanges and ensuring that processes are harmonised across the Group, this organisation also respects the specific characteristics of subsidiaries, allowing each to adopt its own autonomous management approach at the local level, closely reflecting the needs of both staff and clients. This application of the subsidiarity principle is well suited to the Group's DNA and the strong local roots of its subsidiaries.

In addition, the head office serves an advisory role on behalf of its subsidiaries, considered as internal clients, in all areas related to human resources. The head office also provides them with a full set of related software tools (payroll management, human resources information system, training, and intranet) and administrative support.

HEALTH AND SAFETY

The rate of work-related accidents (calculated based on the number of working days missed due to work-related accidents, divided by the total number of working days) was 0.3%.

A total of 6 employees have a recognised occupational illness.

To prevent physical strain at work, the human resources information system for French casinos includes information on each employee's exposure to arduous or physically straining factors, which in our industry mainly includes working at night. The system also allows for individual risk assessment monitoring.

A reference employee has been designated as a health and safety contact for Group Partouche's French companies.

As regards agreements or action plans in respect of health and safety in the workplace, given the three-year period covered by such agreements and plans, it would be premature to review progress at this stage.

TRAINING

A total of 22,369 hours of training were provided and declared to the bodies in charge of collecting subscriptions for employee training expenses.

At 31 October 2015, 119 sandwich course contracts were under way in France.

Groupe Partouche's internal training centre is named the Centre de Formation Professionelle des Casinos.

Its purpose is to deliver business training and foster conditions conducive to the development of a more learning-focused organisation.

A system of training via inter-subsidiary dialogue has been successfully tested and is to be extended.

The French apprenticeship tax is generally paid to local apprentice training centres with which our subsidiaries have established partnerships.

GENDER EQUALITY IN THE WORKPLACE

Women represent 39.2% of the workforce, a slight decrease from the previous financial year.

Job offers issued by subsidiaries are always gender-neutral.

ACTIONS IN FAVOUR OF DISABLED EMPLOYEES

As corporate partners of the "Ressources et Handicap" programme, the subsidiaries of Groupe Partouche have offered their employees the opportunity to get in touch directly with advisors by e-mail or via the hotline made available to them for the duration of the programme.

The "Ressources et Handicap" programme, which also involves an internal communications campaign (including posters and information accompanying payslips), has helped raise awareness of the fact that disabilities may affect not only one or several colleagues but are a matter of concern for each and every employee. Group employees have expressed considerable interest in the information provided to them.

ANTI DISCRIMINATION POLICY

The anti-discrimination policy is mainly applied by fostering values of tolerance and respect.

To the best of our knowledge, no discrimination-related incidents were recorded or led to a conviction.

PROMOTING COMPLIANCE WITH THE INTERNATIONAL LABOUR ORGANISATION'S FUNDAMENTAL PRINCIPLES OF:

- Upholding the freedom of association and the right to collective bargaining
- Eliminating discrimination in respect of employment and occupation
- Eliminating forced or compulsory labour
- Effective abolition of child labour

To the best of our knowledge, Groupe Partouche complies with the International Labour Organisation's fundamental principles regarding the aforementioned points.

No one under the age of 18 is hired by our subsidiaries, other than in the cases of regulated training-related agreements.

17.1.2 SOCIAL INFORMATION

REGIONAL, ECONOMIC AND SOCIAL IMPACT OF BUSINESS ACTIVITY

The number of indirect jobs created by the Group's activities is estimated at 894.

CIVIL SOCIETY STAKEHOLDER RELATIONS

Subsidiaries mainly pursue their commitment through community initiatives, taking advantage of their close ties to local populations. Examples abound, notably in the realm of sporting events and live shows. Through its involvement in numerous sponsorship activities and its support for initiatives pursued by non-profit associations, Groupe Partouche is widely recognised for its beneficial impact on the social and economic fabric of local communities.

During the financial year, Groupe Partouche subsidiaries carried out 378 sponsorship activities in support of non-profit associations, for a total of €1,402,076.

A total of 2,399 shows and events took place over the financial year at Group Partouche's casinos.

The most high-profile events notably included the Lyon Dance Biennial, the Lyon Biennial Contemporary Art Festival, Festival d'Aix-en-Provence of opera, the Juan-les-Pins jazz festival, the biennial of contemporary art in Le Havre, an actors' performance at the Cannes film festival, and the Dansez festival in Annemasse.

SUBCONTRACTORS AND SUPPLIERS

Subcontracting is only used on a relatively small scale, as the Group's key professional specialities do not lend themselves to this practice. In the financial year, this accounting item represented a charge of €16.14m, attributable to the Group's peripheral businesses.

Our purchasing policy forbids purchasers from accepting personal gifts from suppliers.

Furthermore, the diversity of our suppliers and their locations guarantees our independence and meets our desire to maintain commercial relationships as close as possible to our casinos to ensure that a significant proportion of supplies are sourced locally. We favour socially and environmentally responsible suppliers and subcontractors.

FAIR COMMERCIAL PRACTICES

▪ PREVENTING AND COMBATING FRAUD

The very nature of the Group's business, which in particular involves the handling of large sums of money, can lead, in some circumstances, to staff or outside persons committing fraudulent acts.

The casino industry must be able to deal with the risks of embezzlement and cheating.

Furthermore, casinos are subject to the measures aimed at fighting money laundering. Money laundering that consists of recycling small amounts of money through gaming itself is neither organised nor is it conducted on a large scale. According to the instructions given by the regulatory authorities, in case of doubt or suspicion, the legal representatives and directors in charge of the Group's establishments have the obligation (to which they comply) of advising the anti-money laundering unit, Tracfin, of the player's identity.

Awareness-raising training is regularly offered to staff at Group Partouche casinos.

▪ PREVENTING EXCESSIVE GAMING

Excessive gaming can cause some people to develop symptoms commonly associated with addictive behaviour, and they may be driven to commit more financial resources than would be considered reasonable. This behaviour is harmful to our customers, as they no longer enjoy gaming in moderation and can put themselves and their families at risk. It is also harmful to the casino as it indirectly affects the brand image.

To ensure gaming remains a pleasure and a pastime to be enjoyed in moderation, the Group has for a long time been promoting "responsible gaming" within its subsidiaries, an initiative that it is currently developing in partnership with Adictel.

Adictel is an independent French reference system that helps prevent excessive gaming and provides real support to dependent players, seven days a week. This operational assistance system provides real-time support to players in difficulty.

Upon written request from the player, Adictel counsellors have the power to subject the player to the limitations and restrictions that he or she wishes to have imposed. This action is carried out at all Group Partouche's French casino subsidiaries.

Groupe Partouche's subsidiaries are therefore keen to give the staff members who have contact with clients continuing training, with the aim of providing clients with information, giving help to those in difficulty as well as someone in whom they can confide. Furthermore, posters and leaflets are made available at key locations at casinos, to remind clients of the dangers of excessive gaming.

▪ FOOD SAFETY

Owing to its highly developed activity as an operator of restaurants, Groupe Partouche is committed to ensuring a high level of food safety at all times. The company's main concern is of course ensuring the satisfaction and loyalty of its customers. Besides this, in the event of a breach coming to light during an inspection by the regulatory authorities (such as, the French Office of Fair Trading [DDCCRF], the Departmental Directorate for Veterinary Services [DDSV] or the Departmental Directorate for Health, Safety and Social Affairs [DDASS]) the establishment's closure could be ordered, which would lead to a negative impact on the establishment's reputation and profitability.

In order to guard against these risks, all Groupe Partouche's establishments are regularly audited by Silliker, an approved external laboratory. A sanitary control plan has been put in place.

■ HEALTH AND SAFETY

Groupe Partouche is duty-bound, like all businesses who play host to the general public (known as "ERPs" in France), to guarantee the optimal safety of its customers and employees. The Group's establishments therefore apply all health and safety instructions regarding, in particular, the risks of accident, health, fire and environmental impairment, while assessing the risks related to the workplace.

The Group's establishments are also regularly inspected by the commissions of health and safety, such as Apave or Bureau Veritas, who verify, in particular:

- fire and panic prevention within the Group's ERPs;
- ease of access for the disabled.

In the event of a breach of the regulation concerning fire and panic prevention in the ERPs, or ease of access for the disabled, the relevant regulatory authority can call upon the establishment to make improvements or have work done, or even close. Such events, especially if they should increase in duration and number, could have a significant negative impact on the Group's business, results, financial position or future prospects.

■ SECURITY

Our casinos have both technical and human resources which together ensure the security of people and goods. The terms under which they are activated are naturally linked to the unique character of the casino business, to their size and their configuration.

Some of the security measures taken are listed below:

- CCTV cameras cover all areas of the establishments that may need monitoring, such as car parks, entrances, the main hall, games rooms, safe deposit vaults, cash registers, game tables and slot machines.
- a traditional surveillance system of volumetric radars connected to a central desk which detects the presence of an intruder in the establishment during closing hours;
- installing vaults, secure money boxes, with information displayed to the public at the cash registers can significantly reduce aggravated burglaries. By taking such measures, no keys can be handed over to criminals because the only people that have the keys are those who collect the funds. Only a nominal amount of cash is kept in cash registers and safe deposit boxes to cover frequent transactions (such as currency exchanges and cash payments).
- a computerised access control system operated by badges is used to record the movement of staff and visitors in the buildings;
- Security officers are stationed at entrances to prevent unauthorised entry to the establishments, and during closing hours, dog handlers guard buildings when necessary.

ACTIONS TAKEN IN SUPPORT OF HUMAN RIGHTS

Our subsidiaries are free to carry out whatever actions and partnerships they wish in support of human rights.

17.1.3 ENVIRONMENTAL INFORMATION

ENVIRONMENTAL POLICY

■ ENVIRONMENTAL ASSESSMENT AND ACCREDITATION PROCEDURES TAKEN WITH RESPECT TO THE ENVIRONMENT

Our main business in the leisure sector does not require any assessment or accreditation procedures with respect to the environment.

■ AMOUNT OF PROVISIONS AND GUARANTEES FOR ENVIRONMENTAL RISKS, PROVIDED THAT THIS INFORMATION DOES NOT LEAD TO A SERIOUS PREJUDICE FOR THE COMPANY IN A CURRENT LAWSUIT

None of Groupe Partouche's current establishments had to make provisions or guarantees for environmental risks during the financial year. This is particularly the case regarding sound pollution, to the best of our knowledge.

■ AMOUNT OF DAMAGES PAID DURING THE FINANCIAL YEAR PURSUANT TO A LEGAL DECISION RELATING TO THE ENVIRONMENT AND ACTIONS CARRIED OUT TO REPAIR DAMAGE TO THE ENVIRONMENT

No indemnities pursuant to a legal decision pertaining to environmental issues were paid during the financial year.

■ TRAINING AND INFORMATION ON PROTECTING THE ENVIRONMENT OFFERED TO EMPLOYEES

The subsidiaries' training programme does not include this type of training. As regards information, a diagnostic exercise was undertaken by a specialised consulting firm in 14 subsidiaries. Representatives from unaudited subsidiaries also took part so as to raise awareness among managers. The resulting diagnosis is to be translated into an action plan over the next few years.

■ RESOURCES SET ASIDE TO PREVENT ENVIRONMENTAL RISKS AND THE ORGANISATION SET UP TO DEAL WITH POLLUTION ACCIDENTS

Since our business has very little environmental impact, Groupe Partouche and its subsidiaries do not have an internal environmental management department or specific employee training in this regard.

POLLUTION AND WASTE MANAGEMENT

40 subsidiaries have declared that they practice selective waste sorting.

SUSTAINABLE USE OF RESOURCES

■ SOIL USE

Soil use is especially relevant in the operation of golf courses, where all products used comply with applicable standards. For the Group's other operations, its buildings do not have a significant impact on the environment, as most of them were built a number of years ago.

By way of example, the Saint-Saëns golf club uses only organic products to maintain its course, avoiding all harsh chemical pesticides and fertilisers. This golf club does not use any products that would be hazardous either for the environment or its employees.

Soil management involves microbiological treatments (50%) and surface treatments (50%), used on a voluntary basis.

Group employees have been trained in this type of maintenance, which is audited by Ecovert, an environmental consultancy that carries out about 10 soil studies at the Group's sites each year. These studies regularly confirm that the Group's operations do not pollute the soil.

■ WATER CONSUMPTION AND SUPPLY

Water consumption for the financial year came to 274,292 m3. Water is sourced without exception from the local urban water supply.

■ RAW MATERIAL CONSUMPTION

Electricity consumption totalled 45,748,216 kW.
Gas consumption totalled 22,657,853 kW.
74 eco-friendly products have been identified, specifically cleaning products.
40 subsidiaries have declared that they have implemented energy-saving measures (energy-efficient light bulbs, diffusers on taps, using scrap paper, messages in rooms asking guests to minimise unnecessary washing of bathroom linens, LED bulbs, roof-mounted solar panels, etc.).

■ CLIMATE CHANGE

Groupe Partouche and its subsidiaries do not produce much airborne and waterborne waste with a direct impact on the environment. All of the water evacuated is directly channelled into a sewerage network operated by the company's regional authority. Airborne waste levels are extremely low and have not yet been analysed as part of a study on greenhouse gas emissions.

To date, no adjustment plan has been put in place to address the consequences of climate change.

■ BIODIVERSITY

To the best of our knowledge, the business does not pose any particular threat to biodiversity and has not implemented any policies aiming to develop it.

The formalisation of the reference source for collecting and standardising the rules for consolidating Group-level CSR information has not been completely finalised for the financial year.

17.2 DIRECT OR INDIRECT INVESTMENTS OF GROUPE PARTOUCHE SENIOR EXECUTIVES AND COMPANY OFFICERS IN THE SHARE CAPITAL AT 31 OCTOBER 2015

EXECUTIVE BOARD	DIRECT INVESTMENTS			INDIRECT INVESTMENTS	SHARE SUBSCRIPTION OR PURCHASE OPTIONS
	SHARES	PERCENTAGE OF		SHAREHOLDING VIA FINANCIÈRE PARTOUCHE [1]	
		SHARE CAPITAL	VOTING RIGHTS		
Fabrice Paire	267	0,00 %	0,00 %	-	None
Ari Sebag	5 682	0,06 %	0,06 %	11,07 %	None
Katy Zenou	9 972	0,10 %	0,10 %	7,79 %	None
Jean-François Largillière	0	0,00 %	0,00 %	-	None
TOTAL	**15 921**	**0,16 %**	**0,16 %**	**18,85 %**	**None**

SUPERVISORY BOARD	PARTICIPATION DIRECTE			PARTICIPATION INDIRECTE	OPTIONS DE SOUSCRIPTION OU D'ACQUISITION D'ACTIONS
	ACTIONS	POURCENTAGE		DÉTENTION AU TRAVERS DE FINANCIÈRE PARTOUCHE [1]	
		CAPITAL	DROITS DE VOTE		
Patrick Partouche	44 964	0,47 %	0,47 %	15,86 %	None
Isidore Partouche	348 966	3,61 %	3,61 %	0,24 %	None
Gaston Ghrenassia	7	0,00 %	0,00 %	NS	None
Hubert Benhamou	19 861	0,21 %	0,21 %	14,27 %	None
Walter Butler	1	0,00 %	0,00 %	-	None
Véronique Masi Forneri	69	0,00 %	0,00 %	-	None
Daniel Cohen	1 078	0,01 %	0,01 %	-	None
TOTAL	**414 946**	**4,29 %**	**4,29 %**	**30,38 %**	None

(1) Financière Partouche owns 66.45% of the share capital of Groupe Partouche.

17.3 INVESTMENTS OF GROUPE PARTOUCHE EMPLOYEES IN THE SHARE CAPITAL

17.3.1 INCENTIVE SCHEMES

No incentive schemes have as yet been put in place by Groupe Partouche SA.

17.3.2 EMPLOYEE PROFIT-SHARING

Pursuant to the provisions of Article L. 225-102 of the French Commercial Code, we hereby indicate that there is no employee profit-sharing scheme under the terms of a company savings plan at the balance sheet date, 31 October 2015.

17.3.3 EMPLOYEE SHAREHOLDERS

None.

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MAIN SHAREHOLDERS

18.1 OWNERSHIP OF CAPITAL AND VOTING RIGHTS

The table below shows the breakdown of the Company's share capital and theoretical and real voting rights over the last three years:

MAIN SHAREHOLDERS	31/10/15 *			31/01/15			31/01/14		
	NUMBER OF SHARES HELD	% OF SHARE CAPITAL AND THEO-RETICAL VOTING RIGHTS	REAL VOTING RIGHTS	NUMBER OF SHARES HELD	% OF SHARE CAPITAL AND THEO-RETICAL VOTING RIGHTS	REAL VOTING RIGHTS	NUMBER OF SHARES HELD	% OF SHARE CAPITAL AND THEO-RETICAL VOTING RIGHTS	REAL VOTING RIGHTS
Financière Par-touche SA [1]	6 433 585	66,45 %	66,57 %	64 335 843	66,45 %	66,53 %	64 335 843	66,45 %	66,57 %
BCP [2]	1 277 020	13,19 %	13,21 %	12 770 200	13,19 %	13,20 %	12 770 200	13,19 %	13,21 %
Supervisory Board mem-bers [3]	414 946	4,29 %	4,29 %	3 666 108	3,79 %	3,79 %	3 287 161	3,40 %	3,43 %
Executive Board members [3]	15 921	0,16 %	0,16 %	159 191	0,16 %	0,16 %	159 191	0,16 %	0,16 %
Treasury shares	16 745	0,17 %	-	108 257	0,11 %	-	170 820	0,18 %	-
Free float [4]	1 523 343	15,73 %	15,76 %	15 776 001	16,29 %	16,31 %	16 092 376	16,62 %	16,62 %
TOTAL	**9 681 560**	**100,00 %**	**100,00 %**	**96 815 600**	**100,00 %**	**100,00 %**	**96 815 591**	**100,00 %**	**100,00 %**

(1) Financière Partouche SA is a family holding company.
(2) BCP holds 1,200,399 shares through FCPR France Private Equity III and 76,621 shares through Butler Capital Partners SA.
(3) Detailed information on shareholding by members of the Supervisory and Executive Boards is provided in Section 17.2 above.
(4) As far as the Company is aware, there are no shareholders holding 5% or more of the share capital and voting rights, apart from Financière Partouche and BCP.
(*) The reverse stock split is described in Section 21.1.1.

On 2 April 2013, Financière Partouche SA, the family holding company that holds 66.45% of the share capital of Groupe Partouche SA, requested and obtained the initiation of a Safeguard Procedure (procédure de sauvegarde) from the Valenciennes Commercial Court. This procedure allows Financière Partouche to renegotiate its financial debt, under the protection of the Commercial Court. The Valenciennes Commercial Court, in its ruling of 30 June 2014, approved the Company's Safeguard Plan (plan de sauvegarde).

At the request of Groupe Partouche, Euroclear France carried out a survey on 17 December 2015 of intermediaries holding 11,000 or more shares. This survey identified a total of 2,846 shareholders in this category, representing 14.4% of the share capital. At the date of this survey, also taking into account shareholders holding registered shares, it was thus confirmed that the share capital of Groupe Partouche was owned by approximately 3,000 shareholders.

The Euroclear France survey identified 28.4% of shareholders as institutional investors, corresponding to 4.1% of the share capital.

No securities are owned by employees under a share ownership plan.

18.2 DIFFERENT VOTING RIGHTS

Each issued and outstanding share in the Company is entitled to a single vote. There are no double voting rights and the main shareholders, Financière Partouche and BCP, do not have different voting rights.

Furthermore, the Extraordinary Shareholders' Meeting of 15 January 2015 decided "not to confer double voting rights upon (i) fully paid-up Company shares which can be shown to have been held in registered form for at least two years in the name of the same shareholder, or (ii) registered Company shares allotted free of charge as part of a capital increase through the capitalisation of reserves, income or share issue premiums, to a shareholder".

18.3 INFORMATION ON THE CONTROL OF THE SHARE CAPITAL

On 29 April 2011, a shareholder agreement was entered into by Financière Partouche, Patrick Partouche, Katy Zenou and Ari Sebag, as the party of the first part, and BCP as the party of the second part, governing the relationship between these shareholders. This agreement constitutes an action in concert. The main clauses of this agreement stipulate that BCP shall hold:

- a maximum of two-sevenths of the seats on the Supervisory Board as long as Butler Capital Partners holds at least 5% of the Company's share capital;
- a veto right over major decisions (any decision taken by a majority of 80% of present or represented members including the favourable vote of the members of the Supervisory Board appointed upon BCP's proposal) concerning transactions with an impact on the share capital, debt, disposal of assets or investment expenditure, acquisition of assets and more specifically:
  - any financial debt owed to an entity which does not belong to Groupe Partouche or any new off balance sheet commitment increasing Groupe Partouche's commitments by over €3 million (non-cumulative threshold) compared with debt recorded in the consolidated financial statements at 31 October 2010,
  - any single disposal of assets greater than €3 million (non-cumulative threshold) not mentioned in Groupe Partouche's initial business plan concerning the period from 2011 to 2015,
  - any investment expenditure or acquisition of assets in a unit amount exceeding €3 million (non-cumulative threshold), apart from (i) an annual budget of €30 million provided for in the business plan and (ii) a cumulative budget over the duration of the initial business plan of €35 million covering specific investments or any project replacing them;
- an enhanced right to information;
- a right of inspection as regards any recruitment, appointment, dismissal or revocation of the members of Groupe Partouche's Executive Board, of which the only consequence shall be, at no cost for Financière Partouche, to release BCP from its lock-up commitment and its obligation under Financière Partouche's right of first offer;
- a liquidity clause in its favour, stipulating firstly that as of 29 April 2014, Financière Partouche shall provide and ensure that Groupe Partouche and its senior executives provide all assistance required by BCP to enable the disposal of its investment and secondly that in the scope of this liquidity procedure and in any event, as of 29 April 2016, Ispar Holding (in place of Financière Partouche) guarantees BCP a minimum price of €2 per Groupe Partouche share disposed of by BCP and therefore undertakes to acquire from BCP the shares that BCP would like to dispose of at a price of €2 per share (within the limit of the shares subscribed by BCP in the scope of the reserved capital increase of 29 April 2011).

The agreement also states that:

- Financière Partouche agrees to hold on to at least 50.1% of Groupe Partouche's share capital for the entire term of the agreement;
- Financière Partouche and BCP agree not to increase their respective shareholdings by more than five percentage points.

This agreement will remain in effect as long as BCP holds shares in Groupe Partouche SA, although it should be noted that the duration of the agreement may not in any event exceed ten years.

In accordance with applicable regulations, this shareholder agreement was reported to the Autorité des Marchés Financiers, which ensured that it was officially announced as required.

No particular measure has been taken with a view to ensuring that the control described above is not exercised in an abusive manner.

At present, several senior executives hold the same positions at both Financière Partouche SA and Groupe Partouche SA, which the former company controls (see Section 14.1), namely:

On the Executive Board: Ari Sebag and Katy Zenou.

On the Supervisory Board: Isidore Partouche,

Patrick Partouche and Gaston Ghrenassia aka Enrico Macias.

At the date of this Reference Document, Financière Partouche SA owned 6,433,585 shares, corresponding to 66.45% of the share capital, whereas FCPR France Private Equity III owned 1,200,399 shares and Butler Capital Partners owned 76,621 shares, together comprising 13.19% of the share capital.

18.4 CONTROL OF FINANCIÈRE PARTOUCHE SA

Financière Partouche, which held 66.45% of the Company's share capital at the date of this Reference Document, is a French public limited company ("Société Anonyme") with an Executive Board and a Supervisory Board, its share capital mainly owned by members of the Partouche family.

No single shareholder owns sufficient shares in Financière Partouche SA to control this company. Patrick Partouche, Ari Sebag and Katy Zenou (all three signatories of the shareholder agreement described in Section 18.3) together hold 52.23% of the capital of Financière Partouche SA.

18.5 CHANGE OF CONTROL

To the best of our knowledge and subject to the information mentioned in Section 18.3 above, there are no other actions in concert or shareholder agreements, nor does any clause of any agreement contain any preferential conditions governing the disposal or acquisition of Groupe Partouche shares.

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RELATED PARTY TRANSACTIONS

Please refer to Section 7.2 of this document for the organisational structure and Section 20.2.1: Note 15 "Related parties" to the consolidated financial statements for further information.

Any partnerships with other companies are negotiated at arm's length.

The special report of the Statutory Auditors on regulated agreements and commitments is included below.

STATUTORY AUDITORS'S REPORT ON RELATED PARTY AGREEMENTS AND COMMITMENTS

SHAREHOLDERS' MEETING CONVENED TO APPROVE THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2015

This is a free translation into English of a report issued in French and is provided solely for the convenience of English-speaking readers.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of your Company, we hereby report to you on certain related party agreements and commitments.

We are required to inform you, on the basis of the information provided to us, of the terms, conditions and the reasons for the Company's interest of those agreements and commitments indicated to us, or that we may have identified in the performance of our engagement. We are not required to comment as to whether they are beneficial or appropriate or to ascertain the existence of any such agreements and commitments. It is your responsibility, in accordance with Article R. 225-58 of the French Commercial Code (Code de commerce), to evaluate the benefits resulting from these agreements and commitments prior to their approval.

In addition, we are required, where applicable, to inform you in accordance with Article R. 225-58 of the French Commercial Code concerning the implementation, during the year, of agreements and commitments already approved by the Shareholders' Meeting.

We performed those procedures which we considered necessary to comply with the professional guidance issued by the French National Institute os Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) relating to this type of engagement. These procedures consisted in verifying that the information provided to us is consistent with the documentation from which it has been extracted.

1 - AGREEMENTS AND COMMITMENTS SUBMITTED FOR APPROVAL BY THE SHAREHOLDERS' MEETING

AGREEMENTS AND COMMITMENTS AUTHORISED DURING THE YEAR

In accordance with Article L. 225-88 of the French Commercial Code, we have been advised of certain related party agreements and commitments which received prior authorization from your Supervisory Board.

AGREEMENTS WITH SHAREHOLDERS

We have not been informed of any new agreements in this category.

AGREEMENTS WITH COMPANIES SHARING SENIOR MANAGEMENT PERSONNEL

Acquisition from Cannes Balnéaire SA of a receivable against Casino de la Pointe Croisette SAS

On 21 September 2015, your Company acquired a receivable in the nominal amount of €6,138,900 held by Cannes Balnéaire SA against Casino de la Pointe Croisette SAS for a price of €1,500,000, paid by deducting the price from the receivable held against Cannes Balnéaire SA by Groupe Partouche SA.

This assignment of receivables was authorised by your Supervisory Board at its meeting on 23 June 2015.

Persons concerned:

- Members of the Supervisory Board: Isidore Partouche and Patrick Partouche
- Member of the Executive Board: Ari Sebag

Reason for the interest of Groupe Partouche SA:

This agreement was entered into in connection with the planned sale by Groupe Partouche SA of its shares in Cannes Balnéaire SA. In particular, one of the conditions of the planned sale was that Cannes Balnéaire SA sell to Groupe Partouche SA the receivable it held against other companies, including Casino de la Pointe Croisette.

Acquisition of shares in Casino de la Pointe Croisette SAS from Cannes Balnéaire SA

On 21 September 2015, your Company acquired from its subsidiary Cannes Balnéaire SA 37,500 shares representing 100% of the share capital of Casino de la Pointe Croisette SAS for the price of €1.

This transfer of shares was authorised by the Supervisory Board on 23 June 2015.

Persons concerned:

- Members of the Supervisory Board: Isidore Partouche and Patrick Partouche
- Member of the Executive Board: Ari Sebag

Reason for the interest of Groupe Partouche SA:

This agreement was entered into in connection with the planned sale by Groupe Partouche SA of its shares in Cannes Balnéaire SA. In particular, one of the conditions of the planned sale was that Cannes Balnéaire SA sell to Groupe Partouche SA its shareholdings in other companies, including Casino de la Pointe Croisette.

AGREEMENTS AND COMMITMENTS AUTHORISED SINCE THE FINANCIAL YEAR-END

We have not been informed of any new agreements in this category.

OTHER AGREEMENTS WITH SENIOR EXECUTIVES

We have not been informed of any new agreements in this category.

AGREEMENTS AND COMMITMENTS ALREADY APPROVED BY THE ANNUAL SHAREHOLDERS' MEETING

AGREEMENTS AND COMMITMENTS APPROVED IN PRIOR YEARS

A) WITH IMPLEMENTATION DURING THE YEAR

In accordance with Article R. 225-57 of the French Commercial Code, we have been advised that the following agreements and commitments, which were approved by the Annual Shareholders' Meeting in prior years, continued during the year.

AGREEMENTS WITH SHAREHOLDERS

Lease agreement with Financière Partouche SA

In the year ended 31 October 1998, your Company signed a lease agreement with Financière Partouche SA. This agreement covers the lease of your Company's headquarters at 141 bis rue de Saussure, 75017 Paris, France. As a result of the increase in the surface area occupied by Groupe Partouche SA, a rider to this agreement was signed on 1 August 2002, which renewed the lease for a term of nine years expiring on 31 July 2011 with an annual lease payment of €160,000 excluding VAT, subject to review in relation to the French construction cost index.

A further renewal of this lease was signed on 29 July 2011 for a term of nine years expiring on 31 July 2020. All other provisions of the renewed lease remain unchanged and in full effect.

For the year ended 31 October 2015, the lease expense recognised by your Company was €227,506, plus tenant service charges and taxes in the amount of €81,878.

Subordinated shareholder advance agreement with Financière Partouche SA

On 26 August 2003, your Company signed a shareholder's advance agreement with Financière Partouche SA. Under the terms of this agreement, Financière Partouche SA granted your Company an advance in the initial amount of €100,000,000 for a term of 7 years and 3 months, commencing on 29 August 2003, which was extended by a rider until 30 November 2012.

Pursuant to the memorandum of understanding on the restructuring of the debt, concluded with the pool of banks on 21 October 2009, the maturity date for the shareholder's advance was set at 31 December 2015.

The amounts lent to Groupe Partouche SA under the shareholder's advance were to be repaid only in accordance with the terms laid down in the subordination agreement signed on 27 September 2005 between Financière Partouche SA and Groupe Partouche SA. Under this agreement, the repayment of the syndicated loan would take precedence over the repayment of the shareholder's advance.

Furthermore, pursuant to the memorandum of understanding on the restructuring of the debt concluded with the pool of banks on 21 October 2009, it was further agreed that no interest or dividend would be payable by Groupe Partouche SA to Financière Partouche SA in respect of the subordinated shareholder's advance or on any other grounds, with the exception of repayments using surplus cash flow as defined in the above-mentioned agreement.

In the financial year ended 31 October 2010, the shareholder's advance decreased from €100,000,000 to €25,408,314, a

reduction of €74,591,686 corresponding to Financière Partouche SA's subscription to the capital increase carried out by Groupe Partouche SA on 13 August 2010.

The Safeguard Plan approved in a ruling by the Paris Commercial Court on 29 September 2014 authorised your Company to make repayments to Financière Partouche SA according to a set repayment schedule.

As a result, in accordance with the Safeguard Plan, your Company repaid Financière Partouche SA the sum of €3,050,837 as of 31 October 2014. At 31 October 2015, the amount outstanding of the shareholder's advance was €22,357,477, unchanged since 31 October 2014, with the next due date specified in the plan set for 15 December 2015.

Lastly, the ruling approving the Safeguard Plan maintained the shareholder's advance's contractual interest rate: the 1-, 2-, 3- or 6-month Euribor rate plus a 2% margin. Under this agreement, for the financial year ended 31 October 2015, your Company paid €459,725 in interest to Financière Partouche SA.

AGREEMENTS WITH COMPANIES SHARING SENIOR MANAGEMENT PERSONNEL

Tax consolidation agreement

The Group's tax consolidation agreement is applied in accordance with Article 223A of the French General Tax Code. At its meeting of 27 January 2015, the Supervisory Board authorised the tacit renewal of this agreement, which expired on 31 October 2014, for a further period of five years, ending 1 November 2019.

For the financial year ended 31 October 2015, your Company recognised a tax saving of €12,997,088 under this agreement.

Management consulting agreement with Shal & Co SA

Your Company has entered into a management consulting agreement with Shal & Co SA. Under the terms of this agreement, Shal & Co SA provides consulting services to certain subsidiaries of Groupe Partouche SA together with assistance in the areas of sales and administration as well as financial, legal, accounting and tax matters. This agreement was amended on 28 December 2008 to extend its term indefinitely.

For the financial year ended 31 October 2015, your Company recognised a charge of €597,333 under operating expenses in respect of this agreement.

Person concerned:

Member of the Supervisory Board: Hubert Benhamou.

Current account subordination agreement with SAS Casinos de Vichy «Les 4 Chemins»

On 31 October 2012, a current account subordination agreement was entered into by your Company and Casinos de Vichy «Les 4 Chemins», 91.83% of which is indirectly held.

Under this agreement, your Company forbids itself from claiming from its subsidiary the repayment of its claim as at 24 October 2012 (€15,106,491 excluding interest from 1 November 2011 to 24 October 2012) as long as liabilities towards third parties appear on its balance sheet, with the exception of disposals of equity securities or assets.

The aim of this agreement is to enable Casinos de Vichy «Les 4 Chemins» to consider said amount on its current account as a stable resource («quasi-equity»).

At 31 October 2015, your Company's current account claim with respect to SAS Casinos de Vichy "Les 4 Chemins" amounted to €17,403,617.

Person concerned:

Member of the Executive Board: Ari Sebag

OTHER AGREEMENTS WITH SENIOR EXECUTIVES

We have not been informed of any agreements falling into this category.

B) WITHOUT IMPLEMENTATION DURING THE YEAR

We have also been informed of the following agreements and commitments, which were approved by the Annual Shareholders' Meeting in prior years, which have not been implemented during the year. These agreements are as follows:

AGREEMENTS WITH SHAREHOLDERS

Cash pooling agreement with Financière Partouche SA

Financière Partouche SA was authorised to participate in the cash pooling agreement for Group companies with Groupe Partouche SA. Under this agreement, interest is charged on any loans and advances granted at preferential rates, thus lower than market rates.

This agreement had no impact on your Company during the financial year ended 31 October 2015.

AGREEMENTS WITH COMPANIES SHARING SENIOR MANAGEMENT PERSONNEL

Debt forgiveness agreements with return to profitability clauses relating to cash advances recorded in current accounts:

The terms and conditions of these agreements are as follows:

- with Société du Grand Casino de Cabourg: return to profitability clause for a debt forgiveness in the amount of €3,874,547;
- with Grand Casino du Havre SA: return to profitability clause for a debt forgiveness in the amount of €18,503,867;
- with Casino de la Trinité: return to profitability clause for a debt forgiveness in the amount of €3,267,000;

- with Casino de la Tremblade: return to profitability clause for a debt forgiveness in the amount of €677,846;
- with Hôtel Cosmos SARL: return to profitability clause for a debt forgiveness in the amount of €516,140;
- with Partouche Interactive SA: return to profitability clause for a debt forgiveness in the amount of €12,000,000;
- with Société d'exploitation du Casino et d'Hôtels de Contrexéville SAS: return to profitability clause for a debt forgiveness in the amount of €550,000.

OTHER AGREEMENTS WITH SENIOR EXECUTIVES

We have not been informed of any agreements falling into this category.

Marseille and Paris, 24 February 2016

MCR Baker Tilly	**France Audit Expertise**
Alexandra Mathieu	Emmanuel Quiniou

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FINANCIAL INFORMATION ON THE ISSUER'S ASSETS, FINANCIAL POSITION AND PERFORMANCE

20.1 HISTORIC FINANCIAL INFORMATION

Pursuant to Article 28 of Regulation (EC) 809/2004, the following information is referenced in this document:

- the consolidated financial statements for the financial year ended 31 October 2013, prepared in accordance with IFRS/IAS as adopted by the European Union and the report of the Statutory Auditors in the consolidated financial statements for the financial year ended 31 October 2013 which is included in the Reference Document of the Company, registered with the Autorité des Marchés Financiers on 26 February 2014 under No. D.14-0090, pages 127 et seq.;
- the consolidated financial statements for the financial year ended 31 October 2014, prepared in accordance with IFRS/IAS as adopted by the European Union and the report of the Statutory Auditors in the consolidated financial statements for the financial year ended 31 October 2014 which is included in the Reference Document of the Company, registered with the Autorité des Marchés Financiers on 26 February 2015 under No. D.15-0083, pages 131 et seq.;
- the individual financial statements for the financial year ended 31 October 2013 and the report of the Statutory Auditors on the annual financial statements for the financial year ended 31 October 2013 which is included in the Reference Document of the Company, registered with the Autorité des Marchés Financiers on 26 February 2014 under No. D.14-0090, pages 180 et seq.;
- the individual financial statements for the financial year ended 31 October 2014 and the report of the Statutory Auditors on the annual financial statements for the financial year ended 31 October 2014 which is included in the Reference Document of the Company, registered with the Autorité des Marchés Financiers on 26 February 2015 under No. D.15-0083, pages 182 et seq.

Both of the Reference Documents referred to above are available on the website of the Company (www.partouche.com) and the Autorité des Marchés Financiers (www.amf-france.org).

