

# Financial statements



$$\begin{aligned}
 & R (1 - \cos(n\pi)^2) \\
 &= \cos(n\pi)^3 \\
 &= R \frac{n^2\pi^2}{2}
 \end{aligned}$$

$$L = \frac{\cos(n\pi)}{R (1 - \cos(n\pi)^2)}$$

$$\cos(n\pi)^3$$

$$\frac{x^2\pi^2}{3}$$

$$\frac{n^2\pi^2}{2}$$

9.1

# 2018 consolidated financial statements and Notes



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Leonardo da Vinci used specular writing, more commonly known as "mirror writing" because he was left-handed and this technique avoided leaving streaks of ink on the paper.

## CONSOLIDATED BALANCE SHEET

### ASSETS

(in thousands of euros)

|   | Note  | 12/31/2018       | 12/31/2017       |
|---|-------|------------------|------------------|
| <b>Non-current assets</b>                       |       |                  |                  |
| Intangible assets                               | 4.3   | 34,349           | 41,131           |
| Goodwill  | 4.2   | 1,094,355        | 1,095,763        |
| Property, plant and equipment                   | 4.1   | 1,588,105        | 1,475,383        |
| Investments in joint ventures                   | 9     | 48,334           | 37,747           |
| Other financial assets                          | 4.5.1 | 103,297          | 50,015           |
| Deferred tax assets and liabilities             | 4.6   | 8,080            | 7,029            |
| Other non-current assets                        | 4.5.3 | 28,500           | 4,759            |
| <b>TOTAL NON-CURRENT ASSETS (I)</b>             |       | <b>2,905,020</b> | <b>2,711,827</b> |
| <b>Current assets</b>                           |       |                  |                  |
| Inventory and work in progress                  | 4.7   | 347,086          | 286,314          |
| Trade and other receivables                     | 4.5.4 | 582,059          | 515,715          |
| Income tax receivables                          |       | 42,200           | 39,862           |
| Other current assets                            | 4.5.2 | 19,494           | 33,177           |
| Cash and cash equivalents                       | 4.5.5 | 755,969          | 825,302          |
| <b>TOTAL CURRENT ASSETS (II)</b>                |       | <b>1,746,808</b> | <b>1,700,370</b> |
| <b>TOTAL GROUP OF ASSETS FOR DISPOSAL (III)</b> |       |                  |                  |
| <b>TOTAL ASSETS (I + II + III)</b>              |       | <b>4,651,828</b> | <b>4,412,197</b> |

**EQUITY AND LIABILITIES***(in thousands of euros)*

|   | Note       | 12/31/2018       | 12/31/2017       |
|---|------------|------------------|------------------|
| <b>Shareholders' equity, Group share</b>                                |            |                  |                  |
| Share capital   |            | 121,017          | 117,336          |
| Share premium   |            | 1,350,696        | 1,195,964        |
| Retained earnings   |            | 725,074          | 630,774          |
| <b>Total</b>  |            | <b>2,196,787</b> | <b>1,944,074</b> |
| <b>Non-controlling interests</b>  |            | <b>137,230</b>   | <b>134,356</b>   |
| <b>SHAREHOLDERS' EQUITY (I)</b>   | <b>4.8</b> | <b>2,334,017</b> | <b>2,078,430</b> |
| <b>Non-current liabilities</b>  |            |                  |                  |
| Borrowings and financial debt   | 4.10.1     | 1,107,997        | 1,234,252        |
| Deposit/consignment   |            | 113,001          | 103,991          |
| Provisions for pensions and other employee benefit obligations          | 4.12       | 45,573           | 45,757           |
| Other provisions  | 4.11       | 73,666           | 82,932           |
| Deferred tax assets and liabilities                                     | 4.6        | 72,391           | 70,938           |
| Other non-current liabilities   | 4.10.3     | 2,364            | 3,461            |
| <b>TOTAL NON-CURRENT LIABILITIES (II)</b>                               |            | <b>1,414,992</b> | <b>1,541,331</b> |
| <b>Current liabilities</b>  |            |                  |                  |
| Borrowings and bank overdrafts (portion due in less than one year)      | 4.10.1     | 341,602          | 277,678          |
| Trade and other payables  | 4.10.4     | 526,849          | 457,873          |
| Current tax liabilities   |            | 14,738           | 17,424           |
| Other current liabilities   | 4.10.3     | 19,630           | 39,461           |
| <b>TOTAL CURRENT LIABILITIES (III)</b>                                  |            | <b>902,819</b>   | <b>792,436</b>   |
| <b>TOTAL LIABILITIES RELATED TO A GROUP OF ASSETS FOR DISPOSAL (IV)</b> |            |                  |                  |
| <b>TOTAL EQUITY AND LIABILITIES (I + II + III + IV)</b>                 |            | <b>4,651,828</b> | <b>4,412,197</b> |

## CONSOLIDATED INCOME STATEMENT

| <i>(in thousands of euros)</i>                                 | Note        | Change      | 12/31/2018       | 12/31/2017       |
|--|-------------|-------------|------------------|------------------|
| Sales of merchandise   |             |             | 3,400,080        | 2,693,851        |
| Revenue from manufacturing of goods and services               |             |             | 1,353,644        | 1,238,801        |
| <b>NET REVENUE</b>   | <b>5.1</b>  | <b>+21%</b> | <b>4,753,724</b> | <b>3,932,652</b> |
| Other operating income   |             |             | 3,648            | 1,976            |
| Purchases consumed   | 5.2         |             | (3,462,774)      | (2,695,820)      |
| External expenses  | 5.4         |             | (447,044)        | (446,477)        |
| Payroll expenses   | 5.3         |             | (205,310)        | (193,492)        |
| Taxes  |             |             | (138,247)        | (100,802)        |
| Net depreciation and provisions                                | 5.5         |             | (111,621)        | (126,420)        |
| Other operating income and expenses                            | 5.6         |             | (1,470)          | (3,606)          |
| <b>EBITDA</b>  |             | <b>+1%</b>  | <b>500,349</b>   | <b>496,061</b>   |
| <b>EBIT</b>  |             | <b>+6%</b>  | <b>390,906</b>   | <b>368,011</b>   |
| Other operating income and expenses                            | 5.7         |             | (22,697)         | 2,185            |
| <b>OPERATING INCOME BEFORE PROFIT/LOSS FROM JOINT VENTURES</b> |             | <b>-1%</b>  | <b>368,209</b>   | <b>370,196</b>   |
| Share of net income from joint ventures                        |             |             | 4,811            | 3,260            |
| <b>OPERATING INCOME AFTER PROFIT/LOSS FROM JOINT VENTURES</b>  |             | <b>0%</b>   | <b>373,020</b>   | <b>373,456</b>   |
| Income from cash and cash equivalents                          |             |             | 1,663            | 6,226            |
| Gross interest expense and cost of debt                        |             |             | (22,317)         | (20,557)         |
| <b>COST OF NET FINANCIAL DEBT</b>                              | <b>5.8</b>  | <b>+44%</b> | <b>(20,654)</b>  | <b>(14,331)</b>  |
| Other financial income and expenses                            | 5.9         |             | (8,807)          | 3,150            |
| <b>INCOME BEFORE TAX</b>                                       |             | <b>-5%</b>  | <b>343,559</b>   | <b>362,275</b>   |
| <b>INCOME TAX</b>  | <b>5.10</b> |             | <b>(72,779)</b>  | <b>(79,437)</b>  |
| <b>TOTAL NET INCOME</b>  |             | <b>-4%</b>  | <b>270,780</b>   | <b>282,838</b>   |
| <b>NET INCOME, GROUP SHARE</b>                                 |             | <b>-4%</b>  | <b>254,070</b>   | <b>265,583</b>   |
| <b>NET INCOME, MINORITY INTERESTS</b>                          |             | <b>-3%</b>  | <b>16,710</b>    | <b>17,255</b>    |
| Undiluted earnings per share <i>(in euros)</i>                 | 5.11        | -8%         | 2.65             | 2.87             |
| Diluted earnings per share <i>(in euros)</i>                   | 5.11        | -7%         | 2.63             | 2.84             |

