FINANCIAL ANNUAL REPORT 2012

SAPMER

CONTENT

CHAPTER **1**

MANAGEMENT REPORT

SAPMER
A French société anonyme with a Board of Directors
Share capital of €2 773 838
Registered office: Magasin 10 – Darse de Pêche
97823 Le Port – La Réunion
Trade & Companies Registration RCS Saint-Denis 350.434.494

Management report of the Board of Directors including the Group management report for the year ending December 31, 2012

Ordinary Annual General Meeting 21 May 2012

Report of the Board of Directors

To the shareholders:

We have called this Shareholders' Meeting to report to you on the business of the Company and the Group for the year ending December 31, 2012, and to submit the parent company and consolidated financial statements for the year together with various resolutions for your approval.

The reports of the Statutory Auditors and this management report as well as the annual financial statements and other related documents have been made available for your inspection at the Company's registered office under the conditions and for the periods of time required by law.

SAPMER has been listed on the Alternext market of the Paris Stock Exchange since July 2009 (ISIN code FR0010776617 – ALMER).

SAPMER is the historic deep-sea fishing operator in the French Southern and Antarctic Lands (TAAF) based in Reunion Island. Having been created in 1947, SAPMER now operates a wholly-owned fleet of four freezer-longliners for Patagonian toothfish, a freezer pot lobster vessel for rock lobster and five tuna purse seiners (on board -40°C deep-freeze) for its tuna fishing activity (Yellowfin and Skipjack) in the Indian Ocean.

Positioned on strong valued 'niche' activities, SAPMER SA is dividing its activities into two categories:

- A fishing activity which includes Toothfish and Rock Lobster sales fished in the Southern Seas (Economic Zones of the French Southern and Antarctic Territories - TAAF) and whole tuna sales (Yellowfin and Skipjack) fished in the Indian Ocean.
- A value-enhancing and processing activity (sashimi loins, steaks…) of halieutic products.

SAPMER achieved in 2012 revenues of €93.1m (85% of which made from exportations outside Europe, mainly Asia).

On August 1st, 2012, the company SAPMER INVESTISSEMENTS sold all its 2 774 037 shares, which represents 80.1% of SAPMER's capital and voting rights, to SAPMER HOLDING PTE Ltd company created under Singapore law. This operation has no direct impact on the company's ultimate control.

1. SITUATION AND ACTIVITIES DURING THE YEAR

During 2012, SAPMER recorded strong growth in its activity and maintained strong profitability. This year's highlight was the arrival of two new -40°C deep freeze tuna purse seiners, 'Dolomieu' and 'Bélouve', which joined the Indian Ocean tuna fleet already composed of three ships.

The two new tuna ships were built in Vietnam by the company SEAS, subsidiary of the French company PIRIOU. Four -40°C deep freeze tuna purse seiners were on average operational over the year 2012, including the arrival of 'Dolomieu' in April 2012 and 'Bélouve' in September 2012.

SAPMER also strengthened its food safety standards by gaining the "Friend of the Sea" certification in September 2012. This international certification guaranties the quality of products from sustainable fishing and aquaculture activities. It certifies on board activities as well as the shore based activities of MER DES MASCAREIGNES processing and value enhancing factory.

In 2012, SAPMER's activity registered €93.1m against €77.0m in 2011, with a revenues' increase of €16.1m. This increase is mainly due to a growth in tuna activities (whole tuna sales and value enhancing) but also an increase in Saint-Paul Rock Lobster revenues and steady Toothfish sales.

1.1. FISHING ACTIVITY

The fishing activity represents 79% of total revenues. Its revenues reach €73.2m with an increase of 15% compared to 2011. This growth is the direct result of our gross tuna sales increase, as well as a slight increase in our Rock lobster sales.
Southern seas fishing (St Paul Rock Lobster and Toothfish), still profits from a strong demand from the Asian markets with steady prices over the year.

Rock Lobster sales of €9.3m against €8.7m in 2011 mainly benefit from a favourable price and exchange rate effect. The whole quota was caught. Price index is at 138, basic price index 100 based on whole Rock Lobster average prices over the past 5 years (2007 to 2011). Like in 2011, sales were mainly done with Japan.

Toothfish sales of €39.4m against €40.7m in 2011 are impacted by a change in our fishing trips' dates as well as a slight price decrease in the second half of 2012. Price index is at 139 based on HDG toothfish average prices over the past 5 years (2007 to 2011). More than 85% of the sales are done in Asia (including 10% with Japan).

Gross tuna sales increased by 74% to €24.0m against €13.8m in 2011. This growth is linked to a strong increase in average selling prices over the year and an increase in sales volumes.

In 2012 the whole tuna markets met a strong demand, with an average price which almost doubled compared to 2010. This positive volume effect can be explained by the exploitation on average of 4 tuna purse seiners, over the full year 2012, against 3 in 2011.

For this activity, the main clients are based in Mauritius (43%), Seychelles (33%), Europe (12%) and Japan (10%). The main achievement of 2012 was the diversification of its client base.

1.2. VALUE ENHANCING ACTIVITY

The value enhancing activity includes processed tuna sales (Tuna fished and processed in the factory into loins, steaks…) and the Mauritian subsidiaries' activities.

Thanks to our 'premium' choice, the value enhancing activity increased by 51% to €19.9m. This increase is link to an increase in sales volumes and an augmentation of processable catch but also a price rate effect.

MER DES MASCAREIGNES factory has also increased its whole tuna value enhancing production to 7 600 tons compared to 5 300 tons in 2011. In 2012, 36% of the total catch was value enhanced.

Revenues can be divided into two main products: 68% loins and 20% steaks. Loins are mainly sold in Japan, steaks in Europe and the USA.

The diversification strategy of our sale zones continues with the penetration of the North-American market, thanks to tuna steaks.

Mirroring its toothfish and lobster activity, SAPMER is positioned on a "very high quality" niche market and enjoys an excellent reputation for its value-enhanced tuna products, especially loins. SAPMER is now the only company in the Indian Ocean operating across the entire value chain: fishing, deep-freezing at -40°C, cutting and packing tuna into "sashimi" quality loins. This high-end positioning is particularly appreciated by Japanese clients and generates high demand for "sashimi" loins.

1.3. ECONOMIC AND MACRO-ECONOMIC ENVIRONMENT

The current economic crisis in Europe makes assessing the economic and financial prospects more complex. In this context, the Group has drawn up estimates and assessments in a rigorous framework and to the best of its knowledge.

However, it is worth noting that SAPMER is not really impacted by the European economic situation as the majority of its sales are exports:

- either to economically buoyant countries in global terms, such as China,
- or to countries with a major and growing market for fish, such as Japan.

2. FINANCIAL RESULTS

The SAPMER Group presents its consolidated financial statements according to IFRS. The accounting policies applied as of 31 December 2012 are consistent with those of the previous year.

2.1. SCOPE OF CONSOLIDATION

There are 8 companies within the consolidation scope. No changes in 2012.

The Mauritian subsidiary SAPMER MANAGEMENT SERVICES (SMS) changed its name to TUNA PROCESSING SERVICES INDIAN OCEAN (TPS IO) in July. This subsidiary will be in charge of the Group's new factory based in Mauritius.

TPS IO and STS's (SAPMER TECHNICAL SERVICES) assets and liabilities are to be sold to SAPMER HOLDING PTE Ltd. This classification follows the presentation of the SAPMER groups' target organisation structure (available on line at our website).

2.2. INCOME STATEMENT

Revenues

The Group's revenues totalled €93.1m an increase of €16.1m compared to 2011 (+21%).
Revenues by activity show the following changes:

In m€- IFRS	2012	2011	Growth 2012/2011	2010
Fishing activity	***73.2***	***63.8***	***+15%***	***45.0***
Value enhancing	***19.9***	***13.2***	***+51%***	***3.0***
Annual revenues	**93.1**	**77.0**	**+21%**	**48.0**

EBIT

The Group's earnings before interest and tax totalled €17.6m in 2012, with an operating profit of 18.9% (in percentage of revenues).
It has increased by €+2.4m compared to 2011. The tuna activity was subject to strong growth even though supporting the coming into operation of Dolomieu in April 2012 and Bélouve in September 2012.

	Fishing activity			Value enhancing and processing			Total		
In k€	***Dec-12***	***Dec-11***	***Var***	***Dec-12***	***Dec-11***	***Var***	***Dec-12***	***Dec-11***	***Var***
Revenues	73 159	63 815	15%	19 894	13 179	51%	93 053	76 994	21%
Operating income	**16 269**	**13 742**	18%	**1 322**	**1 465**	10%	**17 591**	**15 207**	16%
% total revenues	*22.2%*	*21.5%*		*6.6%*	*11.1%*		*18.9%*	*19.8%*	

EBIT from the fishing activity came to €2.5m thanks to good whole tuna sales performances which benefited from a strong market with steady prices over the year. The increase of profitability of the tuna activity compensated for a decrease in Toothfish in 2012 due to slight decrease in sale prices (€-1.3m) and an increase in maintenance costs due to the aging of the longliners (Albius, Mascareignes 3, Ile Bourbon were bought more than 10 years ago, between the end of 2001 and beginning of 2002, and Croix du Sud in November 1999).

Very good profitability in Rock Lobster sales for 2012, benefiting from high prices and a good control of maintenance expenses.

The value enhancing operational profitability stays steady but does not benefit from the increase in its activity. This is due to the specific "value enhancing" costs that are only absorbed by 4 tuna purse seiners on average over the year: mainly the cold room's costs, the MDM factory's costs and operational structure costs (workforce expenses, offices expenses, logistics…)

Financial income

Financial income came to €-4.8m. Deteriorating by €1.4m due to the impact of 2 new loans used to finance the Dolomieu and the Bélouve.

Net profit

Net profit came to €8.6m, giving a profitability of 9.3% (in percentage of revenues). The net profit increased by €0.9m but losses 0.8% of profitability compared to 2011. The corporate tax expense for 2012 came to €3.1m and deferred taxes to €1m.

2.3. BALANCE SHEET

Net fixed assets and other non-current assets totalled €138.2m in 2012, an increase of €41m compared to 2011, mainly due to the:

- Variation in fixed assets of €+42.4m following the acquisitions for the period for €50.7m, amortisation of €-8.6 compensated by revival of the tax exemption investors contribution for +€2m. The investments of €53m are related to the two new tuna ships (including the €5m deposit included in current assets at the end of 2011) and the €0.8m investment in IT systems.
- Variation in finance assets of €-1.4m linked to the reimbursement of a significant part of the current accounts between SAPMER SA and it subsidiary MDM plus the settlement of the professional tax dispute after the Court of Appeals' decision in the 1st half 2012.

It should be noted that all of TPS IO assets have been classified ad "non-current assets held for sale" at the end of 2012 for €1.5m.
The increase of the needs in working capital reflects:

- The fluctuation of current assets mainly the inventories for €+6.3m and clients for €+1.5m related to the increase in activity.
- In the other current liabilities, we have an increase in trade payables of €3.3m and social and fiscal payables of €2.8m

Shareholders' equity totalled €45.9m at the end of 2012 compared to €38.4m at the end of 2011. The increase (€7.5m) includes the 2011 dividends paid in May 2012 for €-1.4m, 2012 net income for +€8.6m, fair value discounting of financial instruments for hedging interest rates for €+0.3m, and the cost of stock options for €+0.04m.

We were subject to an increase of €+40.3m of our net debt, due to the financing of the coming into operation of 2 of our tuna ships, with a borrowing at €+33m (including the €3m short term WC). Available cash decreased by €11.3m due to the financing of the new tuna ships. Other fluctuations are due to the loan repayment at €-4.9m, the not-paid profit-sharing at €0.4m and the increase in accrued interests no yet paid at €0.6m.
2011 and 2012 liabilities interest rate swaps value is stable at €11.5m. The rate decrease helped level the effect of the 2012 payments.
This year's strong increase of the provisions for pension obligations (€0.4m) follows unfavourable discount effect.

Financing

Financial debt on the balance sheet at the end of 2012 relates to the financing of 5 tuna purse seiners and the MER DES MASCAREIGNES factory. The loans for the longliners were cleared in 2011 so there is no further financial debt on the Southern Seas fishing activity.

We are in compliance with the covenants required by the banks (Gearing and Leverage)

	2012	2011
Net Debt	**91.2**	**50.9**
Equity	**45.9**	**38.4**
Gearing	**1.98**	**1.32**
EBITDA	**24.2**	**20.5**
Leverage	**3.8**	**2.5**

In 2013, SAPMER SA is to focus on its Southern seas and Indian Ocean tuna fishing activities by operating the current 5 tuna ships. We will therefore have a decrease in our 2013 debt. Our future tuna ships' investments will be done through other SAPMER Holding PTE's subsidiaries.

2.4. ANALYSIS OF CASH FLOW TABLE

The Group's activity allowed at the end of December 2012 €16.7m cash to be generated, even with a negative impact linked to the €6.2m in taxes (Corporate tax payment for all of 2011 and an estimation for 2012).

During the year, the Group invested €50.5m in Capex, mainly in the two new tuna purse seiners which arrived in 2012, Dolomieu in April and Bélouve in September. The Group also invested in IT systems (Hardware and an ERP Navision project including internal and external costs) plus the construction of a new value enhancing unit in Mauritius.

These investments required new financial borrowing of €30m as well as a new short term credit line of €3m to cover net working capital requirements. During the year SAPMER paid €5m of its financial debt, and €4m of its interest expenses.

In, 2012, the Group distributed dividend of €1.4m, or double the previous year's distribution.

At the end of 2012 the cash flow level had decreased by €11.2m to reach €7.4m.

3. DEVELOPMENT AND OUTLOOK

In 2013 SAPMER SA is to focus on its Southern seas and Indian Ocean Tuna fishing activities by operating the 5 tuna ships currently in activity. An additional ship will be in operation compared to 2012.
SAPMER's objective is to reach a 10% growth of its revenues while still maintaining good profitability. In order to do so, one must take into account a steady economic situation and more specifically steady southern seas products sale price and whole tuna sale price.

3.1. FISHING ACTIVITY

2013 first half demand for the historical Southern Seas products, stays good. Toothfish 2013 sale prices stay steady. We were, however, subject to a slight decrease on Rock Lobster price.

With a fleet of 5 -40°C tuna purse seiners, SAPMER is the sole ship owner able to compete with the Japanese and Korean tuna purse seiners in the Indian Ocean. It should be noted that SAPMER's fleet is new (first tuna purse seiner Franche Terre came into operation in 2009) compared to its competitors' aging fleet.

Fishing with new ships allows SAPMER to have the latest technologies on board, such as Diesel electric propulsion systems, which dicrease fuel consumption, important factor in today's economic context of rising fuel price.

This top technological equipment draws the attention of experienced sailors and gives SAPMER the opportunity to recruit the best crews for its ships.

3.2. VALUE-ENHANCING ACTIVITY

In 2012, the Japanese market was buying loins with rising prices and a diversification of our customer portfolio. The challenge is now to develop other loin sales markets outside of Japan. 2013 1st half loin sales are diminishing due to the depreciation of the yen, quite unfavourable for SAPMER.

Steaks, on the other side, are subject to a strong sale and margin growth thanks to the recognition of the premium quality of its products on the European market and the exportation to new clients in North-America.

The breakdown of revenues for the "value-enhancing" activity should therefore level out between loins and steaks in 2013.

The percentage of catch being processed increased by 3 points in 2012 compared to 2011, at 36%. Our current objective is to process 50% of our catch, which will be made possible by the coming into service of a new processing line for 'small fish' in a new factory "TUNA PROCESSING SERVICES" (TPS) and the launch of new products made from skipjack tuna, on the market.

