

ALIOS FINANCE GROUP

CONSOLIDATED FINANCIAL STATEMENTS

31 December 2014

GENERAL INFORMATION

DIRECTORS

Director	Representative	Number of seats in the board of directors
Ahmed ABDELKEFI	Himself	1
AFRICINVEST	Aziz MEBAREK	1
Kathleen GOENSE	Herself	1
Pekka JUUSELA	Himself	1
BOA Group	Paul DERREUMAUX	1
DOMAFI	Olivier MARZLOFF	1
COTAFI	Alain PECHEUR	1
CFPF	Fadoua MOUTAOUAKIL	1

Headquarters

15, rue de Beaujon – 75008 Paris - FRANCE.

Auditor

DELOITTE & ASSOCIATES

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2014*(AMOUNTS EXPRESSED IN EUROS)*

	Notes	2014	2013
ASSETS			
Cash and cash equivalents	3	18 381 462	11 011 712
Other receivables	4	22 077 656	18 429 195
Loan receivables	5	76 789 515	83 818 050
Finance lease receivables	5	155 674 300	135 606 010
Long-term rental receivables	5	18 174 612	19 810 047
Deferred tax asset	6	1 238 484	1 287 505
Property, plant and equipment and intangible assets	7	6 272 488	5 749 871
Non-current financial assets	8	181 040	180 373
Goodwill	9	544 035	102 172
TOTAL ASSETS		299 333 592	275 994 934
EQUITY AND LIABILITIES			
LIABILITIES			
Bank loans and other financial liabilities	10	217 648 689	189 087 689
Other current liabilities	11	14 759 403	12 214 004
Trade creditors and similar payables	12	14 501 267	23 145 665
Other financial liabilities	13	10 713 644	9 509 337
Other non-current liabilities	14	19 269	18 581
Deferred tax liabilities	6	619 526	498 433
Provisions for contingencies and losses	15	1 979 772	4 714 887
TOTAL LIABILITIES		260 241 570	239 188 596
Capital		10 699 282	10 699 282
Consolidated reserves		14 289 826	14 962 160
Net profit for the year (Group Share)		1 754 855	(787 636)
Group equity		26 743 963	24 873 806
Minority interests			
Minority interests in opening equity		11 479 854	12 767 251
Minority interests in profit for the year		868 205	(834 720)
Total consolidated equity	16	39 092 022	36 806 338
Total equity and liabilities		299 333 592	280 502 404

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014
(AMOUNTS EXPRESSED IN EUROS)

	Notes	2014	2013
OPERATING REVENUE			
Income from loans	17	13 236 660	14 013 135
Income from finance leases	17	19 537 078	16 386 754
Income from long term rental	17	3 471 121	3 429 000
Total financial income		36 244 859	33 828 890
Interest and charges on late payments	18	464 867	549 005
Other operating revenue	19	1 321 550	2 071 593
Total operating revenue		38 031 276	36 449 488
Interest expense	20	15 112 749	13 516 123
Net banking revenue		22 918 527	22 933 365
Salary costs	21	6 995 702	6 743 226
Administrative costs	22	6 965 807	6 210 287
Depreciation of fixed assets	7	1 481 110	2 602 808
Total operating costs		15 442 618	15 556 321
Net provisions on customer receivables	23	4 849 880	5 662 805
Amortization of goodwill	9	136,009	38 335
Miscellaneous income	24	1,744,152	(1 903 576)
Current profit before tax		4 234 172	(227 671)
Current and deferred tax	25	1 611 112	1 394 684
Net profit of consolidated entities		2 623 060	(1 622 356)
Group share of net profit		1 754 855	(787 636)
Minority interests in net profit		868 205	(834 720)
Earnings Per Share (EUR/ Share)		1.80	(0.81)

THE TABLE OF THE MOVEMENT IN THE CONSOLIDATED EQUITY IS SHOWN BELOW:-

(AMOUNTS IN THOUSANDS OF EUROS)

En milliers d'euros	Solde D'ouverture	Affectation du Résultat N-1	Résultat de L'exercice	Variation De capital	Ecarts de conversion	Distribution De dividendes	Variation Périmètre	Autres mouvements	Solde de Clôture
CUMUL DES COMPTES SOCIAUX	58 969	0	3 420	812	-583	-1 621	0	-2 954	58 043
Neutralisation des réévaluations locales	-621							0	-621
Neutralisation Réserve Latente Positive	0	0	-1 180	0	0	0	0	1 180	0
Impôts différés	256	0	-228	0	0	0	0	0	28
Autres retraitements de consolidation	-1 532	0	1 700	0	0	0	0	2110	2 278
TOTAL ECRITURES DE RETRAITEMENTS	-1 897	0	292	0	0	0	0	3 290	1 685
Elimination des dividendes intragroupe	0	0	-953	0	0	953	0	0	0
Elimination des titres de participation	-20 368			-812	0			0	-21 180
Ecarts d'acquisition	102	0	-136	544	0	0	0	34	544
TOTAL ECRITURES DE CONSOLIDATION	-20 266	0	-1 089	-268	0	953	0	34	-20 636
TOTAL CONSOLIDE	36 806	0	2 623	544	-583	-668	0	370	39 092
PART GROUPE	24 873		1 755						26 744
PART MINORITAIRE	11 933		868						12 348

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014*(AMOUNTS EXPRESSED IN EUROS)*

	2014	2013
Cash flow from operating activities		
Profit for the year	2 623 060	(1 622 356)
Adjustments for :		
* Amortization	1 481 110	2 602 808
* Depreciation & provisions	27 203 167	16 089 207
* Write-back of provisions	(22 071 770)	(7 931 023)
* Gain on disposal of fixed assets	(119 882)	(15 382)
* Loss on disposal of fixed assets	75 600	525
* Purchase and sale of fixed assets	-	-
* Other cash flow	(3 911 905)	2 310 993
* Consolidation adjustments	(530 114)	(1 839 463)
Movements in:		
* Other current receivables	(3 824 005)	(5 720 005)
* Trade and other receivables	(15 183 383)	(44 817 765)
* Deferred tax	170 114	(910 902)
* Other current payables	2 326 903	369 747
* Suppliers	(8 644 398)	8 543 395
* Other current financial liabilities	1 204 307	694 093
* Other non-current liabilities	688	521
Net cash flows from operating activities	(19 200 509)	(32 245 608)
Cash flow from investing activities		
Purchase of tangible and intangible fixed assets	(3 297 066)	(1 959 224)
Proceeds from sale of tangible and intangible fixed assets	1 088 497	1 024 634
Sale of financial assets	(667)	(16 629)
Net cash flow from investing activities	(2 209 236)	(951 220)
Cash flow from financing activities		
Proceeds from/ Repayment of borrowings	12 214 487	39 431 977
Dividends paid	218 495	(1 375 974)
Net cash flows from financing activities	12 432 982	38 056 002
Net increase/ decrease in cash	(8 976 763)	(4 859 174)
Cash at 1 January	2 853 475	(2 005 698)
Cash at 31 December	(6 123 288)	2 853 475

