

# GROUPE BENETEAU

Annual financial report 2015-16

GENERAL MIXT MEETING  
January 27th, 2017



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## MANAGEMENT AND SUPERVISORY BODIES

Supervisory Board	Management	Statutory Auditors
<i>Chairman</i> Yves Lyon-Caen  <i>Vice-Chairman</i> Louis-Claude Roux  Annette Roux Catherine Pourre Yvon Bénétéau Benjamin Bénétéau Claude Brignon Luc Dupé Jean-Pierre Goudant Christian de Labriffe	<i>Chairman</i> Hervé Gastinel  Carla Demaria Christophe Caudrelier Jean-Paul Chapeleau	<i>Compagnie Régionale de Poitiers</i> Atlantique Révision Conseil  <i>Compagnie Régionale de Versailles</i> KPMG Audit Département de KPMG S.A.

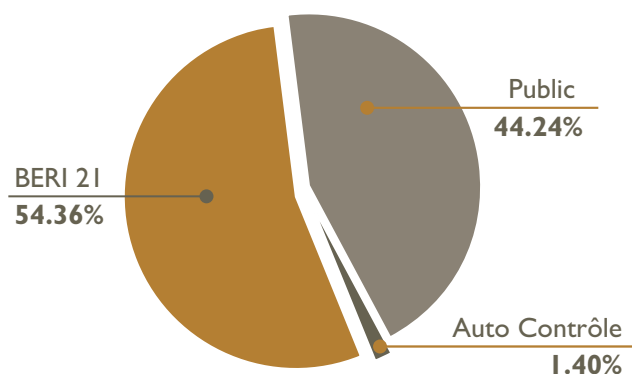
## BÉNÉTEAU AND THE STOCK MARKET

## Capital

82,789,840 shares with a par value of €0.10  
Share capital : €8,278,984

S.A. BERI, a limited company owned by the family group had a 54,36% stake in BENÉTEAU's capital at August 31, 2016.

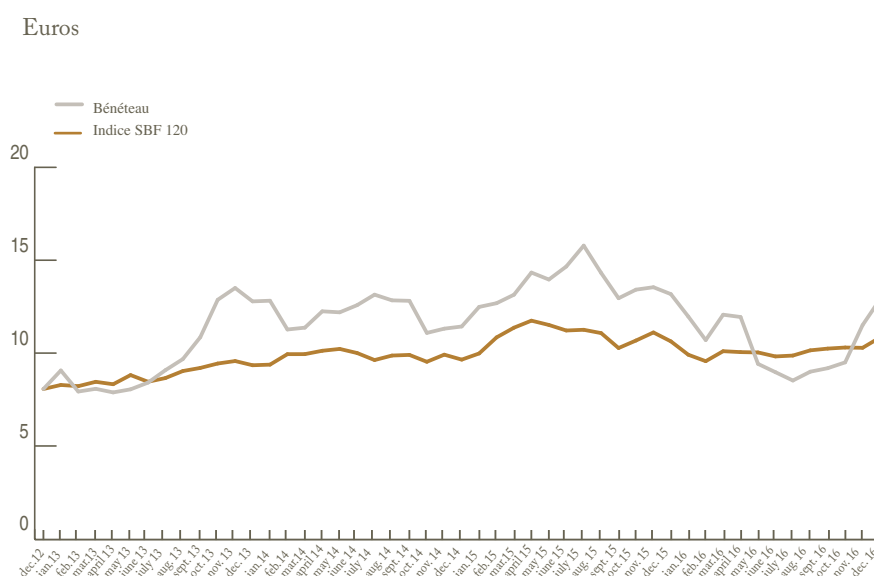
To the best of our knowledge, two shareholders hold more than 5% of the capital of BENÉTEAU SA: the Franklin Ressources Inc 12.3543% and the Financière de l'Echiquier fund with 5.05%.



## Stock date

Company name	BÉNÉTEAU
Listed on	Euronext Paris
Compartment	Eurolist Compartment A
Date listed	March 1984
Stock name	BÉNÉTEAU
ISN	FR0000035164
Listed share par value	€0.10
Number of shares	82,789,840
Voting rights	Yes
Entitlement to ordinary dividend	Yes

## Change in Bénétéau's share price



## BENETEAU GROUP

FY 2015-16 was characterized by double-digit growth across all indicators:

- Revenue growth of nearly 12%, up from €969.5 million in 2014-15 to €1,083.5 million in 2015-16;
- 27% improvement in profitability, with €43.6 million in income from ordinary operations for 2015-16, versus €34.4 million in 2014-15.

Groupe Beneteau closed out FY 2015-16 with solid performances linked to robust sales across its two divisions:

Boats: the business achieved over 10% growth for the second year running, driven by the quality of its range of innovative products and the positive market trends for recreational boats;

Housing: the business is up 15%, with a strong resumption of investment in leisure homes.

Reported net income came to €25.2 million.

The Group's consolidated net cash represents €13.5 million.

## I – DIVISION BUSINES AND EARNINGS

### • Key indicators for each business

€'000,000	2015-16	2014-15	Change (reported data)	Change (constant exchange rates)
Revenues	1,083.5	969.4	+ 11.8%	+ 10.6%
- Boats	910.7	819.3	+ 11.2%	+ 9.8%
- Housing	172.8	150.1	+ 15.0%	+ 15.0%
Income from ordinary operations	43.6	34.4	+ 27.0%	
Net income (Group share)	24.8	12.8	+ 93.8%	

### 1) BOAT BUSINESS

At constant exchange rates, the Boat business' full-year revenues climbed to €899.4 million for FY 2015-16, up +9.8% year-on-year.

€'000,000	2015-16	2014-15	Change (reported data)	Change (constant exchange rates)
Revenues	910.7	819.3	11.16%	9.80%
Income from ordinary operations	46	33.6	36.90%	
EBITDA (*)	113	88	28.41%	

(\*) EBITDA = operating income restated for allocation / reversal of provisions for liabilities and charges and depreciation charges

The Motorboat business has made strong progress (+16.3%) and now represents 58.8% of revenues for the Boat business line, compared with 41.2% for the Sailing Boat business.

The Group is fully capitalizing on the benefits of:

- A dynamic European market,
- The extension of its range, moving towards larger units and a broad selection of sailing and power catamarans,
- The integration of RBH's brands and sales networks with the sales organization supporting the Beneteau and Jeanneau brands.

**In Europe**, revenues are up +18.3% at constant exchange rates compared with the previous year to €462.7 million. The Group's brands have achieved over +10% growth in all Western European countries, including the UK.

**In North America**, revenues are up +6.0% at constant exchange rates to €283.7 million, driven by the Motorboat business and its +14.1% growth. For the first time, the Prestige brand is the US market leader on the 50 to 60 foot Express Cruiser segment.

**In South America**, business has contracted sharply, with revenues down -62% at constant exchange rates to €6.2 million. The Brazilian market has been particularly affected by the scale of the country's economic and social crisis over the past few years. Faced with the country's instability, making it impossible to achieve reliable development forecasts, Groupe Beneteau has decided to mothball the Beneteau brand's recreational craft production operations at the Angra dos Reis site in Brazil. Management of commercial operations is being transferred to the Group's US subsidiary, whose management team was further strengthened at the end of August.

**In Asia**, sales are up slightly to €56.4 million (+2.6%).

The Fleet business recorded a +12.5% increase in revenues to €55.1 million. The Group has also supported the development of its charter customers by offering new sources of financing.

Income from ordinary operations shows strong growth, up +36.9%, thanks to the volume of business. The first results of the Group's transformation actions and the effectiveness of the measures adopted over the first half of the year – including tighter cost management – have made it possible to offset the non-recurring elements, with significantly improved forecasts. Illustrating this, income from ordinary operations is up to €46.0 million.

#### SPBI (Chantiers Bénéteau – Chantiers Jeanneau – BJ Technologie)

	2015-16	2014-15	2013-14	2012-13	2011-12
Revenues(€M)	630.5	576.2	507.1	511.7	521.0
Operating income (€M)	31.2	8.2	(4.6)	(7.9)	(10.0)
Net income (€M)	22.8	14.9	(8.1)	(8.6)	(2.9)
Average headcount	3,934	3,426	3,474	3,589	3,580

Bénéteau Inc (*)	2015-16	2014-15	2013-14	2012-13	2011-12
Revenues (USD M)	300.3	295.6	192.8	117.6	56.3
Operating income (USD M)	(5.9)	(0.5)	11.1	5.4	(1.4)
Net income (USD M)	(4.9)	(1.2)	6.5	3.7	(1.5)
Average headcount	685	597	651	174	159

(\*) Including Rec Boat Holdings LLC, acquired in June 2014 by Beneteau Inc

Exchange rate at August 31, 2016: €1 = USD 1.1132

Average exchange rate over the year: €1 = USD 1.1107

From the year ended August 31, 2013, the accounts of the American subsidiaries (BGM, Beneteau America Inc, Jeanneau America Inc and Beneteau Inc) have been presented on a consolidated basis.

Ostroda Yachts	2015-16	2014-15	2013-14	2012-13	2011-12
Revenues (PLN M)	287.6	233.3	209.9	216.2	203.8
Operating income (PLN M)	23.9	7.0	4.5	3.5	0.4
Net income (PLN M)	16.8	10.1	7.2	10.4	(3.1)
Average headcount	677	617	575	595	628

Exchange rate at August 31, 2016: €1 = PLN 4.3533

Average exchange rate over the year: €1 = PLN 4.3264

CNB	2015-16	2014-15	2013-14	2012-13	2011-12
Revenues (€M)	187.3	156.6	144.8	124.8	119.6
Operating income (€M)	21.5	14.3	9.9	7.1	6.6
Net income (€M)	12.2	8.5	5.7	4.3	3.8
Average headcount	745	457	436	437	456

Monte Carlo Yachts	2015-16	2014-15	2013-14	2012-13	2011-12
Revenues (€M)	70.6	58.1	48.9	37.2	27.5
Operating income (€M)	4.6	2.1	(0.7)	(0.3)	(2.9)
Net income (€M)	3.6	4.1	2.2	(1.1)	0.5
Average headcount	261	220	196	170	107

### GBI Holding

The individual financial data for GBI Holding are not significant for the past five financial years, with less than €1 million on an absolute basis.

Bénéteau Brasil Construção de Embarcações sa	2015-16	2014-15	2013-14	2012-13	2011-12
Revenues (BRL L)	9.8	13.9	12.2	12.3	-
Operating income (BRL M)	(5.6)	(3.5)	(5.1)	(9.4)	(3.9)
Net income (BRL M)	(2.1)	(15.5)	(5.6)	(14.0)	(4.0)
Average headcount	30	31	41	35	12
Exchange rate at August 31, 2016:	€1 = BRL 3.6016				
Average exchange rate over the year:	€1 = BRL 4.0863				

After the reporting date, the Group decided to mothball its production operations in Brazil (see Note IV - Post-balance sheet events)

Bénéteau Brasil Promoções e Comercializacão de Embarcações Ltda	2015-16	2014-15	2013-14	2012-13	2011-12
Revenues (BRL M)	2.2	2.3	4.2	2.8	1.7
Operating income (BRL M)	(0.2)	(0.5)	-	0.8	(1.6)
Net income (BRL M)	1.0	(3.2)	0.1	(2.4)	(1.6)
Average headcount	0	1	2	4	3
Exchange rate at August 31, 2016:	€1 = BRL 3.6016				
Average exchange rate over the year:	€1 = BRL 4.0863				

**The activities of the sales and marketing subsidiaries** involve coordinating the local network of dealers. As such, changes in and the levels of their revenues are not representative of actual sales made in their region, since all boat sales are invoiced from France.

Bénéteau Italia srl	2015-16	2014-15	2013-14	2012-13	2011-12
Revenues(€M)	0.8	0.9	0.7	0.8	1
Net income (€M)	0	0.2	-	-	0.1
Average headcount	2	2	2	3	3

Jeanneau Italia srl	2015-16	2014-15	2013-14	2012-13	2011-12
Revenues (€M)	0.6	0.6	0.4	0.4	0.6
Net income (€M)	-	-	-	-	-
Average headcount	1	1	1	2	2

Bénéteau Group Asia Pacific (ex Jeanneau Asia Pacific)	2015-16	2014-15	2013-14	2012-13	2011-12
Revenues(HKD M)	-	-	-	-	-
Net income (HKD M)	0.1	-	(0.1)	0.2	0.2
Average headcount	4	3	2	1	1
Exchange rate at August 31, 2016:	€1 = HKD 8.6357				
Average exchange rate over the year:	€1 = HKD 8.6192				

## 2) HOUSING BUSINESS

€'000,000	2015-16	2014-15	Change %
Revenues	172.8	150.1	15.12%
- Leisure homes	160.7	133.9	20.01%
- Residential housing	12.1	16.2	-25.31%
Income from ordinary operations	-2.4	0.8	N/A
- Leisure homes	0.8	4.3	-81.40%
- Residential housing	-3.2	-3.5	-8.57%
EBITDA (*)	4.3	3.5	22.86%

(\*) EBITDA = Operating income restated for allocation / reversal of provisions for liabilities and charges and depreciation charges

The Leisure Homes business, after facing various operational and logistical difficulties that were overcome at the end of the year, is reporting strong growth.

**Leisure homes**

This business line has had a very active end to the season, supported by two positive factors: strong growth with key account customers (+40%) on the French market and strong progress on the major European markets (+30%) other than Italy. Income from ordinary operations came to +€0.8 million and continued to be affected by the operational issues experienced with starting up a new IT tool. These issues, which affected a large part of the year, have since been resolved.

**Residential housing**

After contracting sharply, this business recorded an insufficient level of orders to break even financially. Revenues came to €12.1 million, down 25% year-on-year. Despite the new synergies put in place between the Housing division's two business lines, and ongoing work to reduce operating costs for the Residential Housing business, income from ordinary operations is still negative, with -€3.2 million, a very slight improvement from 2015.

BIO Habitat (*)	2015-16	2014-15	2013-14	2012-13	2011-12
Revenues (€M)	165.5	137.7	15.4	14	16.7
Operating income (€M)	2.2	4.1	0.2	0.2	0.6
Net income (€M)	1.4	3.8	0.1	0.1	0.1
Average headcount	979	745	93	108	106

(\*) Effective retroactively to September 1, 2014, the companies IRM and O'HARA were merged within Bio Habitat.

O'Hara	2015-16	2014-15	2013-14	2012-13	2011-12
Revenues (€M)	-	-	63.8	64.4	72.9
Operating income (€M)	-	-	1.2	3.6	6.9
Net income (€M)	-	-	0.6	2.1	0.7(*)
Average headcount	-	-	277	287	286

(\*) Including debt write-off granted to O'Hara Vacances for €3.1 million

IRM	2015-16	2014-15	2013-14	2012-13	2011-12
Revenues (€M)	-	-	86.6	95.3	134.3
Operating income (€M)	-	-	2.9	4.1	14.4
Net income (€M)	-	-	2.5	3.0	7.5
Average headcount	-	-	449	462	472

O'Hara Vacances	2015-16	2014-15	2013-14	2012-13	2011-12
Revenues (€M)	-	-	0.4	14.8	13.5
Operating income (€M)	-	-	(0.2)	(0.5)	(2.9)
Net income (€M)	-	(0.1)	0.1	(0.3)	- (*)
Average headcount	-	-	0	14	14

(\*) Including debt write-off granted to O'Hara Vacances for €3.1 million

BH	2015-16	2014-15	2013-14	2012-13	2011-12
Revenues (€M)	13.4	16.7	17.3	20.4	14.2
Operating income (€M)	(3.2)	(3.5)	(3.9)	(4.6)	(8.5)
Net income (€M)	(2.5)	0.1	0.1	(0.1)	-
Average headcount	104	100	95	105	107
<i>Of which, debt write-off granted by Bénéteau SA</i>	<i>(7.2)</i>	<i>(3.9)</i>	<i>(4.0)</i>	<i>(4.7)</i>	<i>(9.5)</i>

BH Services	2015-16	2014-15	2013-14	2012-13	2011-12
Revenues (€M)	1.9	2	2.1	2.6	3.8
Operating income (€M)	42	-	-	-	-
Net income (€M)	(1.9)	-	-	-	-
Average headcount	24	27	27	27	26

After the reporting date, the Group announced a proposal to restructure the residential housing business (see Note IV – Post-balance sheet events).

BIO Habitat Italia	2015-16	2014-15	2013-14	2012-13	2011-12
Revenues (€M)	11.5	11.3	7.5	12.2	5.1
Operating income (€M)	(0.9)	(0.6)	(0.5)	(0.1)	(0.9)
Net income (€M)	(1.0)	(0.7)	(0.5)	(0.2)	(0.8)
Average headcount	44	36	36	39	9

This subsidiary, which launched its business in 2011-12, is intended to build leisure homes for the Group in Italy.

### Habitat d'avenir

Habitat d'avenir, whose mission is to support BH for marketing its timber-frame houses, is consolidated on an equity basis. Net income (Group share) came to -€168,000 at August 31, 2016, compared with €87,000 at August 31, 2015.

### SGB Finance

SGB Finance, a financing company, is consolidated on an equity basis, with €3,399,000 in net income (Group share), versus €4,327,000 the previous year.

## II – TRANSITION FROM INCOME FROM ORDINARY OPERATIONS TO NET INCOME

### 1) RECONCILIATION OF INCOME FROM ORDINARY OPERATIONS AND OPERATING INCOME

Operating income came to €33.9 million. It includes a €9.7 million net expense corresponding primarily to restructuring costs for the Group's operations in Brazil and the residential housing sector.

### 2) FINANCIAL INCOME / EXPENSE

€'000,000	2015-16	2014-15
Financial income/expense	(5.4)	(17.7)
Which		
- Exchange rate gains (losses)	(2.9)	(15.6)
- Interest expense net of investment income	(2.5)	(2.1)

The €2.9 million foreign exchange loss primarily reflects the difference between our forward purchase and sales positions and the accounting exchange rate for recording transactions in dollars.

Since this year, the Group has hedged its commercial currency risk based exclusively on currency futures.

At August 31, 2016, the foreign exchange hedging positions were as follows:

- USD 130,427,000 of forward sales at the following average rate: €1 for USD 1.11643
- PLN 184,753,000 of forward purchases at the following average rate: €1 for PLN 4.3989

### 3) NET INCOME

Net income (Group share) came to €24.8 million.

The Group's net income includes the recognition of a €6.6 million tax expense, giving an effective rate of 23.1%. Restated for the impact of €2.3 million in losses not capitalized for subsidiaries, this rate comes out at 18.7%.

## III – FINANCIAL STRUCTURE

€'000,000	2015-16	2014-15	Δ %
Net income	25.2	8.8	+ 91%
Income from associates offset for dividends received from associates	(2.5)	(4.4)	
Depreciation and provisions	83.3	62.1	+34%
Deferred tax and capital gains or losses on disposals	1.9	2.6	
<b>Operating cash flow</b>	<b>107.8</b>	<b>73.5</b>	<b>+ 47%</b>
Change in working capital	32.4	3.5	+ 826%
Others	1.9		
Net cash flow from investments	(68.8)	(61.8)	+ 11%
Exchange gains or losses	(0.4)	(10.6)	
<b>Free Cash Flow</b>	<b>72.9</b>	<b>4.6</b>	<b>+ 1,485%</b>
Dividends	(4.9)	(2.4)	+ 104%
Changes in treasury stock	(3.6)	(0.1)	
<b>CHANGE IN NET CASH</b>	<b>64.4</b>	<b>2.1</b>	<b>+ 2,967%</b>
Opening net debt (1)	(51.0)	(53.1)	
Closing net debt (1)	13.4	(51.0)	

(1) After financial debt (associate current accounts and finance-lease borrowings)

The Group is reporting €107.8 million in operating cash flow, up +47% year-on-year. Following a €32.4 million improvement in working capital and €71.1 million of current investments, the Group recorded €13.4 million of positive net cash, compared with €51 million of net debt at the end of FY 2014-15.

During FY 2015-16, in addition to the financing linked to RBH's acquisition in 2014, the Group secured a medium-term revolving credit line for €150 million over five years with a pool of partner banks.

In addition, the Group's net cash position reflects the highly seasonal nature of its business and it is close to its highest monthly level on the balance sheet at August 31. The average cash position for the year is significantly lower than that recorded on the balance sheet at August 31.

The company has carried out a specific review of its liquidity risk and considers that it is in a position to cover its upcoming maturities.

The main industrial projects concerned product investments in line with the plan for releasing new models.

€'000,000	2015-16	2014-15
Capital expenditure	71.1	69.1
Income from disposal of fixed assets	(1.1)	(5.8)
Change in fixed asset-related liabilities	(1.3)	(1.5)
Change in scope	0.1	0
<b>Net investments</b>	<b>68.8</b>	<b>61.8</b>

## IV – POST-BALANCE SHEET EVENTS

There are two significant post-balance sheet events to report:

- As its production entity was not expected to break even again over the short term faced with the economic situation in Brazil, the Group took the decision mid-October to mothball boat production operations in this country. With this decision, the Group is moving forward with its goal to eliminate sources of losses.

At August 31, 2016, all the assets and liabilities of the two Brazilian companies are classed as assets and liabilities held for sale, in accordance with IFRS 5.

In addition, a €4.7 million provision has been recorded in non-current operating income.

- Although the BH subsidiary (timber-frame residential housing) is able to carry out innovative and competitive projects, there is no market for the solutions offered in the detached housing, collective housing and dedicated residence sectors, so the Group announced at the end of October its plans to transform the BH subsidiary to produce leisure homes.

At August 31, 2016, the loss-at-completion provisions for BH were increased by €4 million and restructuring provisions were recorded in the accounts for BH Services for €1.9 million. These two provisions are presented under non-current operating income.

## V – OUTLOOK

### Boats business

The atmosphere has been positive at the season's first shows in Europe and the US. Trends are expected to continue to be positive for these markets. South America and Asia are contracting, although without calling into question the potential offered by these markets for the Group.

### Housing business

The confirmation of a good 2016 season for French campsite professionals is a positive sign for the future. The plans for orders received between now and the end of December will offer a tangible indicator for assessing this business' trends for 2017.

## VI – CORPORATE SOCIAL RESPONSIBILITY

### Our fundamentals: our values

The principles of Corporate Social Responsibility and Sustainable Development are an integral part of the Bénéteau Group's growth strategy and working methods. In this way, the strong values and sound foundations of Sustainable Development are part of the Group's genetic make-up: quality, rarity, noble raw materials, handing down knowledge and know-how.

The Bénéteau Group is a family group and has been guided by the same mindset for the past 130 years. The organization's strength is built around its deep roots and its values of respect, generosity and integrity, firmly anchored in the hearts of its men and women. Aware of the rich human resources and know-how in its historical regions, the Group is committed to maintaining jobs, while moving forward with its international development. Wherever it operates, the Group strives to promote its rich internal resources, while valuing experience and continuous training.

Since 1884, across the generations, the Group's men and women have cultivated their passion for our products, their sense of innovation and their constant commitment to our customers and the environment. From amateurs to professionals, novices to recreational users, regatta racers to skippers, the Group puts the same energy into crafting its products in line with their various ambitions. Working with its dealers, it strives to continuously improve its support for customers, aligned with their expectations. This same commitment to its customers guides the Group's development in the housing sector today. Creating trends and constantly looking for new ideas, the Group is always innovating and looking to anticipate customers' needs, working with passion to create tomorrow's solutions.

To support the Group's development and further strengthen its profitability, while respecting its values and fundamentals, the Group's executive leadership team launched a global transformation plan during the year focused on six key areas:

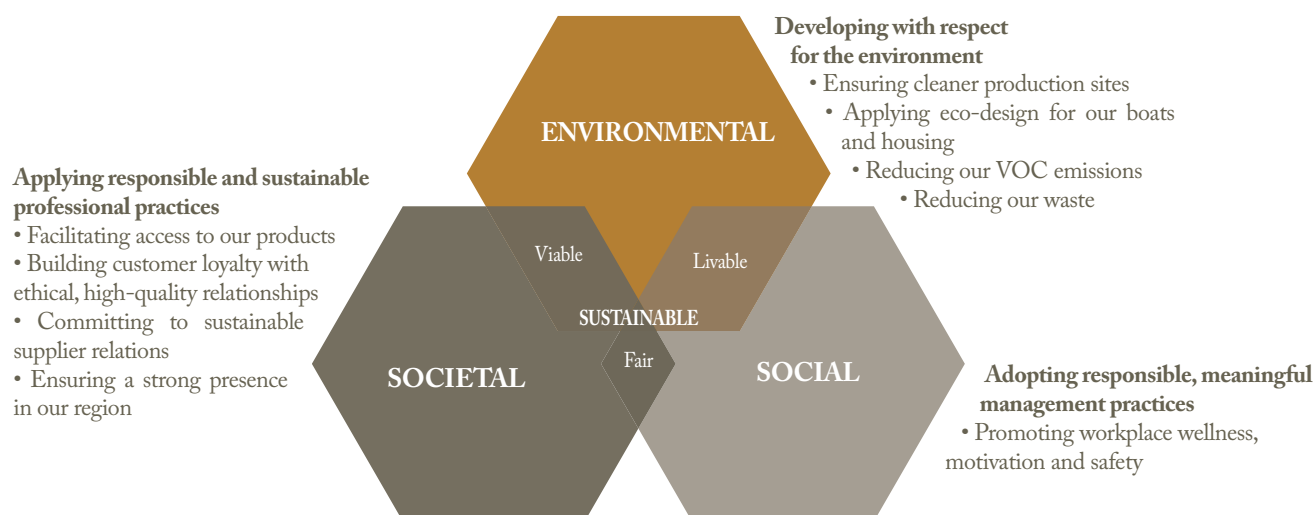
- Development and innovation,
- Product strategy,
- Digital,
- International development,
- Human resources,
- Management processes.

Each area is overseen by a positive transformation committee. The first proposed actions were presented by each committee's leaders and coordinators to the steering committee members, the executive leadership team and Louis-Claude Roux, Vice-Chairman of the Supervisory Board, at the end of August 2016.

**Focus on the HR committee:** the general objective with the various HR initiatives is to anticipate and secure the level of skills and motivation required for the Group's development and performance in three key areas: development of internal mobility, forward-looking skills management, and development of the Group's managerial culture.

Work has focused initially on improving the integration of operators on temporary contracts by further strengthening the levels of information for partners on our activities, as well as training for temporary staff when they join the Group.

### Pillars for our Sustainable Development policy



## 1 – COMMITMENT TO EMPLOYEES

### 1.1 Bénéteau Group's men and women

#### Change in headcount levels

Headcount at Aug 31 (permanent and fixed-term contracts)	2015-16	2014-15	2013-14
France <sup>(1)</sup>	4.783	4.724	4.799
Poland	691	625	
United States	662		
Headcount - CSR scope	6.136	5.349	4.799
Headcount - Group	6.479	6.328	6.389

(1) For the first time, the French scope includes the company BH Services and expatriate staff in 2015-16

The employee-related data presented in the CSR report concern:

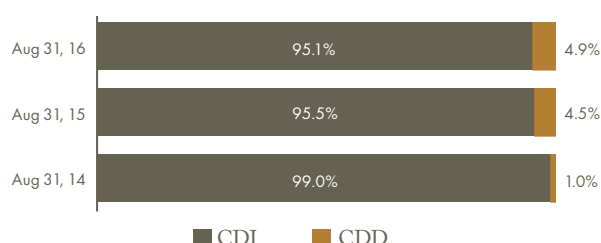
- The French scope, which includes all the French subsidiaries, fully consolidated, with an average headcount of over 20 people. The company BH Services and expatriate staff have been included in the CSR scope for FY 2015-16.
- For certain HR indicators, the scope has been extended to include Poland for FY 2014-15 and the United States for 2015-16.

Unless specifically mentioned, the HR indicators are presented for this CSR scope. The scope for each indicator is presented in a methodological procedure. The impact of the change in scope is presented for each of the indicators concerned.

After restating the data for the company BH Services and expatriate staff, the Group's headcount for the French scope changed from 4,745 employees at August 31, 2015 to 4,756 employees at August 31, 2016. Headcount figures are therefore stable for the French scope, despite the significant number of staff retiring during the year, indicating that the Group has moved into a period of stabilization and growth for its permanent workforce. The 11% increase in the headcount at Ostroda Yacht, in Poland, reflects the fact that various recruitments that would usually take place at the end of the year were brought forward to the summer to cover the increase in activity expected for the coming financial year.

The companies included in the CSR reporting framework (France, Poland, United States) represent 95% of the Group's total workforce at August 31, 2016, compared with 85% at August 31, 2015. For the Bénéteau Group scope, the total consolidated headcount is up from 6,328 staff at August 31, 2015 to 6,479 at August 31, 2016. This growth in its job figures reflects the upturn in the Group's activities.

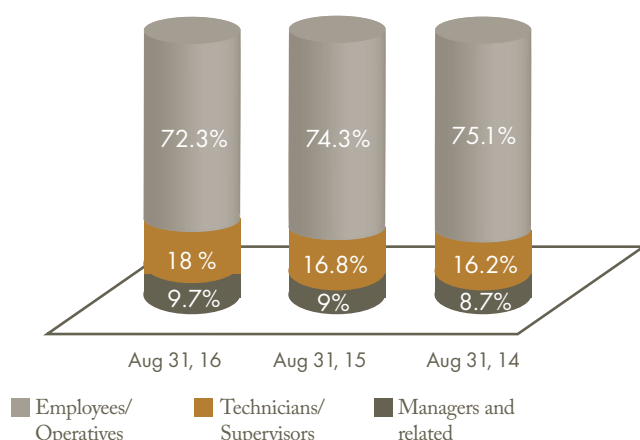
### Breakdown of the workforce by type of employment contract



To promote stable employment, the majority of the Group's employment contracts are for permanent positions. Fixed-term contracts are primarily used in the production teams.

### Breakdown of the workforce by category, age and gender – French scope

#### Breakdown of the workforce by category

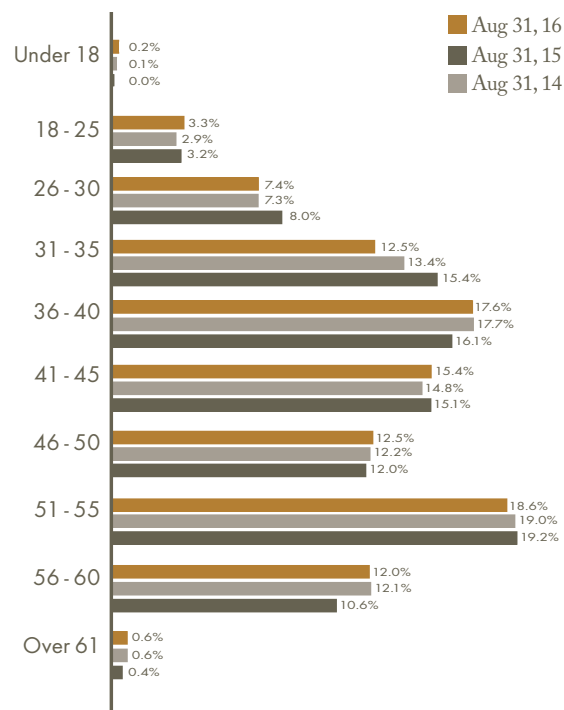


Considering the industrial nature of the Group's activities, employees and operatives account for a majority of the total workforce. Nevertheless, this year we are reporting a significant increase in the number of technicians and supervisors linked to the structuring of operations, at all of the Group's sites and for both of its business lines: Boats and Housing.

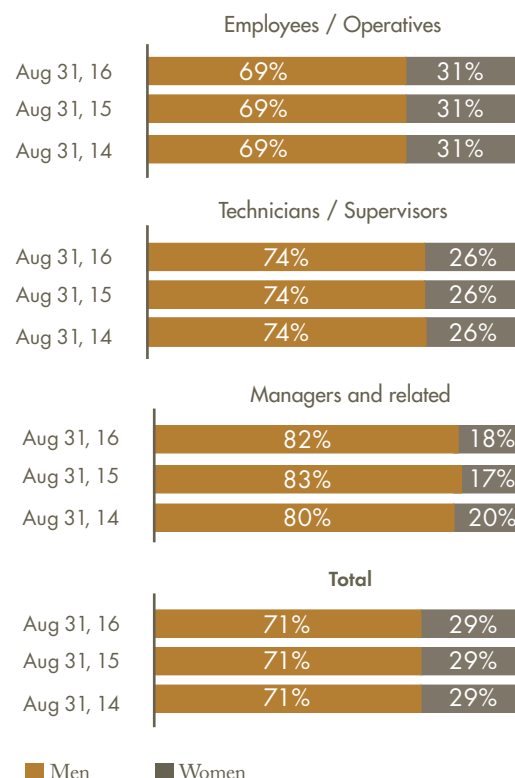
### Breakdown of the workforce by age – French scope

Considering its stable workforce and high levels of seniority, particularly in the Boat business, the Group is able to count on experienced staff with strong levels of technical value-added, while ensuring that their know-how can be passed on.

Aware of the stakes involved in this area, the Group has focused on developing work-based training programs. A sustained policy is being rolled out to welcome trainees on work-based programs: the number of staff recruited on work-based training contracts increased by 16% during the year, with a further increase of more than 40% expected for the Boat business over the next financial year. While the features of the work-based training contracts set up within the Group may vary considerably, the Group focused its recruitments this year on technical training programs, such as CAP vocational certificates and composites degrees. As part of these training programs, each young person is mentored by a more senior employee, with support from the Group's technical training center, helping ensure that knowledge is effectively shared and handed down.



### Breakdown of the workforce by gender – French scope



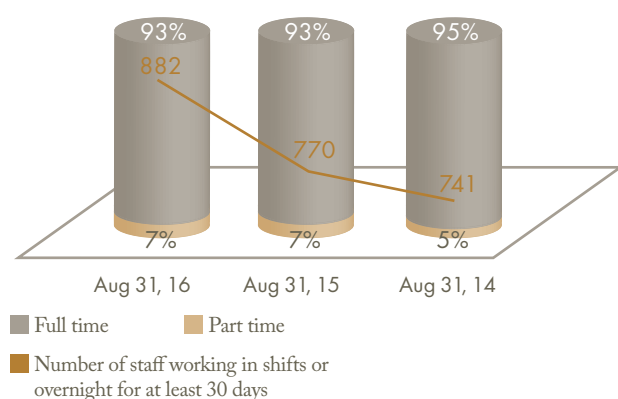
Women represent 29% of the total workforce in France, stable compared with the previous year. This breakdown is consistent with data published by the French national statistics office (INSEE) for the manufacturing industry. Women represented 32% of internal and external candidates recruited.

In connection with its agreements for equality in the workplace, the Bénéteau Group ensures that gender equality is respected through a benchmarked and detailed annual analysis, working with its employee representative partners, concerning the situations for men and women. Following this analysis, specific action plans have been rolled out to ensure gender equality.

At SPBI, these action plans have led to the following initiatives: allocating equivalent budgets between men and women for pay rises linked to their grades, putting in place a process for managing returns from maternity leave, and rolling out a communications plan to encourage the recruitment of women.

CNB is working with the Bordeaux region's technical diversity action committee (Comité Technique Action Mixité) to promote gender diversity in its facilities. Within this framework, plant visits are being organized so that women who are interested can discover the career opportunities available in the boating industry. Following these visits, women can be directed to relevant training programs and offered internships. A first recruitment was completed this year after putting this support system in place.

#### Organization of working time – French scope



Team-based work primarily concerns molding / composite professions in the Boat business, in line with the production cycles and the processes used. The increase in positions involving shifts or night work is linked to certain facilities gradually introducing a system of two eight-hour shifts and the adaptation of certain split timetables over eight hours of work to cover the increase in demand.

The level of part-time positions within the Group remains low and is based exclusively on a voluntary approach.

#### Absenteeism

Absenteeism - France scope	2015-16	2014-15	2013-14
Illness	6.29%	5.62%	6.07%
Occupational accidents - illnesses	2.20%	2.25%	1.84%
Other*	0.26%	0.33%	0.24%
<b>Total</b>	<b>8.75%</b>	<b>8.20%</b>	<b>8.15%</b>

\* Maternity leave, leave for personal reasons and unjustified absences.

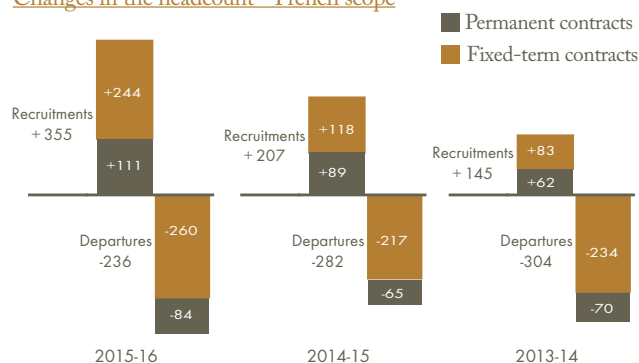
The absenteeism figures include absences resulting from illness, occupational illnesses, occupational accidents, accidents travelling to and from work, maternity leave, leave for personal reasons and unjustified absences.

The absenteeism rate shows an increase for the year, reflecting the combined impact of the higher absenteeism rate linked to absences for illness, and the lower level of absenteeism linked to occupational accidents and illnesses.

This year, the Group rolled out the BSAFE plan to reduce accident levels and address the increase in the absenteeism rate relating to occupational accidents and illnesses in production facilities. The recent increase in absenteeism linked to illness, particularly in the Boat division, is currently being analyzed.

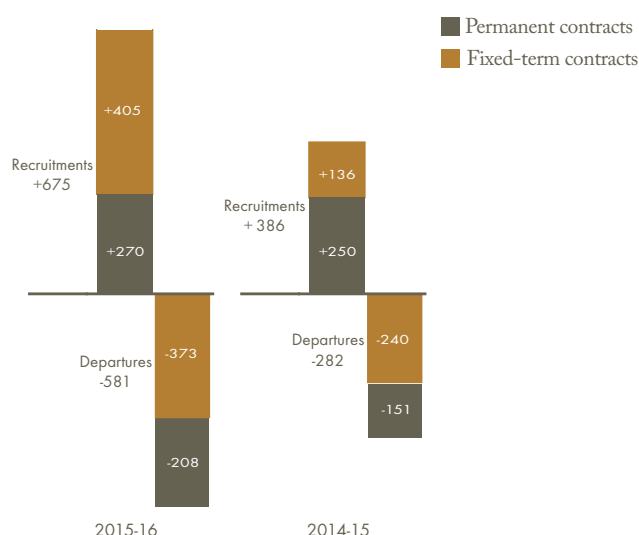
## 1.2 Recruitment, turnover and mobility

### Changes in the headcount – French scope



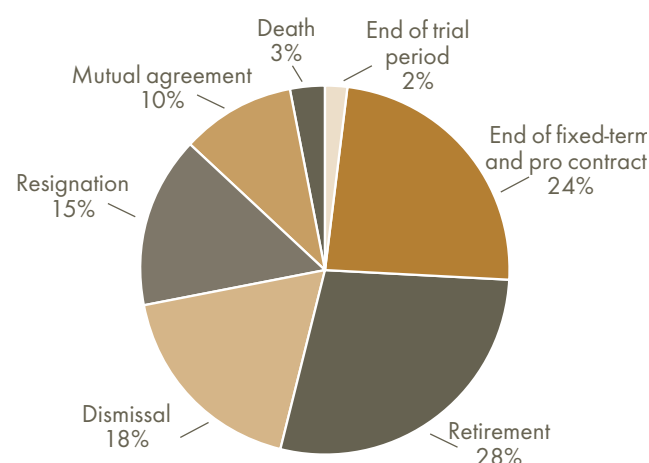
For FY 2015-16, the French scope includes the company BH Services.

### Changes in the headcount – CSR scope

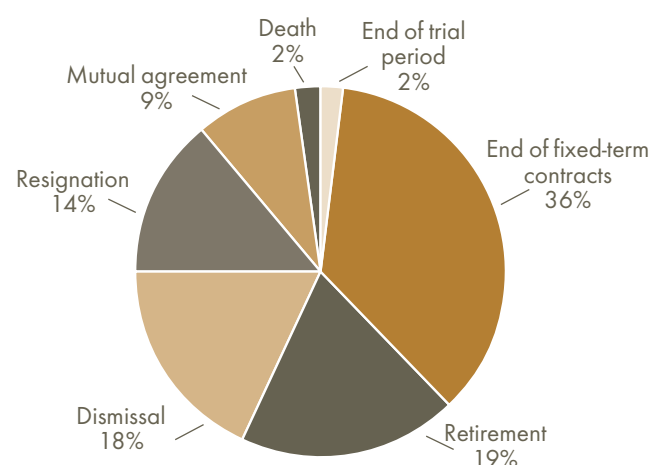


The CSR scope includes the French scope and Poland for 2014-15, and the United States for 2015-16. As such, the figures cannot be compared for the various years.

### Reasons for departures - French scope



### Reasons for departures - CSR scope



For the French scope, twice as many staff were recruited on permanent contracts compared with the previous year. This increase is directly linked to the 48% increase in the number of retirements and reflects the upturn in business.

This trend is expected to continue over the coming years. To ensure an effective response to retirements and stabilize its in-house skills, the Group has launched a policy to recruit staff on permanent positions, with a plan rolled out to hire 180 staff on permanent contracts at the production sites as announced during the mandatory annual negotiations. These recruitments will be dependent on the number of staff retiring, the level of growth in the business, and the needs involved with stabilizing key professions. A review will also be carried out to take stock of key positions at SPBI outside of the plants in order to plan for any replacements required.

We can also see a 25% increase in the number of staff recruited on fixed-term contracts for the French scope. Among other factors, this increase reflects the development of work-based training contracts during the year. SPBI recruited 37 trainees on work-based programs this year, compared with 31 the previous year. This trend will be confirmed in FY 2016-17, with 53 staff expected to be recruited on work-based training contracts.

Turnover rate	2015-16	2014-15
France	3.31%	3.07%
Poland	2.84%	4.34%
United States	13.08%	
CSR scope	4.37%	3.18%

The conditions for calculating turnover levels have been modified this year so that the data can be compared more easily with market data. The calculation has also been restated for the previous financial year to enable the two years to be compared. Turnover for permanent staff now corresponds to departures by permanent employees during the year in question, initiated by the employer or employee, divided by the average permanent headcount for the year. The following reasons for departures are taken into account: resignation, dismissal, breaches of contracts and termination of probation periods.

For the French scope, the turnover rate is 3.31%. This low level of turnover, kept effectively under control, reflects the loyalty of our staff.

### Internal mobility

The Bénéteau Group has mapped out and implemented an internal mobility process to ensure fair treatment and access to information for all internal candidates, based on the following approach:

- The list of Group vacancies for technicians, supervisors and managers is distributed internally. It is available on the Group intranet and displayed at all the production sites in France. Information is distributed internally before being released externally.
- The following information is indicated for each position: missions, prerequisites, operational conditions and location.
- Employees submit a written application (CV + letter) to their HR Department, while informing their manager, which ensures respect for each individual in their position.
- Each internal candidate is systematically interviewed by the HR recruitment pilot, then informed of the next steps and outcome of their application.
- Internal applications are given priority over external applications when they both satisfy the prerequisites defined.