The second factory "TUNA PROCESSING SERVICES" project began in 2012 in order to increase SAPMER Group's value-enhancing capacity by 21 000 tons in Mauritius. It is due to come into service in April 2013. With MDM's 9 000-ton capacity, the Group has a total value enhancing capacity of 30 000 tons.

A second cold-room, built in partnership with MFD, is to come into service during 2013 second half. It increases the Group's 2 500-ton storage capacity to a total capacity of 6 100-ton.

4. SUBSIDIARIES AND PROFIT-SHARING

The scope of consolidation on December 31, 2012 includes the following companies:

Companies	*Location*	*% holding*	*Consolidation method*
SAPMER SA (*)	Reunion Island	Parent	Full consolidation
LES ARMEMENTS RÉUNIONNAIS SAS (*)	Reunion Island	100%	Full consolidation
ARMAS PÊCHE SAS (VIA SOPARMA) (*)	Reunion Island	100%	Full consolidation
SOPARMA SAS (*)	Reunion Island	100%	Full consolidation
ARMEMENT SAPMER DISTRIBUTION SARL (*)	Reunion Island	99,6%	Full consolidation
MER DES MASCAREIGNES Ltd	Mauritius	50%	Proportionate consolidation
TUNA PROCESSING SERVICES INDIAN OCEAN LTD [1]	Mauritius	100%	Full consolidation
SAPMER TECHNICAL SERVICES Ltd	Mauritius	100%	Full consolidation

(*) Fiscally consolidated companies
[1] The Mauritian subsidiary SAPMER MANAGEMENT SERVICES (SMS) changed name in July and became TUNA PROCESSING SERVICES INDIAN OCEAN (TPS IO).

- ✓ LES ARMEMENTS REUNIONNAIS SAS

This subsidiary is the sole owner and operator of the longliner (for toothfish) "Ile Bourbon".
Revenues decreased due to a change in fishing trips' dates between 2011 and 2012. This decline in activity had an impact on results, compared to 2011.

- ✓ ARMEMENT SAPMER DISTRIBUTION SARL

This subsidiary conducts occasional marketing operations in France for SAPMER Group's products. No activity in 2012.

- ✓ ARMAS PECHE SAS

This subsidiary is the owner and operator of "Mascareignes III" (for toothfish) and co-owner and operator at 35% of "Austral" (for rock lobster). Revenues are in slight decrease. Net income is stable thanks to the Rock Lobster activity which undergoes a very good year.

- ✓ SOPARMA SAS

Its activity is limited to the management of its subsidiary ARMAS PÊCHE. Income was positive.

- ✓ MER DES MASCAREIGNES Ltd

MER DES MASCAREIGNES, value-enhancing factory, is a joint venture between SAPMER SA and SEA FOOD HUB LTD (IBL Group). It is located at Port Louis, Mauritius. Net income increased sharply following the increased processing volumes of fish caught. The activity's future looks favourable for 2013, given the expected catch volumes of the five tuna purse seiners.

- ✓ TUNA PROCESSING SERVICES INDIAN OCEAN Ltd

This subsidiary's role is to be a second complementary value enhancing of sea products unit for the Group. It is based in Port Louis – Mauritius. This company first known under the name SAPMER MANAGEMENT SERVICES Ltd (SMS) in 2011 changed its name in July 2012 to TUNA PROCESSING SERVICES INDIAN OCEAN Ltd.

TPS IO's activity in 2012 can be divided into 2 categories:

- Logistics and administrative activities related to tuna fishing
- Construction overseeing of the future value enhancing unit.

The company was subject to a gradual increase in 2012 with the hiring of key personnel for this future unit's organisational body.

- ✓ SAPMER TECHNICAL SERVICES Ltd :

SAPMER Technical services Ltd, GBL2 Company built under Mauritian law is today a service provider and overseas ships' construction. This subsidiary is 100% owned by SAPMER SA and is based in Port Louis – Mauritius.
During the year the company completed the overseeing of the Dolomieu and Bélouve ships' construction.

5. ADDITIONAL INFORMATION

5.1. ACCOUNTING METHODS

The consolidated financial statements for SAPMER Group are drawn up according to IFRS, as adopted in the European Union.
There was no change in the accounting methods in 2012.

5.2. SAPMER SA PARENT COMPANY FINANCIAL STATEMENTS

The financial statements of SAPMER SA are drafted in accordance with the rules of the French General Accounting Plan (*Plan Comptable Général*) 1999. There was no change to the accounting methods or presentation of the annual financial statements in 2012.

SAPMER SA is the Group's parent company; it is the owner and operator of the longliners Albius and Croix du Sud, and 65% co-owner and operator of the lobster trawler, the Austral. The three tuna purse seiners are leased to "tax-exempt" companies (under finance lease contract). In 2012, SAPMER SA acquired two tuna purse seiners, sister-ships of the first three.

INCOME STATEMENT IN € THOUSANDS	Dec-12	Dec-11
Revenues	75 497	57 856
Other income from operations	11 955	4 580
Total Operating Revenue	**87 452**	**62 436**
Supplies, inventories and external charges	-50 246	-38 348
Taxes and duties	-3 340	-2 508
Personnel expenses	-20 370	-14 886
Operating provisions	-3 011	-1 893
Other operating expenses net of income	-1 709	-737
Operating income	**8 776**	**4 064**
Share of transfered results	-1 210	-695
Financial income	1 149	-565
Extraordinary income	-578	112
Pre-tax income	**8 137**	**2 916**
Employee profit-share	-901	-940
Income tax	-339	58
NET INCOME	**6 898**	**2 034**

Revenues for SAPMER SA were significantly higher by +30.5% at €75.5m in 2012, compared to €57.9m in 2011. Net income came to €6.9m in 2012 versus €2.0m in 2011. This improvement is largely due to the development of the tuna activity.

Other products registered €11.9m, this increase, compared to 2011, is mainly due to the capitalisation of 2 new tuna ships' fitting expenses and the increase of stored production.

The €+4.7m increase of the operating income is mainly due to the tuna sales profitability and the value enhancing activity.

Financial income reached €1.1m. It mainly includes the company's dividend income which increased at €5.6m by SAPMER's subsidiaries, and €4.7m of interest charges for the borrowings of the 5 tuna ships in activity.

€-0.6m extraordinary results are due to special depreciation allowances, specifically those of the 2 new tuna ships.

Net income reached €6.9m. Taxes, registered at €-0.3m, mainly benefit from the use of previous years' tax credit.

BALANCE SHEET IN € THOUSANDS	Dec-12	Dec-11
ASSETS		
Net intangible assets	2 251	1 597
Net tangible assets	57 071	11 232
Financial assets	53 726	60 616
Fixed assets	**113 048**	**73 445**
Net inventories	14 074	8 395
Net trade and other receivables	15 445	18 419
Prepaid expenses	4 158	3 383
Cash and cash equivalents	3 877	3 659
Current assets	**37 554**	**33 857**
Conversion losses	66	
TOTAL ASSETS	**150 668**	**107 302**
LIABILITIES	**Dec-12**	**Dec-11**
Share capital	2 774	2 774
Reserves and retained earnings	15 088	14 441
Annual net income	6 898	2 034
Subsidies and provisions	1 927	1 454
Total shareholders' equity	**26 686**	**20 703**
Provisions for risks and charges	**1 896**	**2 059**
Borrowings	97 521	68 724
Other financial debt	4 969	134
Other liabilities	19 554	15 583
Deferred income		
Total debt	**122 044**	**84 441**
Conversion gains	42	99
TOTAL LIABILITIES	**150 668**	**107 302**

The increase of net tangible assets is due to the acquisition of the tuna ships Dolomieu and Bélouve.

The increase of liabilities can be explained by the €30m borrowing contracted in 2012 to finance the 2 new tuna ships and the €3m credit line at 3 months.

The decrease of provisions for risks and contingencies is mainly due to the reversal for €0.8m, of the TP provision for litigation.

5.3. BREAKDOWN OF THE BALANCE OF TRADE PAYABLES

The situation of trade payables in the SAPMER SA parent company financial statements is shown in the table below.

SITUATION AT Dec. 31, 2012 in € thousands	DUE				
	Balance	< 30 days	31-60 days	61-90 days	> 90 days
Trade payables	7 212	5 264	1 385	343	220
Related accounts	2 553				
Total trade payables and related accounts	9 765				
SITUATION AT Dec. 31, 2011 in € thousands	DUE				
	Balance	< 30 days	31-60 days	61-90 days	> 90 days
Trade payables	3 934	3 168	372	237	157
Related accounts	2 308				
Total trade payables and related accounts	6 242				

5.4. DIVIDENDS PAID FOR THE LAST THREE YEARS

Dividends distributed for the last three years were as follows:

Year	Total dividend distributed	Income distributed that is eligible to the tax credit mentioned in 2° of Article 158-3 of the French General Tax Code	Income distributed that is not eligible to the tax credit mentioned in 2° of Article 158-3 of the French General Tax Code
31/12/2011	€1 386 919	€1 386 919	N/A
31/12/2010	€ 687 790	€ 687 790	N/A
31/12/2009	€ 687 790	€ 687 790	N/A

On the recommendation of the Board of Directors to the Shareholders' Meeting, it is proposed that in May 2013, a dividend will be paid from the 2012 income, for the amount of €0.5 per share, for a total distribution of €1 734k (based on 3 467 298 shares comprising the share capital at December 31, 2012).

5.5. EVENTS SUBSEQUENT TO THE CLOSE

Beginning of January 2013, SAPMER SA brought its guarantee to its Mauritian subsidiary TUNA PROCESSING SERVICES Ltd in favor of Barclays Bank PLC for an amount of €2 500 under a loan agreement with Barclays Bank PLC in December 2012 for funding future value enhancing units in Mauritius.

5.6. INFORMATION ON THE DIRECTORS AND CORPORATE OFFICERS

The Board of Directors of SAPMER SA is composed of six members. The positions held by the directors and corporate officers of SAPMER SA in 2012 are presented below.

Mr Jacques DE CHATEAUVIEUX: Director and Chairman of the Board of Directors of SAPMER,
Mr Henri DE CHATEAUVIEUX: Director of SAPMER,
Mr Guy DUPONT: Director of SAPMER,
Mr Yannick LAURI: Director and General Manager of SAPMER
Mr Christian LEFEVRE: Director of SAPMER,
Mr Xavier THIEBLIN: Director of SAPMER,

Other positions exercised in 2012 outside SAPMER:

- **Mr Jacques de CHATEAUVIEUX**:

First term of office: June 18, 1992
Chairman of SAPMER HOLDING PTE (Singapore)
Chairman of the board of Directors of BOURBON
Chairman of CANA TERA SAS
Chairman and Managing Director of JACCAR HOLDINGS SA (Luxembourg)
Director of AXA until February 15, 2012
Director, SINOPACIFIC SHIPBUILDING GROUP (China)
Member of the Supervisory Board, PIRIOU SAS
Director, EVERGAS (Denmark)
Advisor to the Board, CBo Territoria SA
Chairman of the Board of Directors of SAGES
Chairman of GREENSHIP HOLDINGS (Singapore)
Chairman of SAPMER INVESTISSEMENTS SAS

- **Mr Henri de CHATEAUVIEUX**:

First term of office: June 18, 1992
Chairman: MACH-INVEST
Director: BOURBON
Managing Director of MACH-INVEST INTERNATIONAL SA

- **Mr Guy DUPONT**:

First term of office: June 15, 1995
Chairman: A.S.R. SAS,
Director or Board Member of: BOURBON – CBo Territoria – ART SA – AFD
Manager of: SAS GVS – SCI ORION – SARL LOGSUD – INK OI

- **Mr Christian LEFEVRE**:

First term of office: April 9, 2008
Chief Executive Officer of BOURBON (from January 1, 2011)
Director: ENSM
Chairman of MARINE SAS

- **Mr Yannick LAURI**:

First term of office: April 12, 2002
Chief Executive Officer of SAPMER SA
Director of SAPMER HOLDING PTE (Singapore)
Manager of ARMEMENT SAPMER DISTRIBUTION SARL
Representing SAPMER SA, Chairman of LES ARMEMENTS RÉUNIONNAIS SAS
Representing SAPMER SA, Chairman of SOPARMA SAS
Chief Executive Officer of SAPMER INVESTISSEMENTS SAS
Director of MER DES MASCAREIGNES Ltd
Director of TUNA PROCESSING SERVICES INDIAN OCEAN Ltd (Mauritius)
Director of SAPMER TECHNICAL SERVICES LTD

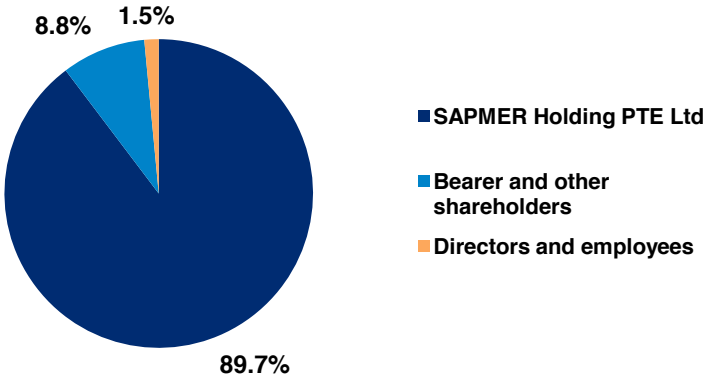
- **Mr Xavier THIEBLIN**:

First term of office: 26 April 2012
Director of SAPMER HOLDING PTE (Singapore)
Chairman of FINANCIERE MASCARIN SAS,
Director of MASCARIN SA,
Director of BOUCAN CANOT SA
Permanent represent of OXACO HOLDING at the Board of Antenne Réunion SA
Director of SUCRIERE DES MASCAREIGNES Ltd,
Director of COMPAGNIE BOURBON PLASTIQUES SA,
Manager of Ltd: OXACO HOLDING, Domaines et Châteaux
Manager of civil society: SC Anne, SC Olivier, SC Chantal, GFA Fonscolombes Paradis

5.7. SHAREHOLDERS AND THE STOCK MARKET

The share capital of SAPMER SA is made of 3 467 298 shares at 0.8 €/shares for a total amount of €2 773 838.

Breakdown of shares on 31 December 2012



The capital does not include any shares with a preferential right. Employees and directors hold a total of 1.5% of the company's share capital. It is specified that SAPMER SA does not hold any own shares.
In accordance with Article L.233-13 of the commercial code, we hereby, identify the persons owning directly or indirectly on 31 December 2012, more than 5%, 10%, 15%, 20%, 25%, 30 %, 33.33 %, 50%, 66.66 %, 90%, or 95% of the share capital or voting rights at the Annual General Meetings:

Shareholders	Of holding	Of voting rights
Having more than 5%	OXACO SARL	OXACO SARL
Having more than 2/3	SAPMER HOLDING	SAPMER HOLDING

Transactions done by managers on the company shares

The table below, prepared in accordance with the provisions of Articles L. 621-18-2 of the French Monetary and Financial Code and 223-26 of the General Regulations of the AMF, presents a summary of the transactions during the year by the managers and the people associated with them, for which the Company has received notification:

Type of transaction: buy/sale	Date	Manager	Number of shares (1)	Cumulated gross amount of transactions (1)
Sale	2012	Mr. Y. LAURI	364	9 100.00 €
Sale	2012	Mr. Y. LAURI	466	11 719.90 €
Sale	2012	Mr. Y. LAURI	221	5 613.40 €
Sale	2012	Mr. Y. LAURI	96	2 496.00 €

(1) Total amount declared by the directors during the financial year

Stock market performance in 2012

Highest share price in 2012 is €27.50 and lowest is €13.79.
The share flotation price was €24.70 on 31 December 2012.
For information the share price at the date of its listing on July 2009 was €15.
ISIN code: FR0010776617-ALMER

5.8. RELATED PARTY TRANSACTION

In accordance with Article L.225-40 of the French Commercial Code, we request your approval for the regulated agreements.
The Statutory Auditors have drafted a corresponding special report.
Some of these agreements may not have been previously authorised by the Board. They therefore require approval under the terms of Article L.225-42 of the French Commercial Code.