## STATEMENT OF OTHER COMPREHENSIVE INCOME

| <i>(in thousands of euros)</i>  | 12/31/2018     | 12/31/2017     |
|---|----------------|----------------|
| <b>TOTAL CONSOLIDATED NET INCOME (I)</b>                              | <b>270,780</b> | <b>282,838</b> |
| Foreign exchange differences  | (204)          | (163,243)      |
| Hedging instruments   | (3,057)        | 736            |
| Income tax on hedging instruments                                     | 956            | (250)          |
| Items recyclable in P&L from joint ventures                           |                |                |
| <i>Items that will subsequently be recycled in P&amp;L (II)</i>       | (2,306)        | (162,757)      |
| Actuarial gains and losses  | 3,223          | 45             |
| Income tax on actuarial gains and losses                              | (666)          | (198)          |
| Items not recyclable in P&L from joint ventures                       |                |                |
| <i>Items that will not subsequently be recycled in P&amp;L (III)</i>  | 2,557          | (153)          |
| <b>COMPREHENSIVE INCOME FOR THE PERIOD (I + II + III)</b>             | <b>271,031</b> | <b>119,928</b> |
| <b>SHARE ATTRIBUTABLE TO THE OWNERS OF THE GROUP'S PARENT COMPANY</b> | <b>257,042</b> | <b>104,485</b> |
| <b>SHARE ATTRIBUTABLE TO NON-CONTROLLING INTERESTS</b>                | <b>13,989</b>  | <b>15,443</b>  |

## CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

|   | Shares<br>outstanding     | Of which<br>treasury<br>shares | Share<br>capital               | Share<br>premium | Treasury<br>shares | Consolidated<br>reserves and<br>earnings | Translation<br>adjustments | Shareholders'<br>equity<br>attributable<br>to the<br>owners of<br>the Group's<br>parent<br>company | Non-<br>controlling<br>interests<br>(minority<br>shareholders'<br>interests) | Total<br>consolidated<br>shareholders'<br>equity |
|---|---------------------------|--------------------------------|--------------------------------|------------------|--------------------|--|----------------------------|--|--|--|
|   | <i>(number of shares)</i> |                                | <i>(in thousands of euros)</i> |                  |                    |  |                            |  |  |  |
| <b>SHAREHOLDERS'<br/>EQUITY AS OF<br/>DECEMBER 31, 2016</b> | <b>45,454,888</b>         | <b>14,391</b>                  | <b>113,637</b>                 | <b>1,084,251</b> | <b>(1,088)</b>     | <b>548,002</b>                           | <b>112,589</b>             | <b>1,857,391</b>   | <b>129,044</b>   | <b>1,986,435</b>                                 |
| <b>COMPREHENSIVE<br/>INCOME<br/>FOR THE PERIOD</b>          |                           |                                |                                |                  |                    | <b>265,722</b>                           | <b>(161,236)</b>           | <b>104,485</b>   | <b>15,443</b>  | <b>119,928</b>                                   |
| Stock split   | 46,880,686                | 2,553                          |                                |                  |                    |  |                            |  |  |  |
| Change in interest  |                           |                                |                                |                  |                    | (7,865)                                  |                            | (7,865)  | 4,211  | (3,654)  |
| Share-based payments  |                           |                                |                                |                  |                    | 6,681                                    |                            | 6,681  |  | 6,681  |
| Capital increase  | 1,532,906                 |                                | 3,699                          | 111,713          |                    | 369                                      |                            | 115,781  | 210  | 115,991  |
| Treasury shares   |                           | (1,907)                        |                                |                  | 209                | 403                                      |                            | 612  |  | 612  |
| Dividend payment  |                           |                                |                                |                  |                    | (133,009)                                |                            | (133,009)  | (14,553)   | (147,562)  |
| Other changes   |                           |                                |                                |                  |                    | (2)                                      |                            | (2)  | 2  |  |
| <b>SHAREHOLDERS'<br/>EQUITY AS OF<br/>DECEMBER 31, 2017</b> | <b>93,868,480</b>         | <b>15,037</b>                  | <b>117,336</b>                 | <b>1,195,964</b> | <b>(879)</b>       | <b>680,303</b>                           | <b>(48,647)</b>            | <b>1,944,074</b>   | <b>134,356</b>   | <b>2,078,430</b>                                 |
| <b>COMPREHENSIVE<br/>INCOME<br/>FOR THE PERIOD</b>          |                           |                                |                                |                  |                    | <b>254,320</b>                           | <b>2,722</b>               | <b>257,042</b>   | <b>13,989</b>  | <b>271,031</b>                                   |
| Change in interest  |                           |                                |                                |                  |                    | 1,865                                    |                            | 1,865  | 4,290  | 6,155  |
| Share-based payments  |                           |                                |                                |                  |                    | 5,331                                    |                            | 5,331  |  | 5,331  |
| Capital increase  | 2,945,264                 |                                | 3,681                          | 154,732          |                    | 369                                      |                            | 158,782  |  | 158,782  |
| Treasury shares   |                           | 21,091                         |                                |                  | (798)              | (236)                                    |                            | (1,034)  |  | (1,034)  |
| Dividend payment  |                           |                                |                                |                  |                    | (169,265)                                |                            | (169,265)  | (15,407)   | (184,672)  |
| Other changes   |                           |                                |                                |                  |                    | (7)                                      |                            | (7)  | 3  | (4)  |
| <b>SHAREHOLDERS'<br/>EQUITY AS OF<br/>DECEMBER 31, 2018</b> | <b>96,813,744</b>         | <b>36,128</b>                  | <b>121,017</b>                 | <b>1,350,696</b> | <b>(1,677)</b>     | <b>772,684</b>                           | <b>(45,926)</b>            | <b>2,196,787</b>   | <b>137,230</b>   | <b>2,334,017</b>                                 |