20.2 FINANCIAL STATEMENTS

20.2.1 CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2015

DETAILED CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2015

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS AT 31 OCTOBER 2015

CONSOLIDATED INCOME STATEMENT

CONSOLIDATED INCOME STATEMENT €000 AT 31 OCTOBER (EXCEPT PER SHARE DATA)	NOTES	2015	2014 RESTATED *	2013 RESTATED *
Turnover	4.2, 5.1	400 342	409 641	436 378
Purchases and external expenses	5.3	(127 615)	(135 927)	(141 583)
Taxes and duties		(17 877)	(19 271)	(19 572)
Employee expenses	7.2	(172 500)	(181 115)	(195 516)
Depreciation, amortisation and impairment of fixed assets		(37 401)	(37 836)	(40 733)
Other current operating income and expenses	5.4	(11 125)	(11 548)	(8 297)
Current operating profit	**4.3**	**33 824**	**23 945**	**30 677**
Other non-current operating income and expenses	5.4	1 797	3 673	(2 498)
Gain (loss) on the sale of consolidated investments	3.2	7 791	19 265	9
Impairment of non-current assets	6.1	(21 459)	(21 958)	(11 961)
Non-current operating profit		**(11 870)**	**980**	**(14 450)**
Operating profit		**21 954**	**24 925**	**16 227**
Financial income (expense)	**9.4**	**(3 542)**	**(8 180)**	**(10 438)**
Profit before tax		**18 412**	**16 746**	**5 790**
Corporate income tax	10.1	(5 717)	(8 259)	(6 248)
CVAE tax	10.1	(3 388)	(3 186)	(3 930)
Profit after tax		**9 307**	**5 301**	**(4 388)**
Share in earnings of equity-accounted associates	5.7	(2)	34	(89)
Total net profit		**9 304**	**5 335**	**(4 477)**
o/w Group share		1 975	(1 541)	(13 343)
o/w minority interests		7 329	6 876	8 866
Net earnings per share attributable to the Group		**0,20**	**(0,16) ****	**(1,38) ****
Dividend distributed per share		-	-	-
Number of shares on which the earnings per share calculation is based		9 667 142	9 665 311 **	9 664 816 **

(*) The term "restated" relates to the retroactive restatement of the consolidated financial statements to 31 October 2013 and 31 October 2014, in connection with the first-time adoption of IFRIC 21, as set out and detailed in Note 2.1 under the section titled "Standards applied".
(**) See Section 21.1.1 for details on the reverse stock split.

STATEMENT OF COMPREHENSIVE INCOME

COMPREHENSIVE INCOME €000 AT 31 OCTOBER	2015	2014 RESTATED *	2013 RESTATED *
Total net profit	**9 304**	**5 335**	**(4 477)**
Change in fair value of financial instruments net of tax (effective portion)	(222)	551	813
Other comprehensive income items **	2 317	241	(328)
Other comprehensive income items (that may be recycled subsequently to net profit)	**2 095**	**792**	**485**
Remeasurements of the defined benefit liability (IAS 19 (revised)), net impact on tax	(1 816)	(31)	241
Other comprehensive income items (that will not be recycled subsequently to net profit)	**(1 816)**	**(31)**	**241**
Total comprehensive income	**9 583**	**6 096**	**(3 751)**
Group share of comprehensive income	1 248	(1 120)	(12 363)
Minority interest share of comprehensive income	8 334	7 216	8 611

(*) See Note 2.1 under the section on the first application of IFRIC 21.
(**) Other comprehensive income items include changes in the Group and non-Group translation reserves of €1,066k and €1,251k respectively in year Y, and €(108k) and €349k respectively in year Y-1.
The Notes to the consolidated financial statements are an integral part thereof.

CONSOLIDATED BALANCE SHEET AT 31 OCTOBER 2015 (NET VALUE)

NET ASSETS IN €000 AT 31 OCTOBER	NOTES	2015	2014 RESTATED *	2013 RESTATED *
Intangible assets	6.3	4 037	5 152	9 050
Goodwill	6.1	245 680	276 007	302 529
Tangible fixed assets	6.4	247 356	251 331	301 658
Investments in equity-accounted associates	5.7	-	-	-
Other non-current financial assets	9.1	4 385	4 346	4 405
Deferred tax – Assets	10.2	2 651	2 399	2 211
Other non-current assets	12.1	15 518	11 757	2 093
TOTAL NON-CURRENT ASSETS		**519 627**	**550 993**	**621 947**
Inventories and semi-finished goods	5.5	3 184	2 819	3 119
Trade and other receivables	5.6	18 133	25 854	30 146
Corporate income tax receivables	10.1	3 275	3 005	6 980
Other current assets	12.1	10 300	9 783	12 625
Cash and cash equivalents	9.2	164 858	116 711	112 553
TOTAL CURRENT ASSETS		**199 750**	**158 174**	**165 423**
Assets held for sale	3.3	867	29 210	16 376
TOTAL NET ASSETS		**720 243**	**738 377**	**803 745**

LIABILITIES AND EQUITY IN €000 AT 31 OCTOBER	NOTES	2015	2014 RESTATED *	2013 RESTATED *
Share capital	11.1	193 631	193 631	193 631
Treasury shares	11.2	(398)	(374)	(396)
Share premium		9 411	9 411	9 411
Consolidated reserves	11.3	96 174	99 624	111 843
Translation reserve		2 607	1 541	2 146
Net profit (loss) for the year		1 975	(1 541)	(13 343)
GROUP EQUITY		**303 400**	**302 292**	**303 293**
MINORITY INTERESTS	**11.4**	**28 849**	**27 934**	**29 984**
TOTAL EQUITY		**332 250**	**330 226**	**333 277**
Non-current financial debt	9.3	178 112	219 051	198 705
Non-current employee commitments	7.4	13 553	10 954	10 844
Other non-current provisions	8.1	4 580	5 597	4 756
Deferred tax – Liabilities	10.2	36 218	37 867	34 377
Other non-current liabilities	12.3	6 361	7 770	9 412
TOTAL NON-CURRENT LIABILITIES		**238 825**	**281 240**	**258 095**
Current financial debt	9.3	25 463	773	73 146
Current employee commitments	7.4	317	204	183
Current provisions	8.1	3 049	3 447	2 505
Trade and other payables	12.2	87 377	90 599	102 773
Current tax liabilities	10.1	30 760	28 810	28 115
Other current liabilities	12.3	1 985	2 075	1 678
TOTAL CURRENT LIABILITIES		**148 952**	**125 907**	**208 400**
Held for sale liabilities	3.3	216	1 004	3 973
TOTAL LIABILITIES AND EQUITY		**720 243**	**738 377**	**803 745**

(*) See Note 2.1 under the section on the first application of IFRIC 21.

Number of shares in circulation (excluding treasury shares):

2015 *	2014	2013
9 664 815	96 649 014	96 553 106

(*) Reverse stock split undertaken in 2015; cf. Note 11.1, "Share capital outstanding".

The Notes to the consolidated financial statements are an integral part thereof.

CONSOLIDATED CASH FLOW STATEMENT

€000 AT 31 OCTOBER	2015	2014 RESTATED *	2013 RESTATED *
Total net profit	**9 304**	**5 335**	**(4 477)**
Adjustments:			
Elimination of income from equity-accounted associates	2	(34)	89
Elimination of tax expense (income)	9 105	11 445	10 178
Elimination of depreciation, amortisation and provisions	57 766	60 749	53 064
Elimination of gains and losses on asset disposals	(9 980)	(23 021)	2 450
Elimination of net interest expense (income)	7 131	9 650	9 396
Elimination of dividend income	(126)	(128)	-
Impact of the change in WCR	267	(3 655)	(13 049)
Interest paid	(7 224)	(7 972)	(8 245)
Tax paid	(9 354)	(7 846)	(10 144)
Cash flow from operating activities	**56 891**	**44 523**	**39 262**
Acquisition of investment securities net of cash acquired	(263)	-	(244)
Disposal of consolidated companies, less cash sold	13 720	22 737	194
Impact of other changes in consolidation scope	-	-	(7)
Acquisition of intangible assets	(286)	(141)	(317)
Acquisition of tangible fixed assets	(30 695)	(25 435)	(24 088)
Acquisition of financial assets	(3)	-	-
Loans and advances granted	(405)	(417)	(902)
Disposal of intangible assets	4	70	23
Disposal of tangible fixed assets	30 125	23 930	2 611
Disposal of financial assets	10	76	18
Reimbursements received from loans	619	428	648
Interest received	109	105	310
Dividends received	126	128	-
Cash flow from investing activities	**13 063**	**21 481**	**(21 754)**
Capital increase subscribed by minority interests	283	-	-
Net disposal of treasury shares	(24)	79	(59)
Loans issued	2 631	23	427
Bank loans reimbursed	(18 928)	(49 575)	(13 528)
Other financial debts reimbursed	(544)	(3 423)	(781)
Non-available deposit on asset sale	-	-	(8 000)
Dividends paid to minority shareholders	(7 691)	(9 273)	(9 067)
Cash flow from financing activities	**(24 273)**	**(62 169)**	**(31 008)**

€000 AT 31 OCTOBER	2015	2014 RESTATED *	2013 RESTATED *
Impact of foreign exchange rates	2 458	322	(12)
Change in cash and cash equivalents	**48 139**	**4 157**	**(13 512)**
Opening cash position	**116 701**	**112 544**	**126 057**
Closing cash position	**164 841**	**116 701**	**112 544**

(*) See Note 2.1 under the section on the first application of IFRIC 21.

The closing cash position of €164,841k in the cash flow statement corresponds to the "Cash and cash equivalents" item shown under balance sheet assets (€164,858k) less cash liabilities of €17k (cf. Note 9.2, "Cash and cash equivalents").

The comments on the consolidated cash flow statement are presented in Note 13.

CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

€000	CAPITAL	TREASURY SHARES	SHARE PREMIUM	CONSOLIDATED RESERVES AND NET PROFIT FOR THE YEAR	GROUP TRANSLATION RESERVE	GROUP EQUITY	MINORITY INTERESTS	TOTAL EQUITY
Equity at 31 October 2012 (restated) *	**193 631**	**(169)**	**9 411**	**110 734**	**2 217**	**315 825**	**30 496**	**346 321**
Net profit for 2013 financial year	-	-	-	(13 343)	-	(13 343)	8 866	(4 477)
Change in fair value of financial instruments net of tax (effective portion)	-	-	-	813	-	813	-	813
Remeasurements of the defined benefit liability (IAS 19 (revised))	-	-	-	237	-	237	3	241
Other comprehensive income items	-	-	-	-	(71)	(71)	(258)	(329)
Comprehensive income	**-**	**-**	**-**	**(12 292)**	**(71)**	**(12 363)**	**8 611**	**(3 752)**
Distribution of dividends	-	-	-	1	-	-	(9 068)	(9 068)
Other movements	-	(227)	-	58	-	(168)	(55)	(224)
Equity at 31 October 2013 (restated) *	**193 631**	**(396)**	**9 411**	**98 500**	**2 146**	**303 293**	**29 984**	**333 277**
Net profit for 2014 financial year	-	-	-	(1 541)	-	(1 541)	6 876	5 335
Change in fair value of financial instruments net of tax (effective portion)	-	-	-	551	-	551	-	551
Remeasurements of the defined benefit liability (IAS 19 (revised))	-	-	-	(21)	-	(21)	(10)	(31)
Other comprehensive income items	-	-	-	-	(109)	(109)	350	241
Comprehensive income	**-**	**-**	**-**	**(1 011)**	**(109)**	**(1 120)**	**7 216**	**6 096**
Distribution of dividends	-	-	-	-	-	-	(9 274)	(9 274)
Other movements	-	22	-	594	(496)	119	8	127
Equity at 31 October 2014 (restated) *	**193 631**	**(374)**	**9 411**	**98 083**	**1 541**	**302 292**	**27 934**	**330 226**

€000	CAPITAL	TREASURY SHARES	SHARE PREMIUM	CONSOLIDATED RESERVES AND NET PROFIT FOR THE YEAR	GROUP TRANSLATION RESERVE	GROUP EQUITY	MINORITY INTERESTS	TOTAL EQUITY
Net profit for 2015 financial year	-	-	-	1 975	-	1 975	7 329	9 304
Change in fair value of financial instruments net of tax (effective portion)	-	-	-	(222)	-	(222)	-	(222)
Remeasurements of the defined benefit liability (IAS 19 (revised))	-	-	-	(1 571)	-	(1 571)	(246)	(1 816)
Other comprehensive income items	-	-	-	-	1 066	1 066	1 251	2 317
Comprehensive income	**-**	**-**	**-**	**182**	**1 066**	**1 248**	**8 334**	**9 583**
Distribution of dividends	-	-	-	-	-	-	(7 710)	(7 710)
Other movements	-	(24)	-	(116)	-	(140)	291	151
Equity at 31 October 2015	**193 631**	**(398)**	**9 411**	**98 149**	**2 607**	**303 400**	**28 849**	**332 250**

(*) See Note 2.1.2 – "First application of IFRIC 21".

Comments on the changes in consolidated shareholders' equity as of 31 October 2015 are available in Note 11.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The Notes to the consolidated financial statements are an integral part thereof.

NOTE 1. KEY EVENTS DURING THE FINANCIAL YEAR

The regulations governing levies on casino games were amended in financial year 2015, with a positive overall impact on NGR of €3.5m.

Groupe Partouche completed two significant disposals in the financial year:

- the Chaudfontaine casino company, for a selling price of €10m;
- the Garden Beach hotel and real estate assets in Juan-les-Pins, for a total selling price of approximately €30m.

The Maltese companies in the former Interactive division (see Note 4), Partouche Betting and Partouche Interactive Malta, together with the inactive GIE IMCJC, were deconsolidated during the financial year after being wound up, in accordance with IAS 28.

The La Trinité casino closed permanently on 30 June 2015.

With effect from 1 November 2014, the Group applies IFRIC 21 – Levies, the impact of which is detailed in Section 2.1.2.

Lastly, these consolidated financial statements were covered by the Groupe Partouche SA Safeguard Plan (plan de sauvegarde), approved in a ruling by the Paris Commercial Court on 29 September 2014, the financial terms of which are set out in Section 20 of Groupe Partouche's 2014 Annual Report. For more information on the execution of the Safeguard Plan and associated financial risks, please refer to Sections 4.1.1 "Risk of non-compliance with the Safeguard Plan (plan de sauvegarde)" and 4.1.2 "Liquidity risk" of this Annual Report.

NOTE 2. ACCOUNTING POLICIES

In the following notes to the financial statements, the terms "Groupe Partouche" and "the Group" refer to the entire Group and its consolidated subsidiaries. "Groupe Partouche SA" refers to the parent company of Groupe Partouche.

Groupe Partouche SA is a société anonyme (limited company) governed by French law, subject to all of the texts governing commercial companies in France, particularly the French Commercial Code. It has its registered office at 141 bis rue de Saussure, in the 17th arrondissement of Paris, and has been listed on the Paris stock exchange since March 1995.

Groupe Partouche, the company and its subsidiaries, are mainly organised around the casino, hospitality and online gaming businesses. The consolidated financial statements were approved for publication by the Executive Board of Groupe Partouche SA on 18 January 2016.

Pursuant to French legislation, the consolidated financial statements for the financial year ended 31 October 2015 will be subject to the approval of the shareholders of the Group at the Shareholders' Meeting convened for 6 April 2016.

In accordance with IAS 1 – Presentation of Financial Statements, the Group breaks out its assets and liabilities in the balance sheet into current and non current. Items qualify as "current" if:

- the Group expects to realise the asset or settle the liability within 12 months or in its normal operating cycle;
- the assets and liabilities in question are held for the purpose of trading.

2.1 STANDARDS APPLIED

Pursuant to Regulation (EC) No. 1606/2002 of 19 July 2002, the financial statements of Groupe Partouche for the financial year ending 31 October 2015 have been prepared under International Financial Reporting Standards (IFRS) as adopted in the European Union.

The financial information was prepared for the periods presented in compliance with the rules of measurement and recognition under IFRS.

IFRSs, as adopted by the European Union at 31 October 2015, are available under the IAS/IFRS and SIC-IFRIC (International Financial Reporting Interpretations Committee) interpretations adopted by the Commission on the following website:
http://ec.europa.eu/finance/company-reporting/index_en.htm.

2.1.1 IFRS/IFRIC STANDARDS AND INTERPRETATIONS

The accounting policies and valuation methods applied for preparing the consolidated financial statements are the same as those used at 31 October 2014, except for new EU-adopted standards and interpretations that came into force at the beginning of the financial year under review.

- Standards and interpretations applied by the Group, as of 1 November 2014:
  - IAS 28 (revised) – Investments in Associates and Joint Ventures;
  - Amendments to IAS 36 – Recoverable Amount Disclosures for Non-Financial Assets;
  - Amendments to IAS 32 – Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities;
  - IFRS 10 – Consolidated Financial Statements;
  - IFRS 11 – Joint Arrangements;
  - IFRS 12 – Disclosure of Interests in Other Entities;
  - IFRS 13 – Fair Value Measurement;
  - IFRIC 21 – Levies.

Only IFRIC 21 has an impact on the annual financial statements, set out in Section 2.1.2 below.

- Standards and interpretations adopted or in the process of being adopted by the European Union and not pre applied by the Group as of 1 November 2014:
  - IFRS 9 – Financial Instruments (Phase 1 – Classification and measurement of financial assets, and supplement – Fair value option for financial liabilities) (not adopted by the EU);
  - IFRS 15 – Revenue from Contracts with Customers (not adopted by the EU);
  - Amendments to IAS 16 and IAS 38 – Clarification of Acceptable Methods of Depreciation and Amortisation (applicable with effect from 1 November 2016);
  - Amendments to IFRS 11 – Accounting for Acquisitions of Interests in Joint Operations (applicable with effect from 1 November 2016);
  - Amendments to IAS 19 – Employee Benefits: Defined benefit plans: employee contributions (applicable with effect from 1 November 2015);
  - IFRS annual improvements 2010-2012 and 2011-2013 (applicable with effect from 1 November 2015) and 2012-2014 (applicable with effect from 1 November 2016).

Groupe Partouche is currently analysing the potential impact that applying these standards and amendments has on its statement of comprehensive income, balance sheet, cash flows and notes to the consolidated financial statements.

2.1.2 FIRST APPLICATION OF IFRIC 21

IFRIC 21 mainly concerns the date of recognition of levies depending on the obligating event: according to IFRIC 21, a liability in respect of a levy is recognised at the date of the obligating event, which corresponds to the latest activity making the levy payable. The same principles apply to interim financial statements: no liability is recognised if there is no present obligation to pay the levy at the end of the interim period, but a liability is recognised if such an obligation does exist at the end of the interim period. Given these rules, the recognition in the half-year of the full amount payable means the application of IFRIC 21 has a greater impact on the interim financial statements than on the annual financial statements.

After analysing the impact of IFRIC 21, the Group has decided to recognise the annual amount of levies affected by this adjustment on 1 January each year insofar as their impact is considered material relative to the Group's key financials.

In accordance with the interpretation, application has been backdated to periods beginning on or after 1 November 2012. The impact of this adjustment on key financials set out in previous annual financial statements is shown below, in light of the impact recorded at 31 October 2015:

IMPACT ON THE CONSOLIDATED INCOME STATEMENT

- Impact on taxes and duties

€000	31 OCTOBER 2015	31 OCTOBER 2014	31 OCTOBER 2013
Impact on taxes and duties	(4)	53	(50)

- Impact on corporate income tax

€000	31 OCTOBER 2015	31 OCTOBER 2014	31 OCTOBER 2013
Impact on tax	2	(18)	16

- Impact on net profit

€000	31 OCTOBER 2015	31 OCTOBER 2014	31 OCTOBER 2013
Impact on net profit	(2)	34	(34)

IMPACT ON THE BALANCE SHEET (EXCLUDING DEFERRED TAXES)

- Impact on other current assets (prepaid expenses)

€000	31 OCTOBER 2015	31 OCTOBER 2014	31 OCTOBER 2013
Impact on other current assets	(476)	(519)	(582)

- Impact on balance sheet liabilities: suppliers and other creditors

€000	31 OCTOBER 2015	31 OCTOBER 2014	31 OCTOBER 2013
Impact on other payables	-	-	-

IMPACT ON CONSOLIDATED RESERVES

- Group share

€000	31 OCTOBER 2015	31 OCTOBER 2014	31 OCTOBER 2013
Impact on Group consolidated reserves	(311)	(350)	(326)

- MINORITY INTERESTS

€000	31 OCTOBER 2015	31 OCTOBER 2014	31 OCTOBER 2013
Impact on non-Group consolidated reserves	(42)	(39)	(35)

IMPACT ON THE PRESENTATION OF THE CASH FLOW STATEMENT

- Impact on the presentation of items relating to cash flow from operating activities

€000	31 OCTOBER 2015	31 OCTOBER 2014	31 OCTOBER 2013
Impact on total net profit	(2)	34	(34)
Impact on elimination of tax expense (income)	(2)	18	(16)
Impact on the change in WCR	4	(53)	50
Cash flow from operating activities	-	-	-

2.2 ACCOUNTING JUDGMENTS AND ESTIMATES

2.2.1 PREPARATION PRINCIPLES

The consolidated financial statements are prepared on the basis of historical costs, with the exception of certain financial instruments which are recorded as of 1 November 2004, based on their fair value, namely:

- derivative financial instruments;
- available for sale financial assets.

Groupe Partouche closes its financial statements at 31 October. The subsidiaries that do not have a 31 October year-end prepare interim financial statements at that date.

Acquired subsidiaries are consolidated in the Group's financial statements as of the date of their acquisition, commencing on the most recent date of preparation of the most recent consolidated balance sheet.

Preparing the financial statements requires Groupe Partouche to perform estimates and make assumptions liable to have an impact both on the amounts of assets, liabilities, income and expenses and the information provided in the notes to the financial statements. The estimates and assumptions are realised based on comparable historic data and other factors considered to be reasonable in view of the circumstances. They are therefore used as a basis to exercise judgment rendered in determining accounting values. The Group's management reviews these estimates and assumptions continually in order to ensure their pertinence with regard to the current economic environment. Based on the evolution of these assumptions, the items included in its financial statements may differ from current estimates. The impact of changes in accounting estimates is recognised during the period of the change and all affected future periods.

The principal estimate rules applied by the Group are presented below and relate to:

- the valuation in the balance sheet of tangible fixed assets, intangible assets and goodwill. The Group regularly reviews certain indicators which would lead where applicable to an impairment test;
- determination of deferred tax and the level of recognition of deferred tax assets based on the principles described below. Management has established a tax recoverability plan enabling the amount of deferred tax assets that may be recognised in the Group's consolidated balance sheet to be estimated;
- the determination by the Group of the provision for retirement commitments and similar benefits and related expenses depends on the assumptions used in the actuarial provision calculation;
- the analysis of risks and litigation, including the estimate of the probability of the outcomes of litigation in progress and future litigation, which are, by their nature, dependant on necessarily uncertain future events.

The financial statements reflect management's best estimates, on the basis of the information available to them on the date that the financial statements were approved for publication.

NOTE 3. CONSOLIDATION SCOPE

3.1 ACCOUNTING POLICIES RELATED TO THE CONSOLIDATION SCOPE

3.1.1 CONSOLIDATION PRINCIPLES

- **Full consolidation**

Subsidiaries over which the Group has exclusive control, whether directly or indirectly, are fully consolidated. The Group considers that it has exclusive control over an entity in which it has invested if:
- it has power over the investee;
- it is exposed or entitled to variable returns resulting from its links with the investee;
- it is able to exert its power over the entity in such a way as to influence the amount of returns it obtains from the entity.

The full consolidation method takes into account, after eliminating internal transactions and results, all assets, liabilities and income statement items of the companies in question; that portion of profits and equity due to Group companies (Group share) is distinguished from that relating to interests held by other shareholders (non-controlling interests). All significant transactions between consolidated companies and results within the consolidated group (including dividends) are eliminated.

- **Equity-accounted joint arrangements and associates**

A partnership agreement structures the control of a firm and ensures that it is jointly controlled by at least two partners. This type of firm is known as a joint arrangement, as defined in IFRS 11, retroactively applicable with effect from 1 January 2014, where the partners have rights over the firm's net assets.

Groupe Partouche also has significant influence over some companies, known as associates. Significant influence means the power to participate in decisions concerning a company's financial and operational policies without controlling or jointly controlling those policies. Significant influence is assumed where the Group holds more than 20% of the voting rights. Such joint arrangements and associates are recognised using the equity method.

Under this method, an investment in equity-accounted companies is recognised in the consolidated balance sheet at the date at which the company becomes an associate or a joint arrangement. This investment is initially recognised at acquisition cost. After the acquisition date, it is adjusted to reflect the Group's share of comprehensive income not distributed by the investee. This income may be adjusted to comply with the Group's accounting policies.

The rules for impairment testing of equity-accounted investments are governed by IAS 39 – Financial Instruments: Recognition and Measurement, and IAS 28 (revised) – Investments in Associates and Joint Ventures. Impairment losses on equity-accounted investments, as well as any profit or loss upon the re-measurement at fair value of the previously held share (when control of an equity-accounted company is acquired), are recognised under "Share in earnings of equity-accounted associates".

▸ Change in the percentage of interests held in companies without the loss of control

Under IAS 27 (revised), in the event that additional shares in a subsidiary are acquired, the difference between the price paid and the carrying amount of the acquired minority interest, as determined from the financial statements prior to the acquisition, is deducted from consolidated equity.

3.1.2 FOREIGN CURRENCY TRANSLATION METHODS

▸ Translation of foreign companies' financial statements

The consolidated financial statements are presented in euros, which is the functional and presentation currency of the Group.

Foreign companies' financial statements are initially prepared in each subsidiary's functional currency. Balance sheet items are translated into euros on the basis of the exchange rates prevailing at the balance sheet date. Equity items are translated on the basis of the historical exchange rates, with translation differences from the previous financial year being aggregated under the heading "translation differences" included in the statement of comprehensive income. The income statement and cash flow headings are translated using average rates during the financial year.

▸ Translation of foreign currency transactions

Receivables and payables expressed in foreign currencies are translated on the basis of the exchange rate prevailing at the balance sheet date. Income, expenses and transaction flows are translated on the basis of the exchange rate prevailing at the date they were recognised. The gains and losses resulting from the translation of the assets and liabilities are listed in the income statement.

▸ Main conversion rates

The main exchange rates applied outside the eurozone are as follows:

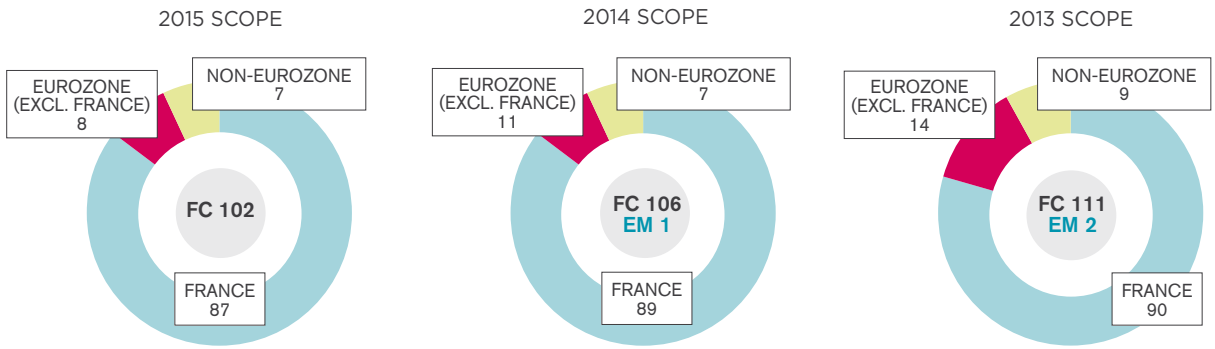
CURRENCIES / EURO	CLOSING RATE AT 31/10/2015	AVERAGE RATE AT 31/10/2015	CLOSING RATE AT 31/10/2014	AVERAGE RATE AT 31/10/2014	CLOSING RATE AT 31/10/2013	AVERAGE RATE AT 31/10/2013
CHF Swiss franc	**1,090000**	**1,087580**	1,206700	1,218860	1,233300	1,227410
GBP Pound sterling	**0,718200**	**0,738190**	0,784250	0,814220	0,850200	0,844560
TND Tunisian dinar	**2,202900**	**2,191510**	2,279156	2,245980	2,233700	2,119810
USD US dollar *	-	-	1,252400	1,348770	1,364100	1,317870
EGP Egyptian pound *	-	-	8,957618	9,497810	9,400700	8,897060

(*) Companies using a foreign currency as their functional currency deconsolidated at 31 October 2014.

3.2 CHANGES IN THE SCOPE OF CONSOLIDATION

Groupe Partouche's consolidated financial statements, prepared at 31 October 2015, include the financial statements of the companies listed in Note 17.

The tables below summarise the number of entities consolidated by the full consolidation and equity methods.
FC: Full consolidation
EM: Equity method



In 2015, the equity-accounted company PI Malta was liquidated.
In 2014, the equity-accounted company was located in the eurozone (excl. France).
In 2013, one equity-accounted company was located in the eurozone (excl. France) and the other was outside the eurozone.

3.2.1 CHANGES IN SCOPE

All the changes in percentage interest are presented in Note 17.

The main changes in financial year 2015 were the disposal by Groupe Partouche of the Chaudfontaine casino and the Garden Beach hotel in Juan-les-Pins; it should be noted that the real estate assets of the Garden Beach hotel, the sale of which was already considered highly probable at 31 October 2014, had already been reclassified as "Assets held for sale" in the financial statements at that date.

The Maltese companies in the former Interactive division (see Note 4), Partouche Betting and Partouche Interactive Malta, together with the inactive GIE IMCJC, were deconsolidated during the year after being wound up, in accordance with IAS 28.

3.2.2 GAIN (LOSS) ON THE SALE OF CONSOLIDATED INVESTMENTS

€000 AT 31 OCTOBER	2015
Net gain (loss) on the sale of the Chaudfontaine casino	4 215
Net gain (loss) on the sale of Hôtel Garden Beach	3 327
Net proceeds on liquidation of Partouche Interactive Malta and Partouche Betting	(125)
Net proceeds on liquidation of GIE IMCJC	374
Total	**7 791**

3.2.3 ASSET DISPOSALS

In addition to sales of consolidated investments, Groupe Partouche also completed significant real estate asset disposals during the 2015 financial year, shown in the consolidated income statement under "Other non-recurring operating income and expenses" for a total of €2,647k, which mainly consisted of:

- €992k in income from the disposal of unused real estate assets in Vichy (Elysée SA et CHM de Vichy);
- €2,866k in income from the disposal of real estate assets falling within the Juan-les-Pins complex as part of the sale of the Garden Beach hotel;
- €1,305k in expenses in the form of fees and commissions directly linked to these transactions.

3.2.4 IMPACT OF DECONSOLIDATED COMPANIES (DISPOSALS, LIQUIDATION, LOSS OF CONTROL) ON THE CONSOLIDATED INCOME STATEMENT AND FINANCIAL POSITION

The following table shows the financial contribution of companies deconsolidated in financial year 2015 to the various components of net operating income from ordinary activities for the past three financial years:

€000 AT 31 OCTOBER	2015	2014 RESTATED *	2013 RESTATED *
Turnover	**2 127**	**12 304**	**12 970**
Purchases and external expenses	(1 444)	(4 978)	(4 756)
Taxes and duties	(283)	(712)	(597)
Employee expenses	(2 024)	(6 346)	(7 166)
Depreciation, amortisation and impairment of fixed assets	(294)	(640)	(786)
Other current operating income and expenses	(456)	(3 634)	(651)
Current operating profit	**(2 374)**	**(4 006)**	**(985)**

The financial contribution of companies deconsolidated in financial year 2015 to the main components of the Group's financial position in prior periods is as follows::

NET ASSETS €000 AT 31 OCTOBER	2014 RESTATED *	2013 RESTATED *
Non-current assets	7 005	8 578
Current assets	1 361	1 503
Assets held for sale	2 243	-
TOTAL ASSETS	**10 609**	**10 081**

LIABILITIES AND EQUITY IN €000 AT 31 OCTOBER	2014 RESTATED *	2013 RESTATED *
Equity	6 326	7 074
Non-current liabilities	1 323	265
Current liabilities	1 955	2 742
Held for sale liabilities	1 004	-
TOTAL LIABILITIES AND EQUITY	**10 609**	**10 081**

3.3 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Pursuant to IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations, an asset is classified as held for sale only if the sale is highly probable within a reasonable time frame, the asset is available for immediate sale in its current condition and management is committed to a plan to sell.

A discontinued operation is a component of an entity that either has been disposed of or is classified as held for sale, and:

a) represents either a separate major line of business or a geographical area of operations; or

b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or

c) is a subsidiary acquired exclusively with a view to resale.

Breakdown of non-current assets held for sale and discontinued operations

Disposals of assets forming part of the Contrexéville complex should be completed in the first half of 2016 for a selling price of €2.35m. These assets are the shares in the two Contrexéville hotels (the Cosmos and La Souveraine – Grands Hôtels du Parc), as well as assets relating to those companies held by Foncière de Vittel et Contrexéville SCI; also included in this transaction are other real estate assets belonging to Foncière de Vittel et Contrexéville SCI.

These disposals were classed as highly likely at 31 October 2015; as such, they were treated in accordance with IFRS 5 and the assets concerned were reclassified under "Assets held for sale" in the consolidated balance sheet for the financial year ended 31 October 2015.

The disposals of the Garden Beach hotel in Juan-les-Pins and related assets held by Garden Pinède SCI and Eden Beach SCI in Juan-les-Pins were completed during financial year 2015. They were classed as highly likely at 31 October 2014 and treated in accordance with IFRS 5 in the financial statements for the year ended 31 October 2014.

As regards the former premises of the casino in La Grande-Motte, also recorded under "Assets held for sale" at 31 October 2014, the asset was reclassified under "Tangible fixed assets" after the sale fell through, where it will remain until a new opportunity arises for the Group to sell or redevelop the asset.

Balance sheet assets

€000 AT 31 OCTOBER	2015	2014	2013
Non-current assets	**2015**	**2014**	**2013**
Hôtel Cosmos (Contrexéville)	313	-	-
Grands Hôtels du Parc (Contrexéville)	26	-	-
SCI Foncière Vittel et Contrexéville	407	-	-
Casino de La Grande-Motte	-	4 500	4 500
Hôtel Garden Beach	-	1 394	-
SCI Eden Beach	-	6 017	-
SCI Garden Pinède	-	16 450	-
Élysée Palace SA	-	-	-
CHM	-	-	-
Casino de Knokke	-	-	4 884
SIKB	-	-	1 768

€000 AT 31 OCTOBER	2015	2014	2013
Reno	-	-	1 658
Casino de Dinant	-	-	871
Casino de Hauteville-Lompnes	-	-	1 880
Current assets	**120**	**849**	**815**
Hôtel Cosmos (Contrexéville)	107	-	-
Grands Hôtels du Parc (Contrexéville)	13	-	-
Hôtel Garden Beach	-	849	-
Casino de Knokke	-	-	551
SIKB	-	-	1
Casino de Dinant	-	-	159
Casino de Hauteville-Lompnes	-	-	104
Total held for sale assets	**867**	**29 210**	**16 376**

Breakdown of non-current assets held for sale

€000 AT 31 OCTOBER	2015	2014	2013
Intangible assets	99	4	364
Goodwill	-	1 082	5 817
Tangible fixed assets	609	27 230	9 380
Other non-current financial assets	1	21	-
Deferred tax	4	24	-
Other non-current assets	33	-	-
Non-current assets	**746**	**28 361**	**15 561**

Balance sheet liabilities and equity

€000 AT 31 OCTOBER	2015	2014	2013
Non-current liabilities	**1**	**73**	**109**
Hôtel Cosmos (Contrexéville)	1	-	-
Hôtel Garden Beach	-	73	-
Casino de Knokke	-	-	16
Casino de Hauteville-Lompnes	-	-	93
Current liabilities	**216**	**931**	**3 865**
Hôtel Cosmos (Contrexéville)	212	-	-
Grands Hôtels du Parc (Contrexéville)	3	-	-
Hôtel Garden Beach	-	931	-
Casino de Knokke	-	-	1 828
SIKB	-	-	2
Casino de Dinant	-	-	1 304
Casino de Hauteville-Lompnes	-	-	731
Total liabilities held for sale	**216**	**1 004**	**3 974**

NOTE 4. SEGMENT INFORMATION

Under IFRS 8 – Operating Segments, the divisions shown are based on the internal reporting used by management to assess the performance of the Group's different divisions. From now on, the Group is managed as three divisions:

- the Casino division, which comprises gaming, catering and entertainment;
- the Hotel division, which comprises accommodation and hospitality services;
- the Group's Other activities, which mainly comprise the business of Groupe Partouche SA, the Group's parent company, and all the other secondary businesses (holding companies, thermal baths, real estate companies and the companies in the former Interactive division *).

With regard to casino subsidiaries, the Group believes that its operating companies have a unique activity contributing to a global service offering for its customers. Several restrictions are attached to the operation of casinos, which, according to gaming regulations, are establishments comprising three distinct activities: gaming, entertainment and food services, together under a single management structure. The operating requirements to be followed therefore include ancillary services necessarily incidental to the main activity, gaming.

(*) Until 31 October 2014, all the activities in France contributing to organising and operating gaming in which participants use remote communication (TV, internet, etc.) were grouped under the separate Interactive gaming division. Following the strategic withdrawal in financial years 2013 and 2014, the Interactive division is no longer subject to separate internal monitoring, since its business is no longer material. From financial year 2015, the companies that comprise this sector are classified under "Other".

Current operating profit (loss) is the main benchmark indicator monitored across the various business sectors.

The current operating profit assigned to "Other activities" essentially takes into account external expenses, employee expenses and charges to amortisation and depreciation at the parent company, Groupe Partouche SA; at the Group's various subordinate holding companies; the Group's real estate companies; and the company that operates the thermal baths at Thermes d'Aix-en-Provence.

The current operating profit of online gaming activity in Belgium is presented under "Casinos". It is part of the companies' casino business. As always, online gaming licences in Belgium are awarded only to physical casino operators.