Internal candidates accounted for 15% of recruitments for the French scope this year.

## 1.3 Supporting workplace health and safety

### Occupational health and safety organization and policy

The Group's health and safety policy is put in place in each subsidiary during monthly health and safety steering committee meetings. These committees are made up of representatives from the executive management teams, the technical and operational departments, the industrial departments or health-safety managers, depending on the companies, and, in the case of the Boat business, occupational physicians.

In the facilities, the health-safety policy is rolled out by safety-environment correspondents in all the Boat business production sites.

in France, and by safety coordinators in most of the Housing business facilities. Meetings are organized, every two months, between these local correspondents and the central Health-Safety-Environment team to review any workplace accidents that have occurred in the facilities, as well as core actions covering all the sites and changes in the regulatory framework.

Each production site also has a dedicated health, safety and working conditions committee. Today, the Group has nearly 20 health, safety and working conditions committees, which are supporting the facilities to improve their workplace conditions and accident prevention. In addition to the traditional industrial methods teams, the Group has employed two occupational physicians and two ergonomists.

The Group also works with the occupational health prevention services (CARSAT, OPPBTP, Service de Santé au Travail) on specific issues, such as chemical risks or working at heights. The majority of the Boat business production sites and two of the Housing sites have taken part in the TMS program launched by the CARSAT occupational health and retirement fund.

The two US sites - Marion and Cadillac - have a safety committee made up of around 20 staff volunteers (employees, supervisors, managers, safety officers and directors) which meets up every month or two months to review safety issues. The Cadillac site also has a part-time nurse.

#### Accident frequency figures

Frequency rate <sup>(1)</sup>	2015-16	2014-15	2013-14
French scope	39.8	42.0	42.5
CSR scope <sup>(2)</sup>	30.79	36.5	
Severity rate <sup>(1)</sup>	2015-16	2014-15	2013-14
French scope	2.0	1.9	1.8
CSR scope <sup>(2)</sup>	1.5	1.7	
Occupational illnesses <sup>(1)</sup>	2015-16	2014-15	2013-14
French scope	14,805	12,996	13,489

(1) Exclusively for companies with production activities.

(2) In addition to the French scope, the CSR scope includes Poland for FY 2014-15, and Poland and the United States for 2015-16.

#### BSAFE safety action plan

Faced with accident frequency figures that were considered to be too high, the leadership team put in place a safety action plan - the BSAFE plan - during the year. Initially rolled out for SPBI, this plan will be ramped up to cover all the Group's subsidiaries in France and the US.

#### What is the objective with the BSAFE plan?

Establishing safety as a core value for the Group and halving the number of occupational accidents by working on organizational aspects and changing behaviors.

The BSAFE plan's deployment within SPBI is being overseen by a committee made up of the executive leadership team, the human resources department, the operations department and the health-safety department, as well as the manager in charge of internal communications and employee relations.

It is focused on six core areas.



This action plan is based on engaging the management team in accident prevention. The Group has called on a specialist organization with an established track record in the safety sector to support it with this. To date, all the members of the Group's Management Committee have been trained up on the approach to be adopted for safety and more specifically safety dialogue, a key tool within this approach. The site directors, the management team and certain SPBI plants also started their training programs during the year.

The project is based around safety dialogue sessions, which represent a tool for observing and reviewing safety. Safety dialogue sessions involve two managers, trained up on the approach, observing an operator's work for 20 to 30 minutes, under standard operational conditions. Following this observation stage, the managers present their findings (positive points, areas for improvement).

Following the safety dialogue session, simple actions are rolled out immediately and mutual commitments are mapped out for the behavior and actions to be developed over the medium term. The Group has set itself a target to ensure that all operators are able to benefit from one safety dialogue review each year. The operational managers carry out one safety dialogue review per week, with one per month for the support teams and one per quarter for the Management Committee.



First safety dialogue session for Hervé Gastinel, CEO, at the Bois Vert plant

### Staff training

Alongside this plan, the Group has identified staff training as a key focus for preventing occupational accidents and illnesses.

Weekly 15-minute sessions have been set up to look at specific safety issues for all Housing business operators.

Training sessions hosted by two osteopaths have also been offered for staff at the Luçon facility, in the Housing business.

At the Bordeaux site, the PLAYSAFE training program, provided by an external firm since 2012, has made it possible to train up more than 300 people since it was launched. This training aims to enable each employee to become individually aware of their responsibility in terms of their own safety and that of their colleagues.

60 staff from the OSTRODA YACHT plant in Poland and 26 staff from the various sites in the US have received first aid training.

Safety awareness training is also provided for apprentices. Each year, a meeting is hosted by SPBI's health, safety and environment manager, at the Maison Familiale de Saint Gilles-Croix-de-Vie composites training center for apprentices during the first 15 days of their training, accompanied by mentors, to inform them about the safety guidelines for their activities.

### Health and safety investments

The Group is also moving forward with its prevention actions, based around:

#### • Work to replace chemical products

All the Boat business sites are committed to using resins with low styrene levels to replace conventional resins. This year, for the first time, low-styrene resins were used for 100% of a site's production (Belleville site).

#### • Deploying collective protective measures (local exhaust ventilation)

This year, an additional ventilation unit was set up at the Poiré 2 site, and three extraction booths were set up at the Herbiers site.

### Reducing manual load handling operations

The Group is moving forward with its investments to reduce manual load handling operations. In the Boat business, suction cup grippers have been deployed for handling wooden panels in the Saint Hilaire woodwork unit. In the Housing business, the Group's work has included creating bespoke machines to cut cladding for window surrounds. These machines, initially used in one facility, will be rolled out across all the Housing business sites. The Group has also invested in nearly 30 scissor lifting platforms that offer safer features. In Poland, a handling system has been set up in two workshops for fitting windshields.



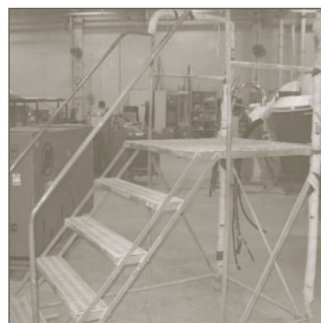
Slat (cladding) cutting unit - U1  
Housing plant



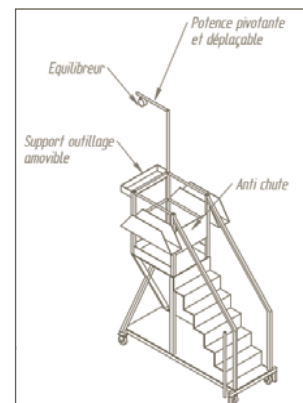
Suction cup gripper -  
Saint Hilaire woodwork unit

### Ensuring protection against falls from height

In the Boat business, investments have continued moving forward to ensure protection against falls from height. Work has been carried out to standardize safety nets offering protection against falls from boat decks. For more ad hoc operations, life lines have been set up at SPBI's production sites. Eight secure individual mobile platforms have also been deployed at the Housing sites.



Platforms set up to replace stepladders  
- Cadillac plant (USA)



Individual mobile platform -  
U1 Housing plant

For the French scope, safety investments represented over €1.2 million for the year.

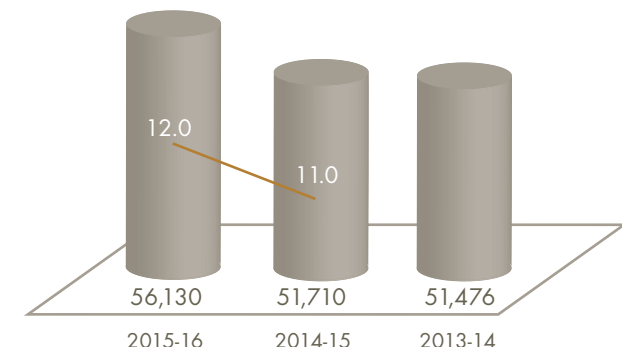
For the seventh year running, a health information and prevention day was held at the Group's Cadillac site. This campaign, inviting staff to think about how their lifestyle affects their health, was a great success, with more than 45% of staff taking part.

#### Health Fair in figures :

- 109 flu vaccines
- 80 cholesterol tests
- 105 massages
- 190 blood pressure tests

## 1.4 DEVELOPING SKILLS

The data presented in this section concern the French scope.



- Total number of hours of training
- Number of hours of training per employee

The fundamentals of the Bénéteau Group's various brands are built around the quality of the know-how built up by its men and women, as well as their sense of innovation. That is why the development of human capital is one of its core priorities.

To support employees and constantly improve their skills, training has been identified as a priority focus in the Group's human resources policy.

The Group's training policy is based around three priority areas for development:

- Technical know-how,
- Managerial efficiency,
- Safety awareness.

### Technical know-how

Technical training is provided in-house by the Bénéteau Group's technical training center. This center was set up in 2011 to provide training for operators in the various facilities on all technical activities, from molding to boat assembly, effectively aligned with the needs of the various sites. Training courses are led by the center's eight permanent training staff, all former operators within the Group, with extensive experience, ensuring that the Bénéteau Group's culture and professional practices can be passed on under optimum conditions. All the employees trained up receive on-the-job support from their trainer after completing their course in order to help ensure that the skills they have learned can be put into practice.

Initially focused on the Boat division's operators, the range of training programs has been extended since 2011. For instance, specific safety-related training programs are also available for Housing business staff. The target population for training has also been extended and a growing range of adapted training programs are being rolled out for staff from the research, design, technical or engineering teams when they join the Group. Since January 2015, the training programs have also been opened up to temporary staff.

An "on-board boating culture" module was developed last year in the training center. This module aims to put operators in situations where they are actually using boats so they can take on board their safety, quality and usage dimensions. The Bénéteau Foundation has provided the training center with access to Lady Valentine, an Oceanis 46 yacht, moored in Sables d'Olonne port. 387 staff completed this one-day module in 2015-16, in groups of eight people.

The training center also provides certificates, valid for three years, for risky activities such as installing gas circuits, sticking porthole windows and gluing decks. The accreditation process is based on training over one to three days, followed by practical experience in the facilities, and validated with an audit that is carried out by the training team within two months. Since it was set up, the training center has awarded nearly 805 accreditations.

CENTRE DE FORMATION  
GROUPE BÉNETEAU

### Training center in figures

For FY 2015-16  
2,172 people trained up, including 762 temporary staff  
17,580 hours of training provided

### Managerial efficiency

Manager training programs are based on two specific tools:



**The production operational management scholl** provides training for supervisors, yard managers and coordinators in all the subsidiaries in four areas: company culture, management, quality-safety-environment, and organization-methods. 39 people were trained up during the year.



The Bénéteau Group is organizing two training programs in partnership with Nantes business school:

- **Bénéteau's Corporate MBA** is an accredited Level 1 "Operational Unit Manager-Director" training program, partly in English, to develop and prepare outstanding managers who can contribute to new missions or roles within the Group and lead the way forward for the Group's positive transformation.
- **Visa Manager** is a training program to prepare and develop the Group's managers for their managerial missions; establishing them as ambassadors, setting the standard and promoting the management values expected within the Group.

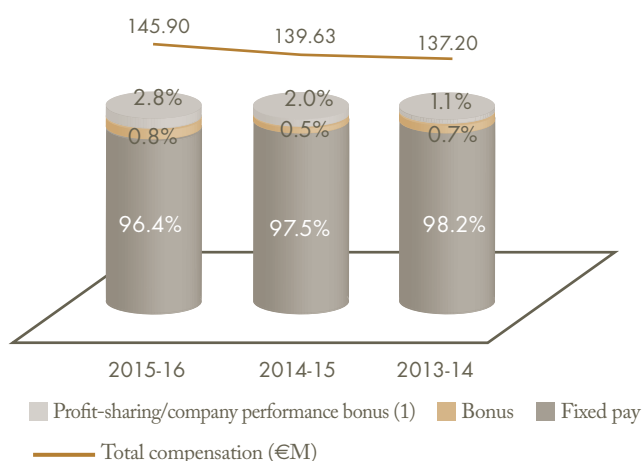
### Safety awareness

This year, 12,870 hours of training, representing 23% of the total training time, focused on health and safety for the French scope, including 384 hours of training as part of the BSAFE action plan.

The various training tools rolled out over the past few years made it possible to increase the number of hours of training per employee from 11 to 12 during the year. For FY 2015-16, training costs represented 2.5% of payroll.

### 1.5 Promoting workplace wellness and a motivating workplace environment

#### Compensation and benefits – French scope



(1) Amounts provisioned

The Bénéteau Group's overall compensation policy aims to optimize the balance between the various forms of compensation. It is based around three core principles: the market value for positions based on a local market benchmark, individual performance and the level of inflation.

Each activity has classification agreements enabling the transparent management of professions, skills and compensation based on coefficients from collective agreements. To improve consistency between the Group's various sites, the Group is working to harmonize classifications and minimum pay levels for operatives, employees, technicians and supervisors in SPBI. A first agreement was signed during the year for operators, while an equivalent agreement is currently being negotiated for technicians and supervisors.

In addition to their fixed pay, staff benefit from a system of profit-sharing and performance-related bonuses; alongside this, executive-grade staff are entitled to a variable compensation package based, depending on their positions, on the company's results and their individual or commercial performances. To harmonize payments for company-performance-related bonuses, and ensure consistency between the Group's employees, a Group performance-related bonus agreement and various agreements for performance-related bonuses incorporating the Group's objectives were signed this year in the vast majority of the subsidiaries.

### Social dialogue

The Group is particularly committed to maintaining a relationship based on continuous and constructive exchanges with its employee representative partners. The members of the Works Councils and the staff representatives have exchanges with the human resources team on a

monthly basis. Alongside these meetings, a central boat committee also meets at Group level, covering the Boat business, and there is a Group committee covering all the activities, which met three times in the past year. In FY 2015-16, more than 400 formal meetings were held with the staff representative partners.

In addition to the various legal requirements (works councils, staff representatives, health, safety and working conditions committees), informal meetings covering a range of topics, including safety and the preparation of agreements, are organized with the employee representatives.

22 collective agreements were signed and filed with the regional directorate for companies, competition, consumption, work and employment (DIRECCTE) in FY 2015-16. The nature of the agreements signed reflects the Group's priorities and concerns relating to human resources and social aspects. For FY 2015-16, the agreements focused in particular on:

- Improving working conditions, with agreements signed covering the time savings account, the adaptation of working times, and leave entitlements for family events.
- Enabling as many staff as possible to share in the results achieved, with the signing of a Group performance-related bonus agreement, performance-related bonus agreements in the subsidiaries, and agreements for the payment of an additional company performance bonus for the Housing business.

None of the agreements signed this year covered health and safety aspects.

### Internal communications

To ensure that all employees are fully on board for the Group's strategy, the management team has continued moving forward with its work to further strengthen and develop internal communications within the Group. In line with this commitment, a position was created this year for a head of internal communications and a communications plan has been rolled out focused on:

- **Systematically communicating with all managers and employees** on Group news and information: financial communications, presentation of organizational changes, internal appointments, recruitments, transformation initiatives and strategic projects.

- **Renewing the tools available:** a project is underway to overhaul the Group intranet (B-Web), with access from more than 2,000 workstations currently, integrating collaborative tools (company social network). The in-house newsletter has been reviewed and now presents all the information and news from the various entities within the Group. The first issue of this new internal newsletter, B-Com', was published in June 2016.

- **Making frequent use of managers to share information:** an essential link for dialogue and communication, the engagement of managers to share information was further strengthened this year, particularly with conference calls organized between the executive leadership team and managers.

- **Holding general information meetings:** the Group organizes moments for exchanges and sharing information with all staff during annual staff meetings. These meetings take various forms depending on the subsidiaries (plenary staff meetings, manager meetings, seminars,

meetings in the facilities). For both employees and the management team, these various meetings are key events, helping maintain a climate of confidence, trust and mutual respect.



Second issue of B Com' published in September 2016.

## 1.6 Equality of treatment

### Employment and integration of disabled people

French scope	2015-16	2014-15	2013-14
Number of units of value recognized for disabled people	305.1	328.4	315.5
% of average workforce in France	6.4%	7%	6.6%

The Group has continued moving forward with its initiatives to support disabled people through actions and investments aiming to ensure continued employment for the staff concerned.

### Anti-discrimination policy

The general human resources policy is based on transparent management tools intended to ensure optimum fairness.

The Group forbids all forms of discrimination for recruitments and during the course of employment contracts. It has not been subject to any complaints in this area. The recruitment processes have been defined in accordance with ethical rules, for instance guaranteeing access to information and an obligation for the Group to inform any candidates of decisions taken concerning their applications.

## 1.7 Promoting fundamental values

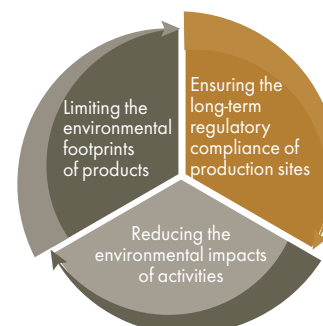
The Group respects the fundamental principles of employment law and the regulations in force. More specifically, it is committed to combating all forms of discrimination. The Group ensures that fundamental values are respected in all the countries where it operates.

The recognition of the freedom of association and the right to collective bargaining are set out in French legislation. The collective agreements covering the Group's activities ensure that all of its employees are protected.

The Group adheres to the international agreements in force relating to the elimination of forced or compulsory labor and the abolition of child labor.

## 2. ENVIRONMENTAL COMMITMENT

Aware of the environmental impact of its activities, the Bénéteau Group has put in place an environmental approach built around three core commitments:



The environmental data presented in the CSR report concern:

- The French scope, which includes all the French subsidiaries, fully consolidated, with an average headcount of over 20 people.
- For certain environmental indicators, the scope has been extended to include Poland since last year and the United States for this year.
- Only production companies are taken into account.

The scope for each indicator is presented in a methodological procedure. The impact of the change in scope is presented for each of the indicators concerned.

### 2.1 Ensuring the long-term regulatory compliance of production sites

For several years, the Group has been working to get all its production sites ISO 14001 certified. At August 31, 2016, 14 of the Boat business' 16 production sites in Europe were ISO 14001 certified. A process is underway to renew their ISO 14001 certification for seven of the Housing business' eight sites.

The certification processes continued to move forward this year. In October 2015, the company SPBI achieved ISO 50001 certification for all its sites (production and commercial).

19 of the Group's 23 French sites are classed as regulated environmental protection facilities (ICPE) and therefore subject to very strict regulations.

### 2.2 Reducing the environmental impacts of activities

The Bénéteau Group has identified three key areas in terms of the environmental impact of its activities:

- Reducing energy consumption and greenhouse gas emissions,
- Reducing the level of waste generated and improving its treatment,
- Reducing VOC emissions linked to the use of solvents, resins and gel coats.

### Environmental management organization

Actions to prevent pollution and environmental risks are driven by environmental management plans, which are defined by the management team and deployed within the facilities. Management reviews are carried out annually to take stock of the actions and indicators for the past year and set objectives for the following year.

All the Boat business sites and the majority of the Housing business sites have a safety-environment correspondent or coordinator who is responsible for ensuring compliance with local regulations and the application of the Group's environmental policy in the various facilities.

### Employee training and awareness

To make employees more aware of environmental issues and engage them in the Group's sustainable development approach, each new member of staff follows a training program during which they are reminded about the principles of sorting waste and the day-to-day actions to reduce consumption levels in terms of water, electricity, heating and components.

Training courses are regularly arranged to raise employees' awareness of environmental issues. Safety-environment correspondents and coordinators are given specific training, particularly to remind them about their roles and responsibilities in terms of respect for and protection of the environment. In addition, environmental training programs are rolled out for all staff at ISO 14001 certified sites at least once every three years, in connection with the renewal of their certification.

### Prevention of pollution and environmental risks

The main environmental risks identified concern spillages and fires.

All the sites have the capacity to contain a potential spillage accident, leak or fire extinction water thanks to the equipment in place. This equipment includes water-tight discharge areas and secure storage areas, as well as shutter mechanisms, containment ponds and intervention kits.

This equipment is further enhanced each year to improve the prevention of spillage risks. For newly built facilities, from new sites to extensions or changes to existing sites, a containment system is systematically set up for all flammable liquids. This year, containment barriers were set up in the materials storage areas at the Poiré and Cholet sites. At the Bordeaux site, adhesive plates were fitted to block the rainwater hatches in the car park to prevent run-off water from escaping. At the Ostroda Yacht site in Poland, a new fuel storage system, with improved safety features, has been deployed.

People who handle hazardous materials are trained up on how to use containment kits and the risks relating to the various products. The "ETARE" plans for listed facilities, covering all SPBI sites, were updated this year and were reported to and approved by the local and regional emergency services.

All the sites have the technical and human organizations required to prevent the risk of accidental pollution relating to fires. These are defined in internal emergency plans, which are updated on a regular basis. All the

internal emergency plans for the Boat business sites have been assessed. This year, all the Housing business sites were tested, with practice drills. Following this audit, the internal emergency plans for Housing activities have been updated.

Simulations for accidental spillages and fire evacuations were carried out at all the Housing and Boat facilities this year. In the Housing business, specific training programs have also been rolled out in connection with work to update the internal emergency plans.

Specific first-response teams are trained up on how to use the emergency equipment (extinguishers, fire hose stations) and receive regular training during exercises. Some sites also have Level 2 fire-fighting teams authorized to tackle larger fires. The sites are all equipped with fire detection systems, in addition to sprinklers for the most sensitive sites. Audits are carried out on a regular basis by the insurers at the various sites.

In the Boat business, these actions are being rolled out as part of an approach with the insurers with a view to achieving the "highly protected risk" label. The Cholet and Poiré sites are currently being certified.

The Group has not recorded any provisions to cover environmental risks. These risks are covered with *public liability insurance for environmental impacts resulting from operations at the policyholder's sites*. No accidents with environmental impacts were recorded during the year.

### Energy efficiency and greenhouse gas emissions

Electricity consumption KWh	2015-16	2014-15	2013-14
France	36,384,291	34,004,270	31,860,278
Poland	2,866,140	2,703,989	
United States	8,257,657		
CSR total	47,508,088	36,708,259	31,860,278
Natural gas consumption KWh GCV	2015-16	2014-15	2013-14
France	52,756,753	50,200,806	46,055,880
Poland	4,500,470	4,158,973	
United States	30,230,933		
CSR total	87,488,156	54,359,779	46,055,880
Greenhouse gas emissions CO2 teq	2015-16	2014-15	2013-14
France	12,489	11,837	11,037
Poland	3,071	2,902	
United States	9,903		
CSR total	25,463	14,739	11,037

Electricity is used to run the production facilities and lighting. Gas is used to heat the industrial buildings and the main administrative buildings.

The increase in energy consumption for sites over the year is linked to the increase in activity levels.

Energy action plans are being rolled out across all the sites to reduce energy consumption levels. These action plans are based on:

- **Centralized energy monitoring**, making it possible to adapt the level of usage of the various energies depending on activity levels, thanks to the management units (central technical management systems) set up, while energy meters are being added and supervised, through the central technical management systems, each time equipment is added with a potential impact on consumption levels. 15 meters were set up during the year. These meters make it possible to improve the operational monitoring of energy consumption levels.

- **Actions to detect leaks**, overseen by a dedicated central team, through regular monitoring of consumption levels and regular inspections of facilities by maintenance teams in the units. On average, compressed air represents 10% of consumption. Air leakages are therefore measured at least three times a year. Corrective actions are put in place when leakage rates exceed 10%. For this year, the average leakage rate for SPBI was 8.6%.

- **Recovery of heat generated by compressor facilities**, to heat the facilities, replacing the gas heating.

- **Installation of more energy-efficient compressors, delivering better performance levels**: during the year, variable compressors that can be adjusted as needed were set up at the Saint Gilles and Dompierre sites in order to avoid powering up the large compressors during night-time periods.

- **Optimization of ventilation within the units**, thanks in particular to the speed adjusters set up on the rotating machines. This year, all the rotating machines at SPBI sites (>2 KW) were fitted with variable speed adjusters.

- **Fitting of destratification fans in the prototype units** to ensure a better consistency of heat within the workshops and avoid the highest temperatures being below the ceiling. During the year, five destratification units were set up.

- **Thermal insulation for buildings**: this year, the roofs at the U2, Challans and Saint Hilaire sites were replaced with more efficient roofing systems. Skydomes were fitted to increase lighting levels, making it possible to reduce electricity consumption and increase employee comfort.

- **Reducing fuel consumption**, by renewing the vehicle fleet and setting up a system for booking vehicles and ride-sharing.

- **Installing photovoltaic panels** in the car parks at certain sites.

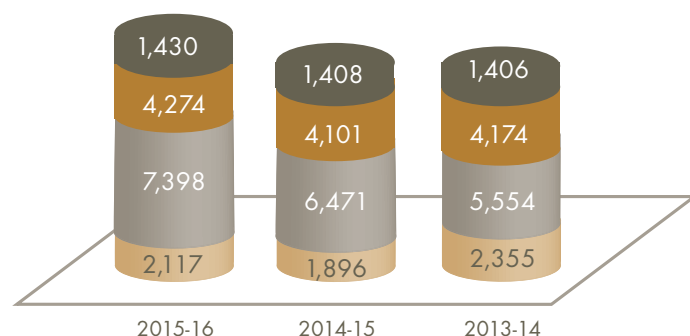
- **Actions to raise awareness** (eliminating waste), with monthly communication at the production sites.

All of SPBI's sites were ISO 50001 certified in October 2015. This certification confirms the relevance of the actions taken to reduce energy consumption and improve energy performance.

In the Housing sector, an energy assessment was carried out by an external provider at four sites. Following this assessment, an action plan is being rolled out to improve consumption and help reduce greenhouse gases.

## Waste management

Quantity of industrial waste generated in each category (tons)



■ Recycled non-hazardous waste ■ Recovered non-hazardous waste  
■ Non-hazardous waste set for landfill ■ Hazardous waste

French scope	2015-16	2014-15	2013-14
Non-hazardous waste recovery / recycling rate	69.0%	67.1%	65.5%

The Group aims to continuously improve its monitoring and collection of waste. In this context, most of the Group's companies changed their waste management provider this year. This change was made in line with the Group's environmental practices and with a view to working with a partner who can support the Group and enable it to make progress with its waste management.

All the Group's sites have sorted their waste for several years, with various channels for recovery and reclamation, particularly for packaging and wood waste. In addition, the Group is constantly looking for new channels to recover and reclaim waste.



*The Group is also working to reduce its volumes of waste in order to reduce the number of collections. Seven Boat business sites have been equipped with compactors for common industrial waste.*

For certain sites, landfill waste is recovered for energy purposes thanks to processing at a landfill center. According to information from our provider, each ton of waste processed enables it to produce 30 KWh of electricity.

These various actions have made it possible to improve the non-hazardous waste recovery / recycling rate, up from 67.1% in 2014-15 to 69.0% for 2015-16.

Actions are rolled out by the Group to increase the level of hazardous waste recovery (regeneration of acetone-contaminated waste, WEEE and batteries, recycling or reuse of containers after washing). Most of the hazardous waste is incinerated with energy recovery systems by our providers.

#### VOC emissions

Site VOC emissions (tons)	2015-16	2014-15	2013-14
France <sup>(1)</sup>	624	558	633
Poland	243		
United States	166		
<b>CSR scope</b>	<b>1,033</b>	<b>558</b>	<b>633</b>

(1) Data based on calendar year for SPBI

The 12% increase in VOC emissions for the French scope is linked to the increase in activity levels.

Volatile organic compound (VOC) emissions are linked to composite activities, for which the Group uses resins, gel coats, adhesive sealants and solvents.

To reduce its VOC emissions, the Group is constantly looking for techniques and products with lower emission levels. In line with this approach, it has focused on developing injection and infusion techniques with lower emission levels, including vacuum polymerization for producing polyester parts. The Group is also committed to using products, gel coats, resins and adhesive sealants with low levels of styrene or VOCs. In 2015, a new resin with low styrene emissions was used at the Belleville site. This new resin will be rolled out across other production sites. In the molded timber unit, solvent-based glues have been replaced with water-based glues.

Actions to reduce VOC emissions have also focused on reducing acetone consumption levels. The Group is committed to using alternative products to replace acetone (cleaning solvents such as DIESTONE DLS or soaps). Thanks to the use of these products, acetone is no longer used in virtually any boat assembly activities. In the molding units, the Group has reduced the quantity of acetone used for cleaning tools and has put in place machines for cleaning the floor. For gelcoat repair activities, machines have been set up for cleaning the guns. Alongside these actions, the Group is promoting the adoption of best practices to reduce consumption levels, by raising staff awareness of how to recover and reuse acetone.

#### Sustainable use of resources

##### Water consumption

(cu.m)	2015-16	2014-15	2013-14
France <sup>(1)(2)(3)</sup>	80,541	79,296	57,443
Poland	10,417	9,118	
United States	15,902		
<b>CSR total</b>	<b>106,860</b>	<b>88,414</b>	<b>57,443</b>

(1) Data excluding the Cholet site and CNB for 2013-14.

(2) Data based on calendar year for SPBI.

(3) The 2014-15 data published the previous year for CNB have been adjusted.

Water consumption primarily concerns the Boat business, particularly for filling its test tanks and carrying out water-tightness testing. The water used comes from the public network and wells for certain sites. At the sites where this is possible, water consumption levels are monitored on a regular basis with a view to minimizing the risk of leaks.

Actions were rolled out this year on testing tanks to reduce water consumption. At certain production sites, automatic filling systems have been fitted in order to avoid systematically filling testing tanks with water from the public network. Staff who use testing tanks have been made aware of the application of techniques making it possible to reduce tank water pollution when carrying out water-tightness testing so that water can be reused for longer.

Thanks to these measures, water consumption for the French scope increased by only 2% during the year, despite the higher activity levels recorded. In Poland, the higher consumption figures reflect the increase in activity levels and the creation of a new pool.

To date, the Bénéteau Group has not identified any local constraints concerning its water supplies.

#### Consumption of raw materials

The main resources used by the Group are petroleum-based products and timber.

Resin/gel coat consumption (ons)	2015-16	2014-15	2013-14
France <sup>(1)(2)</sup>	7,056	6,037	5,809
Poland <sup>(3)</sup>	2,203	1,864	
United States	2,301		
<b>CSR total</b>	<b>11,560</b>	<b>7,901</b>	<b>5,809</b>

(1) Data based on calendar year for SPBI.

(2) Boat business only.

(3) The data published in the previous year for Poland have been adjusted.

The 17% increase in resin and gel coat consumption for the French scope is linked primarily to the increase in activity levels. The Group is moving forward with its actions to deploy more efficient machines making it possible to ensure effective control over the use of these products in the injection phase.

French scope	2015-16	2014-15	2013-14
Timber consumption (tons)	55,983	54,815	53,234
Quantity of scrap timber / Quantity of timber consumed	18.3%	14.7%	16.2%

Considering its minimal environmental footprint, timber is the preferred material for the production of housing units, from residential housing to leisure homes.

The majority of the timber used is sourced from environmentally-managed forests and is therefore PEFC or FSC certified.

The Group also seeks to manage its use of timber effectively by optimizing its cutting plans and managing the end of product lives with a view to generating the least amount of waste possible. All timber waste, excluding sawdust from certain sites, is reclaimed. In addition, Coco Sweet, the new product range developed since the start of the previous year in the Housing business, generates less timber waste. In the Boat business, following the transfer of plywood operations to the Saint Hilaire site, all sheets over 1.5m by 1.5m are reused, which represents a very significant saving of materials. The increase in the volume of scrap timber compared with the level of timber consumed is linked in particular to the new ERP rolled out for the Housing business, which has made it more difficult to optimize the management of the timber consumed, as well as work to clean the facilities.

### Adapting to the consequences of climate change

The Group is aware of the potential consequences of weather-related events, such as heatwaves, flooding, storms or snowfalls. Within this framework, a heatwave plan has been drawn up, working with the occupational health teams.

In the Leisure Homes business, guidelines have been put in place at certain sites to firmly secure leisure homes in the event of strong wind. If a red alert is issued (wind, flooding, snow, etc.), staff must minimize their work in storage areas and after-sales service technicians are forbidden from carrying out any work on roofs or at certain campsites if necessary.

### Impacts on the aquatic environment

All the Group's sites have oil interceptors which are regularly maintained and make it possible to treat water before it is discharged into the natural environment. In this area, work was carried out this year to secure the pump at the Beaucaire site.

Most of the boat testing tanks, the most water-intensive activity, have been fitted with sand filtration systems making it possible to maintain water quality, while reducing the use of chemical products for water treatment. Water discharges are monitored with regular measurements.

The compliance rate for industrial water discharges is down slightly from 96% last year to 95%.

### Noise pollution

The noise pollution limits are set by specific decrees for each site. Within this framework, the Group regularly monitors its noise emissions. To reduce this pollution, the sites make specific investments to cover or move any noisy facilities and machines. Particular care is also taken with noise impacts when buying new equipment.

### Land use

A ground pollution inspection is carried out at sites when they are sold or when any significant work is carried out. In addition, for all the Group's sites classed as regulated environmental protection facilities (ICPE), the

ground-related impacts of activities are checked and controlled in line with this regulated facility status.

### Biodiversity protection

Biodiversity protection is taken into consideration when building new sites in connection with ICPE files for regulated environmental protection facilities.

This year, when the boat launch ramp was brought into service again at the Bordeaux (B6) site, a fauna and flora impact analysis was carried out. The findings from this review were satisfactory. In addition, the majority of the timber consumed is sourced from sustainably managed forests, with biodiversity protection an integral part of their management criteria.

### Tackling food waste

The Bénéteau Group works with external providers for catering services at its production sites. All the providers are committed to tackling food waste, and they carry out prevention and awareness actions in the Group's restaurants.

## **2.3 Limiting the environmental footprint of products**

Environmental issues are incorporated throughout the design and development of the Group's products and services, in line with the lifecycle analysis approach.

The consumption of sustainable resources for products created by the Group is factored in from their design stage. The Group strives to reduce its products' environmental footprint, particularly through its:

- Use of reconstituted wood as an alternative to rare and exotic woods,
- Choice of engines and optimization of propulsion systems in order to guarantee performance and reduce consumption levels,
- Careful choice of equipment and accessories making it possible to save water and energy (use of energy-efficient bulbs or LEDs as standard for lighting, A or A+ class equipment, energy-saving solutions such as a contactor key, timer for external lighting).

- Development of an option to set up centralized technical management systems for leisure homes,
- Response to customer requests on specific projects (insulation with eco components).

For leisure homes, the eco-design approach is based on the definition of an eco-profile, which includes over 100 criteria, for each product range. A rating by a multidisciplinary group enables improvements to be assessed for all aspects during the design phase. The eco-design approach is based on the choice of eco-friendly materials, energy-efficient equipment and solutions to facilitate the decommissioning process, focusing on the following areas:

- Living comfort (healthy accommodation and accessibility),
- Simple cleaning and maintenance,
- Integration of homes within their landscaped environment,
- Optimization of leisure home deployment (reversibility, waste generated),
- Responsible procurement policy for materials and components,
- Reduction of impacts relating to upstream and downstream transportation,
- Environmental optimization at the end of product lives.

In the residential housing business, the majority of projects are developed with labels such as NF HABITAT, which include sustainable development criteria. The housing construction principle is based on the choice of timber as an environmentally-friendly material (capturing CO<sub>2</sub>, limiting greenhouse effects during its transformation, excellent thermal insulation, renewable resource, energy recovery and recyclability).

The Boat business is developing equipment making it possible to limit users' impacts on the environment. For instance, a black water management system is offered on these models and fitted as standard on all boats navigating in closed areas of water such as lakes.

As a member of the French boating industry federation (FIN), and part of its management structures, the Bénéteau Group is actively involved in work to set up a channel for the deconstruction of decommissioned recreational boats. Created in 2009, this channel has been set up voluntarily in France by the boatbuilding industry, in which the Bénéteau Group is the leading operator.

This channel is managed by the association for environmentally responsible recreational boating (APER). A registered charity, its mission is to organize and coordinate the process to establish the French sector for the deconstruction and recycling of decommissioned recreational boats and, following on from this, other channels for waste linked to all boating activities.

### 3 – SOCIETAL COMMITMENT

The Bénéteau Group is particularly committed to responsible and sustainable professional practices benefiting its stakeholders: suppliers, employees, dealers, customers and business partners. It is committed to acting as a socially responsible company within the communities where it operates through its various commitments.

#### 3.1 Ensuring a strong regional presence

While adopting an increasingly international profile, the Bénéteau Group continues to play an active role in the social and economic development of France's Vendée region, the birthplace of the family group founded in 1884 by Benjamin Bénéteau in Croix-de-Vie. This commitment to engage with its region and embrace its position as an outstanding local employer can also be seen for the various international subsidiaries.

This presence is built around three key areas: providing employment and training, promoting the Group's activities and ensuring the integration of disabled staff.

The Bénéteau Group is actively involved in development projects for the local employment area, in partnership with local stakeholders, such as Ecole de la 2<sup>ème</sup> Chance, the center for information on families and women's rights (CIDF), local charities, local integration and employment plans, and Maisons de l'Emploi employment support centers. These projects are based in particular on discovering activities through organizing company visits, as well as actions to showcase local know-how by promoting industrial tourism.

Each year, the Group's French companies welcome more than 150 trainees, and some of its staff take part in examination and recruitment panels for students and trainees for the training centers. In Poland, Ostroda Yacht has set up a partnership with Dansk University and welcomed a dozen interns (shipbuilding degree program) this summer, with two of them choosing to continue with their studies as part of a work-based program with Ostroda Yacht.

*This summer, Rec Boat Holdings organized an eight-week Boat Building School program, in partnership with the local training center.*



*CNB supports France's national industry week to promote boatbuilding professions within the industrial sector.*

*For this event, a photo rally is organized in participating companies so that students can discover their facilities. The photo taken at CNB's site won second prize this year.*

The Group takes part in local economic development networks. For instance, it is a member of the Entreprendre Vendée network and other business associations, while two site directors are also part of regional employer associations.

The Group is committed to supporting the integration of underprivileged communities by promoting the use of work-based support centers and charities for disabled workers. In Poland, Ostroda Yacht works with companies that exclusively employ disabled people for its security and cleaning services.

### 3.2 Promoting a sustainable procurement policy

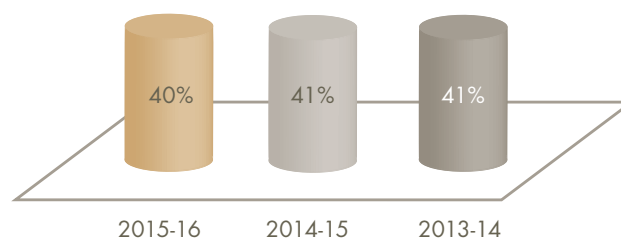
The Bénéteau Group's procurement policy is set out in the specific procurement guidelines for each Group activity. The core principles from the procurement policy, incorporated into these guidelines, are shared by both of the Group's business lines. They are based on:

- Establishing a long-term partnership-based relationship with suppliers,
- Raising awareness of the Group's regional responsibility among the procurement teams,
- Managing mutual dependence risks,
- Taking the supplier risk into account in the criteria for awarding contracts,
- Integrating environmental issues within the supplier relationship.

These guidelines are rolled out for staff in the Group's procurement departments. Actions are also carried out to raise awareness within the Group, encouraging the procurement teams to apply a sustainable procurement policy. For instance, the responsible procurement training organized for the Housing business last year was provided for nearly 90% of the Boat business' procurement staff in January 2016.

The procurement teams are made aware of the Group's regional responsibility and are able to count on a local network, which they have worked with for a long time, and with which the Group benefits from a strong level of confidence and trust, enabling supplier relations to be effectively managed on a balanced basis. Local suppliers have represented more than 40% of production purchases over the last three years.

Percentage of expenditure placed with local suppliers - French scope



For purchases classed as "sensitive", suppliers are selected based on a recommendations matrix. The criteria for assessing supplier performance defined in this matrix include the existence of a sustainable development and environmental policy, the supplier's proximity and the carbon impact linked to the transportation of parts.

A schedule is drawn up each year for supplier quality audits, based on the importance and critical nature of the various suppliers. These audits make it possible to improve knowledge of the Group's suppliers and assess their performance. For FY 2015-16, they covered six suppliers for the Boat business.

Production purchases with subcontractors are defined as all the services purchased to replace work in the facilities. The Boat business subcontracts its composites and fine woodwork operations. In the Housing business, subcontracting primarily concerns furniture, wiring bundles and frameworks. For FY 2015-16, subcontracting represented the equivalent of 21 FTEs for the Boat business and 28 FTEs for the Housing business. These FTE equivalents have been calculated based on eight hours of work per day per operator for 207 days per year. The subcontractors are located in France.

### 3.3 Promoting responsible and sustainable professional practices

The Group has always sought to build partnership-based relations with its stakeholders, engaging them in its growth strategy and getting them to share its values and its company culture.

#### With dealers

The Group takes great care to ensure the quality of its relationships with its partner dealers, as well as their economic health.

Each year, international conferences are organized, providing opportunities to present business strategies, new product ranges, innovations and communications tools. These conferences, offering ideal opportunities for sharing, enable the Bénéteau Group to support dealers with their development.



*Jeanneau brand dealers meeting, which brought together more than 400 people in Nantes, France, on July 6, 2016*

The Group offers various technical training programs for its dealers, hosted in the Group's training center. Training materials are provided by the training center and sessions are led by the after-sales service teams and certain suppliers. Each year, nearly 150 technical staff from its dealer network are trained up in this way by the Group.

The Boat business' various brands all have a dedicated mobile after-sales service team made up of six or seven staff who visit dealers worldwide to provide them with support and training.

In addition to technical support, the Group provides financial support for its network of dealers. Through its subsidiary-partner SGB Finance, the captive financing company that has been a partner of the Bénéteau Group for over 15 years, it offers them financing for their stock in all the countries where SGB Finance operates.

### With customers

To make it easier for people to buy their own boats, sharing the pleasure of boating as widely as possible, the Bénéteau Group, through its subsidiary-partner SGB Finance, enables its customers to benefit from bespoke financing solutions that are tailored to their personal situations (loan or lease purchase), as well as insurance cover designed specifically for the boating world. More than half of the new boats sold today by the Group in France are covered by financing with SGB Finance. Initially developed for recreational boats, the partnership with SGB Finance has been extended to include leisure homes for the past five years, offering financing solutions for campsites to acquire leisure homes. This partnership has made it possible to develop a new business model for financing products from the Coco Sweet range, launched in September 2014. Based on a long-term lease before being bought back by the Group after seven years, this new business model offers an adapted, preferential financing approach.