5.9. MISCELLANEOUS

Research and development

The company has not used any sum of money for "research and development".
SAPMER contributed to the creation of the Southern Seas foundation early 2013. This foundation is the first French foundation to work in the exploitation of halieutic resource. Its purpose is to initiate, support, fund, or participate in the financing of all studies or selected research related to the sea in the Southern Seas waters, especially those related to the seabed, fishing, fauna and flora.

Non-deductible expenses

The company has not undertaken any lavish expenditure (French General Tax Code, Article 39.5 – 223 quinquies)

Compensation for management bodies

A total of €549k in compensation was recorded for the financial year 2012.
Managers are members of the Operational Committee, which has 3 members.

Compensation for the statutory auditors (parent company and consolidated financial statements)

Fees totalling €99k were recorded in 2012.

Exposure to foreign exchange risks

In 2012, 48% of our sales were done in USD mainly for our Southern seas activity. These transactions were hedged by forward contracts. It is taken into account in the hedging in USD, more specifically for the refuelling of the ships.
We estimate a favourable currency impact of €3m in sales in 2012 compared to 2011 (Average rate change from 1.39 to 1.29).

Work council observations

The Works Council has not made any observations under the provisions of Article L. 2323-8 of the French Labour Code.

6. INFORMATION CONCERNING SOCIAL AND ENVIRONMENTAL ASPECTS OF THE COMPANY'S ACTIVITY

6.1. SOCIAL INFORMATION IN RELATION WITH THE FRENCH COMPANIES OF THE GROUP

6.1.1 Employment

SAPMER Group's workforce has increased for the past years. At the end of 2012, the number of full time employees for SAPMER Group was at 274 (French employees only, excuding foreign sailors). The workforce increased greatly due to the coming into operation of 5 tuna ships, two of them in 2013.
To this total, should be added sailors seconded by foreign companies.
The crews are licensed, regularly trained, and all possible measures are taken in order to ensure their safety at sea as well as on shore.

6.1.2. Social relations

The group has a works committee, inter-company works committee, Group works committee, staff delegates, on-board delegates and Occupational Health and Safety Committee who ensure the representation of shore-based and seafaring employees and an open dialogue with the management team.
Agreements on participation, profit-sharing and company saving plan were ratified with the staff representatives.

6.1.3. Health and safety

An analysis of risk prevention is performed for each work unit based on the Group's health and safety policy. Actions are put into place based on those results.
Incidents, near accidents and possible accidents induce an analysis in collaboration with the Occupational Health and Safety Committee. Reports are established with actions needed to be implemented which will be subject to follow ups.

6.1.4. Training

In 2012, the training budget was €107 352, or 1.57% of the global workforce (SAPMER SA and its French subsidiaries), representing 3 358 hours of training. In 2012, 63 training programs were carried out.
The training plan is implemented according to the process provided by law. It is updated annually after reviewing the wishes of everyone's training requests provided by each department's manager, and by the works committee. The final decision rests with the board of managers and is based on the relevance of the wishes with the needs of the group and foreseeable promotions for the employee.
Crews are regularly trained and all measures are taken to ensure the safety of sailors at sea. A training manual is handed over to all sailors in order to remind them of the steps to be taken in case of problems. Un-notified training exercises are also regularly organized.

6.1.5. Equal treatment

Management is careful in regards to equality between men and women, the integration of handicapped people and accepts no discrimination in any shape or form.

6.2. ENVIRONMENTAL INFORMATION

6.2.1. Company general policy in regards to environmental actions

SAPMER SA strives to integrate respect for the environment in all its activities, based on internal specifications as well as strict rules and regulations. For transparency, the Group has taken steps to certify all its activities. It gained Friend of the Sea certification following the Responsible Fishing recognition delivered by Bureau Veritas. A MSC certification is also under way for its toothfish activities

6.2.2. Pollution and waste management

Sea activities are highly regulated, either by regulation or internal decisions. Compliance with environmental regulations (waste disposal, pollution prevention, etc.) is validated by annual visits from the authorities issuing navigation permits. Environmental and pollutions risks are therefore under control and taken into account in all daily activities.
At sea, the criteria are more stringent than the international convention for the prevention of ships' pollution, known as MARPOL Convention are applied by all vessels. Even the ships not sailing in sensitive zones subject to these regulations, follow those provisions.
Each ship is fitted out with equipment allowing them to fight pollution, if an accidental release should occur. On board products are selected based on a list of biodegradable references.

6.2.3. Sustainable use of the resource

Measures are taken to reduce over-consumption on shore and at sea and improve the energy efficiency of the ships. The longliners and the Pot Lobster vessel were subject to a power reduction of its main engines in order to reduce consumption.
The tuna purse seiners have a Diesel-electric propulsion system for energy saving, reduction of air pollutant emanations and greater manoeuvring abilities.

6.2.4. Climate change

Under different protocols (1978 and 1997) and resolutions, including resolution 117 (58) on the subject, all ships have certificates to prevent air pollution, including the engines. Technical arrangements are in place to limit consumption and waste.

6.2.5. Protection of biodiversity

The combined effort of the ship owner and regional fisheries management organisation (CCAMLR for the French Southern and Antarctic territories (TAAF) and CTOI for tuna) ensure that the resource fished does not endanger the entire species.
Measures are also in place on board the ships to target catch and avoid any impact on non-targeted species, whether be fish, mammals or birds. Technical devices (radars, sonars, scaring bird devices, ecological FAD), organisational set ups (night fishing for longliners) or human training, help minimize any impact.

6.3. INFORMATION ON SOCIAL COMMITMENTS IN FAVOUR OF SUSTAINABLE DEVELOPMENT

6.3.1. Territorial, economic and social impact

Generally, local employment and use of local companies or the Indian Ocean area are preferred. Local purchases are also preferred.
If a part of the maintenance activities of vessels requires the use of companies, mostly local, most of the interventions are carried out by internal employees to the company.

6.3.2. Relationships with other bodies

The group is involved in professional organisations, educational organisations and associations. This involvement, often local, is in the form of partnership or sponsorship.

6.3.3. Subcontractors and suppliers

Biodegradable products are required on board. Suppliers are encouraged to offer only this type of product. Local products are also preferred.
Whenever possible, purchases are made preferably with companies combining humanitarian action to the sales of their products.

The company is not concerned with "technological risks."

7. PROPOSED RESOLUTIONS OF THE BOARD OF DIRECTORS

The resolutions proposed by the Board of Directors to the Shareholders' Meeting include the following particular points:

7.2. DIVIDEND DISTRIBUTION

The Shareholders' Meeting is asked to approve payment of a dividend in May 2013 from the income for 2012, in the amount of €0.5 per share, for a total distribution of €1 734k (based on 3 467 298 shares comprising the share capital on December 31, 2012).

7.3. RENEWAL OF A NEW DIRECTOR

It is proposed to the General Meeting to renew all current SAPMER SA directors.

7.4. RENEWAL OF AUDITORS

It is proposed to the General Meeting to renew the current two SAPMER SA statutory auditors.

The draft resolutions submitted to you refer to the main points of this report.

We would very much appreciate it if you would approve them. Thank you for your trust in us.

The Board of Directors

COMPANY FINANCIAL RESULTS FOR THE LAST FIVE FINANCIAL YEARS

Heading	2012	2011	2010	2009	2008
I – Capital at year end (in €k)					
Capital	2 774	2 774	2 751	2 751	2 559
Number of ordinary shares in existence	3 467 298	3 467 298	3 438 948	3 438 948	3 198 670
Number of priority-dividend shares (with no voting right) in existence					
Maximum number of shares to be created in future					
- By bond conversion					
- By exercise of subscription warrants					
II – Operations and Income for the year (in €k)					
Revenues excluding VAT	75 497	57 856	34 645	20 256	25 796
Income before tax, employee profit-sharing and provisions for amortisation and depreciation	10 695	4 334	-238	-527	2 803
Income tax	-339	58	1 153	192	-82
Employee profit-sharing due for the year	-901	-940	0	0	-35
Income after tax, employee profit-sharing and provisions for amortisation and depreciation	6 898	2 034	-1 057	-910	-124
Distributed income	1 734	1 387	688	688	640
III – Earnings per share (in €k)					
Income after tax and employee profit-sharing but before provisions for amortisation and depreciation	2.73	1.00	0.27	0.00	0.00
Income after tax, employee profit-sharing and provisions for amortisation and depreciation	1.99	0.59	-0.31	-0.26	-0.04
Dividend per share	0.50	0.40	0.20	0.20	0.20
IV – Personnel (in €k)					
Average number of employees during the year	244	208	197	176	166
Payroll expenses for the year	17 479	13 354	9 738	7 538	6 938
Amount paid for employee benefits in the year (social security, charitable work) ...)	2 891	1 532	1 376	1 052	991

TABLE SHOWING OUTSTANDING DELEGATIONS OF AUTHORITY GIVEN BY THE SHAREHOLDERS' MEETING TO THE BOARD OF DIRECTORS

Year 2012

Authorizations	Maximum nominal amount of capital increase	Date of authorization	Duration (and end date of validity of the authorization)	Use of existing authorizations during 2012	Nominal amount of the issue of shares and/or transferable securities	Particular features of the operation
Authorization to the Board of Directors to grant options to subscribe and/or purchase shares to salaried employees (and/or certain corporate officers)	3% of the share capital outstanding on the date of this allotment. The total number of shares that may be granted free of charge by the Board of Directors under the following authorization will be included in this ceiling.	AGM of April 26, 2012 (9th resolution)	38 months (June 25, 2015)	None		
Authorization to the Board of Directors to allocate shares free of charge to salaried employees (and/or certain corporate officers)	3% of the share capital outstanding on the date of this allotment. The total number of shares to which the options that may be granted by the Board of Directors give entitlement under the previous authorization will be included in this ceiling.	AGM of April 26, 2012 (10th resolution)	38 months (June 25, 2015)	None		

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Special report on stock options
General Meeting of May 21, 2013

(L 225-184 of the French commercial code)

1. Statement of stock options granted to employees and corporate officers

Name of plan	Date of authorization by General Meeting	Date of award by Board of Directors	Type of shares awarded (new or existing (N or E)	Number of shares awarded	Expiration date	Exercise price (with tax credit-not applicable to corporate officers)	Number of options exercised in 2012	Number of options voided at Dec. 31,2012	Number of options not exercised at Dec. 31, 2012
SO 2009 Plan	May 12, 2009	June 11, 2009	N or E	52 700	July 31, 2015	14.25 €	None	1 800	50 900

2. Options granted to corporate officers in 2012

Options granted by the company	**Type:** **Number:** **Deadlines:** **Price:**	**None**
Options granted by an affiliated company	**Company:** **Type:** **Number:** **Deadlines:** **Price:**	**None**
Options granted by a company controlled under a mandate	**Company:** **Type:** **Number:** **Deadlines:** **Price:**	**None**

3. Options exercised by corporate officers in 2012

Options (held by the company) exercised	**Type:** **Number:** **Price:**	**None**
Options (held by an affiliated company) exercised	**Company:** **Type:** **Number:** **Price:**	**None**
Options (held by a controlled company) exercised	**Company:** **Type:** **Number:** **Price:**	**None**

4. **Options granted in 2012 to the ten company employees with the highest number of options granted:**

Company employees	Options granted by the company and affiliated or controlled companies				
	Type of the option	Number	Deadlines	Price	Conferring company
None					

5. **Options exercised in 2012 by the ten company employees acquiring the highest number of new or existing share: None**

Company employees	Exercised options held on the company and affiliated companies or controlled				
	Type of the option	Number		Price	Conferring company
None					

6. **Options granted by the company and affiliated or controlled companies in 2012, to all beneficiary employees:**

Category of beneficiaries	Number of beneficiaries	Number of the options	Type of the option	Price	Deadlines	Conferring company
None						
Total						

The Board of Directors

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Special report on the allotment of free shares
General Meeting of May 21, 2013

(L 225-197- 4 of the French Commercial code)

1. **Statement of allotments of free shares to company employees or companies affiliated directly or indirectly within the meaning of Article L. 225-197-2 of the French Commercial Code and/or to corporate officers meeting the conditions stipulated in Article L. 225-197-1 of the French Commercial Code.**

Name of plan	Date of authorization	Date of allotment by Board of Directors	Number of shares allotted	Number of shares allotted that were voided	Type of shares allotted : new or existing	Effective date of allotment	Value of share (on date of allotment)
AGA 2009 Plan	May 12, 2009	June 11, 2009	31, 020	2, 670	New or existing	June 14, 2011	€15

2. **Allotments granted to corporate officers of the company in 2012.**

Allotments granted by the company for mandates and functions exercised in the company	**Number: Value:**	**None**			
Allotments granted by an affiliated company for mandates and functions exercised in the company	**Company: Number: Value:**	**None**			
Allotments granted by a controlled company for mandates and functions exercised within it	**Company: Number: Value:**	**None**			

3. **Allotments granted in 2012 to the ten company employees with the greatest number of allotments:**

Company employees	Number	Value	Conferring company
None			

4. **Allotments granted by the company and by affiliated companies or groupings in 2012, to all beneficiary employees:**

Category of beneficiaries	Number of beneficiaries	Number of the free shares	Value of the free shares	Conferring company
None				
Total				

The Board of Directors

CHAPTER **2**

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

January 1, 2012 to December 31, 2012

In thousands of euro	Note	2012	2011
Revenues	2.1	**93 053**	**76 994**
Change in inventories of finished goods		4 441	678
Other income		4 156	819
Total income from activities		**101 650**	**78 491**
Cost of purchased materials		-26 964	-19 644
Other external purchases	2.2	-18 209	-15 324
Personnel expenses	2.3	-27 198	-20 152
Taxes and fishing licences		-4 999	-3 910
Other operating income and expenses, net		-129	1 059
EBITDA		**24 151**	**20 521**
Depreciation and amortisation		-6 559	-5 314
EBIT		**17 592**	**15 208**
Cost of net debt		-4 615	-3 174
Other financial expenses and income		-172	-250
Net finance costs	2.4	**-4 787**	**-3 424**
Share in income (loss) of associates		0	0
Income from current operations before income tax		**12 804**	**11 784**
Income taxes	2.5	-4 164	-4 039
Net profit for the period		**8 640**	**7 745**
Attributable to:			
Equity holders of the Company		8 640	7 745
Non-controlling interests		0	0
Earnings per share (basic) in EUR	4.2	2,49	2,24
Earnings per share (diluted) in EUR	4.2	2,47	2,24
Weighted average shares outstanding (basic)	4.2	3 467 298	3 454 793
Weighted average shares outstanding (diluted)	4.2	3 504 236	3 454 793
STATEMENT OF COMPREHENSIVE INCOME			
Net profit for the period		**8 640**	**7 745**
Currency translation differences		-80	8
Effective portion of gains and losses on cash flow hedge instruments		265	-607
Deferred tax on other elements of comprehensive income		0	
Other comprehensive income for the period, net of tax		**185**	**-599**
Total comprehensive income for the period		**8 825**	**7 146**
Attributable to:			
Equity holders of the Company		8 825	7 146
Non-controlling interests		0	0

Notes n° 1 to 5 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of 31 December 2012