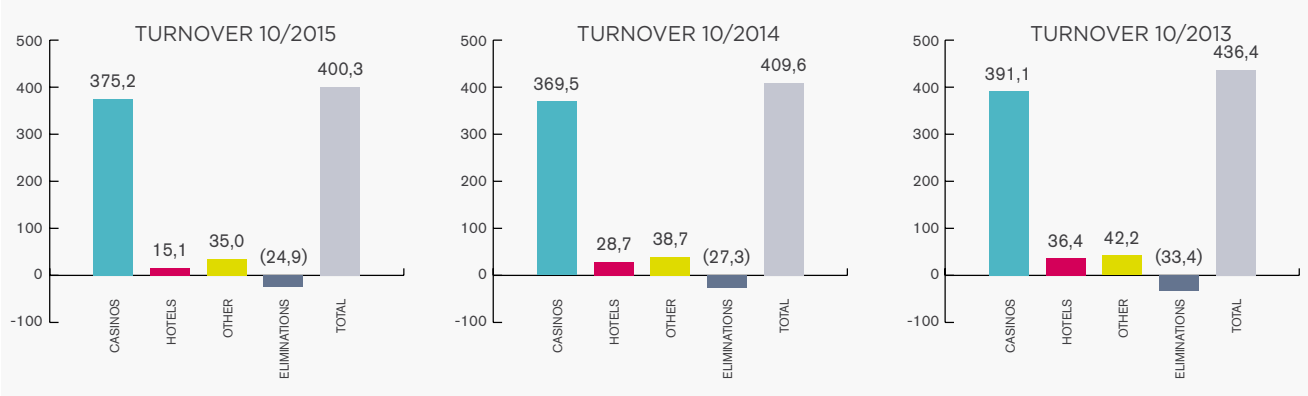
To make it easier to understand segment performance, with effect from the interim results released on 30 April 2015, Groupe Partouche presents segment information in the form set out below, with the contribution from each segment now shown before intra-group eliminations between the Group's various business segments.

4.1 BUSINESS OVERVIEW BY SEGMENT

€000 FINANCIAL YEAR ENDED 31 OCTOBER 2015	BEFORE ELIMINATION				ELIMINATION	CONSOLIDATED TOTAL
	TOTAL	CASINOS	HOTELS	OTHER		
Turnover	425 254	375 179	15 087	34 988	(24 912)	400 342
Purchases and external expenses	(143 477)	(112 187)	(8 283)	(23 006)	15 862	(127 615)
Taxes and duties	(27 635)	(25 104)	(1 289)	(1 241)	9 758	(17 877)
Employee expenses	(172 383)	(154 321)	(7 378)	(10 684)	(117)	(172 500)
Depreciation, amortisation and impairment of fixed assets	(37 401)	(31 296)	(1 319)	(4 787)	-	(37 401)
Other current operating income and expenses	(10 534)	(9 754)	42	(822)	(591)	(11 125)
Current operating profit	33 824	42 516	(3 140)	(5 552)	-	33 824

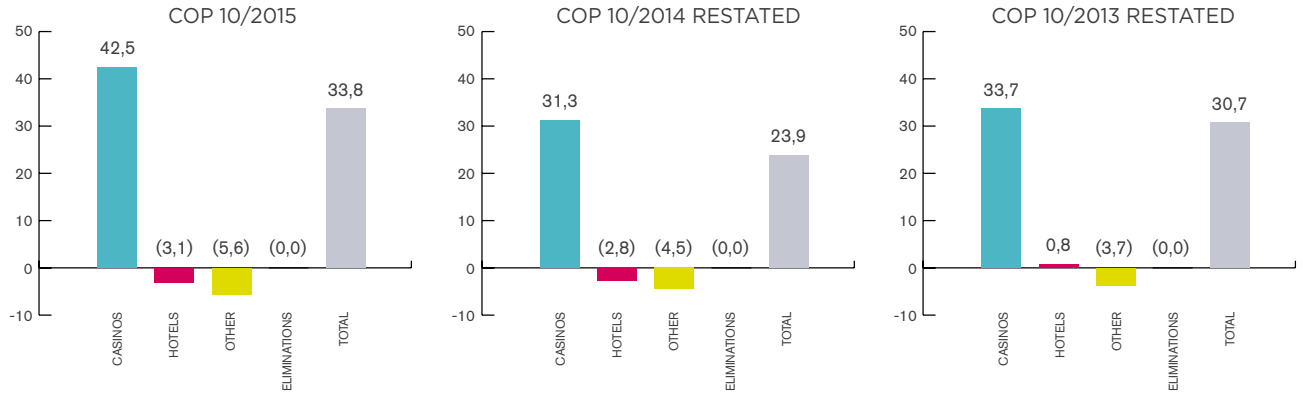
€000 FINANCIAL YEAR ENDED 31 OCTOBER 2014	BEFORE ELIMINATION				ELIMINATION	CONSOLIDATED TOTAL
	TOTAL	CASINOS	HOTELS	OTHER		
Turnover	436 968	369 547	28 676	38 745	(27 327)	409 641
Purchases and external expenses	(153 233)	(113 972)	(13 425)	(25 835)	17 306	(135 927)
Taxes and duties	(29 929)	(25 707)	(2 333)	(1 888)	10 658	(19 271)
Employee expenses	(181 080)	(157 322)	(13 035)	(10 723)	(35)	(181 115)
Depreciation, amortisation and impairment of fixed assets	(37 836)	(29 775)	(2 593)	(5 469)	-	(37 836)
Other current operating income and expenses	(10 947)	(11 500)	(82)	635	(602)	(11 548)
Current operating profit	23 945	31 272	(2 792)	(4 535)	-	23 945

4.2 TURNOVER BY DIVISION (€m)

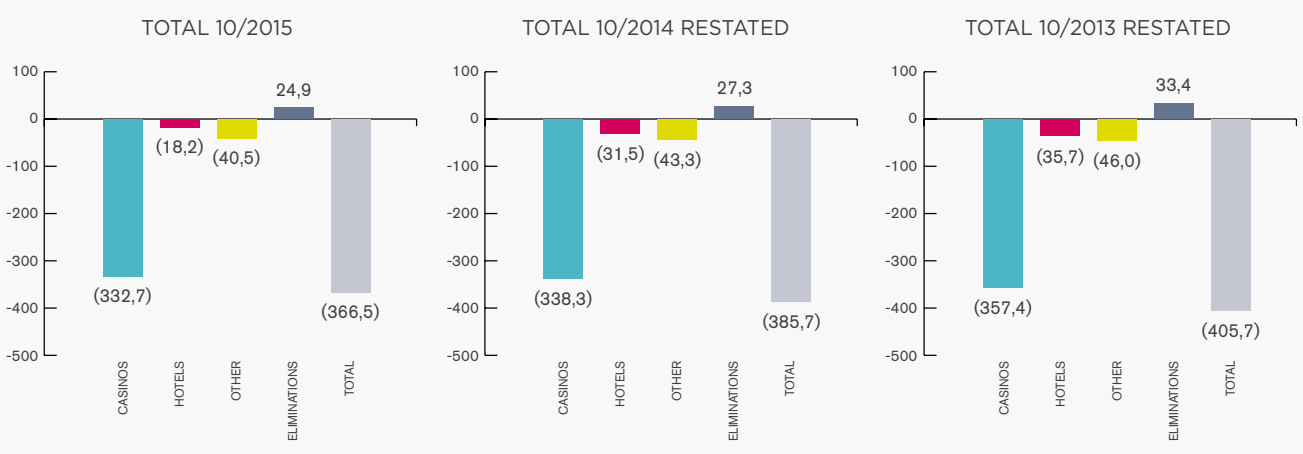


4.3 CURRENT OPERATING PROFIT BY DIVISION

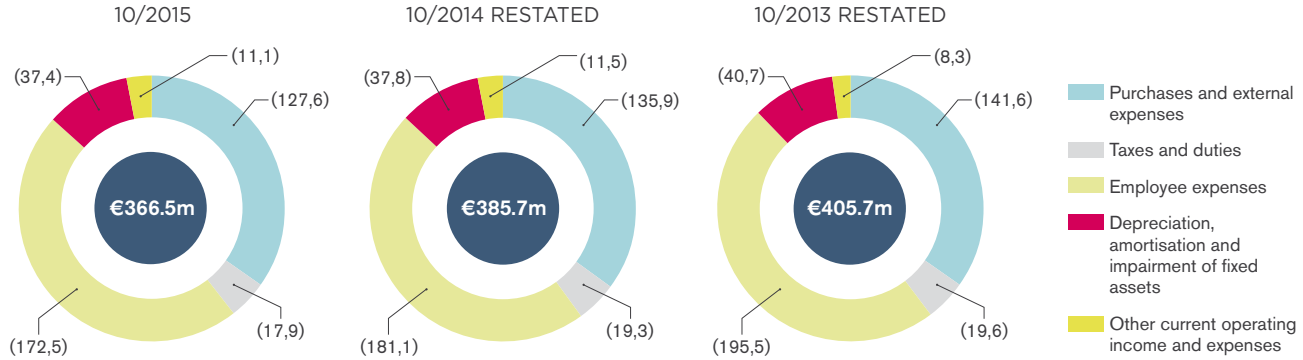
Breakdown of current operating profit by division (€m)



Operating expenses by type (€m)



Breakdown of operating expenses by year (€m)



4.4 BALANCE SHEET ITEMS BY DIVISION

€000 AT 31 OCTOBER	SEGMENT ASSETS		OF WHICH EQUITY-ACCOUNTED	
	2015	2014 RESTATED *	2015	2014 RESTATED *
Casinos	553 451	590 140	-	-
Hotels	17 076	23 226	-	-
Other	149 717	125 060	-	-
TOTAL	**720 243**	**738 425**	**-**	**-**

€000 AT 31 OCTOBER	SEGMENT LIABILITIES	
	2015	2014 RESTATED *
Casinos	148 525	149 165
Hotels	5 127	7 358
Other	234 341	251 676
TOTAL	**387 993**	**408 199**

Financial statement reconciliation of segment liabilities:

€000 AT 31 OCTOBER	2015	2014 RESTATED *
Segment liabilities	387 993	408 199
Equity	332 250	330 226
TOTAL LIABILITIES AND EQUITY	**720 243**	**738 425**

Cash flow items by business division

€000 FINANCIAL YEAR ENDED 31 OCTOBER	INTANGIBLE ASSET INVESTMENTS		TANGIBLE FIXED ASSET INVESTMENTS		DEPRECIATION, AMORTISATION AND PROVISIONS	
	2015	2014 RESTATED *	2015	2014 RESTATED *	2015	2014 RESTATED *
Casinos	(150)	(63)	(26 888)	(23 314)	51 732	52 416
Hotels	(33)	(5)	(1 052)	(967)	1 158	2 661
Other	(103)	(74)	(2 755)	(1 154)	4 876	5 673
TOTAL	**(286)**	**(141)**	**(30 695)**	**(25 435)**	**57 766**	**60 749**

NOTE 5. OPERATIONAL DATA

5.1 TURNOVER

Consolidated turnover recognised for the Group corresponding to income from ordinary activities as defined under IAS 18 mainly includes income generated by the following activities:

- Net gaming revenue;
- Sales of services.

Turnover is recognised on the accrual basis for net gaming revenue or in relation to the degree of completion for sales of services and lease agreements, provided that a contract exists between the parties, that the price is fixed or may be determined and that the corresponding receivable is likely to be recovered. Turnover is measured at the fair value of the consideration received or to be received.

a. Net gaming revenue

This item corresponds to gross gaming revenue, less the corresponding gaming levies, in accordance with the chart of accounts for casinos. Net gaming revenue is known and recognised when the service is performed.

b. Sales of services

Turnover generated by sales of services includes proceeds arising from restaurant, hotel and entertainment activities constituting the full range of leisure services provided to the clientele of the Group's establishments in addition to gaming activities.

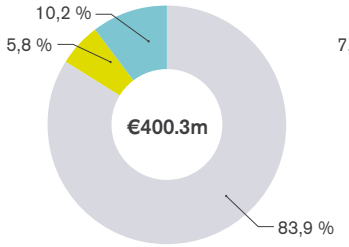
- **Turnover by geographical area**

Geographic information is based on the breakdown of turnover by the geographic regions in which the Group operates, which are as follows:

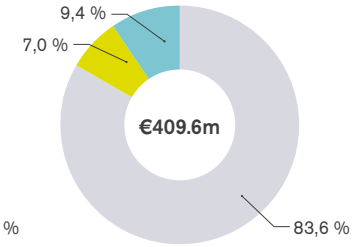
- France;
- Eurozone (excluding France);
- Non-eurozone.

BREAKDOWN OF TURNOVER €000 FINANCIAL YEAR ENDED 31 OCTOBER	2015	%	2014	%	2013	%
France	336 081	83,9 %	342 423	83,6 %	362 958	83,2 %
Eurozone (excluding France)	23 402	5,8 %	28 707	7,0 %	34 583	7,9 %
Non-eurozone	40 858	10,2 %	38 511	9,4 %	38 837	8,9 %
TOTAL	**400 342**	**100,0 %**	**409 641**	**100,0 %**	**436 378**	**100,0 %**

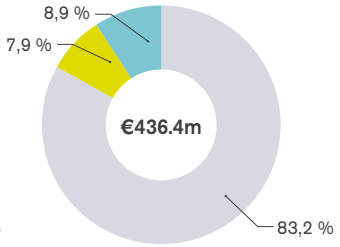
TURNOVER BY ZONE IN 2015



TURNOVER BY ZONE IN 2014



TURNOVER BY ZONE IN 2013



France
Eurozone (excluding France)
Non-eurozone

5.2 OPERATING PROFIT AND EBITDA

In order to aid in the understanding of its financial performance, the Group considers that it is pertinent to divide its operating profit into two components on its income statement: current operating profit and non-current operating profit.

Current operating profit (COP)

Current operating profit combines all of the income and expenses directly related to the Group's businesses to the extent that these items are recurring, usual items of the operating cycle or that they result from ad hoc events or decisions related to the Group's operations. This indicator used by the Group allows for the presentation of a level of operating performance able to facilitate a forward-looking approach to recurring performance. This aggregate is the operating profit before impairment of goodwill and other non-recurring operating income and expenses defined as follows: net gains/losses from the disposal of assets and exceptional items, income and expenses which are unusual in their frequency, nature or amount.

Non-current operating profit (NCOP)

Non-current operating profit comprises all non-current events that are not usually part of the operating cycle: it therefore comprises impairments of fixed assets, the gain or loss from the sale of consolidated investments, the gain or loss on the sale of assets, and other non-current operating income and expenses that are not related to the normal operating cycle.

Consolidated EBITDA

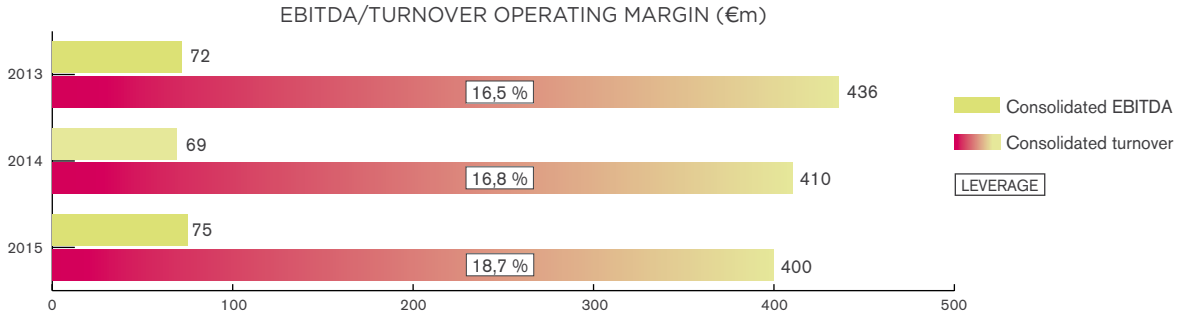
Consolidated EBITDA comprises the income and expense items constituting current operating profit (as defined in the interim and annual financial statements of Groupe Partouche), excluding depreciation and amortisation (allocations and reversals) and provisions (allocations and reversals) relating to the operating cycle and one-off items relating to the Group's activities that are included under current operating profit but are excluded from EBITDA given their non-recurring nature.

Adjustments to reconcile current operating profit to EBITDA at 31 October 2015

€000 FINANCIAL YEAR ENDED 31 OCTOBER	2015 COP	RESTATEMENT RECLASSIFICATION	2015 EBIDTA
Turnover	400 342	-	400 342
Purchases and external expenses	(127 615)	737	(126 878)
Taxes and duties	(17 877)	373	(17 504)
Employee expenses	(172 500)	1 988	(170 512)
Depreciation, amortisation and impairment of fixed assets	(37 401)	37 401	-
Other current operating income and expenses	(11 125)	691	(10 434)
Transfer from COP to EBITDA	**33 824**	**41 190**	**75 014**

▸ **Transfer from current operating profit to EBITDA at 31 October 2014 (restated)**

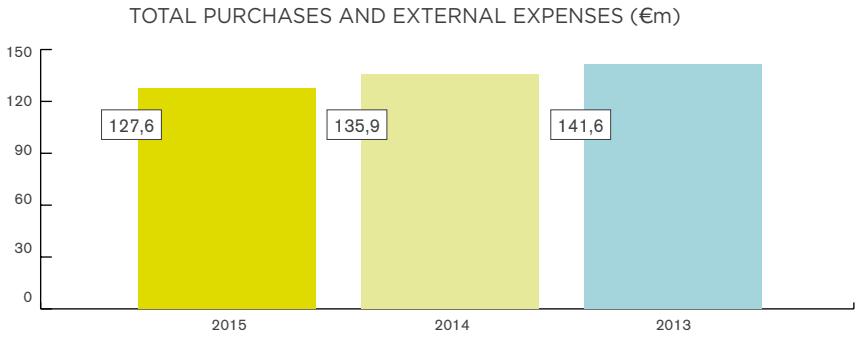
€000 FINANCIAL YEAR ENDED 31 OCTOBER	2014 COP	RESTATEMENT RECLASSIFICATION	2014 EBITDA
Turnover	409 641	-	409 641
Purchases and external expenses	(135 927)	2 393	(133 534)
Taxes and duties	(19 271)	388	(18 883)
Employee expenses	(181 115)	2 181	(178 933)
Depreciation, amortisation and impairment of fixed assets	(37 836)	37 836	-
Other current operating income and expenses	(11 548)	1 991	(9 558)
Transfer from COP to EBITDA	**23 945**	**44 789**	**68 734**



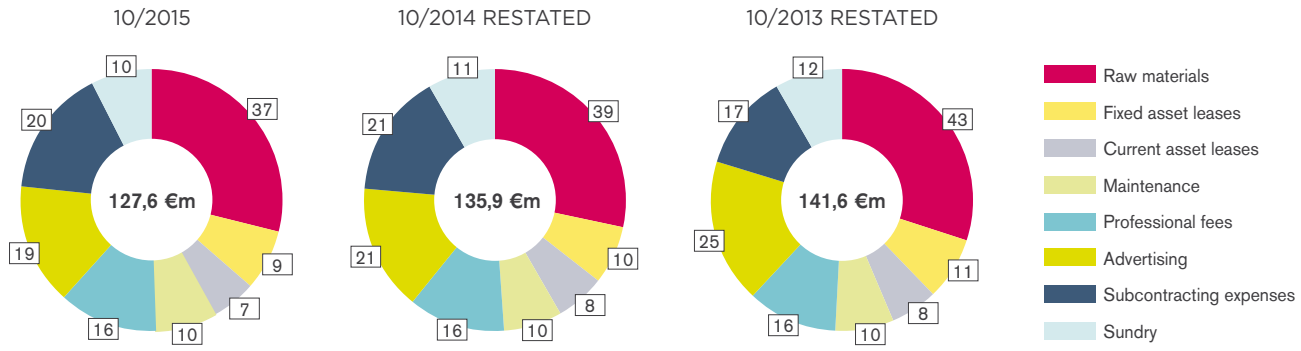
5.3 PURCHASES AND EXTERNAL EXPENSES

The lease agreements referenced at the level of the Group as a whole are in large part operating leases under which the lessor retains a significant portion of the risks and benefits inherent in ownership of the asset under lease. Payments made under these leases are recognised in expenses on a straight-line basis over the term of the leases. Only significant finance-lease agreements for fixed assets are restated. They give rise to recognition of an asset, the leased property, and a liability, the financial debt. These assets are depreciated in accordance with the schedule defined by the Group in respect of the fixed assets concerned.

Comparison of purchases and external expenses



Breakdown of purchases and external expenses (€m)



Breakdown of "Sundry" item

€000 FINANCIAL YEAR ENDED 31 OCTOBER	2015	2014	2013
Insurance premiums	991	1 480	1 951
External staff	1 275	1 522	1 932
Entertainment	2 297	2 243	2 187
Post and telecoms	1 910	2 231	2 385
Banking fees	2 275	2 382	2 630
Other	788	1 241	442
TOTAL	**9 536**	**11 099**	**11 527**

5.4 OTHER OPERATING INCOME AND EXPENSES

5.4.1 OTHER CURRENT OPERATING INCOME AND EXPENSES

€000 FINANCIAL YEAR ENDED 31 OCTOBER	2015	2014	2013
Net gain (loss) on asset disposals	(459)	(95)	(248)
Changes in impairment of current assets	(513)	(103)	(142)
Changes in provisions for contingencies	(325)	(2 347)	176
Sundry current operating income and expenses	(9 828)	(9 003)	(8 082)
Other current operating income and expenses	**(11 125)**	**(11 548)**	**(8 297)**

Breakdown of "Sundry current operating income and expenses" at 31 October 2015

Charges related to casino operating requirements	(11 461)
Gaming oversight fees	(676)
Other sundry current operating expenses *	(3 357)
Total sundry current operating expenses	**(15 495)**
Tax relief for manifestations artistiques de qualité (high-quality artistic productions)	1 528
Investments subsidies taken to income for the period	1 469
Other sundry current operating income **	2 669
Total sundry current operating income	**5 667**
Total sundry current operating income and expenses	**(9 828)**

(*) Mainly includes all other recurring operating costs (image costs, copyright, other royalties and miscellaneous operating costs, etc.) incurred by all the Group's companies.
(**) Mainly includes all other recurring operating revenue earned by all the Group's companies.

5.4.2 OTHER NON-CURRENT OPERATING INCOME AND EXPENSES

€000 AT 31 OCTOBER	2015	2014	2013
Net gain (loss) on asset disposals *	2 647	3 673	(2 498)
Sundry operating income and expenses **	(850)	-	-
Total	**1 797**	**3 673**	**(2 498)**

(*) At 31 October 2015, this item included the proceeds from the sales of:
- unused assets of real estate companies in the Vichy division (Elysée Palace SA, CHM) for €992k
- real estate assets in the Juan-les-Pins complex for €2,866k, and professional fees and commissions directly relating to this disposal in the amount of €1,305k.
At 31 October 2014, this item included the €3,660k net proceeds from the sale of the premises and business assets of the Lyon Hilton hotel.
At 31 October 2013, it included a €2,731k net loss on the disposal of assets related to the inactive San Roque casino.
(**) Includes all non recurring sundry operating income and expenses not related to the Group's usual operating cycle.
At 31 October 2015, this corresponded to a provision for a severance settlement in respect of a dispute with a third party resolved after the reporting date.

5.5 INVENTORIES AND SEMI-FINISHED GOODS

Inventories are stated at their acquisition cost. The costs of inventories sold are determined on the basis of the first-in-first-out method. An impairment loss is recognised when the carrying amount of inventories is higher than their net realisable value.

€000 AT 31 OCTOBER	2015	2014	2013
Inventories – Solids	661	694	787
Inventories – Liquids	1 221	1 227	1 429
Inventories – Other consumed purchases	178	174	187
Inventories – Production in progress	87	87	87
Inventories – Finished and semi-finished products	-	-	12
Inventories – Merchandise inventories	1 074	666	645
GROSS AMOUNT	**3 220**	**2 847**	**3 146**
Provision	(36)	(28)	(28)
NET AMOUNT	**3 184**	**2 819**	**3 119**

5.6 RECEIVABLES AND OTHER DEBTORS

Receivables are recognised at their face value. An impairment provision is set aside whenever their fair value, based on the likelihood of their being recovered, is less than their nominal value.

€000 AT 31 OCTOBER	2015	2014	2013
Trade receivables	15 724	19 837	22 128
Provisions for trade accounts receivable	(9 672)	(9 259)	(8 751)
Total net value of trade receivables	**6 052**	**10 578**	**13 377**
Other debtors	35 422	38 939	39 738
Provisions for other debtors	(23 341)	(23 663)	(22 969)
Total net value of other debtors	**12 081**	**15 276**	**16 769**
Total net value of trade receivables and other debtors	**18 133**	**25 854**	**30 146**

Breakdown of other debtors

€000 AT 31 OCTOBER	2015	2014	2013
Suppliers: advances and down payments	766	667	591
Employee receivables – advances and down payments	117	123	125
Receivables from social security organisations	537	578	419
Tax receivables – excluding corporate income tax	5 960	5 845	8 696
Current accounts – assets	13 587	14 653	14 363
Receivables in respect of sales of property and equipment	20	3 000	-
Receivables in respect of sales of securities	828	686	178
Other receivables	10 987	10 975	12 130
Dividends receivable	-	-	
Other income receivables	2 619	2 412	3 236
Total other debtors	**35 422**	**38 939**	**39 738**

Comments on other debtors:

At 31 October 2015, "Tax receivables – excluding corporate income tax" included in particular a receivable from the Casino d'Aix-en-Provence concerning payment for high-quality artistic productions for €3.4m.

Current receivables from disposals of securities correspond to the current portion (€427k) of the balance receivable in connection with the sale of Société Française de Casinos (SFC) to Tête Dans les Nuages (TDN) (receivable fully impaired), and the current portion (€400k) of the seller financing related to the divestment of the Dinant casino which took place in 2014.

"Other receivables" includes in particular a longstanding €6.8m receivable from a third party that has yet to deliver a property title acquired under contract and against which proceedings have been filed. This receivable is provided for in full.

At 31 October 2014, receivables in respect of sales of property and equipment corresponded to the €3,000k balance of the sale of the premises and business assets of the Lyon Hilton hotel, deposited in an escrow account. These receivables were collected during financial year 2015.

Breakdown of provisions for other debtors

€000 AT 31 OCTOBER	2015	2014	2013
Provisions on current accounts – assets	(12 846)	(13 526)	(12 388)
Provision for receivables in respect of sales of securities	(427)	(285)	-
Provision for other receivables	(10 069)	(9 852)	(10 581)
Provision for other debtors	**(23 341)**	**(23 663)**	**(22 969)**

Comments on provisions for other debtors:

Besides the impairment losses mentioned above, "Provisions on current accounts – assets" mainly includes:

- a €2.1m provision recognised in previous financial years by Compagnie Européenne de Casinos in its dealings with a foreign company;
- an €8.3m provision for Group Partouche SA's current account with Casino de Beaulieu (liquidated company, deconsolidated in 2010).

Accounts receivable aging of trade and other receivables

€000 AT 31 OCTOBER 2015 RECEIVABLES OUTSTANDING FOR:	< 1 MONTH OR NOT OUTSTANDING	< 3 MONTHS	< 6 MONTHS	< 9 MONTHS	> 9 MONTHS	TOTAL
Net value of trade receivables	1 902	1 549	1 419	549	633	6 052
Net value of other debtors	4 191	1 046	348	152	6 344	12 081
Total Trade and other receivables	**6 093**	**2 595**	**1 767**	**701**	**6 977**	**18 133**

LReceivables outstanding for more than nine months mainly consist of accrued income on additional allowances receivable (linked to "Article 34" hotel investments and "high-quality artistic events") for the Lyon Pharaon casino for approximately €1.2m, and the Aix-en-Provence casino for approximately €2.5m.

Accrued income of this type is directly related to expenditure incurred in recent gaming seasons; its collection is dependent on the Ministry of the Interior approving applications filed by casinos in this regard, giving rise to relatively long delays between the point at which casinos pay out the expenditure and the point at which the Ministry authorises the allowances.

However, no unfavourable settlements have been recorded for these casinos in recent financial years.

5.7 PINVESTMENTS IN EQUITY-ACCOUNTED ASSOCIATES

The Group's investments in equity-accounted associates and the percentage ownership interest are presented in the note relating to the scope of consolidation. The financial information relating to the Group's equity-accounted associates is summarised below:

Balances relating to equity-accounted associates

€000 AT 31 OCTOBER	2013 *	2014 **	SHARE IN PROFIT	TRANSLATION DIFFERENCE	CHANGES IN SCOPE **	2015
Investments in equity-accounted associates	-	-	-	-	-	-
Provision for share of negative equity *	(527)	(50)	(2)	-	52	-
Total	**(527)**	**(50)**	**(2)**	**-**	**52**	**-**
Of which, goodwill relating to equity-accounted associates	-	-	-	-	-	-

(*) At 31 October 2013 this provision included the share in net equity of Partouche Interactive Malta, following the transition of this company from full consolidation to the equity method during the 2013 financial year.

(**) The change in scope at 31 October 2015 corresponds to the deconsolidation of Partouche Interactive Malta after it was wound up. The change in scope at 31 October 2014 corresponded to the deconsolidation of International Casino of Madrid during the 2014 financial year. See Note 17.

Balance sheet of equity-accounted associates

€000 AT 31 OCTOBER	2015	2014	2013
Total assets	-	10	919
Total debt	-	109	2 888
Total net assets	**-**	**(99)**	**(1 969)**

Income statement of equity-accounted associates

€000 AT 31 OCTOBER	2015	2014	2013
Total turnover	-	-	10
Total net profit or loss	-	82	(193)

Information related to equity-accounted associates

€000 AT 31 OCTOBER	% OWNED IN 2015	NET ASSETS IN 2015	NET PROFIT IN 2015	NET ASSETS IN 2014	NET PROFIT IN 2014	NET ASSETS IN 2013	NET PROFIT IN 2013
Casino International of Madrid	-	-	-	-	-	(1 788)	-
Partouche Interactive Malta *	-	-	(2)	(99)	82	(181)	(193)
TOTAL	**-**	**-**	**(2)**	**(99)**	**82**	**(1 969)**	**(193)**

(*) Accounted for under the equity method in 2013. Deconsolidated in 2015.

NOTE 6. INTANGIBLE AND TANGIBLE FIXED ASSETS

6.1 GOODWILL

Determination of goodwill

Upon the acquisition of the shares of a consolidated company, the separately identifiable assets and liabilities are valued at their total fair value based on the Group's intended utilisation. The corresponding assets and liabilities are therefore recognised in the balance sheet at this revised value.

Goodwill is the difference between the acquisition cost of shares and the Group's share in the fair value of any identifiable assets and liabilities. Under the previous IFRS 3, all of the expenses representing external costs directly related to the acquisition are included in the acquisition cost. Most of the goodwill has been generated by external growth operations. However, as of the financial year ended 31 October 2010, and where no change in control has occurred, this difference is recorded directly as a reduction in equity, in accordance with IAS 27 (revised). Goodwill is accounted for in the functional currency of the acquired entity and is converted in the consolidated financial statements according to the rules of conversion as previously defined.

Upon the sale of a subsidiary, the amount of goodwill attributable to the company sold is included in the calculation of the gain or loss on disposal.

€000 AT 31 OCTOBER	2015	2014	2013
Net goodwill, excluding impairment for the financial year	267 139	297 965	315 567
Impairment for the financial year	(21 459)	(21 958)	(13 038)
Net goodwill	**245 680**	**276 007**	**302 529**

Impairment of goodwill in respect of financial year 2015, recognised in "Impairment of non-current assets" under "Non-current operating profit (loss)" in the consolidated income statement, totalled €21.5m and concerned only the casino CGUs based on value in use.

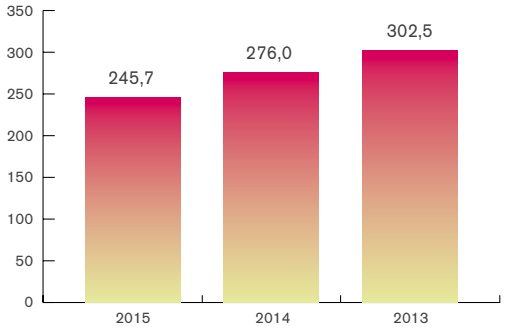
As a reminder, in 2013, "Impairment of non current assets" in the consolidated income statement, which amounted to (€11,961k), included, in addition to (€13,038k) in goodwill impairments, €1,078k in reversals of impairments to real estate assets (property in Reno – United States).

The full methodology used for the impairment of goodwill is set out in Section 6.2 below.

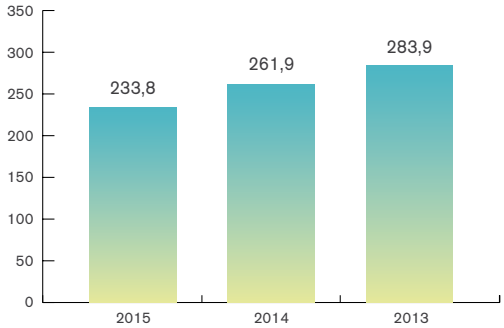
No CGUs were rebundled or subdivided in relation to the previous financial year.

6.1.1 BREAKDOWN OF CHANGES IN GOODWILL BY DIVISION

TOTAL GOODWILL (€m)



GOODWILL ON CASINOS (€m)



€000 AT 31 OCTOBER	2015	2014	2013
Casinos	233 788	261 901	283 859
Hotels	3 072	3 072	6 553
Other	8 821	11 034	12 116
TOTAL	**245 680**	**276 007**	**302 528**

Breakdown of changes

NET VALUE AT 31 OCTOBER 2014 IN €000	276 007
Increase	-
Decreases *	(8 868)
Impairment	(21 459)
IFRS 5 reclassification	-
Net value at 31 October 2015	**245 680**

(*) Removal of net goodwill following the disposal of the Chaudfontaine Loisirs casino and unused real estate assets in Vichy (€6,654k and €2,214k respectively).

Breakdown of impairment

BREAKDOWN OF IMPAIRMENT IN €000	
Casino Hyères	(9 431)
Casino La Grande-Motte	(5 896)
Casino Bandol	(5 742)
Casino du Val-André	(267)
Casino Arcachon	(123)
Impairment	**(21 459)**

6.1.2 GOODWILL BY COMPANY

The breakdown of accumulated goodwill (net of impairment) above €10m as at 31 October 2015 is as follows:

€M AT 31 OCTOBER	2015	2014
Casino La Grande-Motte	25,27	31,16
Casino Divonne	30,75	30,75
Casino Bandol	10,59	16,33
Casino Pornichet	30,13	30,13
Casino Annemasse	27,19	27,19
Casino Pornic	19,27	19,27
Casino Roche-Posay	16,98	16,98
Casino Ostende	15,39	15,39
Casino Plouescat	12,98	12,98
SUBTOTAL	**188,55**	**200,18**
Other entities (aggregate)	57,13	75,82
TOTAL	**245,68**	**276,01**

6.2 IMPAIRMENT IN THE VALUE OF GOODWILL

6.2.1 IMPAIRMENT TESTING OF GOODWILL

Goodwill is not amortised, but is subject to impairment tests annually or more frequently if there is any indication of identified impairment in value. Besides external indicators that measure any loss in value related to the economic climate, the Group mainly uses changes in the following internal indicators: Gross Gaming Revenue, turnover and EBITDA.

For the purposes of carrying out impairment testing, each goodwill item is allocated to a cash generating unit (CGU) representing the smallest group of identifiable assets that generate largely independent cash inflows, i.e. the lowest level at which goodwill is monitored for the purposes of monitoring for internal management purposes (generally a casino operating company). Monitoring the value of goodwill falls within the scope of application of Section 135 of IAS 36.

The impairment tests performed by the Group in application of IAS 36 consist of comparing the recoverable values of the cash generating units (CGUs) with the net carrying amount of the corresponding assets, including goodwill.

The recoverable value of a CGU is determined as the higher of the value in use and the fair value (less disposal costs).

The value in use of a CGU is determined by discounting the future cash flows generated by its assets. The data used for the value-in-use method is extracted from the annual budgets and multi-annual plans drawn up by management for a period of five years. These forecasts are drawn up by each operating segment, drawing on their financial targets and assumptions on the following factors: discount rate, the long-term growth rate used to calculate the terminal value, EBITDA, investment expenditure, competition environment, regulatory environment, changes in technology and level of marketing and selling costs.

Beyond the five-year period, a terminal value corresponding to the value of the CGU at the end of the explicit projection period was calculated using the capitalisation, for an unlimited time, of normative cash flows, taking into consideration a specific forecast long-term growth rate for each business segment.

The forecast cash flows and the terminal value have been discounted to present value at the assessment date using a discount rate equal to the weighted average cost of capital (WACC), including a risk premium for each business segment.

Should the tests, once performed, yield a loss in value, the impairment is deducted from goodwill. It is charged to «Impairment of non-current assets» under non-current operating profit. Under IFRS as adopted by the European Union, a recorded impairment of goodwill can never be reversed.

The main assumptions used at 31 October 2015 are shown below:

DISCOUNT RATE	GROWTH RATE	DEBT-FREE SEGMENT BETA	MARKET PREMIUM
6.6%	Between 0 and 2%	0,63	6 %

The tests performed on the Group's goodwill on 31 October 2015 led to the recognition of additional impairment in the amount of €21,459k, as shown in the table in Note 6.1.1.

6.2.2 SENSITIVITY OF IMPAIRMENT TESTS

Sensitivity to interest rate changes

Sensitivity tests of realisable value based on reasonably possible changes of a key assumption were carried out, and more specifically, sensitivity tests to changes of 0.5 points of the discount rate and the growth rate to infinity. They did not reveal any situations in which the realisable value of CGU would become lower than the carrying amount, with the exception of the CGU values mentioned below:

CGU	IMPACT IN €M OF A CHANGE IN			
	DISCOUNT RATE		PERPETUAL GROWTH RATE	
	+1/2 POINT	-1/2 POINT	+1/2 POINT	-1/2 POINT
Casino de Pornichet	(0,74)	2,92	2,43	(0,32)
Casino Pornic	(1,36)	2,03	1,77	(1,15)
Casino d'Andernos	(0,19)	0,53	0,45	(0,11)
Casino de La Grande-Motte	(2,14)	2,56	2,31	(1,93)
Casino de Coutainville	(0,37)	0,56	0,48	(0,31)
Casino d'Hyères	(2,70)	1,25	1,01	(2,50)
Casino Val-André	(0,45)	0,30	0,27	(0,42)
Casino de Bandol	(1,19)	1,44	1,36	(1,12)

The figures shown reflect the results of sensitivity tests, with the understanding that:

- a negative impact reflects an additional impairment charge, taking into account the change in the recoverable amount of the CGU against its carrying amount;
- a positive impact reflects a positive change in the recoverable amount of the CGU.