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Presentation of Alios Group

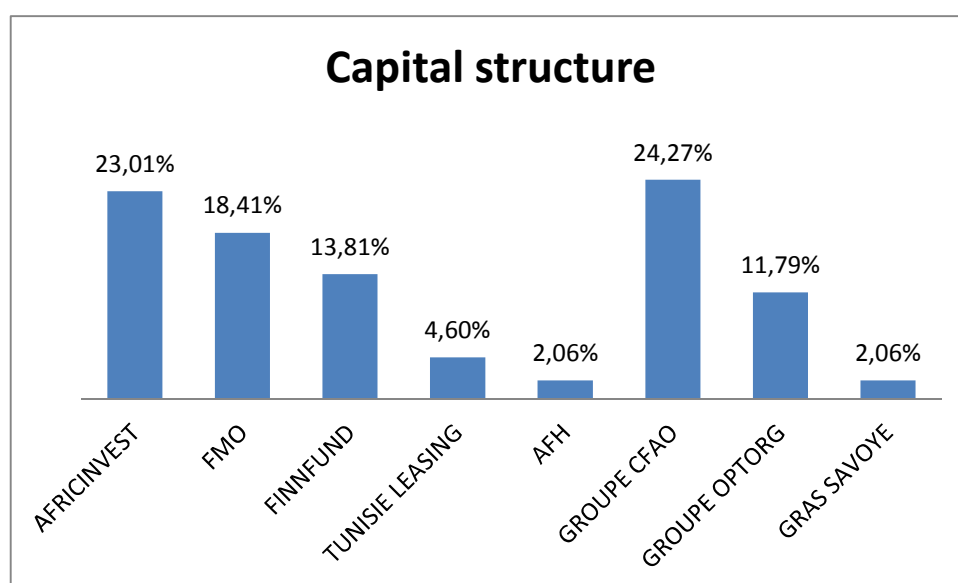
Alios Finance Group is a group composed of specialised non banking finance companies. It is currently present in eight countries of sub-Saharan Africa (Ivory Coast, Senegal, Burkina Faso, Mali, Cameroon, Gabon, Zambia, Tanzania and Kenya), either in the form of subsidiaries or branches. Its principal activities are the financing of investments of private companies and consumer credits to private individuals. The principal products offered are finance leases, long-term rental, investment loans and consumer credit.

Since 2006, the Group laid down an external growth target for new countries. For this reason, it proceeded in 2006 to the creation of a branch in Senegal and in 2008 it acquired a new subsidiary in Zambia. Its presence in Burkina Faso and Mali is done today through branches created respectively in 2007 and 2008. Previously, Burkina Faso and Mali were operated as subsidiaries, SOBFI and SOMAFI respectively which have now been fully integrated in Ivory Coast.

At the end of 2009, the Group created a new subsidiary in Tanzania. The company started operations in 2011. In 2011 a new subsidiary was created in Kenya and it started its operations in 2012.

1.1 Structure of the capital

The structure of the capital of the company ALIOS FINANCE SA is as follows:-



1.2 Legal structure of companies of the Group

The companies of the Group are as follows:

- Alios Finance S.A. This is the holding company that was created in 1998, which has as objective the acquisition of participations in companies aiming at developing operations of financing, in particular leasing.

The authorized capital of Alios Finance at 31 December 2014 is € 10,699,282 divided into 972,662 shares of €11 each.

- Alios Finance Gabon. This company was created in October 1966, and has as principal objective the realization of operations of leasing, consumer credits, long term rental and investments loans. The authorized capital of Alios Finance Gabon at 31 December 2014 is € 3,048,907 divided into 18,344 shares of € 166.21 each.

- Alios Finance Côte d'Ivoire. This company was created in April 1956, and has as principal objective the realization of operations of leasing, consumer credits, long term rental and investments loans. The authorized capital of Alios Finance Côte d'Ivoire at 31 December 2014 is € 1,980,427 divided into 129,916 shares of € 1524 each. The shares of the company are listed at the "Bourse Régionale des Valeurs Mobilières (BRVM)" in Abidjan.

- Alios Finance Cameroun. This company was created in October 1959, and has as principal objective the realization of operations of leasing, consumer credits, long term rental and investments loans. The authorized capital of Alios Finance Cameroun at 31 December 2014 is € 3,638,491 divided into 238,685 shares of € 15.24 each.

- Alios Finance Zambia. This company was created in 2007 and has as principal objective the realization of operations of leasing. The authorized capital of Alios Finance Zambia at 31 December 2014 is € 2,100,871.

- Alios Finance Tanzania. This company was created in 2009 and has as principal objective the realization of operations of leasing. The authorized capital of Alios Finance Tanzania at 31 December 2014 is € 1,525,596.

Alios Finance Kenya. This company was created in 2011 and has as principal objective the realization of operations of leasing. The authorized capital of Alios Finance Kenya at 31 December 2014 is € 958,180.

- GIEFCA France "Groupement d'intérêt Economique" was created in 1976 according to French law, and has as objective to facilitate, to organize and develop the commercial activity of member companies of the grouping and ensure the supervision of the various subsidiary

companies of the group. The authorized capital of GIEFCA France at 31 December 2014 is € 3,033,735.