## CONSOLIDATED STATEMENT OF CASH FLOWS

| <i>(in thousands of euros)</i>  | <b>12/31/2018</b> | <b>12/31/2017</b> |
|---|-------------------|-------------------|
| <b>TOTAL CONSOLIDATED NET INCOME FROM CONTINUING OPERATIONS</b>                         | <b>270,780</b>    | <b>282,838</b>    |
| <b>NET INCOME FROM DISCONTINUED OPERATIONS</b>  |                   |                   |
| <b>Adjustments:</b>   |                   |                   |
| Elimination of income of joint ventures   | (4,811)           | (3,260)           |
| Elimination of depreciation and provisions  | 116,551           | 123,105           |
| Elimination of profit and loss from disposals and dilution                              | 4,859             | 1,807             |
| Elimination of dividend earnings  | (401)             | (271)             |
| Other income and expenditure with no impact on cash and cash equivalents <sup>(1)</sup> | (1,439)           | (7,154)           |
| <b>CASH FLOW AFTER COST OF NET FINANCIAL DEBT AND TAX</b>                               | <b>385,539</b>    | <b>397,065</b>    |
| Elimination of tax expenses   | 72,779            | 79,437            |
| Elimination of cost of net financial debt   | 20,654            | 14,331            |
| <b>CASH FLOW BEFORE COST OF NET FINANCIAL DEBT AND TAX</b>                              | <b>478,972</b>    | <b>490,833</b>    |
| Impact of change in working capital   | (79,491)          | (70,757)          |
| Tax paid  | (73,993)          | (92,254)          |
| <b>CASH FLOWS RELATED TO OPERATING ACTIVITIES</b>                                       | <b>325,488</b>    | <b>327,822</b>    |
| Impact of changes to consolidation scope (cash acquired - cash disposed)                | 4,315             | 67,932            |
| Acquisition of financial assets: Rubis Énergie division <sup>(2)</sup>                  | (76,530)          | (495,179)         |
| Acquisition of financial assets: Rubis Terminal division                                |                   | (17,614)          |
| Disposal of financial assets: Rubis Support and Services division                       |                   | 1,305             |
| Acquisition of property, plant and equipment and intangible assets                      | (232,774)         | (205,717)         |
| Change in loans and advances granted  | 3,672             | 28,630            |
| Disposal of property, plant and equipment and intangible assets                         | 4,787             | 5,136             |
| (Acquisition)/disposal of other financial assets  | (81)              | (26,351)          |
| Dividends received  | 401               | 271               |
| Other cash flow from investment operations  |                   |                   |
| <b>CASH FLOWS RELATED TO INVESTING ACTIVITIES</b>                                       | <b>(296,210)</b>  | <b>(641,587)</b>  |

(1) Including change in fair value of financial instruments, goodwill (impairment, negative goodwill), etc.

(2) See note 3.2 Impact of change in the scope of consolidation and note 11 Post-balance sheet events.

**CONSOLIDATED STATEMENT OF CASH FLOWS** (continued)

| <i>(in thousands of euros)</i>                                      | <b>Note</b> | <b>12/31/2018</b> | <b>12/31/2017</b> |
|---|-------------|-------------------|-------------------|
| Capital increase  | 4.8         | 158,783           | 116,240           |
| (Acquisition)/disposal of treasury shares                           |             | (798)             | 209               |
| Borrowings issued   | 4.10.1      | 294,909           | 773,100           |
| Borrowings repaid   | 4.10.1      | (356,119)         | (378,582)         |
| Net interest paid   |             | (20,954)          | (13,113)          |
| Dividends payable   |             | (169,265)         | (133,009)         |
| Dividends payable to non-controlling interests                      |             | (15,176)          | (15,098)          |
| Disposal of financial assets: Rubis Énergie division <sup>(3)</sup> |             | 5,662             |                   |
| Acquisition of financial assets: Rubis Terminal division            |             |                   | (10,097)          |
| Disposal of financial assets: Rubis Terminal division               |             |                   | 1,997             |
| Other cash flows from financing operations                          |             | (1)               | (2)               |
| <b>CASH FLOWS RELATED TO FINANCING ACTIVITIES</b>                   |             | <b>(102,959)</b>  | <b>341,645</b>    |
| Impact of exchange rate changes                                     |             | 4,348             | (36,230)          |
| Impact of change in accounting principles                           |             |                   | (8,350)           |
| <b>CHANGE IN CASH AND CASH EQUIVALENTS</b>                          |             | <b>(69,333)</b>   | <b>(8,350)</b>    |
| <b>Cash flow from continuing operations</b>                         |             |                   |                   |
| Opening cash and cash equivalents <sup>(4)</sup>                    | 4.5.5       | 825,302           | 833,652           |
| Change in cash and cash equivalents                                 |             | (69,333)          | (8,350)           |
| Closing cash and cash equivalents <sup>(4)</sup>                    | 4.5.5       | 755,969           | 825,302           |
| Financial debt  | 4.10.1      | (1,449,599)       | (1,511,930)       |
| Cash and cash equivalents net of financial debt                     |             | (693,630)         | (686,628)         |
| <b>(*) Breakdown of the impact of change in working capital:</b>    |             |                   |                   |
| <i>Impact of change in inventories and work in progress</i>         | 4.7         | (59,375)          |                   |
| <i>Impact of change in trade and other receivables</i>              | 4.5.4       | (75,086)          |                   |
| <i>Impact of change in trade and other payables</i>                 | 4.10.4      | 54,970            |                   |
| <i>Impact of change in working capital</i>                          |             | <b>(79,491)</b>   |                   |

(3) Disposal of 5% of Easigas (South Africa).

(4) Cash and cash equivalents net of bank overdrafts.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018

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### Note 1. General information

#### 1.1 ANNUAL FINANCIAL INFORMATION

The financial statements for the year ended December 31, 2018 were finalized by the Board of Management on March 11, 2019 and approved by the Supervisory Board on March 12, 2019.

The 2018 consolidated financial statements have been prepared in accordance with the international accounting standards issued by the IASB (International Accounting Standards Board) and adopted by the European Union. These standards include IFRS (International Financial Reporting Standards) and IAS

(International Accounting Standards), as well as the interpretations of the IFRS Interpretations Committee.

#### 1.2 OVERVIEW OF ACTIVITIES

The Rubis Group operates three businesses in the energy sector:

- **Rubis Terminal** (bulk liquid storage), which via its subsidiary, Rubis Terminal, and the companies owned by the subsidiary in France (including Corsica), the Netherlands, Belgium, and Turkey, specializes in the storage and trading of

petroleum products, fertilizers, chemical products and agrifood products;

- **Rubis Énergie**, which specializes in the trading and distribution of liquefied petroleum gas (LPG) and petroleum products;
- **Rubis Support and Services** houses all infrastructure, transportation, supply and services activities, supporting the development of downstream distribution and marketing activities.