Sensitivity to changes in turnover and EBITDA

The Group carries out an analysis of the sensitivity of recoverable amounts to reasonably possible changes in assumptions impacting certain parameters of the budget forecasts used: turnover and EBITDA.

At 31 October 2015, the results are presented below for those CGUs designated in the preceding section:

CGU	IMPACT IN €M OF A CHANGE IN			
	TURNOVER		EBITDA	
	+1,5 %	-1,5 %	+2 %	-2 %
Pornichet	0,61	-	0,82	-
Casino Pornic	0,35	(0,02)	0,46	(0,12)
Casino d'Andernos	0,12	-	0,15	-
Casino de La Grande-Motte	0,48,	(0,48)	0,58	(0,58)
Casino de Coutainville	0,13	(0,06)	0,17	(0,09)
Casino d'Hyères	0,39	(0,39)	0,48	(0,48)
Casino Val-André	0,11	(0,11)	0,12	(0,12)
Casino de Bandol	0,25	(0,25)	0,29	(0,29)

The figures shown reflect the results of sensitivity tests, with the understanding that:

- a negative impact reflects an additional impairment charge, taking into account the change in the recoverable amount of the CGU against its carrying amount;
- a positive impact reflects a positive change in the recoverable amount of the CGU.

6.3 INTANGIBLE ASSETS

Intangible assets with indefinite useful lives are not amortised. In light of the Group's sectors of activity, they represent assets in respect of which it is possible to verify the change in value. They are subject to periodic impairment testing.

Intangible assets with definite useful lives are amortised based on their expected useful lives and are impaired where there is an indication of impairment in value.

Other intangible assets notably include operating rights acquired to operating licences, client lists and lease rights.

€000	CONCESSIONS, PATENTS, BRANDS	INTERNALLY GENERATED GOODWILL	OTHER INTANGIBLE ASSETS	TOTAL
Gross value at 31 October 2013	**8 658**	**12 820**	**7 403**	**28 881**
Accumulated amortisation at 31 October 2013	(6 275)	(6 824)	(6 732)	(19 831)
Net value at 31 October 2013	**2 383**	**5 997**	**670**	**9 050**
Acquisitions	-	-	141	141
Disposals	(96)	(3 091)	(697)	(3 884)
Additions to the consolidation scope	-	-	-	-
Removals from the consolidation scope	(28)	-	(342)	(370)
Translation difference	-	-	7	7
Assets transferred and scrapped	28	-	248	276
Amortisation charges and reversals	(787)	400	317	(69)
Gross value at 31 October 2014	**8 562**	**9 730**	**6 761**	**25 052**
Accumulated amortisation and impairment losses at 31 October 2014	(7 062)	(6 423)	(6 415)	(19 900)
Net value at 31 October 2014	**1 500**	**3 306**	**345**	**5 152**
Acquisitions	-	-	364	364
Disposals *	(10)	(13)	(98)	(121)
Additions to the consolidation scope	-	-	-	-
Removals from the consolidation scope	-	-	(225)	(225)
Translation difference	-	-	33	33
Assets transferred and scrapped, IFRS 5 reclassification	(506)	(133)	(500)	(1 139)
Amortisation charges and reversals	(479)	(93)	545	(28)
Gross value at 31 October 2015	**8 046**	**9 584**	**6 335**	**23 965**
Accumulated amortisation and impairment losses at 31 October 2015	(7 541)	(6 517)	(5 870)	(19 928)
Net value at 31 October 2015	**505**	**3 067**	**465**	**4 037**

(*) The line "Assets transferred and scrapped, IFRS 5 reclassification" mainly consists of the gross scrap value of the assets of Partouche Betting Ltd. (€560k) and International Gambling Systems (€553k), which had been fully amortised.

6.4 TANGIBLE FIXED ASSETS

Evaluation

The Group's property and equipment is recognised at acquisition cost (acquisition price and acquisition costs of the fixed assets) or at their production cost.

Borrowing costs directly attributable to the acquisition, construction or production of certain assets until the date on which they are brought into service are recognised in addition to the value of the corresponding asset.

Property and equipment is valued at each balance sheet date, based on the amortised cost model: at cost less depreciation and any impairment losses.

Assets under construction correspond to fixed assets for which the acquisition or production is not yet complete, with the result being that the expected initial return has yet to be realised.

Depreciation method and period

The main depreciation method used by the Group is the straight-line method.

Land is not depreciated. Depreciation is applied based on the expected useful life of the assets. The main useful lives fall within the following ranges:

Buildings - structures	20 to 50 years
Buildings - fluids	15 to 20 years
Buildings - fittings	8 to 15 years
Equipment, fixtures and fittings	5 to 10 years
Other fixed assets	3 to 7 years

Moreover, slot machines within the Group are depreciated on a straight-line basis over five years and the coins and chips over ten years.

The residual values and useful lives of the assets are reviewed and, where applicable, are adjusted at the balance sheet date. The carrying amount of an asset is immediately impaired to bring it in line with its net realisable value when the carrying amount of the asset is higher than its estimated net realisable value.

Gains and losses on disposal are determined by comparing the proceeds on sale with the carrying amount of the asset sold. They are recognised in the income statement under "Other current operating income and expenses", or "Other non-current operating income and expenses" according to the principles described in Note 5.2.

€000 AT 31 OCTOBER	LAND	BUILDINGS	TECHNICAL EQUIPMENT	OTHER TANGIBLE FIXED ASSETS	TOTAL
Gross value at 31 October 2013	**34 568**	**485 267**	**209 421**	**107 427**	**836 683**
Accumulated amortisation and impairment losses at 31 October 2013	(7 176)	(271 492)	(174 969)	(81 388)	(535 025)
Accumulated impairment losses at 31 October 2013	-	-	-	-	-
Net value at 31 October 2013	**27 392**	**213 775**	**34 453**	**26 038**	**301 658**
Acquisitions	115	3 321	14 439	6 057	23 931
Disposals	(569)	(35 555)	(10 880)	(8 521)	(55 525)
Additions to the consolidation scope	-	-	-	-	-
Removals from the consolidation scope	(1 783)	(6 130)	(8 430)	(3 520)	(19 863)
Translation difference	(8)	93	376	59	520
Assets transferred and scrapped	(3 628)	(22 122)	7 689	(2 146)	(20 207)
Amortisation charges and reversals	(366)	19 563	(1 544)	3 164	20 817
Impairment for the financial year	-	-	-	-	-
Gross value at 31 October 2014	**28 695**	**424 873**	**212 614**	**99 357**	**765 539**
Accumulated amortisation and impairment losses at 31 October 2014	(7 542)	(251 929)	(176 513)	(78 224)	(514 208)
Accumulated impairment losses at 31 October 2014	-	-	-	-	-
Net value at 31 October 2014	**21 153**	**172 944**	**36 101**	**21 133**	**251 331**
Acquisitions	135	5 658	15 588	6 862	28 243
Disposals	(5 957)	(32 999)	(155)	(184)	(39 295)
Additions to the consolidation scope	-	-	-	-	-
Removals from the consolidation scope **	-	(8 164)	(3 778)	(1 912)	(13 854)
Translation difference	13	976	2 138	407	3 535
Assets transferred and scrapped, IFRS 5 reclassification *	5 853	37 702	(7 102)	(848)	35 605
Amortisation charges and reversals	(358)	(11 250)	(4 549)	(2 053)	(18 210)
Impairment for the financial year	-	-	-	-	-
Gross value at 31 October 2015	**28 740**	**428 047**	**219 304**	**103 682**	**779 773**
Accumulated amortisation and impairment losses at 31 October 2015	(7 900)	(263 180)	(181 061)	(80 277)	(532 418)
Accumulated impairment losses at 31 October 2015	-	-	-	-	-
Net value at 31 October 2015	**20 840**	**164 868**	**38 243**	**23 404**	**247 356**

(*) At 31 October 2015, disposals of assets forming part of the Contrexéville complex were set to be completed in the first half of 2016 for a selling price of €2.35m. These assets are the shares in the two Contrexéville hotels (the Cosmos and La Souveraine – Grands Hôtels du Parc), as well as assets relating to those companies held by Foncière de Vittel et Contrexéville SCI; also included in this transaction are other real estate assets belonging to Foncière de Vittel et Contrexéville SCI.

These disposals were classed as highly likely at 31 October 2015; as such, they were treated in accordance with IFRS 5 and the assets concerned were reclassified under "Assets held for sale" in the consolidated balance sheet for the year ended 31 October 2015 for a gross amount of €2,209k, recognised under "Tangible fixed assets".

(**) At 31 October 2015, this item included the impact of the deconsolidation of the Chaudfontaine Loisirs casino (€4,959k) and the Garden Beach hotel (€8,895k).

Buildings:

The main changes in this item were related to renovation and other work on the Group's establishments, namely, for the most part, the Bandol casino for €713k, the Vichy Grand Café casino for €372k, the La Grande-Motte casino for €432k, the Le Havre casino for €300k and Groupe Partouche for €1,358k, mainly for Hôtel 3.14.

Technical equipment:
The main acquisitions over the financial year were related to the renewal of the slot machine stock with an investment of €10,718k spread among all the Group's casinos.

Other tangible fixed assets:
Acquisitions mainly consisted of €1,222k at the Forges-les-Eaux casino as part of renovation work on the Forges Hotel, €525k at the Saint-Galmier casino, €788k at the Aix-en-Provence casino, €520k at the Bandol casino and €409k at the Divonne casino.

Breakdown at 31 October 2015 of "Assets transferred and scrapped, IFRS 5 reclassification":

€000 AT 31 OCTOBER 2015, GROSS VALUES	LAND	BUILDINGS	TECHNICAL EQUIPMENT	OTHER TANGIBLE FIXED ASSETS	TOTAL
Total	**5 853**	**37 703**	**(7 102)**	**(848)**	**36 605**
IFRS 5	5 853	39 683	569	628	46 733
Assets internally transferred and scrapped	-	(1 980)	(7 671)	(1 476)	(11 127)

Of which breakdown of assets internally transferred and scrapped:	LAND	BUILDINGS	TECHNICAL EQUIPMENT	OTHER TANGIBLE FIXED ASSETS	TOTAL
Casino du Lyon Vert	-	(479)	(773)	33	(1 219)
Casino d'Aix-en-Provence	-	(28)	(745)	60	(713)
Casino de La Trinité	-	(43)	(1 213)	(100)	(1 356)
Casino de Divonne	-	(4)	(1 518)	(93)	(1 615)
Casino de Vichy Grand Café	-	(547)	(46)	(30)	(623)
Other assets transferred and scrapped	-	(879)	(3 376)	(1 346)	(5 601)
Assets internally transferred and scrapped	**-**	**(1 980)**	**(7 671)**	**(1 476)**	**(11 127)**

Breakdown at 31 October 2014 of "Assets transferred and scrapped, IFRS 5 reclassification":

€000 AT 31 OCTOBER 2014, GROSS VALUES	LAND	BUILDINGS	TECHNICAL EQUIPMENT	OTHER TANGIBLE FIXED ASSETS	TOTAL
Total	**(3 628)**	**(22 122)**	**7 689**	**(2 146)**	**(20 207)**
IFRS 5	(3 628)	(27 363)	7 586	3 232	(20 174)
Assets internally transferred and scrapped	-	5 241	103	(5 378)	(33)

Of which breakdown of assets internally transferred and scrapped:	LAND	BUILDINGS	TECHNICAL EQUIPMENT	OTHER TANGIBLE FIXED ASSETS	TOTAL
Casino Lyon Vert	-	3 062	-	(3 062)	-
Casino de Bandol	-	1 075	47	(1 122)	-
Casino d'Hyères	-	868	1	(869)	-
Other assets transferred and scrapped	**-**	**236**	**55**	**(325)**	**(33)**

Assets under construction
The line item "Other tangible fixed assets" includes tangible assets under construction representing a net value of €4,959k at the balance sheet date and involving work mainly at Partouche Immobilier (€2,532k) primarily for work on the La Ciotat casino, the Forges-les-Eaux casino (€997k) and the Saint-Galmier casino (€453k).

NOTE 7. EMPLOYEE EXPENSES AND BENEFITS

7.1 WORKFORCE

7.1.1 AVERAGE WORKFORCE

AT 31 OCTOBER	2015	2014 RESTATED *	2013 RESTATED *
France	3 922	4 113	4 493
Other countries	276	334	487
TOTAL	**4 198**	**4 447**	**4 980**

1,906 people work in the gaming sector.

7.1.2 BREAKDOWN OF WORKFORCE BY PROFESSIONAL CATEGORY

AT 31 OCTOBER	2015	2014 RESTATED *	2013 RESTATED *
Executives	822	880	948
Junior executive staff	243	255	299
Non-executives	2 969	3 136	3 521
Manual workers	164	176	212
TOTAL	**4 198**	**4 447**	**4 980**

7.2 EMPLOYEE EXPENSES

€000 AT 31 OCTOBER	2015	2014 RESTATED *	2013 RESTATED *
Wages and salaries	125 690	131 813	140 472
Social security expenses	43 188	46 882	52 004
Employee profit-sharing	3 622	2 420	3 039
TOTAL	**172 500**	**181 115**	**195 516**

At 31 October 2015, social security expenses reflected the €5.3m impact on the Group of the CICE tax credit for competitiveness and employment, compared to €5.2m at 31 October 2014.

7.3 EMPLOYEE BENEFITS

Retirement plans

The Group has set up various defined-contribution or defined-benefit retirement plans.

The provision recognised in the balance sheet for defined benefit plans relates to the discounted value of the commitment for defined benefits at the balance sheet date, less the fair value of the plan's assets at that date, adjusted for actuarial gains or losses, and less the cost of past service. The provision relating to defined-benefit plans is calculated annually according to the projected unit of credit method. In accordance with IAS 19 (revised), since 1 November 2013 the Company recognises service cost for the period and net interest on the net defined benefit liability in net profit or loss, and recognises remeasurements of the net defined benefit liability, including actuarial gains and losses, in equity (items of other comprehensive income that may not be recycled to net profit).

The discounted value of commitments under defined-benefit plans is determined by discounting future disbursements with a market rate at the balance sheet date based on first-class corporate bonds, corresponding to the currency and to the estimated schedule of benefit payments.

For defined-contribution plans, the Group pays contributions to private or public insurance companies on a mandatory, contractual or voluntary basis. The Group's commitments are limited to contributions paid. Contributions are recorded in expenses when they are due. Contributions paid in advance are deferred to assets insofar as the payment in advance will result in a decrease in future payments or a cash reimbursement.

Other post-employment benefit plans

Nearly all employees of the Company are covered by health insurance plans and life insurance plans financed by the public authorities. Consequently, the Company has no significant commitment in respect of its employees in terms of post-employment benefits other than retirement benefits; as a result, no provision has been established to this effect.

Termination benefits

Termination benefits are employee benefits payable as a result of either the Group's decision to terminate an employee's employment contract before the normal retirement date or an employee's decision to accept benefits in connection with a voluntary redundancy. The Group recognises these termination benefits when it is demonstrably committed either to terminate the employment contract of a staff member in accordance with a detailed official plan without any real possibility of withdrawal or to grant termination benefits as a result of an offer made to encourage voluntary redundancy.

7.4 EMPLOYEE COMMITMENTS

These commitments were subject to an actuarial valuation based on the prospective method. The entire expense corresponding to rights acquired by the employees is determined based on the agreements in force at each company.

Provisions are calculated taking into account the probabilities of employees remaining at the Group until retirement (65 years), mortality based on gender, voluntary redundancy by the employee at retirement and on the following bases:

	2015	2014	2013
Discount rate	1,63 %	2,53 %	2,87 %
Salary inflation rate	1 %	1 %	1,5 %
Social charge provision rate	42 %	42 %	42 %

€000 AT 31 OCTOBER	2015	2014 RESTATED	2013 RESTATED
Provision at the beginning of the financial year	11 158	11 028	11 140
Impact recorded on employee expenses *	29	162	341
Impact on equity **	2 648	45	(350)
Changes in scope and translation adjustment	36	(77)	(104)
Total employee commitments	**13 871**	**11 158**	**11 028**
o/w non-current provision	13 553	10 954	10 844
o/w current provision	317	204	183

(*) Impact on employee expenses = current/past service cost for the period + net interest on the defined benefit liability.
(**) Impact on equity = remeasurement of the net defined benefit liability.

7.5 DIRECTORS' COMPENSATION

For the financial year ended 31 October 2015, the amount of gross compensation allocated to the management and supervisory bodies of Groupe Partouche SA amounted to €1,842,026. €70,000 in directors' fees were allocated to the members of the Supervisory Board for the 2014/2015 financial year and paid in January 2016 in the amount of €68,000. These components of compensation are solely composed of short-term benefits.

NOTE 8. OTHER CURRENT AND NON-CURRENT PROVISIONS

A provision is established when, at the balance sheet date, the Group has an obligation resulting from a past event that is likely to result in an outflow of resources representing future economic benefits, the amount of which may be estimated reliably.

The obligation may arise from an agreement or from legal or regulatory provisions or from any established legal precedent, or it may be implicit since, through its past practices, its stated policy or a recent, sufficiently explicit statement, the Group created a reasonable expectation among third parties that it will assume this liability.

The amount recognised as a provision represents the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the amount of the obligation cannot be evaluated with sufficient reliability, no provision is recognised.

If the effect of discounting is significant, the amount of the provision recognised relates to the discounted value of the expenditures that the Group expects to have to incur to settle the corresponding obligation.

In determining the possible outcomes of tax risks and litigation, the management uses as its basis the assessment

performed by external consultants who have knowledge of each of the related issues and jurisprudence.

Groupe Partouche sets aside provisions for progressive jackpots at the end of the financial year. This provision is recognised in the line item "Current provisions" in the consolidated balance sheet. The jackpot provision is calculated at the balance sheet date on the basis of the jackpot amount displayed on all progressive slot machines, minus the amounts at the start of the period for each of these jackpots in addition to the amount saved in levies relating to the jackpot payout.

8.1 CHANGE IN PROVISIONS

€000 AT 31 OCTOBER	2013	2014	CHANGES IN 2015						2015
			CHARGES	REVERSALS NOT USED	REVERSALS USED	TRANSLATION DIFFERENCE	RECLASS.	CHANGES IN SCOPE	
Non-current provisions	4 756	5 597	1 203	(225)	(642)	7	(47)	(1 313)	4 580
Current provisions	2 505	3 447	2 003	(78)	(1 914)	1	76	(485)	3 049
Total provisions	**7 261**	**9 044**	**3 206**	**(303)**	**(2 556)**	**8**	**29**	**(1 798)**	**7 630**

8.2 BREAKDOWN OF PROVISIONS BY TYPE

€000 AT 31 OCTOBER	TOTAL PROVISIONS		NON-CURRENT PORTION		CURRENT PORTION	
	2015	2014	2015	2014	2015	2014
Tax and social audits	1 601	1 807	1 500	1 734	101	73
Labour and redundancy disputes	3 362	3 337	2 506	2 351	856	985
Provision for net equity of companies accounted for under the equity method	-	50	-	50	-	-
Other contingency and loss provisions *	1 883	2 960	574	1 462	1 308	1 497
Jackpot provision	784	891	-	-	784	891
Total	**7 630**	**9 044**	**4 580**	**5 597**	**3 049**	**3 447**

(*) At 31 October 2015, the current portion of "Other provisions for contingencies and losses" included a €400k provision for losses linked to the cessation of operations at the Vichy 4 Chemins casino.

(*) "Other contingency and loss provisions" at 31 October 2014 included €1,539k in provisions for losses on the restructuring of the Chaudfontaine casino divided among non-current provisions in the amount of €905k and current provisions in the amount of €634k. Details on the main current and non current disputes are provided in Section 20.5 of this Annual Report.

As a reminder, as of 31 October 2014, certain Group companies have been cited in relation to redundancy schemes carried out at four subsidiaries (61 cases ongoing). No provisions have been recognised as a result, since management and its advisors, depending on the case in question, (i) base their decisions on judgments handed down by courts of first instance or (ii) believe that the aforementioned companies have no exposure in said cases, which makes for a contingent liability under IAS 37.

NOTE 9. FINANCING AND FINANCIAL INSTRUMENTS

The Group classifies its financial assets into the following categories: financial assets at fair value through profit or loss, loans and receivables, and available for sale financial assets. The classification depends on the reasons underlying the acquisition of the financial assets. Management determines the classification of its financial assets on their initial recognition and reviews it at each accounting close.

▸ Financial assets and liabilities at fair value through profit or loss

A financial asset is classified in this category if it is acquired primarily for the purpose of being sold in the near term or has been designated as such by Management. Derivatives are designated as held for trading, except where they are qualified hedge accounting transactions. All of the derivatives held by the Group are designated as hedges. Assets attached to this category are classified under current assets when they are held for trading, or where they are expected to be realised within 12 months following the balance sheet date.

▸ Assets held to maturity

Assets held to maturity are non-derivative financial assets other than loans and receivables having a fixed settlement term, whose payments are determined or determinable and which the Group plans and has the capacity to hold until

maturity. These assets are initially recognised at fair value and then at amortised cost in accordance with the effective interest rate method. They are subject to impairment tests where there is an indication of losses of value. An impairment loss is recognised if the carrying amount is higher than the estimated realisable value.

Loans, receivables and debt issued by the Company

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included under current assets, except those falling due within more than twelve months after the balance sheet date, which are classified under "Other non-current financial assets".

Available for sale financial assets

Available for sale financial assets are derivatives relating to this category or those which do not fall within another category. They are included under non-current assets unless Management intends to sell such assets within 12 months following the balance sheet date.

Investments in equity instruments in which the Company owns less than 20% of the shares in circulation or the voting rights of the issuing entity, and which are neither controlled by, nor under the significant influence of the Company, are classified as available for sale financial assets and are recognised under «Other non-current financial assets" within non-current assets. Quoted instruments are measured at fair value and changes in fair value taken directly to equity. Non-quoted instruments are recognised as follows:

- if the fair value of the unquoted instruments is determinable by valuation techniques that are appropriate to the type of security, they are recognised at fair value and the changes in fair value are taken directly to equity;
- if the fair value cannot be determined reliably, the instruments are measured at cost.

Gains and losses recognised on the sale of equity investments are recognised in the consolidated income statement. Any impairment loss representing a non-permanent impairment loss is recognised in the period in which such a loss of value arose. At each balance sheet date, the Group measures the impairment in value of a financial asset or a group of financial assets if there is an indication of a loss of value of a financial asset or a group of financial assets.

Derivative financial instruments

Derivative financial instruments are initially recognised at their fair value. They are then re-evaluated at their fair value. The method of accounting for the related profit or loss depends on whether the derivative is designated as a hedging instrument and, as applicable, the nature of the hedged item.

The Group uses cash flow hedges to manage risks on financial flows related to floating-rate borrowings.

According to IAS 39, the application of hedge accounting requires the company to demonstrate and document the effectiveness of the hedging relationship upon its establishment and throughout its life. The effectiveness of the hedge with respect to accounting is verified by the relationship among changes in value of the derivative and of the underlying hedged asset.

Derivative instruments are recognised in the balance sheet for their market value at the balance sheet date. The market value is established by reference to market data and according to commonly used models. The measurement of financial instruments is substantiated by two independent valuations.

In the case of hedging future interest expense, the hedged financial debt continues to be recognised at amortised cost, with the change in value of the effective portion of the hedging instrument being recorded in equity within comprehensive income (items that may be recycled subsequently to net profit).

The change in value of the ineffective portion of hedging instruments is recorded in the result from financial items.

When a hedging instrument reaches maturity or is sold, or when a hedge no longer meets the criteria for hedge accounting, the gains and losses accumulated on that hedging instrument and recorded in equity (comprehensive income) during the period of effective hedging remain in equity and are not reclassified to income unless earnings are affected by the hedged item.

9.1 OTHER NON-CURRENT FINANCIAL ASSETS

€000 AT 31 OCTOBER	2015	2014	2013
Non-consolidated investments	2 719	2 713	2 797
Other financial assets	1 666	1 633	1 608
Other non-current financial assets	**4 385**	**4 346**	**4 405**

Non-consolidated investments:

€000 AT 31 OCTOBER	GROSS VALUE IN 2015	IMPAIRMENT	NET VALUE IN 2015	NET VALUE IN 2014	NET VALUE IN 2013
Non-consolidated companies owned > 50%	406	(406)	-	-	-
Non-consolidated companies owned 20% to 50%	2 147	(2 064)	83	83	140
Non-consolidated companies owned < 20%	4 005	(1 369)	2 636	2 630	2 657
TOTAL	**6 558**	**(3 839)**	**2 719**	**2 714**	**2 797**

Due dates of other net non-current financial assets:

€000 AT 31 OCTOBER 2015	AMOUNT	1 TO 5 YEARS	> 5 YEARS
Non-current investment securities	21	21	-
Employee loans	199	31	169
Loans, guarantees and other receivables	1 478	203	1 275
Receivables attached to investments	-	-	-
GROSS AMOUNT	**1 698**	**254**	**1 444**
Provision	(32)	-	(32)
NET AMOUNT	**1 666**	**254**	**1 412**

9.2 CASH AND CASH EQUIVALENTS

"Cash and cash equivalents" includes cash at bank and in hand as well as all immediately available short-term investments.

These investments are made in SICAV-type or FCP-type mutual fund units, the value of which is not subject to changes in stock market prices and which can be converted easily into a cash amount subject to negligible risk of change in value.

Cash and cash equivalents are financial assets held for trading and are valued at their fair value. Changes in value are recorded as results from financial items.

Cash presented in the consolidated cash flow statement includes cash and cash equivalents such as defined above, net of current bank overdrafts, which are an integral part of the Group's cash management.

Pursuant to IAS 7, the amount of significant cash and cash equivalents balances held which are not available for the Group is disclosed in Note 9.2.

€000 AT 31 OCTOBER	2015	2014	2013
Highly liquid cash management financial assets	36 611	16 644	18 066
Cash	128 247	100 067	94 487
Cash and cash equivalents	**164 858**	**116 711**	**112 553**

In addition, regulations related to the Swiss gaming industry do not allow these establishments to transfer free cash flow, with the exception of payment of dividends. This concerns two of the Group's casinos (Casino du Lac Meyrin and Casino de Crans-Montana) which had cash net of levies of €29.7m at 31 October 2015 (compared with €26.1m at 31 October 2014).

€000 AT 31 OCTOBER	2015	2014	2013
Cash and cash equivalents (assets)	164 858	116 711	112 553
Cash (liabilities)	(17)	(10)	(9)
Neutralisation of impairment provision	-	-	-
Cash position per cash flow statement	**164 841**	**116 701**	**112 544**

Breakdown of cash management financial assets:

€000 AT 31 OCTOBER	2015	2014	2013
SICAV-type mutual fund units	36 611	16 644	18 066
FCP-type mutual fund units	-	-	-
Accrued interest / SICAV & FCP	-	-	-
Provision for impairment	-	-	-
Cash financial management assets	**36 611**	**16 644**	**18 066**

Breakdown of positive cash balances:

€000 AT 31 OCTOBER	2015	2014	2013
Bank	115 597	87 873	83 057
Cash	12 382	12 096	11 290
Interest receivable	268	98	140
Cash and cash equivalents	**128 247**	**100 067**	**94 487**

Cash less gaming levies:

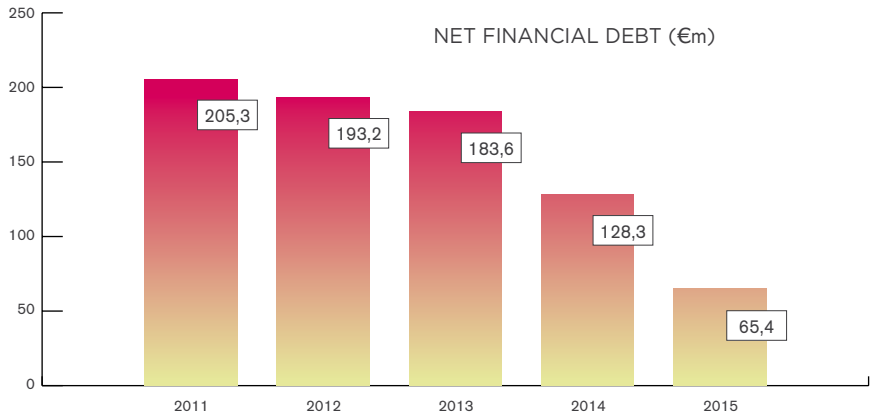
€000 AT 31 OCTOBER	2015	2014	2013
Cash and cash equivalents (assets)	164 858	116 711	112 553
- Gaming levies	(29 791)	(28 649)	(28 115)
= Cash less gaming levies	**135 067**	**88 062**	**84 439**

9.3 FINANCIAL DEBT

Financial debt is recognised at face value, net of related issuing costs and premiums. Subsequently, these borrowings are recognised at amortised cost using the effective interest-rate method, the difference between cost and repayment value being recognised in the income statement over the term of the borrowings.

The cost of net financial debt includes interest payable on borrowings, interest receivable on investments, and income from other dividends.

Financial debt is classified under current liabilities unless the Group has the unconditional right to defer the settlement of the debt at least twelve months after the balance sheet date, in which case those debts are classified as non-current liabilities.



€000 AT 31 OCTOBER	CURRENT PORTION IN 2015	NON-CURRENT PORTION IN 2015	TOTAL IN 2015	CURRENT PORTION IN 2014	NON-CURRENT PORTION IN 2014	TOTAL IN 2014	CURRENT PORTION IN 2013	NON-CURRENT PORTION IN 2013	TOTAL IN 2013
Bank borrowings	22 420	154 906	177 326	8	193 615	193 623	69 820	163 908	233 728
Interest accrued on loans	17	-	17	-	-	-	1 464	-	1 464
Restated capital lease	-	-	-	-	-	-	-	-	-
Bank overdrafts	17	-	17	10	-	10	9	-	9
Subtotal: Bank liabilities	**22 454**	**154 906**	**177 360**	**18**	**193 615**	**193 633**	**71 293**	**163 908**	**235 201**
Other borrowings	2 236	20 122	22 357	-	22 357	22 357	-	31 608	31 608
Employee profit-sharing	486	2 512	2 998	335	2 964	3 299	880	2 798	3 678
Deposits and guarantees	15	100	115	14	110	124	14	111	125
Liabilities in respect of investments in associates	-	5	5	-	4	4	-	4	4
Fair value remeasurement of hedging instruments	273	468	740	407	-	407	958	276	1 234
Total	**25 463**	**178 112**	**203 575**	**773**	**219 051**	**219 824**	**73 146**	**198 705**	**271 851**

A syndicated loan held by Groupe Partouche SA constitutes most of the Group's bank loans.

Taking into account the provisions of the Safeguard Plan approved in a ruling by the Paris Commercial Court on 29 September 2014, the principal amount outstanding at 31 October 2015 totalled €174,783k, following early repayments made during the financial year upon asset disposals for €18,818k.

For information, debt was classified in the consolidated financial statements at 31 October 2013 as current or non current according to the maturity schedules that held prior to the initiation of the Safeguard Procedure, as stipulated in the syndicated loan agreement and riders thereto (given the Safeguard Procedure and the observation period in effect at 31 October 2013, under which in particular the liabilities of Groupe Partouche SA were frozen).

A few operating subsidiaries took out new borrowings in the year totalling €2,631k.

The line item "Other borrowings" includes an advance from Financière Partouche to Groupe Partouche SA for a total of €22,357k, in accordance with the shareholder's advance agreement signed on 29 August 2003 and the modified agreements signed on 30 September 2005 and 30 December 2009. The Paris Commercial Court's ruling of 29 September 2014 concerning the Safeguard Plan also set out a new repayment schedule for this receivable, presented in Section 4.1.2 "Liquidity risk" of the Annual Report.

9.3.1 MATURITY DATES OF FINANCIAL DEBT

€000 AT 31 OCTOBER 2015	TOTAL	< 1 YEAR	1 TO 5 YEARS	> 5 YEARS
Bank borrowings	177 326	22 420	82 052	72 854
Interest accrued on loans	17	17	-	-
Restated capital lease	-	-	-	-
Bank overdrafts	17	17	-	-
Other borrowings	22 357	2 236	10 061	10 061
Employee profit-sharing	2 998	486	2 322	189
Deposits and guarantees	115	15	34	66
Liabilities in respect of investments in associates	5	-	5	-
Fair value remeasurement of hedging instruments	740	273	468	-
Total	**203 575**	**25 463**	**94 942**	**83 170**

€000 AT 31 OCTOBER 2014	TOTAL	< 1 YEAR	1 TO 5 YEARS	> 5 YEARS
Bank borrowings	193 623	8	87 420	106 195
Interest accrued on loans	-	-	-	-
Restated capital lease	-	-	-	-
Bank overdrafts	10	10	-	-
Other borrowings	22 357	-	9 502	12 855
Employee profit-sharing	3 299	335	1 417	1 547
Deposits and guarantees	124	14	48	62
Liabilities in respect of investments in associates	4	-	4	-
Fair value remeasurement of hedging instruments	407	407	-	-
Total	**219 824**	**773**	**98 391**	**120 660**

There is no foreign currency-denominated debt.

9.3.2 CHANGE IN BANK LOANS

€000 AT 31 OCTOBER	2013	2014	CHANGES IN SCOPE	INCREASE	DECREASE	2015
Bank borrowings	233 728	193 623	0	**2 631**	**18 928**	**177 326**

A syndicated loan of €174.8m constitutes most of the Group's bank loans:

- Original loan amount: €431,000k;
- Principal amount outstanding at financial year-end: €174,783k;
- Repayment terms: the balance is due to be repaid to the lenders according to the following repayment schedule, expressed in thousands of euros:

MATURITY DATES	PRINCIPAL AMOUNT OUTSTANDING BEFORE AMORTISATION	AMORTISATION	PRINCIPAL AMOUNT OUTSTANDING AFTER AMORTISATION
15/12/2015	174 783	21 529	153 254
15/12/2016	153 254	21 529	131 726
15/12/2017	131 726	16 165	115 560
15/12/2018	115 560	21 353	94 207
15/12/2019	94 207	21 353	72 854
15/12/2020	72 854	21 353	51 501
15/12/2021	51 501	28 984	22 517
15/12/2022	22 517	22 517	-

This repayment schedule is likely to be revised in light of the clause on early repayment on asset sale provided for in the Safeguard Plan.

Interest rates:

Interest is calculated on the outstanding balance of the loan at an annual rate corresponding to one-, two- or three-month Euribor plus a margin of 3.50% per annum over the period from the date on which the plan was adopted to 15 December 2016, and 3.25% per annum from 16 December 2016 until the syndicated loan is repaid in full.

Guarantees:

Pledges of securities described in Section 4.1.7 "Pledges" of the Annual Report.

9.3.3 ANALYSIS OF BANK LOANS BY INTEREST RATE AT THE FINANCIAL YEAR-END

Please refer to Section 4.1.2 "Interest rate risk" of the Annual Report.

€000 AT 31 OCTOBER	BEFORE INTEREST RATE HEDGING IN 2015	AFTER INTEREST RATE HEDGING IN 2015	BEFORE INTEREST RATE HEDGING IN 2014	AFTER INTEREST RATE HEDGING IN 2014	BEFORE INTEREST RATE HEDGING IN 2013	AFTER INTEREST RATE HEDGING IN 2013
Fixed-rate loans	2 543	52 543	23	30 023	-	110 000
Variable-rate loans	174 783	124 783	193 601	163 601	233 728	133 728
Bank loans at the financial year-end	**177 326**	**177 326**	**193 623**	**193 623**	**233 728**	**243 728**
Average interest rate – fixed	1,38 %	3,71 %	2,35 %	4,85 %	-	4,52 %
Average interest rate – variable	3,38 %	3,38 %	3,51 %	3,51 %	3,73 % *	3,86 % *
Weighted average interest rate at the financial year-end	**3,35 %**	**3,48 %**	**3,51 %**	**3,71 %**	**3,73 % ***	**4,17 % ***

(*) The rates indicated were computed with late payment penalties equivalent to a rate increase of 0.1 points.

At the balance sheet date, the syndicated loan was the only floating rate borrowing, representing more than 98% of total bank borrowings.

At year-end, only one financial instrument existed to cover interest rate risk: a €50m swap starting on 31 January 2015 and expiring on 31 December 2018 at 0.33%.

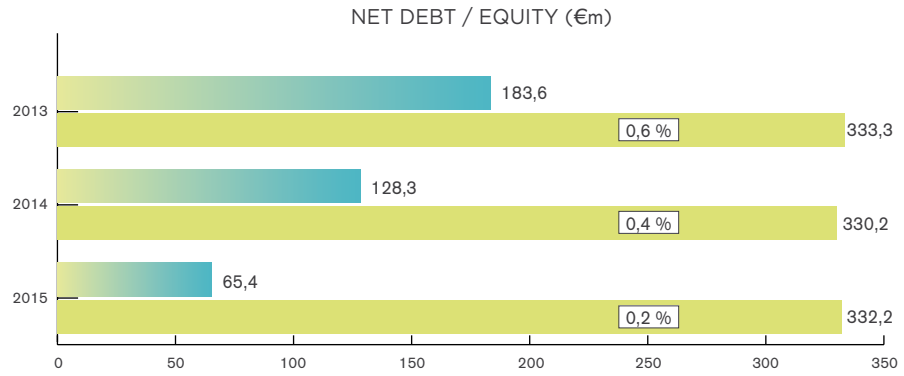
The accounting treatment of these hedges and the use of hedge accounting are documented above in Note 9 "Derivative financial instruments", and Note 9.4 "Financial income (expense)".