The Bénéteau Group supports its customers when they are looking to sell their products. EYB, the Group's dedicated subsidiary covering the preowned market, makes it easier to buy and sell boats on again thanks to a unique online database. EYB's site makes it possible to prepare quotes online and centralizes preowned boat offers from Bénéteau, Jeanneau, Lagoon and CNB dealers across Europe.

The Bénéteau brand and its dealer network have set up a service for measuring customer satisfaction worldwide with My Beneteau Experience, asking all new Bénéteau customers various questions about their level of satisfaction with the service provided by their Bénéteau dealer, as well as their boat. In the initial survey sent out to customers when their boats are delivered, the response rate is 58%, with a satisfaction rating of 90%. With the follow-up survey sent out to customers one year after their boat's delivery, the response rate is 28% and the satisfaction rating is also 90%.

Committed to listening to its customers, the Group has set itself an objective to respond to their requests within shorter timeframes. For the past year, more than 80% of customer requests in the Boat business received a response within three days.

The Group takes constant care to ensure the quality and safety of its products. When developing new products, the design teams strive to deliver the maximum possible levels of thermal, acoustic and ergonomic comfort for users, while ensuring their health and safety. Products are

checked and controlled before being released on the market in order to ensure their compliance with technical and safety standards. User guides are available to customers to enable them to ensure their optimum use of the products.

### With the Bénéteau Foundation

The commitments to promote know-how, constantly innovate and respect the environment have been part of the Bénéteau Group's culture since it was founded.

In 2005, the Bénéteau Foundation was created in line with these commitments, with an initiative led by the Bénéteau Group and its subsidiaries. The Bénéteau Foundation has been taking action for more than 10 years focused on three priority areas:

- Encouraging and promoting environmental protection in the world of boating, construction and housing, through innovative projects, research and the emergence of activities contributing towards creation and innovation in these sectors,
- Safeguarding and showcasing naval heritage,
- Raising public awareness on environmental protection issues, particularly in the boating world.



For the fifth year running, the Bénéteau Foundation organized a competition open to all students from French architecture, design and art schools or university programs linked to the competition's theme. In 2015, this theme was alternative housing. For this year's competition, the Foundation received more than 130 projects from students, selecting three concepts that were particularly creative and ingenious. The awards were given out during the Paris Boat Show in December 2015 by Annette Roux, the Foundation's President. First prize went to the "Palace" project (presented opposite), which introduced a groundbreaking concept for several spaces.

The Foundation is a longstanding partner of the Team Vendée association. Set up in 2013, this association provides training for sailors and preparation team members on the various activities involved with competition sailing. Each team member receives comprehensive training, provided by professionals, to effectively understand situations both on land, setting up projects and preparations for sailing, and at sea, with demanding races in terms of physical conditions and strategic capacities.

### With charities



The Jeanneau brand supports the French Red Cross's marine team in Paris. On September 13, 2016, Jeanneau donated a Merry Fisher 695 unit to the French Red Cross delegation in Paris, specially kitted out and adapted for use by its marine team. Yamaha, Jeanneau's partner, also got on board for this initiative, donating the boat's engine.

The Jeanneau brand has also been supporting the NGO Voiles Sans Frontières for more than 10 years. This international non-governmental organization works to support communities who can only be reached by sea, focusing on two areas: medical-health and education.

The Bénéteau Sailing School concept is currently being tested with a dealer. It offers bespoke training programs for customers to learn how to sail. Led by professionals chosen for their technical expertise and strong educational approach, the training courses provided within each Bénéteau Sailing School follow a core methodology and set of guidelines. A sailing skills assessment makes it possible to evaluate the participant's initial level, confirm their goals and put in place a bespoke program to meet their needs.

In Poland, Ostroda Yacht, which sponsors the local sailing club, opens up its yards once a year to its employees so that they can build or renovate the club's yachts before the regatta season gets underway.



In the US, Rec Boat Holdings has supported a fundraising campaign as part of United Way, a community program whose actions include support for victims of domestic violence and food collections. Rec Boat Holding's employees were the biggest contributors to this program.

### 3.3 Ensuring fair practices

The Bénéteau Group rejects all forms of corruption. It considers that it has relatively limited exposure to corruption-related risks in most of its business lines and professions on account of its activities and the regions where it is present.

All the specific legal provisions relating to any abuse of authority on a sexual basis or psychological harassment are incorporated into the internal regulations of the majority of the Group's subsidiaries.

## 4 – METHODOLOGICAL PROCEDURE FOR SOCIAL, ENVIRONMENTAL AND SOCIETAL REPORTING

### 4.1 FRAMEWORK FOR INDICATORS

The framework has been defined based on the French regulatory requirements set by Article 225 of French Law 2010-788 concerning the national commitment to the environment - the "Grenelle 2" Act - and its implementing order, Decree 2012-557 of April 24, 2012 on transparency requirements for businesses concerning social and environmental matters.

The recommendations from the Global Reporting Initiative (GRI G4) guidelines have also been taken into consideration.

The framework for indicators published is regularly updated with a view to continuously improving the relevance and reliability of the information reported. The changes this year concerned:

- The definition of the total headcount at August 31, which now includes expatriate staff, in addition to changing the conditions for counting staff with multiple employers in order to align them with the definition for the Group HR reporting framework,
- The adoption of a more relevant method for calculating the turnover rate, as described in point 4.5, taking into account departures of permanent staff, excluding retirement and death,
- The calculation of the number of hours of training per employee, which is now based on an average headcount and no longer the headcount from the end of the period in question,
- The publication of a new HR indicator: "Ratio of training costs to payroll".

Information is provided if these changes have significant impacts on the comparability of CSR data in relation to data for the previous year.

### 4.2 REPORTING PERIOD

The data collected cover the period from September 1, 2015 to August 31, 2016.

However, certain sites report on their water consumption and VOC emission indicators based on the calendar year (January 1 to December 31, 2015) when they exclusively have annual declarations for this period. This choice factors in the desire to correlate the information provided in this report with the data from the various regulatory environmental disclosures. The indicators relating to the number of units of value recognized for disabled staff, the ratio of training costs to payroll, and the consumption figures for resins and gel coats are also reported over the calendar year for certain companies.

### 4.3 REPORTING SCOPE

The reporting scope, initially limited to French companies with more than 50 employees, has gradually been extended with a view to ultimately covering the Group's financial scope and ensuring compliance with the requirements of the French Grenelle 2 Act, under which the CSR scope must be consistent with the financial scope.

For this financial year, the changes in the scope concern:

- The publication of additional indicators for the Polish company Ostroda Yacht
  - Number of people recruited on permanent contracts
  - Number of people recruited on fixed-term contracts
  - Number and category of departures – All contracts
  - Turnover rate
  - VOC emissions at production sites
- The inclusion of companies located in the US in the scope for certain indicators,
- The extension of the scope to include French companies with more than 20 staff. This extension concerns BH Services, which is now included in the reporting scope for all the indicators that concern this company (excluding non-relevant indicators).

The companies included in the CSR report represent 95% of the Group's total workforce at August 31, 2016, compared with 85% at August 31, 2015, taking into consideration the updated CSR reporting scope.

Various indicators have been identified as not being relevant for some of the companies from the scope and as such do not cover the full scope. More specifically, this concerns:

- Safety, environmental and societal indicators that exclusively concern companies with production activities (the societal indicator relates to production purchases and therefore industrial activities),
- The indicator relating to the compliance rate for industrial water discharges: as CNB does not measure the compliance rate for industrial water discharges, it is excluded from this indicator,
- The indicator relating to resin and gel coat consumption: only the companies from the Boat business, which use resins and gel coats, have been taken into account.

In addition, to ensure the relevance and reliability of the data published, the non-French companies have been excluded from the scope for certain indicators. This scope will be gradually extended over the coming years to be aligned with the financial consolidation scope.

The scope for each indicator is presented in Section 5.

### 4.4 Reporting procedure

The procedures to be implemented for measuring and reporting on the Bénéteau Group's Corporate Social Responsibility indicators are formalized in a methodological guide, which aims to:

- Clearly set out the roles and responsibilities of the various stakeholders,
- Present the list of quantitative and qualitative indicators selected for reporting,

- Propose clear definitions of each quantitative indicator, as well as the controls to be implemented by each contributor to ensure consistency between the data collected from the various subsidiaries,
- Present the data collection tool.

The data are entered by the various contributors in the dedicated collection matrixes (one matrix for each section). These matrixes make it possible to collect, validate and consolidate the data. Automatic checks have been configured in these tools to detect any inconsistencies or data entry errors. The managers in charge of the various sections also check the consistency of the data collected in order to ensure the reliability of the data and its compliance with the definitions given in the methodological guide.

### 4.5 Clarifications concerning certain indicators

#### HUMAN RESOURCES SECTION

**Workforce:** this concerns staff linked by an employment contract to one of the companies from the scope, whether they are full time or part time, remunerated or non-remunerated positions. The workforce figures taken into consideration are those recorded at August 31.

Staff made available to another company and still employed by a company from the CSR scope (seconded staff and expatriates), professional development and apprenticeship contracts, international work placements (VIE), work-based training contracts, staff on maternity, paternity and parental leave, as well as staff on sabbatical leave, unpaid leave, business start-up leave, long-term leave or sick leave are recorded in the workforce. Corporate officers, temporary staff, staff seconded by another company, retired staff, subcontractors and interns are not taken into account here.

**Recruitment:** a recruitment corresponds to any employment contract entered into, whether fixed-term or permanent, during the year in question. Transfers from fixed-term contracts to permanent positions, transfers from professional development contracts to permanent or fixed-term contracts, transfers from temporary contracts to permanent or fixed-term contracts, and transfers from internships to permanent positions are treated as recruitments on permanent contracts. Two successive fixed-term contracts, set up for the same purpose, are counted as two recruitments if there is a break between the two contracts. Otherwise, only one recruitment is recorded. Two successive fixed-term contracts that have been renewed for different reasons are treated as two recruitments. Internal transfers within the CSR scope are not considered to be recruitments.

**Turnover:** turnover for permanent staff now corresponds to departures by permanent employees during the year in question, initiated by the employer or employee, divided by the average permanent headcount for the year. The definition has been modified for FY 2015-16 and the data published for 2014-15 has been restated.

The following reasons for departures are taken into account: resignation, dismissal, breaches of contracts and termination of probation periods.

**Permanent headcount:** the permanent headcount comprises staff with a permanent employment contract. It therefore excludes people employed by an external company, fixed-term contracts, apprenticeship or professional development contracts and interns.

Absenteeism: the figures include absences due to illness, occupational illness, part-time arrangements for people receiving treatments, occupational accidents (including time when people have had to stop work on the day of their accident), as well as unpaid absences (leave for personal reasons and unjustified absences). Leave entitlements for family events are excluded.

The theoretical number of hours worked corresponds to the number of hours theoretically worked in accordance with the employment contracts excluding paid leave, “RTT” days off in lieu under the French reduced working week system, and public holidays.

Occupational accidents: accidents travelling to and from work are not taken into account. Temporary staff, trainees, expatriates and service providers are excluded from this calculation.

Accidents that have only resulted in work being stopped on the day of the accident are not taken into account. Relapses relating to an initial occupational accident are not counted as a new occupational accident. Occupational accidents that have not been recognized by the administrative authorities are not taken into account. Occupational accidents that have been disputed by the employer are taken into account, unless they have not been recognized by the administrative authorities.

Actual time worked: time worked includes all the hours of presence within the company (including training time, time spent as staff representatives and any time in the infirmary), in addition to time for training outside the company. The theoretical number of hours per day for employees working on a day basis has been defined by each company based on the employee's category.

Number of days off work following an accident: any cases when employees have to take time off work are taken into account, irrespective of the period for which they may be off work, but the day of the accident itself is not counted, unless the date when the work stoppage is reported coincides with the date of the accident. Days off work during the reporting period relating to relapses following an initial occupational accident are taken into account. In such cases, the day of the relapse is also counted. Days off work following an occupational accident that has not been recognized by the administrative authorities are not taken into account. Days off work following an occupational accident that has been disputed by the employer are taken into account, unless they have not been recognized by the administrative authorities. Days off work are counted on a calendar day basis.

Frequency rate: the frequency rate is the number of occupational accidents resulting in time off work x 1,000,000 / actual number of hours worked.

Severity rate: the severity rate is the number of days off work for occupational accidents x 1,000 / actual number of hours worked.

Training: training includes any operations provided for a company employee, whether they are provided by an external party or not, and which are subject to a certificate of presence formalized with an attendance sheet and program. The number of hours of training per employee is calculated based on the average permanent headcount.

Recognized number of units of value in disability situations: the scope includes people with recognized disabilities in connection with the annual declaration filed with the French association for the management of funding for the integration of disabled people (AGEFIPH). The number of units of value is calculated on the company scope, including temporary staff and subcontractors.

## ENVIRONMENTAL SECTION

ISO 14001 certification: the sites or subsidiaries taken into account are those with a valid ISO 14001 certificate at August 31 of the year in question. For a multi-site certificate, all the sites are recorded as certified.

Volatile organic compound (VOC) emissions: any organic compound, excluding methane, with a steam pressure of 0.01 kPa or more at a temperature of 293.15 Kelvin or corresponding volatility under specific usage conditions. As a minimum, organic compounds contain the element carbon and one or more of the following elements: hydrogen, halogens, oxygen, sulfur, phosphorus, silicon or nitrogen (with the exception of carbon oxides and inorganic carbonates and bicarbonates). They are emitted either through combustion or evaporation. Emissions are assessed by calculating a material assessment based on the quantities of products containing VOCs. The emission factors are taken from the guide for preparing a framework for effectively managing VOC emissions in the composites sector (Guide de Rédaction d'un Schéma de Maîtrise des Emissions de COV dans le Secteur des Composites), published in 2004 and drawn up with the technical inter-industry center for atmospheric pollution research (CITEPA), the composites and plastics processing industry association (GPIC), the boating industry federation (FIN) and the plastic materials producers union (SPMP).

Waste: the following classification is applied:

- Recycled non-hazardous waste: cardboard, PVC, paper, copper, plastic, scrap metal, plaster
- Reclaimed non-hazardous waste: waste timber and sawdust for the Boat business
- Non-hazardous landfill waste: all other items, inert waste,
- Hazardous waste: glues, paints, resins, batteries, bulbs / neon lighting, medical waste.

Recycling: reprocessing of materials or substances contained in waste through a production technique in such a way that they are used to create or incorporated into new products, materials or substances for their initial purpose or other functions. This includes the reprocessing of organic materials, but notably excludes reclamation for energy, conversion for use as a fuel, techniques involving combustion or use as an energy source, including chemical energy, or backfilling operations.

Reuse: direct use of waste, without carrying out any techniques to process it, such as the reuse of pallets for instance.

Recovery: use of waste to produce an energy source or to replace an element or material.

Burial: storage underground or disposal in landfill.

Water consumption: quantity of water specifically used for the site's requirements (domestic or industrial use).

Energy consumption: total quantity of electricity (kWh) or gas (kWh GCV) purchased or produced and consumed by the sites. With regard to gas consumption, only natural gas is taken into account. Propane consumption is excluded from the calculation.

Greenhouse gas emissions: this concerns energy-related emissions. The emission factors for electricity are 0.075 kgCO<sub>2</sub>e/KWh for France, 0.781 kgCO<sub>2</sub>e/KWh for Poland and 0.522 kgCO<sub>2</sub>e/KWh for the United States (source: ADEME carbon base, 2015). For gas, the emission factor is 0.185 kgCO<sub>2</sub>e/KWhGCV (source: French Ministry of Sustainable Development).

These factors take into account upstream emissions and combustion levels for the facility.

Timber consumption: timber consumption is measured based on the quantities purchased during the year in question, with stock levels generally not significant at year-end.

Resin and gel coat consumption: resin and gel coat consumption is measured based on the quantities consumed during the year in question.

#### SOCIETAL SECTION

Local suppliers: local suppliers are suppliers located in the Brittany, Pays de la Loire, Poitou-Charentes and Aquitaine regions of France. The reference address is the billing address.

## 5 – CROSS-REFERENCE TABLE

### 5.1 EMPLOYEE-RELATED INDICATORS

Grenelle II. - Article 225	Indicators	Report	Scope
Employment			
Total headcount and breakdown of employees	Total headcount	1.1	France, Poland, USA
	Breakdown of the workforce by type of contract	1.1	France, Poland, USA
	Breakdown of the workforce by status	1.1	France
	Breakdown of the workforce by gender	1.1	France
	Breakdown of the workforce by age	1.1	France
	Breakdown of the workforce by region	1.1	France, Poland, USA
Recruitments and dismissals	Number of people recruited on permanent contracts	1.2	France, Poland, USA
	Number of people recruited on fixed-term contracts	1.2	France, Poland, USA
	Number of departures by category - permanent and fixed-term contracts	1.2	France, Poland, USA
	Turnover rate for permanent staff	1.2	France, Poland, USA
Remuneration and changes in pay packages	Breakdown of staff costs	1.5	France
Organization of work			
Organization of working time	Full-time and part-time staff	1.1	France
	Number of people having worked in shifts or overnight for at least 30 days during the year	1.1	France
Absenteeism	Absenteeism rate	1.1	France
Management-employee relations			
Organization of social dialogue		1.5	France
Review of collective agreements	Number of collective agreements signed	1.5	France
Health and safety(1)			
Occupational health and safety conditions		1.3	France, Poland, USA
Review of occupational health and safety agreements signed	Number of health and safety agreements signed	1.5	France
Frequency and severity of occupational accidents	Frequency rate	1.3	France, Poland, USA
	Severity rate	1.3	France, Poland, USA
Occupational illnesses	Number of days of absence due to occupational illness	1.3	France
Training			
Training policies	Ration of training costs to payroll	1.4	France
Total number of hours of training	Number of hours of training per employee	1.4	France
Equality of treatment			
Mesures taken to support gender equality		1.1	France
Mesures taken to support the employment and integration of disabled people	Number of units of value recognized for disabled people	1.6	France
Anti-discrimination policy		1.6	France
Promoting and respecting the International Labour Organization's Fundamental Conventions			
Recognition of the freedom of association and right to collective bargaining		1.7	France, Poland, USA
Elimination of discrimination concerning employment and professions		1.7	France, Poland, USA
Elimination of forced or compulsory labor		1.7	France, Poland, USA
Effective abolition of child labor		1.7	France, Poland, USA

## 5.2 ENVIRONMENTAL INDICATORS (1)

Grenelle II. - Article 225	Indicators	Report	Scope
General environmental policy			
Company organization	Number of ISO 14001 certified sites	2.1	France, Poland, USA
Environmental protection training and information actions		2.2	France, Poland, USA
Resources for preventing pollution and environmental risks		2.2	France, Poland, USA
Amount of provisions and guarantees for environmental risks	Amount of IFRS provisions for environmental liabilities and charges	2.2	France, Poland, USA
Pollution			
Measures to prevent, reduce or remedy emissions	Compliance rate for industrial water discharges	2.2	France excluding CNB
	VOC emissions at production sites	2.2	France, Poland, USA
Taking into consideration noise pollution		2.2	France, Poland, USA
Circular economy			
Waste management and prevention	Quantity of industrial waste generated in each category		
<i>Action to tackle food waste</i>		2.2	France
Sustainable use of resources			
<i>Water consumption</i>	Water consumption	2.2	France, Poland, USA
<i>Consumption of raw materials</i>	Timber consumption	2.2	France
	Quantity of scrap timber/quantity of timber purchased	2.2	France
	Resin and gel coat consumption	2.2	France - Boat Business, Poland, USA
<i>Energy consumption</i>	Electricity consumption	2.2	France, Poland, USA
	Gas consumption	2.2	France, Poland, USA
<i>Land use</i>		2.2	France
Climate change			
Greenhouse gas emissions	CO2 emissions	2.2	France, Poland, USA
Adapting to the consequences of climate change		2.2	France, Poland, USA
Biodiversity protection			
Measures taken to protect or develop biodiversity		2.2	France, Poland, USA

### 5.3 Societal indicators

Grenelle II. - Article 225	Indicators	Report	Scope
Regional, economic and social impact of the company's business			
Regional development and employment	Portion of expenditure placed with local suppliers (1)	3.2	France,
Local or neighboring communities		3.1	France Poland, USA
Relations with people or organizations concerned by the company's activities			
Conditions for dialogue with these people or organizations		3.3	France, Poland, USA
Corporate citizenship or partnership actions		3.3	France, Poland, USA
Outsourcing and suppliers			
Taking social and environmental stakes into account in the procurement policy		3.2	France
Importance of outsourcing		3.2	France
Fair practices			
Actions to prevent corruption		3.4	France, Poland, USA
Measures to ensure the health and safety of consumers		3.3	France, Poland, USA
Other actions to support human rights		3.4	France, Poland, USA

(1) Production companies only

## BENETEAU S.A.

### BREAKDOWN OF EARNINGS

BENETEAU S.A., the holding company at the head of the Bénéteau Group, has an activity that is not significant in relation to its industrial subsidiaries.

Its earnings can be broken down as follows:

€'000,000	2015-16	2014-15
Revenues	14.4	13.6
Operating income	(5.1)	(8.9)
Financial income (expense)	(2.0)	(4.8)
Net income	(1.7)	(6.9)

During the year, Bénéteau S.A. received €10 million in dividends from CNB SA, BIO Habitat SAS, SPBI SA and SGB.

The company's total net banking resources came to -€14.4 million at August 31, 2016, compared with -€53.2 million at August 31, 2015.

### BREAKDOWN OF TRADE PAYABLES BALANCE BY DUE DATE

The company had €3,248,000 in trade payables at August 31, 2016 (including €1,718,000 in accrued expenses).

The balance (excluding accrued expenses) can be broken down by due date as follows:

- Liabilities due: €1,010,000
- Outstandings due by September 30, 2016: €520,000
- Outstandings due by October 31, 2016: N/A
- Subsequent outstandings: N/A.

### OTHER ITEMS

To the best of our knowledge, with the exception of BERI 21 S.A., two other legal entities hold more than 5% of the capital of Bénéteau S.A., namely the Franklin Ressources Inc fund with 12.3543% and Financière de l'Echiquier with 5.05%.

The Management Board would like to add that 509,435 shares, representing 0.615% of the capital, are held by current and former staff under the BENETEAU ACTION company mutual fund, in accordance with Article L.225-102 of the French commercial code.

The expenditure covered by Article 39-4 of the French general tax code (Code Général des Impôts, CGI) came to €17,471 for the year.

The general meeting did not grant any delegations for capital increases during the year.

During the year, the company bought and sold Bénéteau shares under the following conditions:

- Buying a total of 1,305,217 shares at an average price of €10.6567 per share
- Selling a total of 600,183 shares at an average price of €12.0938 per share
- Awarding bonus shares for a total of 1,056,200 shares at an average price of €8.4952 per share
- Trading costs: €74,000.

This gives a balance of 1,156,742 treasury shares at August 31, 2016, with a par value of €0.10, representing 1.40% of the capital, with 0.75% for treasury stock and 0.65% for shares awarded. The balance sheet value represents €10,477,000, while the value at August 31, 2016, based on the average share price for August 2016, came to €10,409,000.

The reasons for acquisitions are included in the treasury stock buyback program approved at the general meeting on January 29, 2016.

### APPROPRIATION OF EARNINGS

The Management Board proposes the following appropriation of the -€1,706,206.39 in net income for BENETEAU S.A. for the year ended August 31, 2016, plus €92,304.18 in prior retained earnings:

- Other reserves: -€1,613,902.21

Reducing other reserves from €157,772,878.85 to €156,158,976.64

And deducting €8,278,984.00 from other reserves for:

- Dividends: -€8,278,984.00

In this way, other reserves will be reduced from €156,158,976.64 to €147,879,992.64.

The portion of profits corresponding to dividends not paid out for shares held as treasury stock by the company will be allocated to retained earnings.

The proposed dividend represents €0.10 for each of the 82,789,840 shares, with a par value of €0.10.

It will be paid out on Friday February 3, 2017, after deducting social security charges.

As required under French law, shareholders are reminded that the dividends paid out over the last three years were as follows:

	2012-13	2013-14	2014-15
Share par value	€0.10	€0.10	€0.10
Number of shares	82,789,840	82,789,840	82,789,840
Net dividend	-	€0.04	€0.06

**FIVE-YEAR FINANCIAL SUMMARY – BENETEAU S.A.**

Amounts in €	2011-12	2012-13	2013-14	2014-15	2015-16
<b>Capital at year-end</b>					
Share capital	8,278,984	8,278,984	8,278,984	8,278,984	8,278,984
Number of shares	82,789,840	82,789,840	82,789,840	82,789,840	82,789,840
<b>Operations and earnings for the year</b>					
Revenues (net of tax)	13,100,214	13,077,022	12,678,398	13,562,132	14,359,635
Earnings before tax, profit-sharing, depreciation and provisions	3,705,942	1,174,982	(8,547,966)	(12,546,473)	(7,955,579)
Corporate income tax	(7,998,693)	(3,827,854)	(3,483,946)	(5,561,452)	(5,447,177)
Employee profit-sharing	0	0	0	7,638	42,387
Net income	7,876,978	(2,942,404)	(7,036,659)	(6,911,283)	(1,706,206)
Distributed earnings	0	0	3,311,594	4,967,390	8,278,984
<b>Earnings per share</b>					
Earnings after tax and profit-sharing but before depreciation and provisions	0.14	0.06	(0.06)	(0.08)	(0.03)
Net income	0.10	(0.04)	(0.08)	(0.08)	(0.02)
Dividend per share	0.00	0.00	0.04	0.06	0.10
<b>Workforce</b>					
Average headcount	24	23	23	24	27
Payroll	1,584,922	1,619,661	1,847,271	2,670,953	3,458,392
Employee benefits	1,908,860	735,966	1,356,679	1,226,214	7,326,158

## LIST OF CORPORATE OFFICERS AND COMPENSATION

Executive compensation packages are set by the Supervisory Board based on proposals from the Compensation Committee. Items of variable compensation are determined in view of the results achieved.

Management and Supervisory Board members are required to hold on to the shares awarded for two years from their definitive vesting date for plans earlier than 2016 and for one year from 2016.

There are no commitments for any executive severance packages.

The Group is committed to referring to the AFEP-MEDEF corporate governance code.

### List of Corporate Officers at August 31, 2016

#### Hervé GASTINEL

- BENETEAU SA (listed) Chief Executive Officer  
First appointed: Supervisory Board Jul 27, 2015  
Effective Aug 26, 2015 - Ending in 2017
- SPBI SA Chairman of Board of Directors and CEO
- CNB SA Vice-Chairman of Board of Directors
- BIO HABITAT SA Chairman of Board of Directors
- BH SASU Director
- SGB FINANCE SA Director
- BENETEAU FOUNDATION Director
- BENETEAU INC Director and Chairman
- BGM AMERICA INC Director
- BENETEAU AMERICA INC Director
- JEANNEAU AMERICA INC Director
- GBI HOLDING SRL Director
- MONTE CARLO YACHT SPA Director
- BENETEAU GROUP ASIA PACIFIC Ltd CEO
- TREFLE SAS Chairman
- TREFLE II SAS Chairman

#### Christophe CAUDRELIER

- BENETEAU SA (listed) Management Board member  
First appointed: Supervisory Board Apr 29, 2015,  
effective Jun 4, 2015, ending in 2017
- CNB SA Director
- SGB FINANCE SA Director
- BENETEAU INC Director
- BGM AMERICA INC Director and Chairman
- BENETEAU AMERICA INC Director
- JEANNEAU AMERICA INC Director
- GBI HOLDING SRL Director
- MONTE CARLO YACHT SPA Director
- BIO HABITAT ITALIA Director
- JEANNEAU ITALIA Director

#### Carla DEMARIA

- BENETEAU SA (listed) Management Board member  
First appointed: Aug 31, 2011  
Last reappointed: Supervisory Board Jan 8, 2015,  
ending in 2017
- SPBI SA Deputy CEO and Director
- MONTE CARLO YACHT SPA President
- BENETEAU ITALIA SRL Chairman of Board of Directors
- BENETEAU AMERICA INC Director and Chairman
- UCINA (Italian yachting federation) President

#### Jean-Paul CHAPELEAU

- BENETEAU SA (listed) Management Board member  
First appointed: Jan 9, 2014  
Last reappointed: Supervisory Board Jan 8, 2015,  
ending in 2017
- SPBI SA Deputy CEO and Director
- JEANNEAU AMERICA INC Director and Chairman
- JEANNEAU ITALIA Chairman
- OSTRODA YACHT Chairman of Supervisory Board

#### Annette ROUX

- BENETEAU SA (listed) Supervisory Board member  
First appointed: Jan 28, 2005  
Last reappointed: General Meeting Jan 30, 2015,  
ending in 2018
- BERI 21 SA Chairman of Supervisory Board
- SPBI SA Director
- BH SASU Director
- BIO HABITAT SA Director
- BENETEAU FOUNDATION President
- BERI 210 SARL Manager

**Yves LYON-CAEN**

- BENETEAU SA (listed) Chairman of Supervisory Board
- First appointed: Jan 28, 2005
- Last reappointed: General Meeting Jan 30, 2015, ending in 2018
- BERI 21 SA Chairman of Management Board
- SPBI SA Vice-Chairman of Board of Directors
- CNB SA Director
- BIO HABITAT SA Director
- BH SASU Director
- HABITAT D'AVENIR SAS Representative of BH, Management Committee member
- BENETEAU FOUNDATION Director
- GBI HOLDING SRL Chairman of Board of Directors
- BENETEAU ITALIA SRL Director
- BIO HABITAT ITALIA Director
- SCI ODYSSEY Manager
- BERI 210 SARL Manager
- BERI 75 SARL Manager
- UNIBAIL-RODAMCO SA (listed) Director
- SUCRES et DENREES SA Supervisory Board member
- FEDERATION DES INDUSTRIES NAUTIQUES Chairman of Board of Directors

**Yvon BENETEAU**

- BENETEAU SA (listed) Supervisory Board member
- First appointed: Jan 28, 2005
- Last reappointed: General Meeting Jan 31, 2014, ending in 2017
- BERI 21 SA Management Board member
- SPBI SA Director
- NOVY 6 SAS Chairman
- BENETEAU FOUNDATION Director

**Luc DUPE**

- BENETEAU SA (listed) Supervisory Board member
- First appointed: Jan 28, 2005
- Last reappointed: General Meeting Jan 30, 2015, ending in 2018
- BERI 21 SA Management Board member
- SPBI SA Director
- BIO HABITAT Director
- ELMA ASSOCIES SAS Deputy CEO

**Christian DE LABRIFFE**

- BENETEAU SA (listed) Supervisory Board member
- First appointed: Jan 28, 2005
- Last reappointed: Jan 29, 2016, ending in 2019
- PARC MONCEAU SARL Manager
- CHRISTIAN DIOR SA (listed) Director
- CHRISTIAN DIOR COUTURE SA Director
- SAVEPAR SA (listed) Chairman and CEO
- HDL Development SAS Representative of SALVEPAR SA, Director

- DRT SA Representative of SALVEPAR SA, Director
- TCA Partnership SAS Chairman
- Fondation Nationale des Arts Graphiques et Plastiques Director

**Jean-Pierre GOUDANT**

- BENETEAU SA (listed) Supervisory Board member
- First appointed: Nov 7, 2012
- Last reappointed: Jan 29, 2016, ending in 2019
- FEDERATION DES INDUSTRIES NAUTIQUES Vice-Chairman and Treasurer
- EUROPEAN BOATING INDUSTRY Vice-Chairman and Treasurer

**Catherine POURRE**

- BENETEAU SA (listed) Supervisory Board member
- First appointed: Jan 31, 2014, ending in 2017
- Last reappointed: Jan 29, 2016, ending in 2019
- NEOPOST SA (listed) Member of Board of Directors
- SEB SA (listed) Member of Board of Directors
- CREDIT AGRICOLE SA (listed) Observer on the Board of Directors
- CREDIT AGRICOLE CIB Observer on the Board of Directors
- CLASS 40 Member of Board of Directors

**Claude BRIGNON**

- BENETEAU SA (listed) Supervisory Board member
- First appointed: Jan 31, 2014, ending in 2017

**Louis-Claude ROUX**

- BENETEAU SA (listed) Vice-Chairman of Supervisory Board
- First appointed: Jan 31, 2014, ending in 2017
- Last reappointed: Jan 29, 2016, ending in 2019
- BERI 21 SA Management Board member
- SPBI SA Director
- CNB SA Director
- BIO HABITAT SA Vice-Chairman of Board of Directors
- BH SASU Director

**Benjamin BENETEAU**

- BENETEAU SA (listed) Supervisory Board member
- First appointed: Jan 31, 2014, ending in 2017
- BERI 21 SA Supervisory Board member
- SPBI SA Director
- CNB SA Director
- BIO HABITAT SA Director
- BH SASU Director

## EXECUTIVE COMPENSATION

Compensation and options and shares awarded to each executive officer.

€			Aug 31, 2016		Aug 31, 2015	
Name	Position	Compensation	Amounts due	Amounts paid	Amounts due	Amounts paid
Hervé GASTINEL	Chief Executive Officer Bénéteau SA	Fixed pay	404,890	404,890	6,452	6,452
		Variable pay	156,74	0	0	0
		Exceptional compensation	0		0	0
		Attendance fees	15,000	15,000	0	0
		Benefits in kind	6,267	6,267	0	0
		<b>TOTAL</b>	<b>582,431</b>	<b>426,157</b>	<b>6,452</b>	<b>6,452</b>
Christophe CAUDRELIER	Management Board member Bénéteau SA	Fixed pay	231,566	231,566	46,457	46,457
		Variable pay	109,392	25,500	0	0
		Exceptional compensation	0	0	0	0
		Attendance fees	4,167	4,167	0	0
		Benefits in kind	2,838	2,838	0	0
		<b>TOTAL</b>	<b>347,963</b>	<b>264,071</b>	<b>46,457</b>	<b>46,457</b>
Carla DEMARIA	Management Board  Bénéteau SA	Fixed pay	300,000	300,000	300,000	300,000
		Variable pay	384,557	194,835	194,352	157,150
		Exceptional compensation	0	0	0	0
		Attendance fees	7,000	7,000	5,500	5,500
		Benefits in kind	0	14,075	0	0
		<b>TOTAL</b>	<b>691,557</b>	<b>515,910</b>	<b>499,852</b>	<b>462,650</b>
Jean-Paul CHAPELEAU	Management Board member Bénéteau SA	Fixed pay	260,436	260,436	238,701	238,701
		Variable pay	165,481	42,939	0	9,697
		Exceptional compensation	0	0	0	0
		Attendance fees	7,000	7,000	5,500	5,500
		Benefits in kind	3,894	3,894	3,894	3,894
		<b>TOTAL</b>	<b>436,811</b>	<b>314,269</b>	<b>248,095</b>	<b>257,792</b>
Bruno CATHELINAIS (*)	Chief Executive Officer Bénéteau SA	Fixed pay	0	0	331,879	331,879
		Variable pay	0	0	117,800	73,920
		Exceptional compensation	0	0	695,974	165,208
		Attendance fees	0	0	27,500	27,500
		Benefits in kind	0	0	5,794	5,794
		<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>1,178,947</b>	<b>604,301</b>

(\*) End of term of office at August 31, 2015

## Compensation and options and shares awarded to each executive officer (contd.)

€			Aug 31, 2016		Aug 31, 2015	
Name	Position	Compensation	Amounts due	Amounts paid	Amounts due	Amounts paid
Dieter GUST (*)	Management Board member	Fixed pay	0	0	266,050	266,050
	Bénéteau SA	Variable pay	0	0	116,600	65,000
		Exceptional compensation	0	0	0	0
		Attendance fees	0	0	11,000	11,000
		Benefits in kind	0	0	5,560	5,560
		<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>399,210</b>	<b>347,610</b>
Aymeric DUTHOIT (**)	Management Board member	Fixed pay	0	0	166,786	166,786
	Bénéteau SA	Variable pay	0	0	5,300	0
		Exceptional compensation	0	0	0	0
		Attendance fees	0	0	11,000	11,000
		Benefits in kind	0	0	2,520	2,520
		<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>185,606</b>	<b>180,306</b>

(\*) End of term of office at August 31, 2015

(\*\*) End of term at December 16, 2015

## Summary of compensation and options and shares awarded to each executive officer

€				
Name	Position	Type	Aug 31, 2016	Aug 31, 2015
Hervé GASTINEL	Chief Executive Officer Beneteau SA	Compensation due for the year	582,431	6,452
		Value of options awarded during the year	0	0
		Value of performance shares awarded during the year (*)	278,500	0
Christophe CAUDRELIER	Management Board member Beneteau SA	Compensation due for the year	347,963	46,457
		Value of options awarded during the year	0	0
		Value of performance shares awarded during the year (*)	139,250	0
Carla DEMARIA	Management Board member Beneteau SA	Compensation due for the year	691,557	499,852
		Value of options awarded during the year	0	0
		Value of performance shares awarded during the year (*)	0	0
Jean-Paul CHAPELEAU	Management Board member Beneteau SA	Compensation due for the year	436,811	248,095
		Value of options awarded during the year	0	0
		Value of performance shares awarded during the year (*)	0	0
Bruno CATHELINAIS (**)	Chief Executive Officer Beneteau SA	Compensation due for the year	0	1,178,947
		Value of options awarded during the year	0	0
		Value of performance shares awarded during the year (*)	0	0
Dieter GUST (**)	Management Board member Beneteau SA	Compensation due for the year	0	399,210
		Value of options awarded during the year	0	0
		Value of performance shares awarded during the year (*)	0	0
Aymeric DUTHOIT (***)	Management Board member Beneteau SA	Compensation due for the year	0	185,606
		Value of options awarded during the year	0	0
		Value of performance shares awarded during the year (*)	0	0

(\*) Fair value of shares awarded based on the method used for preparing the consolidated financial statements

(\*\*) End of term of office at August 31, 2015

(\*\*\*) End of term End of term at December 16, 2015

	Executive Officer	Employment Contract	Supplementary pension scheme benefits	Actual or potential severance or termination	Benefits due to a no-complete clause
Name	GASTINEL Hervé				
Position	Chairman of Management Board	Agreement	yes	no	yes
Term of office start date	Aug 26, 2015				
Term of office end date	January 2017				
Name	DEMARIA Carla				
Position	Management Board member Bénéteau SA	yes	yes	no	no
Term of office start date	Jan 8, 2015				
Term of office end date	January 2017				
Name	CHAPELEAU Jean-Paul				
Position	Management Board member Bénéteau SA	yes	yes	no	no
Term of office start date	Jan 8, 2015				
Term of office end date	January 2017				
Name	CAUDRELIER Christophe				
Position	Management Board member Bénéteau SA	yes	yes	no	no
Term of office start date	June 4, 2015				
Term of office end date	January 2017				

Attendance fees and other compensation awarded to **non-executive officers**

€			Aug 31, 2016		31/08/2015	
Name	Position	Type	Amounts due	Amounts paid	Montants dus	Montants versés
Yves LYON CAEN	Chairman of Supervisory Board	Attendance fees	41,000	41,000	46,800	46,800
		Other compensation	301,929	335,665	356,858	326,642
Louis Claude ROUX	Vice-Chairman of Supervisory Board	Attendance fees	33,000	33,000	27,000	27,000
		Other compensation	78,820	78,820	76,408	67,700
Annette ROUX	Supervisory Board member	Attendance fees	42,500	42,500	27,000	27,000
		Other compensation	100,000	100,000	100,000	100,000
Christian De LABRIFFE	Supervisory Board member	Attendance fees	22,250	22,250	23,000	23,000
		Other compensation	0	0	0	0
Jean Pierre GOUDANT	Supervisory Board member	Attendance fees	30,750	30,750	31,500	31,500
		Other compensation	0	0	0	0
Catherine POURRE	Supervisory Board member	Attendance fees	21,250	21,250	22,000	22,000
		Other compensation	0	0	0	0
Claude BRIGNON	Supervisory Board member	Attendance fees	33,750	33,750	34,500	34,500
		Other compensation	0	0	0	0
Yvon BENETEAU	Supervisory Board member	Attendance fees	21,500	21,500	25,800	25,800
		Other compensation	41,703	41,703	42,556	42,556
Luc DUPE	Membre du Conseil member	Attendance fees	24,834	24,834	14,800	14,800
		Other compensation	40,550	40,550	39,996	55,396
Benjamin BENETEAU	Membre du Conseil member	Attendance fees	40,167	40,167	32,300	32,300
		Other compensation	106,437	106,437	78,496	62,088

## CORPORATE OFFICERS' TRANSACTIONS ON SHARES

### 1. STOCK OPTIONS

#### Options awarded at August 31, 2016

Date awarded	Number of shares awarded	Maturing	Exercise price	Options exercised before 2015-16	Options exercised in 2015-16	Options not exercised at Aug 31, 2016
Oct 3, 2001	450,000	Oct 3, 2011	5.96	422,950	0	27,050 *
Feb 13, 2003	450,000	Feb 13, 2013	6.456	381,610	0	68,390 **
Aug 30, 2006	72,500	Aug 30, 2016	12.564	1,300	0	71,200 ***

\* The 27,050 shares not exercised by the maturity date of October 3, 2011 have been reclassified

\*\* The 68,390 shares not exercised by the maturity date of February 13, 2013 have been reclassified

\*\*\* The 71,200 shares not exercised by the maturity date of August 30, 2016 have been reclassified

#### Options awarded to corporate officers in FY 2015-16

N/A

#### Options exercised by corporate officers in FY 2015-16

N/A

### 2. BONUS SHARES

#### Bonus shares awarded at August 31, 2016

Date awarded	Number of shares awarded	Value of shares awarded	
Apr 29, 2014	212,000	12.005	(closing price from Apr 29, 2014)
Apr 28, 2016	326,000	12.050	(closing price from Apr 28, 2016)

#### Bonus shares awarded to corporate officers in FY 2015-16

Name	Number of shares awarded	Value of shares awarded
Yves LYON-CAEN	50,000	12.050
Hervé GASTINEL	50,000	12.050
Christophe CAUDRELIER	25,000	12.050

#### Bonus shares definitively vested for corporate officers in FY 2015-16

Name	Number of shares awarded	Value of shares awarded	
Jean-Paul CHAPELEAU	25,000	9.390	(opening price from May 10, 2016)

## 3. CORPORATE OFFICERS' TRANSACTIONS IN FY 2015-16

Name	Type of transaction	Transaction date	Number of securities	Amount
Hervé GASTINEL	Purchase	Feb 2, 2016	1,200	€13,260
	Purchase	Feb 2, 2016	7,729	€85,405
	Purchase	Feb 8, 2016	9,492	€99,041
	Purchase	Feb 9, 2016	9,852	€97,622
	Purchase	May 3, 2016	1,564	€14,545
	Purchase	May 4, 2016	8,853	€82,217
	Purchase	Jun 13, 2016	7,492	€67,428
	Purchase	Jun 14, 2016	3,378	€30,171
	(closely linked) Purchase	Jun 20, 2016	2,644	€23,464
	(closely linked) Purchase	Jun 20, 2016	2,644	€23,464
Yvon BÉNÉTEAU	(closely linked) Purchase	Nov 9, 2015	151,960	€2,127,440
Benjamin BÉNÉTEAU	Sale	Nov 9, 2015	37,990	€531,860
	Sale	Apr 11, 2016	1,400	€16,417

## REPORT BY ONE OF THE STATUTORY AUDITORS, appointed as an independent third party, on the consolidated social, environmental and societal information presented in the management report

Year ended August 31, 2016

Dear Shareholders,

In our capacity as Bénéteau S.A.'s statutory auditor appointed as an independent third party, accredited by the French national accreditation body COFRAC under number 3-1049<sup>(1)</sup>, please find hereafter our report on the consolidated social, environmental and societal data presented in the management report (the "CSR Data") for the year ended August 31, 2016, in accordance with Article L.225-102-1 of the French commercial code.