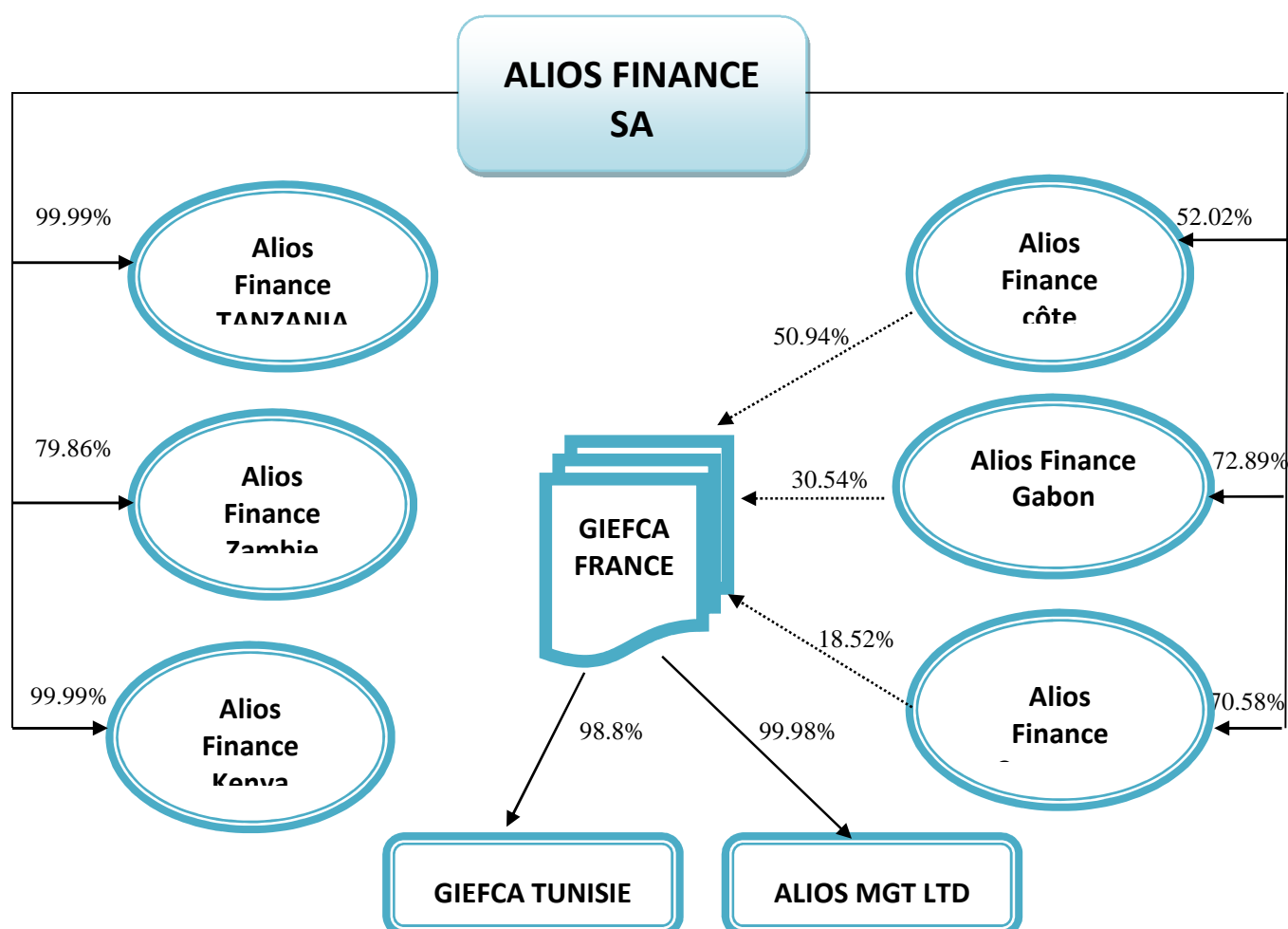
- GIEFCA Tunisia. This company was created in 2006, and is a completely exporting non-resident limited company according to Tunisian law. It has as objective, in Tunisia or elsewhere, to study, counsel, assist, follow-up and provision of services in any field and notably in areas of financial, economic and fixed assets etc. The authorized capital of GIEFCA Tunisia at 31 December 2014 is € 2,926 divided into 500 shares of €5.85 each.
- Alios Management Limited is a service company incorporated in Kenya in 2010 with a mandate of business development, marketing, technical and management support of the subsidiaries of the Group. The authorized capital of Alios Management Ltd as at 31 December 2014 is € 958 divided into 10 000 shares of € 0.10each.

1.3 Area of consolidation

The area of consolidation is formed by Alios Finance S.A. (parent company) and by the subsidiaries: Alios Finance Gabon, Alios Finance Ivory Coast, Alios Finance Cameroon, Alios Finance Zambia, Alios Finance Tanzania, Alios Finance Kenya, GIEFCA France , GIEFCA Tunisia and Alios Management Limited.

Subsidiaries correspond to companies in which the Group has, directly or indirectly, an interest of more than 40% of the voting rights or has the capacity to exert a control of the activities. They are consolidated as from the date of the effective transfer of control to the Group and are no longer consolidated effective from the date of their sale.

The organogram of the Group is presented as follows:



The summary table of the percentages of control, interests and the consolidation methods are as follows :-

Companies	% of control		% of interest		Type of control	Consolidation method
	2014	2013	2014	2013		
ALIOS FINANCE SA	100%	100%	100%	100%	Exclusive Control	Full consolidation
ALIOS FINANCE IVORY COAST	52,02%	52,02%	52,02%	52,02%	Exclusive Control	Full consolidation
ALIOS FINANCE GABON	72,89%	72,89%	72,89%	72,89%	Exclusive Control	Full consolidation
ALIOS FINANCE CAMEROUN	70,58%	70,58%	70,58%	70,58%	Exclusive Control	Full consolidation
ALIOS FINANCE TANZANIA	99,99%	99,99%	99,99%	99,99%	Exclusive Control	Full consolidation
ALIOS FINANCE ZAMBIA	50,00%	50,00%	50,00%	50,00%	Exclusive Control	Full consolidation
ALIOS FINANCE KENYA	99,99%	99,99%	99,99%	99,99%	Contrôle exclusif	Full consolidation
GIEFCA France	100%	100%	61,82%	61,82%	Exclusive Control	Full consolidation
GIEFCA Tunisia	98,80%	98,80%	61,07%	61,07%	Exclusive Control	Full consolidation
Alios Management Ltd	61,83%	-	61,83%	-	Exclusive Control	Full consolidation

In 2014 Alios Finance sa increased it's shareholding in Alios Finance Zambia by USD 600K (EUR 385K). The minority shareholders increased their stake by USD 50K. Consequently, the shareholding of Alios Finance SA increased to 79.86% as at 31 December 2014 compared to 67.53% in the prior year.