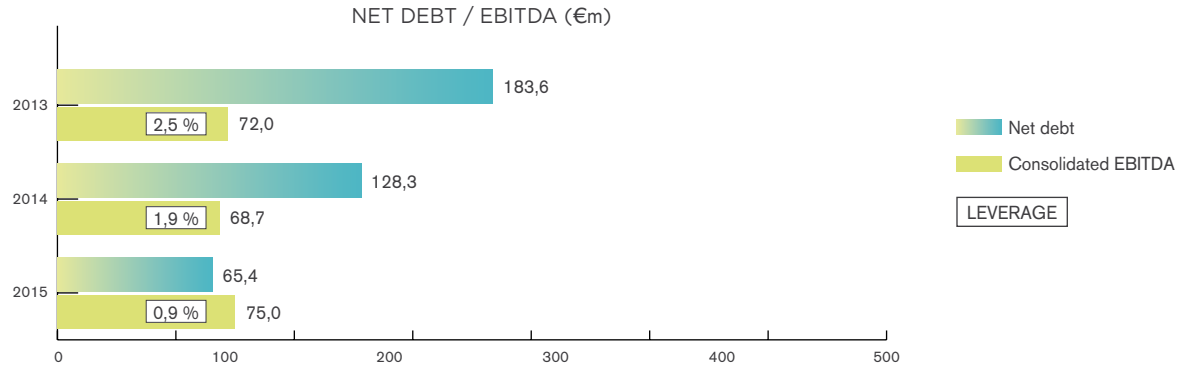
9.3.4 COST OF NET DEBT

Gearing is the ratio of net debt to equity. It is a measure of the risk associated with the Group's financial structure.

Leverage is the ratio of the net debt to consolidated Group EBITDA.

€000 AT 31 OCTOBER	2015	2014	2013
Bank loans and restated capital leases	177 326	193 623	233 728
Accrued interest	17	-	1 464
Sundry borrowings and financial liabilities	22 357	22 357	31 608
Financial instruments – assets	-	-	-
Financial instruments – liabilities	740	407	1 234
Bank overdrafts	17	10	9
Gross debt	**200 458**	**216 397**	**268 043**
Cash net of levies (see Note 9.2)	**135 067**	**88 062**	**84 438**
Other unavailable cash (cash subject to conditions precedent)	**-**	**-**	**-**
Net debt	**65 391**	**128 335**	**183 605**





For the entirety of this note, please refer to Section 4.1 "Financial risks" of the Annual Report.

For liquidity risk, please refer to Section 4.1.2 "Liquidity risk" of the Annual Report.

9.4 FINANCIAL INCOME (EXPENSE)

Income from interest is recognised in the income statement when it is acquired, using the effective interest-rate method.

Income from dividends is recognised in the income statement when the Group acquires the right to collect the payments.

€000 AT 31 OCTOBER	2015	2014	2013
Cost of debt	(7 172)	(9 594)	(9 706)
Cost of interest rate hedging	(245)	(1 001)	(1 320)
Investment income	569	834	850
Net financial income (expenses)	**(6 848)**	**(9 761)**	**(10 177)**
Finance costs linked to finance leases	(68)	(160)	(145)
Change in the fair value of hedging instruments (ineffective portion)	-	-	-
Cost of financial debt (a)	**(6 916)**	**(9 921)**	**(10 322)**
Foreign exchange gains	2 711	1 886	2 106
Foreign exchange losses	(137)	(90)	(558)
Dividends (non-consolidated companies)	126	128	0
Other	892	492	333
Financial provision charges and reversals	(218)	(674)	(1 999)
Other financial income and expenses (b)	**3 374**	**1 741**	**(116)**
Net financial income/(expense) (a + b)	**(3 542)**	**(8 180)**	**(10 438)**

Net financial expenses fell as a result of the combined effects of:

- a decrease in the average amount outstanding between the two financial years;
- a lower average annual interest rate than the preceding year;
- a drop in the cost of interest rate hedging.

Regarding the fair value of cash flow hedging instruments, since the Company has opted for hedge accounting as described in the section on "Derivatives" above, the change in the effective portion of hedging instruments is recorded in equity (comprehensive income).

9.5 FINANCIAL RISKS

The Group could be exposed to liquidity risks and foreign exchange risks in the line of its activity. This exposure is detailed in Sections 4.1.2 "Liquidity risk", 4.1.3 "Interest rate risk" and 4.1.4. "Foreign exchange risk" of the Annual Report.

NOTE 10. TAXES

10.1 ANALYSIS OF THE TAX EXPENSE

€000 AT 31 OCTOBER	2015	2014 RESTATED *	2013 RESTATED *
Profit before tax	**18 412**	**16 746**	**5 790**
Current tax expense	(6 321)	(4 652)	(4 715)
Change in deferred tax	604	(3 607)	(1 533)
CVAE tax expense	(3 388)	(3 186)	(3 930)
Total tax expense	**(9 105)**	**(11 445)**	**(10 178)**
Total tax expense - CVAE tax excluded	(5 717)	(8 259)	(6 248)
Effective tax rate *	**31,05 %**	**49,32 %**	**107,92 %**

(*) CVAE tax excluded.

Rationalisation of the effective tax rate - Tax proof

€000 AT 31 OCTOBER	2015	2014 RESTATED *	2013 RESTATED *
Profit before tax	**18 412**	**16 746**	**5 790**
French corporate income tax rate	33,33 %	33,33 %	33,33 %
Tax charge based on current corporate income tax rate (theoretical)	**(6 137)**	**(5 582)**	**(1 931)**
Temporary differences	(532)	(86)	116
Permanent differences	18 302	15 940	12 319
Net effect of consolidation operations	(14 676)	(2 753)	(2 760)
Tax losses generated by Group companies during the financial year	(17 288)	(21 503)	(26 544)
Impact of tax consolidation	13 009	10 964	9 774
Income taxed at the reduced tax rate and impact of differences in foreign companies' tax rates	(146)	(1 463)	887
Use of unrecognised tax loss carried forward	1 069	(4 393)	679
Tax credit and other	682	618	1 212
Group income tax expense *	**(5 717)**	**(8 259)**	**(6 248)**
Consolidated net income before tax	**18 412**	**16 746**	**5 790**
Reconstituted Group tax rate	**31,05 %**	**49,32 %**	**107,91 %**

(*) The tax expense of the Group for the financial years ended 31 October 2015, 2014 and 2013 in the tax proof does not take into account the restatement of CVAE (see Note 2).

10.1.1 CORPORATE INCOME TAX RECEIVABLES

€000 AT 31 OCTOBER	2015	2014	2013
Current receivables from the French State	3 275	3 005	6 980
Current corporate income tax receivables	**3 275**	**3 005**	**6 980**

At 31 October 2015, accounts receivable from the French State mainly included tax credits and income tax receivables for companies outside the tax consolidation group.

At 31 October 2014, accounts receivable from the French State mainly included tax credits.

At 31 October 2013, accounts receivable from the French State mainly included €4.3m relating to a carry back recognised by Groupe Partouche SA and received in full during the 2014 financial year.

10.1.2 CURRENT TAX LIABILITIES

€000 AT 31 OCTOBER	2015	2014	2013
State – Gaming levies	29 791	28 649	28 115
State – Corporate income tax	969	161	-
TOTAL	**30 760**	**28 810**	**28 115**

10.2 DEFERRED TAX

The Group calculates its taxes in accordance with the tax legislation in force in the countries where the income is taxable.

Deferred taxes are determined each year for each tax entity using the liability method based on each company's tax position or on the income of all the companies that are included in the tax consolidation groups.

Deferred tax is calculated by applying the most recent tax rate enacted at the balance sheet date applicable to the period in which temporary differences reverse.

Deferred tax assets relating to tax losses carried forward are only recognised if the tax entity is reasonably certain that it will recover these amounts in later years.

All deferred tax liabilities are recognised unless the tax results from the initial recognition of goodwill.

In accordance with Section 39 of IAS 12, the Group did not recognise a deferred tax liability relating to the difference between the book value of equity-accounted investments and their tax bases.

In accordance with IAS 12, deferred taxes are classified as non-current assets and liabilities.

10.2.1 DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax is recognised using the liability method on all differences between tax bases and carrying amounts. Deferred tax assets and liabilities are not discounted. A breakdown of the net change in deferred taxes (both assets and liabilities) is as follows:

€000	2015	2014 RESTATED
Deferred tax assets at the beginning of the period	2 399	2 211
Deferred tax liabilities at the beginning of the period	(37 867)	(34 377)
Net deferred tax at 1 November	**(35 468)**	**(32 166)**
Impact of profit *	852	(3 078)
Impact of changes in scope	(42)	(1)
Impact of foreign exchange rates	127	27
Other movements **	962	(250)
Net deferred tax at 31 October	**(33 567)**	**(35 468)**
Deferred tax assets at 31 October	2 651	2 399
Deferred tax liabilities at 31 October	(36 218)	(37 867)

(*) The impact of profit in 2014 includes a €529k impact arising from the change in deferred taxes on CVAE timing differences (the impact in 2013 was €53k), as well as a deferred tax expense of (€4,756k) related to IDA reversals on unused loss carry-forwards, set out below in the section entitled "Tax losses carried forward".

(**) The other items mainly concern deferred taxes arising from changes in the fair value of financial instruments recognised in equity (recyclable component). These movements had no impact on profit for the period.

Deferred tax was in relation to the following restatements:

€000	2015	2014 RESTATED
Employee liabilities	4 623	3 436
Derivative instruments	247	136
Revaluation adjustments	(16 340)	(17 355)
Internal provisions	(22 764)	(22 855)
Tax loss carryforwards recognised as assets	-	113
Deferred tax on restatement of CVAE	(1 661)	(1 909)
Capital lease restatement	(1 097)	(1 193)
Other temporary items and consolidated adjustments	3 425	4 160
TOTAL	**(33 567)**	**(35 468)**

10.2.2 TAX LOSSES CARRIED FORWARD

At 31 October 2015, the total amount of unrecognised tax in relation to uncapitalised loss carryforwards was around €42m (French companies).

At 31 October 2014, deferred tax assets that had been activated in previous financial years on part of the tax loss carryforwards of the Groupe Partouche SA consolidated tax group could not be consumed, and were thus written back in accordance with IAS 12, giving rise to a deferred tax expense of €4.7m in the 2014 income statement.

NOTE 11. EQUITY

11.1 CAPITAL – SHARES IN CIRCULATION

SHARE CAPITAL AT 31 OCTOBER	2015	2014	2013
Amount of share capital	193 631 200 €	193 631 182 €	193 631 182 €
Shares issued, fully paid up	9 681 560	96 815 591	96 815 591
Nominal value	20 €	2 €	2 €

The share capital is fully paid up at 31 October 2015. Shares may be in registered or bearer form, based on the choice of the shareholder. In accordance with the Articles of Association, all of the shares have one voting right each.

At an Extraordinary Shareholders' Meeting on 15 January 2015, the shareholders voted to withdraw shareholders' pre-emptive right to subscribe for nine new shares, and to reserve the subscription of those nine new shares, with a par value of €2 each, for a third party. The share capital increased from €193,631,182 to €193,631,200. The shareholders then voted to carry out a reverse stock split by issuing one new share with a par value of €20 for every ten old shares with a par value of €2.

11.2 TREASURY SHARES

IN EUROS AT 31 OCTOBER	2015	2014	2013
Treasury shares at historical cost	437 419	373 949	395 533
Number of treasury shares held	16 745	166 577	262 485

Treasury shares are deducted from consolidated reserves.

Historical treasury shares:

At its meeting held on 4 April 2000, the Ordinary Shareholders' Meeting authorised the Executive Board, pursuant to the provisions of Article 217-2 of the Law of 24 July 1966, to acquire more than 10% of the number of shares comprising the share capital. This authorisation led to the purchase of 19,166 shares, representing 0.04% of the total share capital of Groupe Partouche SA, for a total amount of €168,767.

Following the buyback of fractional shares during the financial year in connection with the reverse stock split referred to in Section 11.1, "Share capital outstanding", the 19,166 shares held by the Company since the Extraordinary Shareholders' Meeting of 10 November 2003 became 1,917 shares. These treasury shares are presented under marketable securities.

Agreement with Oddo:

In May 2012, Groupe Partouche and Oddo Corporate Finance signed a liquidity provider's agreement compliant with

the code of ethics drawn up by the Amafi and approved by the Autorité des Marchés Financiers in its decision dated 21 March 2011. This liquidity provider's agreement was signed for a term of one year and is tacitly renewable. Its aim is to ensure the liquidity and regular trading of the Company's shares. For the purposes of this agreement, Groupe Partouche placed €250,000 in its liquidity account.

IN EUROS AT 31 OCTOBER	2015	2014	2013
Number of Oddo treasury shares held	12 241	147 411	243 319
Value	223 065	205 182	226 766

Agreement with Aurel BGC:

During October 2015, Groupe Partouche appointed Aurel BGC to implement a partial share buyback execution agreement, as authorised by the shareholders at the Combined Shareholders' Meeting of 25 March 2015. The current agreement was entered into for an initial term of six months. For the purposes of this agreement, Groupe Partouche placed €200,000 in its liquidity account.

As of 31 October 2015, the number of treasury shares held under this agreement was 2,587 shares, with a value of €45,879; these shares were acquired for the purpose of being cancelled.

11.3 CONSOLIDATED RESERVES

€000 AT 31 OCTOBER	2015	2014 RESTATED *	2013 RESTATED *
Revaluation reserve	(42 663)	(42 663)	(42 663)
Other reserves and retained earnings	137 880	134 802	147 002
Legal reserve	8 778	8 778	8 778
Group consolidation reserves	(18 954)	(14 202)	(13 645)
Other Group reserves	11 133	12 909	12 371
Consolidated reserves	**96 174**	**99 624**	**111 843**

(*) At 1 November 2013, equity retroactively included the retroactive impact of restatement under IFRIC 21 – Levies, the effects of which are set out in Note 2.1.

The change in "Consolidated reserves" is mainly due to the appropriation of the Group's share of the loss for financial year 2014 (of €1,541k), the change in the fair value of the effective portion of financial instruments (a decrease of €222k net of deferred tax), and the impact of revaluations of net defined benefit liabilities (provision/post-employment benefits) recognised in equity in accordance with IAS 19 revised in the amount of (€1,571k).

11.4 MINORITY INTERESTS

€000 AT 31 OCTOBER	2015	2014 RESTATED *	2013 RESTATED *
Non-group reserves	17 984	18 773	19 132
Non-group translation reserves	3 537	2 286	1 985
Non-group earnings	7 329	6 876	8 866
Minority interests	**28 849**	**27 934**	**29 983**

NOTE 12. ADDENDA TO THE CONSOLIDATED FINANCIAL STATEMENTS

12.1 OTHER CURRENT AND NON-CURRENT ASSETS

12.1.1 OTHER NON-CURRENT ASSETS

€000 AT 31 OCTOBER	GROSS VALUE IN 2015	IMPAIRMENT	NET VALUE IN 2015	2014	2013
Receivables from the French State [1]	12 878	-	12 878	8 349	130
Other non-current receivables	4 954	(2 314)	2 640	3 407	1 963
Other non-current assets	**17 832**	**(2 314)**	**15 518**	**11 757**	**2 093**

(1) At 31 October 2015, this item was mainly comprised of:
- a receivable from the French State with respect to the 2014 and 2013 CICE tax credit for Groupe Partouche SA's tax consolidation group (calendar year) for €7.9m;
- accrued income with respect to 10 months of the 2015 CICE tax credit currently being acquired, for €4.1m.

Breakdown of "Other non-current receivables":

€000 AT 31 OCTOBER	GROSS VALUE IN 2015	IMPAIRMENT	NET VALUE IN 2015	2014	2013
Receivables on disposal of assets > 1 year	3 389	(2 314)	1 076	1 477	-
Other receivables - due in more than one year	270	-	270	550	495
Prepaid expenses - portion > 1 year	1 295	-	1 295	1 380	1 468
Other non-current receivables	**4 954**	**(2 314)**	**2 640**	**3 407**	**1 963**

"Receivables on disposal of assets > 1 year" consists of the following:

- a €1,075k non current receivable related to the divestment of Casino de Dinant;
- the non current portion of the receivable related to the sale of Société Française de Casinos (SFC) to Tête Dans les Nuages (TDN), provided for in full (€2,314k). The current portion of this receivable is classified as a current asset under "Trade receivables and other debtors" (in the amount of €427k, provided for in full).

12.1.2 OTHER CURRENT ASSETS

€000 AT 31 OCTOBER	2013 RESTATED *	2014 RESTATED *	INCREASE	DECREASE	2015
Accrued interest/receivables and loans	53	-	-	-	-
Employee loans	151	161	168	(202)	127
Loans, guarantees	584	517	69	(307)	278
Receivables from the French State	4 555	3 475	-	(68)	3 408
Prepaid expenses	7 334	5 630	946	(89)	6 487
TOTAL GROSS VALUE	**12 678**	**9 783**	**1 183**	**(666)**	**10 300**
Provision/impairment loss	(53)	-	-	-	-
NET VALUE	**12 624**	**9 783**	**1 183**	**(666)**	**10 300**

12.2 TRADE AND OTHER PAYABLES

The chart of accounts for casinos (Order of 27 February 1984) involves the application of particular rules with respect to capital subsidies arising from the special casino tax (prélèvement à employer).

The special casino tax related to the additional revenue earned by the casinos using the sliding-scale levy system (26 August 2009), 50% of which had to be earmarked for capital investment designed to improve tourist facilities, as provided by Decree. The capital subsidies appearing in equity of the subsidiaries' individual company financial statements are, depending on their scheduled due date, recorded in the line item "Other current liabilities" or in the line item "Other non-current assets" in the consolidated balance sheet. The government withdrew this special casino tax during financial year 2015, with retroactive effect from 1 November 2014.

€000 AT 31 OCTOBER	2015	2014	2013
Customers, advances and down payments received	1 833	2 045	3 893
Trade accounts payable	14 919	16 650	25 183
Liabilities in respect of fixed asset acquisitions	4 176	5 832	5 209
Employees	3 743	4 260	4 187
Employee profit-sharing	3 759	2 553	3 164
Social security organisations	7 717	7 958	8 600
Paid vacation	16 042	16 381	17 543
Applicable levy *	2 074	3 436	4 054
Current account and partner liabilities	278	931	685
State – VAT	2 718	2 786	3 263
State – expenses payable	7 057	7 815	8 718
Other	23 062	19 952	18 273
TOTAL	**87 377**	**90 599**	**102 773**

(*) At 31 October 2015, these values concerned amounts of the special casino tax not yet allocated. These amounts should be allocated during financial year 2016.

12.3 OTHER CURRENT AND NON-CURRENT LIABILITIES

€000 AT 31 OCTOBER	2015	2014	2013
Tax liabilities	13	12	50
Other liabilities	-	263	364
Liabilities to suppliers of fixed assets *	-	752	2 955
Deferred income – non-current portion	6 349	6 743	6 043
TOTAL OTHER NON-CURRENT LIABILITIES	**6 361**	**7 770**	**9 412**
Deferred income – current portion	1 985	2 075	1 678
TOTAL OTHER CURRENT LIABILITIES	**1 985**	**2 075**	**1 678**

Deferred income is mainly attributable to investment subsidies.

(*) At 31 October 2014, the item "Liabilities to suppliers of fixed assets" in the table above was entirely comprised of the non-current part of liabilities relating to the restatement of finance leases used to acquire slot machines under licence. At 31 October 2015, the current part of liabilities relating to this historical restatement appears under "Trade and other accounts payable" in the consolidated balance sheet in the amount of €752k - included in Note 12.2).

NOTE 13. BREAKDOWN OF THE CASH FLOW STATEMENT

13.1 BREAKDOWN OF CASH FLOW

Cash flow from operating activities

Net cash from operating activities before change in the working capital requirement, financial interest and taxes paid totalled €73.2m, versus €63.9m in 2014, related to the increase in EBITDA.

There was no notable change in the working capital requirement, which remained stable in the year (compared with a €3.6m use of funds in 2014).

The amount of interest paid fell by €0.7m.

Taxes paid totalled €9.4m, up €1.5m relative to 2014, mainly due to the increase in taxes payable by subsidiaries not included in the Groupe Partouche SA tax consolidation group.

Cash flow from investing activities

Cash from investing activities represented a net cash inflow of €13.1m, mainly driven by sale proceeds recognised in the financial year (companies and real estate assets).

Sale proceeds recognised in 2015 concerned:

- consolidated companies for €13.7m, mainly resulting from the sale of the Chaudfontaine casino (€8.5m) and the Garden Beach hotel in Juan-les-Pins (€4.5m);
- tangible fixed assets for €30.1m, relating to the sale of the Juan-les-Pins and Vichy buildings, as well as the balance collected for the sale of the premises and business assets of the Lyon Hilton hotel.

Acquisitions of assets, mainly consisting of tangible assets, represented a €31m use of funds; in the absence of any construction of new establishments, this was limited to investments to maintain, renovate and replace the Group's slot machines.

Cash flow from financing activities

This item represented a cash outflow of €24.3m, mainly consisting of the following:

- €19.5m in repayments of financial debt, of which €18.8m in respect of the syndicated loan;
- €2.6m in new medium-term borrowings;
- €7.7m in dividend payments to minority shareholders (versus €9.3m in 2014).

Based on these movements, cash amounted to €164.8m at 31 October 2015, up €48.1m compared to 31 October 2014.

13.2 BREAKDOWN OF WCR

Changes in items making up the working capital requirement are as follows:

€000	2015	2014 RESTATED	2013 RESTATED
Inventories and semi-finished goods	(417)	252	419
Trade receivables	4 611	2 317	(3 485)
Receivables and accrued and deferred items	(7 181)	1 676	(4 209)
Trade accounts payable	(1 164)	(8 194)	(1 806)
Other payables	4 418	294	(3 968)
Deferred expenses	-	-	-
IMPACT OF THE CHANGE IN WCR	**267**	**(3 655)**	**(13 049)**

NOTE 14. OFF BALANCE SHEET COMMITMENTS

14.1 RELATED TO THE SCOPE

Commitments given at 31 October 2015:

None.

Commitments received at 31 October 2015:

€000	2015	2014	2013 RESTATED
Sureties, deposits and pledges	2 740	3 582	4 050
TOTAL	**2 740**	**3 582**	**4 050**

At 31 October 2015, the above sureties, deposits and pledges covered the receivable from Société Française de Casinos (€2,740k).

14.2 RELATED TO FINANCING

Commitments given at 31 October 2015:

€000	2015	PAYMENTS DUE PER PERIOD			2014	2013
		LESS THAN 1 YEAR	1 TO 5 YEARS	MORE THAN 5 YEARS		
Long-term liabilities (bank debts with guarantees)	176 228	21 922	81 452	72 854	193 601	235 192
Capital leases	302	104	198	-	274	516
TOTAL	**176 530**	**22 026**	**81 650**	**72 854**	**193 874**	**235 708**

Commitments received at 31 October 2015:

€000	2015	2014	2013
Capital leases	317	335	720
TOTAL	**317**	**335**	**720**

14.3 RELATED TO OPERATING ACTIVITIES

14.3.1 CONTRACTUAL COMMITMENTS

Commitments given at 31 October 2015

€000	2015	PAYMENTS DUE PER PERIOD			2014	2013
		LESS THAN 1 YEAR	1 TO 5 YEARS	MORE THAN 5 YEARS		
Operating lease contracts (leases, non-real estate lease contracts)	59 292	7 431	24 880	26 980	79 954	85 156
Collateral or mortgages	-	-	-	-	-	-
Sureties and deposits	4 846	1 384	436	3 027	6 457	6 018
Notes issued	-	-	-	-	-	-
Liability guarantees	-	-	-	-	-	-
Other financial commitments	-	-	-	-	1 650	1 650
Other commercial commitments	9 509	3 580	4 221	1 707	10 722	8 313
Commitments in respect of operating requirements	67 807	8 700	29 740	29 368	66 329	78 863
TOTAL	**141 454**	**21 095**	**59 276**	**61 082**	**165 112**	**180 000**

The item "Commitments in respect of operating requirements" includes all of the operator's obligations over the remaining term of the concession. The corresponding expenses, which are paid annually, are recognised in the income statement under "Other current operating income and expenses".

Commitments received at 31 October 2015:

€000	2015	2014	2013
Claw back	98	98	98
Operating lease contracts (leases, non-real estate lease contracts, other)	3 884	5 607	7 232
Sureties and deposits	689	820	576
Liability guarantee	-	-	-
Other commercial commitments	-	55	737
TOTAL	**4 671**	**6 580**	**8 644**

The "Operating leases received" item mainly consists of €3m in commitments to lease event space at Casino du Palm Beach.

14.3.2 INVESTMENT COMMITMENTS

Commitments given at 31 October 2015:

€000	2015	PAYMENTS DUE PER PERIOD			2014	2013
		LESS THAN 1 YEAR	1 TO 5 YEARS	MORE THAN 5 YEARS		
Commitments related to investments	49	49	-	-	982	82
TOTAL	**49**	**49**	**-**	**-**	**982**	**82**

At end-2014, the commitments reported in this table mainly concerned work at the Le Havre casino and the Royat casino.

Commitments received at 31 October 2015:

€000	2015	2014	2013
Other market commitments received	313	328	670
TOTAL	**313**	**328**	**670**

The commitments reported in this table concern Pasino de La Grande-Motte.

To the best of the Company's knowledge, there are no other significant off balance sheet commitments.

NOTE 15. RELATED PARTY TRANSACTIONS

Concerning the provisions of IAS 24 on management compensation, refer to Note 7, "Employee expenses and benefits".

Transactions with Financière Partouche SA

Groupe Partouche SA rents the premises of its registered office from Financière Partouche SA. The total rent, including charges and tax, was €309,384 for financial year 2014-2015.

Groupe Partouche SA benefits from a shareholder's advance from Financière Partouche SA (agreement signed on 29 August 2003 and modified agreements signed on 30 September 2005 and 30 December 2009), for which the terms concerning interest (Euribor +2%) and settlement are set out in the plan approved by the Paris Commercial Court in its ruling of 29 September 2014.

As presented in Note 9.3, the principal amount outstanding on this advance at 31 October 2015 totalled €22,357k. The repayment schedule is presented in Section 4.1.2 "Liquidity risk" of the Annual Report, with the final instalment scheduled for 15 December 2022.

The interest expense for the 2014/2015 financial year amounted to €460k.

▸ Investment agreement between Financière Partouche SA and Butler Capital Partners (BCP)

An investment agreement was executed on 19 April 2011 in order to define the terms and conditions of the entry of BCP in the share capital of the company, with the approval of the principal shareholder Financière Partouche SA. This agreement led in May 2011 to two capital increases.

▸ Agreements with Ispar Holding SA

Ispar Holding SA, controlled and chaired by Isidore Partouche, provides assistance and advice to the Swiss casinos. With respect to financial year 2014-2015, the expenses recognised in respect of the remuneration of Ispar Holding SA by the Crans-Montana & Meyrin casinos amounted to €92k and €183k, respectively.

▸ Agreements with Shal & Co

Shal & Co, controlled and chaired by Hubert Benhamou, provides assistance with the management activities of certain Groupe Partouche casinos. The corresponding remuneration received for financial year 2014-2015 was €597,333.

▸ Other

The other transactions in financial year 2014-2015 with related parties as part of ordinary activities are not considered significant for the Group and were carried out at market conditions.

NOTE 16. POST BALANCE SHEET EVENTS

The Vichy 4 Chemins casino company permanently ceased operations in December 2015. At a meeting on 10 April 2015, Vichy city council had decided not to renew the public service concession upon its expiry (31 December 2015).

On 23 November 2015, Groupe Partouche entered into an agreement, subject to conditions precedent, to buy out the minority interests in Complexe Commercial de La Roche-Posay, Casino de Coutainville and Hôtel du Château. This agreement is subject to the following calendar:

Purchase on 15 January 2016 of:

- 9,800 shares in Complexe Commercial de La Roche-Posay,
- 110 shares in Casino de Coutainville;

Purchase on 15 January 2017 of:

- 8,419 shares in Complexe Commercial de La Roche-Posay,
- 82 shares in Casino de Coutainville,
- 100 shares in Hôtel du Château.

NOTE 17. CONSOLIDATION SCOPE

Companies leaving the Group at 31/10/2015

Changes in percentage interest at 31/10/2015

The following companies are consolidated by Groupe Partouche SA:

COMPANY AT 31 OCTOBER	COUNTRY	INTEREST PERCENTAGE IN 2015	INTEREST PERCENTAGE IN 2014	INTEREST PERCENTAGE IN 2013	CONSOLIDATION METHOD
SA GROUPE PARTOUCHE	France				Parent company
FULLY CONSOLIDATED COMPANIES					
CASINOS					
SA CASINO DE SAINT-AMAND	France	100,00	100,00	100,00	FC
SA GRAND CASINO DE CABOURG	France	100,00	100,00	100,00	FC
SA CASINO DU GRAND CAFÉ	France	61,90	61,90	61,90	FC
SA FORGES THERMAL	France	60,38	59,50	59,50	FC
SA CASINO ET BAINS MERS DE DIEPPE	France	100,00	100,00	100,00	FC
SA JEAN METZ	France	100,00	100,00	100,00	FC
SA LE TOUQUET'S	France	90,10	90,10	90,10	FC
SA CASINOS DU TOUQUET	France	99,53	99,53	99,53	FC
SA CASINOS DE VICHY	France	92,00	91,83	91,83	FC
CASINO DE CONTREXÉVILLE	France	100,00	100,00	100,00	FC
SA NUMA	France	100,00	100,00	100,00	FC
SA GRAND CASINO DE LYON	France	100,00	100,00	100,00	FC
PALM BEACH CASINO	France	100,00	99,99	99,99	FC
SA ECK	Belgium	-	-	99,90	FC
SA LE GRAND CASINO DE DJERBA	Tunisia	99,90	99,90	99,90	FC
CASINO NUEVO DE SAN ROQUE	Spain	98,90	98,90	98,90	FC
SA SATHEL	France	99,86	99,86	99,86	FC
SA CASINO MUNICIPAL DE ROYAT	France	99,86	99,86	99,86	FC
SA CASINO LE LION BLANC	France	99,86	99,86	99,86	FC
SA EDEN BEACH CASINO	France	99,64	99,64	99,64	FC
SA CASINO MUNICIPAL D'AIX THERMAL	France	99,61	99,61	99,61	FC
SA CASINO DES FLOTS BLEUS	France	99,59	99,59	99,59	FC
SA CASINO DE PALAVAS	France	99,87	99,87	99,87	FC
CASINO DE PORNICHET	France	100,00	100,00	100,00	FC
CASINO DE PORNIC	France	100,00	100,00	100,00	FC
CASINO D'ANDERNOS	France	99,79	99,79	99,79	FC
CASINO D'ARCACHON	France	98,73	98,70	98,70	FC
CASINO DE SALIES DE BÉARN	France	100,00	100,00	100,00	FC
CASINO DE LA GRANDE-MOTTE	France	99,98	99,98	99,98	FC
CASINO DE GRÉOUX	France	100,00	100,00	100,00	FC

COMPANY AT 31 OCTOBER	COUNTRY	INTEREST PERCENTAGE IN 2015	INTEREST PERCENTAGE IN 2014	INTEREST PERCENTAGE IN 2013	CONSOLIDATION METHOD
CASINO D'ÉVAUX-LES-BAINS	France	100,00	100,00	100,00	FC
CASINO DE PLOMBIÈRES	France	100,00	100,00	100,00	FC
CASINO D'OSTENDE	Belgium	99,98	99,98	99,98	FC
CHAUDFONTAINE LOISIRS	Belgium	0,00	99,99	99,99	FC
CASINO DE LA ROCHE-POSAY	France	89,70	89,70	89,70	FC
CASINO DE AGON COUTAINVILLE	France	89,62	89,62	89,56	FC
CASINO DE HYÈRES	France	99,90	99,90	99,90	FC
CASINO DE VAL-ANDRÉ	France	100,00	100,00	100,00	FC
CASINO DE PLOUESCAT	France	97,00	97,00	97,00	FC
CASINO DE BANDOL	France	100,00	100,00	100,00	FC
CASINO LAC MEYRIN	Switzerland	40,00	40,00	40,00	FC
CASINO DU HAVRE	France	100,00	100,00	100,00	FC
CASINO DE LA TRINITÉ	France	100,00	100,00	100,00	FC
CASINO DU PALAIS DE LA MÉDITERRAN-NÉE	France	100,00	100,00	100,00	FC
CASINO DE DIVONNE	France	98,70	98,70	98,70	FC
CASINO D'ANNEMASSE	France	99,93	99,93	99,93	FC
CASINO DE HAUTEVILLE-LOMPNES	France	-	-	100,00	FC
CASINO DE CRANS-MONTANA	Switzerland	57,00	57,00	57,00	FC
CASINO DE LA TREMBLADE	France	99,89	99,89	99,03	FC
CASINO DE DINANT	Belgium	-	-	100,00	FC
CASINO TABARKA	Tunisia	99,89	99,89	99,89	FC
HOTELS					
SA ELYSEE PALACE HÔTEL	France	91,76	91,58	91,58	FC
SA HÔTEL INTERNATIONAL DE LYON	France	97,25	97,25	97,25	FC
SNC GARDEN BEACH HOTEL	France	0,00	99,65	99,65	FC
SARL AQUABELLA	France	99,79	99,79	99,79	FC
HOTEL 3.14	France	100,00	99,99	99,99	FC
GRANDS HÔTELS DU PARC	France	100,00	100,00	100,00	FC
HOTEL COSMOS	France	100,00	100,00	100,00	FC
SARL SINOCA	France	100,00	100,00	100,00	FC
OTHER					
SA CANNES BALNÉAIRES PALM BEACH	France	99,99	99,99	99,99	FC
SA CHM	France	87,04	86,89	86,89	FC
SA BARATEM	France	99,25	99,25	99,25	FC
SA HOLDING GARDEN PINÈDE	France	100,00	100,00	100,00	FC
SCI HOTEL GARDEN PINÈDE	France	100,00	100,00	100,00	FC
SCI RUE ROYALE	France	99,99	99,99	99,99	FC
ELYSÉE PALACE EXPANSION	France	91,76	91,58	91,58	FC

COMPANY AT 31 OCTOBER	COUNTRY	INTEREST PERCENTAGE IN 2015	INTEREST PERCENTAGE IN 2014	INTEREST PERCENTAGE IN 2013	CONSOLIDATION METHOD
ELYSÉE PALACE SA	France	91,73	91,56	91,56	FC
SCI LES THERMES	France	99,99	99,99	99,99	FC
SARL THERM'PARK	France	99,99	99,99	99,99	FC
SA GROUPE PARTOUCHE INTERNATIONAL	Belgium	99,90	99,90	99,90	FC
SARL SEK	France	99,86	99,86	99,86	FC
SCI EDEN BEACH CASINO	France	99,86	99,86	99,86	FC
SCI PALAVAS INVESTISSEMENT	France	99,87	99,87	99,87	FC
CBAP CENTRE BALNÉOTHÉRAPIE	France	99,99	99,99	99,99	FC
SCI FONCIÈRE DE VITTEL ET CONTREX	France	100,00	100,00	100,00	FC
EUROPÉENNE DE CASINO HOLDING	France	100,00	100,00	100,00	FC
BELCASINOS	Belgium	100,00	100,00	100,00	FC
CASINO CHAUDFONTAINE	Belgium	99,90	99,90	99,90	FC
SCI GAFA	France	89,81	89,81	89,81	FC
CASINO VIRGINIAN DE RENO	United States	-	-	100,00	FC
SCI LES MOUETTES	France	100,00	100,00	100,00	FC
SCI LES JARRES	France	100,00	100,00	100,00	FC
HOLDING LUDICA	France	100,00	100,00	100,00	FC
SCI JMB	France	100,00	100,00	100,00	FC
VZW	Belgium	100,00	100,00	100,00	FC
SCI PARC DE POSAY	France	89,71	89,71	89,71	FC
SARL PARC DU CHÂTEAU	France	71,76	71,76	71,76	FC
SCI DE L'ARVE	France	99,93	99 ,93	99,93	FC
SCI LA TREMBLADE	France	99,89	99,89	99,04	FC
PARTOUCHE IMMOBILIER	France	100,00	100,00	100,00	FC
PARTOUCHE SPECTACLE	France	100,00	100,00	100,00	FC
KIOUSK	France	100,00	99,99	99,99	FC
GROUPEMENT DE MOYEN DES CASINOS	France	100,00	100,00	100,00	FC
SIKB IMMO	Belgium	-	-	100,00	FC
CKO BETTING OSTENDE	Belgium	100,00	100,00	100,00	FC
PARTOUCHE INTERACTIVE	France	96,00	96,00	95,99	FC
QUARISMA	France	91,26	91,26	91,26	FC
PARTOUCHE PRODUCTION	France	72,42	72,42	72,42	FC
PARTOUCHE TECHNOLOGIES	France	96,00	96,00	96,00	FC
PARTOUCHE IMAGE	France	85,11	72,44	72,44	FC
PARTOUCHE TOURNOIS	France	96,00	96,00	96,00	FC
WORLD SERIES OF BACKGAMON	United Kingdom	96,00	96,00	96,00	FC
APPOLONIA FRANCE	France	67,20	67,20	67,20	FC