### *Company's responsibility*

The Management Board is responsible for preparing a management report containing the CSR Data required by Article R.225-105-1 of the French commercial code, prepared in accordance with the reporting standards used by the company (the "Reporting Standards"), as summarized in the management report and available on request from the company's registered office.

### *Independence and quality control*

Our independence is defined by the regulations, the professional code of ethics and the provisions of Article L.822-11 of the French commercial code. Furthermore, we have put in place a quality control system which includes documented policies and procedures aimed at ensuring compliance with the applicable ethical rules, professional standards, laws and regulations.

### *Independent third party's responsibility*

It is our responsibility, based on our work, to:

- Certify that the required CSR Data are present in the management report or, in the event of omissions, are explained in accordance with the third paragraph of Article R.225-105 of the French commercial code (Certificate of presence of CSR Data);
- Express a conclusion of moderate assurance that the CSR Data overall are presented, in all their material respects, in a true and fair manner in accordance with the Reporting Standards (Considered opinion on the accuracy of the CSR Data).

Our work was carried out by a team of eight people over a period of approximately three weeks between September and December 2016. To assist us in our work, we called on the expertise of our CSR specialists. We conducted the work described hereafter in accordance with industry standards set by the French national statutory auditors board (Compagnie Nationale des Commissaires aux Comptes) and ISAE 3000<sup>(2)</sup>.

### 1. Certificate of presence of CSR Data

#### *Nature and scope of our work*

Based on interviews with the managers of the departments concerned, we reviewed the presentation of the sustainable development policies, in view of the social and environmental consequences relating to the company's business and its societal commitments and, when relevant, the resulting actions or programs.

We compared the CSR Data presented in the management report with the list set out in Article R.225-105-1 of the French commercial code.

If certain consolidated data were not included, we checked that explanations were provided as required by the provisions of Article R.225-105 Paragraph 3 of the French commercial code.

We checked that the CSR Data covered the consolidated scope, namely the company and its subsidiaries as defined by Article L.233-1, as well as its controlled companies as per Article L.233-3 of the French commercial code, within the limits set out in the methodological procedure presented in section "4. Social, environmental and societal reporting methodology" of the management report.

#### *Conclusion*

On the basis of this work, and within the aforementioned limits, we certify that the management report contains the CSR Data required.

### 2. Considered opinion on the accuracy of the CSR Data

#### *Nature and scope of our work*

We conducted around 10 interviews with the people responsible for the preparation of the CSR Data, from the departments in charge of the data collection processes and, as relevant, the people responsible for the internal control and risk management procedures, with a view to:

- Assessing the appropriate nature of the Reporting Standards in terms of their relevance, completeness, reliability, neutrality and clarity, taking into consideration, when relevant, best practices for the sector;
- Checking the implementation of a process for collecting, compiling, processing and checking the CSR Data to ensure it is complete and consistent, and obtaining information about the internal control and risk management procedures regarding the preparation of the CSR Data.

(1) Whose scope is available on the website [www.cofrac.fr](http://www.cofrac.fr)

(2) ISAE 3000 - Assurance engagements other than audits or reviews of historical financial information

We determined the nature and extent of our tests and controls based on the nature and importance of the CSR Data in relation to the company's characteristics, the social and environmental issues associated with its activities, its sustainable development policies and industry best practices.

For the CSR Data that we considered most important, as listed in the following table:

- For the consolidating entity and the various entities, we reviewed the related documentary sources and we conducted interviews to corroborate the qualitative data (organization, policies, actions), we performed analytical procedures on the quantitative data and verified, on a test basis, that such data had been correctly calculated and consolidated; we also checked their consistency with the other data presented in the management report;
- For a representative sample of entities that we selected based on their activity, their contribution to the consolidated indicators, their location and a risk analysis, we conducted interviews to verify the correct application of the procedures and identify potential omissions, and we carried out detailed tests on a sampling basis, checking the calculations made and the consistency of data with the supporting documents. The sample selected in this way represents 66% of the workforce, between 24% and 100% of the quantitative environmental data, and between 59% and 68% of the quantitative societal data.

Employee-related	Reporting scope
Workforce at August 31, 2016	
Frequency rate for occupational accidents resulting in time off work for our staff	
Severity rate for occupational accidents for our staff	France, Poland, USA
Number of recruitments during the year fixed-term and permanent contracts	
Number of dismissals during the year	
Total number of hours of training per employee per year	France

Societal indicator	Reporting scope
Portion of expenditure placed with local suppliers	France

Environmental indicators	Reporting scope
Number of ISO 14001 certified sites	
Volatile organic compound (VOC) emissions for production sites	
Electricity consumption for sites during the year	
Gas consumption for sites during the year	France, Poland, USA
Water consumption for sites during the year	
Energy consumption-related CO2 emissions for sites	
Quantity of scrap timber / quantity of timber purchased	
Quantity of industrial waste generated in each category	France
Non-hazardous waste recovery / recycling rate	

Qualitative data	
Employee-related topics	<ul style="list-style-type: none"> <li>- Work-time organization</li> <li>- Organization of social dialogue, particularly procedures for informing, consulting and negotiating with staff</li> <li>- Occupational health and safety conditions</li> <li>- Training policies</li> </ul>
Environmental topics	<ul style="list-style-type: none"> <li>- Resources allocated for the prevention of environmental risks and pollution</li> </ul>
Societal topics	<ul style="list-style-type: none"> <li>- Regional, economic and social impact of the company's business on local or neighboring communities</li> <li>- Integration of social and environmental concerns in the company's procurement policy</li> <li>- Importance of outsourcing and taking their social and environmental responsibility into account in relations with suppliers and subcontractors</li> <li>- Measures to ensure the health and safety of consumers</li> </ul>

For the other consolidated CSR data, we assessed their consistency in relation to our knowledge of the company.

(3) Work carried out: SPBI (France), OSTRODA YACHT (Poland).

Lastly, we assessed the relevance of explanations relating to the total or partial omission of certain data, if applicable.

We consider that the sampling methods and sample sizes that we have used, exercising our professional judgment, allow us to express a conclusion of moderate assurance; a higher level of assurance would have required more extensive verification work. As a result of the use of sampling techniques, and the other limitations inherent in the functioning of any internal control and information system, the risk of a material anomaly in the CSR Data not being detected cannot be ruled out entirely.

### *Conclusion*

Based on this work, we have not identified any material anomalies likely to call into question the fact that the CSR Data overall are presented in a true and fair way, in accordance with the Reporting Standards.

Paris La Défense, December 19, 2016

KPMG S.A.

Anne GARANS  
*Partner*  
*Climate Change &*  
*& Sustainable Development Department*

Franck NOEL  
*Partner*

## MANAGEMENT BOARD'S SUPPLEMENTARY REPORT

### Section excluding the annual accounts - Combined General Meeting on January 27, 2017

Dear Shareholders,

Following on from the deliberations of the Management Board on November 8, 2016 and the Supervisory Board on November 9 and December 9, 2016, we have invited you to attend a combined general meeting, in accordance with French law and your company's bylaws, in order to deliberate on the following specific points:

#### 1 - RENEWAL OF THE COMPANY SHARE BUYBACK PROGRAM AND RELATED AUTHORIZATIONS:

(16th, 17th and 19th resolutions)

For all annual general meetings henceforth, BENETEAU proposes to include the renewal of its share buyback program on the agenda, following on from the authorizations already approved at the general meetings held on: February 5, 1999 - August 31, 2000 - February 1, 2002 - July 17, 2003 - January 28, 2005 - July 20, 2006 - June 22, 2007 - January 30, 2009 - July 9, 2010 - January 28, 2011 - January 27, 2012 - February 1, 2013 - January 31, 2014 - January 30, 2015 - January 29, 2016.

Under the previous authorization, the following transactions were carried out over the period from December 1, 2015 to November 30, 2016:

- Purchases for a total of 1,189,151 shares,  
Representing a total of €12,154,051 and an average share price of €10.221
- Sales for a total of 576,617 shares,  
Representing a total of €6,311,583 and an average share price of €10.946
- Transfers for a total of 1,056,200 shares (bonus shares)
- No cancellations

The transactions carried out on the share under the liquidity agreement represented: 576,617 purchases and 576,617 sales.

Treasury stock at November 30, 2016 therefore represented: 1,055,742 shares, i.e. 1.28% of the capital, with the following breakdown:

- Liquidity agreement entered into with an investment service provider acting independently: 0 shares
- Awards to staff or corporate officers as stock options: 0 shares
- Free allocations to staff or corporate officers: 538,000 shares
- Holding and subsequent issue in exchange or as payment for external growth operations: 517,742 shares

Shares allocated to objectives that are not achieved, where linked to a change of strategy during the buyback program, may be sold off under a sales mandate entered into with an investment service provider acting independently, or may be reallocated for cancellation in line with the regulations applicable.

The Management Board therefore invites you to renew the authorization, for a further 18-month period, for the company to acquire its own shares representing up to 10% of the share capital and a maximum theoretical investment of €126 million, based on a maximum purchase price set at €17.5.

The objectives of this buyback program, in decreasing order of priority, are as follows:

- Market-making based on managing the market or liquidity for shares through an investment service provider under a liquidity agreement in line with the AMAFI compliance charter, recognized by the AMF,
- Selling and/or awarding stock options and/or bonus shares and/or company savings schemes to company or Group staff and/or corporate officers,
- Holding and issuing shares again in payment or exchange as part of external growth or financial operations in line with stock market regulations,
- Cancelling shares with a view to optimizing earnings per share and the return on capital.
- More generally, performing all operations authorized at present or in the future by the regulations in force, particularly in connection with market practices that may be accepted by the AMF.

This authorization would cancel and replace the previous one from January 29, 2016.

The description of the share buyback program will be made available to shareholders at least 21 days before the general meeting, notably on the company's website.

#### 2 - POTENTIAL CAPITAL INCREASE RESERVED FOR EMPLOYEES WHO ARE MEMBERS OF THE GROUP'S COMPANY SAVINGS SCHEMES, WITH PREFERENTIAL SUBSCRIPTION RIGHTS WAIVED:

(18th resolution)

We would like to remind you about the provisions of the French employee savings act of February 19, 2001, which now requires general shareholders' meetings to deliberate every five years, or at the time of any decision to increase the capital, on a proposed resolution concerning a capital increase reserved for employees, carried out under the conditions set out in Article L.3332-1 of the French employment code (Code du Travail).

Since the 17th resolution proposes to potentially award bonus shares that will need to be issued, we have an obligation to propose to you as of this year, without waiting for the end of the five-year period, a potential capital increase reserved for employees who are members of Group company savings schemes, with preferential subscription rights waived, for up to a nominal limit of €21,000.

## SUPERVISORY BOARD'S REPORT

Dear Shareholders,

The Supervisory Board has been provided with regular reports from the Management Board on changes in the Group's business, and performed the missions entrusted to it under the law and bylaws.

More specifically, it has reviewed the parent company financial statements of BENETEAU S.A., as well as the consolidated financial statements of the BENETEAU GROUP, for the year ended August 31, 2016, and it does not have any specific observations to make regarding these documents.

We do not have any observations to make regarding the Management Board's management report.

Neither do we have any observations to make concerning the report on the section excluding the annual financial statements.

Your Board therefore invites you to approve the documents presented here, as well as the resolutions put forward.

Saint Gilles Croix de Vie, November 9 and December 9, 2016

Chairman of the Supervisory Board

## CHAIRMAN'S REPORT

### on Supervisory Board operations

### and internal control

Dear Shareholders,

In accordance with Article L.225-68 of the French commercial code (Code de Commerce), supplemented by the French Financial Security Act 2003-706 of August 2, 2004, I am reporting to you on the following:

- The conditions for preparing and organizing work carried out by your Supervisory Board during the year ended August 31, 2016
- The internal control procedures put in place by the company

The Group is committed to referring to the AFEP-MEDEF corporate governance code.

## I - SUPERVISORY BOARD OPERATIONS

During its meeting on December 9, 2016, the Supervisory Board carried out its annual update of its internal regulations in terms of its own operations and the functioning of each of its Committees, as presented in full below:

### BENETEAU S.A. SUPERVISORY BOARD CHARTER

*This charter (hereafter "the Charter") was adopted by the Supervisory Board (hereafter "the Supervisory Board") of Bénéteau S.A. (hereafter "the Company") on May 10, 2005 and amended on August 29, 2014, December 10, 2015 and December 9, 2016.*

#### Section 1 Charter scope and status

*1.1 This Charter, issued in accordance with Article 20 of the Company's bylaws, supplements the rules and regulations applicable for the Supervisory Board under French law and the Company's bylaws. In the event of any contradictions between this Charter and the bylaws, the bylaws will take precedence.*

*1.2 The appendices to this Charter, as listed hereafter, are an integral part of this Charter:*

*Appendix A: Rules and conditions for the resignation of Supervisory Board members*

*Appendix B: Strategic Committee Charter*

*Appendix C: Audit Committee Charter*

*Appendix D: Governance, Appointments and Compensation Committee Charter*

*Appendix E: Management Board resolutions subject to prior approval from the Supervisory Board.*

*1.3. In a resolution adopted on August 29, 2014, the Company's Supervisory Board unanimously undertook:*

- a) To observe and be bound by the obligations resulting from these terms,*
- b) When new Supervisory Board members are appointed, to ensure that they make the undertaking indicated in Section a) above.*

*1.4. The Supervisory Board assesses this Charter annually in order to identify any specific points that might require this Charter to be amended or new guidelines to be drawn up.s.*

*1.5. This Charter is published on the Company's website.*

#### Section 2 Supervisory Board's responsibilities

*2.1. The Supervisory Board exercises control over the Company's general affairs and management, and related activities, and also has a mission to advise the Management Board. In connection with its mandate, the Supervisory Board safeguards the interests of the Company and its business; it takes into consideration the respective interests of all the parties concerned within the Company. The Supervisory Board is itself accountable for the performance of its mandate.*

*2.2. Subject to the provisions resulting from the Company's bylaws, the Supervisory Board's remits notably include:*

- a) Controlling the Management Board and providing it with advice on matters relating to:*
  - (i) The Company's performance,*
  - (ii) The Company's strategy and the inherent risks associated with its business,*
  - (iii) The structure and administration of the internal risk management and control systems,*
  - (iv) The financial reporting process, and*
  - (v) Legal and regulatory compliance;*
- b) Publishing and ensuring compliance with the implementation of the Company's corporate governance structure;*
- c) Assessing and rating the operations of the Management and Supervisory Boards and their individual members;*
- d) When the ordinary general meeting issues a negative opinion concerning any executive pay packages presented, the Board, after consulting with the Governance, Appointments and Compensation Committee, deliberates on this issue during one of its next sessions and immediately publishes a press release on the Company's website indicating the next steps that it intends to take following the expectations expressed by shareholders during the general meeting;*
- e) Managing and resolving potential conflicts of interest brought to its attention between the Company on the one hand and the Management Board members on the other;*

- f) Managing and resolving any irregularities brought to its attention concerning the Management Board's operations;
- g) Approving the Management Board's proposed resolutions as stipulated in Appendix E.

2.3. The Supervisory Board prepares and includes in the Company's annual report a report (hereafter "the Supervisory Board's report") in which it presents its comments concerning the Management Board's report and the financial statements. In particular, the Supervisory Board's report includes the information required by French law.

2.4. Each year, in accordance with French law, the Chairman of the Supervisory Board prepares a clearly supported report on the appropriate nature, efficiency and effectiveness of the internal risk management and control systems corresponding to the report on internal control procedures required under Article L. 225-68 of the French commercial code.

2.5. The Supervisory Board appoints the members of the Management Board and the Chief Executive Officer.

2.6. As required under French law, the Company takes out an "executive and director" insurance policy for the Supervisory Board members.

### Section 3

#### Composition, remits and independence

3.1. The Supervisory Board is made up of 3 to 14 members. The Supervisory Board defines the target profile for the Board's composition.

3.2. The composition of the Supervisory Board ensures a fair balance concerning the experience and expertise required among its members and the representation of men and women, enabling the Supervisory Board to effectively fulfil its diverse responsibilities and duties in relation to the Company and all the Company's stakeholders (including its shareholders), in accordance with the laws and regulations applicable (including the regulations of any stock markets on which the Company may be listed).

3.3. The composition of the Supervisory Board is subject to the following constraints:

- All its members must hold a relatively significant number of the Company's shares<sup>(1)</sup>;
- All its members must be able to evaluate the main aspects of the Company's strategy, its activities and the nature of its business lines;
- At least one third of its members must be independent as defined by Paragraph 3.4; and
- Their terms-of-office may always be renewed.

3.4. For the purposes of Section c) of Paragraph 3.3, Supervisory Board members are considered to be independent if they do not have any relations of any kind with the company, its group or their management teams that might impair their judgment. The independence of Supervisory Board members is determined by a decision by the Supervisory Board, based on a recommendation from the Governance, Appointments and Compensation Committee.

The following criteria must be taken into account by the Committee and the Supervisory Board to determine whether Supervisory Board members can be classed as independent and avoid the risk of conflicts of interest between the Supervisory Board and the executive leadership team, the Company or its group:

- Supervisory Board members must not be employees of the Company, employees or directors of its parent company or any of its consolidated companies, currently or at any point in the last five years;
- Supervisory Board members must not be corporate officers of any company in which the Company directly or indirectly has a directorship or in which an employee appointed as such or a corporate officer of the company (currently or at any point in the last five years) has a directorship;
- Supervisory Board members must not be (or be linked directly or indirectly to): a customer, supplier, commercial banker or investment banker that (i) is significant for the Company or its group or (ii) for which the Company or its group represents a significant share of business;
- Supervisory Board members must not have any close family ties with any of the Company's corporate officers;
- Supervisory Board members must not have been an auditor of the company within the last five years;
- Supervisory Board members must not have spent more than 12 years as a member of the Supervisory Board or a director of the Company, its parent company or any of its consolidated companies;
- Supervisory Board members must not have received any personal financial remuneration from the Company in addition to any attendance fees received in their capacity as Supervisory Board members, while noting that their amount must be consistent with standard practices;
- Supervisory Board members must not be members of the Management Board of any company that has any members of the Company's Management Board – which it is responsible for controlling – as members of its Supervisory Board (crossed links), and;
- Supervisory Board members must not have temporarily replaced any of the Company's Management Board members who have been absent or unable to perform their duties during the previous 12 months.

The Supervisory Board members representing significant shareholders in the Company or its parent company are considered to be independent provided that they do not exercise partial or total control over the Company; above a limit representing 10% of the share capital or voting rights, the Supervisory Board, acting based on reports from the Governance, Appointments and Compensation Committee, reviews each case individually in order to determine whether the Supervisory Board member concerned may be classed as independent or not, taking into account the composition of the Company's share capital and any potential conflicts of interest.

3.5. In accordance with the regulations defined by the French financial markets authority (AMF), all Supervisory Board members must report any information to be included in a reference document or annual report to the Chief Executive Officer and the Chairman of the Supervisory Board. All Supervisory Board members have a duty to be independent, loyal and professional.

3.6. Supervisory Board members must not hold more than four non-executive offices in listed companies outside of the Group in France or elsewhere. Supervisory Board members must notify the Supervisory Board of any offices they hold in other companies, including their participation in any committees within these companies.

<sup>(1)</sup> To satisfy this conditions, 500 or more shares will be considered to represent a significant number

3.7 The Supervisory Board may appoint up to three observers, chosen from among the shareholders or elsewhere.

The term-of-office of observers is from one to six years. Their offices end following the Supervisory Board meeting to approve the financial statements for the past year, held during the year in which their term-of-office is due to end.

The observers may be reelected indefinitely.

The Supervisory Board and its Chairman may call on the observers to give their opinions on all matters submitted to them, particularly concerning technical, commercial, administrative or financial aspects, and may be given assignments to carry out specific research and reviews for the Supervisory Board. The observers cannot be involved in the Company's management and, as such, cannot be assigned management, supervision or control responsibilities.

The observers may receive remuneration for their position, as set by the Supervisory Board, taken from the budget assigned by the general meeting for attendance fees.

Unless the Supervisory Board decides otherwise, the observers have access to the same information as the Supervisory Board members.

Observers are invited to attend the Supervisory Board's meetings (unless the Supervisory Board decides otherwise) and take part in deliberations in an advisory capacity, but if they are absent this will not impair the validity of deliberations.

Observers are chosen based on their areas of expertise and participate in all Supervisory Board meetings.

Observers may also be appointed to serve on and chair the Supervisory Board's various Committees.

The Supervisory Board may remunerate them for their mission on a comparable basis to that applied for the other Supervisory Board members, taken from the budget assigned by the general meeting for attendance fees.

#### Section 4

##### *Supervisory Board Chairman, Vice-Chairman and Secretary*

4.1. From among its members, the Supervisory Board appoints a Chairman and Vice-Chairman. The Chairman represents the Supervisory Board in relation to third parties.

4.2. The Chairman of the Supervisory Board ensures that:

- a) The Supervisory Board members follow a training program after being appointed;
- b) The Supervisory Board members receive all the information they need in a timely fashion as required to perform their duties effectively;
- c) The Supervisory Board has sufficient time for its consultations and decisions;
- d) The Supervisory Board's committees operate under good conditions;
- e) The performance of the Supervisory Board and Management Board members is evaluated at least once a year;
- f) The Supervisory Board appoints a Vice-Chairman;

g) The Supervisory Board members are informed of and able to deliberate on transactions with related parties as defined by French law;

h) The Supervisory Board members are informed of and able to deliberate on any irregularities committed by members of the Management Board;

i) The general meeting is held and takes place under the conditions required;

j) The Supervisory Board deliberates with due diligence on the Management Board's proposals submitted for prior approval by the Supervisory Board as stipulated in Appendix E; and

k) The information required by French law is included in the Supervisory Board's report.

4.3. The Supervisory Board is assisted by a Supervisory Board secretary.

#### Section 5

##### *Supervisory Board committees*

5.1. The Supervisory Board has three committees – the Strategic Committee, the Audit and Risk Committee, and the Governance, Appointments and Compensation Committee – with their members appointed from within the Supervisory Board. The Supervisory Board as a whole is responsible for its decisions, even if they have been prepared by one of the Supervisory Board's committees; the Supervisory Board's committees simply make recommendations.

5.2. The Supervisory Board draws up charters governing the conditions and principles for the various committees (missions, composition, sessions, etc.). The charters that currently govern the various committees are presented in Appendices B, C and D.

5.3. The charters and the composition of the various committees are presented on the Company's website.

5.4. The Supervisory Board is informed of each committee's deliberations and decisions during the Supervisory Board session following the Committee meeting in question.

#### Section 6

##### *Appointments, reappointments, terms-of-office and resignations*

6.1. Supervisory Board members are appointed in accordance with the Company's bylaws. When renewing their terms-of-office, the way in which candidates have performed their duties as Supervisory Board members is taken into account. Supervisory Board members are appointed for a renewable maximum term of three years.

6.2. The Supervisory Board defines the rules and conditions for resignations in order to avoid, where possible, having several terms-of-office ending at the same time. The Supervisory Board's current rules and conditions for resignations are presented in Appendix A. Subject to the stipulations of Paragraph 6.3, the Supervisory Board members may tender their resignations in accordance with the conditions for resignation.

6.3. The Supervisory Board members may leave their positions ahead of schedule if their performance falls short of the levels required or in the event of any irreconcilable differences of opinion or incompatible interests.

6.4. No individuals over the age of 70 may be appointed as a Supervisory Board member if their appointment results in more than one third of the Supervisory Board members being above this age. If, during their terms-of-office, the number of Supervisory Board members over the age of 70 exceeds one third of the Board's members, the oldest member of the Supervisory Board who has not held management positions within the company will be considered to have resigned at the end of the next ordinary annual general meeting following this event.

## Section 7 Compensation

7.1. The general meeting defines the overall budget for the Supervisory Board's compensation. The Supervisory Board distributes this budget between its members and the members of the various committees.

7.2. The interests held by Supervisory Board members in the Company's capital are considered to be long-term investments.

7.3. The investments and transactions of Supervisory Board members within the Company are covered by the general guidelines relating to insider trading.

7.4. The Supervisory Board members may submit claims to be reimbursed by the Company for all reasonable costs and expenses incurred for them to attend meetings, in connection with the program mentioned in Section 8.

7.5. The attendance fees, the reimbursement of expenses and all the other terms and conditions, including the payment dates for these sums, are defined by the general meeting and formalized in writing between the Company and each Supervisory Board member. The notes to the annual financial statements provide a detailed and exhaustive presentation of the amounts concerned and the breakdown of the budget assigned for members of the Supervisory Board.

## Section 8 Supervisory Board sessions (Board schedule, conference calls, participation, minutes)

8.1. The Supervisory Board meets at least four times a year and following any written request by the Chairman, at least one third of its members or if requested by any Management Board member. The Supervisory Board's meetings are generally held at the Company's registered office, but may also be held at any other location. Sessions may be based on conference calls or videoconferences provided that all the participants can hear one another simultaneously and the deliberations are transmitted continuously and simultaneously, in accordance with French law.

8.2. Supervisory Board members who are frequently absent from the Supervisory Board's meetings report on their absences to the Chairman. These absences are indicated in the Company's annual report.

8.3. Unless the Supervisory Board decides otherwise, the Management Board members attend the Supervisory Board's meetings unless they concern the following:

- a) Assessment of the Management Board's operations and each of its members, with the conclusions from this assessment,
- b) Assessment of the Supervisory Board's operations and each of its members, with the conclusions from this assessment,

- c) The Supervisory Board's target composition and profile; or
- d) Votes concerning transactions with related parties as defined by Article L. 225-86 of the French commercial code; and
- e) Deliberations concerning any matters relating to compensation for each Management Board member.

8.4. The Company's statutory auditors attend each Supervisory Board meeting during which discussions concern the review, adoption and, if applicable, approval of the annual and interim financial statements.

8.5. Unless impracticable, each Supervisory Board member receives the meeting notices, agendas and documents for review and deliberation at least three days before the meeting is scheduled.

8.6. The Supervisory Board secretary prepares minutes on the meetings. Minutes are generally approved during the following session. Minutes are considered to be approved once they have been signed by the Chairman and another Supervisory Board member. The Supervisory Board secretary is authorized to reissue and sign extracts from minutes that have been approved.

## Section 9 Supervisory Board resolutions (quorum, votes, points on the agenda)

9.1. Any Supervisory Board member may represent another Supervisory Board member, subject to a duly signed power of attorney authorizing them to represent the Supervisory Board member and/or vote on their behalf during the corresponding Supervisory Board meeting. For the resolutions issued to be valid, at least 50% of the Supervisory Board members must be present or represented during the session.

9.2. In the event of a tied vote, the chairman of the meeting will have the casting vote.

9.3. Each year, the Supervisory Board prepares a report on its operations, the conclusions from which are presented in the Company's annual report.

## Section 10 Conflicts of interest

10.1. Supervisory Board members are not authorized to participate in deliberations or decision-making processes relating to any matters or transactions involving a conflict of interests between themselves and the Company as per Article L. 225-86 of the French commercial code.

10.2. Supervisory Board members immediately notify the Chairman of the Supervisory Board and the other Supervisory Board members of any potential conflicts of interest involving any members of the Supervisory Board. A Supervisory Board member concerned by a conflict of interest (potential) provides full details on the said conflict to the Chairman of the Supervisory Board and the other Supervisory Board members.

10.3. The Chairman of the Supervisory Board ensures that these transactions are indicated in the Company's annual report.

### Section 11 Complaints

*The Management Board ensures that employees are able to confidentially report any general, operational or financial irregularities within the Company, without facing any sanctions, to a duly appointed arbitrator and, if these irregularities persist, that they are able to refer them to the Chairman of the Supervisory Board.*

### Section 12 Information, relations with the Management Board

*12.1. The Supervisory Board and its members are responsible for obtaining from the Management Board and the statutory auditors any information needed by the Supervisory Board to perform its missions effectively, in accordance with the legal conditions applicable. If the Supervisory Board considers this necessary, it may authorize some or all of its members to obtain information on behalf of the Supervisory Board from the Company's corporate officers, employees and external advisors and to freely access the Company's offices. The Management Board provides it with all necessary resources in a timely manner. The Supervisory Board may require certain corporate officers, employees and external advisors to attend its meetings.*

*12.2. If any Supervisory Board members receive any information or indications concerning the Supervisory Board in the performance of their control and advisory missions through parties that are not members of the Management or Supervisory Boards, they must transmit them as quickly as possible to the Chairman of the Supervisory Board. The Chairman of the Supervisory Board then informs the Supervisory Board members.*

### Section 13 Relations with shareholders

*13.1. In accordance with French law, general meetings are convened by the Management Board, while the Supervisory Board is also authorized to convene general meetings. The person or people convening the general meeting ensure(s) that it is held in a timely manner and the shareholders are informed of all the elements and circumstances relating to the points on the agenda. More specifically, the general meeting date and agenda are published on the Company's website.*

*13.2. The Management and Supervisory Board members attend the general meetings, except for in the event of major unforeseen difficulties. General meetings are generally chaired by the Chairman of the Supervisory Board.*

*13.3. The Chief Executive Officer is responsible for relations with the Company's main shareholders. The Chairman of the Supervisory Board is invited to meet these shareholders, liaising closely with the Chief Executive Officer.*

### Section 14 Confidentiality

*The Supervisory Board members review all the information and documents received in connection with their offices with the necessary discretion and, in the case of confidential information, with the necessary secrecy. Confidential information must not be disclosed outside of the Supervisory or Management*

*Boards, made public or even transmitted to third parties, even after members have resigned from the Supervisory Board, unless such information has been made public by the Company or is already in the public domain.*

### Section 15 Amendments

*This Charter (including its appendices) may be amended as decided by the Supervisory Board. Such decisions must be adopted by a two-thirds majority of the Supervisory Board members. These decisions are indicated in the Company's annual report.*

### Section 16 Governing law and jurisdiction

*16.1. This Charter is governed by and must be interpreted in accordance with French law.*

*16.2. Any disputes arising from or relating to this Charter (including disputes relating to the existence, validity or termination of this Charter) must be referred exclusively to the courts of Paris, France.*

## APPENDIX A: Rules and conditions for resignations from the Supervisory Board

### Current situation

Name	Year of birth	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Yves Lyon Caen	1950	A			X			X			X	R/R			X		
Annette Roux	1942	A			X			X			X	R/R			X		
Yvon Bénétéau	1950	A			X			X			X			E			
Luc Dupé	1949	A			X			X			X	R/R		Res			
Christian de Labriffe	1947	A			X			X			X		R/R	Res			
Jean-Pierre Goudant	1951									A			X			X	
Catherine Pourre	1957										A		R/R			X	
Claude Brignon	1950										A			X			X
Benjamin Bénétéau	1979										A			E			
Louis-Claude Roux	1982										A		R/R			X	
Anne Leitzgen	1973													A			X

A = Year first appointed

X = Year when potentially

E = Last term of office ending at this year's general meeting

R/R = Resignation / Reappointment

Res = Resignation

Revised on December 9, 2016

The list of the offices held by each Supervisory Board member is presented in the management report, with details of any remuneration received.

To ensure compliance with the recommendations from the AFEP-MEDEF code, an approach was introduced two years ago to stagger the terms-of-office (R/R).

This year, the necessary arrangements are in place to ensure compliance with (i) the proportion of at least one third independent members, and (ii) the proportion of at least 40% of members of each gender.

In this way, Mr Yvon Bénétéau, whose term-of-office is due to expire this year, will not be reappointed.

Mr Luc Dupé will resign this year.

Mr Christian de Labriffe, who can no longer be classed as an independent member, will resign this year.

During one of its next sessions, the Supervisory Board intends to appoint some of its directors as observers.

Mr Benjamin Bénétéau, whose term-of-office is due to expire this year, will not be reappointed.

Proposals will be submitted at the general meeting on January 27, 2017 to:

Renew the term-of-office of Mr Claude Brignon, an independent member

Appoint Mrs Anne Leitzgen, an independent member

## SUPERVISORY BOARD MEETINGS

During FY 2015-16, your Supervisory Board met seven times:

- On November 4, 2015, primarily to review the annual financial statements at August 31, 2015;  
Supervisory Board members present or represented: 9 out of a total of 10
- On December 10, 2015, primarily to convene the general shareholders' meeting, its agenda and its resolutions;  
Supervisory Board members present or represented: 10 out of a total of 10
- On January 7, 2016, primarily to update the budget for 2015-16, prepare for the annual financial information meeting and Mr Aymeric Duthoit's dismissal;  
Supervisory Board members present or represented: 10 out of a total of 10
- On January 29, 2016, following the general shareholders' meeting, to renew the term-of-office of the Vice-Chairman of the Supervisory Board;  
Supervisory Board members present or represented: 5 out of a total of 10
- On February 9, 2016, primarily to review the conditions for the departure of certain employees in relation to the guidelines for the bonus share plan;  
Supervisory Board members present or represented: 9 out of a total of 10
- On April 28, 2016, primarily to review the half-year financial statements at February 29, 2016, update the budget for 2015-16, and the conditions for putting in place a new bonus share plan;  
Supervisory Board members present or represented: 9 out of a total of 10
- On August 31, 2016, primarily to update the budget for 2015-16 and the presentation of the budget for 2016-17.  
Supervisory Board members present or represented: 10 out of a total of 10

## GUIDELINES FOR ALLOCATING ATTENDANCE FEES

The Supervisory Board has adopted the following guidelines for allocating attendance fees:

- €10,000 of fixed attendance fees are allocated for each Board member;
- Up to €6,000 of variable attendance fees are prorated based on the attendance of Board meetings;
- €4,000 of fixed attendance fees are allocated for each Chairman of the specialized committees;
- €3,000 of fixed attendance fees are allocated for each member of the committees other than the Chairman.

A special attendance fee may be added for specific assignments approved by the Board.

These provisions are reviewed each year by the Supervisory Board.

## APPENDIX B: Strategic Committee Charter

*This charter has been adopted in accordance with Paragraph 5.2 of the charter (hereafter "the Supervisory Board Charter").*

### Section 1 Responsibilities

*1.1. Subject to Paragraph 5.1 of the Supervisory Board Charter, the Strategic Committee advises the Supervisory Board on matters within its remit and prepares for the Supervisory Board's decisions on these matters.*

*1.2. The Strategic Committee's primary mission is to assess the essential components within the Group's development strategy and particularly the product plan, the three-year business plan and the guidelines for the communications and image policy. The Committee is also responsible for acquisitions and sales operations.*

*In addition, the Committee may review and assess the following:*

- (a) Market outlook and situation;*
- (b) Annual investment plan;*
- (c) Any financing operation for in excess of €5 million;*
- (d) Any acquisition or sale of property, plant and equipment or intangible assets for an amount in excess of €1.5 million;*
- (e) Signing of any agreement for mergers, spin-offs or partial asset transfers, regardless of the amount concerned;*
- (f) Any financing operation for an amount that is likely to substantially modify the company's financial structure.*

*1.3. The Supervisory Board is informed of the Strategic Committee's deliberations and decisions during the Supervisory Board session following the Committee's meeting.*

### Section 2 Strategic Committee's composition, remits and independence

*2.1. The Strategic Committee has at least four members.*

*2.2. From among its members, the Strategic Committee appoints a secretary for the session.*

### Section 3 Chairman's office

The Chairman is primarily responsible for ensuring that the Strategic Committee operates effectively. The Chairman is the Strategic Committee's spokesperson and the main interface with the Supervisory and Management Boards.

### Section 4 Strategic Committee sessions (Committee schedule, participation, minutes)

4.1. The Strategic Committee meets at least once every six months and when requested by one or more Supervisory or Management Board members. The Strategic Committee's meetings are generally held at the Company's registered office, but may also be held at any other location. The Management Board members attend the sessions unless the Strategic Committee indicates that it would like to meet without them or exclusively in the presence of the Chief Executive Officer.

4.2. The Strategic Committee's secretary convenes Strategic Committee meetings on behalf of the Supervisory or Management Board member(s) who called for the Committee to meet. Unless impracticable, each Strategic Committee member receives the meeting notices, agendas and documents for review and discussion during the session at least three days before the meeting is scheduled.

4.3. Meetings are minuted. Minutes are generally approved during the following session. If all the Committee members agree with the content of the minutes, they may be approved earlier. Minutes are signed for approval by the Chairman of the Strategic Committee and immediately submitted to all the Supervisory Board members.

4.4. The Strategic Committee reviews its operations each year and submits its findings to the Supervisory Board.

### COMPOSITION OF THE STRATEGIC COMMITTEE

Chairman: Mrs Annette ROUX

Members : Mr Claude BRIGNON,  
Mr Yves LYON-CAEN,  
Mr Christian DE LABRIFFE

Members invited to attend depending on the agenda:  
Mr Yvon BENETEAU,  
Mr Luc DUPE

Secretary: Mr Louis-Claude ROUX

The Management Board members and, in certain cases, company employees are invited to attend sessions depending on the agenda for the committee meetings.

### STRATEGIC COMMITTEE MEETINGS

The Strategic Committee met six times during FY 2015-16, primarily to review the markets and their profitability, the budgetary process, investments, the HR priorities and organization, the business in Brazil and BH's business.

### APPENDIX C: Audit and Risk Committee Charter

This charter has been adopted in accordance with Paragraph 5.2 of the charter (hereafter "the Supervisory Board Charter").

#### Section 1 Responsibilities

1.1. Subject to Paragraph 5.1 of the Supervisory Board Charter, the Audit Committee advises the Supervisory Board on matters within its remit and prepares for the Supervisory Board's decisions on these matters.

1.2. With a particular focus on the accounts, control and risks, the Audit Committee's remit notably covers:

a) Controlling the Company's Management Board (hereafter "the Management Board") and providing advice on matters relating to risk management and internal control, including controls concerning the application of all relevant legislation and regulations;

b) Controlling the Company's financial information submitted to it (choice of accounting policies, implementation and assessment of the impacts of new laws in this area, information concerning the accounting entries in the annual financial statements, forecasts, etc.);

c) Controlling follow-up on the statutory auditors' observations and recommendations;

d) Controlling the Company's tax optimization policy;

e) Controlling the Company's financing;

f) Maintaining frequent contacts and controlling relations with the statutory auditors, including:

- Assessing the statutory auditors' independence, remuneration and any assignments conducted on behalf of the Company in addition to the audit,

- Determining the statutory auditors' involvement with regard to the content and publication of the Company's financial information other than the annual financial statements, and

- Keeping stock of any irregularities concerning the content of financial information, as brought to its attention by the statutory auditors,

g) Proposing to the Supervisory Board, as agreed with the Management Board, a procedure to be implemented for selecting the statutory auditors, supervising the selection procedure, validating the content of assignments and the list of companies to be consulted, and submitting recommendations to the Supervisory Board concerning the appointment of statutory auditors by the Company's general shareholders' meeting (hereafter "the general meeting") and

h) Other important matters relating to the Company's annual financial statements.

1.3. The Supervisory Board is informed of the Audit Committee's deliberations and decisions during the Supervisory Board session following the Committee's meeting.

## Section 2

### Audit Committee's composition, remit and independence

2.1. The Audit Committee has at least four members.

2.2. Under Paragraph 3.3 of the Supervisory Board Charter, the composition of the Audit Committee is subject to the following constraints:

- a) At least one of its members must have appropriate expertise concerning accounting and financial management for listed companies;
- b) At least three quarters of its members must be independent as defined by Paragraph 3.4 of the Supervisory Board Charter.

2.3 When they are appointed, each Audit Committee member is informed about the Company's accounting, financial and operational practices.

2.4 The Audit Committee is assisted by the Supervisory Board secretary.

## Section 3

### Chairman's office

The Chairman is primarily responsible for ensuring that the Audit Committee operates effectively. The Chairman is the Audit Committee's spokesperson and the main interface with the Supervisory and Management Boards.

## Section 4

### Audit Committee sessions (Committee schedule, participation, minutes)

4.1. The Audit Committee meets at least once every six months and when requested by one or more Supervisory or Management Board members. The Audit Committee's meetings are generally held at the Company's registered office, but may also be held at any other location. The Management Board members attend the sessions unless the Audit Committee indicates that it would like to meet without them or exclusively in the presence of the Chief Executive Officer, the Chief Financial Officer (hereafter "the Chief Financial Officer") or the Company's statutory auditors.

4.2. The Audit Committee meets at least twice a year with the Company's statutory auditors during sessions that are not attended by the Management Board members. Subject to the above, the Audit Committee decides if and when the Chief Executive Officer, the Chief Financial Officer or the Company's statutory auditors are required to attend its sessions.

4.3. The Supervisory Board secretary convenes Audit Committee meetings on behalf of the Supervisory or Management Board member(s) who called for the Committee to meet. Unless impracticable, each Audit Committee member receives the meeting notices, agendas and documents for review and discussion during the session at least three days before the meeting is scheduled.

4.4 Meetings are minuted. Minutes are generally approved during the following session. If all the Committee members agree with the content of the minutes, they may be approved earlier. Minutes are signed for approval by

the Chairman of the Audit Committee and immediately submitted to all the Supervisory Board members.

4.5. The Supervisory Board is informed of the Audit Committee's deliberations and decisions during the Supervisory Board session following the Committee meeting in question.

4.6. The Audit Committee reviews its operations each year and submits its findings to the Supervisory Board.

## COMPOSITION OF THE AUDIT AND RISK COMMITTEE

Chairman: Mr Christian De LABRIFFE

Members: Mrs Catherine POURRE,  
Mr Jean-Pierre GOUDANT  
Mr Yves LYON-CAEN

Secretary: Mrs Yannick COICAUD-THOMAS

The Management Board members and representatives of the company are invited to attend sessions depending on the agenda for the committee meetings.

## AUDIT AND RISK COMMITTEE MEETINGS

The Audit and Risk Committee met five times during FY 2015-16:

- On November 3, 2015, primarily to review the annual financial statements at August 31, 2015, prior to the Supervisory Board meeting on November 4, 2015;
- On April 7, 2016, primarily for the development of the new ERP for the Leisure Homes business, the Group's future reporting model, and securing the Group's financing;
- On April 27, 2016, primarily to review the half-year financial statements at February 29, 2016, prior to the Supervisory Board meeting on April 28, 2016;
- On June 24 and July 1, 2016, to review the terms for financial communication on revenues for the third quarter of 2015-16.