The Group is present in Europe, Africa and the Caribbean.

### Note 2. Accounting policies

#### 2.1 BASIS OF PREPARATION

The consolidated financial statements are prepared based on historical costs with the exception of certain categories of assets and liabilities, in accordance with IFRS rules. The categories concerned are specified in the notes below.

To prepare its financial statements, the Group's Management must make estimates and assumptions that affect the book value of assets and liabilities, income and expenses, and the data disclosed in the Notes to the financial statements.

The Group's Management makes these estimates and assessments on an ongoing basis according to past experience as well as various factors that are deemed reasonable and that constitute the basis for these assessments.

The amounts that will appear in its future financial statements may differ from these estimates, in accordance with changes in these assumptions or different conditions.

The main significant estimates made by the Group's Management pertain in particular to the fair value of business combinations,

goodwill impairment tests, property, plant and equipment and intangible assets, provisions and changes in employee benefit obligations.

The consolidated financial statements for the year ended December 31, 2018 include the financial statements for Rubis and its subsidiaries.

The subsidiaries operate in their local currencies, which are used to denominate the majority of their transactions. The exceptions are Rubis Terminal Petrol (formerly Delta Rubis Petrol), located in Turkey, and

its holding company Rubis Tankmed BV (formerly Rubis Med Energy BV), located in the Netherlands, both of which operate in US dollars. Balance sheet items are translated into euros at the exchange rate applicable on the closing date, and income statement items are translated using the average exchange rate over the reporting period. Any resulting currency translation differences are recorded as foreign exchange differences and included in consolidated shareholders' equity.

All significant transactions conducted between consolidated companies as well as internal profits are eliminated.

Foreign exchange differences arising from the elimination of transactions and transfers of funds denominated in foreign currencies between consolidated companies, are subject to the following accounting treatment:

- foreign exchange differences arising from the elimination of internal transactions are recorded as "foreign exchange differences" in shareholders' equity and as

"non-controlling interests" for the portion attributable to third parties, thereby offsetting their impact on consolidated income;

- foreign exchange differences on fund movements for reciprocal financing are classified under a separate heading in the consolidated cash flow table.

The consolidated financial statements are denominated in euros and the financial statements are presented in thousands of euros.

## 2.2 ACCOUNTING STANDARDS APPLIED

### STANDARDS, INTERPRETATIONS AND AMENDMENTS APPLICABLE AS OF JANUARY 1, 2018

The following standards, interpretations and amendments, published in the Official Journal of the European Union as of the closing date were applied for the first time in 2018:

| Standard/Interpretation  |  | Date of mandatory application |
|--|--|-------------------------------|
| IFRS 9 "Financial Instruments"                                     | New standard concerning the recognition and measurement of financial instruments     | January 1, 2018               |
| IFRS 15 "Revenue from Contracts with Customers"                    | New standard concerning revenue recognition  | January 1, 2018               |
| Amendments to IFRS 15  | Clarifications   | January 1, 2018               |
| Amendments to IFRS 2   | Classification and measurement of share-based payment transactions                   | January 1, 2018               |
| Amendments to IFRS 4   | Interactions between IFRS 4 and IFRS 9   | January 1, 2018               |
| Annual improvements  | Annual improvements to IFRS 2014-2016 cycle (standards concerned: IFRS 1 and IAS 28) | January 1, 2018               |
| IFRIC 22 "Foreign Currency Transactions and Advance Consideration" | Foreign currency transactions and non-refundable advances paid or received           | January 1, 2018               |

IFRS 15 "Revenue from Contracts with Customers" has had no impact on consolidated revenue published by the Group. Ebitda was modified by the first-time application of the standard, but not in a material amount (see note 4.3). The costs of obtaining contracts related to LPG distribution in France are now capitalized and amortized over the average useful life of the corresponding contracts. These costs correspond to the premiums paid to the prescribers as well as the assumption

of certain installation and conversion costs borne by customers.

The breakdown of revenue in accordance with IFRS 15 is presented in note 5.1. 114-115 and IFRS 15. B87-89.

The Group applied IFRS 9 as of January 1, 2018, without restating the comparative years. This standard has three components: classification and measurement of financial instruments, impairment of financial assets, and hedging transactions other than macro-hedges. In accordance with the option

offered by IFRS 9, the Group has chosen not to apply the hedge accounting component from January 1, 2018. The application of the provisions of IFRS 9 "Financial Instruments" did not have a material impact on the Group's balance sheet, income statement or consolidated shareholders' equity as of December 31, 2018.

The first-time application of the other standards, interpretations and amendments did not have a material impact on the Group's financial statements.

### STANDARDS, INTERPRETATIONS AND AMENDMENTS APPLICABLE EARLY BY OPTION

The Group has not opted for the early adoption of the following standards, interpretations and amendments, the application of which is not mandatory as of December 31, 2018:

| Standard/Interpretation                           |   | Date of mandatory application subject to adoption by the EU |
|---|---|---|
| Amendments to IFRS 9                              | Prepayment features with negative compensation  | January 1, 2019   |
| IFRS 16 "Leases"                                  | New standards concerning the recognition of leases  | January 1, 2019   |
| IFRIC 23 "Uncertainty over Income Tax Treatments" | Clarifications regarding the accounting for contingencies in respect of income taxes                  | January 1, 2019   |
| Amendments to IAS 19                              | Plan Amendment, Curtailment or Settlement   | January 1, 2019   |
| Amendments to IAS 28                              | Long-term Interests in associates and joint ventures  | January 1, 2019   |
| Annual improvements (2015-2017 cycle)             | Annual improvements to IFRS 2015-2017 cycle (standards concerned: IFRS 3, IFRS 11, IAS 12 and IAS 23) | January 1, 2019   |
| Conceptual framework                              | Revised Conceptual Framework for Financial Reporting (replacing the 2010 framework)                   | January 1, 2020   |

The Group has not opted for the early adoption of IFRS 16, "Leases", applicable to fiscal years beginning on or after January 1, 2019. The Group nevertheless continued its preparatory work throughout 2018. The transition option has been frozen. The Group will apply the modified retrospective method. This consists in recognizing the cumulative effect of the initial application as an adjustment to opening shareholders' equity by

considering that the asset represented by the right of use is equal to the amount of the lease obligations, adjusted by the amount of the rent paid, benefits received from the lessors and, where applicable, restoration costs.

The Group now has its first comprehensive lease library. All leases falling within the scope of IFRS 16 and in progress as of January 1, 2018 have been entered into the

IT application selected to meet the new obligations. The library is updated regularly. Lastly, the Group has established the rate table that will be applied. Moreover, the Group is essentially a lessee.

## Note 3. Scope of consolidation

### ACCOUNTING POLICIES

Since January 1, 2014, the Group has applied the new standards regarding scope of consolidation (IFRS 10, 11, 12 and amended IAS 28).

Joint operations are accounted for according to the percentage interest held by the Group in the assets and liabilities of each joint operation.