COMPANY AT 31 OCTOBER	COUNTRY	INTEREST PERCENTAGE IN 2015	INTEREST PERCENTAGE IN 2014	INTEREST PERCENTAGE IN 2013	CONSOLIDATION METHOD
PARTOUCHE INTERACTIVE HOLDING	Gibraltar	96,00	96,00	96,00	FC
PARTOUCHE INTERACTIVE GIBRALTAR	Gibraltar	96,00	96,00	96,00	FC
PARTOUCHE BETTING	Malta	0,00	96,00	96,00	FC
PARTOUCHE GAMING FRANCE	France	96,00	96,00	96,00	FC
SOCIÉTÉ D'EXPLOITATION DU CASINO DE DIVONNE	France	96,00	96,00	96,00	FC
GIE IMCJC	France	0,00	100,00	100,00	FC
INTERNATIONAL GAMBLING SYSTEMS	Belgium	19,00	19,00	19,00	FC
COMPANIES CONSOLIDATED USING THE EQUITY METHOD					
CASINOS					
INTERNATIONAL CASINO OF MADRID	Egypt	0	0	17,85	EM
PARTOUCHE INTERACTIVE MALTA	Malta	0,00	47,99	47,99	EM

20.2.2 FINANCIAL STATEMENTS OF THE COMPANY – 31 OCTOBER 2015

BALANCE SHEET ASSETS (NET VALUES) €000 AT 31 OCTOBER	NOTES	2015	2014	2013
FIXED ASSETS				
Intangible assets	**2.1 / 2.2**			
Concession and similar rights		80	81	110
Internally generated goodwill		72 623	72 699	72 776
Advances and down payments on intangible assets		0	0	23
Tangible fixed assets	**2.1 / 2.2**			
Land		7 280	7 289	7 289
Buildings		12 465	11 862	12 569
Technical equipment		67	16	20
Other tangible fixed assets		694	721	664
Assets under construction		15	23	36
Advances and down payments		0	0	0
Financial investments				
Other investments	2.3 / 2.4	552 604	553 422	554 709
Receivables attached to investments		604	595	595
Other long-term investment securities	2.3	-	-	-
Loans	2.5	42	43	43
Other financial investments	2.4 / 2.5	219	145	162
Total fixed assets		**646 693**	**646 896**	**648 996**
CURRENT ASSETS				
Merchandise		6	16	112
Advances and down payments to suppliers		2	4	17
Trade receivables	2.5	60	78	56
Other receivables	2.4 / 2.5	130 538	147 051	198 375
Marketable securities		30 956	13 904	15 915
Cash and cash equivalents		42 954	8 757	4 665
Prepaid expenses	2.5 / 2.10	1 189	633	1 969
Total current assets		**205 703**	**170 443**	**221 109**
REGULARISATION ACCOUNTS				
Capitalised expenses		0	0	0
Translation adjustment – asset		0	0	203
GRAND TOTAL		**852 395**	**817 339**	**870 307**

BALANCE SHEET LIABILITIES AND EQUITY €000 AT 31 OCTOBER	NOTES	2015	2014	2013
Share capital (o/w fully paid: 193,631) [1]	2.13	193 631	193 631	193 631
Share premium, merger and contribution reserves		54 285	54 285	54 285
Revaluation reserve [2]		-	-	-
Legal reserve		8 778	8 778	8 778
Statutory reserve [3]		-	-	-
Other reserves		14 423	14 423	14 423
Retained earnings		134 760	131 683	144 914
NET PROFIT (LOSS) FOR THE FINANCIAL YEAR		15 045	3 078	(13 231)
Equity	**2.12**	**420 921**	**405 877**	**402 799**
Provisions for contingencies	2.4	0	0	203
Provisions for losses	2.4	0	0	48
Provisions for contingencies and losses		**0**	**0**	**251**
Bank loans and overdrafts [5]	2.6	174 799	193 601	235 192
Sundry borrowings and financial liabilities	2.6	22 483	22 483	25 534
Advances and deposits on outstanding orders		-	-	-
Trade creditors	2.6	618	1 572	5 234
Tax and social security liabilities	2.6	2 572	2 886	3 352
Liabilities to fixed asset suppliers	2.6	18	18	45
Other liabilities	2.6	230 814	190 843	197 858
Deferred income	2.6 / 2.11	43	43	43
TOTAL [4]		**431 348**	**411 445**	**467 257**
Translation adjustment – liability		126	17	-
GRAND TOTAL		**852 395**	**817 339**	**870 307**
(1) Capitalised revaluation differential		294	294	294
(2) Includes a special revaluation reserve (1959)				
Free revaluation reserve				
Revaluation reserve (1976)				
(3) Includes a statutory reserve for long-term capital gains				
(4) Liabilities and deferred income falling due or to be released in less than one year		114 975	44 049	271 941
(5) Includes current account bank balances and bank over-drafts		0	0	0

INCOME STATEMENT €000 AT 31 OCTOBER	NOTES	2015	2014	2013
Merchandise sales		2	16	118
Sales of services		11 031	11 687	12 529
Net turnover	2.14	**11 033**	**11 703**	**12 647**
Self-constructed assets		1 367	0	0
Operational subsidies		0	0	1
Reversals of depreciation, amortisation, provisions and expense transfers [7]		356	421	760
Other revenue		0	0	0
Total operating revenue [2]		**12 756**	**12 124**	**13 408**
OPERATING EXPENSES				
Purchases of goods (and custom duties)		0	3	176
Change in inventory (goods)		10	96	58
Other purchases and external expenses 6a		12 234	10 338	10 527
Tax		566	665	644
Wages and salaries		3 704	3 633	3 660
Social security expenses		1 486	1 434	1 477
Depreciation and amortisation charges and provision on fixed assets		1 105	1 069	1 149
Impairment of current assets		109	65	0
Other expenses		71	1	1
Total operating expenses [4]		**19 287**	**17 305**	**17 692**
OPERATING INCOME/(LOSS)		**(6 530)**	**(5 181)**	**(4 284)**
Income allocated or loss transferred		31	26	212
Loss borne or income transferred		0	0	0
Income from associates [5]	2.16	32 200	28 019	25 680
Income from other marketable securities and receivables [5]		0	0	0
Other interest income [5]		1 660	2 593	4 932
Provision reversals and expense transfers		2 710	6 446	15 616
Positive foreign exchange differences		0	0	4
Net gains on the disposal of marketable securities		0	2	1
Total financial income		**36 571**	**37 059**	**46 234**
FINANCE COSTS				
Depreciation, amortisation and provision charges		18 346	22 683	38 989
Interest expense 6		7 537	10 565	12 321
Negative foreign exchange differences		20	163	11
Total finance costs		**25 902**	**33 411**	**51 320**
FINANCIAL ITEMS		**10 669**	**3 647**	**(5 086)**
CURRENT INCOME BEFORE TAX		**4 170**	**(1 508)**	**(9 158)**

INCOME STATEMENT €000 AT 31 OCTOBER	NOTES	2015	2014	2013
Exceptional income on management transactions		36	15	173
Exceptional income on capital transactions		127	1 694	166
Provision reversals and expense transfers		0	692	0
Total exceptional income		**163**	**2 401**	**339**
Exceptional expense on management transactions		1 302	34	63
Exceptional expense on capital transactions		996	8 745	14 075
Exceptional depreciation, amortisation and provision charges		0	0	48
Total exceptional expense		**2 298**	**8 779**	**14 187**
EXCEPTIONAL ITEMS	2.17	**(2 134)**	**(6 378)**	**(13 848)**
Employee profit-sharing				
Corporate income tax	2.18	(13 009)	(10 964)	(9 774)
Total income		**49 522**	**51 609**	**60 193**
Total expense		**34 477**	**48 531**	**73 425**
NET PROFIT OR LOSS		**15 045**	**3 078**	**(13 231)**

(2) Includes property rental income		1 145	1 026	1 020
(2) Includes operating revenue relating to prior financial years		0	15	173
(4) Includes operating revenue relating to prior financial years		10	2	13
(5) Includes income from associated entities		33 184	29 704	29 839
(6) Includes interest from associated entities		660	729	2 118
(6a) Includes contributions made to organisations deemed to be in the public interest		20	20	42
(7) Includes expense transfers		356	421	645

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

Notes to the balance sheet before appropriation for the financial year ending 31 October 2015 which totals €852,395k and the income statement for the financial year, presented in list format, showing total income of €49,522k and net profit of €15,045k.

The financial year is 12 months long, covering the period from 1 November 2014 to 31 October 2015.

REMINDER ON THE SAFEGUARD PROCEDURE:

In a judgment dated 29 September 2014, the Paris Commercial Court approved Groupe Partouche SA's Safeguard Plan, previously unanimously adopted by all creditors' committee members, thus bringing to a close the observation period that had begun on 30 September 2013.

The main provisions of this nine-year plan are as follows:

- for the syndicated loan:
  - phased repayment of the syndicated loan up to December 2022,
  - a lower margin of 3.25% from December 2016, compared with 3.50% up to that date,
  - the removal of various constraints such as the limit on investment volumes, the requirement to meet financial ratios and the surplus cash flow repayment mechanism,
  - no obligation to sell assets,
  - a clause requiring the Group to allocate 50% of the net proceeds of any asset sales made by the Group towards the early repayment of the syndicated loan;
- repayment of the shareholder's advance by Financière Partouche in line with a repayment schedule that runs to December 2022;
- a freeze on intra-group debts until all other liabilities included in the plan have been settled in full, with the exception of potential offsetting of related receivables or of dividend payments;
- repayment of current payables in accordance with a number of options proposed to the creditors.

The financial statements to 31 October 2015 and 31 October 2014 are presented in accordance with the terms of the Safeguard Plan approved on 29 September 2014. As a

reminder, concerning the financial statements for 31 October 2013 (observation period in effect on the date that the accounts of the 2013 financial year were approved): the Safeguard Procedure initiated by Groupe Partouche SA had no impact on the 2013 annual financial statements, which were approved for publication on a going concern basis; the debts frozen until the end of the observation period were broken down by payments due according to the maturity schedules standing prior to the initiation of the procedure.

For more information on the execution of the Safeguard Plan and associated financial risks, please refer to Sections 4.1.1 "Risk of non-compliance with the Safeguard Plan (plan de sauvegarde)" and 4.1.2 "Liquidity risk" of the Annual Report. Lastly, for details concerning the action taken by one of the bank creditors against the plan, please refer to Section 20.5 "Legal and arbitration proceedings".

THE KEY HIGHLIGHTS OF THIS FINANCIAL YEAR WERE AS FOLLOWS:

- At an Extraordinary Shareholders' Meeting on 15 January 2015, the shareholders voted to withdraw shareholders' preemptive right to subscribe for nine new shares, and to reserve the subscription of those nine new shares, with a par value of €2 each, for a third party.
- The share capital increased from €193,631,182 to €193,631,200.
- The shareholders then voted to carry out a reverse stock split by issuing one new share with a par value of €20 for every ten old shares with a par value of €2.
- The Group acquired 100% of Casino de la Pointe Croisette for €1 and bought out the €6.1m current account loan for a price of €1.5m from Cannes Balnéaire SA.
- The Group paid off €18.8m of the syndicated loan under the terms of the early redemption clause as set out above, following the disposal of the Chaudfontaine casino, the Garden Beach hotel in Juan-les-Pins and real estate assets in Juan-les-Pins.

The notes and tables below are an integral part of the annual financial statements.

There have been no changes to methods or presentation affecting the parent company financial statements.

1 - ACCOUNTING POLICIES AND PRESENTATION

The Company's financial statements are prepared in accordance with French legislation and regulations. Accounting conventions have been applied in accordance with the provisions of the French Commercial Code and ANC Regulation 2014-03.

1.1 INTANGIBLE ASSETS

Intangible assets related to software licences are written off over a period of 1 to 4 years.

A long lease charge is written off over a period of 30 years.

1.2 TANGIBLE FIXED ASSETS

Tangible fixed assets are stated in the balance sheet at their historical acquisition cost (supplemented by acquisition expenses), at their production cost or at their contribution value in respect of SIHB SA fixed assets contributed as part of the merger-renunciation agreement concluded in 1994 with retroactive effect as of 1 November 1993.

The straight-line method of depreciation is used over the expected useful lives of the assets.

Buildings:	Straight-line	20 to 50 years
Equipment, material:	Straight-line	3 to 8 years
Equipment, fixtures and fittings:	Straight-line	5 to 10 years
Event equipment:	Straight-line	3 years
Vehicles:	Straight-line	5 years
Office and computer equipment:	Straight-line	2 to 5 years

1.3 LONG-TERM FINANCIAL INVESTMENTS

Long-term financial investments are stated in the balance sheet at acquisition cost (excluding incidental expenses) or at contribution cost.

When their inventory value falls below their gross value, a provision for impairment is established for the amount of the difference.

The inventory value of investments is based on their value-in-use or fair value.

This value can notably be determined through:

- the calculation of their net asset value in the most recent financial statements of the subsidiary that owns them, adjusted for any unrecognised unrealised capital gains (internally generated goodwill, buildings, deferred tax, etc.);
- forward-looking data such as profitability prospects;

The securities contributed by SIHB SA are valued at their contribution value at the time of the merger.

The securities contributed under the terms of the Transmission Universelle du Patrimoine in Groupe de Divonne SA were acquired at their carrying amount.

1.4 RECEIVABLES

Receivables are recorded at their face value. A provision for impairment is established whenever their inventory value, based on the likelihood of their being recovered, is less than their book value.

1.5 RECEIVABLES AND DEBTS DENOMINATED IN FOREIGN CURRENCIES

During the financial year, receivables in foreign currencies are translated on the basis of the exchange rate on the transaction date. At the end of the financial year, these receivables are translated on the basis of the closing rate, and the differences with respect to amounts previously accounted are recorded under "Unrealised gains or losses on foreign exchange transactions". Losses on foreign exchange are provided for under "Provisions for contingencies".

1.6 CASH AND CASH EQUIVALENTS

Marketable securities are recorded in the balance sheet at their acquisition cost.

Where the acquisition cost is greater than their net realisable value at the end of the financial year, a provision for impairment is established for the amount of the difference.

1.7 DIVIDENDS

Dividends received from foreign subsidiaries are recorded at their net amounts after any withholding taxes applicable under the relevant tax regulations.

1.8 PROVISIONS FOR CONTINGENCIES AND LOSSES

Claims by the public authorities in respect of tax and social security reassessments are provided for, in the amount of the estimated risk on the basis of data available at the end of the financial year.

Group Partouche SA has been cited jointly in relation to redundancy schemes carried out at two of its subsidiaries; as of 31 October 2015, no provisions have been recognised as a result, since management and its advisors believe that Groupe Partouche SA's exposure in said cases is very limited.

1.9 DISTINCTION BETWEEN CURRENT PROFIT AND EXCEPTIONAL ITEMS

The "Exceptional items" income statement heading includes exceptional items resulting from ordinary activities, as well as extraordinary items. Exceptional items resulting from ordinary activities are those whose achievement is not related to the Company's ordinary course of business, either because their amounts or impact are of abnormal nature or because they very rarely occur.

2 – ADDITIONAL INFORMATION IN RESPECT OF THE BALANCE SHEET AND INCOME STATEMENT (IN €000)

2.1 INTANGIBLE AND TANGIBLE FIXED ASSETS

€000 AT 31 OCTOBER 2015	GROSS VALUE OF FIXED ASSETS AT THE BEGINNING OF THE FINANCIAL YEAR	INCREASES	
		REVALUATION DURING THE YEAR	ACQUISITION, CREATION, INTER-ACCOUNT
Setup costs, research	-	-	-
Other intangible assets	**76 362**	**-**	**65**
Land	7 289	-	-
Buildings on own land	10 250	-	1 150
Buildings on other land	2 239	-	-
Fixtures and fittings – buildings	4 732	-	217
Machinery and equipment	30	-	62
Other equipment, fixtures and fittings	1 343	-	102
Vehicles	290	-	-
Office and computer equipment, furniture	553	-	60
Fixed assets under construction	23	-	-
Advances and down payments	0	-	-
Total tangible fixed assets	**26 749**	**-**	**1 592**
GRAND TOTAL	**103 111**	**-**	**1 657**

€000 AT 31 OCTOBER 2015	DECREASES		GROSS VALUE OF ASSET AT END OF FINANCIAL YEAR	LEGAL REVALUATION ORIGINAL VALUE AT END OF FINANCIAL YEAR
	BY INTER-ACCOUNT TRANSFER	BY SALE OR WITHDRAWAL		
Setup costs, research	-	-	-	-
Other intangible assets	**0**	**0**	**76 427**	**-**
Land	-	9	7 280	-
Buildings on own land	-	82	11 317	-
Buildings on other land	-	-	2 239	-
Fixtures and fittings – buildings	-	-	4 949	-
Machinery and equipment	-	1	91	-
Other equipment, fixtures and fittings	-	-	1 445	-
Vehicles	-	-	290	-
Office and computer equipment, furniture	-	-	614	-
Fixed assets under construction	8	-	15	-
Advances and down payments	-	-	0	-
Total tangible fixed assets	**8**	**93**	**28 239**	**-**
GRAND TOTAL	**8**	**93**	**104 667**	**-**

As a reminder, with a view to the application of CRC Regulation 2002.10, for the year ending 31 October 2005, the Company carried out an analysis of its buildings based on three components contributing to the net carrying value of these assets as of 31 October 2005 which breaks down as follows:

- Structures: 51%
- Fluids: 24%
- Fixtures and fittings: 25%

2.2 DEPRECIATION AND AMORTISATION

€000 AT 31 OCTOBER 2015	POSITIONS AND MOVEMENTS DURING THE FINANCIAL YEAR			
	BEGINNING OF THE FINANCIAL YEAR	APPROPRIATION DURING THE FINANCIAL YEAR	DECREASE DURING THE FINANCIAL YEAR	END OF THE FINANCIAL YEAR
Setup costs, research	-	-	-	-
Other intangible assets	**3 582**	**143**	**-**	**3 724**
Land	-	-	-	-
Buildings on own land	1 559	345	82	1 822
Buildings on other land	1 716	112	-	1 828
Fixtures and fittings – buildings	2 084	306	-	2 391
Machinery and equipment	14	10	0	24
Other equipment, fixtures and fittings	851	112	-	963
Vehicles	128	35	-	163
Office and computer equipment, furniture	487	42	-	529
Recoverable packaging and other	-	-	-	-
TOTAL	**6 838**	**963**	**82**	**7 718**
GRAND TOTAL	**10 419**	**1 105**	**82**	**11 443**

2.3 INVESTMENTS

€000 AT 31 OCTOBER 2015	GROSS VALUE AT BEGINNING OF THE FINANCIAL YEAR	ACQUISITION, INTER-ACCOUNT TRANSFER
Investments in associates	-	-
Other investments	628 394	272
Other long-term investment securities	0	-
Loans and other long-term investments	188	74
TOTAL	**628 582**	**346**

€000 AT 31 OCTOBER 2015	DECREASE BY INTER-ACCOUNT TRANSFER	DECREASE BY SALE OR WITH-DRAWAL	GROSS VALUE OF ASSET AT END OF FINANCIAL YEAR	REVALUATION OF ORIGINAL VALUE AT FINANCIAL YEAR-END
Investments in associates	-	-	-	-
Other investments	-	-	628 666	-
Other long-term investment securities	-	-	0	-
Loans and other long-term investments	1	1	261	-
TOTAL	**1**	**1**	**628 927**	**-**

The increase in "Other investments" mainly consists of the acquisition of an additional €263k equity interest in Forges Thermal SA.

Pursuant to the share buyback agreement, the terms of authorisation and execution of which are set out Note 2.13, "Breakdown of share capital", 2,587 treasury shares with a total value of €46k were acquired on 31 October 2015 and are recognised under "Loans and other long-term investments" pending their cancellation.

2.4 PROVISIONS

€000 AT 31 OCTOBER 2015	BEGINNING OF THE FINANCIAL YEAR	INCREASE / ALLOCATION	DECREASE / REVERSAL	END OF THE FINANCIAL YEAR
Provisions				
For litigation	-	-	-	-
For foreign exchange losses	-	-	-	-
For tax	-	-	-	-
Other contingency and loss provisions	-	-	-	-
TOTAL	**0**	**0**	**0**	**0**
For property and equipment	-	-	-	-
Provisions for investments in associates	74 378	1 308	227	75 459
Provisions for financial investments	-	-	-	-
Provisions for trade accounts receivable	115	-	-	115
Other provisions for impairment	186 650	17 147	2 483	201 313
TOTAL	**261 142**	**18 455**	**2 710**	**276 887**
GRAND TOTAL	**261 142**	**18 455**	**2 710**	**276 887**
Including:				
Operating allocations and recoveries		109	-	
Financial provision charges and reversals		18 346	2 710	
Exceptional allocations and reversals		-	-	
Movements by balance sheet accounts following the TUP		-	-	
Impairment of shares in equity-accounted associates		-	-	

Additions to provisions on equity investments totalling €1,308k correspond to additional provisions on investments in subsidiaries whose net positions deteriorated during the financial year.

"Other provisions for impairment" relates to:

- Current account receivables, which were provisioned in respect of the Group's subsidiaries and equity investments in light of their net financial positions, corrected, where applicable, according to their carrying amount (see Section 1.3). At the financial year-end, these provisions amounted to €190,642k.

It should be noted that a reversal of a financial provision of €899k was recognised following the transfer of a receivable in the same amount through exceptional expenses (cf. Note 2.17, "Breakdown of exceptional items");

- The balance of other provisions, i.e. €10,671k at the financial year-end, concerns in particular receivables from various third parties, the most significant of which are as follows:

  - a receivable of €6,860k for contractually acquired goods never delivered. Legal proceedings are still in progress; for reasons of prudence, this receivable was fully impaired during prior years,
  - a receivable from a third party which was provisioned in full when that third party was placed into court-ordered insolvency proceedings. Notwithstanding the approval of a recovery plan, the provision has been maintained at the full amount of the receivable, adjusted to reflect any payments received. The amount outstanding at the balance sheet date was €2,741k,
  - a Jatek (foreign third party) receivable provisioned in full for €908k during prior years.

2.5 MATURITIES OF RECEIVABLES

€000 AT 31 OCTOBER 2015	GROSS AMOUNT	1 YEAR MAXIMUM	MORE THAN 1 YEAR
Receivables attached to investments	604	604	
Loans	42	42	-
Other financial investments	219	219	-
Other trade receivables	175	175	-
Employee accounts payable	1	1	-
Social security and other social benefits	2	2	-
Corporate income tax *	8 778	34	8 744
VAT	1 438	1 438	-
Other taxes	-	-	-
Other receivables	31	13	19
Subsidiaries and associates	299 573	299 573	-
Sundry receivables	21 892	19 578	2 314
Prepaid expenses	1 189	1 189	-
GRAND TOTAL	**333 944**	**322 868**	**11 076**
Loans granted during the financial year	-	-	-
Repayment of loans during the financial year	-	-	-

(*) The 2014 CICE tax credit for the Group's tax consolidation group, due in more than one year, totalled €4,578k (calendar year 2014), to which is added the unallocated 2013 CICE of €3,351k, as well as various as yet unallocated tax credits for the year and prior years.

2.6 MATURITIES OF DEBTS

€000 AT 31 OCTOBER 2015	GROSS AMOUNT	1 YEAR MAXIMUM	MORE THAN 1 YEAR	MORE THAN 5 YEARS
Bank loans and overdrafts	174 799	21 545	80 400	72 854
Sundry borrowings and financial liabilities	22 483	2 236	10 061	10 186
Trade accounts payable	618	618	-	-
Employee accounts payable	297	297	-	-
Social security and other social benefits	344	344	-	-
State and other public authorities:				
- Corporate income tax	-	-	-	-
- VAT	1 648	1 648	-	-
- Other taxes	283	283	-	-
- Miscellaneous	-	-	-	-
Liabilities to fixed asset suppliers	18	18	-	-
Subsidiaries and associates	228 883	86 012	-	142 872
Other liabilities	1 931	1 931	-	-
Deferred income	43	43	-	-
GRAND TOTAL	**431 348**	**114 975**	**90 461**	**225 912**
Bank loans contracted during the financial year	-	-	-	-
Bank loan repayments during the financial year	18 818	-	-	-

Balance at 31 October 2015 of debts concerned by the Safeguard Plan

€000	TOTAL AT 31 OCTOBER 2014	EXCLUDING RELATED PARTIES	OF WHICH: RELATED PARTIES	FINANCIAL YEAR MOVEMENTS	TOTAL AT 31 OCTOBER 2015	EXCLUDING RELATED PARTIES	OF WHICH: RELATED PARTIES
Bank loans and overdrafts	193 601	193 601		-18 818	174 783	174 783	
Sundry borrowings and financial liabilities	22 483		22 483	0	22 483		22 483
Trade accounts payable	859	752	107	-788	71	69	2
Employee accounts payable	-	-	-	-	-	-	-
Social security and other social benefits	133	133		-133	0	-	-
State and other public authorities:							
- Corporate income tax	-	-	-	-	-	-	-
- VAT	-	-	-	-	-	-	-
- Other taxes	295	295		-101	194	194	
- Miscellaneous	-	-	-	-	-	-	-
Liabilities to fixed asset suppliers	18	18		0	18	18	
Subsidiaries and associates	155 151	-	155 151	-10 448	144 702		144 702
Other liabilities	-						
GRAND TOTAL	**372 539**	**194 798**	**177 741**	**-30 288**	**342 251**	**175 064**	**167 187**

Changes during the financial year correspond to movements carried out pursuant to the Safeguard Plan approved on 29 September 2014.

2.7 ELEMENTS RELATED TO MORE THAN ONE BALANCE SHEET ITEM

AMOUNT CONCERNING RELATED PARTIES IN THOUSANDS OF EUROS AT 31 OCTOBER 2015	AMOUNT
Fixed assets	
Investments in associates	550 116
Receivables attached to investments	604
Current assets	
Trade receivables	-
Other receivables	119 861
Prepaid expenses	5
Debts	
Sundry borrowings and financial liabilities	22 483
Trade accounts payable	7
Liabilities in respect of securities acquisitions	-
Other liabilities	228 787
Deferred income	43

The information relating to financial income and expenses is mentioned in Notes 5 and 6 of the income statement.

2.8 ACCRUED INCOME

ACCRUED INCOME RECOGNISED IN THE FOLLOWING BALANCE SHEET ACCOUNTS €000 AT 31 OCTOBER 2015	AMOUNT
Accrued interest	-
Other financial investments	**0**
Trade receivables	**0**
State, income receivable	**31**
Trade accounts payable – credit notes receivable	-
Accrued income – social security bodies	-
Accrued income – management fees	10 981
Accrued income – other	-
Other receivables	**10 981**
Banks – accrued interest	**264**
Total	**11 276**

2.9 ACCRUED EXPENSES INCLUDED IN THE FOLLOWING BALANCE SHEET ITEMS

€000 AT 31 OCTOBER 2015	AMOUNT
Bank loans and overdrafts	16
Trade notes and accounts payable	-
Employees – paid vacation and social charges	411
Employees – other expenses payable	-
Tax and social security liabilities	293
Other liabilities	1 931
Accrued interest on overdrafts	0
TOTAL	**2 652**

2.10 PREPAID EXPENSES

€000 AT 31 OCTOBER 2015	AMOUNT
Prepaid operating expenses	1 189
Prepaid expenses	-
Total prepaid expenses	**1 189**

2.11 DEFERRED INCOME

€000 AT 31 OCTOBER 2015	AMOUNT
Deferred income	43
Total deferred income	**43**

2.12 STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

€000 at 31 October 2015

EQUITY ACCOUNTS	POSITION AT 31 OCTOBER 2014	APPROPRIATION OF 2014 PROFIT	POSITION AFTER APPROPRIATION	FINANCIAL YEAR MOVEMENTS	POSITION AT 31 OCTOBER 2015
Share capital	193 631		193 631		193 631
Share premium account, merger reserve	7 881		7 881		7 881
Contribution reserve	46 404		46 404		46 404
Revaluation reserve	0		0		0
Legal reserve	8 778		8 778		8 778
Statutory reserve	0		0		0
Other reserves	14 423		14 423		14 423
Retained earnings	131 683	3 078	134 760		134 760
Net profit (loss) for the year	3 078	(3 078)	0	15 045	15 045
Net shareholders' equity carried forward	**405 877**	**0**	**405 877**	**15 045**	**420 921**

2.13 BREAKDOWN OF SHARE CAPITAL

CATEGORIES OF SECURITIES	YEAR-END	NUMBER OF SHARES ISSUED DURING THE FINANCIAL YEAR	NOMINAL VALUE	TOTAL
Ordinary shares	9 681 560	9	20 €	193 631 200 €

At an Extraordinary Shareholders' Meeting on 15 January 2015, the shareholders voted to withdraw shareholders' preemptive right to subscribe for nine new shares, and to reserve the subscription of those nine new shares, with a par value of €2 each, for a third party. The share capital increased from €193,631,182 to €193,631,200. The shareholders then voted to carry out a reverse stock split by issuing one new share with a par value of €20 for every ten old shares with a par value of €2.

Following the buyback of fractional shares during the financial year in connection with the transactions referred to above, the 19,166 shares held by the Company since the Extraordinary Shareholders' Meeting of 10 November 2003 were combined into 1,917 shares. These treasury shares are presented under marketable securities.

In addition, through the liquidity provider's agreement established in May 2012 with Oddo Corporate Finance, 12,241 treasury shares were held at 31 October 2015. These treasury shares are also presented under marketable securities. The purpose of this liquidity agreement is to foster regular and liquid trading in the Company's shares.

Finally, at the Combined Shareholders' Meeting of 25 March 2015, the shareholders voted to authorise a share buyback programme for a period of 18 months, expiring 25 September 2016. An implementation agreement was entered into with Aurel BGC on 5 October 2015.

The purpose of this agreement is as follows:

- To award shares to the employees and/or corporate officers of the Company and/or existing or future related companies, under the conditions laid down in law, and in accordance with any formula permitted by law, particularly within the framework of share awards covered by the fifth paragraph of Article L. 225-209 of the French Commercial Code;

or

- To subsequently deliver shares in exchange for or in payment of external growth transactions;

or

- To cancel some or all of the shares bought back;

or

- To help ensure the liquidity and regularity of trading in the Company's shares under a liquidity contract with a provider of investment services and in compliance with the code of conduct of the Autorité des Marchés Financiers, the French financial markets authority.

The implementation of this agreement at 31 October 2015 is described in Note 2.3 "Investments".
The market price of Groupe Partouche shares at 31 October 2015 was €18.10.

2.14 BREAKDOWN OF NET TURNOVER

€000 AT 31 OCTOBER 2015	FRANCE	REST OF WORLD	TOTAL AMOUNT
Merchandise sales	2		2
Group management fees	8 310	1 123	9 434
Rent	1 145		1 145
Other	453		453
TOTAL	**9 910**	**1 123**	**11 033**

2.15 EXPENSE TRANSFERS

€000 AT 31 OCTOBER 2015	AMOUNT
Miscellaneous operating expense transfers	356
Total operating expense transfers	**356**

2.16 FINANCIAL INCOME FROM ASSOCIATES

€000 AT 31 OCTOBER 2015	AMOUNT
Dividends distributed by subsidiaries	32 200
TOTAL	**32 200**

2.17 BREAKDOWN OF EXCEPTIONAL ITEMS

€000 AT 31 OCTOBER 2015	EXCEPTIONAL EXPENSE	EXCEPTIONAL INCOME
Exceptional impacts related to the disposal of the Hauteville-Lompnes casino *	30	21
Disposal of tangible fixed assets	899	-
Balance of current account following liquidation	1 289	2
Balance of receivables and reversal of corresponding provision	67	107
Premiums / discounts on treasury shares	2	34
Litigation indemnities	10	-
TOTAL	**2 298**	**163**

(*) The exceptional charge associated with the disposal of a receivable of €899k was offset by the reversal of a financial provision of the same amount. It therefore had no impact on Groupe Partouche SA's 2015 income statement (cf. Note 2.4 "Provisions").

2.18 BREAKDOWN OF CORPORATE INCOME TAX

€000 AT 31 OCTOBER 2015	PROFIT BEFORE TAX	TAX DUE	NET PROFIT AFTER TAX
Current profit	4 170	12 274	16 444
Exceptional profit	(2 134)	735	(1 399)
Accounting profit	**2 035**	**13 009**	**15 045**

It should be noted that Groupe Partouche SA is head of a tax consolidation group comprising 61 subsidiaries.

2.19 FINANCIAL COMMITMENTS

OFF BALANCE SHEET COMMITMENTS RELATED TO SUBSIDIARIES

€000 AT 31 OCTOBER 2015	
COMMITMENTS GIVEN	AMOUNT
Sureties and deposits	-
TOTAL	**-**
COMMITMENTS RECEIVED	AMOUNT
Claw back commitments	42 389
TOTAL	**42 389**

OFF BALANCE SHEET COMMITMENTS RELATED TO FINANCING

€000 AT 31 OCTOBER 2015	
COMMITMENTS GIVEN	AMOUNT
Guaranteed bank debt	174 783
TOTAL	**174 783**
COMMITMENTS RECEIVED	AMOUNT
Other commitments received	2 741
TOTAL	**2 741**

OFF BALANCE SHEET COMMITMENTS RELATED TO BUSINESS ACTIVITY

€000 AT 31 OCTOBER 2015	
COMMITMENTS GIVEN	AMOUNT
Sureties and deposits	3 138
Retirement indemnities	93
Operating lease contract	3 652
Other commitments given	**220**
TOTAL	**7 103**
COMMITMENTS RECEIVED	AMOUNT
Operating lease contract	6 648
TOTAL	**6 648**

2.20 OTHER INFORMATION

SYNDICATED LOAN

A €174.8m syndicated loan is the Company's only bank borrowing.

Taking into account the provisions of the Safeguard Plan approved in a ruling by the Paris Commercial Court on 29 September 2014:

The principal amount outstanding at 31 October 2015 totalled €174,783k, following a repayment of (€18,818k) in the financial year linked to asset disposals:

- Original loan amount: €431,000k;
- Principal amount outstanding at financial year-end: €174,783k;
- Repayment terms: the balance is due to be repaid to the lenders according to the following repayment schedule, expressed in thousands of euros:

MATURITY DATES	PRINCIPAL AMOUNT OUTSTANDING BEFORE AMORTISATION	AMORTISATION	PRINCIPAL AMOUNT OUTSTANDING AFTER AMORTISATION
15/12/2015	174 783	21 529	153 254
15/12/2016	153 254	21 529	131 726
15/12/2017	131 726	16 165	115 560
15/12/2018	115 560	21 353	94 207
15/12/2019	94 207	21 353	72 854
15/12/2020	72 854	21 353	51 501
15/12/2021	51 501	28 984	22 517
15/12/2022	22 517	22 517	0

This repayment schedule is likely to be revised in light of the clause on early repayment on asset sale provided for in the Safeguard Plan.

- **Interest rates**

Interest is calculated on the outstanding balance of the loan at an annual rate corresponding to one-, two- or three-month Euribor plus a margin of 3.50% per annum over the period from the date on which the plan was adopted to 15 December 2016, and 3.25% per annum from 16 December 2016 until the syndicated loan is repaid in full.

- **Guarantees:**

The pledges of securities described in the Annual Report are provided under 4.1.8 "Pledges" in this Reference Document.

SHAREHOLDER'S ADVANCE AGREEMENT BETWEEN FINANCIÈRE PARTOUCHE SA AND GROUPE PARTOUCHE SA

The line item "Sundry borrowings and financial liabilities" includes an advance from Financière Partouche to Groupe Partouche SA for a total of €22,357k, in accordance with the shareholder's advance agreement signed on 29 August 2003 and the modified agreements signed on 30 September 2005 and 30 December 2009. The Paris Commercial Court's ruling of 29 September 2014 concerning the Safeguard Plan also set out a new repayment schedule for this receivable, presented in Section 4.1.1 "Liquidity risk" and below.

Interest on this advance is also laid down in the plan at a rate of Euribor plus a 2% margin, giving rise to a €460k interest expense in the 2014-2015 financial year.

The outstanding balance at 31 October 2015 is due in eight annuities, as set out in thousands of euros in the following repayment schedule:

MATURITY DATES	PRINCIPAL AMOUNT OUTSTANDING BEFORE AMORTISATION	AMORTISATION	PRINCIPAL AMOUNT OUTSTANDING AFTER AMORTISATION
15/12/15	22 357	2 236	20 122
15/12/16	20 122	2 236	17 886
15/12/17	17 886	2 236	15 650
15/12/18	15 650	2 795	12 856
15/12/19	12 856	2 795	10 061
15/12/20	10 061	2 795	7 266
15/12/21	7 266	3 354	3 913
15/12/22	3 913	3 913	0

2.21 AVERAGE WORKFORCE

AT 31 OCTOBER 2015	EMPLOYEES
Executives	20
Non-executives	18
TOTAL	**38**

2.22 MANAGEMENT REMUNERATION

These compensations amounted to €1,593,794 and consisted of:

- remuneration allocated to the members of the Supervisory Board: €592,200;
- remuneration allocated to the members of the Executive Board: €1,001,594.

The shareholders voted at the combined Shareholders' Meeting of 25 March 2015 to set the maximum total amount of directors' fees allocated to the Supervisory Board at €70,000 for the 2014-2015 financial year. At 31 October 2015, this amount had not been paid.

2.23 COMMITMENTS FOR PENSIONS AND OTHER RETIREMENT COSTS

Due to their insignificant amount, no provisions were established in respect of pensions and other retirement costs.

2.24 SUNDRY INFORMATION

At the financial year-end, the amount outstanding on variable-rate loans represented the entirety of the Company's loans.

At year-end, only one financial instrument existed to cover interest rate risk: a €50m swap starting on 31 January 2015 and expiring on 31 December 2018 at 0.33%.

2.25 DEFERRED TAX

€000 AT 31 OCTOBER 2015	AMOUNT
Tax to be paid on:	
Pre-deducted expenses	-
Prepaid tax on:	
Temporarily non-deductible expenses	7
(to be deducted on the following financial year)	42
Taxed revenue to be deducted at a later date	**49**
Net deferred tax	

2.26 POST BALANCE SHEET EVENTS

Implementation of the Safeguard Plan: in December 2015, Groupe Partouche paid the €21.5m instalment on its syndicated loan, as well as the €2.2m instalment on the shareholder's advance made by Financière Partouche, in accordance with the Safeguard Plan approved on 29 September 2014.