## APPENDIX D: Governance, Appointments and Compensation Committee Charter

This charter has been adopted in accordance with Paragraph 5.2 of the charter (hereafter "the Supervisory Board Charter").

### Section 1

#### Responsibilities

1.1 In accordance with Paragraph 5.1 of the Supervisory Board Charter, the Governance, Appointments and Compensation Committee (hereafter "the Governance, Appointments and Compensation Committee") advises the Supervisory Board on matters within its remit and prepares for the Supervisory Board's decisions on these matters.

1.2. The Governance, Appointments and Compensation Committee's remit notably covers:

#### A. Corporate governance

1. Reviewing and assessing the appropriate nature of the Company's practices in relation to its corporate governance rules and assessing the Company's compliance with them in a half-year compliance report;

2. Identifying and submitting recommendations to the Supervisory Board concerning emerging practices or significant developments in terms of corporate governance practices and/or regulations;

3. Drawing up recommendations for the Supervisory Board concerning any corporate governance issues and any corrective actions to be taken, including recommendations concerning the organization, member status, functions, duties and responsibilities of the Supervisory Board and its specialized committees;

4. Assessing and submitting recommendations to the Supervisory Board concerning the Company's governance policy, its changes and modifications, and the relevant provisions for the Company in line with best practices;

5. Reviewing and submitting recommendations to the Supervisory Board concerning the transactions carried out by Supervisory and Management Board members in relation to their insider status or their related parties and/or the resolution of conflicts of interest involving any Supervisory or Management Board members;

6. Checking that the Company's corporate governance policy and practices are clearly presented in the Annual Report and on its website.

#### B. Appointments

1. Determining the profile, selection criteria and appointment procedures for the Supervisory Board's standard and independent members;

2. Determining the profile and selection criteria for Management Board members;

3. Regularly assessing the scope and composition of the Management Board, the Supervisory Board and its committees, and drawing up proposals for possible changes concerning the profile for the Supervisory Board and, if applicable, the composition of the Supervisory Board's committees in connection with this assessment;

4. Regularly assessing the conduct of Supervisory Board members (committees) and the Chief Executive Officer, as well as the Chief Executive Officer's recommendations concerning the performance of the other Management Board members, and submitting the corresponding conclusions to the Supervisory Board;

5. Submitting proposals for the appointment or reappointment of Supervisory and Management Board members;

6. Checking the Management Board's policy concerning the criteria for selecting and appointing executives, and reviewing the Company's human resources policy;

7. Preparing for the Supervisory Board's annual self-assessment process concerning: the Supervisory Board itself; the Supervisory Board's relations with the Management Board; the Supervisory Board secretary's office;

8. All other matters concerning appointments and other related points that may be brought to the attention of the Governance, Appointments and Compensation Committee

#### C. Compensation

1. Preparing a proposal for the Supervisory Board concerning the compensation package for the Chief Executive Officer, responsible for chairing the Company's Management Board (hereafter "the Management Board"), and the other Management Board members, including but not limited to the terms and conditions of their contracts, bonuses, pension entitlements, share-based incentive programs linked to the Company's performance and other bonuses, severance benefits and all other forms of remuneration, as well as the performance criteria and their application;

2. Reviewing and preparing proposals for the Supervisory Board concerning the Company's compensation policy;

3. Reviewing the awarding of stock options and bonus shares;

4. All other matters concerning compensation aspects that may be brought to the attention of the Governance, Appointments and Compensation Committee.

#### Section 2

##### Governance, Appointments and Compensation Committee's composition, remits and independence

The Governance, Appointments and Compensation Committee has at least four members.

#### Section 3

##### Chairman's office

The Chairman of the Supervisory Board chairs the Governance, Appointments and Compensation Committee. The Chairman is primarily responsible for ensuring that the Governance, Appointments and Compensation Committee operates effectively. The Chairman is the Governance, Appointments and Compensation Committee's spokesperson and the main interface with the Supervisory and Management Boards.

#### Section 4

##### Governance, Appointments and Compensation Committee sessions (Committee schedule, participation, minutes)

4.1. The Governance, Appointments and Compensation Committee meets at least twice a year and when requested by one or more Supervisory or Management Board members. The Governance, Appointments and Compensation Committee's meetings are generally held at the Company's registered office, but may also be held at any other location.

4.2. The Governance, Appointments and Compensation Committee's secretary convenes Governance, Appointments and Compensation Committee meetings on behalf of the Supervisory or Management Board member(s) who called for the Committee to meet. Unless impracticable, the Governance, Appointments and Compensation Committee members receive the meeting notices, agendas and documents for review and discussion during the session at least three days before the meeting is scheduled.

4.3. In addition to its members, Governance, Appointments and Compensation Committee meetings may be attended by other participants invited by the Chairman of the Governance, Appointments and Compensation Committee.

4.4. Meetings are minuted. Minutes are generally approved by the Governance, Appointments and Compensation Committee during the following session. Minutes are signed for approval by the Chairman of the Governance, Appointments and Compensation Committee and immediately submitted to all the Supervisory Board members.

4.5. The Supervisory Board is informed of the Governance, Appointments and Compensation Committee's deliberations and decisions during the Supervisory Board session following the Committee meeting in question.

4.6. The Governance, Appointments and Compensation Committee reviews its operations each year and submits its findings to the Supervisory Board.

#### COMPOSITION OF THE GOVERNANCE, APPOINTMENTS AND COMPENSATION COMMITTEE

Chairman: Mr Yves LYON-CAEN

Members : Mrs Annette ROUX  
Mr Christian De LABRIFFE  
Mrs Catherine POURRE  
Mr Claude BRIGNON

Secretary: Mr Louis-Claude ROUX

The Management Board members and representatives of the company are invited to attend sessions depending on the agenda for the committee meetings.

#### GOVERNANCE, APPOINTMENTS AND COMPENSATION COMMITTEE MEETINGS

The Governance, Appointments and Compensation Committee met three times during FY 2015-16, in December 2015, January 2016 and March 2016.

The main matters reviewed by the Governance, Appointments and Compensation Committee included:

- Setting of the variable component for Management Board members and their compensation packages,
- Individual assessment of Management Board members,
- Review of the bonus share plan,
- Review of the independence of Supervisory Board members,
- Organization of the Boat division, the Operations Department and the Americas, as well as the recruitment plans required.

With regard to the independence of Supervisory Board members, the Committee assessed the status of each Supervisory Board member in relation to these criteria and observed that the one-third limit was complied with through to the end of the general meeting on January 27, 2017 for Mrs Catherine Pourre, Mr Claude Brignon, Mr Christian de Labriffe and Mr Jean-Pierre Goudant.

As indicated in APPENDIX A, the composition of the Supervisory Board is being reviewed this year to ensure compliance with this rule, particularly for Mr Christian de Labriffe, who can no longer be considered as an independent member.

Alongside this, an annual self-assessment system has been in place for the Supervisory Board since FY 2013-14, based on a questionnaire sent out to each of its members.

#### APPENDIX E: Management Board decisions subject to prior approval from the Supervisory Board

1. In accordance with Article 15 of the Company's bylaws, the Management Board's proposed decisions concerning the following points are submitted to the Supervisory Board for prior approval:

- a) Annual investment plan;
- b) Annual budget;
- c) Group's strategy;
- d) Any acquisitions or sales of equity interests, regardless of the amount concerned;
- e) Any financing operation for in excess of €5 million or any amount that is likely to substantially modify the company's financial structure;
- f) Any acquisition or sale of property, plant and equipment or intangible assets for an amount in excess of €1.5 million;
- g) Signing of any agreement for mergers, spin-offs or partial asset transfers, regardless of the amount concerned;
- h) Any sale of a branch of activity, regardless of the amount concerned;
- i) Any award of company stock options or warrants, subject to authorization by an extraordinary general meeting;
- j) Any issue of securities of any kind subject to authorization by an extraordinary general meeting under the conditions set by law and these bylaws;
- k) Any operation to buy, sell or license patents, brands or items of the company's intellectual property;
- l) Any decision likely to substantially modify the company's strategy that was presented to the Supervisory Board by the Management Board;
- m) Any transaction by the company to buy back its own shares as authorized by a general meeting;
- n) Any off-balance-sheet commitment for an amount in excess of €1.5 million.

*2. The Supervisory Board must be kept regularly informed of the implementation of the strategy and policies of the company and Group, as well as the business and financial position, and particularly the following elements:*

- (a) The financial statements or any other regular accounting or financial reporting elements, prior to their publication;*
- (b) The cash position and cash flow, including forecasts and their adjustments;*
- (c) Commitments, particularly all off-balance-sheet commitments;*
- (d) Disputes likely to have a material impact on the results;*
- (e) Market outlook and situation.*

*3. The Board sets an annual budget of €7.6 million which the Management Board is authorized to give for deposits and guarantees, independently from any deposits and guarantees relating to customs and tax authorities, which are authorized without any restrictions concerning the amounts involved.*

## 2 - CONDITIONS FOR SHAREHOLDER PARTICIPATION IN GENERAL MEETINGS

General meetings are convened by the Management Board or the Supervisory Board and deliberate as provided for under French law. They are held at the registered office or any other venue indicated in the notice to attend.

Since the company is publicly traded, general meetings are convened with an initial notice published in the French official gazette (Bulletin des Annonces Légales Obligatoires, BALO) at least 35 days before the meeting date, followed by a second notice published in an authorized gazette for legal announcements in the region where the registered office is located, at least 15 days before the meeting date.

These publications are also available on the Group website: [www.beneteau-group.com](http://www.beneteau-group.com).

Furthermore, shareholders who have held registered shares for at least one month on the date of the notice to attend are invited to attend any meetings in an ordinary letter or, following their approval, electronically, or, if requested by them and at their cost, in a letter sent recorded delivery.

All shareholders are entitled to take part in the general meeting, whatever the number of shares held, provided that they are fully paid-up.

The right to attend or be represented at the meeting is subject to the securities being recorded in the name of the shareholder or their intermediary in the registered security accounts held by CACEIS for the company or the bearer securities accounts held by the authorized intermediary by midnight (Paris time) two working days prior to the meeting.

Shareholders may vote by mail under the legal and regulatory conditions in force: to be taken into account, postal voting forms must be received by the company at least three days before the date of the meeting.

Under the bylaws, any shareholders taking part in the meeting using videoconferencing or other telecommunications resources making it possible to identify them, the nature and conditions of which are determined by decree, may be deemed to be present for calculating the quorum and majority. This possibility has not yet been used by the company.

A double voting right is awarded to fully paid-up registered shares that have been registered for at least two years in the name of the same shareholder, whether they are French nationals or from a European Union member state.

This right will also be granted upon issue:

- In the event of a capital increase through the incorporation of reserves, profits or issue premiums, to any registered shares awarded freely to shareholders based on the existing shares for which they were entitled to this right;
- In the event of a merger, to any registered shares awarded to a shareholder in the merged company in exchange for this company's shares for which they were entitled to this right.

If shares are transferred further to a case of inheritance, liquidation of joint ownership between spouses or inter-vivos donations to spouses or relatives entitled to inherit, they do not lose the rights acquired and the two-year period set out above continues uninterrupted.

Joint owners of shares are required to be represented with the company and at general meetings by only one of them, who the company considers as the sole owner, or by a single proxy.

The voting right associated with the share belongs to the beneficial owner at all general meetings. Even when voting rights have been waived, the bare owner of shares still has the right to attend the general meetings.

For securities that have been pledged, voting rights are exercised by the owner and not the pledgee.

### 2.1 SHAREHOLDING DISCLOSURE THRESHOLDS

Any individuals or legal entities, acting alone or in concert, that may directly or indirectly hold, through one or more legal entities they control as per Article L.233-3 of the French commercial code, a number of shares representing a proportion of the share capital and/or voting rights greater than or equal to 2.5%, or any multiple thereof, including cases when this exceeds the legal and regulatory disclosure thresholds applicable, must inform the company of the total number of shares and voting rights they hold, as well as any securities entitling holders to access the capital in the future and the corresponding potential voting rights, in a letter sent recorded delivery with delivery receipt within the legal and regulatory timeframe.

The requirement to inform the company also applies when the shareholder's interest in the capital or level of voting rights falls below any of the disclosure thresholds indicated in the bylaws.

If shareholders fail to make such disclosures in the proper manner, the shares in excess of the fraction that should have been disclosed in accordance with the bylaws and/or legal provisions applicable will not be entitled to voting rights at any shareholder meetings that may be held for two years following notification that the situation has been resolved.

### 3 - INTERNAL CONTROL PROCEDURES

#### 3.1 INTERNAL CONTROL OBJECTIVES

Within the Bénéteau Group, internal control is defined as all the arrangements aimed at effectively managing activities and risks, while making it possible to ensure that operations are effective, secure and compliant.

Implemented by the Supervisory Board, the Management Board and Group staff, internal control aims to obtain reasonable assurance and not an absolute guarantee concerning:

- The correct application of the company's general policy
- Compliance with the laws and regulations applicable for the Group
- The prevention, detection and effective management of risks inherent to the business, in addition to risks of fraud and errors
- The reliability of accounting and financial information

Risk management and internal control involve limitations resulting from numerous factors, including uncertainty about the outside world, the exercising of judgment and any errors that may arise due to technical or human shortcomings or simple mistakes.

#### 3.2 GENERAL ORGANIZATION FOR INTERNAL CONTROL PROCEDURES

##### 3.2.1 Key internal control participants

###### *Supervisory Board*

In connection with the permanent control of the company's management and the remits granted to it under the bylaws, the Supervisory Board regularly reviews the company's strategies, evaluates the suitability of its investment policy, and assesses its projects to develop new products. Its work is prepared based on ad hoc meetings of the Strategic Committee.

It is regularly provided with reports on the company's accounting and financial information. In its analysis, the Supervisory Board is supported by the Audit Committee, which meets several times during the year, as necessary, with the statutory auditors, and more frequently with the Chief Executive Officer. It also refers to work conducted by the Appointments and Compensation Committee for decisions relating to Management Board member compensation packages and awards of bonus shares or stock options.

###### *Management Board*

It defines and oversees the Group's operational strategies in connection with its remits under the bylaws. It is based on the chief executive officers and deputy CEOs of subsidiaries, as well as the Group's functional divisions. This management system makes it possible to effectively coordinate and plan internal control.

###### *Audit Committee*

The Audit Committee's role is to:

- Control the process for the preparation and distribution of accounting and financial information,
- Assess the relevance and consistency over time of the accounting methods and principles adopted for the preparation of the annual and half-year consolidated and parent company financial statements,
- Check the efficiency and effectiveness of the internal control and risk management procedures,
- Ensure, by any means, the quality of the information provided to the Board,
- Present its opinions to the Board.

The Audit Committee's conclusions are presented to the Supervisory Board.

###### *Operational committees*

Focused on the following areas, these committees meet on a regular basis:

- Procurement
- Product development
- Innovation
- Industrial
- Information systems
- Legal
- Financial

###### *Subsidiary steering committees*

Regularly brought together by the Chief Executive Officer and comprising operational and functional managers from the various companies concerned, the steering committees coordinate the implementation of the Group's strategic objectives, while ensuring that they are rolled out correctly within the various departments.

###### *Functional and operational managers*

They are responsible for proposing action plans in line with the objectives set by the steering committee, as well as setting up efficient and effective working methods for the main operational processes. Within this framework, they ensure that the measures adopted are effectively implemented with a view to reducing the likelihood of the main risks occurring and minimizing, if necessary, their consequences.

###### *Financial management*

The Group's financial management team, liaising with the management control and accounting teams in the various business units, is responsible for:

- Preventing and effectively managing any differences in relation to the objectives defined
- Ensuring the reliability of accounting and financial information

The financial management team prepares the documents requested by the Audit Committee and participates in its work.

*Statutory auditors*

As external parties, the statutory auditors supplement the Group's internal control system. Their work provides the Group with reasonable assurance concerning the reliability and accuracy of the accounting and financial information produced.

## 3.2.2 Main management decisions

All major management decisions, which involve a significant commitment for the company, are validated by the Management Board.

## 3.2.3 Risk management

**Finance**Cash management:

Each Group company's cash is centralized at holding level (Bénéteau SA), under a cash pooling agreement. The current accounts accrue interest under the following conditions: 3-month Euribor +0.25% for lending and 3-month Euribor +1% for borrowing.

The Group's cash is invested exclusively in risk-free vehicles, such as short-term certificates of deposit, with banks chosen by the Management Board following a review by the Supervisory Board.

Foreign exchange and interest rates:

The Group may hedge its medium-term borrowings using interest rate swaps.

The Group carries out foreign-exchange hedging operations on the US Dollar and Zloty, based on forward sales and purchases, as well as on the Brazilian Real, with non-deliverable forwards (NDF). Hedging decisions are taken by the Group's executive leadership team and operations are set up by the financial departments from the companies concerned.

Credit management:**a. Recreational boats**

A credit management procedure was put in place in 2007, based on written provisions.

A risk committee meets each month. The credit manager presents all of the reports and an update on the current situation. The most important decisions are validated by the risk committee.

Ad hoc meetings may be held in addition to this monthly meeting if necessary.

Weekly monitoring of late payments and outstanding trade receivables makes it possible to effectively monitor financial risks.

Boats are paid for before departure, or financing approval has been obtained beforehand from the specialized financing structures, SGB or GE.

Outstanding customer payments are financed under an SGB or GE credit line, the amount of which is determined jointly by these two organizations and the management team in charge of the brands concerned. For SGB, it is based on four financial ratios, which determine a credit line representing up to 40% of the volume of sales for the year.

The brands have a contractual commitment to take back any new boats that have not been paid for after one year's financing. During this period, the financing organization depreciates 20% of the capital, with the boatyards' commitment then representing 80% of the amount financed (net of tax). The boatyards may approve an extension of this financing period, but will then request a further repayment.

The risk of non-payment on preowned boats is covered by SGB. GE does not handle any financing for preowned boats.

A monthly report is provided by the financing organizations and enables the credit manager to ensure the consistency of the various credit lines and the financing facilities granted, as well as compliance with partial repayments over the period.

The credit manager liaises with the various financing companies in order to anticipate any problems and reports on any difficulties to the risk committee.

**b. Housing**

Before opening a customer account, a financial analysis is carried out by the credit management department, which then sets the level of credit facilities based on the customer's financial soundness.

This approach is systematically combined with a request for credit insurance cover with Coface for orders excluding financing. Coface's cover represents between 30% and 50% of the credit facilities authorized.

The credit manager regularly monitors the levels of liabilities outstanding and may block orders from being accepted and deliveries from being made.

Each month, a risk committee brings together the credit manager, the Chief Executive Officer, the Brand Director and the Chief Financial Officer. This committee is responsible for reviewing and handling critical cases.

**IT***IT security*

All IT security-related issues are overseen by the IT services security manager, who heads a dedicated unit focused on:

- IT backups,
- System security (secure access, firewall, antivirus, antispam, etc.),
- Network and system availability,
- Monitoring of emerging regulatory issues (French data protection agency),
- Compliance with best practices and rules (internet use, proxy, IT guidelines).

The IT security guidelines are appended to the bylaws of each Group company.

Every fortnight, the IT services security manager chairs an IT security committee, which looks back over the past period's events and defines the priorities and the actions to be carried out over the following period.

Vulnerability audits are regularly carried out by a specialized external company.

#### *Business recovery management*

All the company's IT data are backed up daily. For the companies based in France, backups are made at two different locations. For the companies based in other countries, local backups are regularly outsourced. The data are then kept in line with a daily, weekly, monthly and yearly archiving plan determined based on the criticality and shelf life of the information concerned.

The Group also has a disaster recovery plan (DRP) for the main management software applications, enabling business to resume within 24 hours of a disaster based on the situation 48 hours before the incident.

#### *Procurement and logistics*

Managing supplier risks effectively is essential in order to ensure the continuity of production.

This involves setting up means of control on several levels:

##### *Checking the long-term viability of suppliers*

Around 50 strategic or vulnerable suppliers are specifically monitored. The objective is to ensure the long-term viability of partner firms and anticipate any difficulties they may face as early as possible.

This approach is combined with financial monitoring: through subscriptions to accounting and financial monitoring services for a list of suppliers selected by the procurement department, or a more detailed financial review requested by the purchaser from the credit manager. The procurement department and the financial departments work together to improve the monitoring of supplier risks.

##### *Effectively managing quality risks*

The main suppliers (around 100, representing nearly 80% of material purchases) have signed a quality, logistics and environment agreement. This agreement sets out a framework for our requirements in terms of timeframes, traceability, environmental standards, flexibility and quality. In addition, the Group defines a contractual framework for its relations with its major and strategic suppliers through purchasing agreements. These agreements may cover a number of years.

##### *Effectively managing dependence on suppliers*

There are always several sources for a given area of expertise. Nevertheless, the Group is not safe from the risk of certain products not being able to be replaced without a new development by the design department. In such cases, there is a risk of certain productions being temporarily stopped or disrupted due to an interruption in the flow of supplies. These risks are clearly identified, regularly assessed and restricted to a limited number of products.

##### *Checking the continuity of supplies*

Supplies are overseen on a daily basis using tools for monitoring the fulfilment rate, delays and interruptions. Safety stocks are set up depending on the product's critical nature and the supplier risk. Supplies also benefit from a tool for forecasting requirements, which makes it possible to detect and address any capacity risks with a forward-looking approach.

#### *Industry*

##### *ISO 9001 certification:*

The Group's main companies are ISO 9001 certified, which is based on a quality management system being put in place. The company's essential processes are documented, with performance indicators, and regularly audited.

The certification process targets continuous improvements.

##### *Authorized economic operator (AEO) certification:*

European customs authorities have approved the Bénéteau Group and its subsidiary SPBI as authorized economic operators. This certification is intended to facilitate international trade in goods, with a trust-based agreement between the customs authorities and our Group, obtained following an audit of our administrative and production sites.

##### *Quality management committee:*

A quality management committee meets twice a month, taking stock of any internal quality issues identified and reported by our customers with the executive leadership team, after-sales service, procurement, production and quality departments. Daily and weekly performance indicators make it possible to monitor progress with the various action plans.

#### *Environment*

Aware of the environmental impact of its activities, the Bénéteau Group has made its environmental approach a real company value, based around three major challenges contributing towards effective risk management:

- Ensuring the long-term regulatory compliance of production sites
- Reducing the environmental impacts of activities
- Reducing the environmental footprint of products

These elements are set out in the CSR section of the annual financial report.

## Legal

### *Monitoring of cases*

In line with the executive leadership team's instructions, all managers are required to notify the legal department as quickly as possible in the event of any significant issues.

Since the legal department has an advisory role in relation to the executive leadership team and the company's various operational and functional departments, each manager must determine whether or not it is necessary to notify the legal department. Upstream from projects, the legal department is involved in drawing up and negotiating the company's main agreements and contracts, working closely with the operational units concerned, with a view to securing the interests of the company and its managers. While the legal department, in its advisory role, is responsible for clarifying the choices of the executive leadership team and the various operational and functional departments, it is nevertheless still dependent on the effective assessment of risks by the various managers concerned.

For litigation or pre-litigation cases, a reporting system has been put in place for the risks relating to these cases in order to inform executive management as quickly as possible and help them oversee the business.

### 3.3 PROCEDURES FOR THE PREPARATION AND PROCESSING OF ACCOUNTING AND FINANCIAL INFORMATION

The Group has adopted a set of rules and methods making it possible to provide reliable financial information, notably with a view to:

- Ensuring that financial information is reported within reasonable timeframes, and being able to take corrective actions if necessary
- Guaranteeing the quality of financial information provided for the Group's Management and Supervisory Boards
- Ensuring that information is consistent across the Group's various companies
- Ensuring compliance with the various regulations applicable (accounting, tax, customs, etc.)
- Keeping the risk of errors occurring under control

The consolidated financial statements are presented in accordance with all the standards published by the International Accounting Standards Board (IASB) and adopted by the European Union (IFRS).

To meet these objectives, each Bénéteau Group company notably applies an identical budgetary process.

A projected income statement is drawn up at the start of the financial year. During the year, the initial estimates are adjusted on two or three occasions.

These adjustments are based on the internal reports drawn up by each Group company.

Several departments work together on the process to produce the Group's consolidated accounting and financial information:

- Accounting and consolidation
- Management control
- Information systems
- Cash management
- Legal

These departments ensure that the Group's various business units are kept abreast of the latest developments in terms of legislation, recommendations issued by the French financial markets authority (AMF), or the Group's internal procedures and their application.

They provide information on the Group's financial policy, the standards and procedures to be applied, any corrective actions to be taken, and internal control relating to accounting and financial data.

Furthermore, monthly management committees have been set up for each business unit in order to analyze results and contribute to economic steering efforts, while helping create and maintain a financial culture within the Group.

The main management processes support the internal control system. This concerns the medium-term strategic plan, annual budget, quarterly estimates for annual earnings, monthly reports on management results, operational reporting charts and half-year close of accounts (parent company and consolidated).

To draw up its consolidated financial statements, Bénéteau SA uses the common Group-wide standards, which ensures that the accounting methods and consolidation rules applied are consistent and that the reporting formats are standardized. Bénéteau SA draws up its consolidated financial statements under IFRS. The financial department issues memos with instructions, setting out the schedules for the close of accounts. Every six months, elements from the consolidated financial statements are reconciled with monthly reports in order to analyze and account for any differences. In connection with their mission, the statutory auditors conduct a limited review at the end of the first six months as a minimum, followed by an audit at August 31.

### 3.4 INTERNAL CONTROL MANAGEMENT

The Group's information system is based on a set of common tools covering the main companies with regard to both production management and the processing of financial information. It makes it possible to obtain quality and reliable information within reasonable timeframes.

In this respect, the Audit and Risk Committee continued working in 2016 with a view to ensuring the effective formalization of financial information.

Fait à Saint Gilles Croix de Vie,  
November 9 and December 9, 2016

Chairman of the Supervisory Board

**STATUTORY AUDITORS' REPORT, drawn up in accordance  
with Article L.225-235 of the French commercial code,  
on the Bénéteau S.A. Supervisory Board Chairman's report**

Year ended August 31, 2016

Dear Shareholders,

In our capacity as statutory auditors for the company Bénéteau, and in accordance with the provisions of Article L.225-235 of the French commercial code, please find hereafter our report on the report drawn up by the Chairman of your company pursuant to Article L.225-68 of the French commercial code for the year ended August 31, 2016.

The Chairman is responsible for drawing up a report and submitting it for approval to the Supervisory Board, presenting the internal control and risk management procedures put in place within the company and providing the other information required by Article L.225-68 of the French commercial code, particularly in relation to the corporate governance system.

It is our responsibility to:

- Report to you our observations on the information set out in the Chairman's report on the internal control and risk management procedures relating to the preparation and processing of accounting and financial information, and
- Certify that the report contains the other information required under Article L.225-68 of the French commercial code, while noting that it is not our responsibility to check the accuracy of such other information.

We conducted our audit in accordance with the industry standards applicable in France.

*Information concerning the internal control and risk management procedures relating to the preparation and processing of accounting and financial information*

These standards require that we plan and perform the audit to obtain reasonable assurance that the information concerning the internal control and risk management procedures applied when drawing up and processing the accounting and financial information contained in the Chairman's report is free from any material misstatements. This notably consisted of:

- Reviewing the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information supporting the information presented in the Chairman's report, as well as existing documentation;
- Reviewing work that has made it possible to draw up such information and existing documentation;
- Determining whether the major shortcomings concerning internal control in relation to the preparation and processing of accounting and financial information that we have identified in connection with our audit are presented with appropriate information in the Chairman's report.

On the basis of this work, we do not have any observations to make regarding the information given concerning the company's internal control and risk management procedures in relation to the preparation and processing of the accounting and financial information contained in the Chairman of the Supervisory Board's report, drawn up in accordance with Article L.225-68 of the French commercial code.

*Autres informations / Other information*

We certify that the Chairman of the Supervisory Board's report contains the other information required under Article L.225-68 of the French commercial code.

NANTES, December 20, 2016

KPMG Audit  
*Department of KPMG S.A.*

Franck NOEL  
*Partner*

La Roche-sur-Yon, December 20, 2016

ATLANTIQUE REVISION CONSEIL

Jérôme BOUTOLLEAU  
*Partner*



# GROUPE BENETEAU

# Bénéteau Group

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**CONSOLIDATED INCOME STATEMENT AT AUGUST 31, 2016**

€'000	Note	Aug 31, 2016	Aug 31, 2015
<b>Revenues</b>	<i>Note 18</i>	<b>1,083,563</b>	<b>969,453</b>
Change in inventories of finished products and work-in-progress		23,146	(4,275)
Other income from operations		1,016	1,377
Purchases consumed		(561,914)	(481,627)
Staff costs	<i>Note 19</i>	(294,858)	(259,270)
External expenses	<i>Note 20</i>	(119,714)	(107,322)
Taxes other than on income		(19,770)	(20,249)
Depreciation		(62,689)	(60,299)
Other current operating expenses	<i>Note 21</i>	(7,270)	(5,730)
Other current operating income	<i>Note 21</i>	2,129	2,329
<b>Income from ordinary operations</b>	<i>Note 18</i>	<b>43,639</b>	<b>34,387</b>
Other operating income and expenses	<i>Note 22</i>	(9,719)	(4,998)
<b>Operating income</b>		<b>33,920</b>	<b>29,389</b>
Income from cash and cash equivalents	<i>Note 23</i>	0	42
Gross finance costs	<i>Note 23</i>	(2,702)	(3,008)
<b>Net finance costs</b>	<i>Note 23</i>	<b>(2,702)</b>	<b>(2,966)</b>
Other financial income	<i>Note 23</i>	638	1,981
Other financial expenses	<i>Note 23</i>	(3,349)	(16,719)
Share in income of associates		3,231	4,414
Corporate income tax	<i>Note 24</i>	(6,582)	(2,884)
<b>Consolidated net income</b>		<b>25,156</b>	<b>13,215</b>
Minority interests		384	411
<b>Net income (Group share)</b>		<b>24,772</b>	<b>12,804</b>
€			
Net earnings per share	<i>Note 25</i>	0.30	0.15
Diluted net earnings per share	<i>Note 25</i>	0.30	0.15

**STATEMENT OF COMPREHENSIVE INCOME**

€'000	Aug 31, 2016	Aug 31, 2015
<b>Items that will not be restated in profit or loss subsequently</b>		
Actuarial gains or losses	(5,705)	0
Tax effect	1,964	0
Subtotal	(3,741)	0
<b>Items that will be restated in profit or loss subsequently</b>		
Foreign currency translation adjustments	(927)	450
Fair value adjustments on financial hedging instruments	(3,72)	2,530
Fair value adjustments on available-for-sale financial assets	0	0
Share of gains and losses recognized directly in equity for associates	0	0
Tax effect	1,270	(1,005)
Subtotal	(3,029)	1,976
<b>Subtotal for gains and losses recognized directly in equity</b>	<b>(6,770)</b>	<b>1,976</b>
<b>Net income for the period</b>	<b>25,156</b>	<b>13,215</b>
<b>Net income and gains and losses recognized directly in equity</b>	<b>18,386</b>	<b>15,191</b>
Of which, share attributable to owners of the parent	18,002	14,780
Of which, share attributable to non-controlling interests	384	411

## CONSOLIDATED BALANCE SHEET AT AUGUST 31, 2016

ASSETS (€'000)	Note	Aug 31, 2016	Aug 31, 2015
Goodwill	Note 5	79,452	79,332
Other intangible assets	Note 5	36,617	35,550
Property, plant and equipment	Note 5	302,175	299,743
Investments in associates	Note 5	32,252	29,745
Non-current financial assets	Note 5	192	165
Deferred tax assets	Note 24	7,281	5,711
<b>Non-current assets</b>		<b>457,969</b>	<b>450,246</b>
Inventories and work-in-progress	Note 6	228,327	205,528
Trade receivables and related	Note 7	88,537	132,752
Other receivables	Note 8	33,572	43,908
Current tax assets	Note 8	27,874	17,672
Cash and cash equivalents	Note 9	75,925	47,564
<b>Current assets</b>		<b>454,235</b>	<b>447,424</b>
Assets held for sale	Note 10	4,971	1,149
<b>Total assets</b>		<b>917,175</b>	<b>898,819</b>

SHAREHOLDERS' EQUITY AND LIABILITIES (€'000)	Note	Aug 31, 2016	Aug 31, 2015
Share capital		8,279	8,279
Additional paid-in capital		27,850	27,850
Treasury stock	Note 11	(10,697)	(13,019)
Consolidated reserves		481,013	483,092
Consolidated income		24,772	12,803
<b>Shareholders' equity (Group share)</b>	<b>Note 11</b>	<b>531,217</b>	<b>519,005</b>
Minority interests		1,039	916
<b>Total shareholders' equity</b>		<b>532,256</b>	<b>519,921</b>
Provisions	Note 12	10,507	2,527
Employee benefits	Note 13	29,449	22,440
Financial liabilities	Note 14	42,280	52,247
Deferred tax liabilities		235	
<b>Non-current liabilities</b>		<b>82,471</b>	<b>77,214</b>
Short-term loans and current portion of long-term loans	Note 14	20,176	46,322
Trade payables and related	Note 15	106,794	102,037
Other liabilities	Note 15	144,905	131,453
Other provisions	Note 12	25,841	21,467
Current tax liabilities	Note 15	240	0
<b>Current liabilities</b>		<b>297,956</b>	<b>301,279</b>
Liabilities held for sale	Note 10	4,493	405
<b>Total shareholders' equity and liabilities</b>		<b>917,175</b>	<b>898,819</b>

## STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

€'000	Capital stock	Additional paid-in capital	Treasury stock	Consolidated reserves	Translation adjustments	Earnings	Shareholder's equity, Group share	Minority interests	Total shareholder's equity
<b>Net position at August 31, 2014</b>	<b>8,279</b>	<b>27,850</b>	<b>(12,918)</b>	<b>482,461</b>	<b>(10,732)</b>	<b>9,193</b>	<b>504,133</b>	<b>312</b>	<b>504,445</b>
Earnings for 2014-15						12,804	12,804	411	13,215
Other comprehensive income				1,525	450		1,976		1,976
Comprehensive income for 2014-15				1,525	450	12,804	14,780	411	15,191
Appropriation of earnings for 2013-14				9,193		(9,193)	0		0
Dividends paid				(3,343)			(3,343)	(1)	(3,344)
Foreign currency translation adjustments					1,175		1,175		1,175
Change in scope				(194)			(194)	194	0
Changes in treasury stock			(101)	(28)			(129)	0	(129)
Other (1)				2,584			2,584	0	2,584
<b>Net position at August 31, 2015</b>	<b>8,279</b>	<b>27,850</b>	<b>(13,019)</b>	<b>492,198</b>	<b>(9,107)</b>	<b>12,804</b>	<b>519,005</b>	<b>916</b>	<b>519,921</b>
Earnings for 2015-16						24,772	24,772	384	25,156
Other comprehensive income				(5,845)	(925)		(6,770)	(0)	(6,770)
Comprehensive income for 2015-16				(5,845)	(925)	24,772	18,002	384	18,386
Appropriation of earnings for 2014-15				12,804		(12,804)	0		0
Dividends paid				(4,883)			(4,883)	(9)	(4,892)
Foreign currency translation adjustments					528		528		528
Change in scope				(2)			(2)	(253)	(255)
Changes in treasury stock			2,322	(5,936)			(3,615)	0	(3,615)
Other (1)				2,182			2,182	0	2,175
<b>Net position at August 31, 2016</b>	<b>8,279</b>	<b>27,850</b>	<b>(10,697)</b>	<b>490,518</b>	<b>(9,504)</b>	<b>24,772</b>	<b>531,217</b>	<b>1,039</b>	<b>532,256</b>

(1) Detailed breakdown of other changes

- IFRS 2	€1,973,000 (note 19)
- Other	€209,000

## CASH FLOW STATEMENT

€'000	2015-16	2014-15
Operating activities		
Net income for the year	22,654	8,801
<i>Consolidated net income</i>	25,156	13,215
<i>Share in income of associates (restated for dividends received)</i>	(2,502)	(4,414)
Elimination of income and expenses without any impact on cash flow or unrelated to operations	85,154	64,687
<i>Depreciation and provisions</i>	83,256	62,054
<i>Capital gains or losses on disposals</i>	61	304
<i>Deferred tax</i>	1,837	2,329
<b>Operating cash flow</b>	<b>107,808</b>	<b>73,488</b>
Change in working capital requirements	31,684	3,514
<i>Inventories and work-in-progress</i>	(25,889)	(8,792)
<i>Receivables</i>	40,505	(5,504)
<i>Current tax</i>	(9,755)	(12,118)
<i>Payables</i>	26,823	29,928
<b>Total 1 - Cash flow from operating activities</b>	<b>139,492</b>	<b>77,002</b>
Investment activities		
Fixed asset acquisitions	(71,110)	(69,120)
Fixed asset disposals	1,116	5,796
Fixed asset-related receivables - payables	1,270	1,539
Impact of changes in scope	(65)	0
<b>Total 2 - Cash flow from investment activities</b>	<b>(68,789)</b>	<b>(61,785)</b>
Financing activities		
Change in share capital	0	0
Other cash flow from financing activities	1	0
Treasury stock	(3,614)	(129)
Dividends paid to shareholders	(4,892)	(2,371)
Payments received in respect of financial debt	5,420	338
Repayments of financial debt	(11,109)	(2,100)
<b>Total 3 - Cash flow from financing activities</b>	<b>(14,194)</b>	<b>(4,262)</b>
<b>CHANGE IN CASH POSITION (1+2+3)</b>	<b>56,509</b>	<b>10,955</b>
Opening cash position (1)	15,670	8,820
Closing cash position (1)	72,056	15,670
Impact of changes in exchange rates	(123)	(4,104)
Change	56,509	10,955
Of which,		
Other transferable securities	976	2,650
Cash at bank and in hand	74,949	44,914
Bank overdrafts	(3,869)	(31,894)

## NOTE 1 - COMPANY INFORMATION

Listed on Euronext Paris, Bénéteau SA is a French-law limited company (société anonyme).

The Group has two main activities:

- Designing, producing and selling sailing yachts and motor boats through an international network of dealers, with this activity grouped together under the “Boats” sector. As the boating industry’s global market leader, Groupe Bénéteau, through its Boat division’s 10 brands, offers over 200 recreational boat models serving its customers’ diverse navigational needs and uses, from sailing to motorboating, monohulls and catamarans;
- Designing, manufacturing and selling leisure homes, and manufacturing and selling timber-frame homes, with this activity grouped together under the “Housing” sector. Leading the European leisure homes market, the three brands from the Group’s Housing division offer a comprehensive range of leisure homes, lodges and pods that combine eco-design with high standards of quality, comfort and practicality. This division also covers the design and manufacturing of timber-frame residential housing.

The Group’s other activities are considered as reconciliation items in terms of the segment reporting given in Note 18.

The consolidated financial statements at August 31, 2016 reflect the accounting position of the company and its subsidiaries (hereafter “the Group”).

At its meeting on November 8, 2016, the Management Board approved the consolidated annual financial statements and authorized the statements to be published for the year ended August 31, 2016. These accounts will be submitted for approval at the next general shareholders’ meeting.

## NOTE 2 - HIGHLIGHTS OF THE YEAR

Two significant events occurred during the year, with an impact on non-current operating income (see Management Board’s management report, Note IV – Post-balance sheet events):

- Mothballing of our industrial operations in Brazil
- Proposed restructuring of the residential housing business.

## NOTE 3 - ACCOUNTING METHODS

The annual financial statements are presented for the period ended August 31, 2016 in line with all of the IFRS published by the International Accounting Standards Board (IASB) and adopted by the European Union.

### Impact of new standards and amendments to existing standards

Among the new standards adopted by the EU, the standards relating to leases (IFRS 16) and revenue recognition (IFRS 15) are those that are most likely to have an impact on the consolidated financial statements.

The Bénéteau Group is currently assessing the accounting consequences of these new standards, amendments and interpretations.

In addition, the following new standards and amendments, which have been published by the IASB but have not yet come into force, are not expected to have any material impact on the Group’s consolidated financial statements:

- Financial Instruments (IFRS 9)
- Amendment to IAS 7 – Statement of Cash Flows disclosure initiative
- Amendment to IAS 12 – Recognition of Deferred Tax Assets for Unrealized Losses.

### 3.1. Presentation of the consolidated financial statements

The following notes and tables are presented in thousands of euros, unless otherwise indicated.

Current assets comprise assets intended to be sold off or consumed in connection with the company’s normal operating cycle, or within 12 months of the close of accounts, as well as cash and cash equivalents.

Current liabilities comprise debt falling due during the normal operating cycle or within 12 months of the close of accounts for the year. Other assets or liabilities are considered to be non-current.

In order to prepare the consolidated financial statements, the Group’s management team must exercise their judgment when making estimates and assumptions that have an impact on the application of the accounting methods and the amounts recorded in the financial statements.

These underlying assumptions and estimates are drawn up and reviewed on an ongoing basis in light of past experience and other factors that are considered to be reasonable in view of the circumstances. The actual values recorded may be different from the estimated values.

The underlying assumptions and estimates are reexamined on a continuous basis. The impact of changes in accounting estimates is recorded during the period of the change if it only affects this period or during the period of the change and subsequent periods if they are also affected by this change.

Estimate		Type of disclosure
Note 3.5.1	Principal acquisitions, disposals and changes in scope	As relevant, presentation of the principal valuation assumptions and methods applied for the identification of intangible assets in connection with business combinations, and assumptions retained for annual impairment tests
Note 13	Employee benefits	Discount rate, inflation, yield for plan assets, rate for increase in wages
Note 11.2 et 19	Share-based payments	Underlying assumptions and model for determining fair values
Note 12	Provisions	Underlying assumptions for assessing and estimating risks
Note 24.2	Corporate income tax	Assumptions retained for recognizing deferred tax assets and the conditions for application under tax legislation

### 3.2. Consolidation methods

#### Subsidiaries

A subsidiary is an entity controlled by the Group. The Group controls a subsidiary when it is exposed or entitled to variable returns as a result of its links with the entity and it has the capacity to influence these returns as a result of its power over the entity. Subsidiaries' financial statements are included in the consolidated financial statements from the date on which control is obtained up until the date when it ceases to have control over them.

#### Non-controlling interests

Non-controlling interests are valued prorata based on the identifiable net assets of the company acquired on the acquisition date.

Changes to the percentage held by the Group in a subsidiary that do not result in a loss of control are recognized as transactions in equity.

#### Interests in associates or joint ventures

The Group's interests in equity affiliates comprise interests in associates or joint ventures.