Note 2. Accounting policies

The financial statements of the subsidiary companies as at 31 December 2014, which were prepared in accordance with the local accounting policies, were used as a basis of establishing the group consolidated financial statements.

2.1 Accounting framework

The group accounts were prepared in conformity with the generally accepted accounting policies in France. They are established in accordance with the new rules of consolidation stated by rule n°99.02 of the committee of the Accounting Regulations of 29 April 1999 and applied as from January 1, 2005. The Group chose not to adjust the operations of acquisition that occurred before January 1 2006.

The consolidated accounts of the Group were established according to the principle of the historical cost. The consolidated financial statements are presented in € and all the values are rounded-off to the nearest Euro.

The accounts were established according to the going concern principle.

The financial statements comprise:

- (a) a consolidated balance sheet;
- (b) a consolidated income statement;
- (c) Movement of group equity
- (d) a consolidated cash flow statement; and
- (e) notes to the consolidated financial statements.

2.2 Consolidation method

The inter-company balances as well as the unrealised gains on transactions between the consolidated companies are eliminated. The provisions for depreciation referring to financial investments or credits held on consolidated companies are neutralized. If necessary, the accounting methods of the subsidiary companies are modified in order to ensure homogeneity with the methods of the Group. A separate presentation is made for minority interests.

2.3 Closing date

All the companies included in the group consolidation have accounts with a 31 December year-end.

2.4 Presentation currency

The group presents its consolidated financial statements in Euro.

2.5 Translation of the financial statements of foreign entities

The balance sheet and income statement of Alios Finance Ivory Coast, Alios Finance Cameroun and Alios Finance Gabon are converted according to a fixed parity rate of 1 € = 656 Francs CFA.

The balance sheet of Alios Finance Zambia, Alios Finance Tanzania, Alios Management Ltd and GIEFCA Tunisia are converted using the closing rate of the financial year 2014. The equity is converted using the historical rate. The income statement is converted using the average exchange rate for the year 2014.

2.6 Goodwill

Since January, 1, 2006, during the acquisition of a company, the identifiable assets and liabilities are registered in the consolidated balance-sheet with their fair value determined according to their envisaged economic use. The difference between the cost of acquisition and the fair value of identifiable assets and liabilities of the acquired company is recorded as Goodwill.

The positive goodwill is amortised using the straight-line method over 5 years. The negative goodwill is taken in the income statement using the straight-line method over 5 years.

Goodwill is subject of an examination when events or circumstances indicate that a reduction of value is likely to have occurred. Such events or circumstances include long term unfavourable significant change, affecting the economic environment or the underlying assumptions or objectives at the date of acquisition.

The need for recognizing an exceptional depreciation is done according to economic assumptions and forecasted operating conditions identified by the management of the company. These assumptions correspond to the translation of the strategic objectives which the company laid down and includes the estimates on the evolution of the economic environment in which the group is likely to evolve. When an exceptional depreciation is necessary, the amount accounted for is equal to the difference between the net book value and the fair value.

2.7 Intangible assets

The intangible assets mainly comprise software, amortised on a straight-line basis over 3 years, and loan issue costs.

The Group has opted for the preferred accounting treatment of systematically amortising loan issue costs over the duration of each loan.

2.8 Tangible assets

Tangible assets are recognized at acquisition cost and are generally depreciated on a straight-line basis over their probable useful lives.

The following are the depreciation periods generally applied:

Buildings	10/20 years
Fixtures and fittings	5/10 years
Furniture, equipment and tooling	5/10 years
Office and IT furniture and equipment	5/10 years

2.9 Investments

Investments mainly comprise the Group's non-consolidated investments.

Non-consolidated investments are initially recognized at their acquisition cost excluding any incidental costs of acquisition.

When the fair value of such investments falls below their cost of acquisition, an impairment loss is recognized. Fair value is determined on the basis of the following criteria:

- Net assets;
- Current and expected future profitability;
- Future prospects;
- Value in use for the company.

2.10 Customer receivables

Customer receivables represent the amounts outstanding for finance granted in the form of standard loans and finance lease and long-term rental arrangements.

Impairment losses are charged to profit or loss whenever the Group considers that there is a risk of debtors being unable to honour all or part of their commitments.

The Group applies impairment criteria to its accounts presenting amounts in default based on the arithmetical approach described below. The provision amounts is derived by applying a provision on the outstanding balance and the amounts in default based on the perceived risk for each customer and the type of finance (standard loans or finance leases).

FOR CFA ZONE:

Corporate clients:

Arrear of unpaid installments	No unpaid	1 to 90 days	91 to 180 days	181 to 360 days	361 days and up or contentieux
Provisions	No provision	5% * outstanding	30% *outstanding	75% *outstanding	100%*outstanding

Individuals:

Arrear of unpaid installments	No unpaid	1 to 60 days	61 to 90 days	91 dayx and up or contentieux
State employees	No provision	No provision	30% * outstanding	100%* outstanding
Employees of private sector	No provisions	30% * outstanding	75% * outstanding	100% * outstanding

FOR ZAMBIA:

Corporate clients:

Arrear of unpaid installments	No unpaid	1 to 90 days	91 to 119 days	120 to 179 days	180 days and up or contentieux
Provisions	No provision	5% * outstanding	30% *outstanding	50% *outstanding	100%*outstanding

These provisioning rules are different from those applied in CFA zone due to the Bank of Zambia requirements that we have to respect.

Individuals:

Arrear of unpaid installments	No unpaid	1 to 60 days	61 to 90 days	91 dayx and up or contentieux
State employees	No provision	No provision	30% * outstanding	100%* outstanding
Employees of private sector	No provisions	30% * outstanding	75% * outstanding	100% * outstanding

A prudent approach is applied in determining the customer provisions, i.e. impairment losses are charged against all similar contracts for the same customer and at the same percentage rate. The percentage rate is derived from the worst perceived risk category of that customer.

In terms of sureties, only cash deposits and financial guarantees (first class bank guarantees) are taken into account in determining the amount of impairment losses by deducting them from the gross amount of receivables at risk.

Following the arithmetical calculation just described, detailed analysis of each account is performed in order to adjust the theoretical amount of impairment to the specific circumstances of each customer and the actual probability of recovery.

The impairment losses finally recognized are deducted from the gross amount of the related assets.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks.

2.12 Financial instruments and hedging policy

The group does not use hedging instruments to cover its exposure to interest rate and foreign currency risk.