In thousands of euro	Note	2012	2011
Property, plant and equipment	3.1	135 736	93 956
Goodwill		0	0
Other intangible assets	3.2	2 257	1 606
Investments in associates		0	0
Financial assets and other receivables		9	1 412
Deferred tax asset	3.12	0	0
Derivative financial instruments		187	257
Total non-current assets		**138 189**	**97 231**
Inventories	3.3	15 964	9 665
Trade accounts receivable	3.4	16 331	14 792
Prepaid expenses and other current assets	3.5	2 328	1 744
Current income tax assets		0	0
Derivative financial instruments		116	0
Cash and cash equivalents	3.6	7 374	18 650
Total current assets		**42 113**	**44 851**
Assets classified as held for sale	4.7	**1 579**	**0**
Total assets		**181 881**	**142 082**
Share capital		2 774	2 774
Other reserves		6 607	6 605
Currency translation differences		-70	2
Retained earnings		36 613	29 061
Total attributable to equity holders of the Company		45 924	38 442
Non-controlling interests		1	1
Total shareholders' equity		**45 925**	**38 443**
Borrowings	3.7	88 549	64 490
Derivative financial instruments		11 472	11 555
Deferred tax liabilities	3.12	4 120	2 955
Retirement benefit obligations	3.10	1 151	789
Provisions for other liabilities and charges	3.11	171	901
Other non-current liabilities	3.8	0	755
Total non-current liabilities		**105 463**	**81 445**
Borrowings	3.7	10 020	5 050
Derivative financial instruments		0	282
Trade accounts payable		10 324	7 033
Current income tax liabilities		29	3 039
Other current liabilities	3.8	9 770	6 790
Total current liabilities		**30 143**	**22 194**
Liabilities held for sale	4.7	**351**	**0**
Total liabilities and shareholders' equity		**181 881**	**142 082**

Notes n° 1 to 5 are an integral part of these consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT

January 1, 2012 to December 31, 2012

In thousands of euro	2012	2011
Income before income tax	12 804	**11 784**
Increase (decrease) depreciation, amortisation and provisions	6 182	5 259
Gains and losses on variations of fair value	-14	415
Non-cash accounting charge for stock options	44	176
Losses (gains) on the disposal of assets	-11	0
Other variation without cash impacts	493	-433
Income taxes paid	-6 154	0
Self-financing cash-flows	**13 344**	**17 200**
Change in net working capital	-1 244	-4 944
Cost of net debt	4 615	3 174
Net cash provided by operating activities	**16 715**	**15 430**
Purchase of property, plant and equipment	-49 669	-6 250
Purchase of intangible assets	-804	-13
Proceeds from sale of property, plant and equipment	17	2
Purchase / sales of investments and financial assets, net	0	0
Net cash provided by investing activities	**-50 455**	**-6 261**
Proceeds from issue of share capital	0	0
Dividends paid to shareholders	-1 387	-688
Dividends paid to non-controlling interests	0	0
Variations in grants	0	0
Proceeds from short and long term borrowings	33 000	0
Cash repayments of amounts borrowed	-5 015	-5 632
Net interest paid	-4 038	-3 442
Net cash provided by financing activities	**22 561**	**-9 762**
Net effect of currency translation on cash and cash equivalents and bank overdrafts	-43	0
Net increase (decrease) in cash and cash equivalents less bank overdrafts	**-11 224**	**-593**
Cash and cash equivalents less bank overdrafts at the beginning of the period	18 610	19 202
Cash and cash equivalents less bank overdrafts at the end of the period	**7 387**	**18 610**

Notes n° 1 to 5 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

As of 31 December 2012

In thousands of euro	Attributable to equity holders of the Company					Total
	Shareholders Capital	Other reserves	Currency translation differences	Retained earning	Non-controlling interests	Shareholders equity
Balance at 1st January 2011	**2 751**	**6 605**	**-6**	**22 455**	**1**	**31 806**
Currency translation differences	0		8	3	0	11
Financial instruments	0	0	0	-607	0	-607
Total income / expense recognised directly in equity	0	0	8	-604	0	-596
Net profit	0	0	0	7 745	0	7 745
Total income recognised in 2011	0	0	8	7 141	0	7 149
Net investment	0	0	0	0	0	0
Non-cash accounting charge for stock options	0	0	0	176	0	176
Issue of share capital	23	0	0	-23	0	0
Dividends	0	0	0	-688	0	-688
Balance at 31st December 2011	**2 774**	**6 605**	**2**	**29 061**	**1**	**38 443**
Balance at 1st January 2012	**2 774**	**6 605**	**2**	**29 061**	**1**	**38 443**
Currency translation differences	0	2	-72	-10	0	-80
Financial instruments	0	0	0	265	0	265
Total income / expense recognised directly in equity	0	2	-72	255	0	185
Net profit	0	0	0	8 640	0	8 640
Total income recognised in 2012	0	2	-72	8 895	0	8 825
Net investment	0	0	0		0	0
Non-cash accounting charge for stock options	0	0	0	44	0	44
Issue of share capital		0	0	0	0	0
Dividends	0	0	0	-1 387	0	-1 387
Balance at 31st December 2012	**2 774**	**6 607**	**-70**	**36 613**	**1**	**45 925**

Notes n° 1 to 5 are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

In the financial accounts and the notes all amounts are shown in € Thousands and differences of €+/- 1 thousand are due to rounding.

These consolidated financial statements include SAPMER SA and its subsidiaries; the scope is hereafter referred to as the "Group".

SAPMER is the historical deep-sea fishing operator in the waters of the French Southern and Antarctic Territories (TAAF) based on the Reunion Island. Having been created in 1947, SAPMER now operates its own fleet of four freezer-long liners for Patagonian Toothfish and a Freezer pot Lobster vessel for Rock Lobster and five tuna purse seiners (on board -40°C deep freeze) for its tuna fishing activity (Yellowfin and Skipjack) in the Indian Ocean.

These consolidated financial statements have been approved for issue by the Supervisory Board on 11 March 2013.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 BASIS OF PREPARATION

Accounting principals

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the European Union. At December 31, 2012, the Standards adopted by the European Union and used by SAPMER for the preparation of these financial statements present no differences with the standards as published by the IASB. The standards, as adopted by the European Union, are available on the website:

http://ec.europa.eu/internalmarket/accounting/iasfr.htm#adopted-commission.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the re-evaluation of the Group's vessels to their "fair value" on January 1st, 2007.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statement are disclosed in Note 1.18.

1.2. APPLICATION OF STANDARDS, AMENDMENTS AND INTERPRETATIONS

Standards, amendments and interpretations to existing standards that are effective in 2012

The amendment to IFRS 7 on required disclosures in the event of a change in valuation method of financial assets, effective as of January 1st 2012, did not have a significant impact on the consolidated financial statements of the Group.

Standards, amendments and interpretations to existing standards that will be effective after 2012

The following standards, amendments and interpretations applicable to SAPMER, whose mandatory application date is January 1st, 2013 or 2014, relate to:

- amendment to IAS 1 on the presentation of gains and losses recognised in equity;

- IFRS 13, which defines the measurement principles of fair value and related disclosures, in case fair value applies.

- IFRS 10, IFRS 11 and IFRS 12 on consolidation, redefining the concept of the control of entities, eliminating the possibility of using proportional consolidation to consolidate jointly controlled entities.

- amendments to IAS 19 on employee benefit commitments which require full and immediate recognition of the effect of actuarial differences taken directly to equity and the calculation of the expected return on plan assets on the basis of the discount rate used to value the underlying obligation rather than on the basis of market expectations for returns.

1.3. CONSOLIDATION

Subsidiaries

All subsidiaries, which are those companies in which the Group, directly or indirectly, has an interest of more than one half of the voting rights or otherwise has power to exercise control over the operations, have been consolidated by the global integration method. Are also included in the scope, all entities in which the Group has a shareholding of more than 20% of the voting rights. Joint ventures are accounted for using the proportional method.

Subsidiaries are consolidated from the date where control is transferred to the Group and are no longer consolidated from the date that control ceases. The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group.

All inter-company transactions, balances and unrealised surpluses and deficits on transactions between Group companies have been eliminated.

A listing of the Group's subsidiaries is set out in Note 5. The annual closing date of the individual financial statements is December 31 apart from MER DES MASCAREIGNES Ltd which closes on June 30th.

1.4. CONSOLIDATION

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Consolidation methods:

The two consolidation methods used are full integration and proportionate consolidation when the Group has respectively exclusive or joint control;

Conversion method:

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Euro, which is the Company's functional and presentation currency.

The individual financial statements of foreign entities, where the functional currency is different to the Euro, are converted using the following rule:

- balance sheet items are translated at year end exchange rates except for the shareholders' equity where historical exchange rates are applied;
- Income statement items are translated into Euro at average exchange rates for the year ;

- Exchange differences are booked into "Exchange differences" in shareholders' equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Foreign currency transactions in Group companies are accounted for at the exchange rates prevailing at the date of the transactions.

Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates on the 31st December are recognised in the line "Other financial expenses and income" in the income statement.

The exchange rates used are detailed in the table below:

	Exchange rate at 31/12/2012	2012 Average exchange rate
Mauritian rupee (MUR)	40.3400	38.4800
United States dollar (USD)	1.3194	1.2856
Japanese yen (JPY)	113.6100	102.6212

Exchange differences relating to monetary items that are in substance part of the net investment in an entity in a consolidated foreign subsidiaries are included in shareholders' equity, net of any tax effect on earnings if applicable, until the sale or liquidation of the investment.

Goodwill:

If the consideration paid for a company differs from the stake in shareholders' equity the difference is analysed and broken down in the relevant balance sheet items.

The difference between the value of the shares acquired and the fair value of the groups share in net assets identified at the time of acquisition is recorded as an asset on the balance sheet under "goodwill."

As at 31st December 2012 the Group doesn't have any goodwill in its accounts.

1.5. Tangible and intangible assets

Intangible assets

Intangible assets have been valued at acquisition cost or fair value.

The intangible assets are mainly software and operating permits (ship).

The group assesses whether an intangible asset is deemed to have or not have an indefinite life

Intangible assets that are not deemed to have an indefinite life are amortised over their expected useful lives and are tested for impairment whenever there is an indication that the intangible asset has lost value. The amortisation period and the amortisation method for an intangible asset that is not deemed to have an indefinite life are reviewed at least at the end of each financial year.

The amortisation periods for the main intangible assets are:
- - Software: 3 years;
- - Operating permits: 22 years.

The operating permits recorded in the Group accounts enabled the first tuna vessel to fish in the Indian Ocean. It is amortised over the useful life of the vessel.

Property, plant and equipment

Fixed assets (excluding vessels) are recorded at their acquisition cost (or internal production cost) less accumulated depreciation and impairment losses.

The vessels in the group balance sheet at 1 January 2007 have been valued at their fair value at that date.

The vessels are broken down into 4-6 parts depending on the type of ship (and activity), including an "overhaul" element.

Each component has its own useful life, but the most significant is the "structure" which represents 75 to 85% of the value of the ship.

The useful lives of the vessels are determined by the likelihood that the Group will continue to use the vessels in their current operations, in a similar context, provided that this period does not exceed the remaining life of the vessel (in the current activity).

The assets are subject to depreciation schedules determined by the duration and the likely conditions of use of an asset generally accepted in the profession taking into account residual value and calculated using the straight line method giving generally:

- Leaseholds improvements: 10 to 14 years;
- Office & IT equipment : 3 to 5 years;
- Furniture : 3 to 5 years;
- Vehicles: 3 to 5 years;
- Vessels: structure : 15 to 25 years ;
- Vessels: overhaul: 5 years.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Financial and Operating Leases

The Group leases certain property, plant and equipment. Leases of property, plant and equipment, where the Group has substantially all the risks and rewards of ownership, are classified as finance leases. Finance lease are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges. The interest element of the finance charge is charged to the income statement over the lease period. The property, plant and equipment acquired under finance leasing contracts are depreciated over the shorter period of the lease term or the asset useful life, unless it is reasonably certain that the lessee will obtain ownership by the end of the lease term, in that case the depreciation period is the useful life.

As part of the acquisition of three tuna seiners "Franche Terre", "Manapany" and "Bernica" the Group has used a tax exemption device for productive investments in French overseas departments. This device provides for the acquisition by private investors, through special purpose vehicle (SPV) companies, ships in exchange for tax benefits. The SPV company leases to the Group the vessels for a period of 15 years.

After the first five years of the contract: SAPMER has a commitment to repurchase the vessels for a price that is equal to the outstanding amount of debt due to the SPV and the investors have a commitment to sell their shares in the SPV companies of a symbolic €1 to SAPMER. The reciprocal commitments of buying and selling means that the lease is classified as a financing lease because when the contracts were signed, the risks and rewards of ownership of the ships were transferred to SAPMER.

The private investor's participation is accounted for as a reduction in the purchase price of the fixed asset. The grant received is therefore recorded as a diminution of the yearly depreciation.

Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense during the period in which termination takes place.

1.6. Financial assets

The gross value is the purchase price, plus any acquisition costs. When the fair value is less than the book value, a provision for impairment is recognised for the difference, when considered definitive. The fair value is determined by taking into account one or more of the following: share capital, comparables, the appreciation of potential in realisable items, returns and outlooks measured by discounted future cash flows.

The group did not have marketable securities at December 31, 2012.

1.7. Inventories

Supply stocks are valued using the weighted average cost method, excluding stocks of bait and fuel which are valued using the FIFO (First In First Out) method, as they are more sensitive to price changes.

Inventories of products caught in the French Southern and Antarctic Territories (mainly lobster and toothfish) are valued using the cost of production of the fiscal year in accordance with IAS 2.

The inventories of tuna products were valued using the cost of production of 2012 excluding the costs of tuna vessels put into service during the year.

Finished products and work in progress at the factory were valued at production cost.

A provision for depreciation has been made:

- Whenever the realisable value or the market price was less than the net asset value;
- Depending on the rotation of the different categories of articles.

Internal profits included in inventories of finished goods were eliminated.

1.8. Trade accounts payables

Receivables are valued at their nominal value. They have been written down, if necessary, to take into account the difficulties in their recovery.

1.9. Deferred and current income tax

When the tax base is different from the accounting basis, a deferred tax asset or liability should be posted in the consolidation.

The tax base refers to the values recorded in the individual consolidation packages and tax returns.

Consolidation restatements and eliminations are adjusted accordingly as follows:

- When the restatement increases the earnings or reserves, a deferred tax liability is deducted from the income statement or the reserves;
- When the restatement reduces earnings or reserves, a deferred tax asset is increased from the income statement or the reserves

Furthermore, temporary differences between taxable profit and accounting profit:

- If the adjustment made in the consolidation results in a decrease of tax for year N, at the end of the temporary difference an increase in tax will be observed;
- If the adjustment made in the consolidation results in an increase of tax for year N, at the end of the temporary difference a decrease in tax will be observed.

Finally, in order not to distort the view given by the consolidated financial statements, the impacts of postings made in the individual accounts of a company solely for the application of the tax laws of its country are eliminated in the consolidation.

The tax rate used for the calculation of deferred taxes on French companies of the Group is 33.33% for 2012. Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Current taxes are determined based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date in the countries where the Group operates and generates taxable income.

1.10. Cash and cash equivalents and bank overdrafts

For the purposes of the Balance Sheet, cash and cash equivalents include cash in hand, deposits held at call with banks, and investments in money market instruments highly liquid (with original maturities of three months or less that can be sold at any time).

Bank overdrafts are shown within borrowings in current liabilities on the Balance Sheet.

1.11. Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where the Company or its subsidiaries purchase the Company's equity share capital, the consideration paid including any attributable transaction costs net of income taxes is deducted from total shareholders' equity as treasury shares until the shares are cancelled. If such shares are subsequently sold or reissued, any consideration received is included in shareholder's equity.

1.12. Regulated provisions

The impact of regulated provisions, including accelerated depreciation provisions, has been eliminated.

The corresponding restatement involved the elimination from the income statement of consolidated companies of depreciation recognised during the year, and the reinstatement of the opening balance in the "Other reserves".