Associates are entities for which the company has a significant influence over their financial and operational policies, although without having control or joint control over them. Joint ventures are partnerships under which the Group has joint control, giving it rights to the partnership's net assets, but not rights to its assets and obligations to be assumed in connection with its liabilities.

The Group's interests in associates and joint ventures are recorded on an equity basis. They are initially recognized at cost, including transaction costs. Following their initial recognition, the consolidated financial statements include the Group's share of net income and other comprehensive income for entities recorded on an equity basis until the date when the significant influence or joint control ends.

#### Methods applied for the Group

At August 31, 2016, the Group's companies were exclusively controlled by Bénéteau SA. As such, the accounts of these companies are fully consolidated. Only SGB Finance and Habitat d'Avenir, over which the Group has joint control, with controlling interests of 49% and 50% respectively, are consolidated on an equity basis.

Any unrealized income, expenses and balance sheet items resulting from intragroup transactions are eliminated when preparing the consolidated financial statements. Any unrealized gains and losses resulting from transactions with associates are eliminated under equity-consolidated securities. In accordance with IFRS 10, control is determined in relation to the Group's ability to exert power over the entities concerned with a view to influencing the variable returns that it is exposed or entitled to through its links with them.

In accordance with IFRS 11, it records its interests in partnerships either as joint operations or joint ventures, depending on its rights to the assets and its obligations for the liabilities, relating to the partnership. When evaluating this, the Group factors in the arrangement structure, the legal form of the separate vehicle, the contractual arrangements and, if applicable, other facts and circumstances. A review of these new provisions shows that the Group exclusively has joint ventures. As a result, they are consolidated using the equity method, in line with IFRS 11.

The basis for consolidation and the list of subsidiaries are presented in Note 4.

### 3.3. Conversion method

The financial statements of foreign subsidiaries are converted based on the exchange rate applicable at the close of accounts for the balance sheet, and at the average exchange rate over the year for the income statement. This average rate is an approximate value for the exchange rate on the transaction date if there are no significant fluctuations.

Translation differences linked to intragroup transactions are recognized in financial income and expenses, as relevant.

### 3.4. Valuation of intangible assets

#### 3.4.1 Business combinations and goodwill

Business combinations are recorded in accordance with the acquisition method on the acquisition date, which is the date when control is transferred to the Group. Control is the power to direct an entity's financial and operational policies with a view to benefiting from its activities. When assessing control, the Group takes into consideration the potential voting rights that may currently be exercised. On the acquisition date, goodwill corresponds to the sum of the consideration transferred and any non-controlling interests, less the net amount recognized (generally at fair value) for the identifiable assets acquired and liabilities assumed.

When the difference is negative, a gain is recognized immediately in profit and loss for the acquisition under preferential conditions. The consideration transferred excludes the amounts relating to the settlement of any preexisting relationships. These amounts are generally recognized in profit and loss.

The costs relating to the acquisition, other than those relating to the issuing of any debt or capital securities, which the Group incurs in connection with a business combination are recognized as expenses when they arise. The consideration transferred excludes the amounts relating to the settlement of any preexisting relationships.

#### 3.4.2 Research and development costs

The intangible assets acquired are recorded at their acquisition cost, while other intangible assets created internally are recorded at their cost price.

When their useful life is definite, intangible assets are depreciated over the useful life expected by the Group. This timeframe is determined on a case-by-case basis in view of the nature and characteristics of the elements included in this section.

When their useful life is indefinite, intangible assets are not depreciated, but systematically subject to annual impairment tests. Intangible assets with definite useful lives are valued at cost less any depreciation and impairments, while intangible assets with indefinite useful lives are valued at cost less any aggregate impairments.

The main categories of intangible assets correspond to development costs.

Development costs, net of related research tax credits, are recorded as intangible assets when the capitalization conditions are met in line with the following criteria:

- The projects are clearly identified and the related costs can be determined separately and measured reliably.
- The technical feasibility of the projects has been proven. There is an intention and a capacity to complete the projects and use or sell the products resulting from them. There is a potential market for the production resulting from these projects or their usefulness internally has been proven.

Adequate resources are available to complete the projects successfully.

The Group considers that it is in a position to satisfy the conditions set out above. As a result, its development projects for the production of molds are capitalized since they are part of individual projects and their ability to be recovered in the future can be reasonably considered as being assured.

### 3.5. Depreciation of non-financial assets

#### 3.5.1 Goodwill

The value of intangible assets with an indefinite lifespan, including goodwill, is reviewed each year. An impairment test is carried out for the close of accounts each year as a minimum, and in the event of any signs of impairment in value.

The main value recorded as an asset concerns the cash-generating unit (CGU) BIO Habitat, included in the Housing business. The CGU previously recognized as IRM is now recorded as BIO Habitat, as a result of the merger between IRM, O'Hara and Bio Habitat in June 2015.

The goodwill generated on the acquisition of Rec Boat Holdings LLC, recognized for 20.9 million dollars at August 31, 2014, has been adjusted and definitively valued at 17.9 million dollars since August 31, 2015.

The valuations are based on an assessment of cash flow, with the corresponding assumptions determined based on the business plan defined by the Group's Management Board. The performance figures included in the business plan take past performances into consideration.

The following table summarizes the valuations, discount rates and impairment test results:

€'000	BIO Habitat		RecBoat Holdings LLC	
	Aug 31, 2016	Aug 31, 2015	Aug 31, 2016	Aug 31, 2015
Gross value of goodwill	63,335	63,335	16,117	15,997
Net book value of the CGU	122,000	116,000	45,331	43,355
Enterprise value	138,000	140,000	49,334	51,571
Discount rate	6.96 %	6.84 %	11.52 %	11.74 %
- Cost of equity capital	8.35 %	8.15 %	14.13 %	14.38 %
- Net cost of debt	2.13 %	2.42 %	3.69 %	3.80 %
Perpetuity growth rate	1 %	1 %	3 %	3 %
Discount rate resulting in an impairment	7.84 %	8.08 %	12.32 %	13.24 %
Reduction in the margin rate resulting in an impairment	-0.80 %	-1.15 %	-0.40 %	-0.85 %

In view of the elements available, we have not identified any key assumptions considered to be reasonable that may result in any impairments. When the recoverable value is lower than the net book value of the cash generating unit, an impairment in value is recognized in profit or loss for the difference; in priority, it is booked against the goodwill allocated to the cash generating unit, then allocated to a reduction in the book value of the entity's other assets, prorated to the net book value of each of the unit's assets.

### 3.5.2 Development costs

Development costs relating to mold designs are depreciated on a straight-line basis over a period of three to six years, depending on the model's characteristics.

Development costs for the deployment of a new ERP for the whole of Groupe Bénéteau are depreciated over seven years.

### 3.5.3 Other intangible assets

Amortization charges are recorded as an expense on a straight-line basis in line with the estimated useful life of the intangible assets in question:

- Concessions, patents, licenses over the filing's validity period
- Software: one to three years

They are subject to impairment tests when there are indications of impairment.

Brands, which cannot be depreciated, are subject to impairment tests for the close of accounts each year as a minimum and in the event of any indications of impairments.

### 3.6. Property, plant and equipment

Property, plant and equipment are valued at their acquisition cost, less the total amount of any depreciation and impairment recorded, or at their production cost for the sections produced by the Group.

When an item of property, plant and equipment has significant components with different useful lifespans, these components are recorded separately.

### 3.7. Depreciation and amortization of property, plant and equipment

Amortization charges are recorded as an expense on a straight-line basis in line with the estimated useful life of the tangible assets in question.

The book values of tangible assets are subject to impairment tests whenever any events or changes in circumstances indicate that it may not be possible to recover the book value.

The depreciation periods retained are as follows:

- Site developments 10 to 20 years
- Operating buildings 20 years

- Building fixtures and fittings 10 to 20 years
- Plant and equipment 3 to 10 years
- Equipment fixtures and fittings 3 to 10 years
- Transport equipment 3 to 5 years
- Office and IT equipment and furniture 2 to 10 years

### 3.8. Leases

Leases are recorded as finance-leases if virtually all the economic benefits and risks inherent in ownership of the leased assets are transferred to the lessee. From the outset, they are recorded on the balance sheet at the lower of either the fair value of the asset being leased or the discounted value of minimum payments under the lease.

Finance-leased assets are depreciated over their useful life, which in most cases corresponds to the term of the lease.

Other leases are classified as operating leases. Lease charges are recorded as expenses on a straight-line basis through to the end of the lease.

### 3.9. Financial assets and liabilities (excluding derivatives)

Financial assets and liabilities comprise trade receivables, other receivables, trade payables, borrowings and financial debt.

When a financial asset or liability is initially recorded in the accounts, it is measured at fair value, in addition to, as relevant, any transaction costs that may be directly attributed to the acquisition.

Financial assets and liabilities "held for trading" or "available for sale" are measured at their fair value. Fair value adjustments on financial investments held for trading are recognized in profit or loss. Fair value adjustments on financial investments available for sale are recognized in other comprehensive income on a separate line until the financial investment in question is sold off or withdrawn in another way. An impairment must be recognized when there is any lasting or significant impairment in value.

The fair value is determined with reference to the market price published as on the closing date for financial investments that are actively traded on an organized financial market. In other cases, it is determined in relation to a virtually identical instrument traded on a given market, or by discounting the future cash flow expected from the assets.

In accordance with IFRS 7 (revised), financial assets and liabilities measured at fair value have been classed depending on the fair value levels indicated by the standard:

- Level 1: the fair value corresponds to the market value of instruments listed on an active market
- Level 2: the fair value is measured with a valuation based on observable data
- Level 3: the fair value is measured with a valuation based on non-observable data.

### 3.10. Inventories and work-in-progress

Inventories of materials, goods and other supplies are valued in line with the first in, first out method.

In addition to direct costs, the production cost of finished products and work-in-progress factors in any indirect expenses strictly attributable to production, excluding research and after-sales service costs. Indirect costs include all the general costs for production and the design offices, in addition to insurance costs and depreciation charges. These costs are then allocated based on production time.

Provisions for depreciation are calculated based on the difference between the gross value, determined in line with the abovementioned principles, and the net realizable value. This net realizable value corresponds to the expected sales price for the inventories in question.

### 3.11. Assets held for sale

Non-current assets or groups of assets and liabilities are classed as assets held for sale if it is highly probable that they will be recovered primarily through a sale or distribution, rather than continuing use.

Immediately before their classification as held for sale, the assets or the components of the group to be sold are valued in accordance with the group's other accounting principles.

The assets (or the group held for sale) are recorded at the lower of their carrying amount or their fair value after sales costs. Any impairment relating to a group held for sale is allocated first to goodwill, then to the other assets and liabilities, prorated to their carrying value, with the exception of inventories, financial assets, deferred tax assets, assets arising from employee benefits, investment properties and biological assets, which continue to be valued in line with the group's other accounting principles that apply to them.

Any impairments resulting from an asset (or group of assets and liabilities) being classed as held for sale and any profits and losses due to subsequent valuations are recognized in profit or loss.

At August 31, 2016, following the proposal to mothball the Brazilian subsidiaries, the assets and liabilities of these companies are classed as assets and liabilities held for sale, with an impact on non-current operating income for -€4,766,000.

### 3.12. Share capital and reserves

When the Group buys or sells its own shares, the amount paid or received and the directly attributable transaction costs are recorded as a change in shareholders' equity. Treasury stock are deducted from the total amount of shareholders' equity and recorded under the section for "treasury stock".

### 3.13. Employee benefits

Employee benefits exclusively concern post-employment benefits. They correspond primarily to long-service awards (médailles du travail) and retirement benefits.

#### Retirement benefits

The Group records provisions for retirement benefits in line with the usual measures applicable. This concerns a defined benefit plan. Provisions are assessed by an independent actuary based on the projected unit credit method, the same method as for defined benefit plans, with a discount rate of 1% at August 31, 2016, versus 2.3% the previous year.

The sensitivity of commitments to a 1-point increase in the discount rate represented €4,576,000 at August 31, 2016.

In accordance with the obligation set out by IAS 19 (revised), the Bénéteau Group recognizes actuarial gains or losses in other comprehensive income. In this respect, during the financial year, the Group reduced the rate of payroll taxes for manager-grade staff by 1.07 points from 59.12% to 58.05%, while reducing the payroll taxes rate for non-manager staff by 1.10 points from 47.39% to 46.29%, in addition to the 1.3 point reduction in the discount rate.

#### Long-service awards (médailles du travail)

Long-service awards are linked to company agreements applying to the Group's various French companies. These additional bonuses are paid in one installment to employees who have a certain level of seniority on a given date. The Group books provisions in relation to their amount depending on the likelihood of employees being present in the Group on the payment date.

### 3.14. Share-based payments

Stock options or warrants awarded to employees must be measured at fair value. This fair value must be recorded in profit and loss against reserves over the vesting period for staff to acquire rights to exercise options. The fair value of options has been determined using the Black & Scholes valuation model, based on assumptions drawn up by an actuary. The fair value of bonus shares has been determined using the Monte Carlo model in order to take the various performance conditions into consideration.

The main elements retained for calculating the fair value are as follows:

- Share price on the date awarded
- Average of the last 20 share prices
- Dividend per share rate
- Share's volatility
- Risk-free rate
- Vesting period
- Turnover
- Performance conditions: for the plans in force at August 31, 2016, when they apply, the performance conditions concern the change in Bénéteau's share price in relation to the SBF120 index and changes in the percentage of the operating margin in relation to targets set by the Supervisory Board.

### 3.15. Provisions

Provisions are recorded if the following conditions are met: when the Group has a current obligation - legal or implied - resulting from a past event, if it is likely that any withdrawal of resources representative of economic benefits will be required to fulfill the obligation, and if it is possible to reliably estimate the amount of the obligation.

The main risks covered concern business disputes, manufacturer warranties, tax disputes and trade tribunal disputes.

### 3.16. Management of financial risks

#### Customer credit risk

This risk concerns trade receivables and more specifically the risk of a financial loss for the Group if customers fail to fulfill their contractual obligations.

#### Boats

Invoicing occurs when the product is made available for the Boat business (see Point 3.18).

Customers pay the Group's companies, under the terms of the sales agreement, cash before collection except when a financing agreement has been arranged or a bank guarantee obtained. As such, the risk of unpaid invoices is limited for this business.

#### Housing

In the primarily French Housing business, customers benefit from terms of payment. The credit management department systematically carries out a financial analysis before opening a customer account, making it possible to set the accepted level of liabilities. This approach is systematically combined with a request for credit insurance cover with Coface for orders excluding financing. Coface's cover represents between 30% and 50% of the credit facilities authorized.

#### Other credit risk

This risk primarily concerns financial assets and more specifically the risk of a financial loss for the Group if a counterparty for a financial instrument fails to fulfill its contractual obligations.

This risk primarily concerns the Group's investments in term deposits or certificates of deposit with five first-rate banks.

#### Liquidity risk

The liquidity risk corresponds to the risk of the Group struggling to fulfill its obligations relating to financial liabilities that will be settled in cash or other financial assets.

The Group has a cash position that changes with its operating cycle. The Group may use means of financing during the winter period. During this year, the Group secured a medium-term revolving credit line for €150 million over five years with a pool of partner banks. The current agreement includes clauses for early repayment if financial ratios are not met based on assessments on the reporting date (consolidated net financial debt / EBITDA higher than 3). These requirements were met at August 31, 2016.

In addition, the Group took out a loan in dollars from a banking pool to finance its acquisition of Rec Boat Holdings LLC. This loan is based on three tranches and only the first tranche has been used to date. This loan agreement includes clauses for early repayment if financial ratios are not met based on assessments on the reporting date (consolidated net financial debt / EBITDA higher than 2.75). These requirements were met at August 31, 2016.

#### Market risk

This represents the risk of changes in the market price affecting the Group's earnings.

To manage its exposure to the foreign exchange risks resulting from its operations, the Group exclusively uses currency forwards on the dollar and zloty.

The hedge accounting eligibility criteria are as follows:

- Formal and documented existence of a hedging relationship when the financial instrument is put in place
- Expected efficiency of the hedging, which may be measured on a reliable basis and demonstrated throughout the hedging relationship initially determined

Financial derivatives are initially recognized at their fair value, which is updated at each close of accounts. Any differences are recognized in profit or loss, except in the event of any dispensations applicable under hedge accounting.

For hedge accounting purposes, hedges are rated either as fair value hedging instruments when they cover exposure to changes in the fair value of an asset or liability recorded in the accounts, or cash flow hedging instruments when they cover exposure to changes in the cash flow attributable to an asset or liability recorded in the accounts or a planned transaction.

### 3.17. Tax

Deferred taxes are determined in line with the accrual method for timing differences arising from differences between the tax and accounting bases for assets and liabilities.

Deferred tax is not recorded for the following items: the initial recognition of a financial asset or liability in a transaction which does not constitute a business combination and which does not affect the accounting profit or taxable profit, and the timing differences linked to equity interests in subsidiaries or joint ventures insofar as they are not likely to be reversed in the foreseeable future. In addition, deferred tax is not recorded in the event of a taxable timing difference generated by the initial recognition of goodwill.

Deferred taxes are determined in view of the tax rates that have been ratified by legislation.

Deferred tax assets, linked to losses that may be deferred, may only be recorded if it is likely that future profits will be sufficient to cover the deferrable losses.

Deferred taxes have been determined based on a tax rate of 34.43% at August 31, 2016, compared with 38% at August 31, 2015.

### 3.18. Revenues

Income from ordinary activities is recorded when the risks and benefits inherent in ownership of the assets in question are transferred to the buyer, and their amount may be valued on a reliable basis. This amount is net of any discounts granted to customers and certain costs relating to commercial services.

In the Boat business, the Group recognizes revenues on the date when the product is made available. This corresponds to the date from which the boat may be collected by the customer, with this date confirmed by the customer.

On this date, the most significant risks and benefits have been transferred to the customer.

The limited company Construction Navale Bordeaux S.A. bills for its work as and when progress is made on models with development timeframes exceeding one year.

### 3.19. Earnings per share

#### Earnings per share

This figure is determined by dividing the amount of net income by the weighted average number of shares outstanding.

#### Diluted earnings per share

These earnings are determined by adjusting the earnings attributable to holders of outstanding ordinary shares for the impact of any potentially dilutive ordinary shares, including options on shares awarded to members of staff.

### 3.20. Segment reporting

The Group has two segments to present as described hereafter, corresponding to the Group's strategic operational units.

The Group's operational segments are organized and managed separately depending on the nature of the products and services provided.

- The "Boats" segment, which groups together the activities for manufacturing and marketing boats with a customer base made up primarily of dealers;
- The "Housing" segment, which groups together the activities for manufacturing and marketing leisure homes with a customer base made up of campsites and tour operators, in addition to the activity manufacturing and marketing timber-frame homes.

Other activities are considered as reconciliation items.

Segment assets and liabilities are used for or result from this segment's operational activities.

Income from ordinary activities is broken down by region depending on the customer's location. More specifically, the Group has assets in France, the United States, Poland, Italy, Spain, the UK and Brazil.

NOTE 4 - EQUITY INTERESTS AND BASIS FOR CONSOLIDATION

At August 31, 2016, the following entities were consolidated:

Tax consolidation

<u>BENETEAU SA</u>	<u>Parent company</u>				<u>X</u>
	<u>Registered office</u>	<u>Siren no.</u>	<u>% interest</u>	<u>Method</u>	
Bénéteau Inc. Holding	Marion – USA		100.00	FC	
Bénéteau America Inc	Marion – USA		100.00	FC	
BGM America Inc	Marion – USA		100.00	FC	
Bénéteau Italia	Parma – Italy		95.00	FC	
Bénéteau Brasil Construção de Embarcações SA	Angra dos Reis (RJ) - Brazil		100.00	FC	
Bénéteau Brasil Promoções e Comercialização de Embarcações Ltda	Angra dos Reis (RJ) - Brazil		100.00	FC	
SPBI (*)	Dompierre s/Yon – France	491 372 702	100.00	FC	X
Ostroda Yacht	Ostroda – Poland		100.00	FC	
Jeanneau America Inc	Annapolis – USA		100.00	FC	
Bénéteau Group Asia Pacific	Hong-Kong		100.00	FC	
Jeanneau Italia	Rome – Italy		100.00	FC	
Rec Boat Holdings LLC	Cadillac - USA		100.00	FC	
925 Frisble Street LLC	Cadillac - USA		100.00	FC	
Wellcraft LLC	Cadillac - USA		100.00	FC	
Glastron LLC	Cadillac - USA		100.00	FC	
Four Winns LLC	Cadillac - USA		100.00	FC	
Construction Navale Bordeaux	Bordeaux – France	342 012 390	100.00	FC	X
GBI Holding	Torino - Italy		100.00	FC	
Monte Carlo Yacht	Torino - Italy		90.00	FC	
O'Hara Vacances	Givrand – France	449 625 920	100.00	FC	X
Bio Habitat (**)	La Chaize le Vicomte - France	511 239 915	100.00	FC	X
Bio Habitat Italia	Turin – Italy		100.00	FC	
BH	La Chaize le Vicomte - France	501 361 737	100.00	FC	X
BH Services	La Chaize le Vicomte - France	518 504 170	100.00	FC	X
SGB Finance	Marcq en Baroeul - France	422 518 746	49.00	EM	
Habitat d'avenir	Paris – France	513 180 877	50.00	EM	

FC: fully consolidated EM: equity method

(\*) SPBI is made up of three entities: Chantiers Bénéteau, Chantiers Jeanneau and BJ Technologie

(\*\*) Effective retroactively to September 1, 2014, the companies IRM and O'Hara were merged within Bio Habitat.

NOTE 5 - FIXED ASSETS

## • CHANGE IN FIXED ASSETS (GROSS)

€'000	Year started Sep 1, 2015	Acquisitions	Disposals, Retirements	Translation differences	Other (*)	Change through inter-item transfers	Year ended Aug 31, 2016
<b>Goodwill on acquisition</b>	<b>79,332</b>	<b>0</b>	<b>0</b>	<b>119</b>	<b>0</b>	<b>0</b>	<b>79,452</b>
Start-up costs and business goodwill	15	0	0	0	0	(15)	0
Development costs	7,276	977	0	(13)	(0)	1,585	9,825
Concessions, patents, licenses	24,200	103	0	157	0	0	24,461
Other intangible assets	9,638	817	(136)	(7)	0	176	10,489
Current intangible assets	8,588	1,596	0	(0)	(0)	(1,482)	8,701
Advances and deposits	0	0	0	0	0	0	0
<b>Total intangible assets</b>	<b>49,717</b>	<b>3,493</b>	<b>(136)</b>	<b>137</b>	<b>(0)</b>	<b>264</b>	<b>53,475</b>
Land (1)	58,161	764	(200)	(27)	(2)	358	59,053
Property and facilities (2)	247,565	7,911	(2,026)	(110)	(2,908)	3 195	250,719
Plant and equipment (3)	387,858	32,999	(17,819)	(268)	(2,527)	11,706	409,420
Other property, plant and equipment	43,486	3,703	(1,572)	10	(288)	(1,185)	43,866
Current tangible assets	22,187	22,213	(218)	0	1	(17,745)	26,439
Advances and deposits on fixed assets	220	373	(194)	(2)	0	(83)	315
<b>Total property, plant and equipment</b>	<b>759,477</b>	<b>67,962</b>	<b>(22,028)</b>	<b>(396)</b>	<b>(5,724)</b>	<b>(3,754)</b>	<b>789,812</b>
<b>Investments in associates</b>	<b>29,745</b>	<b>2,661</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>0</b>	<b>32,406</b>
Equity interests	12	28	0	(0)	0	(1)	40
Other capitalized securities	22	0	0	0	(0)	(1)	21
Loans	10	0	0	0	0	0	10
Other non-current financial assets	122	53	(32)	(0)	(22)	0	121
<b>Total non-current financial assets</b>	<b>166</b>	<b>81</b>	<b>(32)</b>	<b>(0)</b>	<b>(21)</b>	<b>(2)</b>	<b>192</b>
<b>TOTAL FIXED ASSETS</b>	<b>918,437</b>	<b>74,197</b>	<b>(22,196)</b>	<b>(140)</b>	<b>(5,745)</b>	<b>(3,491)</b>	<b>955,337</b>
(1) Of which, finance-leased land	173						173
(2) Of which, finance-leased building	2,193						2,193
(3) Of which, finance-leased technical facilities	219						219

(\*) Of which, transfer to assets held for sale: €5,817,000

The goodwill on the balance sheet corresponds to goodwill generated on the acquisition of IRM, within the Housing business, and goodwill generated on the acquisition of Rec Boat Holdings LLC during the year. The conditions for recognizing goodwill and conducting impairment tests are presented in Note 3.5.1.

## • CHANGE IN DEPRECIATION AND PROVISIONS

€'000	Year started Sep 1, 2015	Charge for the year	Disposals and reversals	Translat. differences	Other (*)	Change through inter-item transfers	Year ended Aug 31, 2016
<b>Goodwill on acquisition</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Start-up costs and business goodwill	(15)	0	0	0	0	15	0
Development costs	(3,541)	(1,377)	0	17	0	0	(4,901)
Concessions, patents, licenses	(2,363)	(420)	0	(2)	(1)	0	(2,789)
Other intangible assets	(8,250)	(1,060)	131	6	1	0	(9,169)
Current intangible assets	0	0	0	0	0	0	0
Advances and deposits	0	0	0	0	0	0	0
<b>Total intangible assets</b>	<b>(14,168)</b>	<b>(2,857)</b>	<b>131</b>	<b>20</b>	<b>0</b>	<b>15</b>	<b>(16,858)</b>
Land (1)	(17,682)	(2,051)	156	0	(1)	0	(19,579)
Property and facilities (2)	(120,636)	(11,923)	1,893	9	531	0	(129,594)
Plant and equipment (3)	(290,417)	(41,502)	17,400	240	1,397	3,522	(307,964)
Other property, plant and equipment	(30,933)	(4,515)	1,049	(13)	114	0	(34,184)
Current tangible assets	(3)	0	0	0	0	3	0
Advances and deposits on fixed assets	0	0	0	0	0	0	0
<b>Total property, plant and equipment</b>	<b>(459,671)</b>	<b>(59,990)</b>	<b>20,498</b>	<b>237</b>	<b>2,041</b>	<b>3,525</b>	<b>(491,320)</b>
<b>Investments in associates</b>	<b>0</b>	<b>(154)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(154)</b>
Equity interests	0	0	0	0	0	0	0
Other capitalized securities	0	0	0	0	0	0	0
Loans	0	0	0	0	0	0	0
Other non-current financial assets	0	0	0	0	0	0	0
<b>Total non-current financial assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL FIXED ASSETS</b>	<b>(473,839)</b>	<b>(63,001)</b>	<b>20,629</b>	<b>258</b>	<b>2,041</b>	<b>3,540</b>	<b>(508,332)</b>
Assets held for sale	0	0	0	0	0	0	0
<b>TOTAL FIXED ASSETS</b>	<b>(473,839)</b>	<b>(63,001)</b>	<b>20,629</b>	<b>258</b>	<b>2,041</b>	<b>3,540</b>	<b>(508,332)</b>
(1) Of which, finance-leased land							
(2) Of which, finance-leased building	1,942	49	0	0		0	1,991
(3) Of which, finance-leased technical facilities	219	0	0	0		0	219

(\*) Of which, transfer to assets held for sale: €2,101,000

## 5.1- Equity interests

This concerns companies not included in the basis for consolidation on account of their non-significant nature:

€'000	Year end	Fair value of securities	Revenues	Shareholders' equity excluding earnings for the year	Earnings for the year
Mare TC FVG Scarl	Dec 31, 2015	40	375	159	5
<b>Total equity interests</b>		<b>40</b>			

## 5.2 Partnerships

This concerns the following equity interests:

- 49% in SGB Finance, with 51% held by CGL (Société Générale group),  
SGB Finance paid out a dividend of €5 per share, representing €1,985,000, with €973,000 for the Bénéteau Group
- 50% in the joint-venture Habitat d'avenir.

Information concerning equity affiliates is presented in the following tables:

<b>SGB</b>			<b>Habitat d'avenir</b>		
€'000	Aug 31, 2016	Aug 31, 2015	€'000	Aug 31, 2016	Aug 31, 2015
Total net assets	654,912	618,607	Total net assets	454	578
Shareholders' equity	65,701	60,253	Shareholders' equity	18	143
Accounts and borrowings (1)	530,201	499,248	Fixed assets	0	5
Net banking income	17,712	17,454	Revenues	12	241
<b>Net income</b>	<b>7,247</b>	<b>8,831</b>	<b>Net income</b>	<b>(125)</b>	<b>172</b>

(1) With Société Générale

## NOTE 6 - INVENTORIES AND WORK-IN-PROGRESS

At year-end, inventories and work-in-progress can be broken down as follows:

€'000	Gross Aug 31, 2016	Depreciation & provisions	Net Aug 31, 2016	Net Aug 31, 2015
Raw materials and other supplies	66,943	(6,214)	60,729	57,184
Production work-in-progress	64,383	0	64,383	56,453
Intermediate and finished products	106,289	(3,076)	103,214	91,891
<b>Total</b>	<b>237,616</b>	<b>(9,290)</b>	<b>228,327</b>	<b>205,528</b>

Provisions for impairment are calculated based on the difference between the gross value, determined in line with the abovementioned principles, and the likely net realizable value.

The provision for impairment on inventories of raw materials has been determined in line with a statistical method, based primarily on the risk of such parts not being used.

A provision for impairment on inventories of finished products is recorded if the sales price is lower than the cost price, with inventories therefore valued at the probable sales value.

## NOTE 7 - TRADE RECEIVABLES AND RELATED

A provision for impairment is recorded when the carrying value of receivables is lower than their gross book value. The management of the financial risk relating to trade receivables and related accounts is presented in Note 27.

€'000	Gross Aug 31, 2016	Depreciation & provisions	Net Aug 31, 2016	Net Aug 31, 2015
Trade receivables and related	92,967	(4,431)	88,537	132,752
<b>Total</b>	<b>92,967</b>	<b>(4,431)</b>	<b>88,537</b>	<b>132,752</b>

## NOTE 8 - OTHER RECEIVABLES

€'000	Notes	Aug 31, 2016	Aug 31, 2015
Advances and deposits on orders		3,087	9,446
Receivables on financial instruments	note 16	(0)	2,670
Sundry tax and social security receivables		18,710	20,796
Tax receivables		27,874	17,672
Other receivables		5,253	5,908
Prepaid expenses		6,522	4,908
<b>OTHER RECEIVABLES</b>		<b>61,446</b>	<b>61,648</b>

Other receivables primarily comprise tax and social security-related receivables.

**NOTE 9 - CASH AND CASH EQUIVALENTS**

€'000	Aug 31, 2016	Aug 31, 2015
Transferable securities and accrued interest	976	2,650
Cash at bank and in hand	74,949	44,914
<b>CASH AND CASH EQUIVALENTS</b>	<b>75,925</b>	<b>47,564</b>

Cash and cash equivalents comprise cash at bank, petty cash and short-term deposits with an initial maturity of less than three months.

Transferable securities represent short-term investments that are highly liquid, easily convertible for a known amount of cash and subject to a negligible risk in terms of changes in their value.

The change in net financial debt can be broken down as follows:

€'000	Aug 31, 2015	Change	Change in scope	Translation differences	Aug 31, 2016
Gross cash position	47,564	28,547	(48)	(138)	75,925
Bank overdrafts and current borrowings	(31,894)	27,935	0	89	(3,869)
<b>Net cash position</b>	<b>15,670</b>	<b>56,483</b>	<b>(48)</b>	<b>(49)</b>	<b>72,056</b>
Gross financial debt	(66,676)	8,368	0	(279)	(58,587)
<b>NET FINANCIAL DEBT</b>	<b>(51,006)</b>	<b>64,850</b>	<b>(48)</b>	<b>(327)</b>	<b>13,469</b>

**NOTE 10 - ASSETS AND LIABILITIES HELD FOR SALE**

The assets held for sale at August 31, 2016 correspond to the assets and liabilities of Groupe Bénéteau's Brazilian subsidiaries (Bénéteau Brasil Construção de Embarcações SA and Bénéteau Brasil Promoções e Comercializacao de Embarcacoes Ltda).

Indeed, the Group has decided to transfer commercial operations from Brazil to its American subsidiaries and to mothball the Bénéteau brand's recreational boat production operations at the Angra dos Reis site. The corresponding assets and liabilities represent €4,971,000 and €4,493,000 respectively, with a detailed breakdown presented in the following table:

€'000	
Net fixed assets	34
<b>Non-current assets</b>	<b>34</b>
Inventories and work-in-progress	3,717
Trade receivables and related	1
Other receivables	367
Current tax assets	0
Cash and cash equivalents	852
<b>Current assets</b>	<b>4,937</b>
<b>Total assets</b>	<b>4,971</b>
Short-term loans and current portion of long-term loans	2,330
Trade payables and related	751
Other liabilities	677
Other provisions	734
<b>Current liabilities</b>	<b>4,493</b>
<b>Total liabilities</b>	<b>4,493</b>
<b>Net assets held for sale</b>	<b>478</b>

The net cash position can be broken down as follows:

€'000	Aug 31, 2016	Aug 31, 2015
Transferable securities and accrued interest	976	2,650
Cash at bank and in hand	74,949	44,914
Bank borrowings and accrued interest <i>Note 14</i>	(3,869)	(31,894)
Financial debt with credit institutions <i>Note 14</i>	(56,795)	(64,055)
Other sundry financial liabilities <i>Note 14</i>	(1,792)	(2,621)
<b>NET CASH</b>	<b>13,469</b>	<b>(51,006)</b>

**NOTE 11 - SHAREHOLDERS' EQUITY****11.1. Share capital**

The share capital is split into 82,789,840 fully paid-up shares with a par value of €0.10.

The changes in the number of treasury stock outstanding can be broken down as follows:

	Number	Valuation €'000
Shares at Aug 31, 2015	1,507,908	13,019
Acquisitions	1,305,217	13,909
Awards	(1,056,200)	(8,973)
Sales	(600,183)	(7,259)
<b>Shares at Aug 31, 2016</b>	<b>1,156,742</b>	<b>10,697</b>

**11.2. Stock option plans**

There are no changes to report in terms of stock options during the year.

The changes over the year can be broken down as follows:

in number of shares	Stock options
Options at year-start	71,200
Options exercised during the year	-
Lapsed options not exercised	(71,200)
<b>Options at year-end</b>	<b>0</b>

Stock options awarded to staff are recorded at fair value in profit or loss under staff costs (Note 19) over the vesting period for staff to acquire rights to exercise options. The fair value is determined using the Black & Scholes valuation model, based on assumptions drawn up by an actuary.

There are no performance conditions associated with the exercising of these options. The exercise period is six years, following the end of the four year lock-in period.

### 11.3. Bonus share plans

The changes over the year can be broken down as follows:

in number of shares	Bonus shares
Shares at year-start	1,426,700
Shares issued during the period	0
Shares authorized during the period	326,000
Shares transferred	50,000
Shares abandoned during the period	(208,500)
Shares awarded during the period	(1,056,200)
<b>Shares at end of period</b>	<b>538,000</b>

220,300 of the outstanding bonus shares at August 31, 2016 are subject to performance conditions.

### 11.4. Capital management strategy

Capital structure at August 31, 2016

	Aug 31, 2016		Aug 31, 2015	
	Shares	Voting rights	Shares	Voting rights
BERI 21	45,002,027	89,983,516	45,002,027	89,983,516
Treasury stock	1,156,742		1,507,908	0
Public	36,631,071	36,623,803	36,279,905	38,624,426
Employee shareholders	0		0	0
<b>TOTAL</b>	<b>82,789,840</b>	<b>128,607,319</b>	<b>82,789,840</b>	<b>128,607,942</b>

BERI 21 is entitled to double voting rights, in the same way as any shareholder registered for at least two years.

- The limited company BERI 21 holds 54.36% of the capital and 69.97% of the voting rights
- 1.40% of the capital is held as treasury stock, without any voting rights
- The rest of the capital is held by the public. In accordance with the bylaws, any shareholder owning more than 2.5% of the capital is required to notify the company. At August 31, 2016, three shareholders in addition to BERI 21 held more than 2.5% of the capital, including the Franklin Ressources Inc fund with 12.3543%.

The Management Board would like to add that 509,435 shares, representing 0.615% of the capital, are held by current and former staff under the BENETEAU ACTION company mutual fund, in accordance with Article L.225-102 of the French commercial code.

There are no preferred shares.

#### Dividend policy

The Group's dividend policy aims to reward shareholders based on earnings for the past year, while maintaining the Group's capacity for investment through its equity.

#### Stock option and bonus share policy

The Group's policy is based on awarding stock options or bonus shares within the limits of the maximum number of shares from the company's share buyback plan. They are awarded to executives and corporate officers, as well as more widely among the Group's employees.

#### Treasury stock management policy

Every 18 months at most, a new share buyback program is defined and submitted for approval at the general meeting. The current program was approved at the general meeting on January 29, 2016.

**NOTE 12 - PROVISIONS**

€'000	Aug 31, 2015	Charges	Reversal (prov. used)	Reversal (prov. not used)	Other (*)	Aug 31, 2016
Non-current provisions	2,527	9,579	(1,047)	(926)	372	10,507
Provisions for warranties	20,632	11,514	(6,347)	(159)	(109)	25,531
Other current provisions	639	92	(59)	0	(361)	311
Provisions for exchange rate risk	196	0	(196)	0	0	0
<b>Total provisions</b>	<b>23,993</b>	<b>21,185</b>	<b>(7,649)</b>	<b>(1,085)</b>	<b>(98)</b>	<b>36,348</b>

(\*) Of which, transfer to liabilities held for sale for €95,000

Provisions were reviewed at August 31, 2016 based on the elements available at year-end. Reversals that are no longer applicable primarily correspond to the updating of technical risks in view of actual historical data.

Non-current provisions primarily concern provisions for disputes and proceedings that are underway.

Provisions for warranties cover costs arising during the warranty period for products sold by the Group. They are calculated based on a statistical approach making it possible to determine a ratio for warranty costs in relation to revenues. This ratio is calculated based on observed historical data. The statistical provision may be supplemented with series provisions under certain circumstances.

To the best of the company's knowledge, there are no other governmental, arbitration or legal proceedings, including any unsettled or threatened proceedings, which are or were in the past 12 months likely to have a material impact on the financial position or profitability of Group companies.

**NOTE 13 - EMPLOYEE BENEFITS**

There are four different pension plans in place within the Group, depending on the countries where the subsidiaries are based: Poland, the United States, Italy and France. They are all defined contribution plans.

€'000	Aug 31, 2016	Aug 31, 2015
Long-service awards	1,984	1,627
Retirement benefits	27,465	20,813
<b>Total</b>	<b>29,449</b>	<b>22,440</b>

**Retirement benefits**

€'000	Aug 31, 2016	Aug 31, 2015
<b>Financial hedging assets</b>		
Value at year-start	5,910	5,345
Return	52	565
Supplementary payments		
Benefits paid		
<b>Value at year-end</b>	<b>5,962</b>	<b>5,910</b>
<b>Provisions recorded on the balance sheet</b>		
Actuarial value of commitments to be hedged with financial assets (actuarial liability)	33,427	26,723
Value of financial assets	(5,962)	(5,910)
Actuarial value of unhedged commitments		
Unrecognized actuarial gains and losses		
<b>Provisions on the balance sheet</b>	<b>27,465</b>	<b>20,813</b>
<b>Annual expense components</b>		
Cost of services provided	1,111	3,000
Interest charges on actuarial liability	214	1,301
Expected return on assets	(52)	(565)
Actuarial gains and losses recognized in profit or loss		
<b>Expense for the year</b>	<b>1,273</b>	<b>3,736</b>

## Retirement benefits (contd)

€'000	Aug 31, 2016	Aug 31, 2015
<b>Change in provisions on the balance sheet</b>		
Year-start	20,813	20,590
Change in scope		
Disbursements	(210)	(3,648)
Expense for the year	1,273	3,736
Actuarial gains and losses recognized in reserves	5,589	135
<b>Provisions at year-end</b>	<b>27,465</b>	<b>20,813</b>
<b>Principal actuarial assumptions</b>		
Discount rate	1.0%	2.3%
Average rate for wage growth (with inflation)	2%	2%
Retirement age		
Manager born before 1952	60	60
Manager born after 1952	65	65
Non-manager born before 1952	60	60
Non-manager born after 1952	65	65

A 1-point change in the actuarial rate would have a (-)€4,576,000 impact on the provision for retirement benefits.

## Long-service awards (médailles du travail)

€'000	Aug 31, 2016	Aug 31, 2015
Year-start	1,627	1,609
Change in scope	(-)	(-)
Disbursements	(72)	(74)
Expense for the year	314	92
Actuarial gains and losses recognized in reserves	115	
<b>Provision at year-end</b>	<b>1,984</b>	<b>1,627</b>

The provision for long-service awards is calculated by an actuary based on the same criteria as the provision for retirement benefits.

The actuarial rate retained was 1% at August 31, 2016, compared with 2.3% at August 31, 2015..

## NOTE 14 - FINANCIAL DEBT

This note provides information on the Group's financial debt. The Group's interest rate, exchange rate and liquidity risk exposure is presented in Note 27.

€'000	Aug 31, 2016	Aug 31, 2015
<b>Bank overdrafts</b>	<b>3,869</b>	<b>31,894</b>
Finance-lease borrowings	0	0
Financial debt and borrowings from credit institutions	14,517	12,524
Sundry borrowings and financial debt	1,790	1,904
<b>Short-term financial debt</b>	<b>16,307</b>	<b>14,428</b>
Finance-lease borrowings	0	0
Financial debt and borrowings from credit institutions	42,280	51,531
Sundry borrowings and financial debt	(0)	716
<b>Long-term financial debt</b>	<b>42,280</b>	<b>52,247</b>
<b>Financial debt</b>	<b>62,456</b>	<b>98,569</b>

The terms and conditions of current borrowings from credit institutions are as follows:

	Currency	Nominal interest rate	Year due	Nominal value	Aug 31, 2016 Short-term book value	Long-term book value
€'000						
Guaranteed bank loan	USD	US Libor +1.425% on average	2021	40,080	8,121	31,960
Guaranteed bank loan	EUR	Euribor +0.8%	2025	3,205	377	2,828
Guaranteed bank loan	EUR	35% of 6-month Euribor	2021	7,700	1,540	6,160
Short-term drawdown line	EUR	3-month Euribor +0.85%	2016	4,400	4,400	

**NOTE 15 - OTHER DEBT AND PAYABLES**

€'000		Aug 31, 2016	Aug 31, 2015
Trade payables		106,794	102 037
Advances and deposits received on orders		32,330	25,533
Tax and social security liabilities		80,686	71,719
Other trade payables		21,279	25,122
Payables on financial instruments	Note 16	292	0
Fixed asset-related liabilities		9,102	8,022
Accrued income		1,216	1,057
Other liabilities		144,905	131,453
Current tax liabilities		240	(0)

**NOTE 16 - FINANCIAL INSTRUMENTS**

For derivatives that do not meet the hedge accounting definition, any gains and losses representative of changes in their market value at the closing date are recognized in profit and loss, under "other financial expenses".