2.13 Provisions

Provisions are recognized when, at the balance sheet date, the Group has an obligation towards a third party, as a result of a past event, the settlement of which is expected to require a net outflow of economic resources in favour of the third party.

The obligation may be legal, regulatory or contractual one or may equally arise as a result of the Group's past practices or of publicly made undertakings giving rise to a legitimate expectation on the part of third parties that the Group will assume certain responsibilities.

Provisions are estimated on the basis of the outflows of economic resources expected to be required to extinguish the Group's obligations. If a reliable estimate cannot be made, no provision is recognized but a description of the situation is provided in the notes to the financial statements.

2.14 Income taxes

The income tax expense corresponds to the current tax expense from each consolidated tax entity, adjusted for the deferred tax. The deferred tax is derived from the variable report of all the temporary timing differences arising from the difference between the tax base and the accounting base of the assets and liabilities.

The deferred tax assets relating to the tax losses carry forwards are recognized only when there is a strong probability of recovery in the medium-term (horizon lower than 5 years). The profitability is re-examined at the end of each financial year.

2.15 Retirement gratuity

The local legislation in force in the home countries of the subsidiaries obliges the companies to pay the staff an allowance for services rendered (ISR - indemnité pour services rendus) at the time of retirement. The ISR also corresponds to the company statutory obligations towards the employee in the event of departure due to any other reason other than resignation.

The law lays down the methods of calculation of these allowances. The rate being largely progressive and relates to the number of years of service and branch of activity. The reference

wages corresponds to the monthly wages received by the employee at the time of his departure. This provision is calculated at the end of each financial year.

2.16 Income and expenses

The interests and commissions earned are accounted for by accrual on pro rata basis. The unearned commissions and interests relating to services are recognized when the service is realised.

2.17 Lease operations

The lease operations recognized in the consolidated balance sheet by the outstanding amounts. The latent reserve is recognized among the consolidated reserves.

Since 2009, Alios Finance Group evaluated and recognized deferred tax liability on latent reserve accounted for by the subsidiaries.

2.18 Use of estimates

The preparation of financial statements is in conformity with the generally accepted accounting policies and is based on a certain number of estimates and assumptions which have an impact on the amounts appearing in the financial statements. The real costs supported thereafter can differ from these estimates.

NOTES TO THE BALANCE SHEET**Note 3. Cash and cash equivalents**

The balance at the end of 2014 was € : 18,381,462 compared to a balance of € : 11,011,712 at the end of 2013. The cash and cash equivalents breakdown is as follows :-

	2014	2013
Cash	123 067	98 223
Bank accounts	17 620 077	10 348 732
Others	638 318	564 757
TOTAL	18 381 462	11 011 712

Note 4. Other receivables

The balance as at 31 December 2014 was € : 22,077,656 compared to € : 18,429,195 as at 31 December 2013. The details are as follows :-

	2014	2013
Sundry debtors (A)	18 206 253	14 222 183
VAT recoverable	6 320 067	8 304 612
Prepaid interest and commissions	233 547	409 869
Customers credit balances	(2,682,210)	(4 507 470)
Total	22 077 656	18 429 195

(A) The breakdown of the balance is as follows :-

	2014	2013
Accrued income	269 868	3 991
Prepaid expenses	847 588	839 746
Miscellaneous taxes	50 924	196 709
Current account	570 322	2 648 937
Other sundry debtors	17 762 453	11 652 158
Gross total	19 501 155	15 341 541
Provisions on sundry debtors	(1 294 902)	(1 119 358)
Net total	18 206 253	14 222 183

Note 5. Customer receivables

The customer receivables for finance granted comprise loans (and unpaid instalments) receivable as well as amounts receivable under finance leases and for long-term rental. The outstanding balance (net of impairment losses) as at 31 December 2014 was € : 250,638,427 compared to € : 239,234,106 as at 31 December 2013. The broken down by category is as follows:

	2014	2013
Loan receivables		
Amounts not yet due for payment	72 905 555	78 150 761
Unpaid instalments	19 430 785	18 642 164
Gross total (1)	92 336 340	96 792 926
Provisions for impairment losses (A)	(15 546 825)	(12 974 876)
Net total (1)	76 789 515	83 818 050
Finance lease receivables		
Amounts not yet due for payment	153 914 497	134 270 350
Unpaid instalments	12 499 015	8 220 241
Gross total (2)	166 413 512	145 173 682
Provisions for impairment losses (B)	(10 739 212)	(6 884 551)
Net total (2)	155 674 300	135 606 010
Long term rental receivables (3)	18 174 612	19 810 047
Gross total ((1)+(2)+(3))	276 924 464	259 093 564
Total of provisions for impairment losses ((A)+(B))	(26 286 037)	(19 859 457)
Net total	250 638 427	239 234 106

The breakdown of the customer receivables per category of risk is as follows:-

Classification of the aged customer receivables	31/12/2014		31/12/2013	
	Amount	% portfolio	Amount	% portfolio
Receivables without default	218 129 506	80,2%	211 914 750	84,7%
Receivables 1 – 90 days	20 147 362	7,4%	11 471 480	4,6%
Receivables 91 – 180 days	6 615 974	2,4%	8 809 654	3,5%
Receivables 180 – 360 days	3 724 027	1,4%	3 949 812	1,6%
Receivables > 360 days or disputed	18 026 512	6,6%	13 974 960	5,6%
TOTAL	266 643 382	100,00%	250 120 567	100,00%
Non-performing loans (default > 90 days)	28 366 513	10,17%	26 734 426	10,17%
PROVISIONS	26 286 037	9%	22 542 549	9%
RATIOS OF PROVISIONS OVER NON-PERFORMING LOANS	92,7%		84,3%	
RECEIVABLES WRITTEN-OFF	1 292 324	0,5%	1 008 526	0,4%

Note 6. Deferred tax**Deferred tax assets**

The breakdown of the deferred tax assets is as follows :-

	2014	2013
Alios Finance Ivory Coast	147 104	135 332
Alios Finance Cameroun	607 436	600 777
Alios Finance Gabon	83 763	69 039
Alios Finance Zambia	234 315	206 350
Alios Finance Tanzania	-	69 620
Alios Finance Kenya	161 953	198 775
Alios Management Ltd	3 913	7 612
TOTAL	1 238 484	1 287 505