1.13. Borrowings

Borrowings are recognised initially at the fair value received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

The Company and its subsidiaries have entered into several loan and facility agreements. These loans and facility agreements are secured either by contingent securities over assets and/or by financial covenants, determined at company or consolidated level.

A loan for €17m was signed in 2012; the financial covenants attached are as follows:

- Consolidated Net Debt to Consolidated Equity should be less than 2 until the end of 2014 then 1.5 until the end of the loan period;

- Consolidated Net Debt to EBITDA should be less than 4.5 at the closing date of the Company's consolidated financial statements 2012, 3.5 in 2013 and less than 3 thereafter.

A loan for €13m was signed in 2012; the financial covenants attached are as follows:

- Consolidated Net Debt to Consolidated Equity should be less than 2.3 at the end of 2012, 2 in 2013 then 1.5 until the end of the loan;

- Consolidated Net Debt to EBITDA should be less than 4.5 at the closing date of the Company's consolidated financial statements 2012, 3.5 in 2013 and less than 3 thereafter.

The Group has made a detailed review of its liquidity risk and considers that it is capable of honouring its debts. However, in regards to the current economic environment it should be noted that the Company and its subsidiaries are compliant with the criteria of the most important respective lines of credit and at this time do not anticipate any particular liquidity problems or issues regarding the financial covenants within the next twelve months.

The gearing ratios were as follows:

€ Thousand	2012	2011
Net debt (Note 3.6)	91 150	50 889
Total equity	45 924	38 442
Gearing ratio	**1,98**	**1,32**

The Net debt is calculated as total borrowings less cash and cash equivalents..

1.14. Provisions

Provisions for other liabilities and charges are mainly related to litigations and other risks.

The amounts recorded are the best estimation of the expenditure expected to be required to settle the obligation. Management bases its judgements on the circumstances relating to each specific event and upon currently available information. However, given the inherent difficulties in estimating liabilities in these areas (e.g. labour, environmental and commercial risks), it can't be guaranteed that additional costs will not be incurred beyond the amounts accrued.

1.15. Employee benefits

Pension obligations

The obligations of Group companies related to legal or contractual retirement compensation were valued at 31 December 2012 according to the retrospective method of projected credit units with end of career salaries. The selected parameters take into account:

- An assumed age of retirement;
- A projected annual growth rate of wages;
- The length of service;
- The probability of presence in the company on the date of retirement in each of the countries concerned;

And a discount rate equal to the cost of long-term investments.

Share-based compensation

The Group operates share-based compensation plans. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense over the vesting period again an equity account. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and other reserves when the options are exercised.

Profit sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing schemes based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

1.16. Derivative instruments and hedge accounting

The Group uses derivative instruments such as forward exchange contracts, interest rate swaps to manage its exposure to movements in interest rates and foreign exchange rates.

These financial instruments are recorded at fair value ("Mark to Market") at each balance sheet date.

The market value recorded in the consolidated accounts as of December 31, is an instant indication derived from expectations about future market developments and is therefore subject to change, positively or negatively, depending on market movements.

Derivatives instruments are recognised as assets when fair value is positive and as liabilities when fair value is negative.

For the purpose of hedge accounting, hedges are classified as:

- Either fair value hedges when they hedge the exposure to changes in fair value of a recognized asset or liability or a firm commitment (except for foreign currency risk);

- Either cash flow hedges when they hedge the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk on a firm commitment.

The "effective" portion of the derivative financial instrument is recognised in equity (€397k before tax for 2012 for hedging interest rates), the "non-effective" portion in the statement of comprehensive income (€-384k before tax for 2012 for interest rate hedges).

1.17. Earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to equity holders of the Group by the weighted average number of ordinary shares in issue during the year.

Basic earnings per share are calculated by dividing the net profit attributable to equity holders of the Group by the weighted average number of ordinary shares in issue during the year adjusted to assume conversion of all dilutive potential for ordinary shares. The Company has the following categories of dilutive potential for ordinary shares: stock options.

1.18. Significant accounting judgements and estimates

Judgements:

In the process of applying the Group's accounting policies described above, management has made the following judgements that have significant effects on the amounts recognised in the financial statements (apart from those involving estimates, which are dealt with in the following paragraphs).

Provision for risks

Management bases its judgements on the circumstances relating to each specific event and upon currently available information. However, given the inherent difficulties in estimating liabilities in these areas (e.g. labour, environmental and commercial risks), it

can't be guaranteed that additional costs will not be incurred beyond the amounts accrued.

Use of estimates

The Group makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- Fair value estimations of derivative financial instruments (forward exchange rate contracts and interest rate swaps);
- Deferred taxes.

The current economic crisis makes understanding complex economic and financial prospects more complex. It is in this context that the group made its rigorous estimates and judgments to the best of its knowledge.

Economic crisis

Today's financial and economic crisis does not have an impact on SAMPERs activities as the sales are mainly exports:

- Either to countries still supporting global economic growth such as China;
- Either to countries where the fishing industry has continued to grow and shows strength such as Japan.

On-going concern

As a result of the funding activities undertaken and the increased focus on working capital, despite significant additional debt arising from the investments made in the last years, the Group has improved both its short-term and medium-term liquidity position. The Group's expectations, taking account of reasonably possible changes in trading performance, show that the Group should be able to operate within the level of its current financing. After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

1.19. Reporting segments

Segment reporting is based on the internal reporting system of the Group and is organized into two segments:

- Activity "**fishing**" which includes sales of lobsters and other fish caught by the pot lobster boat, toothfish and other fish caught by long liners and whole tuna (tuna caught but not value enhanced in the factory);

- Activity "**Value Enhancing**" includes sales of processed tuna (tuna caught and processes in the factory into loins, steaks ...) and the Mauritian subsidiaries activities.

The assets and liabilities related to tuna are split between the "fishing" and "value enhancing" activities based on the percentage of processable tuna captures by the MER DES MASCAREIGNES factory.

1.20. Non-current assets held for sale

Pursuant to IFRS 5, non-current assets (or disposal groups) and the related liabilities are classified as "held for sale" if their carrying amount will be recovered primarily through a sale transaction rather than continuing use. This classification implies that the assets (or disposal groups) intended for sale are available for immediate sale, in their present condition, and that the sale is highly probable.

The high probability of the sale is assessed on the basis of the following criteria: management has initiated an asset (or disposal group) disposal plan and a program to find a buyer and finalize the plan has been launched. In addition, the assets must be actively marketed for sale at a reasonable price in relation to their fair value. The sale of the assets (or disposal group) is assumed to take place within one year from the date of being classified as assets held for sale.

Non-current assets (or disposal groups) intended to be sold and classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. They are no longer depreciated as of the date they are classified as assets held for sale.

2. NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

2.1. TOTAL INCOME FROM ACTIVITIES

Revenues include the sale of captured and value enhanced fish, storage services and value enhancing services for third parties.

€Thousand	2012	2011	Evolution in %
Fishing activities	73 159	63 819	14,63%
Value enhancing	19 894	13 175	51,00%
Total Revenues	**93 053**	**76 994**	**20,86%**

€Thousand	2012	2011	Evolution in %
Japan	27 642	20 407	35,45%
Other Asia	30 197	33 244	-9,16%
Reunion and Mauritius	13 775	14 009	-1,67%
Nord America	4 972	3 866	28,61%
Europe	8 576	3 590	138,87%
Others	7 891	1 878	320,29%
Total Revenues	**93 053**	**76 994**	**20,86%**

Other income includes:

- the activation of expenses linked to the supervision of the construction of new vessels, the fitting out of the new tuna vessels Dolomieu and Bélouve along with the rolling out of the Groups new ERP system for a total of €3 549k.
- vessel handling services ;
- insurance reimbursements, etc.

2.2. OTHER EXTERNAL PURCHASES

€Thousand	2012	2011	Evolution in %
Distribution costs	2 974	2 053	44,86%
Rent	2 119	1 586	33,57%
Insurance premiums	1 746	1 204	45,00%
Other operational expenses	9 711	8 722	11,34%
Travelling expenses	2 397	1 739	37,81%
Operational accruals	-738	19	-3993,54%
Total Other external purchases	**18 209**	**15 324**	**18,83%**

2.3. PERSONNEL EXPENSES AND STAFF NUMBERS

Number of staff	2012	2011	Evolution in %
Officers	92	69	33,33%
Crew	335	254	32,02%
Total Seafaring	**427**	**323**	**32,30%**
Management	33	21	57,14%
Office staff	21	12	75,00%
Employees	112	105	6,67%
Total land based	**166**	**138**	**20,29%**
Total staff	**593**	**461**	**28,71%**

€Thousand	2012	2011	Evolution in %
Wages and salaries	19 353	14 640	32,19%
Temporary personnel costs *	2 267	1 438	57,62%
Non-cash accounting charge for stock options	44	176	-75,34%
Social security and other personnel costs	5 535	3 897	42,00%
Personnel expenses	**27 198**	**20 152**	**34,96%**

* Temporary personnel costs have been repositioned in the accounts of 2011 from the line “Other external purchases” to the line “Personnel costs” to improve understanding of the income statement

50% of MER DES MASCAREIGNES Ltd staff numbers have been taken into account at Group level.

Non-cash accounting charge for stock options
On the 12th May 2009, the shareholders annual general meeting delegated to the board of directors in its 16th resolution the capacity to grant options, in one or more plans, for the subscription of new shares issued via a capital increase or the purchase of existing shares of the company as allowed by French law for the benefit of employees, certain categories of staff or only selected managers.

The exercise price of the granted options is about equal to the market price on the date of the grant. The Group has no legal or constructive obligation to repurchase or settle the options in cash. The weighted average fair value of options granted during the period is determined using the Black-Scholes valuation model.

	Definitive attribution date	Number of stock options	Average expected option period	Average subscription price	Weighted average fair value of options
Plan 12-05-2009	01/09/2009	10 180	5.5	14.25	2.63
Plan 12-05-2009	30/06/2010	7 635	4.5	14.25	5.23
Plan 12-05-2009	30/06/2011	12 725	3.5	14.25	7.03
Plan 12-05-2009	30/06/2012	12 725	2.5	14.25	8.32

Movements in the number of share options outstanding are as follows:

Number of options	2012	2011
At beginning of the year	30 540	17 815
Options granted *	12 725	12 725
Options exercised	0	0
Options expired	0	0
At end of the year	43 265	30 540

2.4. Net financial costs

€Thousand	2012	2011	Evolution in %
Income from financial investments	110	268	-58,88%
Interest costs on borrowing	-4 726	-3 443	37,25%
Costs of net debt	**-4 615**	**-3 174**	**45,38%**
Changes to financial provisions	0	0	
Other financial income and expenses	14	-415	-103,29%
Net foreign exchange gain/loss	-186	166	-212,26%
Net financial costs	**-4 787**	**-3 424**	**39,81%**

2.5. Income tax expense

€Thousand	2012	2011
Current tax	3 143	3 039
Deferred tax (Note 3.15)	1 021	1 000
Total	**4 164**	**4 039**

The differences between the theoretical amount of income tax that would arise using the basic French tax rate, used in the preparation of the consolidated financial statements as at 31st December 2012 and the effective rate of the period are as follows:

€Thousand	2012	2011
Income from current operations before income tax	12 804	11 784
Tax calculated at domestic rate (33.33%)	***4 268***	***3 928***
Tax impacts		
Impact on non-deductible expenses or not taxable income	289	-1 354
Impact due to consolidation postings	-15	1 742
Impact due to specific tax laws	4	-248
Impact due to differences in income tax rates	-435	0
Other	53	-29
Tax expense of all activities in the income statement	**4 165**	**4 039**
Impact to deferred taxes of discontinued activities	0	0
Tax expense in the income statement	**4 165**	**4 039**

2.6. EBIT BY OPERATING SEGMENT

€Thousand	2012	2011	Evolution in %
Fishing activities	16 269	13 743	18,38%
Value enhancing	1 322	1 465	-9,73%
Total EBIT	**17 592**	**15 208**	**15,67%**

3. NOTES TO STATEMENT OF FINANCIAL POSITION

3.1. PROPERTY, PLANT AND EQUIPMENT

€Thousand	Assets in progress	Lands, buildings and leasehold improvements	Vessels and overhauls	Other property, plant and equipment	Total
Year 2011					
Opening net book amount	7	1 395	88 798	1 793	91 993
Exchange differences	0	1	5	96	103
Additions / reclassification	5 474	74	1 367	142	7 056
Disposals	0	0	-22	0	-22
Tax exemption investors	0	0	1 999	0	1 999
Depreciation and impairment	0	-273	-6 668	-232	-7 173
Closing net book amount	**5 481**	**1 198**	**85 479**	**1 798**	**93 956**
Cost or valuation	5 481	3 067	131 796	2 889	143 233
Tax exemption investors	0	0	-26 518	0	-26 518
Accumulated depreciation	0	-1 869	-19 800	-1 090	-22 759
Net book amount at 31 December 2011	**5 481**	**1 198**	**85 479**	**1 799**	**93 956**
Year 2012					
Opening net book amount	5 481	1 198	85 479	1 799	93 956
Exchange differences	-61	-11	-5	-134	-212
Transfer to non-current assets held for sale	-1 267	-185	0	-60	-1 512
Additions / reclassification [(1)]	-4 119	235	53 491	310	49 917
Disposals	0	0	0	-6	-6
Tax exemption investors	0	0	1 999		1 999
Depreciation and impairment	0	-292	-7 852	-261	-8 405
Closing net book amount	**33**	**944**	**133 111**	**1 648**	**135 736**
Cost or valuation	33	3 088	185 281	2 858	191 260
Tax exemption investors	0	0	-24 519	0	-24 519
Accumulated depreciation	0	-2 144	-27 651	-1 209	-31 005
Net book amount at 31 December 2012	**33**	**944**	**133 111**	**1 648**	**135 736**

[1] The negative amount is the reclassification from “Assets in progress” to “Vessels and overhauls” when the boat is brought into service. The acquisition of vessels during the period mainly concerns the Bélouve and the Dolomieu.

Property, plant and equipment included above, leased under a finance lease are:

€Thousand	2012	2011
Cost or valuation	92 273	92 273
Tax exemption investors	-24 519	-26 518
Accumulated depreciation	-9 356	-5 859
Net book amount	**58 398**	**59 897**

The split of property, plant and equipment by operating segment is as follows:

€Thousand	2012	2011	Evolution in %
Fishing activities	95 234	72 548	31%
Value enhancing	40 502	21 408	89%
Total property, plant and equipment	**135 736**	**93 956**	**44%**

3.2. Intangible assets

€Thousand	Intangible assets
Year 2011	
Opening net book amount	1 724
Exchange differences	0
Additions or transfer	21
Disposal	0
Amortisation charge	-139
Closing net book amount	**1 606**
Cost	2 239
Accumulated amortisation	-634
Net book amount at 31 December 2011	**1 606**
Year 2012	
Opening net book amount	1 606
Exchange differences	0
Acquisitions or transfer	804
Disposal	0
Amortisation charge	-153
Closing net book amount	**2 257**
Cost	3 019
Accumulated amortisation	-762
Net book amount at 31 December 2011	**2 257**

The purchases during the year are mainly related to the ERP (Enterprise resource planning) software. The project is in progress at the end of 2012.

3.3. Inventories

€Thousand	2012	2011	Evolution in %
Raw materials and supplies.	6 343	4 487	41,33%
Finished and semi-finished goods	9 664	5 223	85,04%
Less : Provision for impairment of inventories	-43	-45	-4,63%
Total	**15 964**	**9 665**	**65,16%**

The impact on the inventory of finished and semi-finished goods of the 2 new vessels “Dolomieu” and “Bélouve” is €1.9m at the end of December 2012.