At August 31, 2016, the portfolio of financial instruments was as follows:

Category	Volume (‘000 in each currency)	Maturing	Fair value (€'000)	IFRS- compliant hedging	Gross impact-on profit and loss (€'000)	Gross impact-on reserves (€'000)
VAT\$	130,427	Between Oct 2016 and May 2017	(368)	Yes	(177)	(191)
AAT PLN	182,839	Between Sept 2016 and Aug 2017	(84)	Yes	45	128

At August 31, 2016, the Group exclusively held \$ forward sales, with an average rate of 1.1164 EUR/USD, and € forward purchases, with an average rate of 4.3989 PLN/EUR.

**NOTE 17 - COMMITMENTS**

€'000		Aug 31, 2016	
	Inter-company	Given	Received
Deposits	0	4,488	4,105
Guarantees	121,485 (1)	42,356 (2)	2,778
Guarantees with associates	29,933 (1)	11,336 (3)	9,712 (3)
<b>Group total</b>	<b>151,418</b>	<b>58,180</b>	<b>16,595</b>

(1) For €151,418,000: commitments linked to product financing agreements,

(2) For €41,786,000: bank guarantees,  
For €570,000: commitments given relating to furniture leases,

(3) Commitments on lease agreements.

NOTE 18 - SEGMENT REPORTING*18.1- Operating segments***FY 2015-16**

€'000	Boats	Housing	Reconciliation items	Total
Income from ordinary activities	910,700	172,863		1,083,563
Depreciation of segment assets	57,666	5,023		62,689
Income from ordinary operations	45,990	(2,354)		43,636
Segment assets	1,218,830	181,381	(483,208)	917,003
Segment liabilities	774,280	89,179	(483,208)	380,251
Acquisitions of property, plant and equipment and intangible assets	64,294	6,816		71,110

**FY 2014-15**

€'000	Boats	Housing	Reconciliation items	Total
Income from ordinary activities	819,261	150,192		969,453
Depreciation of segment assets	55,545	4,754		60,299
Income from ordinary operations	33,560	827		34,387
Segment assets	1,017,421	220,053	(338,655)	898,819
Segment liabilities	616,563	100,990	(338,655)	378,898
Acquisitions of property, plant and equipment and intangible assets	66,018	6,587		72,605

*18.2- Geographical reporting***FY 2015-16**

€'000

Business	Region	Income from ordinary activities	Segment assets	Acquisitions of property plant and equipment and intangible assets
Boats	France	147,512	738,662	48,451
	Rest of Europe	345,753	165,759	10,710
	North America	284,876	315,118	4,381
	South America	6,202	- 883	752
	Asia	59,459	174	0
	Rest of world	66,899	0	0
	<b>Boats</b>	<b>910,700</b>	<b>1,218,830</b>	<b>64,294</b>
Housing	France	147,013	159,343	6,240
	Europe	25,850	22,038	576
	Rest of world	0	0	0
	<b>Housing</b>	<b>172,863</b>	<b>181,381</b>	<b>6,816</b>
	Reconciliation items	0	(483,208)	
<b>TOTAL</b>		<b>1,083,563</b>	<b>917,003</b>	<b>71,110</b>

## FY 2014-15

€'000

Business	Region	Income from ordinary activities	Segment assets	Acquisitions of property plant and equipment and intangible assets
Boats	France	120,245	668,677	52,122
	Rest of Europe	301,111	164,957	10,917
	North America	259,539	176,017	2,968
	South America	17,667	7,646	7
	Asia	55,010	124	3
	Rest of world	65,689	0	0
	<b>Boats</b>	<b>819,261</b>	<b>1,017,421</b>	<b>66,018</b>
Housing	France	127,488	197,396	6,312
	Europe	22,704	22,657	275
	Rest of world	0	0	0
	<b>Housing</b>	<b>150,192</b>	<b>220,053</b>	<b>6,587</b>
	Reconciliation items		(338,655)	
<b>TOTAL</b>		<b>969,453</b>	<b>898,819</b>	<b>72,605</b>

## NOTE 19 - STAFF

Staff costs can be broken down as follows:

€'000	2015-16	2014-15
Salaries and wages	176,412	168,131
Payroll taxes	69,455	61,667
External staff	40,966	23,390
Employee benefits resulting in provisions	866	180
Share-based payments (IFRS 2)	1,973	2,473
Profit sharing and performance-related bonuses	5,185	3,429
<b>Staff costs</b>	<b>294,858</b>	<b>259,270</b>

At August 31, 2016, the Bénéteau Group had a total of 6,478 employees (excluding temporary staff) around the world, with the following breakdown:

	At Aug 31, 2016	At Aug 31, 2015
France	3,929	3,885
Rest of Europe	961	868
USA - Brazil - Asi	687	640
<b>Boats</b>	<b>5,577</b>	<b>5,393</b>
France	854	898
Rest of Europe	47	37
<b>Housing</b>	<b>901</b>	<b>935</b>
<b>TOTAL</b>	<b>6,478</b>	<b>6,328</b>

Breakdown by category excluding temporary staff:

	At Aug 31, 2016	At Aug 31, 2015
Operatives	4,630	4,582
Employees / Supervisors and technicians	1,310	1,247
Managers and related	538	499
<b>Headcount (excluding temporary staff)</b>	<b>6,478</b>	<b>6,328</b>

The average headcount (including temporary staff) can be broken down for each business as follows:

	2015-16	2014-15
Boats	6,361	5,911
Housing	1,157	1,017
<b>Total average headcount (including temporary staff)</b>	<b>7,518</b>	<b>6,928</b>

In light of the Group's seasonal activity, it uses temporary staff.

An average of 1,050 temporary staff worked within the Group (812 for the Boat business and 238 for Housing), compared with 627 the previous year.

Breakdown of the average headcount by category:

	2015-16	2014-15
Managers	535	496
Supervisors	240	257
Employees	1,067	976
Operatives	5,675	5,199
<b>Total headcount</b>	<b>7,518</b>	<b>6,928</b>

#### NOTE 20 - EXTERNAL EXPENSES

€'000	2015-16	2014-15
Consumables, outsourcing, maintenance	50,749	39,398
Marketing, advertising	16,410	16,087
Fees, commissions, research, insurance	21,897	19,768
Leasing	8,236	7,171
Other	22,424	24,898
<b>External expenses</b>	<b>119,717</b>	<b>107,322</b>

The Group's commitments for minimum future lease payments represent €570,000, with €229,000 under one year and €341,000 due within one to five years.

#### NOTE 21 - OTHER CURRENT OPERATING INCOME AND EXPENSES

€'000	2015-16	2014-15
Obsolete provisions	1,074	1,148
Net capital gains on disposal of fixed assets	566	
Sundry income	489	1,181
<b>Other current operating income</b>	<b>2,129</b>	<b>2,329</b>

€'000	2015-16	2014-15
Patents, copyright royalties, attendance fees	(1,204)	(1,107)
Net capital losses on disposal of fixed assets	0	(25)
Net expenses on unrecoverable receivables	(1,646)	(2,949)
Commercial compensation	(2,695)	(1,069)
Other	(1,725)	(580)
<b>Other current operating expenses</b>	<b>(7,270)</b>	<b>(5,730)</b>

Provisions recorded in relation to technical disputes have been updated in view of the new elements available, leading to a reduction in the residual risk.

More specifically, sundry income includes compensation received in connection with the resolution of disputes.

#### NOTE 22 - OTHER OPERATING INCOME AND EXPENSES

€'000	2015-16	2014-15
Provisions – proposed restructuring of the Residential Housing business	(5,912)	
Provisions – proposed mothballing of the Brazilian subsidiaries	(4,766)	
Provisions for bankruptcy of a boat design partner	(175)	(3,165)
Positive resolution of a dispute	1,134	
Transaction for former Chief Executive Officer		(1,048)
Change in scope – Brazilian subsidiary		(214)
Deconsolidation – JJ Trans		(148)
Valuation of assets held for sale – Fonderie Vrignaud		(423)
<b>Other operating income and expenses</b>	<b>(9,719)</b>	<b>(4,998)</b>

**NOTE 23 - FINANCIAL INCOME / EXPENSE**

€'000	2015-16	2014-15
Interest income from cash and cash equivalents	0	42
Income from cash and cash equivalents	0	42
Interest and related expenses	(2,703)	(3,008)
Fair value adjustment on investments held for trading	0	0
Gross finance costs	(2,702)	(3,008)
<b>Net finance costs</b>	<b>(2,702)</b>	<b>(2,966)</b>
Net foreign exchange loss	(3,349)	
Fair value adjustment on financial instruments (IAS 32-39) (*)	0	(16,719)
<b>Other financial expenses</b>	<b>(3,349)</b>	<b>(16,719)</b>
Net foreign exchange gain		1,095
Fair value adjustment on financial instruments (IAS 32-39) (*)	421	
Other interest and related income	217	886
<b>Other financial income</b>	<b>638</b>	<b>1,981</b>
<b>Financial income (expense)</b>	<b>(5,413)</b>	<b>(17,704)</b>

(\*) This concerns the ineffective portion of value adjustments on hedging instruments.

**NOTE 24 - CORPORATE INCOME AND DEFERRED TAX****24.1- Tax expense**

The tax expense can be broken down as follows:

€'000	2015-16	2014-15
Current tax	1,635	537
Deferred tax	4,947	2,347
<b>Corporate income tax</b>	<b>6,582</b>	<b>2,884</b>

The reconciliation between the theoretical tax expense and the tax expense recorded in the accounts can be broken down as follows:

€'000	2015-16	2014-15
Theoretical tax on consolidated income (excluding associate)	9,817	4,469
<i>Calculated at a rate of</i>	<i>34.43%</i>	<i>38%</i>
Impact of tax credits	(3,417)	(3,565)
Impact of tax losses	1,597	913
Impact of other permanent differences	220	1,802
Impact of tax adjustments	0	0
Impact of tax rate changes	(1,635)	(735)
<b>Impact in profit and loss</b>	<b>6,582</b>	<b>2,884</b>

The aggregate amount of uncapitalized losses represents €18,917,000.

**24.2- Deferred tax**

Deferred tax assets and liabilities at year-end can be broken down as follows:

€'000	2015-16	2014-15
Intangible assets	377	375
Inventories	1,983	1,612
Employee benefits	8,517	6,360
Financial instruments	130	(828)
Other	6	261
Timing differences	7,085	10,537
Offsetting	(10,817)	(12,604)
<b>Total deferred tax assets</b>	<b>7,282</b>	<b>5,711</b>
Property, plant and equipment	0	0
Accelerated depreciation	5,950	6,053
Other	5,103	6,551
Offsetting	(10,817)	(12,604)
<b>Total deferred tax liabilities</b>	<b>236</b>	<b>0</b>
<b>Net deferred tax assets</b>	<b>7,046</b>	<b>5,711</b>

The change in net deferred tax assets can be broken down as follows:

€'000	2015-16	2014-15
<b>At September 1</b>	<b>5,711</b>	<b>8,802</b>
Change in scope	0	0
IAS 32 & 39	1,269	(962)
Foreign currency translation adjustments	(5)	198
Deferred tax income (expenses)	(4,947)	(2,347)
Other tax recognized in equity	5,018	20
<b>At August 31</b>	<b>7,046</b>	<b>5,711</b>

**NOTE 25 - EARNINGS PER SHARE**

€'000	2015-16	2014-15
Net income, Group share (€'000)	24,769	12,803
Weighted average number of shares outstanding	82,789,870	82,789,870
Net earnings per share (€)	0.30	0.15
Weighted average number of shares after dilution	83,899,890	84,170,599
<b>Net earnings per share (€)</b>	<b>0.30</b>	<b>0.15</b>

**NOTE 26 - INFORMATION CONCERNING RELATED PARTIES**

Transactions with related parties concern:

- Transactions with companies or directors of companies that perform management and supervisory functions within the Bénéteau Group, including transactions with the company BERI 21, the Group's majority shareholder.  
This company carries out research for the design of the Group's industrial buildings and invoices Group companies in this capacity. It also invoices for legal assistance, organization and investment assistance and advisory, and strategic advisory services. Furthermore, the Group leases part of its offices to BERI 21.
- Compensation and related benefits awarded to members of the Bénéteau Group's administrative and management bodies.
- Transactions with the joint ventures SGB Finance and Habitat d'avenir.

**NOTE 27 - FINANCIAL RISK MANAGEMENT****27.1. Breakdown of financial instruments by category for recognition**

Au August 31, 2016

	Book value at Aug 31, 2016	Fair value at Aug 31, 2016	Financial assets at fair value through profit and loss	Loans and receivables	Available for sale financial assets / liabilities	Liabilities at amortized cost
€'000						
Other equity securities	22	22			22	
Loans and deposits	150	150		150		
Trade receivables	88,537	88,537		88,537		
Other receivables	33,572	33,572	0	33,572	0	
Cash and cash equivalents	75,925	75,925	75,925			
Financial liabilities	(62,456)	(62,456)				(62,456)
Other liabilities	(292)	(292)	(292)		0	
<b>Subtotal</b>	<b>135,458</b>	<b>135,458</b>	<b>75,633</b>	<b>122,259</b>	<b>22</b>	<b>(62,456)</b>

**26.1 - Transactions with related parties**

€'000	2015-16	2014-15
Sales of goods and services	143	59
Purchases of goods and services	966	925
Receivables	71	9
Payables	396	342

**26.2 - Executive benefits**

All the compensation and related benefits awarded to members of the Group's administrative and management bodies, booked under expenses, can be broken down as follows:

€'000	2015-16	2014-15
Short-term benefits	2,173	2,388
Other long-term benefits	41	24
Attendance fees	334	324
Share-based payments (1)	442	1,510
<b>Total</b>	<b>2,990</b>	<b>4,246</b>

(1) Amount determined in accordance with IFRS 2 Share-based Payment and the conditions presented in Notes 3.12 and 19.

**26.3 - Transactions with joint ventures**

Transactions with the joint ventures SGB Finance (49% interest) and Habitat d'avenir (50% interest) were as follows:

€'000	2015-16	2014-15
Sales of goods and services	32,714	31,774
Purchases of goods and services	622	545
Financial expenses	160	220
Receivables	1,496	1,668
Payables	197	387

At Aug 31, 2015

	Book value at Aug 31, 2015	Fair value at Aug 31, 2015	Financial assets at fair value through profit and loss	Loans and receivables	Available for sale financial assets / liabilities	Liabilities amortized cost
€'000						
Other equity securities	22	22			22	
Loans and deposits	143	143		143		
Trade receivables	132,752	132,752		132,752		
Other receivables	43,908	43,908	2,670	41,238	0	
Cash and cash equivalents	47,564	47,564	47,564			
Financial liabilities	(98,569)	(98,569)				(98,569)
Other liabilities	0	0	0		0	
<b>Subtotal</b>	<b>125,820</b>	<b>125,820</b>	<b>50,234</b>	<b>174,133</b>	<b>22</b>	<b>(98,569)</b>

### 27.2. Breakdown of financial assets and liabilities measured at fair value depending on fair value levels

At Aug 31, 2016

€'000	Level 1	Level 2	Level 3	Total
Available-for-sale securities	0		22	22
Hedging instruments	0	0	0	0
Other financial assets measured at fair value through profit and loss	0	0	75,925	75,925
<b>Financial assets</b>	<b>0</b>	<b>0</b>	<b>75,947</b>	<b>75,947</b>
Hedging instruments	0	(292)		-292
Other financial liabilities measured at fair value through profit and loss	0	0	(62,456)	(62,456)
<b>Financial liabilities</b>	<b>0</b>	<b>(292)</b>	<b>(62,456)</b>	<b>(62,748)</b>

At Aug 31, 2015

€'000	Level 1	Level 2	Level 3	Total
Available-for-sale securities	0		22	22
Hedging instruments	0	2,670	0	2,670
Other financial assets measured at fair value through profit and loss	0	0	47,564	47,564
<b>Financial assets</b>	<b>0</b>	<b>2,670</b>	<b>47,586</b>	<b>50,256</b>
Hedging instruments	0	0		0
Other financial liabilities measured at fair value through profit and loss	0	0	(98,569)	(98,569)
<b>Financial liabilities</b>	<b>0</b>	<b>0</b>	<b>(98,569)</b>	<b>(98,569)</b>

### 27.3. Breakdown of financial instruments by risk category

At Aug 31, 2016

€'000	Book value at Aug 31, 2016	Credit risk (fair value)	Liquidity risk (fair value)	Rate risk (fair value)	Foreign exchange risk (fair value)
Loans and deposits	150	150			
Trade receivables	88,537	88,537			
Other receivables	33,572	33,572			0
Cash at bank and in hand	74,949	74,949			
Mutual funds and other investments	976	976			
Finance lease	0				
Other borrowings	(58,587)		(58,587)		
Bank borrowings	(3,869)		(3,869)		
<b>Total</b>	<b>135,728</b>	<b>198,184</b>	<b>(62,456)</b>	<b>0</b>	<b>0</b>

At Aug 31, 2015

€'000	Book value at Aug 31, 015	Credit risk (fair value)	Liquidity risk (fair value)	Rate risk (fair value)	Foreign exchange risk (fair value)
Loans and deposits	143	143			
Trade receivables	132,752	132,752			
Other receivables	43,908	41,238			2,670
Cash at bank and in hand	44,914	44,914			
Mutual funds and other investments	2,650	2,650			
Finance lease	0				
Other borrowings	(66,675)		(66,675)		
Bank borrowings	(31,894)		(31,894)		
<b>Total</b>	<b>125,798</b>	<b>221,697</b>	<b>(98,569)</b>	<b>0</b>	<b>2,670</b>

The Group has carried out a specific review of its liquidity risk and considers that it is in a position to cover its upcoming maturities.

#### 27.4- Credit risk

Breakdown of trade receivables due and not due

At Aug 31, 20116

€'000	Gross	Of which, export	Depreciation	Net
Not due	33,086	23,803	0	33,086
Due	59,881	40,069	(4,431)	55,451
<b>Trade receivables</b>	<b>92,967</b>	<b>63,872</b>	<b>(4,431)</b>	<b>88,537</b>

At Aug 31, 2015

€'000	Gross	Of which, export	Depreciation	Net
Not due	15,859	14,198	0	15,859
Due	123,134	79,541	(6,241)	116,893
<b>Trade receivables</b>	<b>138,994</b>	<b>93,738</b>	<b>(6,241)</b>	<b>132,752</b>

At August 31, 2016, the €55,451,000 in net receivables due primarily concern:

- Within the Boat business (€40,848,000), boats made available to customers and not yet collected, in line with the rule adopted by the Group for recognizing revenues when products are made available;
- Within the Housing business (€14,603,000), late payments from customers compared with the theoretical deadline for payment, with the credit risk determined by the Group.

The breakdown of receivables due by age, excluding bad debt, is as follows:

€'000	Due for longer than 90 days	Due between 30 and 90 days	Due for less than 30 days	Total
Boats	6,573	6,211	28,065	40,848
Housing	4,863	6,328	3,412	14,603
<b>Total</b>	<b>11,436</b>	<b>12,539</b>	<b>31,477</b>	<b>55,451</b>

At November 5, 2016, outstanding receivables can be broken down as follows:

€'000	Due for longer than 90 days	Due between 30 and 90 days	Due for less than 30 days	Total
Boats	4,484	2,259	8,226	14,969
Housing	3,575	1,251	5,733	10,559
<b>Total</b>	<b>8,059</b>	<b>3,510</b>	<b>13,959</b>	<b>25,528</b>

## Change in depreciation on trade receivables

€'000	Aug 31, 2016	Aug 31, 2015
Balance at September 1	6,241	4,977
Impairment recognized	(1,810)	1,264
<b>Balance at September 1</b>	<b>4,431</b>	<b>6,241</b>

## Percentage of receivables due out of receivables that may be assigned

€'000	Aug 31, 2016	Aug 31, 2015
Trade receivables (gross)	92,967	138,994
Provisions for bad debt	(4,431)	(6,241)
<b>Trade receivables (net)</b>	<b>88,537</b>	<b>132,752</b>
Receivables due at August 31	55,451	116,893
Of which, export receivables	37,030	77,260
<i>% of receivables due out of receivables that may be assigned</i>	<i>62.6%</i>	<i>88.1%</i>

## 27.5- Exchange risk

The Group's exchange risk exposure can be broken down as follows:

	Aug 31, 2016		Aug 31, 2015	
	USD'000	PLN'000	USD'000	PLN'000
Trade receivables	97,650	0	122,167	0
Trade payables	(17,899)	(2,231)	(19,187)	(1,644)
<b>Gross balance sheet exposure</b>	<b>79,751</b>	<b>(2,231)</b>	<b>102,980</b>	<b>(1,644)</b>
Estimated sales forecasts	147,380	0	159,979	0
Estimated purchase forecasts	(44,336)	(210,003)	(44,449)	(134,775)
<b>Gross forecast exposure</b>	<b>103,044</b>	<b>(210,003)</b>	<b>115,530</b>	<b>(134,775)</b>
Currency forwards	(130,427)	182,836	(104,614)	131,096
<b>Net exposure</b>	<b>52,368</b>	<b>(29,399)</b>	<b>113,896</b>	<b>(5,323)</b>

## NOTE 28 - STATUTORY AUDITING FEES

Fees billed by the statutory auditors in relation to the legal auditing of the accounts and directly related advisory and other services can be broken down as follows:

€'000 and %	ATLANTIQUE REVISION CONSEIL				KPMG Audit			
	Aug 31, 2016		Aug 31, 2015		Aug 31, 2016		Aug 31, 2015	
	€'000	%	€'000	%	€'000	%	€'000	%
Statutory auditing, certification of accounts, review of parent company and consolidated accounts	207	100%	202	100%	207	91%	203	67%
- Parent company	53	26%	44	22%	60	26%	53	18%
- Subsidiaries	154	74%	158	78%	147	65%	150	50%
Services other than account certification	0	0%	0	0%	20	9%	98	33%
Subtotal	207	100%	202	100%	227	100%	301	100%
Other services provided by networks to fully-consolidated subsidiaries								
Subtotal	0	0%	0	0%	0	0%	0	0%
<b>Total fees</b>	<b>207</b>		<b>202</b>		<b>227</b>		<b>301</b>	

## STATUTORY AUDITORS' REPORT on the consolidated financial statements

Year ended August 31, 2016

Dear Shareholders,

In accordance with the terms of our appointment by the general shareholders' meeting, please find hereafter our report on the year ended August 31, 2016 relative to:

- Our audit of the consolidated financial statements of Bénéteau S.A., as appended to this report;
  - The basis for our opinions;
  - The specific procedures and information required under French law.
- The consolidated financial statements have been drawn up under the responsibility of your Management Board. Our responsibility is to express an opinion on these financial statements based on our audit.

### *Opinion on the consolidated financial statements*

We conducted our audit in accordance with the industry standards applicable in France. These standards require that we plan and perform the audit to obtain reasonable assurance that the consolidated financial statements are free from any material misstatements. An audit involves examining, on a test basis or using other selection methods, evidence supporting the amounts and information contained in the consolidated financial statements. An audit also involves assessing the accounting principles used, the significant estimates made and the overall presentation of the financial statements. We believe that we have collected sufficient and appropriate elements on which to base our opinion.

We certify that the consolidated financial statements for the year present fairly, in all material respects, the financial position of the consolidated group, its assets and liabilities, and the results of its operations for all the parties and entities included in the basis for consolidation, in accordance with IFRS, as adopted in the European Union.

### *Basis for our opinions*

In accordance with the provisions of Article L.823-9 of the French commercial code relative to the forming of our opinions, we would like to draw your attention to the following points:

#### **- Goodwill**

At each close of accounts, the company systematically carries out impairment tests on goodwill in accordance with the conditions presented in Note 3.5.1 to the consolidated financial statements. We have examined the conditions for conducting such impairment tests, as well as the cash-flow forecasts and assumptions used, and we have checked that appropriate information is appended in Note 3.5.1.

#### **- Provisions**

The provisions recorded on the balance sheet and the principles and methods for recognizing such provisions are presented in Notes 3.15 and 12. In connection with our assessments of estimates made when drawing up the financial statements, and based on information available during the course of our work, we have reviewed the approaches applied by the Group and ensured that the assumptions were reasonable.

The assessments made in this way are part of our audit of the consolidated financial statements in general and therefore contributed to the formation of our opinion expressed in the first part of this report.

### *Specific procedures and information*

In accordance with industry standards in France, we also performed the specific procedures required under French law concerning the information given in the report relating to the Group's management.

We do not have any observations to make regarding the true and accurate nature of this information or its application for the consolidated financial statements.

NANTES, December 20, 2016

KPMG Audit  
Département of KPMG S.A.

Franck NOEL  
Partner

La Roche-sur-Yon, December 20, 2016

ATLANTIQUE REVISION CONSEIL

Jérôme BOUTOLLEAU  
Partner





# **Bénéteau S.A. parent company financial statements**

## Balance sheet at August 31, 2016

## ASSETS

€'000	Notes	Gross at Aug 31, 2016	Depreciat. and provisions	Net at Aug 31, 2016	Net at Aug 31, 2015
Intangible assets	1.2				
Research and development costs	1.3	4,621	1,267	3,354	2,362
Concessions, patents, licenses and brands	1.4	1,180	79	1,101	1,025
Goodwill (1)				0	0
Other intangible assets		6,664	5,699	965	1,295
Current intangible assets		8,699		8,699	8,486
Property, plant and equipment	1.5				
Land		392	109	283	292
Property		6,549	4,413	2,136	2,409
Plant and equipment		781	659	122	127
Other property, plant and equipment		2,879	2,229	650	688
Current fixed assets		195		195	169
Advances and deposits				0	0
Non-current financial assets (2)	1.6				
Equity interests		97,558	5,000	92,558	95,058
Equity interest-related receivables		0		0	0
Other capitalized securities		5,786	221	5,565	1,173
Loans		10		10	10
Other non-current financial assets		26		26	23
<b>Fixed assets</b>	<b>1.1</b>	<b>135,340</b>	<b>19,676</b>	<b>115,664</b>	<b>113,117</b>
Inventories and work-in-progress					
Raw materials and other supplies				0	0
Production work-in-progress				0	0
Intermediate and finished products				0	0
Advances and deposits on orders		4,219	3,341	878	1,061
Receivables	1.7				
Trade receivables and related		7,311	107	7,204	3,599
Other receivables		121,904	0	121,904	162,119
Transferable securities	1.8	5,907	0	5,907	14,007
Cash at bank and in hand		15,004		15,004	1,683
Prepaid expenses	1.9	891		891	795
<b>Current assets</b>		<b>155,236</b>	<b>3,448</b>	<b>151,788</b>	<b>183,264</b>
Foreign currency translation gains		0			-
<b>TOTAL ASSETS</b>		<b>290,576</b>	<b>23,124</b>	<b>267,452</b>	<b>296,381</b>

(1) Of which, right to lease

- -

(2) Of which, less than one year

- -

## Balance sheet at August 31, 2016 (contd)

## LIABILITIES

€'000	Notes	Aug 31, 2016	Aug 31, 2015
Share capital (including capital paid)	2.1	8,279	8,279
Additional paid-in capital		27,850	27,850
Reserves			
Legal reserve		871	871
Regulated reserves			
Other reserves		157,773	169,591
Retained earnings		93	60
Earnings for the year		(1,706)	(6,911)
Investment subsidies			
Regulated provisions		356	369
<b>Shareholder's equity</b>	<b>2.11</b>	<b>193,516</b>	<b>200,109</b>
Provisions			
Provisions for liabilities		-	-
Provisions for charges		933	6,716
<b>Provisions for liabilities and charges</b>	<b>2.2</b>	<b>933</b>	<b>6,716</b>
Financial liabilities (1)			
Loans and borrowings from credit institutions (2)		35,353	68,884
Sundry borrowings and financial debt		13,509	1,904
Advances and deposits received on orders		-	-
Operating liabilities (1)			
Trade payables and related		3,248	2,814
Tax and social security liabilities		3,007	1,862
Other		17,632	12,805
Other liabilities (1)			
Fixed asset liabilities and related		254	1,287
Accrued income (1)		-	-
<b>Current liabilities</b>	<b>2.3</b>	<b>73,003</b>	<b>89,556</b>
Foreign currency translation losses			
<b>TOTAL LIABILITIES</b>		<b>267,452</b>	<b>296,381</b>
(1) Of which, less than one year		45,383	54,844
(2) Of which, current bank borrowings		641	27,122

## Income statement at August 31, 2016

€'000	Notes	2015-16	2014-15
Operating income		-	-
Production sold: goods and services		14,360	13,562
Net revenues	3.1	14,360	13,562
Stored production		-	-
Capitalized production		506	1,203
Operating subsidies		4	0
Reversal of provisions, depreciation and transferred expenses	3.2	6,190	56
Other income		0	2
Operating income		21,060	14,823
Operating expenses			
Purchases of goods		-	-
Other external purchases		11,331	11,601
Tax and related		224	384
Staff costs	3.3		
Salaries and wages		3,458	2,671
Payroll taxes		7,326	1,226
Depreciation and provisions			
On fixed assets: depreciation		2,229	1,620
On fixed assets: provisions		-	-
On current assets: provisions		176	3,165
For liabilities and charges: provisions		384	2,193
Other expenses		1,001	894
Operating expenses		26,129	23,754
Operating income		(5,069)	(8,931)
Financial income			
From equity interests		10,019	3,909
Other interest and related income		2,381	2,464
Reversal of provisions and transferred expenses		8,858	2,500
Net foreign exchange gains		1,352	17,953
Financial income		22,610	26,826
Financial expenses			
Depreciation and provisions		2,720	0
Interest and related expenses		18,137	8,367
Net foreign exchange losses		3,759	23,238
Financial expenses		24,616	31,604
Financial income (expense)	3.4	(2,006)	(4,778)
Pre-tax income from ordinary operations		(7,074)	(13,709)

## Income statement at August 31, 2016 (contd)

€'000	Notes	2015-16	2014-15
Non-recurring income			
On management operations		74	61
On capital operations		49	18
Reversal of provisions and transferred expenses		34	1,433
Non-recurring income		157	1,512
Non-recurring expenses			
On management operations		97	190
On capital operations		74	38
Depreciation and provisions		23	40
Non-recurring expenses		194	268
Non- recurring income (expense)	3.5	(37)	1,244
Employee profit-sharing		(42)	(8)
Corporate income tax	3.6	(5,447)	(5,561)
<b>NET INCOME</b>		<b>(1,706)</b>	<b>(6,911)</b>

## NOTES TO THE FINANCIAL STATEMENTS OF BENETEAU S.A.

These notes represent an integral part of the annual financial statements for the year ended August 31, 2016.

Any items of information that are not mandatory are given only when significant.

### Highlights of the year

Although the BH subsidiary (timber-frame residential housing) is able to carry out innovative and competitive projects, there is no market for the solutions offered in the detached housing, collective housing and dedicated residence sectors, so the Group announced at the end of October its plans to transform the BH subsidiary to produce leisure homes.

On August 31, 2016, Bénéteau SA granted its subsidiary BH a debt write-off for €7,150,000.

In accordance with the rules for recording provisions for equity securities, presented for reference in §1.4, an additional €2,500,000 of provisions were recorded on BH equity securities at August 31, 2016, such that they are 100% provisioned.

### Accounting methods, principles and the presentation of the financial statements

The figures provided in these notes are given in thousands of euros, unless otherwise indicated.

The financial statements for the year ended August 31, 2016 have been prepared in accordance with the principles and methods set out under the French commercial code (Art. 123-12 to 123-23), the decree of November 29, 1983, and French GAAP (Plan Comptable Général, PCG) as per ANC Regulation 2014-03.

The accounting rules have been applied in accordance with the principle of conservatism, in light of the following basic assumptions: continuous operations, independent financial years, and unchanged accounting methods from one financial year to the next.

## 1 - NOTES TO THE BALANCES SHEET: ASSETS

### 1.1 CHANGES IN FIXED ASSETS, DEPRECIATION AND PROVISIONS FOR IMPAIRMENT OF FIXED ASSETS

#### • GROSS VALUES

€'000	Gross value of fixed assets at Aug 31, 2015	Change through inter-item transfers	Acquisitions, creations, increase in assets	Disposals, retirements, reduction in assets	Gross value of fixed assets at Aug 31, 2016
Research and development costs	3,055	1,383	183	0	4,621
Concessions, patents, licenses and brands	983	0	98	0	1,081
Goodwill	99	0	0	0	99
Software	6,066	65	548	(14)	6,664
Current intangible assets	8,486	(1,383)	1,596	0	8,699
<b>TOTAL intangible assets</b>	<b>18,689</b>	<b>65</b>	<b>2,425</b>	<b>(14)</b>	<b>21,164</b>
Land and developments	392	0	0	0	392
Property and facilities	6,516	0	35	(2)	6,549
Plant and equipment	716	30	37	(2)	781
Other property, plant and equipment	2,861	38	301	(320)	2,879
Current fixed assets	170	(133)	158	0	195
Advances and deposits on fixed assets	0	0	0	0	0
<b>TOTAL property, plant and equipment</b>	<b>10,655</b>	<b>(65)</b>	<b>530</b>	<b>(324)</b>	<b>10,796</b>
Equity interests	97,558	0	0	0	97,558
Equity interest-related receivables	0	0	0	0	0
Other capitalized securities	1,173	(2,038)	13,909	(7,259)	5,786
Loans	10	0	0	0	10
Other non-current financial assets	22	0	26	(22)	26
<b>TOTAL non-current financial assets</b>	<b>98,763</b>	<b>(2,038)</b>	<b>13,935</b>	<b>(7,280)</b>	<b>103,380</b>
<b>GENERAL TOTAL</b>	<b>128,107</b>	<b>(2,038)</b>	<b>16,890</b>	<b>(7,618)</b>	<b>135,340</b>

#### • DEPRECIATION AND PROVISIONS

€'000	Depreciation at Sep 1, 2015	Increase in charges over year	Reduction linked to disposals and retirements	Depreciation at Aug 31, 2016
<b>TOTAL intangible assets</b>	<b>5,519</b>	<b>1,541</b>	<b>(15)</b>	<b>7,045</b>
Land and developments	100	9	0	109
Property	4,107	308	(1)	4,413
Plant and equipment	590	69	(1)	659
Other property, plant and equipment	2,174	303	(247)	2,229
<b>TOTAL property, plant and equipment</b>	<b>6,971</b>	<b>688</b>	<b>(249)</b>	<b>7,410</b>
<b>TOTAL DEPRECIATION</b>	<b>12,490</b>	<b>2,229</b>	<b>(265)</b>	<b>14,455</b>
Provision for impairment of assets				
On equity interests	2,500	2,500	0	5,000
On other capitalized securities		221		221
<b>TOTAL PROVISIONS</b>	<b>2,500</b>	<b>2,721</b>	<b>0</b>	<b>5,221</b>
<b>GENERAL TOTAL</b>	<b>14,990</b>	<b>4,950</b>	<b>(265)</b>	<b>19,676</b>

## 1.2 INTANGIBLE ASSETS

Intangible assets totaled €21,164,000 at August 31, 2016, compared with €18,689,000 at August 31, 2015.

This item can be broken down as follows:

### 1.2.1 Research and development costs

In previous years, the company launched a research and development project focusing on totally different processes for designing, developing and producing boats.

On account of the nature of this project, the Group decided to capitalize the external costs (primarily fees) and the internal costs (workforce linked directly to the project) and record them as an asset on the balance sheet under research and development costs.

The depreciation of these research and development costs began when the boats concerned were brought into production and released, i.e. September 1, 2004.

In addition, the development costs for the deployment of a new ERP for the whole of the Bénéteau Group are depreciated over seven years. The first unit concerning Leisure Homes was brought into service at the start of FY 2015-16.

### 1.2.2 Concessions, patents, licenses and brands

The timeframe for consuming the economic benefits expected from the brand cannot be determined. As such, it has not been subject to depreciation.

It will be depreciated if the value-in-use falls below the net book value.

The concession concerns an exclusive long-term usage right making it possible to benefit from full use of dark fiber optics; it is being depreciated over its useful life, i.e. 15 years.

### 1.2.3 Software

Software are depreciated over one to five years, in line with their planned life.

## 1.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are valued at their acquisition cost or at their production cost for assets produced by the company. They have never been revalued.

Economic depreciation is calculated on a straight-line basis in accordance with the planned useful life:

- Site developments	20 years
- Operating buildings	20 years
- Building fixtures and fittings	10 to 20 years
- Plant and equipment	3 to 10 years
- Equipment fixtures and fittings	3 to 10 years
- Transport equipment	3 to 5 years
- Office furniture and equipment	3 to 10 years

When possible, the company applies the diminishing balance method for accelerated depreciation charges for the fraction exceeding the level of economic depreciation. The provision booked in this way represents a total of €356,000.

## 1.4 NON-CURRENT FINANCIAL ASSETS

Non-current financial assets totaled €103,380,000 at August 31, 2016, compared with €98,763,000 at August 31, 2015.

The gross value of equity securities is based on the purchase cost less any related expenses.

A provision for impairment is recorded for the relevant amount when the subsidiary's going-concern value is lower than its historical value:

- For industrial subsidiaries, the going-concern value is based on a discounting of future earnings prospects for the subsidiary in question.
- For purely commercial subsidiaries, or subsidiaries for which the assessment of the business outlook is not relevant, the going-concern value is determined in light of the amount of the capital interest held, after applying the exchange rate in force at August 31 for foreign subsidiaries.

The table of subsidiaries and associates is presented in Note 4.3.

Other capitalized securities primarily comprise treasury stock, with a detailed breakdown of changes presented in Note 4.6. Based on the average share price for August 2016, their value represents €5,568,000, with a net balance sheet value of €5,545,000.

## 1.5 RECEIVABLES

Receivables are measured at their nominal value.

Receivables denominated in foreign currencies are converted at the closing exchange rate or converted at the hedging rate if they are subject to forward exchange hedge agreements.

A provision for expenses is recorded concerning any unrealized exchange rate losses for the relevant amount.

At year-end, trade receivables did not include any items outstanding for over one year, and can be broken down as follows:

€'000	Aug 31, 2016	Aug 31, 2015
Ordinary trade receivables	40	40
Trade receivables for associates	7,142	3,538
Notes receivable	-	-
Bad debt	129	129
Provisions for impairment of trade receivables	(108)	(108)
<b>TOTAL</b>	<b>7,204</b>	<b>3,599</b>

Other trade receivables do not include any items outstanding for over one year, and can be broken down as follows:

€'000	Aug 31, 2016	Aug 31, 2015
Taxes other than on income	22,675	17,656
Other receivables	2,035	10,326
Other receivables for associates*	97,193	134,137
Provisions for impairment of receivables	-	-
<b>TOTAL</b>	<b>121,904</b>	<b>162,119</b>

\* Of which, tax consolidation current account

## 1.6 TRANSFERABLE SECURITIES

The carrying value of reserved treasury stock represents €4,931,000. Valued at the share price from August 31, 2016, reserved treasury stock came to €5,025,000.

This concerns reserved treasury stock (see Notes 4.4 and 4.5), representing a total of €4,931,000. In addition, the bonus share allocation portfolio is subject to a provision for liabilities (see Note 2.2).

Other securities comprise mutual funds for €976,000, with a carrying value of €976,000 as well.

## 1.7 ACCRUALS AND RELATED - ASSETS

Accrued expenses represent a total of €891,000 and consist exclusively of operating expenditure.

At August 31, 2015, they came to €795,000.

Revenue accruals totaled €19,000, and can be broken down as follows:

€'000	Aug 31, 2016	Aug 31, 2015
Operating income	19	21
Operating income or associates	-	-
Financial income	-	167
<b>TOTAL</b>	<b>19</b>	<b>188</b>

## 2 - NOTES TO THE BALANCE SHEET: LIABILITIES

### 2.1 SHARE CAPITAL

The share capital is split into 82,789,840 fully paid-up shares with a par value of €0.10.

Detailed information on treasury stock and share plans is given in Points 4.4, 4.5 and 4.6.

### 2.11 Shareholders' equity

The change in shareholders' equity over the year can be broken down as follows:

€'000	
<b>Shareholders' equity at Sep 1, 2015</b>	<b>200,109</b>
Accelerated depreciation (see Note 1.5)	(12)
Dividends paid	(4,875)
Earnings for the year	(1,706)
<b>Shareholders' equity at Aug 31, 2016</b>	<b>193,516</b>

Net income excluding the impact of optional tax provisions came to -€1,718,000 at August 31, 2016.

For our company, the tax provisions are reflected in a future tax liability of €122,000 (net), calculated at a rate of 34.43%.

## 2.2 PROVISIONS FOR LIABILITIES AND CHARGES

€'000	Amount at year-end Aug 31, 2015	Increase over year	Reversal of provisions used	Reversal of provisions non used	Amount at year-end Aug 31, 2016
Provisions for exchange rate loss	-	-	-	-	-
Provisions for liabilities	-	-	-	-	-
Other provisions for liabilities and charges	6,716	384	(5,817)	(350)	933
<b>TOTAL</b>	<b>6,716</b>	<b>384</b>	<b>(5,817)</b>	<b>(350)</b>	<b>933</b>

At August 31, 2016, Bénéteau SA recorded:

- A €383,000 provision for charges relating to treasury stock reserved for the bonus share scheme.
- A €6,167,000 reversal of provisions for charges relating to treasury stock reserved for the bonus share scheme, with €350,000 unused, since the shares concerned were vested during the year.
- €500 in provisions for long-service awards, whose valuation factors in staff present in the company on the calculation date, as well as their seniority, the scale for bonuses based on this seniority, the survival rate, the turnover rate and a financial discounting process.