3 – SUBSIDIARIES AND ASSOCIATED ENTITIES AT 31 OCTOBER 2015

Information in €000

NAME	HEAD OFFICE	CAPITAL	EQUITY *
SUBSIDIARIES (MORE THAN 50% OF SHARE CAPITAL)			
Cie EUROPÉENNE DE CASINOS	PARIS	24 813	285 943
HOLDING GARDEN PINÈDE	JUAN-LES-PINS	15 418	15 337
HÔTEL COSMOS	CONTREXÉVILLE	50	(4 389)
SOC EXPLOIT° CASINO ET HÔTELS CONTREXÉVILLE	CONTREXÉVILLE	75	(2 375)
SOCIÉTÉ DU CASINO DE ST-AMAND-LES-EAUX	ST-AMAND-LES-EAUX	17 786	24 597
SOCIÉTÉ DU GRAND CASINO DE CABOURG	CABOURG	300	1 439
GRAND CASINO DE LA TRINITÉ-SUR-MER	LA TRINITÉ-SUR-MER	38	(1 442)
GRAND CASINO DE BEAULIEU (société en liquidation judiciaire)	BEAULIEU	0	0
JEAN METZ	BERCK-SUR-MER	80	731
NUMA	BOULOGNE-SUR-MER	80	993
GRAND CASINO DE LYON	LYON	750	7 274
SOCIÉTÉ DU CASINO ET DES BAINS DE MER	DIEPPE	396	1 305
SOCIÉTÉ FONCIÈRE DE VITTEL ET CONTREXÉVILLE	CONTREXÉVILLE	50	134
GRAND CASINO DU HAVRE	LE HAVRE	150	(1 734)
SCI LES THERMES	AIX-EN-PROVENCE	150	1 738
SCI DE LA RUE ROYALE	PARIS	134	157
SOCIÉTÉ CANNES BALNÉAIRE	CANNES	2 551	(57 484)
CASINO LA POINTE CROISETTE	CANNES	38	(32 506)
GROUPE PARTOUCHE INTERNATIONAL	BRUXELLES (Belgique)	144	(34 236)
SATHEL	LA TOUR DE SALVAGNY	323	8 173
CASINO DES 4 SAISONS	LE TOUQUET	392	1 563
HOLDING IMMOBILIÈRE DE LYON	LYON	300	6 051
LE TOUQUET'S	CALAIS	92	1 617
CASINOS DE VICHY	VICHY	240	(18 140)
ÉLYSÉE PALACE EXPANSION	VICHY	40	(1 097)
ÉLYSÉE PALACE HÔTEL	VICHY	40	(1 128)
SOC CHEMINS FER ET HÔTELS MONTAGNE PYRÉNÉES	VICHY	701	1 536
CASINO DE LA TREMBLADE	LA TREMBLADE	39	352
FORGES THERMAL	FORGES-LES-EAUX	15 600	31 680
TTH DIVONNE	DIVONNE-LES-BAINS	2 442	11 284
CASINO D'ANNEMASSE – SGCA	ANNEMASSE	200	3 484

	% HELD	DIVIDENDS RECEIVED	GROSS VALUE OF INVEST-MENTS	NET VALUE OF INVEST-MENTS	LOANS, ADVANCES IN GROSS VALUE	GUARANTEES	TURNOVER	NET PROFIT FOR THE YEAR
	100,00 %	0	316 504	316 504	0	-	0	7 788
	100,00 %	0	336	336	0	-	0	193
	100,00 %	0	50	0	4 664	-	1 708	(50)
	100,00 %	0	6 833	0	1 581	-	1 974	(387)
	100,00 %	5 231	18 371	18 371	6 631	-	22 402	3 217
	100,00 %	0	2 769	2 769	0	-	5 289	629
	100,00 %	0	4 476	0	4 010	-	1 031	(622)
	-	0	152	0	8 276	-	-	-
	100,00 %	0	3 025	3 025	0	-	3 416	304
	100,00 %	350	3 458	3 458	0	-	4 438	411
	100,00 %	0	20 000	20 000	0		15 282	3 313
	100,00 %	0	4 611	4 611	0	-	5 555	308
	100,00 %	150	50	50	1 207	-	319	73
	100,00 %	0	6 450	6 450	11 792	-	10 051	(819)
	99,99 %	900	0	0	2 497	-	1 400	712
	99,99 %	0	534	534	0	-	75	23
	99,99 %	0	48 424	0	60 583	-	957	1 130
	100,00 %	0	0	0	34 756	-	5 873	(7 823)
	99,90 %	0	153	0	38 917	-	0	(212)
	99,86 %	10 066	93 511	93 511	15 183	-	22 609	4 057
	99,53 %	244	5 593	5 593	1 000	-	3 377	267
	97,25 %	1 945	4 207	4 207	0	-	518	271
	90,10 %	360	4 668	4 668	0	-	3 742	588
	79,93 %	0	371	0	17 404	-	2 055	(2 091)
	79,68 %	0	1 307	0	4 422	-	0	(169)
	79,68 %	0	1 240	0	640	-	0	(59)
	76,63%	0	602	602	0	-	45	(455)
	99,89%	0	1 488	352	65	-	1 751	165
	60,38%	1 449	11 837	11 837	0	-	23 642	680
	98,70 %	5 061	25 076	25 076	0	-	26 109	4 435
	99,93 %	4 297	10 390	10 390	0	-	11 880	2 609

NAME	HEAD OFFICE	CAPITAL	EQUITY *
CASINO DE CRANS-MONTANA	CRANS-MONTANA (Switzerland)	4 587	9 288
PARTOUCHE INTERACTIVE	PARIS	370	(48 334)
PARTOUCHE IMMOBILIER	PARIS	12 000	13 946
PARTOUCHE SPECTACLES & ÉVÉNEMENTS	PARIS	37	(549)
CENTRE FORMATION PROFESSIONNEL CASINOS	FORGES-LES-EAUX	8	(679)
EQUITY INVESTMENTS (10 TO 50%)			
SOCIÉTÉ DU CASINO MUNICIPAL D'AIX THERMAL	AIX-EN-PROVENCE	2 160	13 852
SOCIETAT DE L'OCI DELS PYRENEUS	ESCALDES ENGORDANY	38	NC
BASTIDE II RICH TAVERN	MONTPELLIER	46	NC
PALAVAS INVESTISSEMENT	PALAVAS-LES-FLOTS	8	204
CASINO DE ST-JULIEN-EN-GENEVOIS	ST-JULIEN-EN-GENEVOIS	210	7 848
SUD CONCERTS	MARSEILLE	61	23
OTHER INTERESTS			
CASINO DE PALAVAS	PALAVAS-LES-FLOTS	330	1 115
CASINO MUNICIPAL DE ROYAT	ROYAT	240	1 818
EDEN BEACH CASINO	JUAN-LES-PINS	1 056	7 379
SCI TREMBLADE	LA TREMBLADE	1	108
SEMTEE	ESCALDES ENGORDANY	29 403	43 998
CASINO D'AGON COUTAINVILLE	AGON COUTAINVILLE	51	8 913
CASINO D'ARCACHON	ARCACHON	60	(861)
SOCIÉTÉ THERMALE DE PLOMBIÈRES-LES-BAINS	PLOMBIÈRES-LES-BAINS	38	NC
CASINO LE LION BLANC	ST-GALMIER	240	1 092
CASINO LES FLOTS BLEUS	LA CIOTAT	200	1 381
CASINO LE MIAMI	ANDERNOS	758	1 297
CASINO DE LA ROCHE-POSAY	LA ROCHE-POSAY	177	44 416
SCI DE L'ARVE	ANNEMASSE	381	1 572

(*) Equity includes share capital, reserves and retained earnings, income for the financial year as well as investment subsidies and statutory provisions.

	% HELD	DIVIDENDS RECEIVED	GROSS VALUE OF INVEST-MENTS	NET VALUE OF INVEST-MENTS	LOANS, ADVANCES IN GROSS VALUE	GUARANTEES	TURNOVER	NET PROFIT FOR THE YEAR
	57,00 %	2 021	1 857	1 857	0	-	10 982	3 184
	96,00 %	0	9 706	0	49 939	-	0	(4 321)
	100,00 %	0	12 600	12 600	12 765	-	2 247	617
	100,00 %	0	1 554	0	756	-	125	(146)
	100,00 %	0	8	0	696	-	139	(192)
	38,63 %	0	2 780	2 780	0	-	24 885	(946)
	33,00 %	-	13	13	51	-	NC	NC
	25,00 %	-	46	0	-	-	NC	NC
	10,00 %	-	122	122	0	-	228	197
	18,00 %	108	2 224	2 224	0	-	7 124	664
	39,83 %		71	71	450		10 062	17
	9,09 %	0	183	183	0	-	6 496	900
	1,91 %	16	73	73	0	-	6 405	878
	1,44 %	0	155	155	4 293	-	6 305	255
	1,00 %	0	0	0	1 362		318	127
	0,61 %	0	181	181	0	-	11 295	(1 911)
	0,05 %	0	2	2	0	-	2 666	337
	0,03 %	0	1	0	0	-	2 416	(424)
	0,00 %	-	2	0	0	-	NC	NC
	0,16 %	1	0	0	0	-	5 540	795
	0,02 %	0	0	0	0	-	3 821	508
	0,00 %	0	0	0	0	-	2 683	190
	0,00 %	0	0	0	5	-	8 236	2 301
	0,04 %	0	0	0	0	-	900	480

4 - CAPITAL GAINS ON WHICH TAX HAS BEEN DEFERRED (€000)

Contributing company: SIHB Company absorbed by Compagnie Fermière des Eaux (now Groupe Partouche)

Beneficiary company: Groupe Partouche
141 bis rue de Saussure - 75017 PARIS

Nature of the operation: Merger

Date of the operation: Extraordinary Shareholders' Meeting of 29 July 1994 which authorised the merger with retroactive effect as of 1 November 1993

CAPITAL GAINS ON NON-DEPRECIABLE ASSETS

LAND

ITEM	TAX AND BOOK VALUE	CONTRIBUTION VALUE	CAPITAL GAINS (LOSSES) CARRIED FORWARD FOR TAX PURPOSES
Cliff	1	-	(1)

INVESTMENTS IN ASSOCIATES

NAME	NUMBER OF SHARES	TAX AND BOOK VALUE	CONTRIBUTION VALUE	CAPITAL GAINS (LOSSES) CARRIED FORWARD FOR TAX PURPOSES
SAS CASINO DES 4 SAISONS 26 rue St-Jean 62520 Le Touquet	22 050	1 210	5 488	4 278
SA EDEN BEACH CASINO Boulevard Edouard Baudouin 06160 Juan-les-Pins	924	305	155	(150)
SA FORGES THERMAL Avenue des Sources 76440 Forges-les-Eaux	6 210	2 310	9 072	6 762
SAS JEAN METZ Avenue du Général de Gaulle 62600 Berck-sur-Mer	992	27	3 025	2 998
SAS NUMA Place de la République 62200 Boulogne-sur-Mer	4 930	113	3 457	3 344
SAS CASINO ET BAINS DE MER DIEPPE Boulevard de Verdun 76200 Dieppe	4 600	991	3 825	2 834
SA SATHEL 200 avenue du Casino 69890 La Tour de Salvagny	10 008	10 965	29 104	18 139
SAS LE TOUQUET'S 59 rue Royale 62100 Calais	1 801	210	4 668	4 458
SUBTOTAL		**16 131**	**58 794**	**42 663**

CRÉANCES

ITEM	TAX AND BOOK VALUE	CONTRIBUTION VALUE	CAPITAL GAINS (LOSSES) CARRIED FORWARD FOR TAX PURPOSES
JATEK	778	778	-

CAPITAL GAINS ON DEPRECIABLE ASSETS *

Buildings

ITEM	TAX AND BOOK VALUE	CONTRIBUTION VALUE	CAPITAL GAINS (LOSSES) CARRIED FORWARD FOR TAX PURPOSES
Granville cellar	0	1	1
Saint-Placide apartment	19	76	57
Subtotal	**19**	**77**	**58**
TOTAL	**16 929**	**59 649**	**42 720**

(*) Capital gains on depreciable assets have been recognised.

4 BIS - CAPITAL GAINS ON WHICH TAX HAS BEEN DEFERRED (€000)

Contributing company: SA Groupe de Divonne
141 bis rue de Saussure – 75017 PARIS

Beneficiary company: Groupe Partouche
141 bis rue de Saussure – 75017 PARIS

Nature of the operation: "Transmission universelle de patrimoine"

Date of the operation: 02/11/2007

CAPITAL GAINS ON NON-DEPRECIABLE ASSETS

NON-DEPRECIABLE ASSETS	TAX VALUE	BOOK VALUE	BALANCING AMOUNT RECEIVED	BALANCING AMOUNT TAXED	EXCHANGE OR CONTRIBUTION VALUE
Internally generated goodwill		71 719			71 719
Other intangible assets					
Land					
Investments in associates	40 368	40 347			40 347
Other financial investments - Loan of securities	15	15			15

CAPITAL GAINS ON DEPRECIABLE ASSETS

DEPRECIABLE ASSETS	REINTEGRATION PERIOD	CAPITAL GAINS REALISED	AMOUNT PREVIOUSLY REINTEGRATED	AMOUNT AS A PROPORTION OF NET PROFIT FOR THE YEAR	AMOUNT REMAINING TO BE REINTEGRATED
Patents					
Other intangible rights					
Land used for business operations			NONE		
Buildings					
Machinery and equipment					
Other tangible fixed assets					

5 – RESULTS OF THE LAST FIVE FINANCIAL YEARS (EXPRESSED IN EUROS)

INDICATION	FINANCIAL YEAR ENDED 31 OCTOBER 2011 (12 MONTHS)	FINANCIAL YEAR ENDED 31 OCTOBER 2012 (12 MONTHS)	FINANCIAL YEAR ENDED 31 OCTOBER 2013 (12 MONTHS)	FINANCIAL YEAR ENDED 31 OCTOBER 2014 (12 MONTHS)	FINANCIAL YEAR ENDED 31 OCTOBER 2015 (12 MONTHS) BEFORE APPROVAL AT SHAREHOLDERS' MEETING
I- SHARE CAPITAL AT THE END OF THE FINANCIAL YEAR					
Share capital	193 631 182	193 631 182	193 631 182	193 631 182	193 631 200
Number of existing ordinary shares	96 815 591	96 815 591	96 815 591	96 815 591	9 681 560
Number of shares carrying priority dividends	-	-	-	-	-
(without voting rights)	-	-	-	-	-
Maximum number of shares that may be created in the future	-	-	-	-	-
By conversion of bonds	-	-	-	-	-
By exercising share subscription options	-	-	-	-	-
II- RESULTS FOR THE FINANCIAL YEAR					
Turnover excluding tax	14 310 681	13 983 338	12 646 922	11 702 884	11 033 414
Profit before tax, employee profit-sharing, depreciation, amortisation and provisions	14 333 847	13 692 936	1 450 084	8 794 489	18 885 536
Corporate income tax	(14 979 568)	(14 387 356)	(9 774 079)	(10 963 735)	(13 009 088)
Employee profit-sharing for the financial year	0	0	0	0	0
Depreciation, amortisation and provision charges	26 151 335	38 455 197	24 455 360	16 680 634	16 850 147
Net profit	3 162 080	(10 374 906)	(13 231 196)	3 077 590	15 044 477
Distributed profit	0	0	0	0	0
III- EARNINGS PER SHARE					
Profit after tax and employee profit-sharing, but before depreciation, amortisation and provisions	0,30	0,29	0,12	0,20	3,29
Profit after tax, employee profit-sharing, depreciation, amortisation and provisions	0,03	(0,11)	(0,14)	0,03	1,55
Dividend per share	0,00	0,00	0,00	0,00	0,00
IV- EMPLOYEES					
Average workforce during the financial year	47	48	46	45	45
Payroll for the financial year	3 669 742	4 073 799	3 660 360	3 632 619	3 704 299
Social benefits paid for the financial year	1 447 761	1 580 300	1 476 944	1 433 779	1 485 930

20.3 VERIFICATION OF ANNUAL HISTORIC FINANCIAL INFORMATION

20.3.1 STATUTORY AUDITORS' REPORTS

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS
FINANCIAL YEAR ENDED 31 OCTOBER 2015

This is a free translation into English of the Statutory Auditors' report on the consolidated financial statements issued in French and is provided solely for the convenience of English-speaking readers.

The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessment 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 management report.

This report should be read in conjunction with, and construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you for the year ended 31 October 2015 on:

- the audit of the accompanying consolidated financial statements of Groupe Partouche SA;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by your Executive Board. 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 as 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 31 October 2015, 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 matter set out in Note 2.1.2 to the consolidated financial statements, regarding the first adoption of the interpretation IFRIC 21 – Levies on 1 November 2014.

II - JUSTIFICATION OF OUR ASSESSMENTS

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

At each financial year-end, the Company systematically performs impairment tests on goodwill, according to the methods described in Note 6.2 to the consolidated financial statements. We examined the methods used to perform these impairment tests as well as the main assumptions and estimates, and ensured that the notes to the consolidated financial statements provide appropriate disclosures thereon. As specified in Note 2.2.1 to the consolidated financial statements, these estimates are based on assumptions, which, by nature, are uncertain, therefore the actual results may differ, sometimes materially, from the 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 consistency with the consolidated financial statements.

Marseille and Paris, 24 February 2016

MCR Baker Tilly	**France Audit Expertise**
Alexandra Mathieu	Emmanuel Quiniou

STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS
FINANCIAL YEAR ENDED 31 OCTOBER 2015

This is a free translation into English of the Statutory Auditors' report on the financial statements issued in French and is provided solely for the convenience of English-speaking readers.

The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessment 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 management report and in the documents addressed to shareholders.

This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,
In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you, for the year ended 31 October 2015, on:

- the audit of the accompanying financial statements of Groupe Partouche SA;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by your Executive Board. Our role is to express an opinion on these financial statements based on our audit.

I - OPINION ON THE 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 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 financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
In our opinion, the financial statements give a true and fair view of the assets and the liabilities and of the financial position of the Company as at 31 October 2015 and of the results of its operations for the year then ended in accordance with French accounting principles.

II -JUSTIFICATION OF OUR ASSESSMENTS

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

Note 1.3 to the financial statements sets out the accounting principles applied by the Company with regards to non-current financial assets, in particular the criteria for assessing the book value of investment securities compared to their value in use or their fair market value.
As part of our assessment of the accounting principles applied by your Company, we assessed the appropriateness of the above-mentioned accounting policies and that they were properly applied, and verified that the information in the notes to the financial statements is appropriate.
These assessments were made as part of our audit of the 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 VERIFICATIONS AND INFORMATION

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law..
We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Executive Board and in the documents addressed to shareholders with respect to the financial position and financial statements.
Concerning the information given in accordance with the requirements of article L. 225-102-1 of the French Commercial Code (code de commerce) relating to remunerations and benefits received by the corporate officers and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from companies controlling your company or controlled by it. Based on this work, we attest the accuracy and fair presentation of this information.
In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Marseille and Paris, 24 February 2016

MCR Baker Tilly	**France Audit Expertise**
Alexandra Mathieu	Emmanuel Quiniou

20.3.2 OTHER INFORMATION VERIFIED BY THE STATUTORY AUDITORS

No other information has been verified by the Statutory Auditors other than the information cited in their reports presented above (Section 20.3.1).

20.3.3 FINANCIAL INFORMATION NOT CONTAINED IN THE FINANCIAL STATEMENTS

On 17 February 2016, Groupe Partouche published its revenue for the first quarter of the financial year in progress, which has been reproduced in Section 12. This internally sourced financial information has not been verified by the Statutory Auditors.

20.4 DIVIDEND DISTRIBUTION POLICY

The net dividends distributed for the previous five financial years, tax paid (tax credit) and the total corresponding income are as follows:

FINANCIAL YEAR FOR WHICH THE DIVIDEND WAS PAID YEAR ENDED 31 OCTOBER	NET DIVIDEND PER SHARE (IN €)	TAX ALREADY PAID (TAX CREDIT)	COMPREHENSIVE INCOME
2010	-	-	-
2011	-	-	-
2012	-	-	-
2013	-	-	-
2014	-	-	-

During the financial year ending 31 October 2015, no interim dividend was paid.

Any dividend that remains unclaimed within five years of falling due is payable under applicable legal provisions to the French state (Service des domaines - French government estates commission).

No dividend has been proposed in respect of the financial year ending 31 October 2015.

Groupe Partouche has not distributed any dividends for a number of years, since its priority is to reimburse the bank debt contracted in connection with external growth transactions (Compagnie Européenne de Casinos in 2002 and Groupe de Divonne in 2005). The October 2009 agreement with the syndicated-loan banking pool entails a covenant in an amendment to the subordination agreement restraining the Group from voting dividend payments or other distributions of earnings until the loan is fully repaid, which was scheduled for 31 October 2015. The Safeguard Plan, which was approved in a ruling by the Paris Commercial Court on 29 September 2014, stipulates that no dividend payments shall be authorised before 1 January 2019. With effect from 1 January 2019 (in respect of the 2018 and following financial years), the Company will be authorised to pay dividends only in the event that Financière Partouche requires them to implement its own Safeguard Plan and within the limits of what is necessary, and only if Financière Partouche's Safeguard Plan is scrupulously implemented and no substantial changes are subsequently made to it.

20.5 LEGAL AND ARBITRATION PROCEEDINGS

See also Note 8 to the consolidated financial statements, "Other current and non-current provisions".

ACCOUNTING OPTIONS FOR CONTINGENCIES AND CLAIMS

A legal claim is only provisioned when the obligation towards a third party is deemed likely to lead to an outflow of resources without consideration.

CLAIMS

- A longstanding legal claim relating to events that occurred in 1991 concerning the Hyères casino and disputing the actions at that time of a local notary and Crédit Foncier was reactivated in 2011. The implication of the company CDTH operating the Hyères casino as having indirectly benefited at the time of these disputed wrongdoings appears unfounded and simply opportunistic. The legal proceedings have not yet resulted in a ruling to date.
- Following the judicial liquidation of the company Grand Casino de Beaulieu, the employees of this casino believed that they could initiate proceedings against Groupe Partouche SA, alleging that it was their co-employer. This action against the holding company is unfounded in view of the reality of the facts and current case law. The case will be referred to the Court of Cassation.
- A conflict arose between Casino de La Trinité-sur-Mer and the local council, which claimed that it should take over the casino's assets as being essential to public service; the Group has contested this claim on the grounds that gaming activities are not a public service. The administrative authorities and the courts will need to rule on this dispute.
- Active tax-related claims have been estimated on the basis of information available at the balance sheet date. Evaluations of any tax-related claims are conducted within each subsidiary, on a case-by-case basis and in detail with respect to each of the grounds presented for reassessment. Provisions are recognised for any claims for which a favourable outcome does not seem likely.
- On 27 March 2014, the proposed Safeguard Plan was unanimously voted for by the creditors who are members of

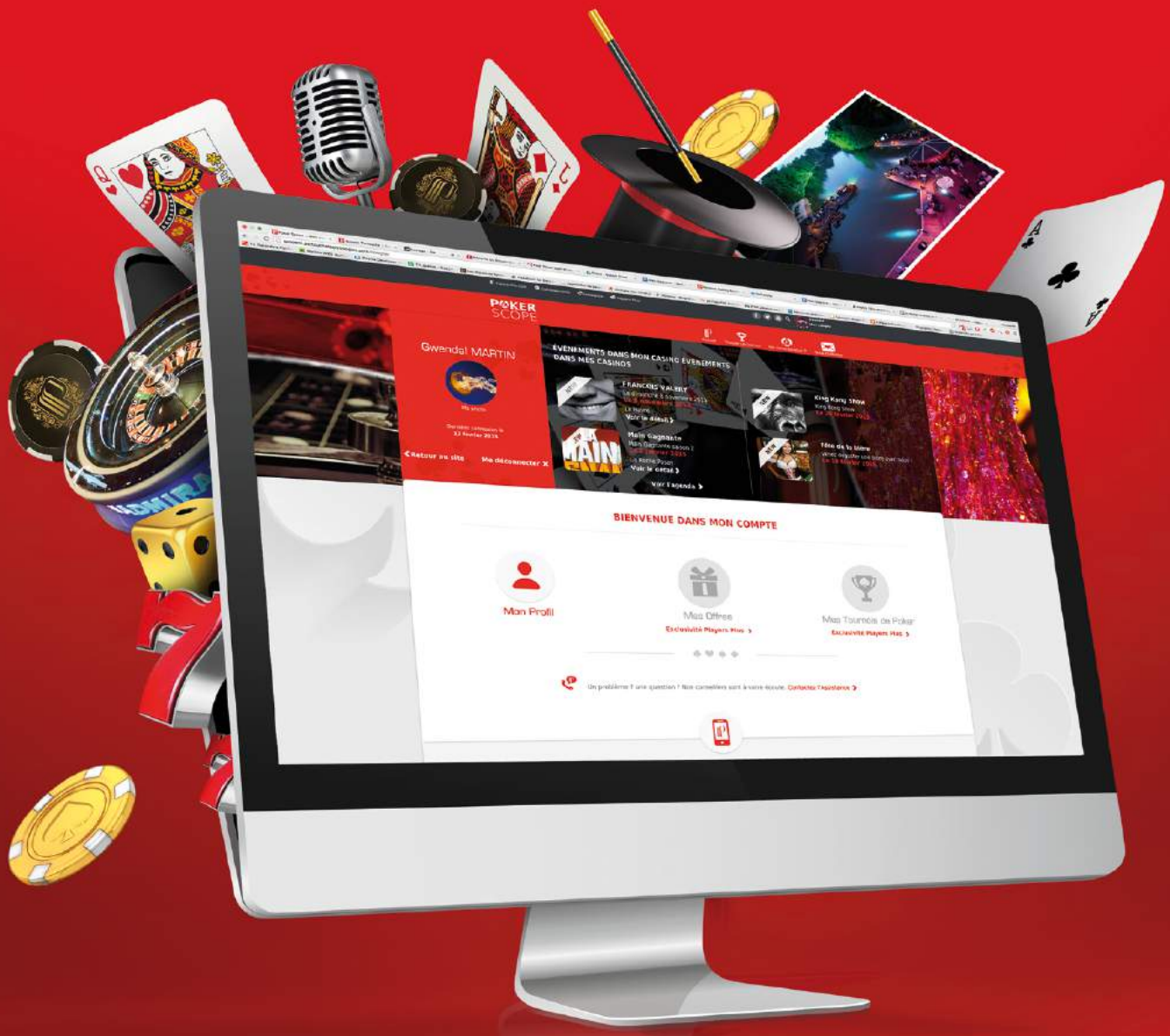
creditor committees, including the Oaktree investment fund via OCM Luxembourg French Leisure SV. The plan was approved by a judgment of the Paris Commercial Court on 29 September 2014. In 2014, the Oaktree investment fund initiated proceedings to call into question its vote on the credit institutions committee and on the Safeguard Plan approved by the Commercial Court. These proceedings are pending.

CLAIMS INVOLVING THE COMPANY OR THE GROUP

To the best of the Company's knowledge, there are no governmental, legal or arbitration proceedings, including any proceedings that might be suspended or threatened, which may have or which have had a direct or indirect material impact on the Company's or the Group's financial position or profitability during the past twelve months.

NOUVEAU **COMPTE EN LIGNE PARTOUCHE**

L'univers Partouche en quelques clics



Découvrez le nouveau compte Partouche en ligne !
Suivez les événements de votre casino, gérez les informations de votre compte Players Plus, consultez vos offres personnalisées et inscrivez vous aux tournois de Poker organisés dans les casinos Partouche.

EXCLU

UNE SURPRISE VOUS ATTEND SUR VOTRE COMPTE PARTOUCHE, CONNECTEZ VOUS VITE !*

* Offre valable jusqu'au 31 mars et réservée aux adhérents du programme de fidélité Players Plus. Voir conditions dans votre casino.

PARTOUCHE
POUR L'AMOUR DU JEU

ADDITIONAL INFORMATION

21.1 SHARE CAPITAL

21.1.1 SHARE CAPITAL AT 31 OCTOBER 2015

At the Extraordinary Shareholders' Meeting of 15 January 2015, the shareholders voted to increase the share capital by a nominal amount of €18, from €193,631,182 to €193,631,200, by issuing nine new ordinary shares with a par value of €2 each, subscription of which was reserved exclusively for Ms Véronique Masi Forneri.

The shareholders also voted at that same meeting to undertake a reverse stock split by exchanging one new share for every ten old shares, and authorised the Executive Board – with the option of sub-delegating its powers – to implement their decisions.

The Executive Board therefore decided on 19 January 2015 to delegate its powers to its Chairman who, via a decision dated 26 January 2015, confirmed that the increase in the share capital had taken place and initiated the reverse stock split under the terms laid down at the Extraordinary Shareholders' Meeting of 15 January 2015.

At 31 October 2015, the share capital comprised 9,681,560 (nine million six hundred eighty-one thousand five hundred sixty) shares of 20 (twenty) euros each, with their nominal value fully paid up.

21.1.2 SECURITIES THAT DO NOT REPRESENT THE SHARE CAPITAL

There are no securities that do not represent the share capital, since all of the shares issued are the same type.

21.1.3 ACQUISITION BY THE COMPANY OF ITS OWN SHARES

PURCHASE TRANSACTIONS RELATING TO THE SHARES OF THE COMPANY BY THE COMPANY IN RESPECT OF FINANCIAL YEAR 2014-2015

Since the Shareholders' Meeting of 24 April 1998, Groupe Partouche SA has had an authorisation relating to the purchase of treasury shares each year in compliance with the provisions of Article L. 225-209 of the French Commercial Code.

The Annual Ordinary Shareholder's Meeting of 25 March 2015 once again authorised the Executive Board, for a period of 18 months, to purchase the Company's shares and specified the terms and limits to which these purchases are subject.

It was decided that the shares thus purchased could only be:

- cancelled in full or in part, with the Executive Board having moreover been authorised to reduce the share capital;
- awarded to the employees and/or corporate officers of the Company and/or existing or future related companies, under the conditions laid down in law, and in accordance with any formula permitted by law, particularly within the framework of share awards covered by the fifth paragraph of Article L. 225-209 of the French Commercial Code;
- held and subsequently exchanged or used as payment for future acquisitions;
- used to help ensure the liquidity and regularity of trading in the Company's shares under a liquidity contract with a provider of investment services and in compliance with the code of conduct of the Autorité des Marchés Financiers, the French financial markets authority.

NUMBER OF TREASURY SHARES HELD

Groupe Partouche held 1,917 treasury shares at 31 October 2015. These shares are to be allocated, without consideration, to Company employees or officers pursuant to Article L. 225-209-5 of the French Commercial Code. They are shown on Groupe Partouche's balance sheet at a nominal value of 38,340 euros and in the annual financial statements at a carrying amount of 34,698 euros.

The Executive Board also implemented a share buyback programme to help ensure the liquidity and regularity of trading in the Company's shares under a liquidity contract with Oddo, an investment services provider, and held 12,241 shares for this purpose at the end of the financial year on 31 October 2015, which were shown on Groupe Partouche's balance sheet at a nominal value of 244,820 euros and in its annual financial statements at a carrying amount of 221,562 euros.

Lastly, under the authorisation granted at the Extraordinary Shareholders' Meeting of 25 March 2015, the Executive Board decided on 28 September 2015 to appoint Aurel BGC to manage a share buyback programme with the intention of cancelling the shares bought back. Under this programme, at the balance sheet date of 31 October 2015, the Company held 2,587 of its own shares, which were shown on Groupe Partouche's balance sheet, under long-term financial investments, at a nominal amount of 51,740 euros and in the annual financial statements at a carrying amount of 45,879 euros.

At the balance sheet date of financial year 2015, the Company held a total of 16,745 of its own shares, which were shown on Groupe Partouche SA's balance sheet at a nominal amount of 334,900 euros and in the annual financial statements at a carrying amount of 302,138 euros.

SHARE BUYBACK PROGRAMME

The following Groupe Partouche shares were purchased and sold under the share buyback programme between 1 January 2015 and 31 December 2015:

P or S	Number *	Amount	Average price
Purchase	83 773,90	1 501 467,42 €	17,92 €
Sale	78 636,60	1 373 807,61 €	17,47 €

(*) Restated following the reverse stock split completed in March 2015

In respect of the liquidity provider's agreement entered into by Groupe Partouche and Oddo Corporate Finance, the liquidity account contained the following shares and cash at 31 December 2015:

- 7,192 Groupe Partouche shares;
- €331,571.07 in cash.

EXISTING AUTHORISATION

The Annual Ordinary Shareholders' Meeting of 25 March 2015 renewed its authorisation to the Executive Board to repurchase its own shares on the stock market under the provisions of Article L. 225-209 of the French Commercial Code, in order to allocate these shares to employees or senior executives in the event of a bonus share award falling under the terms set forth by Article L. 225-209-5 of the French Commercial Code, remit these shares under the terms of an external growth transaction, or enhance the liquidity and regularity of share quotations.

The maximum purchase price has been set at 8 euros per share with an overall ceiling of 75,000,000 euros. This authorisation, which is valid for a maximum period of 18 months, will expire on 25 September 2016.

21.1.4 OTHER SECURITIES GIVING ACCESS TO THE CAPITAL

None.

21.1.5 SHARE CAPITAL SUBSCRIBED, BUT NOT PAID UP - CAPITAL INCREASE - CAPITAL DECREASE

The Executive Board benefits from the following authorisations granted by the Extraordinary Shareholders' Meeting of 25 March 2015, which may lead to the issue of securities conferring access to the share capital. These authorisations are summarised in the table below:

NATURE OF TRANSACTION AUTHORISED	DURATION AND EXPIRATION OF AUTHORISATION	MAXIMUM AMOUNT	TERMS
Capital increase ▪ In cash (ESM of 25 March 2015)	26 months 25 May 2017	€30,000,000	With and without preferential right of subscription
Capital increase ▪ By capitalisation of reserves, share premium or net profit (ESM of 25 March 2015)	26 months 25 May 2017	Amount of premiums, reserves and earnings available	
Capital increase ▪ By private investments (ESM of 25 March 2015)	26 months 25 May 2017	Maximum amount of 20% of the share capital per year	Without preferential right of subscription
Capital increase ▪ By in-kind contributions (ESM of 25 March 2015)	26 months 25 May 2017	Maximum amount of 10% of the share capital	Without preferential right of subscription
Capital decrease ▪ By cancelling the shares bought back under the conditions laid down in Article L. 225-209 of the French Commercial Code (Extraordinary Shareholders' Meeting of 25 March 2015)	18 months 25 September 2016	Maximum amount of 10% of the share capital	

To date, the Executive Board has not used any of the aforementioned authorisations granted by the Extraordinary Shareholders' Meeting of 25 March 2015.

21.1.6 SHARE CAPITAL UNDER OPTION

None.

21.1.7 HISTORY OF SHARE CAPITAL

Changes in share capital over the five preceding financial years:

YEAR (FROM 1 NOVEMBER 2010 TO 31 OCTOBER 2015)	TYPE OF OPERATION	AMOUNT OF CHANGE IN SHARE CAPITAL	SUCCESSIVE AMOUNTS OF SHARE CAPITAL	CUMULATIVE NUMBER OF SHARES
2011	Capital increase of 04/05/2011	22 249 000 €	187 889 414 €	93 944 707
2011	Capital increase of 27/05/2011	5 741 768 €	193 631 182 €	96 815 591
2012			193 631 182 €	96 815 591
2013			193 631 182 €	96 815 591
2014			193 631 182 €	96 815 591
2015	Capital increase Reverse stock split of 26 January 2015	18 €	193 631 200 €	9 681 560

21.1.8 MARKET IN THE COMPANY'S FINANCIAL INSTRUMENTS

Groupe Partouche shares are listed on the Euronext Paris stock exchange – Eurolist Comp. B (ISIN code: FR0000053548) and are included in the CAC Mid & Small, CAC Small and CAC All-Tradable indices.

Share transfers and payments of dividends are handled by CM-CIC Securities (6 rue de Provence, 75009 Paris, France).

The table below shows the change in the share price and transaction volume of Groupe Partouche shares:

PERIOD	PERIOD HIGH AND LOW (IN EUROS)		NUMBER OF SHARES EXCHANGED	CAPITAL (IN €M)
	HIGH	LOW		
2014				
January	0,91	0,81	1 654 244	1,41
February	1,26	0,87	2 128 767	2,14
March	1,55	1,05	2 855 096	3,72
April	1,55	1,33	1 104 391	1,58
May	1,39	1,08	619 697	0,75
June	1,31	1,13	1 235 264	1,53
July	1,47	1,15	828 274	1,07
August	1,39	1,19	642 642	0,83
September	1,6	1,36	1 446 735	2,12
October	1,53	1,19	423 871	0,57
November	1,27	1,2	137 254	0,17
December	1,32	1,16	552 169	0,68

PERIOD	PERIOD HIGH AND LOW (IN EUROS)		NUMBER OF SHARES EXCHANGED	CAPITAL (IN €M)
	HIGH	LOW		
2015				
January	15,3	12,2	131 353	1,8
February	17,6	14,6	109 285	1,75
March	17	14,8	81 355	1,26
April	15,4	13,1	41 281	0,58
May	17,5	14	46 902	0,75
June	22,5	17,1	87 939	1,71
July	22,2	20,2	49 395	1,05
August	22,2	17,9	64 154	1,28
September	19,9	16,7	59 516	1,09
October	18,1	16,7	28 361	0,5
November	20,8	17,9	42 248	0,82
December	23,3	20	57 859	1,24

21.2 MEMORANDUM AND ARTICLES OF ASSOCIATION

Memorandum and Articles of Association (see Section 5.1.3)

Pursuant to Article 37 of the Articles of Association, the latter may only be amended by an Extraordinary Shareholders' Meeting, notably in respect of a change to the type of the Company. However, an Extraordinary Shareholders' Meeting cannot increase the commitments of the shareholders, subject to operations resulting from the groupings of shares as provided by the law.