The Group accounts for its joint ventures by the equity method.

### 3.1 SCOPE OF CONSOLIDATION

The consolidated financial statements for the year ended December 31, 2018 include the Rubis financial statements and those of its subsidiaries listed in the table below.

| Name                                   | Head Office  | Dec. 31, 2018<br>% control | Dec. 31, 2017<br>% control | Dec. 31, 2018<br>% interest | Dec. 31, 2017<br>% interest | Consolidation<br>method |
|--|--|----------------------------|----------------------------|-----------------------------|-----------------------------|-------------------------|
| Rubis                                  | 46, rue Boissière<br>75116 Paris<br>SIREN: 784 393 530               | Parent                     | Parent                     | Parent                      | Parent                      |                         |
| Rubis Patrimoine                       | 46, rue Boissière<br>75116 Paris<br>SIREN: 319 504 106               | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Coparef                                | 46, rue Boissière<br>75116 Paris<br>SIREN: 309 265 965               | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Cimarsa                                | 46, rue Boissière<br>75116 Paris<br>SIREN: 844 648 691               | 100.00%                    |                            | 100.00%                     |                             | FC                      |
| Rubis Terminal                         | 33, av. de Wagram<br>75017 Paris<br>SIREN: 775 686 405               | 99.44%                     | 99.44%                     | 99.44%                      | 99.44%                      | FC                      |
| CPA                                    | 33, av. de Wagram<br>75116 Paris<br>SIREN: 789 034 915               | 100.00%                    | 100.00%                    | 99.44%                      | 99.44%                      | FC                      |
| Rubis Terminal Dunkerque               | 33, av. de Wagram<br>75116 Paris<br>SIREN: 801 044 645               | 90.00%                     | 90.00%                     | 89.50%                      | 89.50%                      | FC                      |
| Stockbrest                             | ZI Portuaire St Marc<br>29200 Brest<br>SIREN: 394 942 940            | 100.00%                    | 100.00%                    | 99.44%                      | 99.44%                      | FC                      |
| Société du Dépôt<br>de Saint-Priest    | 16, rue des Pétales<br>69800 Saint Priest<br>SIREN: 399 087 220      | 100.00%                    | 100.00%                    | 99.44%                      | 99.44%                      | FC                      |
| Société des Pipelines<br>de Strasbourg | 33, av. de Wagram<br>75116 Paris<br>SIREN: 648 501 260               | 62.50%                     | 62.50%                     | 33.35%                      | 33.35%                      | FC                      |
| Société Européenne<br>de Stockage      | 28, rue de Rouen<br>67000 Strasbourg-Robertsau<br>SIREN: 304 575 194 | 53.66%                     | 53.66%                     | 53.36%                      | 53.36%                      | FC                      |

| Name  | Head Office  | Dec. 31, 2018<br>% control | Dec. 31, 2017<br>% control | Dec. 31, 2018<br>% interest | Dec. 31, 2017<br>% interest | Consolidation<br>method |
|---|--|----------------------------|----------------------------|-----------------------------|-----------------------------|-------------------------|
| Dépôt Pétrolier de La Corse                     | 33, av. de Wagram<br>75116 Paris<br>SIREN: 652 050 659   | 75.00%                     | 75.00%                     | 74.61%                      | 74.61%                      | FC                      |
| Wagram Terminal                                 | 33, av. de Wagram<br>75116 Paris<br>SIREN: 509 398 749   | 78.30%                     | 78.30%                     | 77.86%                      | 77.86%                      | FC                      |
| Zeller & Cie                                    | 8, rue Ellenhard<br>67000 Strasbourg<br>SIREN: 702 006 297   | 50.00%                     |                            | 49.72%                      |                             | JV (EM)                 |
| Rubis Terminal BV                               | Welplaatweg 26<br>3197 KS Botlek-Rotterdam<br>The Netherlands  | 100.00%                    | 100.00%                    | 99.44%                      | 99.44%                      | FC                      |
| ITC Rubis Terminal Antwerp                      | Blikken, Haven 1662<br>B-9130 Beveren (Doel)<br>Belgium  | 50.00%                     | 50.00%                     | 49.72%                      | 49.72%                      | JV (EM)                 |
| Rubis Tankmed BV                                | Prins Bernhardplein 200<br>1097 JB Amsterdam<br>The Netherlands  | 100.00%                    | 100.00%                    | 99.44%                      | 99.44%                      | FC                      |
| Rubis Terminal Petrol Ticaret<br>ve Sanayi A.Ş. | Büyükdere Caddesi<br>N°127 Astoria Kuleleri A Block<br>Kat: 26-27<br>34394 Esentepe Istanbul<br>Turkey | 100.00%                    | 100.00%                    | 99.44%                      | 99.44%                      | FC                      |
| Rubis Énergie                                   | Tour Franklin<br>100, Terrasse Boieldieu<br>92800 Puteaux<br>SIREN: 552 048 811                        | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Vitogaz France                                  | Tour Franklin<br>100, Terrasse Boieldieu<br>92800 Puteaux<br>SIREN: 323 069 112                        | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Sicogaz   | Tour Franklin<br>100, Terrasse Boieldieu<br>92800 Puteaux<br>SIREN: 672 026 523                        | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Signalnor                                       | Route du Hoc<br>76700 Gonfreville-l'Orcher<br>SIREN: 353 646 250                                       | 65.00%                     | 35.00%                     | 65.00%                      | 35.00%                      | FC                      |
| Starogaz  | Tour Franklin<br>100, Terrasse Boieldieu<br>92800 Puteaux<br>SIREN: 418 358 388                        | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Norgal  | Route de la Chimie<br>76700 Gonfreville-l'Orcher<br>SIREN: 777 344 623                                 | 20.94%                     | 20.94%                     | 20.94%                      | 20.94%                      | JO                      |
| Frangaz   | Tour Franklin<br>100, Terrasse Boieldieu<br>92800 Puteaux<br>SIREN: 491 422 127                        | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| ViTO Corse                                      | Tour Franklin<br>100, Terrasse Boieldieu<br>92800 Puteaux<br>SIREN: 518 094 784                        | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Rubis Restauration et<br>Services               | Tour Franklin<br>100, Terrasse Boieldieu<br>92800 Puteaux<br>SIREN: 793 835 430                        | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Vitogaz Switzerland                             | A Bugeon<br>CH – 2087 Cornaux<br>Switzerland   | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Propagaz  | Bremblens (VD)<br>Switzerland  | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Rubis Energia Portugal                          | Lagoas Park Edifício 11, Piso 1<br>2740 - 270 Porto Salvo Oeiras<br>Portugal                           | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Rubis II Distribuição<br>Portugal S.A.          | Lagoas Park Edifício 11, Piso 1<br>2740 - 270 Porto Salvo Oeiras<br>Portugal                           | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Sodigas Seixal                                  | Lagoas Park Edifício 11, Piso 1<br>2740 - 270 Porto Salvo Oeiras<br>Portugal                           | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |

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| Name   | Head Office   | Dec. 31, 2018<br>% control | Dec. 31, 2017<br>% control | Dec. 31, 2018<br>% interest | Dec. 31, 2017<br>% interest | Consolidation<br>method |
|--|---|----------------------------|----------------------------|-----------------------------|-----------------------------|-------------------------|
| Vitogaz España   | Avda. Baix Llobregat 1-3, 2A<br>Poligono Industrial Màs Blau II<br>08820 El Prat de Llobregat<br>Barcelona<br>Spain | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Fuel Supplies Channel<br>Islands Ltd (FSCI)                | PO Box 85<br>Bulwer Avenue, St Sampson<br>Guernsey GY1 3EB<br>Channel Islands                                       | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| La Collette Terminal Ltd                                   | La Collette<br>Saint Helier<br>Jersey JE1 0FS<br>Channel Islands  | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| St Sampson Terminal Ltd                                    | Bulwer Avenue, St Sampson<br>Guernsey GY1 3EB<br>Channel Islands  | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Vitogaz Maroc  | Immeuble n° 7 Ghandi Mall<br>Boulevard Ghandi<br>20380 Casablanca<br>Morocco  | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Lasfargaz  | Immeuble n° 7 Ghandi Mall<br>Boulevard Ghandi<br>20380 Casablanca<br>Morocco  | 82.89%                     | 82.89%                     | 82.89%                      | 82.89%                      | FC                      |
| Kelsey Gas Ltd   | 1 <sup>st</sup> Floor Standard Chartered<br>Tower<br>19 Cyberville Ebene<br>Republic of Mauritius                   | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Vitogaz Madagascar   | 122, rue Rainandriamampandry<br>Faravohitra - BP 3984<br>Antananarivo 101<br>Madagascar                             | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Eccleston Co Ltd   | 1 <sup>st</sup> Floor Standard Chartered<br>Tower<br>19 Cyberville Ebene<br>Republic of Mauritius                   | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Vitogaz Comores  | Voidjou BP 2562<br>Moroni<br>Union of the Comoros Islands   | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Gazel  | 122, rue Rainandriamampandry<br>Faravohitra - BP 3984<br>Antananarivo 101<br>Madagascar                             | 49.00%                     | 49.00%                     | 49.00%                      | 49.00%                      | FC                      |
| Rubis Antilles Guyane                                      | Tour Franklin<br>100, Terrasse Boieldieu<br>92800 Puteaux<br>SIREN: 542 095 591                                     | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Société Industrielle de Gaz<br>et de Lubrifiants           | Voie principale ZI de Jarry<br>97122 Baie – Mahaut<br>(Guadeloupe)<br>SIREN: 344 959 937                            | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Stocabu  | L'avenir du Morne Caruel<br>Route des Abymes<br>97139 Abymes (Guadeloupe)<br>SIREN: 388 112 054                     | 50.00%                     | 50.00%                     | 50.00%                      | 50.00%                      | JO                      |
| Société Anonyme<br>de la Raffinerie des Antilles<br>(SARA) | California<br>97232 Lamentin (Martinique)<br>SIREN: 692 014 962   | 71.00%                     | 71.00%                     | 71.00%                      | 71.00%                      | FC                      |
| Société Antillaise<br>des Pétroles Rubis                   | Tour Franklin<br>100, Terrasse Boieldieu<br>92800 Puteaux<br>SIREN: 303 159 875                                     | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Rubis Guyane Française                                     | Tour Franklin<br>100, Terrasse Boieldieu<br>92800 Puteaux<br>SIREN: 351 571 526                                     | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Rubis Caraïbes Françaises                                  | Tour Franklin<br>100, Terrasse Boieldieu<br>92800 Puteaux<br>SIREN: 428 742 498                                     | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Société Réunionnaise<br>de Produits Pétroliers<br>(SRPP)   | Tour Franklin<br>100, Terrasse Boieldieu<br>92800 Puteaux<br>SIREN: 310 837 190                                     | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |

| Name   | Head Office  | Dec. 31, 2018<br>% control | Dec. 31, 2017<br>% control | Dec. 31, 2018<br>% interest | Dec. 31, 2017<br>% interest | Consolidation<br>method |
|--|--|----------------------------|----------------------------|-----------------------------|-----------------------------|-------------------------|
| Société d'importation et de distribution de Gaz liquéfiés dans l'océan Indien (Sigloi) | Tour Franklin<br>100, Terrasse Boieldieu<br>92800 Puteaux<br>SIREN: 310 879 598  | 100.00%                    |                            | 100.00%                     |                             | FC                      |
| Rubis Energy Bermuda Ltd   | 2, Ferry Road<br>Saint Georges's GE 01<br>Bermuda  | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Sinders Ltd  | 2, Ferry Road<br>Saint Georges's GE 01<br>Bermuda  | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Bermuda Gas & Utility Ltd  | 2, Ferry Road<br>Saint Georges's GE 01<br>Bermuda  | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Rubis Eastern Caribbean SRL  | One Rubis Plaza Welches<br>St James BB 23027<br>Barbados   | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Rubis Caribbean Holdings Inc.  | One Rubis Plaza Welches<br>St James BB 23027<br>Barbados   | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Rubis West Indies Ltd  | 10 Finsbury Square<br>London EC2A 1AF<br>United Kingdom  | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Rubis Guyana Inc.  | Ramsburg, Providence East Bank<br>Demerara<br>Guyana   | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Rubis Bahamas Ltd  | H&J Corporate Services<br>Ocean center, Montague<br>Foreshore, East Bay Street<br>PO Box SS 19084 Nassau<br>The Bahamas  | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Rubis Cayman Islands Ltd   | H&J Corporate Services Cayman<br>Ltd<br>PO Box 866, 5th floor Anderson<br>Square, George Town<br>Grand Cayman KY1 - 1103<br>Cayman Islands                         | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Rubis Turks & Caicos Ltd   | Caribbean Management Services<br>Ltd c/o Misick & Stanbrook<br>PO Box 127, Richmond House<br>Annex, Leeward Highway,<br>Providenciales<br>Turks and Caicos Islands | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Rubis Energy Jamaica Ltd   | 236 Windward Road<br>Rockfort, Kingston 2 in the Parish<br>of Kingston<br>Jamaica  | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Easigas (Pty) Ltd  | Gate 5, Hibiscus Road<br>Alrode 1451 Gauteng<br>South Africa   | 55.00%                     | 60.00%                     | 55.00%                      | 60.00%                      | FC                      |
| Easigas Botswana (Pty) Ltd   | Acumen Park, Plot 50370,<br>Fairground Office Park<br>PO Box 1157, Gaborone<br>Botswana  | 55.00%                     | 60.00%                     | 55.00%                      | 60.00%                      | FC                      |
| Easigas Swaziland (Pty) Ltd  | PO Box 24 Mbabane H100<br>Swaziland 7441   | 55.00%                     | 60.00%                     | 55.00%                      | 60.00%                      | FC                      |
| Easigas Lesotho (Pty) Ltd  | 2 <sup>nd</sup> Floor, Metropolitan Life<br>Building Kingsway<br>PO Box 1176 Maseru<br>Lesotho   | 55.00%                     | 60.00%                     | 55.00%                      | 60.00%                      | FC                      |
| European Railroad<br>Established Services (Eres)                                       | Schaliënstraat 5<br>2000 Antwerpen<br>Belgium  | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Maritec NV   | Schaliënstraat 5<br>2000 Antwerpen<br>Belgium  | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Ringardas Nigeria Ltd  | 49 Mamman Nasir Street<br>Asokoro Abuja<br>Nigeria   | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| European Railroad<br>Established Services SA<br>(Eres)                                 | Zone des Hydrocarbures<br>Port Autonome de Dakar Mole 8<br>BP 844 - Dakar<br>Senegal   | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |

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|---|---|----------------------------|----------------------------|-----------------------------|-----------------------------|-------------------------|
| European Railroad<br>Established Services Togo SA<br>(Eres)     | Zone Industrielle du Port<br>Autonome de Lomé<br>Route C4 – BP 9124<br>Lomé<br>Togo   | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| European Railroad Established<br>Services Cameroun SA<br>(Eres) | Quartier Akwa<br>Immeuble Ancien Amacam<br>BP 3791<br>Douala<br>Republic of Cameroon  | 100.00%                    |                            | 100.00%                     |                             | FC                      |
| REC Bitumen SRL   | One Rubis Plaza Welches<br>St James BB 23027<br>Barbados  | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Pickett Shipping Corp.  | Via España n° 122<br>Torre Delta<br>Piso 14 Apartado 0823-05658<br>Panama<br>Republic of Panama                                     | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Blue Round Shipping Corp.                                       | Via España n° 122<br>Torre Delta<br>Piso 14 Apartado 0823-05658<br>Panama<br>Republic of Panama                                     | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Saunscape International Inc.                                    | Via España n° 122<br>Torre Delta<br>Piso 14 Apartado 0823-05658<br>Panama<br>Republic of Panama                                     | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Maroni Shipping SA  | Via España n° 122<br>Torre Delta<br>Piso 14 Apartado 0823-05658<br>Panama<br>Republic of Panama                                     | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Biskra Shipping SA  | Via España n° 122<br>Torre Delta<br>Piso 14 Apartado 0823-05658<br>Panama<br>Republic of Panama                                     | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Woodbar CO Ltd  | c/o Interface International Ltd<br>9 <sup>th</sup> Floor Standard Chartered<br>Tower<br>19 Cybercity Ebene<br>Republic of Mauritius | 85.00%                     | 85.00%                     | 85.00%                      | 85.00%                      | FC                      |
| Rubis Énergie Djibouti  | Avenue Georges Pompidou<br>BP 153<br>Djibouti<br>Republic of Djibouti   | 85.00%                     | 85.00%                     | 85.00%                      | 85.00%                      | FC                      |
| Distributeurs Nationaux SA<br>(Dinasa)                          | 2 rue Jean Gilles<br>Route de l'Aéroport Delmas<br>Port au Prince<br>Haiti  | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Caribbean Diversified<br>Investments Ltd<br>(liquidated)        | H&J Corporate Services (Cayman)<br>Limited<br>Willow House 2nd Floor<br>Cricket Square Grand Cayman<br>KY1 -1103<br>Cayman Islands  |                            | 100.00%                    |                             | 100.00%                     |                         |
| Chevron Haïti Inc.  | c/o Coverdale Trust Services Ltd<br>30 De Castro Street<br>PO Box 4519<br>Road Town Tortola<br>British Virgin Islands VG 1110       | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Société de Distribution<br>de Gaz (Sodigaz)                     | 2 rue Jean Gilles<br>Route de l'Aéroport Delmas<br>Port au Prince<br>Haiti  | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Terminal Gazier de Varreux                                      | Route de Varreux<br>Port au Prince<br>Haiti   | 50.00%                     |                            | 50.00%                      |                             | JO                      |
| RBF Marketing Ltd   | 236 Windward Road<br>Rockfort, Kingston 2 in the Parish<br>of Kingston<br>Jamaica   | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |

| Name                                       | Head Office  | Dec. 31, 2018<br>% control | Dec. 31, 2017<br>% control | Dec. 31, 2018<br>% interest | Dec. 31, 2017<br>% interest | Consolidation<br>method |
|--|--|----------------------------|----------------------------|-----------------------------|-----------------------------|-------------------------|
| Galana Distribution Pétrolière Company Ltd | c/o Interface International Ltd<br>1 <sup>st</sup> Floor, Standard Chartered Tower, 19, Cibercity, Ebene Republic of Mauritius | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Galana Distribution Pétrolière SA          | Immeuble Pradon Trade Centre, Antanimena, 101 Antananarivo Madagascar  | 90.00%                     | 90.00%                     | 90.00%                      | 90.00%                      | FC                      |
| Galana Madagascar Holding (liquidated)     | c/o Commonwealth Trust Ltd, Drake Chambers, PO Box 3321, Road Town, Tortola British Virgin Islands                             |                            | 100.00%                    |                             | 100.00%                     |                         |
| Galana Raffinerie Terminal Company Ltd     | c/o Interface International Ltd<br>1 <sup>st</sup> Floor, Standard Chartered Tower, 19, Cibercity, Ebene Republic of Mauritius | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Galana Raffinerie et Terminal SA           | Immeuble Pradon Trade Centre, Antanimena, 101 Antananarivo Madagascar  | 90.00%                     | 90.00%                     | 90.00%                      | 90.00%                      | FC                      |
| Progal (liquidated)                        | c/o Commonwealth Trust Ltd, Drake Chambers, PO Box 3321, Road Town, Tortola British Virgin Islands                             |                            | 100.00%                    |                             | 100.00%                     |                         |
| Plateforme Terminal Pétrolier SA           | Immeuble Pradon Trade Centre, Antanimena, 101 Antananarivo Madagascar  | 80.00%                     | 80.00%                     | 80.00%                      | 80.00%                      | FC                      |
| Sodigas Açores                             | Lagoas Park, Edifício 11, Piso 1 2740 - 270 Porto Salvo Oeiras Portugal  | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Sodigas Braga                              | Rua Rio Mau, N06 4 700-760 Panoias Portugal  | 100.00%                    |                            | 100.00%                     |                             | FC                      |
| Rubis Middle East Supply DMCC              | Unit No: AG-34-L<br>AG Tower, Plot No.: JLT-PH1-L1A<br>Jumeirah Lake Tower, Dubai United Arab Emirates                         | 100.00%                    | 100.00%                    | 100.00%                     | 100.00%                     | FC                      |
| Courtney Middle East (sold)                | 1703 Jumeirah Bay Tower Plot X3 – PO Box 127301 – Jumeirah Lakes Towers, Dubai United Arab Emirates                            |                            |                            |                             |                             |                         |
| RAME (Rubis Asphalt Middle East) DMCC      | Unit No: AG-34-L<br>AG Tower, Plot No.: JLT-PH1-L1A<br>Jumeirah Lake Tower, Dubai United Arab Emirates                         | 100.00%                    |                            | 100.00%                     |                             | FC                      |
| Recstar Middle East DMCC                   | Unit No: AG-26-L, AG Tower<br>Plot No.: JLT-PH1-I1A<br>Jumeirah Lakes Towers, Dubai United Arab Emirates                       | 100.00%                    |                            | 100.00%                     |                             | FC                      |
| Atlantic Rainbow Shipping Company SA       | c/o Rosas Y Rosas<br>Via España n° 122<br>Torre Delta<br>Piso 14 Apartado 0823-05658<br>Panama<br>Republic of Panama           | 100.00%                    |                            | 100.00%                     |                             | FC                      |
| Maritec Tanker Management Private Ltd      | 604, Vakratunda Corporate Park Goregaon (East) Mumbai – 400 063 India  | 100.00%                    |                            | 100.00%                     |                             | FC                      |