## 2.3 LIABILITIES

The breakdown of liabilities based on their due dates is presented in the following table as at August 31, 2016:

€'000	Total	>1 year	1 to 5 years	< 5 years
Loans and borrowings from credit institutions				
- Initially due within 2 years	7,693	7,693	-	-
- Initially due after more than 2 years	27,660		27,660	
Sundry borrowings and financial debt	1,790	1,790	-	-
Financial debt for associates	28,690	28,690	-	-
Trade payables and related	2,413	2,413	-	-
Trade payables for associates	835	835	-	-
Staff and related	1,396	1,396	-	-
Social security and related	822	822	-	-
Tax and related	-	-	-	-
- Corporate income tax	-	-	-	-
- Value-added tax	732	732	-	-
- Other tax and related	57	57	-	-
Fixed asset liabilities and related	-	-	-	-
Fixed asset-related liabilities for associates	254	254	-	-
Other liabilities	662	662	-	-
Other payables for associates	-	-	-	-
<b>TOTAL</b>	<b>73,003</b>	<b>45,343</b>	<b>27,660</b>	<b>0</b>

## 2.4 ACCRUED EXPENSES

At August 31, 2016, accrued expenses totaled €4,505,000, with the following breakdown:

€'000	Operating	Financial	Non-recurring
Trade payables and related	1,508	-	-
Trade payables and related	483	-	-
Tax and social security liabilities	1,920	-	-
Sundry borrowings and financial debt	-	681	-
Other liabilities	-	-	-
Other payables for associates	-	-	-
<b>TOTAL</b>	<b>3,912</b>	<b>681</b>	<b>-</b>

## 3 - NOTES TO THE INCOME STATEMENT

### 3.1 REVENUES

€'000	2015-16	2014-15
Sales in France	12,632	11,734
Sales outside of France	1,727	1,828
<b>TOTAL</b>	<b>14,360</b>	<b>13,562</b>

### 3.2 CHANGES IN PROVISIONS AND TRANSFERRED OPERATING EXPENSES

€'000	2015-16	2014-15
Reversal of provisions for liabilities and charges(*)	6,167	-
Transferred expenses	23	56
<b>TOTAL</b>	<b>6,190</b>	<b>56</b>

(\*) Reversal relating to the provision for bonus shares vested during the year, with the corresponding expense recognized in operating income (other staff costs) for €5,817,000.

### 3.3 STAFF COSTS

Compensation for members of the administrative and management bodies came to €1,117,000, compared with €1,067,000 the previous year.

The average headcount is 27, with seven employees and 20 managers.

Staff costs at August 31, 2016 include the cost of bonus shares vested by BENETEAU SA's corporate officers and employees in connection with the bonus share plan from May 9, 2012, maturing in May 2016 for €5,817,000.

### 3.4 FINANCIAL INCOME AND EXPENSES

Financial income and expenses show a net expense of €2,006,000.

€'000	2015-16	2014-15
Dividends received from subsidiaries	10,019	3,909
Debt write-offs granted to subsidiaries		
- GBI Holding	0	(2,500)
- BH	(7,150)	(3,900)
Provisions on equity securities	(2,500)	
Reversal of provisions on subsidiary current account	0	2,500
Bonus share plan costs charged to the subsidiaries	3,155	
Interest and related expenses (net)	2,355	2,411
<b>Financial income and expenses with associates</b>	<b>5,879</b>	<b>2,420</b>
Other interest and related expenses (net)	(1,908)	(1,881)
Net expenses on transferable securities (*)	(9,053)	(32)
Transferred expenses for the cost of bonus share plans (*)	5,702	
Net charge after reversals of provisions	(220)	
Foreign exchange gain / loss	(2,406)	(5,285)
<b>TOTAL financial income and expenses</b>	<b>(2,006)</b>	<b>(4,778)</b>
<i>(*) Of which, net cost of the plan for bonus shares vested during the year</i>	<i>(3,156)</i>	

### 3.5 NON-RECURRING INCOME AND EXPENSES

The non-recurring items recorded can be broken down as follows:

€'000	2015-16	2014-15
Accelerated depreciation charge / reversal	10	1,394
Capital gains or losses on asset disposals	(25)	(20)
Reversal of provisions for liabilities	-	-
Treasury stock buyback premium	(10)	28
Provisions for liabilities and charges-	-	
Donations	(5)	(156)
Other	(7)	(2)
<b>TOTAL</b>	<b>(37)</b>	<b>1,244</b>

### 3.6 Tax

At August 31, 2016, the breakdown of tax between income from ordinary operations and non-recurring items is as follows:

€'000	Before tax	Net tax income	After tax
Income from ordinary operations	(7,075)	5,416	(1,658)
Non-recurring income (expense)	(36)	31	(5)
<b>TOTAL</b>	<b>(7,153)</b>	<b>5,447</b>	<b>(1,706)</b>

Bénéteau S.A. has opted for the tax consolidation system. The agreement set up in this respect is compliant with the second conception authorized, with the tax savings recorded, linked to losses, recognized immediately in profit or loss for the parent company, within the limits of the consolidated taxable income available for use.

The tax consolidation-related tax saving for FY 2015-16 came to €3,038,000.

## 4 - OTHER INFORMATION

### 4.1 ASSOCIATES

The amounts concerning associates are given for each corresponding item on the balance sheet.

The accounts of Bénéteau S.A., in line with the full consolidation method, are included in the financial statements for BERI 21 S.A.

### 4.2 COMMITMENTS GIVEN

Commitments given can be broken down as follows:

€'000	Aug 31, 2016
Deposits:	
- Consortium for building a plant for a subsidiary	500
- Customs	70
Guarantees with associates:	
- Banking commitment for subsidiaries' credit lines	26,856
- Banking commitment for VAT repayment for Italian subsidiaries	8,826
- Customer guarantee for subsidiary defaults	4,941
- Counter-guarantee for subsidiaries linked to product financing agreements	54,285
Retirement benefits*	450
Currency forward sales in €'000 at hedging rate	116,093
<b>TOTAL</b>	<b>«é&amp;c@a</b>
<b>^ m</b>	<b>2,021</b>

\*The company's commitments in this respect are calculated in line with the method adopted within the Group, factoring in all staff, in addition to the terms of the agreements concerned, the survival rate, wage trends, staff turnover, financial returns and payroll taxes. The method used is the projected unit credit method.

The endorsements and guarantees given do not concern any executives.

### 4.3 SUBSIDIARIES AND ASSOCIATES

Company

	Share capital	Shareholders' equity excl. earnings for last year	% of capital held	Book value of securities held		Outstanding loans and advances granted by company	Deposits and guarantees granted by company	Revenues net of tax for last year	Profit or loss for last year	Dividends received by company over year
€'000				Gross	Net					
<b>SUBSIDIARIES (at least 50% interest)</b>										
C.N.B	3,488	30,847	100	4,776	4,776	0	0	187,335	12,213	2,848
S.P.B.I	51,542	233,472	100	40,774	40,774	1,848	0	630,465	22,781	5,154
B.H.	5,000	2,616	100	5,000	0	0	0	13,383	-2,541	0
BIO Habitat	12,868	62,029	100	42,933	42,933	483	0	165,536	1,397	1,287
GBL Holding	108	1,071	100	1,108	1,108	53,994	0	3	-680	0
<b>ASSOCIATES (10 to 50%)</b>										
SGB Finance (1)	6,054	28,724	49	2,967	2,967	0	0	-	4,110	729

(1) Financial year-end: December 31

## 4.4 STOCK OPTIONS

In accordance with the authorizations given by shareholders at general meetings, and factoring in the five-for-one stock split, the company's relevant bodies decided to award:

- 450,000 shares to 91 beneficiaries on October 3, 2001, with an exercise price of €5.96 per share.
- 450,000 shares to 99 beneficiaries on February 13, 2003, with an exercise price of €6.46 per share.
- 72,500 shares to 35 beneficiaries on August 30, 2006, with an exercise price of €12.56 per share.

The first options were exercised during FY 2005-06, with 220,250 shares purchased.

During FY 2006-07, 171,425 stock options were exercised.  
 During FY 2007-08, 108,513 stock options were exercised.  
 During FY 2008-09, 6,000 stock options were exercised.  
 During FY 2009-10, 32,664 stock options were exercised.  
 During FY 2010-11, 88,342 stock options were exercised.  
 During FY 2011-12, 61,966 stock options were exercised and 27,050 stock options reached maturity without being exercised.  
 During FY 2012-13, 116,700 stock options were exercised and 68,390 stock options reached maturity without being exercised.  
 During FY 2015-16, 71,200 stock options reached maturity without being exercised.

The beneficiaries are Bénéteau Group company executives or employees.

## 4.5. BONUS SHARES

In accordance with the authorizations given by shareholders at general meetings, and factoring in the five-for-one stock split, the company's relevant bodies decided to award:

- 42,500 bonus shares on August 30, 2005.
- 57,500 bonus shares on August 30, 2006.
- 148,440 bonus shares on August 29, 2007, including 110,000 whose allocation was abandoned in FY 2008-09 and 4,690 shares whose allocation was abandoned in FY 2011-12.
- 56,000 bonus shares on September 3, 2008, including 6,000 shares whose allocation was abandoned in FY 2009-10 and 30,000 shares whose allocation was abandoned in FY 2011-12.
- 1,264,700 bonus shares on May 9, 2012, including 50,000 shares whose allocation was abandoned in FY 2014-15 and 158,500 shares whose allocation was abandoned in FY 2015-16.
- 212,000 bonus shares on April 29, 2014.
- 326,000 bonus shares on April 28, 2016.

The beneficiaries are Bénéteau Group company executives or employees.

The first bonus shares were definitively awarded in FY 2006-07, representing a total of 42,500 shares.

During FY 2007-08, 57,500 shares were awarded.

During FY 2010-11, 21,250 shares were awarded.

During FY 2012-13, 32,500 shares were awarded.

During FY 2015-16, 1,056,200 shares were awarded.

## 4.6 TREASURY STOCK

The value of treasury stock at August 31, 2016, based on the average share price for August 2016, came to €5,568,000, with a net balance sheet value of €5,545,000.

	Number	Valuation €'000
Shares at August 31, 2015	142,008	1,153
Acquisitions	1,305,217	13,909
Transfer (*)	(228,300)	(2,038)
Sales	(600,183)	(7,259)
<b>Shares at August 31, 2016</b>	<b>618,742</b>	<b>5,766</b>

(\*) Transfer to the bonus share plans

Average purchase price for the year: €10.6567

Average sales price for the year: €12.0938

Share price at August 31, 2016: €9.34

+Average share price for August 2016: €8.999

## 5- CASH FLOW STATEMENT

€'000	2015-16	2014-15
<b>Operating activities</b>		
Net income for the year	(1,705)	(6,911)
Elimination of income and expenses without any impact on cash flow or unrelated to operations	(823)	2,439
Depreciation and provisions	(848)	2,419
Capital gains or losses on disposals	25	20
<b>Operating cash flow</b>	<b>(2,528)</b>	<b>(4,473)</b>
Change in working capital requirements	54,819	2,387
Receivables	34,685	(5,595)
Payables	20,134	7,982
<b>Total 1 - Cash flow from operating activities</b>	<b>52,291</b>	<b>(2,086)</b>
<b>Investment activities</b>		
Fixed asset acquisitions	(2,953)	(4,109)
Fixed asset disposals	50	487
Fixed asset-related liabilities	(1,035)	361
<b>Total 2 - Cash flow from investment activities</b>	<b>(3,938)</b>	<b>(3,262)</b>
<b>Financing activities</b>		
Dividends paid to shareholders	(4,875)	(3,251)
Payments received in respect of financial debt	0	0
Repayments of financial debt	(7,163)	(3,021)
Disposal / transfer (acquisition) of treasury stock	(4,613)	(101)
Change in scope		
<b>Total 3 - Cash flow from financing activities</b>	<b>(16,651)</b>	<b>(6,373)</b>
<b>CHANGE IN CASH POSITION (1+2+3)</b>	<b>31,702</b>	<b>(11,720)</b>
<b>Opening cash position</b>	<b>(11,432)</b>	<b>288</b>
<b>Closing cash position</b>	<b>20,270</b>	<b>(11,432)</b>
Of which: Treasury stock	4,931	11,865
Other transferable securities	976	2,141
Cash at bank and in hand	15,004	1,683
Bank overdrafts	(641)	(27,121)

## STATUTORY AUDITORS' REPORT on the annual financial statements

Year ended August 31, 2016

Dear Shareholders,

In accordance with the terms of our appointment by the general shareholders' meeting, please find hereafter our report on the year ended August 31, 2016 relative to:

- Our audit of the annual financial statements of Bénéteau S.A., as appended to this report;
- The basis for our opinions;
- The specific procedures and information required under French law.

The annual financial statements have been drawn up under the responsibility of the Management Board. Our responsibility is to express an opinion on these financial statements based on our audit.

### I - OPINION ON THE ANNUAL FINANCIAL STATEMENTS

We conducted our audit in accordance with the industry standards applicable in France. These standards require that we plan and perform the audit to obtain reasonable assurance that the annual financial statements are free from any material misstatements. An audit involves examining, on a test basis or using other selection methods, evidence supporting the amounts and information contained in the annual financial statements. An audit also involves assessing the accounting principles used, the significant estimates made and the overall presentation of the financial statements. We believe that we have collected sufficient and appropriate elements on which to base our opinion.

We certify that the annual financial statements present fairly, in all material respects, the financial position of the company, its assets and liabilities, and the results of its operations for the year ended in accordance with the accounting rules and principles in force in France.

### II - BASIS FOR OUR OPINIONS

In accordance with the provisions of Article L. 823-9 of the French commercial code relative to the forming of our opinions, we would like to draw your attention to the following points:

- Equity securities, presented on the balance sheet at August 31, 2016 for a net total of €92,558,000, are valued at their acquisition cost and depreciated based on their value-in-use under the conditions set out in Note 1.4.

- Other receivables relating to associates, recorded on the balance sheet for a net total of €97,193,000 at August 31, 2016, are measured at their nominal value according to Note 1.5.

Based on the information provided to us, our work has involved assessing the data used to determine the values-in-use of equity securities and receivables relating to associates, notably reviewing, when applicable, the updating of forecasts for the profitability of the activities concerned and the achievement of the objectives set, in addition to checking the consistency of the assumptions used with the forward-looking data. While it would not be relevant to assess the business outlook, these values-in use have been assessed in relation to the amount of the capital interest held.

The assessments made in this way are part of our audit of the annual financial statements in general and therefore contributed to the formation of our opinion expressed in the first part of this report.

### III - SPECIFIC PROCEDURES AND INFORMATION

In accordance with the industry standards applicable in France, we also performed the specific procedures required under French law.

We do not have any observations to make regarding the true and accurate nature of information given in the Management Board's management report and in the documents provided to shareholders concerning the financial position and annual financial statements, or the application of such information for the annual financial statements.

Concerning the information provided in accordance with Article L. 225-102-1 of the French commercial code relating to the compensation and benefits awarded to corporate officers, as well as any commitments made to them, we have checked its consistency with the accounts or with the data used as a basis for preparing such accounts and, as relevant, with any elements collected by your company from its controlled or controlling companies. On the basis of this work, we certify the true and accurate nature of such information.

As required under French law, we also ensured that the management report contained the various items of information needed concerning the identity of shareholders and voting rights.

NANTES, December 20, 2016

KPMG Audit  
Department of KPMG S.A.

Franck NOEL  
Partner

La Roche-sur-Yon, December 20, 2016

ATLANTIQUE REVISION CONSEIL

Jérôme BOUTOLLEAU  
Partner

## STATUTORY AUDITORS' SPECIAL REPORT on regulated agreements and commitments

### General meeting to approve the financial statements for the year ended August 31, 2016

Dear Shareholders,

As your company's statutory auditors, we hereby present our report on regulated agreements and commitments.

It is our responsibility to report to you, based on the information we have been provided with, on the essential conditions and characteristics of any such agreements and commitments that we have been informed of or that we have become aware of in connection with our audit, as well as the reasons for the company's interest in them, without making any judgment concerning their utility or legitimacy, or looking into the possible existence of any other agreements and commitments. It is your responsibility, under the terms of Article R. 225-58 of the French commercial code, to assess the benefits arising from such agreements and commitments when considering their approval.

As relevant, it is also our responsibility to provide you with the information required under Article R. 225-58 of the French commercial code relating to the implementation during the past year of any agreements and commitments already approved by the general meeting.

We have performed the procedures that we have deemed necessary in view of the French national statutory auditors board (Compagnie Nationale des Commissaires aux Comptes) professional standards relating to this mission. These standards require that we perform procedures to verify that the information given is consistent with the underlying documents.

#### AGREEMENTS AND COMMITMENTS SUBMITTED FOR APPROVAL AT THE GENERAL MEETING

Agreements and commitments approved during the past year  
In accordance with Article L. 225-88 of the French commercial code, we have been informed of the following agreements and commitments that have been approved beforehand by your Supervisory Board.

##### With SAS BH

*People concerned: Mr Hervé Gastinel, Mrs Annette Roux, Mr Louis-Claude Roux, Mr Benjamin Bénéteau and Mr Yves Lyon-Caen.*

As authorized by your Supervisory Board on August 31, 2016, your company has granted SAS BH a debt write-off for a total of €7,150,000.

##### With certain members of BENETEAU SA's Management Board

*People concerned: Mr Hervé Gastinel, Mr Christophe Caudrelier and Mr Jean-Paul Chapeleau.*

As authorized by your Supervisory Board on February 9, 2016, your company has set up an "Article 83" supplementary pension scheme for certain members of the Management Board, as indicated above, as well as for certain categories of staff. The corresponding contributions are covered by the company under the same conditions as those applied for the corresponding categories of staff.

The Article 83 plan aims to fund supplementary pension payments based exclusively on life annuities as part of a mandatory collective policy taken out by the company with Groupama Gan Vie. Under this plan, the company is committed to funding 6% for Tranche A (fraction of remuneration capped at the maximum Social Security limit), Tranche B (fraction of remuneration exceeding the maximum Social Security limit, without exceeding the AGIRC cap) and Tranche C (fraction of remuneration exceeding the maximum Social Security limit, without exceeding double the amount of this cap).

The "Article 83" plans were not implemented for the executive officers concerned for the year ended August 31, 2016.

#### AGREEMENTS AND COMMITMENTS ALREADY APPROVED BY THE GENERAL MEETING

Agreements and commitments approved during previous years whose performance continued during the last financial year

In accordance with Article R. 225-57 of the French commercial code, we have been informed that the performance of the following agreements and commitments, which were approved at general meetings in previous financial years, continued during the last financial year.

##### With Group subsidiaries, notably SPBI, CNB and BIO HABITAT

*People concerned: Mr Hervé Gastinel, Mr Christophe Caudrelier, Mrs Annette Roux, Mr Louis-Claude Roux, Mr Benjamin Bénéteau, Mr Yves Lyon-Caen, Mr Yvon Bénéteau, Mr Luc Dupé, Mrs Carla Demaria and Mr Jean-Paul Chapeleau.*

As authorized by your Supervisory Board on August 31, 2011, your company has put in place a centralized foreign exchange management agreement. Under this agreement, your company carries out global foreign exchange hedging, takes on the foreign exchange risk and records the results of foreign exchange hedging transactions. In return, this service does not result in any additional specific compensation.

The amount recorded for foreign exchange hedging for your subsidiaries represents a net expense of €2,405,846.

**With the Supervisory Board members:**

*People concerned: Mrs Annette Roux and Mr Luc Dupé.*

Interest has been calculated on their current account advances within the limits authorized as being admissible for tax deductible expenses, representing a combined total of €1,405.

LA ROCHE SUR YON and NANTES, December 20, 2016

*The Statutory Auditors*

ATLANTIQUE REVISION CONSEIL - A.R.C.

Jérôme BOUTOLLEAU  
*Partner*

KPMG Audit  
*Department of KPMG S.A.*

Franck NOEL  
*Partner*

## STATUTORY AUDITORS' REPORT ON the capital operations provided for under resolutions 17,18 and 19 from the extraordinary general meeting on January 27, 2017

Dear Shareholders,

In our capacity as your company's statutory auditors, and pursuant to the mandate provided for under the French commercial code, please find hereafter our report on the operations which you are invited to give your opinion on.

### 1. Awarding of your company's ordinary bonus shares - existing or to be issued - to executives, corporate officers or employees (Resolution 17)

Pursuant to the mandate provided for under Article L. 225-197-1 of the French commercial code, we have drawn up this report on the proposed authorization to award existing or future bonus shares to executives, employees and corporate officers of Bénéteau and affiliated companies as per Article L. 225-197-2 of the French commercial code, an operation which you are invited to give your opinion on.

Your Management Board is proposing, based on its report, for you to authorize it for a 38-month period to award bonus shares (existing or to be issued).

The Management Board is required to prepare a report on this operation, which it would like to be able to carry out. It is our responsibility to inform you, as relevant, of our observations on the information provided to you in this way concerning the planned operation.

We have performed the procedures that we have deemed necessary in view of the French national statutory auditors board (Compagnie Nationale des Commissaires aux Comptes) professional standards relating to this mission. These standards notably require that we perform procedures to verify that the proposed conditions set out in the Management Board's report are compliant with the legal provisions in force.

We do not have any observations to make regarding the information given in the Management Board's report in terms of the planned operation to authorize the awarding of bonus shares.

### 2. Capital increase reserved for employees who are members of a company savings scheme (Resolution 18)

Pursuant to the mandate provided for under Article L. 225-135 et seq of the French commercial code, please find hereafter our report on the proposed operation to increase the capital through the issuing of ordinary shares with preferential subscription rights waived for

a maximum of €21,000, reserved for your company's employees who are members of a company savings scheme and which you are invited to make a decision on.

You are asked to approve this capital increase in accordance with the provisions of Articles L.225-129-6 of the French commercial code and L.3332-18 et seq of the French employment code.

Your Management Board is proposing, based on its report, for you to authorize it for an 18-month period to set the conditions for this operation and is proposing to waive your preferential subscription rights for the shares to be issued.

Your Management Board is responsible for drawing up a report in accordance with Articles R. 225-113 and R. 225-114 of the French commercial code. It is our responsibility to give an opinion on the accuracy of the quantified information based on the accounts, on the proposal to waive preferential subscription rights and on certain other items of information concerning the issue, as set out in this report.

We have performed the procedures that we have deemed necessary in view of the French national statutory auditors board (Compagnie Nationale des Commissaires aux Comptes) professional standards relative to this mission. These procedures involved verifying the content of the Management Board's report concerning this operation and the conditions for determining the issue price for the shares.

Subject to the subsequent review of the conditions for the proposed capital increase, we do not have any observations to make regarding the conditions for determining the issue price for the ordinary shares to be issued as indicated in the Management Board's report.

Since the definitive conditions have not been set for the capital increase, we have not expressed any opinion on these conditions and, as a result, on the proposal submitted to you to waive preferential subscription rights.

In accordance with Article R. 225-116 of the French commercial code, we will draw up a further report when this authorization is used by your Management Board.

### 3. Capital reduction through the cancellation of shares purchased (Resolution 19)

Pursuant to the mandate provided for under Article L. 225-209 of the French commercial code, in the event of a capital reduction through the cancellation of shares purchased, we have prepared this report in order to present our assessment of the causes and conditions for the planned capital reduction.

Your Management Board is proposing that you delegate full powers to it, for a three-year period, with a view to cancelling, for up to 10% of its capital per 24-month period, the shares purchased with the implementation of an authorization for your company to purchase its own shares in accordance with the aforementioned article.

We have performed the procedures that we have deemed necessary in view of the French national statutory auditors board (Compagnie Nationale des Commissaires aux Comptes) professional standards relating to this mission. These procedures involve determining whether the causes and conditions for the planned capital reduction, which is not likely to affect shareholder equality, are consistent.

We do not have any observations to make regarding the reasons and conditions for the planned capital reduction, which may only be carried out after your general meeting has previously approved the operation for your company to purchase its own shares (Resolution 16).

LA ROCHE SUR YON and NANTES, December 20, 2016

*The Statutory Auditors*

ATLANTIQUE REVISION CONSEIL - A.R.C.

Jérôme BOUTOLLEAU  
*Partner*

KPMG Audit  
*Département of KPMG S.A.*

Franck NOEL  
*Partner*

## PROPOSED RESOLUTIONS

### FIRST ORDINARY RESOLUTION

(Approval of the parent company financial statements for the year ended August 31, 2016)

After hearing the Management Board's management report, the Supervisory Board's report and the general statutory auditors' report on the parent company financial statements, the general meeting, ruling under the quorum and majority conditions required for ordinary general meetings, approves the parent company financial statements for the year ended August 31, 2016, as presented to shareholders, with a loss of €1,706,206.39.

The general meeting approves the spending covered by Article 39-4 of the French general tax code (Code Général des Impôts), reintegrated into taxable income for the year for a total of €17,471.

### SECOND ORDINARY RESOLUTION

(Approval of the consolidated financial statements for the year ended August 31, 2016)

After hearing the Management Board's management report, the Supervisory Board's report and the general statutory auditors' report on the consolidated financial statements, the general meeting, ruling under the quorum and majority conditions required for ordinary general meetings, approves the consolidated financial statements for the year ended August 31, 2016, as presented to shareholders, with a net profit of €25,153,000 (of which, group share: €24,769,000).

### THIRD ORDINARY RESOLUTION

(Approval of the agreement covered by Articles L.225-86 et seq of the French commercial code concerning BH S.A.S.)

After hearing the statutory auditors' special report on the agreements covered by Article L.225-86 of the French commercial code, the general meeting, ruling under the quorum and majority conditions required for ordinary general meetings, approves, without any reservations whatsoever, the agreement concerning the current account write-off for BH S.A.S. for €7,150,000 at August 31, 2016.

### FOURTH ORDINARY RESOLUTION

(Approval of the agreement covered by Articles L.225-86 et seq of the French commercial code concerning certain Management Board members)

After hearing the statutory auditors' special report on the agreements covered by Article L.225-86 of the French commercial code, the general meeting, ruling under the quorum and majority conditions required for ordinary general meetings, approves, without any reservations whatsoever, the agreement concerning the defined contribution retirement benefits (Art. 83) for Mr Hervé Gastinel, Christophe Caudrelier and Jean-Paul Chapeleau.

### FIFTH ORDINARY RESOLUTION

(Advisory opinion on the items of compensation due or awarded for the year ended August 31, 2016 to Mr Yves Lyon-Caen, Chairman of the Supervisory Board)

The general meeting, ruling under the quorum and majority conditions required for ordinary general meetings, approves the items of compensation due or awarded for the year ended August 31, 2016 to Mr Yves Lyon-Caen, Chairman of the Supervisory Board, as presented in the Annual Financial Report (end of the Management Report).

### SIXTH ORDINARY RESOLUTION

(Advisory opinion on the items of compensation due or awarded for the year ended August 31, 2016 to Mr Louis-Claude Roux, Vice-Chairman of the Supervisory Board)

The general meeting, ruling under the quorum and majority conditions required for ordinary general meetings, approves the items of compensation due or awarded for the year ended August 31, 2016 to Mr Louis-Claude Roux, Vice-Chairman of the Supervisory Board, as presented in the Annual Financial Report (end of the Management Report).

### SEVENTH ORDINARY RESOLUTION

(Advisory opinion on the items of compensation due or awarded for the year ended August 31, 2016 to Mr Hervé Gastinel, Chief Executive Officer)

The general meeting, ruling under the quorum and majority conditions required for ordinary general meetings, approves the items of compensation due or awarded for the year ended August 31, 2016 to Mr Hervé Gastinel, Chief Executive Officer, as presented in the Annual Financial Report (end of the Management Report).

### EIGHTH ORDINARY RESOLUTION

(Advisory opinion on the items of compensation due or awarded for the year ended August 31, 2016 to Mr Christophe Caudrelier, Management Board member)

The general meeting, ruling under the quorum and majority conditions required for ordinary general meetings, approves the items of compensation due or awarded for the year ended August 31, 2016 to Mr Christophe Caudrelier, Management Board member, as presented in the Annual Financial Report (end of the Management Report).

### NINTH ORDINARY RESOLUTION

(Advisory opinion on the items of compensation due or awarded for the year ended August 31, 2016 to Mrs Carla Demaria, Management Board member)

The general meeting, ruling under the quorum and majority conditions required for ordinary general meetings, approves the items of compensation due or awarded for the year ended August 31, 2016 to Mrs Carla Demaria, Management Board member, as presented in the Annual Financial Report (end of the Management Report).

**TENTH ORDINARY RESOLUTION**

(Advisory opinion on the items of compensation due or awarded for the year ended August 31, 2016 to Mr Jean-Paul Chapeleau, Management Board member)

The general meeting, ruling under the quorum and majority conditions required for ordinary general meetings, approves the items of compensation due or awarded for the year ended August 31, 2016 to Mr Jean-Paul Chapeleau, Management Board member, as presented in the Annual Financial Report (end of the Management Report).

**ELEVENTH ORDINARY RESOLUTION**

(Advisory opinion on the items of compensation due or awarded for the year ended August 31, 2016 to Mr Aymeric Duthoit, Management Board member until December 16, 2015)

The general meeting, ruling under the quorum and majority conditions required for ordinary general meetings, approves the items of compensation due or awarded for the year ended August 31, 2016 to Mr Aymeric Duthoit, Management Board member, as presented in the Annual Financial Report (end of the Management Report).

**TWELFTH ORDINARY RESOLUTION**

(Allocation of income - Setting of the dividend)

The general meeting, ruling under the quorum and majority conditions required for ordinary general meetings, and as proposed by the Management Board, decides to allocate net income for the year ended August 31, 2016, totaling -€1,706,206.39, plus €92,304.18 in previous retained earnings, as follows:

- Other reserves -€1,613,902.21

Reducing other reserves from €157,772,878.85 to €156,158,976.64

And deducting €8,278,984.00 from other reserves for:

- Dividends €8,278,984.00

As a result, other reserves will be reduced from €156,158,976.64 to €147,879,992.64.

The portion of profits corresponding to dividends not paid out for shares held as treasury stock by the company will be allocated to retained earnings.

The proposed dividend represents €0.10 for each of the 82,789,840 shares, with a par value of €0.10.

It will be paid out on Friday February 3, 2017, after deducting social security charges.

As required under French law, shareholders are reminded that the dividends paid out over the last three years were as follows:

	2012-13	2013-14	2014-15
Share par value	€0.10	€0.10	€0.10
Number of shares	82,789,840	82,789,840	82,789,840
Net dividend	-	€0.04	€0.06

**THIRTEENTH ORDINARY RESOLUTION**

(Renewal of Mr Claude Brignon's term-of-office with the Supervisory Board)

The general meeting, ruling under the quorum and majority conditions required for ordinary general meetings, decides to reappoint Mr Claude Brignon as a Supervisory Board member for a three year term-of-office to end following the ordinary general meeting convened to approve the financial statements for the year ending August 31, 2019.

**FOURTEENTH ORDINARY RESOLUTION**

(Appointment of Mrs Anne Leitzgen to the Supervisory Board)

The general meeting, ruling under the quorum and majority conditions required for ordinary general meetings, decides to appoint the following Supervisory Board member with effect from today:

- Mrs Anne Leitzgen, born September 18, 1973 in Sélestat (67), France, a French national, residing at 10 Hurst, 67730 La Vancelle, France

For a three year term-of-office that will expire at the end of the ordinary general meeting convened to approve the financial statements for the year ending August 31, 2019.

Mrs Anne Leitzgen hereby declares that she accepts the mission that she has just been assigned, and that there are no incompatibilities or restrictions concerning her appointment.

**FIFTEENTH ORDINARY RESOLUTION**

(Setting of attendance fees for the Supervisory Board)

The general meeting, ruling under the quorum and majority conditions required for ordinary general meetings, decides to grant the Supervisory Board a total of €300,000 for attendance fees for the current financial year, which the Board will distribute to members as appropriate.

**SIXTEENTH ORDINARY RESOLUTION**

(Renewal of the company's share buyback program)

The general meeting, ruling under the quorum and majority conditions required for ordinary general meetings, having reviewed the Management Board's report, grants the Management Board an authorization, for a further 18-month period, for the company to acquire its own shares, to cover the following needs as required:

- Market-making based on managing the market or liquidity for shares through an investment service provider under a liquidity agreement in line with the AMAFI compliance charter, recognized by the AMF,

- Selling and/or awarding stock options and/or bonus shares and/or company savings schemes to company or Group staff and/or corporate officers,

- Holding and issuing shares again in payment or exchange as part of external growth or financial operations in line with stock market regulations,

- Cancelling shares with a view to optimizing earnings per share and the return on capital, subject to the corresponding resolution being adopted.

- More generally, performing all operations authorized at present or in the future by the regulations in force, particularly in connection with market practices that may be accepted by the AMF.

These transactions may be carried out at any time, including during a public offer on the company's shares, provided that this offer is settled fully in cash and subject to any blackout periods required by the legal and regulatory provisions in force.

The general meeting sets the maximum number of shares that may be acquired under this resolution at 10% of the share capital, adjusted for transactions affecting the capital carried out after this general meeting, while noting that (i) in connection with the use of this authorization, the number of treasury shares will need to be taken into consideration to ensure the company's continued compliance with the maximum limit for treasury stock to represent 10% of the share capital, and (ii) the number of treasury shares to be tendered for payment or exchange in connection with a merger, spin-off or contribution operation may not exceed 5% of the capital.

The maximum unit purchase price for shares is set at €17.5.

The maximum amount of funds set aside for the implementation of this program to buy shares will be €126 million.

In the event of a capital increase incorporating premiums, reserves, profits or other elements based on bonus share awards into the capital while this authorization is valid, as well as in the event of a stock split or consolidation, the general meeting delegates the authority for the Management Board to adjust the maximum unit price indicated above, if applicable, in order to take into account the impact of such transactions on the value of the share.

The general meeting grants full powers to the Management Board, with an option to subdelegate under the legal conditions in force, to:

- Decide to implement this authorization,
- Set the terms and conditions for safeguarding, if applicable, the rights of holders of marketable securities entitling them to access the capital, stock options or warrants, or rights to be awarded performance shares in accordance with the legal, regulatory or contractual provisions in force,
- Place any stock market orders, enter into any agreements, particularly with a view to keeping share purchase and sale registers, in accordance with the regulations in force,
- Carry out all filings and complete all other formalities and, more generally, do whatever is necessary.

The Management Board will report to shareholders at their ordinary annual general meeting on any transactions carried out under this resolution.

This decision cancels and replaces the previous authorization.

## SEVENTEENTH EXTRAORDINARY RESOLUTION

(Authorization for the Management Board to award existing bonus shares and/or bonus shares to be issued, with preferential subscription rights waived for shareholders)

The general meeting, ruling under the quorum and majority conditions required for extraordinary general meetings, having reviewed the Management Board's report and the statutory auditors' special report:

- Authorizes the Management Board to award bonus company shares, existing (held in a portfolio or to be acquired) and/or to be issued (with preferential subscription rights waived for shareholders), on one or more occasions and under the conditions it determines, as agreed with the Supervisory Board, to some or all of the executives, corporate officers or staff of BENETEAU S.A. and other Group entities, up to a maximum of 1% of the capital.

- Decides that the number of shares awarded to the executive officers may not exceed 40% of the total number of shares awarded and the vesting of shares for the executive officers will be dependent on certain performance conditions being met.

- Decides that shares will be definitively awarded to their beneficiaries either i) at the end of a minimum one-year vesting period, with beneficiaries required to retain the shares for a minimum of one year from the vesting date, or ii) at the end of a minimum two-year vesting period, without any minimum lock-in period in this latter case. It is understood that the Management Board may choose between these two options and use them alternatively or concurrently, and may, in the first case, extend the vesting and/or lock-in period, and in the second case, extend the vesting period and/or define a lock-in period.

- Decides that the definitive awarding of shares to beneficiaries who are executive officers and members of staff will be dependent on performance conditions, set by the Management Board, as agreed with the Supervisory Board, concerning changes in the share price and the achievement of operational objectives,

- Sets the validity of this authorization for 38 months from the date of this general meeting.

- Acknowledges that if the award concerns shares that are to be issued, bonus share beneficiaries will waive their preferential subscription rights under this authorization.

The extraordinary general meeting grants full powers to the Management Board, in accordance with the laws and regulations in force, as well as the terms of this resolution, to apply this resolution, in particular:

- Setting, as agreed with the Supervisory Board, the conditions, particularly concerning performance aspects, and, if applicable, the criteria for awarding shares, in addition to determining the list(s) of beneficiaries.

- Setting, as agreed with the Supervisory Board, and subject to the minimum timeframes indicated above, the duration of vesting and lock-in periods for shares, while noting that the Supervisory Board will have sole responsibility for determining these periods for any shares awarded to executive officers.

- Deciding, if applicable, in the event of operations carried out on the share capital during the vesting period for the shares awarded, to adjust the number of shares awarded with a view to safeguarding the rights of beneficiaries and, in such cases, determining the conditions for such adjustments.

- If awards concern shares that are to be issued, carrying out the capital increases based on the incorporation of the company's reserves or issue premiums, as required, when the shares are definitively awarded to their beneficiaries, setting the dividend entitlement dates for the new shares, and amending the bylaws accordingly.

- Completing all formalities and more generally doing whatever is necessary.

This decision cancels and replaces the previous authorization.

#### EIGHTEENTH EXTRAORDINARY RESOLUTION

(Delegation of authority for the Management Board to issue shares, with shareholders' preferential subscription rights waived, for employees who are members of Group company savings schemes)

The general meeting, ruling under the quorum and majority conditions required for extraordinary general meetings, having reviewed the Management Board's report and the statutory auditors' report, and in accordance with the provisions of Paragraph VII of Article L.225-129-6 of the French commercial code:

- Grants the Management Board the powers required to carry out a capital increase through new share issues reserved for staff, on one or more occasions and in the proportions and at the times that it deems relevant,

- Decides to waive the preferential subscription rights of shareholders in relation to these members of staff,

- Decides that the subscription price to be set by the Management Board may be no higher than the average share price over the 20 days trading prior to the day of the Management Board's decision setting the subscription start date, nor more than 20% lower than this average,

- Decides that this delegation will be valid for an 18-month period and for a maximum nominal amount of €21,000,

- Decides that the Management Board will have full powers to implement this delegation, notably with a view to determining the issue dates and conditions, setting the amounts to be issued, the dividend entitlement date for securities to be issued, the conditions for freeing up shares, as well as recording the costs for this capital increase against the amount of the corresponding premium and more generally taking all useful measures to ensure the successful completion of the planned issue, acknowledging the capital increase(s) and amending the bylaws accordingly.

#### NINETEENTH EXTRAORDINARY RESOLUTION

(Authorization for the Management Board to reduce the share capital by cancelling shares)

The general meeting, ruling under the quorum and majority conditions required for extraordinary general meetings, having reviewed the Management Board's report and the statutory auditors' special report, authorizes the Management Board to cancel, on one or more occasions, all or part of the company's shares that the company holds currently or in the future in connection with the share buyback program, and to reduce the share capital by the total nominal amount of the shares cancelled in this way, for up to 10% of the capital per 24-month period, adjusted for any capital increase operations carried out after this general meeting affecting the capital.

The general meeting grants full powers to the Management Board to carry out the capital reduction(s), allocate the difference between the buyback price of the shares cancelled and their nominal value to any reserves and premiums, amend the bylaws accordingly, reallocate the fraction of the legal reserve made available as a result of the capital reduction, and carry out all filings with the French financial markets authority (AMF), complete all other formalities and more generally do whatever is necessary.

This authorization is given for a three-year period from this date.

This decision cancels and replaces the previous authorization.

#### TWENTIETH RESOLUTION

(Powers for formalities)

Full powers are granted to the bearer of a copy of or extract from these resolutions to complete all formalities and do whatever is necessary.

## DESCRIPTION OF THE TREASURY STOCK BUYBACK PROGRAM to be authorized by the combined general meeting on January 27, 2017

In accordance with the provisions of Articles 241-1 et seq of the general regulations issued by the French financial markets authority (Autorité des Marchés Financiers, AMF), ratified by the Decree of December 30, 2005, this description is intended to detail the objectives and conditions concerning the program for the company to buy back its own shares, subject to authorization by the combined general meeting on January 27, 2017.

This description is available to the public on the company's website ([www.beneteaugroup.com](http://www.beneteaugroup.com)), as well as on the AMF site. Copies are also available at no cost by writing to the registered office address indicated above.

### Number of securities and percentage of capital held by the company, breakdown for each objective

At November 30, 2016, the company held a total of 1,055,742 shares, representing 1.28% of the share capital, with the following breakdown for each objective:

- Liquidity agreement entered into with an investment service provider acting independently: 0 shares
- Awards to staff or corporate officers as stock options: 0 shares
- Free allocations to staff or corporate officers: 538,000 shares
- Holding and subsequent issue in exchange or as payment for external growth operations: 517,742 shares

### Buyback program objectives

The objectives of this program, in decreasing order of priority, are as follows:

- Market-making based on managing the market or liquidity for shares through an investment service provider under a liquidity agreement in line with the AMAFI compliance charter, recognized by the AMF,
- Selling and/or awarding stock options and/or bonus shares and/or company savings schemes to company or Group staff and/or corporate officers,
- Holding and issuing shares again in payment or exchange as part of external growth or financial operations in line with stock market regulations,

- Cancelling shares with a view to optimizing earnings per share and the return on capital,

- More generally, performing all operations authorized at present or in the future by the regulations in force, particularly in connection with market practices that may be accepted by the AMF.

Shares allocated to objectives that are not achieved, where linked to a change of strategy during the buyback program, may be sold off under a sales mandate entered into with an investment service provider acting independently, or may be reallocated for cancellation in line with the regulations applicable.

### Maximum percentage of the capital, maximum number and characteristics of securities that the company proposes to buy, maximum purchase price

In the same way as the previous program, this program will concern up to 10% of the share capital.

The securities are ordinary BENETEAU shares, all of the same category, listed on Euronext Paris Eurolist - Compartment A (ISIN FR0000035164).

Based on the total number of shares comprising the share capital to date, i.e. 82,789,840 shares, the maximum number of shares that may be held by the company under this program would therefore be 8,278,984 shares.

In view of the 1,055,742 shares already held, the company is committed to acquiring no more than 7,223,242 shares.

The maximum purchase price is set at €17.5.

On this basis, the maximum theoretical investment would therefore be €126 million.

### Duration of the buyback program

This program will run for 18 months from the combined general meeting on January 27, 2017, i.e. through to July 27, 2018.

### Acquisition, sale or transfer operations carried out under the previous program up until the publication date of this description

Detailed in the summary disclosure table appended.

## Summary disclosure table

Issuer declaration concerning treasury stock transactions  
December 1, 2015 to November 30, 2016

Percentage of capital held directly and indirectly as treasury stock: 1.28%  
Number of shares cancelled in the last 24 months: -  
Number of shares held in portfolio: 1,055,742 shares  
Portfolio book value: €9,811,073  
Portfolio market value: €13,561,006 (valued at €12.845: share price from Nov 30, 2016)

	Gross flows (aggregate)		Open positions on day program description published	
	Purchases	Sales and transfers	Open positions: purchases	Open positions: sales
Number of securities	1,189,151	576,617 sales and 1,056,200 transfers	Call options purchased - Forward purchases	Call options sold - Forward sales
Average maximum maturity			-	-
Average transaction price	€10.221	€10.946		
Average exercise price		€0	-	-
Amounts	€12,154,051	€6,311,583 and €0		

## **Statement by the person responsible for the 2015-16 Annual Financial Report**

I certify that, to the best of my knowledge, the financial statements have been drawn up in accordance with the accounting standards applicable and faithfully reflect the assets, liabilities, financial position and earnings of the company and all of the companies included in the basis for consolidation, and that the management report faithfully reflects the changes in the business, earnings and financial position of the company and all of the companies included in the basis for consolidation, while presenting the main risks and uncertainties faced by them.

Yves LYON-CAEN  
Chairman of the Supervisory Board

Hervé GASTINEL  
Chief Executive Officer