Changes in impairment of inventories €Thousand	2012	2011
Opening net book amount	45	43
Exchange differences	0	0
Addition	0	1
Decrease	-2	0
Closing net book amount	**43**	**45**

3.4. Trade accounts receivable

€Thousand	2012	2011	Evolution in %
Trade accounts receivable – gross	16 331	14 799	10,47%
Less : Provision for impairment of receivables	0	-8	-100,00%
Total	**16 331**	**14 792**	**10,53%**

All trade accounts receivables are due in less than one year.

3.5. Other current assets

€Thousand	2012	2011
Prepayments	69	74
Prepaid expenses	1 929	1 144
Other receivables	330	525
Less : Provision for impairment	0	0
Total	**2 328**	**1 744**

3.6. Cash and cash equivalents and bank overdrafts / Net debt

€Thousand	2012	2011
Cash in hand (Assets classified as held for sale)	43	0
Cash in hand	7 374	18 855
Cash & cash equivalents	**7 417**	**18 855**
Financial instruments	0	-205
Bank overdrafts	-31	-40
Cash and cash equivalents less bank overdrafts	**7 387**	**18 610**

€Thousand	2012	2011
Borrowings	98 568	69 539
Cash & cash equivalents	-7 417	-18 650
Net debt	**91 150**	**50 889**

3.7. Borrowings

Variation of borrowings during the period:

€Thousand	2012	2011
At beginning of year	69 499	75 449
Exchange differences	-16	40
Accrued interest payable	577	-221
Changes to debts with associates	379	-137
Proceeds from borrowings	33 000	0
Repayment of borrowings	-4 903	-5 632
At end of year	**98 537**	**69 499**
Bank overdrafts	31	40
Total Borrowings	**98 568**	**69 539**

The breakdown of loans between fixed rate and floating rate and by currency:

€Thousand	2012	2011
Loans by type of rate		
Fixed rate	32 628	53
Floating rate	64 381	68 874
Before hedging transactions	**97 008**	**68 927**
Fixed rate	96 508	68 141
Floating	500	786
After hedging transactions	**97 008**	**68 927**
Loans by currency		
Euros	97 008	68 927
Other currencies	0	0
Loans by currency	**97 008**	**68 927**

The split of loans between operation segments is set out below:

€Thousand	2012	2011	Evolution in %
Fishing activities	63 230	46 388	36%
Value enhancing	33 778	22 539	50%
Total loans	**97 008**	**68 927**	**41%**

3.8. Other current liabilities

€Thousand	2012	2011
Tax and social security	9 268	6 479
Other debt	195	757
Accounts payables on CAPEX	248	0
Deferred income	33	72
Other payables	26	237
Total	**9 770**	**7 545**

3.9. Contractual maturities of financial liabilities

Analysis of financial liabilities €Thousand	Up to 1 year	1-5 years	Over 5 years	Total
31 December 2011				
Bank loans	4 467	17 875	46 585	68 927
Profit sharing	98	25	0	123
Accrued interest payable	445	4	0	449
Overdrafts	40	0	0	40
Total Borrowings	**5 051**	**17 904**	**46 585**	**69 540**
Debt with associates	0	755	0	755
Trade accounts receivables	7 035	0	0	7 035
Tax and social security debts	6 479	0	0	6 479
Other payables	214	0	0	214
Deferred income	72	0	0	72
Total	**18 851**	**18 659**	**46 585**	**84 095**
31 December 2012				
Bank loans	8 962	24 758	63 289	97 008
Profit sharing	0	502	0	502
Accrued interest payable	1 027	0	0	1 027
Overdrafts	31	0	0	31
Total Borrowings	**10 020**	**25 260**	**63 289**	**98 569**
Debt with associates	195	0	0	195
Trade accounts receivables	10 324	0	0	10 324
Tax and social security debts	9 268	0	0	9 268
Other payables	26	0	0	26
Deferred income	33	0	0	33
Total	**29 866**	**25 260**	**63 289**	**118 415**

An amount of €11 472K€ is included in the non-current liabilities and corresponds to the fair value of the derivative financial instruments hedging interest rate fluctuations on the loans of the first three Tuna vessels.

3.10. Pension accrual

The movement on the pension accrual account is as follows:

€Thousand	2012	2011
At beginning of year	789	766
Current service cost	126	102
Interest cost	36	33
Actuarial gain (loss) recognised in the year	219	-112
Release of pension accrual	-19	0
Contributions paid	0	0
Closing amount	**1 151**	**789**

The principle actuarial assumptions used in the calculation are:

- A discount rate of “Taux iBoxx €Corporates AA 10+” plus a mark-up; giving a rate of 3.25% (4.6% in 2011);
- A future mortality experience based published statistics (Insee).

The Group doesn’t pay contributions to a fund. Therefore there is no expected return on plan assets in the calculation.

3.11. Provisions for other liabilities and charges

€Thousand	Provisions for risks	Provisions for costs	Total
At 1/1/2011	805	96	901
Exchange differences	0	0	0
Change of scope/ Reclassification	0	0	0
Additional provisions	0	0	0
Utilised during year	0	0	0
Unused amounts reversed	0	0	0
At 31/12/2011	**805**	**96**	**901**
At 1/1/2012	805	96	901
Exchange differences	0	0	0
Change of scope/ Reclassification	0	0	0
Additional provisions	75	0	75
Utilised during year	-805	0	-805
Unused amounts reversed	0	0	0
At 31/12/2012	**75**	**96**	**171**

These provisions are mainly related to litigations with suppliers and customers.

3.12. Deferred income taxes

Deferred income taxes are calculated on all temporary differences under the liability method using an enacted tax rate of 33.33%.

The movement on the deferred income tax account is as follows:

€Thousand	2012	2011
At beginning of year	-2 955	-2 267
Exchange differences	-12	10
Change of scope	0	0
Deferred tax on financial instruments (Statement of comprehensive income)	-132	302
Income statement/ charge (Note 2.5)	-1 021	-1000
At end of year	**-4 120**	**-2 955**

The amounts of deferred taxes are shown in the consolidated balance sheet as follows:

€Thousand	2012	2011
Deferred tax assets	0	0
Deferred tax liabilities	-4 120	-2 955
Total	**-4 120**	**-2 955**

Deferred income taxes are offset between French entities in the Groups financial statements as they belong to the same tax unit and all taxes are paid to the same tax authority.

Deferred income tax assets are recognised for tax loss carry-forwards only to the extent that realisation of the related tax benefit is probable. The details of recognised deferred income tax are as follows:

€Thousand	2012	2011
Elimination of intercompany margins	14	11
Financial lease activations	-2 549	-1 665
Cancelation of tax incentives	-1 917	-1 445
Accounting differences between local Gaap - ifrs	-4 658	-5 366
Pension accrual	384	263
derivative financial instruments	3 723	3 863
Timing differences	401	368
Tax loss carry-forwards	502	1 001
Other	-18	15
Total	**-4 120**	**-2 955**

4. OTHER INFORMATION

4.1. CONTRACTUAL OBLIGATIONS AND OTHER COMMERCIAL COMMITMENTS

Contingent liabilities over borrowings

€Thousand	2012	2011
Ship mortgage	1 723	1 723
Bank borrowings secured over building and assets	62 287	62 287
Ship mortgage and covenants	33 900	0
Total	**97 910**	**64 010**

In some loan contracts, the Group has conceded a preferred mortgage in favour of the lender to guarantee the reimbursement of the said loans. As of 31st December 2012, although the total recorded securities are mentioned in the table above, the total amount that can be called is limited to the outstanding capital and interest due by the Group on the borrowing secured by the securities.

Bank borrowings secured by covenants
The Group respects the covenants of its relevant lines of credit at 31 December 2012. The main covenants are explained in Note 1.13.

Financial commitments

€Thousand	2012	2011
Guarantees given (guarantee, deposits)	75	75
Reciprocal commitments (buy-back of vessels and/or shares of SPV) at the end of the tax exemption period	41 524	41 524
Guarantees given * Construction contract for the tuna vessels "Dolomieu" and "Bélouve"	0	45 126
Guarantees given – Negotiable deposit certificate	293	0
Guarantees received - non used credit lines	500	0

* with SEAS: related party

Fondation des mers australes
Following the creation of the foundation for the Antarctic seas « Fondation des mers australes » the Group has pledged €175 K over a 5 year period.

Investments in a mutualised platform for innovation "Qualitropic"
The company SAPMER has confirmed its intention to invest €154k in an eco-extraction dedicated mutualised platform for innovation project. This pledge is conditioned to the project being selected by the French Government and obtaining grants.

Individual training allocation
Under French law, each employee is given 20 hours per year as an individual training allocation. The number of hours not used at the end of 2012 represents 17 086 hours compared to 17 670 hours in 2011.

Other contractual obligations
The Group's other contractual obligations and commercial commitments (not shown in the balance sheet) as of December 31, 2012 comprise:

€Thousand	Total	Up to 1 year	1-5 years	Over 5 years
Operating leases *	15 147	2 408	8 997	3 742
- Buildings	*14 339*	*2 274*	*8 542*	*3 523*
- Buildings (included in assets classified as held for sale)	*809*	*135*	*456*	*218*
Interest to be paid on borrowing	16 266	1 981	6 820	7 465
Other long term obligations	0	0	0	0
Total	**31 413**	**4 389**	**15 817**	**11 207**

* Future aggregate minimum lease payments, non-cancellable (operating leases), gross (not discounted).

Other commitments:
To the Group's knowledge, no other significant off-balance sheet commitments exist at the date of the balance sheet

4.2. NET PROFIT PER SHARE

	2012	2011
Net profit	8 640	7 745
Basic		
Weighted average shares outstanding	3 467 298	3 454 793
Earnings per share (basic) in EUR	2,49	2,24
Diluted		
Weighted average shares outstanding	3 504 236	3 454 793
Earnings per share (diluted) in EUR	2,47	2,24

4.3. Post-closing events

At the beginning January 2013, the Company SAPMER SA granted is guarantee to the benefit of its Mauritian subsidiary INDIAN OCEAN TUNA PROCESSING SERVICES Ltd in favour of Barclays Bank PLC to a maximum of €2.25m to ensure the repayment of a loan with Barclays Bank PLC signed in December 2012 for financing the future value enhancing facility in Mauritius.

4.4. Related-party transactions

The Group is controlled by SAPMER HOLDING PTE. LTD which is held at 89% by JACCAR HOLDINGS SA. SAPMER HOLDING PTE. LTD owned as of 31st December 2012 89.73% of the shares of SAPMER SA.

Transactions with companies owning shares in SAPMER SA such as SAPMER HOLDING PTE. LTD or with companies in which some members of the Company's top management have significant influence, are the following:

€Thousand	2012	2011
Income statement		
Support services invoiced by SAPMER SA	0	0
Other income	46	0
Financial income	91	66
Purchased of goods	0	-18
Rent	-23	-24
Support management services provided to the related party	-93	-94
Commissions	-5	-3
Balance Sheet		
Advance on assets for the construction of vessels	0	5 014
Trade accounts receivables due by a related party	127	49
Loans due by a related party	0	4 000
Trade accounts payables due to a related party	12	4
Loans due to a related party	0	0

4.5 Key management compensation of Directors

The compensation of directors during the period can be summarised as follows:

€Thousand	2012	2011
Salaries and other short-term employees benefits	549	299
Post-employment benefits	0	0
Share-based payments	0	0
Total compensation	**549**	**299**

The directors are the 3 members of the Operational committee.

4.6 Auditor's remuneration

The breakdown of the auditor's remuneration is as follows:

€Thousand	2012	2011
Euraaudit, Cabinet Rousseau Consultants - 69 Lyon	51	49
HDM Conseil et Audit - 97 Sainte Clotilde - La Réunion	48	48
Total	**99**	**97**

4.7. Non-current assets classified as held for sale

As part of the reorganisation of the Group, the Mauritian companies TUNA PROCESSING SERVICES INDIAN OCEAN Ltd and SAPMER TECHNICAL SERVICES Ltd will be sold in the near future by SAPMER SA to SAPMER HOLDING PTE. LTD.

In 2012 the contribution of TUNA PROCESSING SERVICES INDIAN OCEAN Ltd and SAPMER TECHNICAL SERVICES Ltd to the Groups consolidated result was a loss of €1k.The impact of removal of these two companies from the consolidation scope at the end of December 2012 on the shareholders equity attributable to equity holders would be €1K.

The single significant asset help by these entities is the value enhancing facilities under construction in Mauritius that has been posted to the line Assets classified as held for sale for an amount of €1 512k.

5. CONSOLIDATION SCOPE

5.1 Subsidiary undertakings 2012

The companies included in the consolidation scope are listed in the table below:

Company	Location	% of Interest	Consolidation Method
SAPMER SA (*)	La Reunion	Parent	Full consolidation
LES ARMEMENTS REUNIONNAIS SAS (*)	La Reunion	100%	Full consolidation
ARMAS PÊCHE SAS (*)	La Reunion	100%	Full consolidation
SOPARMA SAS (*)	La Reunion	100%	Full consolidation
ARMEMENT SAPMER DISTRIBUTION SARL (*)	La Reunion	99,6%	Full consolidation
MER DES MASCAREIGNES Ltd	Mauritius	50%	Proportionate consolidation
TUNA PROCESSING SERVICES INDIAN OCEAN Ltd [1]	Mauritius	100%	Full consolidation
SAPMER TECHNICAL SERVICES Ltd	Mauritius	100%	Full consolidation

(*) Companies with the French corporate tax unit

[1] The Mauritian entity SAPMER MANAGEMENT SERVICES (SMS) changed its name in July 2012 to become TUNA PROCESSING SERVICES INDIAN OCEAN (TPS IO). This subsidiary runs the Groups new factory in Mauritius.

CHAPTER **3**

SAPMER SA FINANCIAL STATEMENTS

The financial statements of the company SAPMER SA only give a partial image of the SAPMER Group's financial situation, which is described in the "Consolidated financial statements" section of this report.
The information presented concerning SAPMER SA therefore only summarizes the most significant and useful information for the reader, based on the company accounts.
The other items on the company statements do not contain additional items that would enlighten the investor's judgment.
However, the Statutory Auditors' General Report appended hereto concerns the company's financial statements in their entirety.
The complete financial statement, including the notes, are available from the company, upon request:
Harald Chabot - Groupe SAPMER SA - Darse de Pêche - 97823 Le Port - La Réunion
Tél. 262 2 62 33 46 35 - E.mail: hchabot@sapmer.fr and on our internet website : www.sapmer.com under shareholder's area/ documentation/annuals reports.