21.2.1 PURPOSE

Pursuant to Article 3 of the Articles of Association, the purpose of the Company in France and all other countries is:

- the administrative, financial and accounting management of all the present or future companies operating mainly in the entertainment, hotel and gaming sectors;
- the acquisition of equity stakes of all types in such companies;
- assisting these companies in improving their growth by providing all types of services;
- all transactions in shares in French and foreign markets;
- acquisition and sale of real estate fixed assets and current assets.

And in general all types of industrial and commercial operations related to:

- the creation, acquisition, rental, lease or operation of all types of business in any of the aforementioned sectors of activity;
- the acquisition, operation or sale of any process or patent related to these activities;
- the direct or indirect participation in any type of financial, real estate or personal property operations or commercial enterprise transaction related to the aforementioned purpose or any other connected purpose.

21.2.2 DISPOSITIONS IN THE ARTICLES OF ASSOCIATION OR ELSEWHERE RELATING TO EXECUTIVE AND MANAGEMENT BODIES

FUNCTIONING OF THE SUPERVISORY BOARD *(See Section 14.3 on internal regulations)*

Members of the Supervisory Board must own at least one share.

The Supervisory Board's organisational and operating methods are detailed in Section 14.3, which relates to the internal regulation that it adopted on 27 October 2005, as modified on 24 December 2008 and 8 June 2011; as well as in Articles 21 and 22 of Groupe Partouche SA's Articles of Association, reproduced below:

ARTICLE 21 - ORGANISATION AND OPERATION OF THE SUPERVISORY BOARD

- The Supervisory Board elects natural persons from among its members as Chairman and Vice-Chairman, responsible for convening Supervisory Board meetings and chairing these meetings. They are appointed for the period of their mandate on the Supervisory Board. The Board determines their remuneration, if any. The Board may appoint a secretary who need not be a shareholder.
- The Board meets as often as the interests of the Company dictate. However, the Chairman must convene a meeting of the Board no more than 15 days after the request date, when at least one member of the Executive Board or at least one-third of the members of the Supervisory Board presents him with a substantiated request to do so. Meetings take place at the registered office or at any other location indicated in the meeting notice. Any member of the Board may, via letter or telegram, mandate another advisor to represent him at a Board meeting. The effective presence of at least half of the members of the Board is required for its operations to be valid. The Board's deliberations shall be valid if at least half of its members are present or deemed present; each member present or represented has one vote and each member present only has one vote. In the event of a tie, the Chairman casts the deciding vote.
- A register is kept and signed by the members of the Board who attend the meeting. The Supervisory Board's deliberations are officially established by minutes kept in a special record filed at the Company's registered office. Copies or extracts of minutes presenting the Board's deliberations are provided and certified in accordance with the law.

ARTICLE 22 - POWERS OF THE SUPERVISORY BOARD

The Supervisory Board performs a permanent control of the way in which the Company is managed by the Executive Board.

It appoints the members of the Executive Board and designates its Chairman, and, where applicable, the General Managers; it proposes their revocation to the Shareholders' Meeting and sets the level of their remuneration.

It convenes the Shareholders' Meeting of Shareholders, if convocation is not issued by the Executive Board.

It gives the Executive Board the authorisations required prior to the operations falling within the provisions of Article 19 of the Articles of Association.

It authorises agreements governed by Article 24 of the Articles of Association. At any time, it may perform verifications and controls as it sees fit, and may receive any document it deems useful to accomplish its mission. It presents its observations on the Executive Board report and the accounts for the financial year to the Annual Ordinary Shareholders' Meeting.

The Supervisory Board may decide to transfer the registered office within the same department or to an adjoining department, subject to the ratification of this decision by the next Ordinary Shareholders' Meeting.

The Supervisory Board may grant one or more of its members any special mandates for one or more pre-determined purposes and set their remuneration for this end.

EXECUTIVE BOARD ORGANISATION AND PROCEDURES

The organisation and procedures of the Executive Board are stipulated in Articles 16 and 18 of Groupe Partouche SA's Articles of Association, reproduced below:

ARTICLE 16 - FORMATION OF THE EXECUTIVE BOARD

1 - The Company is managed by an Executive Board under control of the Supervisory Board.
The Executive Board is formed by at least two members (seven at most) appointed by the Supervisory Board.
2 - The members of the Executive Board must be individual entities who may be selected apart from the shareholders, even from among the Company's paid personnel.
Should a member of the Supervisory Board be appointed to the Executive Board, this member's first mandate shall come to an end as soon as he or she takes office on the Executive Board.
Subject to legal exceptions, no member may simultaneously belong to more than two Executive Boards, nor exercise the functions of General Manager or Chairman of the Board of Directors in more than two limited companies with their head offices in metropolitan France.
A member of the Executive Board may not accept an appointment to another company's Executive Board or as another company's sole General Manager without the prior authorisation of the Supervisory Board.
3 - The appointment of any member of the Executive Board may be revoked by the Ordinary Shareholders' Meeting upon recommendation of the Supervisory Board.
If the member concerned has an employment contract with the Company, the revocation of his or her appointment as a member of the Executive Board does not lead to the termination of his or her employment contract.
4 - The Supervisory Board sets the remuneration of each member of the Executive Board upon their nomination.

ARTICLE 18 - ORGANISATION AND PROCEDURES OF THE EXECUTIVE BOARD

1 - The Supervisory Board appoints one of the members of the Executive Board as Chairman.

The Executive Board meets as often as the interests of the Company dictate, as convened by its Chairman or at least half of its members, at the registered office or at any other location indicated in the meeting notice.

The Chairman of the Executive Board presides over its meetings and appoints a secretary, who need not be a member of the Executive Board.

The Executive Board's deliberations are only valid if at least half of its members are in attendance.

The Executive Board's decisions are taken based on the majority of the votes of its members. Voting by proxy is prohibited.

In the event of a tie, the Chairman casts the deciding vote.

2 - The deliberations of the Executive Board may be officially established by minutes kept in a special record, signed by the members of the Executive Board having attended the meeting.

The minutes mention the names of the members in attendance and those of the absent members.

Copies or extracts of these minutes are certified by the Chairman of the Executive Board or by one of its members and, in the event of liquidation, by the authorised liquidator.

3 - The members of the Executive Board may divide among themselves all management tasks, subject to the authorisation of the Supervisory Board. However, this allocation of tasks may not under any circumstances absolve the Executive Board from its obligation to meet regularly and deliberate upon the most important issues faced in managing the Company, nor may it prevent its members from acting collectively to ensure the management of the Company.

ARTICLE 19 - POWERS AND OBLIGATIONS OF THE EXECUTIVE BOARD

1 - The Executive Board is invested with the most extensive powers to act in all circumstances in the name of the Company in its relations with third parties, within the limits of the Company's purpose and subject to the powers that the law expressly confers upon the Supervisory Board and Shareholders' Meetings.

In its relations with third parties, the Company is bound even by acts of the Executive Board that are not within the Company's purpose, unless it can prove that the third party knew that the act went beyond this purpose or could not have been unaware thereof given the circumstances, mere publication of the Articles not being sufficient to constitute such proof.

The disposal of property, the full or partial disposal of shareholdings and the pledging of collateral, guarantees, security and warranties are subject to authorization by the Supervisory Board. Failure to comply with this provision may not be invoked against third parties except as provided for by law.

Should the Supervisory Board refuse to authorise one of the aforementioned operations, the Executive Board may, if it deems necessary, call an Ordinary Shareholders' Meeting on an extraordinary basis, which may grant the authorisation requested and draw all the necessary conclusions from the dispute arising between the management bodies.

The Executive Board calls Shareholders' Meetings, sets the agenda for these meetings and carries out the decisions there made.

2 - The Executive Board submits a management report to the Supervisory Board at least once per quarter. Within three months following the close of the financial year, it submits the annual financial statements and if necessary the consolidated financial statements to the Supervisory Board for verification and control.

3 - The Company is represented by the Chairman of the Executive Board in its relations with third parties.

The Supervisory Board may allot the same representative power to one or more of the members of the Executive Board, who are then called Group Managing Directors.

All documents committing the Company with regard to third parties must be signed by either the Chairman of the Executive Board, one of the Group Managing Directors or any other person authorised to this effect.

As provided by Article 8 of the Articles of Association, the Executive Board is also entrusted with the powers necessary to increase the Company's share capital.

I - Capital increases

[...] Capital increases are decided upon or authorised by the Extraordinary Shareholders' Meeting, which may delegate to the Executive Board the necessary powers to carry out capital increases in one or more stages, to set their terms and conditions, to formally record the performance of these increases and to amend the Articles of Association accordingly. A capital increase must be carried out within five years of the date of the Shareholders' Meeting having decided upon or authorised the increase, except in the case of capital increases resulting from the conversion of bonds into shares or additional increases reserved for bondholders who will have opted for conversion, or for capital increases decided pursuant to the provisions of Article L. 225-229-III of the French Commercial Code […]

21.2.3 RIGHTS, PREFERENCES AND RESTRICTIONS ATTACHING TO SHARES

These are stipulated in Article 15 of the Articles of Association, which is reproduced below:

ARTICLE 15 - RIGHTS AND OBLIGATIONS ATTACHED TO SHARES

1 - Each share entitles its holder to a share in the Company's profits and assets proportional to the portion of the amount of share capital that it represents, as stipulated in Articles 40 and 43 hereafter.

2 - Ownership of a share automatically implies acceptance of the Company's Articles of Association and of the resolutions passed by the Shareholders' Meeting.

The rights and obligations attached to a share pass to the acquirer thereof, whoever he or she may be.

The heirs or creditors of a shareholder may not, on any pretext whatsoever, demand that seals be affixed to the property of the Company or request the division or public sale by auction of same, or interfere in any way in the Company's administration; in order to exercise their rights they are obliged to refer to the company shareholder registers and decisions of the Shareholders' Meetings.

3 - Shareholders are only liable for the debts of the Company up to the par value of the shares they hold.

21.2.4 CHANGES TO SHAREHOLDERS' RIGHTS

By reference to Article 21.2.4 of Annex I of Commission Regulation (EC) No. 809/2004, no actions exist to modify shareholders' rights that are stricter than those provided by law.

21.2.5 SHAREHOLDERS' MEETINGS

(See Articles 27 to 37 of the Articles of Association, Article R. 225-61 et seq. of the French Commercial Code; Decree of 23 June 2010)

GENERAL REGULATIONS

Meeting notice procedures – Announcements to shareholders

- Shareholders' Meetings may be convened by the Executive Board, or failing this, by the Supervisory Board or the Statutory Auditors, as provided by Article R. 225-162 of the French Commercial Code, or by a proxy designated by the President of the Commercial Court rendering a decision under a summary procedure, upon the request of one or more shareholders together holding at least one twentieth of the share capital, or by the official liquidator.
- Shareholders' Meetings are held at either the head office or any other location that should be specified in the meeting notice.
- Notices are published in one of the newspapers entitled to receive legal notices in the departmental region of the head office, as well as in the French Bulletin des Annonces Légales Obligatoires. Shareholders who have held nominative shares for at least one month at the announcement's publication date are convened by an ordinary letter. They may ask to receive notices by registered letter if they remit the relevant postage costs to the Company.
- Letters must be sent and/or publication must take place at least fifteen days before the meeting date for the first notice, and ten days before the meeting date for the second notice and any subsequent notices.

The meeting notice should include the name of the Company and if possible its logo, company type, share capital amount, head office address and registration number, as well as the meeting date, time, location, nature and agenda.

Pursuant to Article R. 225-85 of the Decree of 23 June 2010, it shall also contain a clear and exact description of the terms under which particular faculties of shareholders may be exercised.

Should a meeting be adjourned due to a failure to obtain an adequate quorum, a second meeting shall be convened in the same form and manner, and notice thereof shall include the date of the first meeting.

Any meeting that has not been convened in the required form and manner may be annulled. However, recourse to such voidability is withdrawn should all shareholders have attended or been represented.

The proxy form addressed by the Company, or the person designated by it, to the shareholders shall clearly inform them that should the proxy form omit to designate the name of the nominated representative, their vote will be considered favourable to the resolutions submitted by the Executive Board. Each proxy form must be accompanied by the documents listed in Article R. 225-81 of the French Commercial Code.

Announcements to shareholders, in advance of any meeting, may be made by any of the following means:

- Sending, at their request, the agenda of the meeting, all draft resolutions, notices in respect of the members of the Executive and Supervisory Boards and the candidates to these positions, the report of the Executive Board, the observations of the Supervisory Board, and a summary of the Company's financial position and net profit for the past five years. Moreover, the following should be enclosed:
  - in advance of an Annual Shareholders' Meeting, the income statement, the balance sheet and the special report of the Statutory Auditors,
  - in advance of an Extraordinary Shareholders' Meeting, the Statutory Auditors' report, if applicable;
- Making the aforementioned documents available to shareholders at the Company's head office, along with the list of companies, the company shareholder registers, and the indication of the total compensation paid to the Company's five or ten highest-earning individuals, as well as the Statutory Auditors' report and, if applicable, any merger or spin-off proposals.

VOTING BY CORRESPONDENCE

Any shareholder may vote by correspondence by completing an official form established in accordance with the law. To be considered valid, this form must be received at least three days prior to the date of the Shareholders' Meeting. Forms which do not indicate a clear vote or which express an abstention are considered nay votes. Once a shareholder has cast his/her vote by correspondence or requested an admission card, he/she can no longer choose any other method of participating in the meeting.

ADMISSION TO SHAREHOLDERS' MEETINGS

(Article 28 of the Articles of Association; Article L. 225-106-1 of the French Commercial Code)

All shareholders may attend and vote at Shareholders' Meetings, irrespective of the number of the shares they hold. Shareholders may be represented by any person of their choosing, under the statutory and regulatory conditions laid down in Article L. 225-106-1 of the French Commercial Code. The right to participate in Shareholders' Meetings is contingent upon the shares being registered in the name of the shareholder, or of the intermediary registered on the shareholder's behalf, three business days before the date of the meeting, at the location indicated in the notice of meeting, and upon the provision of a certificate issued by the authorised intermediary confirming that such shares are not available for sale or transfer from the date of such delivery until the date of the meeting.

VOTING RIGHTS *(Article 31 of the Articles of Association)*

At the Extraordinary Shareholders' Meeting of 15 January 2015, the shareholders voted, firstly, to proceed with reverse stock splits and, secondly, not to confer double voting rights upon fully paid-up Company shares which can be shown to have been held in registered form for at least two years in the name of the same shareholder, or registered Company shares allotted free of charge as part of a capital increase through the capitalisation of reserves, income or share issue premiums, to a shareholder, and to amend Article 31 of the Articles of Association accordingly as follows:

"Each shareholder present or represented by proxy at a Shareholders' Meeting has as many votes as the shares held or represented, without limitation.

However, until expiry of the two-year period following the start date of the share consolidation published by the Company in the Bulletin des Annonces Légales Obligatoires in accordance with the resolution adopted by the shareholders at the Extraordinary Shareholders' Meeting of 15 January 2015, any unconsolidated share will entitle its holder to one (1) vote and any consolidated share to ten (10) votes, such that the number of votes attaching to shares in the Company is proportional to the share of the capital those shares represent.

Voting rights attaching to shares in the Company shall be proportional to the share of the capital those shares represent, with each share in the Company entitling its holder to one vote. Shares in the Company (including any bonus shares that might be allotted as part of an increase in the share capital by way of capitalisation of reserves, earnings or issue premiums) shall not qualify for double voting rights, in accordance with the final paragraph of Article L. 225-123 of the Commercial Code."

MULTIPLE VOTING RIGHTS

None.

QUORUM *(Article 34 for the Ordinary Shareholders' Meeting and Article 36 for the Extraordinary Shareholders' Meeting of the Articles of Association, and Article 6 of the Law of 26 July 2005)*

The Extraordinary Shareholders' Meeting decides on changes to the Articles of Association, subject to a majority quorum as provided by Article 36 reproduced below:

1 - The deliberations of the Extraordinary Shareholders' Meeting are deemed valid when the shareholders present or represented own one quarter for a first convening or one fifth for the second convening of the Company shares with voting rights. Should this quorum fail to be reached, the second Shareholders' Meeting may be postponed for up to two months following the date upon which it was initially convened.

The quorum for all Shareholders' Meetings is calculated after the deduction of shares with no voting rights as provided by the law or the regulations in force.

2 - The resolutions voted on by all Extraordinary Shareholders' Meetings, whether on first or second convening, are deemed valid with at least two-thirds of the voting rights of the shareholders present or represented.

Shareholders' Meetings held on second convening may only deliberate on the agenda of the first Shareholders' Meeting.

3 - At constitutive Extraordinary General Meetings, the quora and majorities set out under Point 1 above are only calculated after deducting shares issued in return for contributions in kind or held by the recipients of special benefits, who have no voting rights either for themselves or as representatives.

21.2.6 CLAUSES DELAYING, DEFERRING OR PREVENTING A CHANGE OF CONTROL

There are no clauses that restrict a change of control.

Article 13 of the Articles of Association stipulates:

ARTICLE 13 - TRANSMISSION OF SHARES

Shares may be freely exchanged subject to legal provisions. Transmission is effected by account transfer under the terms and conditions specified by the texts in force.

21.2.7 CROSSING OF OWNERSHIP THRESHOLDS

CROSSING OF STATUTORY THRESHOLDS AND PENALTIES IN THE EVENT OF NON-COMPLIANCE WITH DISCLOSURE REQUIREMENTS

(Article 12 of the Articles of Association)

Pursuant to Article L. 233-7 §5 of the French Commercial Code, and Article 12 of the Articles of Association, shareholders must notify the Company of the number of shares held directly or indirectly, alone or in concert, whenever their holding crosses the threshold of 2% of the share capital or a multiple of this percentage. In the event of non-compliance with this disclosure obligation, shares exceeding the non-disclosed fraction will be deprived of their voting rights at the request, recorded in the minutes of the Shareholders' Meeting, of one or more shareholders, holding 5% at least of the capital of the Company, when the shares of the Company are officially listed on a stock exchange.

21.2.8 CHANGES IN THE SHARE CAPITAL

Article 8 of the Articles of Association stipulates:

ARTICLE 8 - CHANGES IN THE SHARE CAPITAL

I - Capital increases

The share capital may be increased either by issuing new shares or by increasing the par value of the existing shares.

The new shares shall be paid for either in cash or through compensation with debts in liquid funds due and payable by the Company, through capitalisation of reserves, income or share issue premiums, with assets in kind or through bond conversion.

The new shares are issued either at their par value or at this value increased by an issue premium: they may be ordinary shares or preferred shares enjoying certain advantages over other shares and entitling their holders to preferential rights to income or assets or any other indirect advantage.

Capital increases are decided upon or authorised by the Extraordinary Shareholders' Meeting, which may delegate to the Executive Board the necessary powers to carry out capital increases in one or more stages, to set their terms and conditions, to formally record the performance of these increases and to amend the Articles of Association accordingly. A capital increase must be carried out within five years of the date of the Shareholders' Meeting having decided upon or authorised the increase, except in the case of capital increases resulting from the conversion of bonds into shares or additional increases reserved for bondholders who will have opted for conversion, or for capital increases decided pursuant to the provisions of Article L. 225-229-III of the French Commercial Code.

When a capital increase takes place through the capitalisation of reserves, income or share issue premiums, the Shareholders' Meeting deciding upon the increase must meet the quorum and majority requirements for Ordinary Shareholders' Meetings.

In the event of an issue of new shares to be paid for in cash, the share capital of the Company prior to the proposed increase must first be fully paid up and the shareholders shall be entitled to exercise their pre-emptive right to subscribe to shares as provided by law. The entitlement of usufructuaries and bare owners to the pre-emptive subscription right is governed by the aforementioned Article.

If the new shares are paid for through compensation with debts due and payable by the Company, the latter shall be disclosed in financial statements prepared by the Executive Board, certified as valid by the Statutory Auditors and attached to the statement of subscription and payment.

The minimum subscription period is ten trading days, with the option for early termination of this period once the capital increase is subscribed by shareholders in proportion to their existing holdings.

The Shareholders' Meeting that decides upon the capital increase may elect to exclude the pre-emptive subscription right upon examining the reports of the Executive Board and the Statutory Auditors.

Capital increases shall be carried out notwithstanding the existence of fractional rights. Those shareholders not possessing the number of subscription or share rights exactly required to obtain a whole number of new shares, shall have to personally arrange for the purchase or sale of fractional rights to bring their holdings to a whole number.

In conjunction with any decision to increase the Company's share capital, the Extraordinary Shareholders' Meeting shall also need to consider a draft resolution intended to authorise a capital increase reserved for employees. Moreover, a draft resolution of this kind must be presented once every five years for the approval of an Extraordinary Shareholders' Meeting convened for this purpose, as long as the shares held by the employees of the Company and of any affiliated company as defined under Article L. 225-180 of the French Commercial Code represent less than 3% of the total share capital.

II - Redemption of share capital

The share capital may, upon the decision of the Extraordinary Shareholders' Meeting, be redeemed by way of an equivalent reimbursement for each share, through transfer of income or reserves, with the exception of the legal reserve.

Dividend shares thus created may be reconverted into capital shares, either through an obligatory transfer of the portion of Company profits attributable to these shares, or through an optional payment by each of the owners of dividend shares.

III - Capital decreases

The share capital may be reduced in one or more stages for any reason, either by reducing the par value of shares or the number of shares. If a capital decrease is not entailed by losses, bondholders and creditors may oppose the decrease. A decision to reduce the share capital to a level below the minimum required by law, regardless of the motivation behind this decision, may only be taken if a capital increase can be

effected to increase the share capital to a level above said minimum, unless the Company is to be transformed into a company of another form not requiring a capital amount greater than its share capital following the decrease.
Should this condition not be met, any interested party may apply for a court order requiring the dissolution of the Company. The dissolution of the Company shall not take effect if, on the date when the court's decision is rendered, the share capital has been brought back up to the legal minimum.
The Company is not authorised to buy back its own shares. However, the Shareholders' Meeting having decided upon a capital decrease not entailed by losses may authorise the Executive Board to buy back a specified number of shares as to cancel them. This buyback shall be proportional to the number of shares held by each shareholder and limited to shares available in the market.
Capital decreases are decided or authorised by the Extraordinary Shareholders' Meeting, which may delegate to the Executive Board the necessary powers to carry them out.
In all cases, the proposal for a reduction in the share capital is communicated to the Statutory Auditors no less than 45 days prior to the Shareholders' Meeting of shareholders convened to decide upon this proposal.
The meeting examines the report of the Statutory Auditors, who present their assessment of the justification and conditions for the capital decrease.
If the capital decrease is carried out by reducing the number of shares, shareholders are required to sell any excess shares or to buy shares to make up any shortage, so that the existing shares may be exchanged for new shares.

IV - Reverse stock splits

In the event of a reverse stock split, shareholders are also required to sell any excess shares or to buy shares to make up any shortage, so that the existing shares may be exchanged for new shares.

21.2.9 PARENT COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS *(Articles 39 and 40 of the Articles of Association)*

ARTICLE 39 – PARENT COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS

I - Presentation of the accounts

At the end of each financial year, the Executive Board establishes the schedule of the assets and liabilities existing at that date.
It also draws up the income statement and the balance sheet. The Executive Board prepares a written report on the results for the financial year, the situation of the Company and its business activity during the period under review.
These documents are made available to the Statutory Auditors at the Company's registered office at least 45 days prior to the Shareholders' Meeting convened to approve the parent company financial statements, with the exception of the report on the results for the financial year and the situation of the Company, which may be made available to the Statutory Auditors no less than 20 days prior to the meeting. Copies of these documents must be forwarded to the Statutory Auditors should they request them.

II - Presentation and measurement methods

The income statement and the balance sheet are established each year in accordance with the same presentation guidelines and measurement methods used in previous years. However, in the event of any proposed changes, the Shareholders' Meeting, upon examining the financial statements established in accordance with both the proposed and existing presentation guidelines and methods, as well as the reports of the Executive Board and the Statutory Auditors, shall render its decision upon the proposed changes.
If methods other than those required by applicable legal and regulatory provisions were used for the measurement of the Company's assets in the schedule and in the balance sheet, mention is made of this fact in the report presented by the Executive Board.

III - Depreciation, amortisation and provisions

All necessary depreciation, amortisation and provisions are recognised even if there has not been any profit or it has been insufficient, to ensure that the balance sheet provides a fair view of the Company's financial position.
An impairment charge is recognised for any impairment in the carrying amount of assets, whether due to wear, change in techniques, or any other causes.
Provisions are recognised for all capital losses on other assets as well as probable future losses and expenses.
The Company's incorporation costs are amortised prior to any distribution of profit.
Capital increase expenses are amortised no later than the end of the fifth financial year following the one in which these expenses were incurred. These expenses may be charged to the amount of the issue premium relating to the capital increase.

IV - Deposits, sureties and guarantees

The amounts of deposits, sureties or guarantees given are mentioned at the foot of the balance sheet.

ARTICLE 40 - APPROPRIATION AND ALLOCATION OF EARNINGS

- Net earnings consist of the net profit for the financial year, less overheads and other Company expenditure, as well as the depreciation or amortisation of Company assets and all provisions for commercial and industrial contingencies.
- Net earnings are appropriated and allocated as follows:
  - A deduction of 5% is taken from net profit for the year after the offset of any prior year losses carried forward, for the purpose of creating the legally required "legal reserves", until these reserves equal one tenth of the Company's share capital;
  - Net earnings to be appropriated consist of the net profit for the financial year, less prior-year losses and legally required reserves, plus retained earnings carried forward;
  - The Shareholders' Meeting then allocates the amounts it deems appropriate to the optional, ordinary and/or extraordinary reserves, and to retained earnings.

The resulting balance, if any, is allocated among all shareholders proportionately to their paid-up outstanding shareholdings. Accordingly, and until expiry of the two-year period following the start date of the share consolidation published by the Company in the Bulletin des Annonces Légales Obligatoires in accordance with the resolution adopted by the shareholders at the Extraordinary Shareholders' Meeting of 15 January 2015, each unconsolidated share shall entitle its holder to one tenth of the amount of dividend paid in respect of each consolidated share.

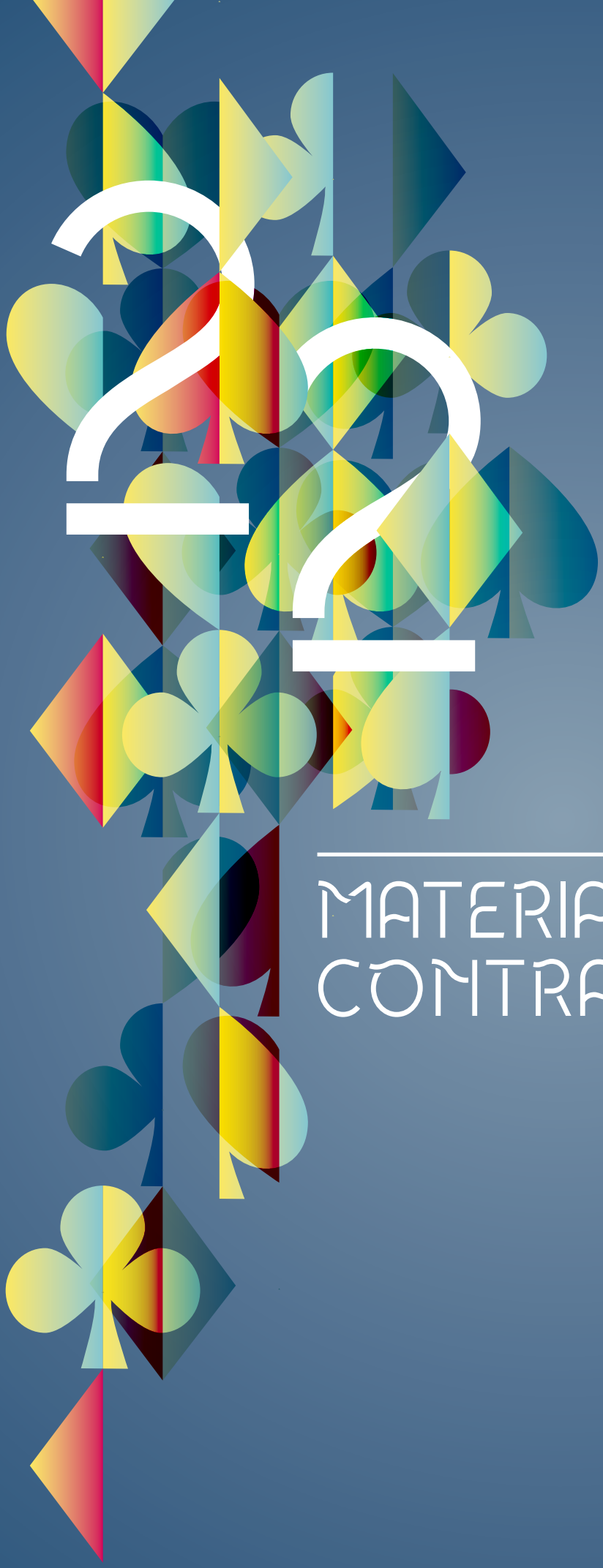
The Shareholders' Meeting may decide to allocate amounts deducted from the optional reserves either in order to provide or supplement a dividend or for the purpose of allocating exceptional provisions; in this case, the resolution shall expressly indicate the reserve categories from which these deductions are to be made.

After the approval of the financial statements by the Shareholders' Meeting, any losses are recorded in a special account for offset against profit of future years until the expiry of their availability for carry forward.

■ The Shareholders' Meeting convened to approve the financial statements for a given year may grant to each shareholder, in respect of all or a part of the dividend set aside for distribution, an option to be paid either in cash or in shares, the price of which is previously determined as provided by law. The offer of payment in shares must be made simultaneously to all shareholders. Requests by shareholders in this regard must be made during a period determined by the Shareholders' Meeting, which may not last longer than three months from the date of this meeting.

21.3 STATUTORY AUDITORS' FEES

	MCR				FRANCE AUDIT EXPERTISE			
	AMOUNT (€K)		%		AMOUNT (€K)		%	
AT 31 OCTOBER	2 015	2 014	2 015	2 014	2 015	2 014	2 015	2 014
Audit Statutory audit, certification, audit of the individual company and consolidated financial statements								
Issuer	184	164	32 %	33 %	184	164	12 %	14 %
Fully consolidated subsidiaries	392	330	68 %	67 %	1 003	1 016	65 %	86 %
Other work and services performed directly related to the Statutory Auditor's mission								
Issuer	2	-	0 %	-	352	-	23 %	-
Fully consolidated subsidiaries								
SUBTOTAL	**578**	**494**	**100 %**	**100 %**	**1 539**	**1 180**	**100 %**	**100 %**
Other services rendered by the networks to fully consolidated subsidiaries								
Legal, tax, employee-related								
Other (specify if > 10% of audit fees)								
SUBTOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**578**	**494**	**100 %**	**100 %**	**1 539**	**1 180**	**100 %**	**100 %**



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MATERIAL CONTRACTS

SYNDICATED LOAN

On 27 September 2005, at the same time as the acquisition of Groupe de Divonne, Groupe Partouche contracted a new syndicated loan, which constitutes the bulk of the Group's bank debt. Following the Paris Commercial Court ruling approving the Safeguard Plan, the repayment of this debt is spread over a period of more than eight years. The guarantees related to this credit are the collateralisations of the securities of the Group's main subsidiaries.

(See Sections 4.1.1 "Risk of non-compliance with the Safeguard Plan (plan de sauvegarde)", 4.1.2 "Liquidity risk" and 4.1.8 "Pledges".)

SHAREHOLDER'S ADVANCE AGREEMENT

On 26 August 2003, Groupe Partouche signed a shareholder's advance agreement granted by Financière Partouche SA, in the amount of €100,000,000 for a period of 7 years and 3 months, commencing on 29 August 2003. This advance is remunerated at the annual rate of Euribor plus 2%.

Following a rider to this agreement signed on 26 April 2005, Financière Partouche agreed a supplementary advance of €20,000,000 for a period of 5 years and 7 months from the date the monies are made available.

The rider to this agreement signed on 30 September 2005 specifies that the shareholder's advance will be extended until 30 November 2012.

A third rider signed on 30 December 2009 extended it to 31 December 2015.

Following the capital increase in 2010, the amount of this advance is €25.4m.

At 31 October 2013, the shareholder's advance and the interest it generates, totalling €31.6m, were recorded in financial debt. This balance was frozen at 30 September 2013 pending the conclusion of the Safeguard Procedure (procédure de sauvegarde) on 30 March 2014.

As of 31 October 2015, after an initial payment made pursuant to the Safeguard Plan carried out during the 2014 financial year, the balance of this shareholder's advance amounted to €22.4m (see Section 16.2 "Service contracts providing for benefits upon termination of employment").

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THIRD-PARTY INFORMATION, STATEMENT BY EXPERTS AND DECLARATIONS OF INTEREST

Decree 2012-557 of 24 April 2012 relating to labour, social and environmental transparency requirements for companies stipulates that published data relating to these subjects must be verified by an independent third-party body, according to methods laid down by ministerial decree. Compta Durable, an accounting firm located at 21 rue Auber, 75009 Paris, France, was commissioned by Groupe Partouche to carry out these verifications.

DOCUMENTS ON DISPLAY

24.1 DOCUMENTS ON DISPLAY

During the period of validity of this Reference Document, the following documents (or copy of these documents) may, where applicable, be consulted:

a) the memorandum and Articles of Association of the issuer;

b) all reports, correspondence and other documents, historic financial information, valuations and declarations established by an expert at the request of the issuer, certain of which are included or referred to in the Reference Document;

c) the historic financial information of the issuer or, in the case of a group, the historic financial information of the issuer and its subsidiaries for each of the two financial years preceding the publication of the Reference Document.

The documents above may be consulted at the registered office of the Company - Groupe Partouche SA, 141 bis rue de Saussure 75017 Paris, France.

24.2 PERSON RESPONSIBLE FOR THE INFORMATION

Alain Cens, Chief Financial Officer

Telephone: +33 (0)1 47 64 33 45

24.3 FINANCIAL COMMUNICATION CALENDAR

Results for the financial year ended 31 October 2015	>	Wednesday, 27 January 2016, in the evening
1st quarter financial information at 31 January 2016	>	Wednesday, 17 February 2016, in the evening
Turnover for the 2nd quarter ending 30 April 2016	>	Wednesday, 15 June 2016, in the evening
Results for the 1st half-year ending 30 April 2016	>	Wednesday, 29 June 2016, in the evening
3rd quarter financial information at 31 July 2016	>	Wednesday, 14 September 2016, in the evening
Turnover for the 4th quarter ending 31 October 2016	>	Wednesday, 14 December 2016, in the evening
Results for the financial year ended 31 October 2016	>	Tuesday, 31 January 2017, in the evening

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INFORMATION ON SUBSIDIARIES AND EQUITY INVESTMENTS

Please refer to the table listing the Company's subsidiaries and equity investments presented in Point 3 of the notes to the individual company financial statements in Section 20.2.2 above, and to Note 17 to the Group's consolidated financial statements for the financial year ended 31 October 2015, presented in Section 20.2.1 of this document.

TABLE OF RECONCILIATION

In order to facilitate the reader's access to information in the annual report, for which the original French version has been registered as a Document de référence, the following table of reconciliation presents the headings relating to the minimum disclosure requirements in this Reference Document.

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PARTOUCHE.VR
VIRTUAL REALITY
MEGAPOT | LE VOYAGE
419116,36 €
2000,00 €
200,00 €
100,00 €
20,00 €
Diamond Line
BLAZING
Hot Shot
1 BAR
MEGAPOT
ENTREZ DANS LA MACHINE
Oculus
3D
MEGAPOT
PARTOUCHE
POUR L'AMOUR DU JEU
WWW.FACEBOOK.COM/PARTOUCHEVR

AUTORITÉ
DES MARCHÉS FINANCIERS

AMF

The original French version of this document was submitted to the Autorité des Marchés Financiers on February 25, 2016 pursuant to Article 212-13 of the AMF's General Rules and Regulations.

The original French version of this document may be used for the purposes of public capital and financial operations if it is supplemented by a transaction note approved by the Autorité des Marchés Financiers.

The original French version of this document was prepared by the issuer, and its signatories are responsible for its content.

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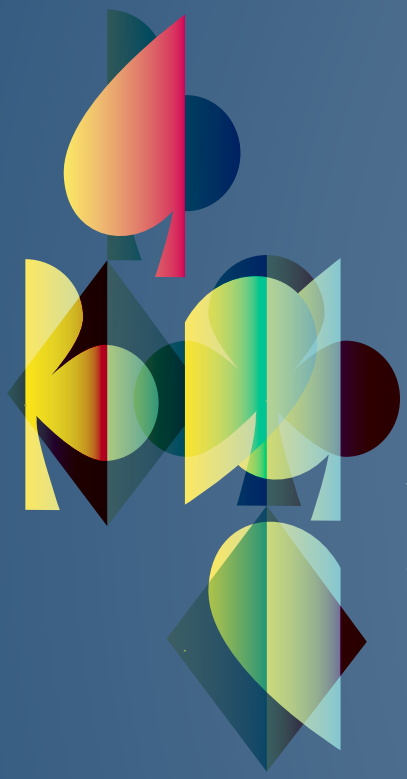

GROUPE PARTOUCHE

141bis rue de Saussure - 75017 Paris - France

Tél. : +33 (0)1.47.64.33.45
Fax : +33 (0)1.47.64.19.20

www.groupepartouche.com

Contact :
info-finance@partouche.com