Deferred tax liabilities

The breakdown of the deferred tax liabilities is as follows :-

	2014	2013
Alios Finance Ivory Coast	30 529	54 952
Alios Finance Cameroun	343 734	110 335
Alios Finance Gabon	141 768	333 146
Alios Finance Zambia	-	-
Alios Finance Tanzania	103 495	-
Alios Finance Kenya	-	-
Alios Management Ltd	-	-
TOTAL (*)	619 526	498 433

The deferred tax asset and liabilities are classified by origin as follows :-

	2014		2013	
in euros	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
Temporary differences	842 216	103 494	598 398	
Déficits reportables	396 268		689 107	
Unrealised Capital gains (1)		252 104		252 104
Unrealised reserves (2)		30 529		54 952
Other consolidation adjustments		233 399		191 378
Total	1 238 484	619 526	1 287 505	498 433

(1) The amount of € 252,104 represents tax on the unrealised capital gain for GIEFCA France shares held by Group subsidiaries arising as a result of the devaluation of the CFA Franc in 1994. Only Alios Finance Ivory Coast, Alios Finance Gabon and Alios Finance Cameroon had obtained shares in GIEFCA France prior to that date. The tax has been provided for at the rate of 40%. The balance of deferred tax liabilities comprises temporary differences arising on consolidation adjustments.

(2) The deferred tax liabilities is due to the recognition of the deferred tax on latent reserve of some subsidiaries in the group.

Note 7. Property, plant and equipment and intangible assets

Property plant and equipment and intangible assets at the end of 2014 was € : 6,272,488 compared to € : 5,749,871 at the end of 2013. The breakdown is as follows :-

	2014	2013
Intangible assets	5 944 074	5 408 781
Property, plant and equipment	13 189 133	11 789 647
Gross total	19 133 207	17 198 429
Amortisation of intangible assets	(4 204 031)	(3 545 162)
Depreciation of property, plant and equipment	(8 656 688)	(7 903 396)
Net total	6 272 488	5 749 871

The movements for the year in intangible assets and property, plant and equipment ; as well as the related amortisation and depreciation, are summarised in the following table :

TABLE OF FIXED ASSETS AND AMORTISATION

	COST				AMORTIZATION				
	1/1/2014	Purchase	Disposal	31/12/2014	1/1/2014	Depreciation	Reversals	31/12/2014	N.B.V
	5,081,134	884,088	21,750	5,943,473	3,549,082	654,349	-	4,203,431	1,740,042
Logiciels	2,552,478	337,898	21,750	2,868,626	1,599,495	312,062	-	1,911,557	957,070
Frais d'établissements	307,956	-	-	307,956	307,956	-	-	307,956	-
Frais d'émissions des emprunts	720,719	545,519	-	1,266,238	712,246	44,841	-	757,087	509,152
Frais de rech et dévelop	1,470,398	671	-	1,471,070	899,802	297,447	-	1,197,249	273,821
Frais relatifs au pacte social	29,583	-	-	29,583	29,583	-	-	29,583	-
Autres immobilisations incorp	-	-	-	-	-	-	-	-	-
Immobilisations en cours	-	-	-	-	-	-	-	-	-
Immobilisations corporelles	11,780,306	2,412,978	1,022,465	13,170,818	8,170,633	639,646	171,907	8,638,372	4,532,446
Dépôts et cautionnements	235,821	61,236	25,949	271,107	-	-	-	-	271,107
Batiments	-	-	-	-	-	-	-	-	-
Terrain	278,219	171,265	-	449,484	-	-	-	-	449,484
Immeubles en exploitation	1,870,207	477,908	586,230	1,761,885	1,435,949	31,354	-	1,467,303	294,581
Matériel Auto	1,888,634	227,699	198,797	1,917,536	1,268,596	247,271	156,910	1,358,957	558,579
Matériel roulant exploitation	-	-	-	-	-	-	-	-	-
Mobilier de bureaux	638,852	1,214,561	20,188	1,833,226	466,870	76,512	12,779	530,602	1,302,623
Matériels de bureaux	209,158	-	22,571	186,587	201,467	-	-	201,467	(14,880)
Matériel informatique	2,131,101	38,204	107,175	2,062,129	1,440,702	159,404	2,092	1,598,014	464,115
Matériel de Reprographie	27,606	-	12,450	15,156	9,976	1,909	-	11,885	3,271
Matériel et outillage	347,560	-	-	347,560	260,647	-	-	260,647	86,913
Autres matériels de bureaux	140,574	7,698	16,572	131,700	98,705	5,077	117	103,665	28,035
Matériel et mobilier de logement	140,467	1,969	2,323	140,113	133,912	306	7	134,212	5,902
Mobilier et appareils menagers	69,180	1,865	3,348	67,698	50,155	1,909	-	52,064	15,633
Agenc et Instal des bureaux	3,342,631	166,216	19,131	3,489,716	2,511,743	105,213	-	2,616,956	872,760
Agenc et instal des logements	338,596	43,301	7,732	374,165	267,977	6,974	2	274,949	99,216
Agenc et instal des agences	-	-	-	-	-	-	-	-	-
Immobilisations en cours	94,050	1,055	-	95,105	-	-	-	-	95,105
Matériel Groupe Electrogene	27,651	-	-	27,651	23,935	3,716	-	27,651	-
Autres	-	-	-	-	-	-	-	-	-
	16,861,440	3,297,066	1,044,215	19,114,291	11,719,715	1,293,995	171,907	12,841,803	6,272,488

Note 8. Non-current financial assets

The balance at the end of 2014 was €: 181,040 compared to €: 180,373, at the end of 2013.
The breakdown is as follows:-

	2014	2013
Bonds held by Alios Finance Ivory Coast	186 890	186 890
SOFIGIB shares held by Alios Finance Ivory Coast	15 244	15 244
SOBCA shares held by Alios Finance Ivory Coast	11 654	11 654
SONADIG loan of Alios Finance Gabon	15 244	15 244
FGI certificates held by Alios Finance Gabon	16 334	16 334
Guarantee deposits paid	8 651	7 983
Alios Tunisia shares held by GIEFCA	9 100	9 100
Gross total	263 115	262 449
Amortisation and provisions	(82 076)	(82 076)
Net total	181 040	180 373

Note 9. Goodwill

The goodwill in the balance sheet correspond to the following:

- The difference between the cost of acquisition and the fair value of 2,160,000 shares of ALIOS FINANCE ZAMBIA acquired in 2013 by ALIOS FINANCE SA. The goodwill was € : 102.172. The goodwill is amortised on a straight line basis over 5 years effective 2014. The amortisation for 2014 is € : 20.434. The net book value of the goodwill is € : 81.738 as at 31/12/2014.
- The difference between the cost of acquisition and the fair value of 3,817,320 shares of ALIOS FINANCE ZAMBIA acquired in 2014 by ALIOS FINANCE SA. The goodwill was € : 571.554. The goodwill is amortised on a straight line basis over 5 years effective 2014. The amortisation for 2014 is € : 114.311. The net book value of the goodwill is € : 457.243 as at 31/12/2014.
- The difference between the cost of acquisition and the fair value of 50,000 shares of ALIOS FINANCE KENYA acquired in 2014 by ALIOS FINANCE SA. The goodwill was € : 6.317. The goodwill is amortised on a straight line basis over 5 years effective 2014. The amortisation for 2014 is € : 1.263. The net book value of the goodwill is € : 5.054 as at 31/12/2014.

Note 10. Bank loans and other financial liabilities

The balance of the bank loans and other financial liabilities as at 31 December 2014 was €: 217,648,689, compared to €: 189,087,689 as at 31 December 2013. The breakdown is as follows:-

	2014	2013
Bank overdrafts	24 504 750	8 158 237
Bank overdrafts	24 504 750	8 158 237
Other financial liabilities	193 143 939	180 929 452
Debt securities	14 919 970	15 777 439
Medium and long-term loans	125 923 031	125 325 332
Bond issues	16 847 622	9 535 061
Short-term credit facilities	35 453 317	30 291 620
Total	217 648 689	189 087 689

Note 11. Other current liabilities

The other current liabilities at the end of 2014 amounted to €: 14,759,403 compared to €: 12,214,004 at the end of 2013, detailed as follows:-

	2014	2013
Current accounts	(54 217)	(112 215)
Accrued incomes	2 374 994	2 237 128
Government bodies	3 220 629	1 735 268
Miscellaneous expenses payable	1 166 102	1 170 795
Dividends payable	750 892	532 397
Other sundry creditors	5 750 878	5 312 547
Other insurance premiums payable	-	-
Interest and commissions payable	1 550 125	1 338 084
Total	14 759 403	12 214 004

Note 12. Trade creditors and similar payables

The trade creditors and similar payables balance as at 31 December 2014 was €: 14,501,267, compared to €: 23,145,665 at the end of 2013. The breakdown is as follows:-

	2014	2013
Vehicles dealers	13 361 224	22 155 269
Other suppliers	1 140 043	990 396
Total	14 501 267	23 145 665

Note 13. Other financial liabilities

The breakdown of the other financial liabilities is as follows:-

	2014	2013
Guarantee fund for small equipment	930 461	1 611 993
Guarantee deposits	9 783 182	7 897 344
Total	10 713 644	9 509 337

Note 14. Other non-current liabilities

The breakdown of other non-current liabilities is as follows:-

	2014	2013
Shareholder loans	16 876	16 188
Current account suppliers	2 394	2 394
Total	19 269	18 581

Note 15. Provisions for contingencies and losses

The provisions for contingencies and losses balance as at 31 December 2014 was €: 1,979,772, compared to €: 4,714,887 as at 31 December 2013. The breakdown is as follows:-

	2014	2013
Provisions for lump sum retirement	723 401	615 831
Provisions for contingencies	765 783	624 775
Provisions for disputes	490 588	3 474 281
Total	1 979 772	4 714 887

In 2013 there was fiscal audit for Alios Finance Gabon for the years 2009 to 2012. Following the tax audit, the company received a tax notification of 3 million Euros. The tax claim was fully provided for in the consolidated financial statements as at 31 December 2013.

Note 16. Equity

The breakdown of the equity is as follows:-

	2014	2013
<u>Share Capital</u>	10 699 282	10 699 282
<u>Consolidated reserves</u>	14 289 826	14 962 160
ALIOS FINANCE S.A.	9 641 710	8 552 280
ALIOS IVORY COAST	795 662	1 821 313
ALIOS CAMEROON	1 596 048	1 667 589
ALIOS GABON	2 241 165	3 276 793
ALIOS FINANCE ZAMBIA	(93 938)	(454 333)
ALIOS FINANCE TANZANIA	(231 107)	(490 951)
ALIOS FINANCE KENYA	(550 218)	(286 734)
GIEFCA France	845 121	845 121
GIEFCA TUNISIA	(497)	(497)
ALIOS MANAGEMENT LTD	45 880	31 579
Total opening consolidated equity (Group share)	24 989 108	25 661 442
Minority interests in opening equity	11 479 854	12 767 251
Net profit for the year	2 623 060	(1 622 356)
Consolidated net profit (Group share)	1 754 855	(787 636)
Minority interests in net profit for the year	868 205	(834 720)
Total Group Equity	39 092 022	36 806 338

NOTES OF THE INCOME STATEMENT**Note 17. Sector Information**

In thousands of euros	West Africa	Central Africa	Zambia, Kenya and Tanzania	Total
INCOME FROM LOANS	5 030 821	7 988 582	217 257	13 236 660
INCOME FROM FINANCE LEASES	6 685 528	9 837 512	2 524 384	19 537 078
INCOME FROM LONG TERM RENTAL	549 736	1 239 209	1 682 175	3 471 121
TOTAL	12 266 085	19 554 957	4 423 817	36 244 859

West Africa is represented by Alios Finance Ivory Coast and its branches Senegal, Mali and Burkina Fasso. Central Africa is represented by the subsidiaries Alios Finance Gabon and Alios Finance Cameroun.