ASSET

As of 31 December 2012

In €thousands	Gross	Dep. & Amort.	Net (31/12/2012)	Net (31/12/2011)
Uncalled suscribed share capital				
INTANGIBLE ASSETS				
Set-up costs				
Development costs				
Concessions, patents and similar rights	305	224	82	45
Goodwill				
Other intangible assets	2 705	536	2 169	1 552
Advance payments on intangible assets				
TOTAL intangibles assets	**3 010**	**759**	**2 251**	**1 597**
TANGIBLE ASSETS				
Land				
Building	3 062	2 137	925	1 176
Machinery, Equipment and tools	71 096	15 194	55 903	4 457
Other tangible assets	757	547	211	154
Fixed assets under construction	32		32	173
Advance payments on tangible assets				5 271
TOTAL tangible assets	**74 948**	**17 877**	**57 071**	**11 232**
Financial assets				
Equity method investments				
Other investments	1 010		1 010	1 010
Receivables from equity interests	391		391	1 413
Other securities holding	1		1	1
Loans	3 952		3 952	4 970
Other financial assets	48 374		48 374	53 222
TOTAL financial assets	**53 726**		**53 726**	**60 616**
FIXED ASSETS	**131 684**	**18 636**	**113 048**	**73 445**
INVENTORIES AND WORK-IN-PROGRESS				
Raw materials and supplies	5 536		5 536	3 694
Work-in-progress goods				
Work-in-progress services				
Inventories of finished goods and intermediate finished goods	8 595	56	8 539	4 701
Supplies inventory				
TOTAL Inventories and work-in-progress	**14 131**	**56**	**14 074**	**8 395**
RECEIVABLES				
Advances and deposits paid on orders	69		69	69
Accounts receivables	13 813		13 813	11 575
Other receivables	1 563		1 563	6 775
Subscribed capital called and unpaid				
TOTAL receivables	**15 445**		**15 445**	**18 419**
CASH AND OTHER				
Short-term marketable securities				
Cash	3 877		3 877	3 659
Prepaid expenses	4 158		4 158	3 383
TOTAL Cash and other	**8 035**		**8 035**	**7 042**
CURRENT ASSETS	**37 610**	**56**	**37 554**	**33 857**
Conversion losses	66		66	
TOTAL ASSETS	**169 361**	**18 693**	**150 668**	**107 302**

LIABILITIES

As of 31 December 2012

In € thousands	31/12/2012	31/12/2011
NET EQUITY		
Share capital	2 774	2 774
Premiums from equity issues, mergers or acquisitions	6 330	6 330
Revaluation surplus of which equity accounting reserves		
Legal reserves	277	275
Statutory or contractual reserves		
Regulated reserves		
Other reserves	894	894
Retained earnings	7 586	6 942
Annual net income	6 898	2 034
TOTAL Net Equity	**24 759**	**19 248**
INVESTMENT SUBSIDIES	33	72
REGULATED ALLOWANCE	1 894	1 382
EQUITY	**26 686**	**20 703**
Provision for risks	237	901
Provision for charges	1 659	1 158
PROVISION FOR RISKS AND CHARGES	**1 896**	**2 059**
FINANCIAL DEBT		
Convertible bond loan		
Other convertible loan		
Bank financial debt	97 521	68 724
Other financial debt	4 969	134
TOTAL financial debt	**102 490**	**68 858**
ADVANCES AND DEPOSIT PAID ON ORDERS		
OTHER LIABILITIES		
Accounts payable	9 519	6 312
Tax and social security debts	8 044	8 541
Liabilities on fixed assets & related	248	
Other debt	1 743	730
TOTAL other liabilities	**19 554**	**15 583**
DEFERRED INCOME		
DEBT	**122 044**	**84 441**
Conversion gains	42	99
TOTAL LIABILITIES	**150 668**	**107 302**

INCOME STATEMENT (FIRST PART)

As of 31 December 2012

In € thousands	France	Export	31/12/2012	31/12/2011
Sales of goods				
Production sold - goods	1 904	71 186	73 090	55 097
Sales of services	2 404	4	2 407	2 760
Net sales	**4 308**	**71 190**	**75 497**	**57 856**
Change in inventories			3 824	726
Capitalized production				
Operating subsidy				1
Reversal on amortization, provisions and expenses transferts			4 887	2 102
Other operating income			3 243	1 750
TOTAL OPERATING REVENUE			**87 452**	**62 436**
EXTERNAL EXPENSES				
Purchase of goods (incl. customs duty)				
Change in inventories of goods				
Purchase of raw materials and other supplies			22 335	15 772
Change in inventories (raw material and other supplies)			-1 841	-1 066
Other purchases and external expenses			29 753	23 641
TOTAL external expenses			**50 246**	**38 348**
DUTIES AND TAXES			3 340	2 508
PAYROLL COSTS				
Wages and salaries			17 479	13 354
Social security costs			2 891	1 532
TOTAL payroll costs			**20 370**	**14 886**
OPERATING ALLOWANCES				
Depreciation and amortization of fixed assets allowance			2 231	1 179
Impairment of fixed assets allowance				
Impairment on current assets allowance			56	78
Provisions for risks and charges allowance			724	637
TOTAL operating allowances			**3 011**	**1 893**
OTHER OPERATING EXPENSES			1 709	737
OPERATING EXPENSES			**78 676**	**58 372**
OPERATING INCOME			**8 776**	**4 064**

INCOME STATEMENT (SECOND PART)

As of 31 December 2012

In € thousands	31/12/2012	31/12/2011
OPERATING INCOME	**8 776**	**4 064**
Profits transferred in or losses transferred out		
Losses transferred in or profits transferred out	1 210	695
FINANCIAL INCOME		
Financial income from investments		
Income from other marketable securities and asset receivables	142	212
Other interest and similar income	5 609	2 651
Reversal on provisions and expenses transferts		
Foreign exchange gains	715	318
Net income from sales of marketable securities		
TOTAL financial income	**6 466**	**3 181**
FINANCIAL EXPENSES		
Amortization and charges to provisions for financial items	66	
Interests and similar expenses	4 763	3 393
Foreign exchange losses	488	353
Expenses from sales of marketable securities		
TOTAL financial expenses	**5 317**	**3 746**
FINANCIAL RESULT	**1 149**	**-565**
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXES	**8 715**	**2 804**
NON-RECURRING INCOME		
Non-recurring income on management operations		36
Non-recurring income from capital transactions	56	132
Reversal on provisions and expenses transferts		101
TOTAL non-recurring income	**56**	**269**
NON-RECURRING EXPENSES		
Non-recurring expenses on management operations	116	42
Non-recurring expenses from capital transactions	6	0
Allowance on provisions and expenses transferts	512	114
TOTAL non-recurring expenses	**634**	**157**
NON-RECURRING RESULT	**-578**	**112**
Participation of employees in profits and enterprise results	901	940
Income tax	339	-58
TOTAL INCOME	**93 974**	**65 886**
TOTAL EXPENSES	**87 076**	**63 852**
PROFIT OR LOSS	**6 898**	**2 034**

Total balance sheet amounts to €150 668k and total income amounts to €6 898k for 2012.

Generally accepted accounting principles have been abode by, according to the prudence principle and according to the framework assumptions:

- On-going concern;
- Consistency of accounting methods;
- Matching principle;

and according to generally agreed principles in preparing financial statements.

Historical cost is the basis method chosen to evaluate items recorded in accounting.

ECONOMIC CRISIS

Economic and financial outlooks are more difficult to apprehend in today's crisis environment. The Group has made estimates and assumptions in this environment but with strict commitment and the best knowledge available. For the moment SAPMER is not afflicted by the economic and financial crisis thanks to export-oriented sales:

- either toward bullish markets such as China;
- or toward countries such as Japan, where fishing is a strong and growing market.

Main accounting principles used are the following:

1. ACCOUNTING PRINCIPLES

1.1 INTANGIBLE ASSETS

Intangible assets are recorded at acquisition (purchase price and related cost) or internal production cost.
Depreciation is calculated according to the straight-line method over the expected useful life:

- Trademark registration: 10 years
- Software : 1 to 3 years
- Operating permits : 22 years

High increase in “Other intangible assets” is related to the new enterprise resources planning system (ERP) which will be implemented during the year 2013.

1.2 TANGIBLE ASSETS

Tangible assets are recorded at acquisition (purchase price and related cost) or internal production cost.

In regards to the vessels, components are clearly identified but their useful lives are close to the main asset useful life. That is why they have not been broken into separated components.

Amortisation is calculated according to the straight-line method over the expected useful life:

- Fixtures and fittings: 10 to 14 years
- Transportation equipment : 3 to 5 years
- Vessels : 15 to 25 years
- Office and computer equipment: 3 to 5 years
- Furniture : 3 to 5 years

High increase in Machinery and Equipment is related to the delivery of Dolomieu in April and Bélouve in September for €52 961k. Neither acquisition used a tax exemption mechanism internally or externally.

1.3 FINANCIAL ASSETS

They are mainly made of:

- vendor credits granted to finance lease companies for three tuna seiners which amount to €48 368k on the balance sheet;
- the loan granted to the subsidiary SOPARMA on the occasion of the repurchase of 100% of its subsidiary Armas Pêche's shares in 2007. €1 018k have been paid back in 2012 and €3 952k remain on the balance sheet.

1.4 INVENTORIES

Inventories of supplies are valued according to the weighted-average unit cost method, except bait and oil inventories which are valued according to the FIFO method (First In First Out), hence they are more prone to price variation. They amount to €5 536k on the balance sheet.

Inventories of products fished in the Southern Seas (tooth fish and rock lobster mainly) are valued based on the production cost of the year.

Inventories of tuna products are valued based on the cost of production of the year 2012 except costs related to both tuna seiners entered in operation during the year.

Inventories of products amount to €8 595k.

If this cost is lower than last known sale price, a provision for impairment is recognised. An impairment of €56k has been recognised.

1.5 CLIENT RECEIVABLES

Client receivables are valued to their nominal value. A provision for impairment is recognised when the inventory value is lower than the accounting value.

1.6 TAX REGULATED PROVISIONS

Accelerated tax depreciation is recognised yearly to record the spread between economical amortisation and tax amortisation (amortisation of the residual value of the vessels). The total amount on the balance sheet is €1 877k. The counterpart has been recorded in exceptional costs: €512k have been recorded for 2012.

Investment allowances: An amendment to the 2012 finance law cancelled the possibility of a tax deduction on amounts affected to an investment allowance.

1.7 PROVISION FOR RISKS AND LIABILITIES

Provisions for maintenance overhauls are recorded on a five year-basis (Renewal of the classification certificate every 5 year) and amounts to €1 659k cumulated.

The provision for fines and penalties that was recorded following an audit of our business tax in 2005 has been totally reversed for €805k, as all recourses have been exhausted.

A provision for exchange losses has been recorded for €66k.

Provisions for employee litigation still remain on the balance sheet for €96k.

Provisions for other risks and charges have been accounted for €75k.

1.8 INVESTMENT GRANTS

We recorded investment grants for the construction of our offices and warehousing. They are spread over the amortisation period of the investment that they are related to.

1.9 FINANCIAL DEBT

In 2010, in order to finance its investments, SAPMER benefited from a banking pool for €75 000k. This year SAPMER has borrowed €30 000k through two loans to finance its two new tuna seiners Dolomieu and Bélouve. As regards the loans, €4 792k of nominal value has been repaid.

In order to manage its exposure to market risks related to movements in interest rates, SAPMER uses derivative instruments to hedge its entire debt.
Hedging consists in swapping a floating rate against a fixed rate. In the context of hedging, revenues and expenses on derivative instruments are accounted for in the financial result and offset the revenues and liabilities related to hedged items.
At the year end, fair value on the instruments has been evaluated at €11 285k (unrealized loss).

A current account and cash management agreement has been entered into between SAPMER and its subsidiaries ARMAS PÊCHE and LES ARMENENTS REUNIONNAIS. The current account amounts to €4 104k at year end.

1.10 TRANSACTION IN FOREIGN CURRENCIES

Expenses in foreign currencies are recorded for their corresponding value on the date of the transaction.
Hedged revenues and receivables in foreign currencies appear on the balance sheet at the traded hedged price.
Cash in foreign currencies are accounted for in the balance sheet at the closing rate.

2. GENERAL INFORMATION

SAPMER elected for tax consolidation with effect from January, 1, 2008 forming a tax group with SAPMER and four subsidiaries: ARMEMENT SAPMER DISTRIBUTION, LES ARMEMENTS REUNIONNAIS, SOPARMA and ARMAS PÊCHE. The group profit has yielded a tax expense of €339k.

SAPMER has paid €24k as Directors' fees.

SAPMER is fully consolidated in the Group JACCAR HOLDINGS Luxembourg.

3. KEY EVENTS

On 1st August 2012, SAPMER INVESTISSEMENTS sold the balance of its 2 774 037 SAPMER shares that it held to the company SAPMER HOLDING PTE ltd. recently incorporated under Singapore law.

The shares of SAPMER listed on the Alternext market closed at €24.70 on the 31/12/2012.

4. POST-BALANCE SHEET EVENT

At the beginning January 2013, the Company SAPMER SA granted is guarantee to the benefit of its Mauritian subsidiary INDIAN OCEAN TUNA PROCESSING SERVICES Ltd in favour of Barclays Bank PLC to a maximum of €2.25m to ensure the repayment of a loan with Barclays Bank PLC signed in December 2012 for financing the future value enhancing facility in Mauritius.

Still in regards to the loan agreement, SAPMER SA committed to maintain a €500k advance as current account with TPS IO, which reimbursement is subject to Barclays Bank PLC approval.

CHAPTER **4**

STATUTORY AUDITORS' REPORTS

Statutory auditor's report on the consolidated financial statements

(Translated from french to english)

General meeting to approve the financial statements
For the year ended december 31, 2012

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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 users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information presented below is the audit opinion on the (consolidated) financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the (consolidated) financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In accordance with the assignment entrusted to us by your General Shareholders' Meeting, we hereby present to you our report for the year ended December 31, 2012 on:

- the audit of the accompanying consolidated financial statements for the company SAPMER SA;
- the justification for our assessments;
- the specific verification required by law.

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

1. 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 that the consolidated financial statements are free of material misstatements. An audit includes examining, using sample testing techniques or other selection methods, the evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made, as well as evaluating 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.

We certify that the consolidated financial statements, prepared in accordance with IFRS standards as adopted in the European Union, give a true and fair view of the assets and liabilities, the financial position and the results of the group consisting of the entities included in its consolidation.

2. JUSTIFICATION OF OUR ASSESSMENTS

Accounting estimates used to the preparation of the financial statements were drawn up in a lingering climate of financial and economic uncertainty, which makes it particularly difficult to select the underlying economic assumptions needed in the closing of the accounts. It was in this context that we made our own assessments which we bring to your attention in accordance with the requirements of Article L.823-9 of the French Commercial Code:

- Note 1.5 of the notes to the consolidated financial statements sets forth the accounting methods for consolidating the companies serving as financing vehicles for the first three tuna purse seiners. We have verified the appropriateness of the accounting methods used and we are satisfied that they have been correctly applied.

- The company has contracted interest-rate hedges for some of its borrowings. Based on the valuations and analysis of independent experts, we are satisfied as to the consistency of the treatment of their impact on shareholders' equity and the income statement as mentioned in the note 1.16 of the notes to the consolidated financial statements.

These assessments were performed as part of our audit approach for the consolidated financial statements taken as a whole and contributed to the expression of our opinion in the first part of this report.

3. SPÉCIFIC VÉRIFICATION

As required by law and in accordance with professional standards applicable in France, we have performed the specific verification related to the information on the Group given in the management report.

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

Sainte-Clotilde and Lyons, March 18, 2013

The Statutory auditors

On behalf of Conseil & Audit HDM

Jocelyne ATIVE.

On behalf of EurAAudit *C.R.C.*
Cabinet Rousseau Consultants

Jean-Marc ROUSSEAU.

Statutory auditor's report on the annual financial statements

(Translated from French to English)

General Meeting to approve the financial statements for the year ended December 31, 2012

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This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking users. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the financial statements and includes explanatory paragraphs discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were made for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements. 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 accordance with the assignment entrusted to us by your General Shareholders' Meeting, we hereby present to you our report for the year ended December 31, 2012 on:

- the audit of the accompanying annual financial statements for the company SAPMER SA;
- the justification for our assessments;
- the specific verifications and information required by law.

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

1. OPINION ON THE ANNUAL 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 that the consolidated financial statements are free of material misstatement. An audit includes examining, using sample testing techniques or other selection methods, the evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made, as well as evaluating 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.

We certify that the annual financial statements, prepared in accordance with French accounting standards and principles, give a true and fair view of the result of the company's operations of the past financial period as well as of the financial position and of the assets and liabilities of the company at year end.

2. JUSTIFICATION OF OUR ASSESSMENTS

The accounting estimates used in the preparation of the financial statements were made in an uncertain environment, linked to the crisis of government funds of some countries of the Eurozone. This crisis is accompanied by an economic and liquidity crisis which makes difficult the apprehension of economic prospects. Such is the context in which we made our own assessments that we bring to your attention in accordance with the requirements of Article L. 823-9 of the French Commercial Code (Code de commerce):

- the notes to the financial statements set out the fixed assets valuation and amortisation methods: we have checked the adequacy and implementation of the methods for the 2012 closing;

- the notes to the financial statements mention the accounting treatment of the use of hedging instruments subscribed by your Company to manage exposure to interest-rate risk due to some of your borrowings. We have analysed the financial liabilities and the accounts for the related costs and commitments, in particular relying on external confirmation from the banking partners;

- the notes to the financial statements describe provisions for risks and liabilities recorded for the 2012 closing: we have particularly checked the justification and evaluation of the provisions, especially those related to periodic major maintenance of the fleet.

These assessments were performed as part of our audit approach for the financial statements taken as a whole, and contributed to the expression of our opinion in the first part of this report.

3. SPECIFIC VÉRIFICATIONS AND INFORMATION

In accordance with professional standards applicable in France, we have performed the specific verifications required by law.

We have no observation to make on the fair presentation and consistency between the annual financial statements and the information in the Board of Directors' management report and in the documents sent to shareholders on the financial position and the annual financial statements.

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Sainte-Clotilde and Lyons, March 18, 2013

The Statutory auditors

On behalf of Conseil & Audit HDM

Jocelyne ATIVE.

On behalf of EurAAudit *C.R.C.*
Cabinet Rousseau Consultants

Jean-Marc ROUSSEAU.

Statutory Auditors' Special Report on related party transactions

(Translated from French to English)

General Meeting to approve the financial statements

For the year ended December 31, 2012

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This is a free translation into English of the Statutory Auditors' special report on regulated agreements and commitments that is issued in the French language and is provided solely for the convenience of English speaking readers. This report on regulated agreements and commitments should be read in conjunction and construed in accordance with French law and professional auditing standards applicable in France. It should be understood that the agreements and commitments reported on are only those provided by the French Commercial Code (Code de Commerce) and that the report does not apply to those related party transactions described in IAS 24 or other equivalent accounting standards.

To the Shareholders,

In our capacity as Statutory Auditors of your company, we hereby present to you our report on related party transactions.

Our role is to communicate to you, based on the information we have been given, the essential terms and features of the agreements about which we have been informed or which we have discovered during our mission, without being required to make a judgment on their usefulness and value or seeking out the existence of other agreements. It is your responsibility, under the terms of Article R.225-31 of the French Commercial Code, to assess the value of the conclusion of these agreements for the purpose of approving them.

In addition, we are required, if applicable, to communicate to you the information prescribed in Article R.225-31 of the French Commercial Code on the performance, during the past year, of agreements previously approved by the General Meeting.

We conducted the due diligence that we considered necessary based on the recommendations of the Compagnie Nationale des Commissaires aux Comptes as regards this audit mission. This due diligence consisted of verifying the consistency of the items of information provided to us with the original documents on which they were based.

AGREEMENTS SUBMITTED TO THE GENERAL MEETING FOR APPROVAL

- **Agreements authorized during the past year**

Pursuant to Article L.225-40 of the French Commercial Code, we have been informed of the following agreements, previously approved by the Board of Directors.

With the company TUNA PROCESSING SERVICES INDIAN OCEAN

Nature and purpose: remunerated guarantee provided to BARCLAYS Bank on behalf of the company TPS IO for a nominal amount of €2 250k. It covers a loan contracted by the latter and used for the construction of a tuna processing plant.
Director concerned: Mr. Jacques de Chateauvieux, Chairman of the Board of Directors of your company, and Mr. Yannick Lauri, General Manager of your company.
Authorization date: Board of Directors meeting on December 18, 2012.
Terms of application for the year: the loan agreement was signed in December 2012; the guarantee was signed on the January 4, 2013 and thus had no impact during the year 2012.

With the company AGENCE FRANCAISE DE DEVELOPPEMENT

Nature and purpose: long-term loan to finance the tuna seiner Belouve.
Director concerned: Mr. Guy Dupont is Director of AFD.
Authorization date: Board of Directors meeting on August 28, 2012.
Terms of application for the year: the loan agreement has been signed on the September 19, 2012 for a nominal amount of 13 000 000 euros. The fixed interest rate amounts to 5.45%. The financial expense related to the loan amounts to 181 061.78 euros for the year 2012.

- **Agreements authorized post closing**

We report that we have not been notified of any authorised agreement since the end of the last financial closing to submit to the General Meeting for approval pursuant to the provisions of Article L.225-38 of the French Commercial Code.

AGREEMENTS ALREADY APPROVED BY THE GENERAL MEETING

- **Agreements approved in previous years which continued in operation during the past year**

Pursuant to Article R.225-30 of the French Commercial Code, we have been informed that the following agreements, already approved by the General Meeting in previous years, have had continuing effect during the year.

With the company JACCAR HOLDINGS

Nature and purpose: invoicing of advisory and support services to your company.
Terms of application for the year: your company recognized an expense of 116 522.91 euros excluding tax for 2012, of which:

. 23 220.67 euros in regards to the Paris office rent,
. 93 302.24 euros in regards to Management services

With the company SOPARMA S.A.S.

Nature and purpose: current account advance granted by your company to SOPARMA SAS, for the amount of 6 530 000 euros.
Terms of application for the year: this advance is remunerated at 3-month Euribor plus 0.6 points. The interest recorded for 2012 came to 46 875.06 euros. The balance of this advance amounts to 3 951 606.92 euros at December 31, 2012.

With the company MER DES MASCAREIGNES Ltd

Nature and purpose: current account advance granted by your company to Mer des Mascareignes Ltd for the amount of 1 413 450 euros.

Terms of application for the year: The balance of this advance amounts to 390 728.81 euros at December 31, 2012 and did not give rise to any remuneration.

Sainte-Clotilde and Lyons, March 18, 2013

The Statutory auditors

On behalf of Conseil & Audit HDM

Jocelyne ATIVE.

On behalf of EurAAudit *C.R.C.*
Cabinet Rousseau Consultants

Jean-Marc ROUSSEAU.

CHAPTER **5**

DRAFT RESOLUTIONS TO BE PRESENTED TO THE ORDINARY GENERAL MEETING OF MAY 21, 2013

Draft resolutions to be presented to the mixed General Meeting of 21 May 2013

FIRST RESOLUTION
Parent company accounts

"The Shareholders' Meeting, having heard the management report of the Board of Directors report and the Statutory Auditors reports, approves in full the annual financial statements for the year ending December 31, 2012 which shows a profit of 6 897 762 euros. It also approves the operations expressed in the accounts or summarised in the said reports.
Consequently, it gives full and unreserved discharge to the Directors for the execution of their office for the period.
The Shareholders' Meeting acknowledges that the financial statements for the period do not take into account non-deductible expenses of taxable income, as specified in Article 39-4 of the French General Tax Code."

SECOND RESOLUTION
Appropriation of earnings

The Board of Directors proposes to appropriate the profit for the year of 6 897 762 euros as follows:

ORIGIN:
- Retained earnings brought forward: 7 586 449 euros.
- Profit for the period: 6 897 762 euros.

APPROPRIATION:
- to retained earnings: 5 164 113 euros,
- dividend: 1 733 649 euros.
- The balance of the retained earnings to carry forward is 12 750 562 euros.

DIVIDENDS:

✓ Amount – Payment date – Tax treatment of the dividend

The total gross dividend for each share is €0.50.
For individuals resident for tax purposes in France, this dividend is eligible to the tax credit stipulated in 2° of Article 158-3 of the French General Tax Code.
The ex-dividend date is May 24, 2013.
Dividends will be paid on May 29, 2013.

✓ Dividend and ownership of its own shares by the Company

If, when the dividend is paid, the Company holds any of its own shares, the distributable profit corresponding to the dividend not paid on those shares will be assigned to retained earnings.

Statement of dividends distributed in previous years

The Shareholders' Meeting is reminded that the amounts distributed as dividends in the previous three years were as follows:

Exercice	Total dividend distributions	Income distributed that is eligible to the tax abatement mentioned in 2° of Article 158-3 of the French General Tax Code	Income distributed that is not eligible to the tax abatement mentioned in 2° of Article 158-3 of the French General Tax Code
31/12/2011	€1 386 919	€1 386 919	Not applicable
31/12/2010	€687 790	€687 790	Not applicable
31/12/2009	€687 790	€687 790	Not applicable

THIRD RESOLUTION
Consolidated financial statements

"Having heard the Statutory Auditors' report on the consolidated financial statements, the Shareholders' Meeting approves the consolidated financial statements as at 31 December 2012 and the transactions reflected in the accounts or summarised in the Group's management report included in the management report, the financial statements showing revenues of 93.1 million euros and earnings of 8.6 million euros."

FOURTH RESOLUTION
Approval of related party agreements

Having heard the Statutory Auditors' special report on the agreements prescribed by Article L.225-38 and seq. of the French Commercial Code, the Shareholders' Meeting approves the conclusions of the report and each of the new agreements mentioned therein; the interested parties are not voting and their shares are not included for the calculation of the quorum and majority.

FIFTH RESOLUTION
Renewal of Directors

The Shareholders' Meeting hereby reappoints as a Director of the Company:
- Mr Henri DE CHATEAUVIEUX

Residing at Bons Villiers – rue Odoumont n°5 – 6210 REVES - Belgium
The appointment is for a term of three years which will end at the close of the Shareholders' Meeting held in 2016 to approve the closed accounts for the previous financial year. The Director thus appointed shall have the powers defined in the articles of association.
He has confirmed in advance that he will accept the duties of Director of the company "SAPMER" and that he satisfies all the conditions required by the law and regulations for the exercise of those functions.

SIXTH RESOLUTION
Renewal of Directors

The Shareholders' Meeting hereby reappoints as a Director of the Company:
- Mr Jacques DE CHATEAUVIEUX

Residing at C/O GROUPE BOURBON 33 rue du Louvre – 75002 PARIS
The appointment is for a term of three years which will end at the close of the Shareholders' Meeting held in 2016 to approve the closed accounts for the previous financial year. The Director thus appointed shall have the powers defined in articles of association.
He has confirmed in advance that he will accept the duties of Director of the company "SAPMER" and that he satisfies all the conditions required by the law and regulations for the exercise of those functions.

SEVENTH RESOLUTION
Renewal of Directors

The Shareholders' Meeting hereby reappoints as a Director of the Company:
- Mr Guy DUPONT

Residing at 6 chemin de la citerne – 97417 LA MONTAGNE
The appointment is for a term of three years which will end at the close of the Shareholders' Meeting held in 2016 to approve the closed accounts for the previous financial year. The Director thus appointed shall have the powers defined in the articles of association.
He has confirmed in advance that he will accept the duties of Director of the company "SAPMER" and that he satisfies all the conditions required by the law and regulations for the exercise of those functions.

EIGHTH RESOLUTION
Renewal of Directors

The Shareholders' Meeting hereby reappoints as a Director of the Company:
- Mr Yannick LAURI

Residing at 10 rue de Boucan 97434 SAINT GILLES LES BAINS
The appointment is for a term of three years which will end at the close of the Shareholders' Meeting held in 2016 to approve the closed accounts for the previous financial year. The Director thus appointed shall have the powers defined in the articles of association.
He has confirmed in advance that he will accept the duties of Director of the company "SAPMER" and that he satisfies all the conditions required by the law and regulations for the exercise of those functions.

NINETH RESOLUTION
Renewal of Directors

The Shareholders' Meeting hereby reappoints as a Director of the Company:

- Mr Christian LEFEVRE

Residing at Les jardins du vieux port – 23B quai de rive neuve – 13007 MARSEILLES
The appointment is for a term of three years which will end at the close of the Shareholders' Meeting held in 2016 6 to approve the closed accounts for the previous financial year. The Director thus appointed shall have the powers defined in the articles of association.
He has confirmed in advance that he will accept the duties of Director of the company "SAPMER" and that he satisfies all the conditions required by the law and regulations for the exercise of those functions.

TENTH RESOLUTION
Renewal of Directors

The Shareholders' Meeting hereby reappoints as a Director of the Company:

- Mr Xavier THIEBLIN

Residing at 134 rue de Rennes 75006 Paris
The appointment is for a term of three years which will end at the close of the Shareholders' Meeting held in 2016 6 to approve the closed accounts for the previous financial year. The Director thus appointed shall have the powers defined in the articles of association.
He has confirmed in advance that he will accept the duties of Director of the company "SAPMER" and that he satisfies all the conditions required by the law and regulations for the exercise of those functions.

ELEVENTH RESOLUTION
Renewal of Conseil & Audit HDM as principal Statutory Auditor

As proposed by the Board of Directors, the Shareholders' Meeting decides to reappoint Conseil & Audit HDM represented by Ms Jocelyne Ative – 29 rue Gabriel de Kervéguen – 97492 SAINTE CLOTILDE CEDEX whose term of office will end at the end of this Shareholders' Meeting, as principal Statutory Auditor for the next six financial years i.e. until the Shareholders' Meeting held in 2019 and called to review the financial statements for the financial year 2018.

Conseil & Audit HDM represented by Ms Jocelyne Ative accepts its duties.

TWELVETH RESOLUTION
Appointment of Mr Pierre Alain FRECAULT, alternate Statutory Auditor, to replace Mr Didier DE LAUNAY as alternate Statutory Auditor

As proposed by the Board of Directors, the Shareholders' Meeting decides to appoint Mr Pierre Alain FRECAULT – 29 rue Gabriel de Kervéguen – 97492 SAINTE CLOTILDE CEDEX in replacement of Mr Didier DE LAUNAY whose term of office will end at the end of this Shareholders' Meeting, as alternate Statutory Auditor for the next six financial years i.e. until the Shareholders' Meeting held in 2019 and called to review the financial statements for the year 2018.

Mr Pierre Alain FRECAULT, who has not audited a contribution or merger operation involving the Company or any of the companies it controls during the preceding two financial years, in accordance with article L.233-16 of the French Commercial Code, has accepted the role.

THIRTEENTH RESOLUTION
Renewal of EurAAudit CRC as principal Statutory Auditor

As proposed by the Board of Directors, the Shareholders' Meeting decides to renew EurAAudit CRC – Cabinet Rousseau Consultant SAS, represented by Mr Jean Marc ROUSSEAU – 68 cours Albert Thomas – 69008 LYONS whose term of office will end at the end of this Shareholders' Meeting, as principal Statutory Auditor for the next six financial years i.e. until the Shareholders' Meeting held in 2019 and called to review the financial statements for the year 2018.

EurAAudit CRC – Cabinet Rousseau Consultant SAS represented by Mr Jean Marc ROUSSEAU accepts its duties.

FOURTEENTH RESOLUTION
Appointment of Mr Alexandre BRISSIER, alternate Statutory Auditor, to replace Mr Pierre Henri PACAUD as alternate Statutory Auditor

As proposed by the Board of Directors, the Shareholders' Meeting decides to appoint Mr Alexandre BRISSIER – 118 rue de la Boetie – 75008 PARIS in replacement of Mr Pierre Henri PACAUD whose term of office will end at the end of this Shareholders' Meeting, as alternate Statutory Auditor for the next six financial years i.e. until the Shareholders' Meeting held in 2019 and called to review the financial statements for the year 2018.

Mr Alexandre BRISSIER, who has not audited a contribution or merger operation involving the Company or any of the companies it controls during the preceding two financial years, in accordance with article L.233-16 of the French Commercial Code, has accepted the role.

FIFTEENTH RESOLUTION

Powers

The General Meeting gives full powers to the bearer of an original, a copy or extract of the minutes of this Shareholders' Meeting to perform all necessary formalities.

The Board of Directors

Notes

Société Anonyme (Public Limited Company)
to Board of Directors with a capital of €2,773,838

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