Note 18. Interest on late payments

The breakdown of interest on late payments is as follows:-

	2014	2013
Interest on late payment of loans	158 257	307 852
Interest on late payment of finance leases	166 627	147 876
Interest on late payment of long term rentals	-	-
Interest on early termination	139 982	93 277
Total	464 867	549 005

Note 19. Other operating income

The other operating income for the year ended 31 December 2014 was €: 1,321,550 compared to €: 2,071,593 for the year ended 31 December 2013. The breakdown is as follows:-

	2014	2013
Upfront fees	978 209	1 834 316
Damages	(3 937)	12 956
Services	347 278	224 321
Total	1 321 550	2 071 593

Note 20. Interest expense

Interest expense for the year ended 31 December 2014 was €: 15,112,749, compared to €: 13,516,123 for the year ended 31 December 2013 and the details are as follows:-

	2014	2013
Bank interest	1 496 525	2 285 730
Loan interest	12 512 591	10 057 655
Other interest	1 103 633	1 172 738
Total	15 112 749	13 516 123

Note 21. Payroll expenses

The breakdown of the payroll expenses is as follows:-

	2014	2013
Salaries	3 694 208	3 495 956
Social contributions	705 400	770 654
Bonuses	930 391	720 230
Insurance	32 796	11 268
Miscellaneous benefits	756 057	633 404
Leave pay	350 243	412 588
Gratuities	141 613	323 552
Other payroll costs	384 994	375 574
Total	6 995 702	6 743 226

Note 22. Administrative expenses

The administrative expenses for the year ended 31 December 2014 was €: 6,965,807, compared to €: 6,210,287 for the year ended 31 December 2013 and detailed as follows:-

	2014	2013
MISCELLANEOUS TAXES	373 270	290 225
OVERHEADS	6 592 537	5 920 062
Office supplies	185 943	226 383
Water and electricity	194 125	181 874
Fuel	130 225	128 479
Rent	631 244	601 950
Repairs and maintenance	716 577	580 403
Insurance premiums	236 555	311 867
Professional fees	1 636 049	1 018 522
Other external services	811 419	553 221
Advertising and public relations	322 548	429 701
Postal and telecommunication charges	546 436	571 988
Travel and receptions	1 063 885	741 546
Directors' fees	39 930	39 588
Other services	(61 652)	262 199
Exchange loss	139 253	272 390
Total	6 965 807	6 210 287

Note 23. Net impairment of customer receivables

The breakdown is as follows:-

	2014	2013
Charges for impairment	25 624 366	12 049 129
Reversals of charges for impairment	(21 974 078)	(7 391 607)
Losses on bad debts	1 451 316	1 321 324
Recovery of bad debts	(251 724)	(316 041)
Total	4 849 880	5 662 805

Note 24. Miscellaneous income

The breakdown of miscellaneous income is as follows:-

	2014	2013
Non-operating income (A)	1 356 245	1 370 057
Non-operating expenses (B)	(1 026 312)	(1 129 021)
Other miscellaneous income	1 414 219	1 356 049
Provision for risks and charges	-	(3 500 661)
Total	1 744 152	1 903 576

(A) The breakdown is as follows :-

	2014	2013
Gains on disposal of property, plant and equipment	119 882	15 381
Other miscellaneous income	1 236 363	1 354 676
Total	1 356 245	1 370 057

(B) The breakdown is as follows :

	2014	2013
Miscellaneous losses	(583 497)	(336 648)
Loss on disposal of assets	(72 600)	(524)
Other non-operating expenses	(370 215)	(791 849)
Total	(1 026 312)	(1 129 021)

The provision for risk and charges consists of the provision for the tax claim in Alios Finance Gabon for an amount of 3 million Euros as detailed in note 15 above.

Note 25. Current and deferred tax

The breakdown of the income taxes is as follows:-

Les impôts sur les bénéfices se détaillent comme suit :

	2014	2013
<u>Current tax</u>		
ALIOS FINANCE COTE D'IVOIRE	175 339	90 056
ALIOS FINANCE CAMEROUN	269 369	304 511
ALIOS FINANCE GABON	1 035 393	1 908 012
ALIOS FINANCE ZAMBIA	-	-
ALIOS MANAGMENT LTD	15 518	6 292
Total (1)	1 495 620	2 308 872

Deferred tax

ALIOS FINANCE COTE D'IVOIRE	(36 195)	(73 216)
ALIOS FINANCE CAMEROUN	176 807	(106 228)
ALIOS FINANCE GABON	(204 502)	(747 479)
ALIOS FINANCE ZAMBIA	(32 845)	17 911
ALIOS FINANCE TANZANIA	167 233	98 809
ALIOS FINANCE KENYA	41 254	(103 983)
ALIOS MANAGMENT LTD	3 740	
Total (2)	115 492	(914 187)

Net tax

ALIOS FINANCE COTE D'IVOIRE	139 144	16 840
ALIOS FINANCE CAMEROUN	446 176	198 283
ALIOS FINANCE GABON	830 891	1 160 533
ALIOS FINANCE ZAMBIA	(32 845)	17 911
ALIOS FINANCE TANZANIA	167 233	98 809
ALIOS FINANCE KENYA	41 254	(103 983)
ALIOS MANAGEMENT LTD	19 259	6 292
Total ((1)+(2))	1 611 112	1 394 685

The proof of tax is as follows:-

Current profit before tax	4 234
Theoretical tax rate	34,43%
Theoretical tax charge	1 458
Variance due to different tax rates used	90
Consolidation adjustments	69
Permanent differences	3
Other differences	-9
Total différences	1 611
Tax charge in the accounts	1 611

OFF BALANCE SHEET ITEMS

Alios Finance S.A has undertaken to acquire the convertible preferential shares held by AFRICINVEST FINANCIAL SECTOR LIMITED in Alios Finance Zambia. The total amount is USD 850 000 (850 shares each of USD 1000) which represents 100% of the convertible preferential shares.

In the Board meeting of 3 October 2008, the directors of Alios Finance SA approved, on recommendation of the remuneration committee, to accord to Jan-Albert Valk, Chief Executive Officer of Alios Finance SA, a stock option plan of up to 2% of the capital of the company. The modalities of the stock option plan were validated during an Extraordinary Shareholders Meeting held in on 1 November 2010.

OTHER INFORMATION

1. Average staff of the group

The average number of staff in all the companies of the Group including the holding company as at 31 December 2014 is 196.

2. Information on directors

2.1 Chairman of the board of directors

He is not remunerated by the company. He only receives sitting allowance of € 1 000 for each directors' meeting. In 2014, he received € 2 000 as sitting allowance.

2.2 Chief Executive Officer

The Chief Executive Officer is not remunerated for his role. He is the Chief Executive Officer of Alios Management Ltd and is remunerated by this company. In 2014 Alios Management Limited paid Mr. Jan-Albert Valk remunerations amounting to € 148,800.

2.3 Commitments on pensions and indemnities

The company does not have commitments on pensions to its directors.

2.4 Loans and advances to directors

The company has no loans and advances to its directors.