FC: full consolidation

JO: joint operation

JV: joint venture (equity method)

EM: equity method

Rubis Antilles Guyane holds a minority stake in five EIGs located in the French Antilles; these companies' accounts, which are not significant, are not consolidated.

Similarly, Rubis Energia Portugal currently holds insignificant and unconsolidated investments. At the same time, the recently acquired activities in the Azores and Madeira

were not consolidated in 2018 due to the lateness of the takeover date. They will be consolidated as of January 1, 2019.



### 3.2 CHANGES IN THE SCOPE OF CONSOLIDATION

The changes in the scope of consolidation concerned business combinations as defined by IFRS 3 and the acquisition of groups of assets.

Only acquisitions and dispositions that affect the consolidation method are described below. For information, on July 1, 2018, the Group sold 5% of the Easigas South Africa shares to the current non-controlling interest, the Reatile Gaz group, with no material impact on the annual consolidated financial statements.

#### 3.2.1 ACQUISITION OF AN ADDITIONAL INTEREST IN SIGNALNOR

During the first half, the Group acquired 30% of Signalnor from Antargaz-Finagaz, bringing its interest to 65% and giving it control of the entity. The remainder of the capital is held by CGP Primagaz.

This subsidiary, previously consolidated as a joint venture, has been fully consolidated since January 1, 2018. The change in the method of consolidation and the determination of the fair value of the assets

acquired and liabilities assumed, generated negative goodwill of €1.6 million recognized in "Other operating income and expenses". The consolidation of this entity did not have a material impact on the consolidated financial statements.

This entity provides its shareholders with services related to their LPG filling and distribution business, including storage, filling and loading services. It operates three sites in France.

#### 3.2.2 BITUMEN ACTIVITY IN IRAN

The Group acquired an operator specializing in the production, storage and export of bitumen from facilities based in Iran at the end of December 2017.

Given the late date of the takeover, this acquisition was not consolidated in the 2017 financial statements. The price of €18.9 million excluding fees was included in "Other financial assets" as of December 31, 2017.

The sanctions announced by the US Administration forced the Group to organize the sale of this activity in the second half of the year under review. The consolidated financial statements for the six months to June 30, 2018 included provisions reflecting

the best estimate of potential losses, taking into account the factors known at the time.

The disposal transactions were carried out in the second half of 2018 in accordance with the preferred scenario when the half-yearly accounts were closed. In conclusion, in 2018, the announcements of the US Administration resulted in a net tax loss of €15.3 million, in line with the provision recorded as of June 30, 2018 (see note 5.7 "Other operating income and expenses").

#### 3.2.3 ACQUISITION OF AN LPG ACTIVITY IN RÉUNION

In March 2018, the Group acquired Sigloi, a company based in Réunion. SIGLOI operates chiefly in LPG distribution (8,300 tonnes). It also distributes bitumen (2,000 tonnes). Its contribution to the financial statements is not material.

#### 3.2.4 ACQUISITION OF TERMINAL GAZIER DE VARREUX

In the second half of 2018, the Group acquired 50% of a gas terminal located in Haiti. The entity is consolidated using the proportionate consolidation method, the terminal being an asset used jointly by both partners. The price paid and the net assets acquired are not material.



## Note 4. Notes to the balance sheet

### 4.1 PROPERTY, PLANT AND EQUIPMENT

#### ACCOUNTING POLICIES

The gross amount of property, plant and equipment corresponds to its acquisition cost.

Maintenance and repair costs are recorded as expenses as soon as they are incurred, except for those, posted as fixed assets, incurred to extend the useful life of the property.

Fixed assets financed through finance leases are presented as assets at the discounted value of future payments or at the market value, if lower. The corresponding liability is recorded as borrowings. These fixed assets are depreciated according to the method and useful lives described below.

Depreciation is calculated according to the straight-line method for the estimated useful life of the various categories of fixed assets, as follows:

|                                | Duration       |
|--------------------------------|----------------|
| Buildings                      | 10 to 40 years |
| Technical facilities           | 10 to 20 years |
| Equipment and tools            | 5 to 30 years  |
| Transportation equipment       | 4 to 5 years   |
| Facilities and fixtures        | 10 years       |
| Office equipment and furniture | 5 to 10 years  |

Borrowing costs are included in fixed asset costs when significant.

Property acquired under finance leases is capitalized when, according to the terms of the lease, substantially all the risks and benefits inherent in owning the property are transferred to the Group. The criteria used to assess these contracts are primarily based on:

- the ratio between the term of the asset lease and the assets' lifetime;
- total future payments versus the fair value of the financed asset;
- whether ownership is transferred at the end of the lease;
- whether there is a preferential purchase option;
- the specific nature of the leased asset.

Assets held under finance leases are depreciated over their useful lives or over the term of the corresponding lease, if shorter.

Tangible fixed assets are given an impairment test whenever events or changes in circumstances indicate that their book values may not be recoverable.

| Gross value<br><i>(in thousands of euros)</i>                     | 12/31/2017       | Change<br>in scope | Acquisitions   | Decreases       | Reclassifications | Translation<br>adjustments | 12/31/2018       |
|---|------------------|--------------------|----------------|-----------------|-------------------|----------------------------|------------------|
| Other property, plant and equipment                               | 261,541          | 7,970              | 20,636         | (5,553)         | 6,032             | (7,141)                    | 283,485          |
| Prepayments and down payments<br>on property, plant and equipment | 883              |                    | 1,498          | (53)            | (324)             | (5)                        | 1,999            |
| Assets in progress  | 122,300          | (201)              | 108,512        | (197)           | (75,591)          | 676                        | 155,499          |
| Machinery and equipment and tools                                 | 2,066,049        | 8,974              | 85,438         | (68,622)        | 44,430            | 25,689                     | 2,161,958        |
| Land and buildings  | 798,341          | 4,729              | 14,627         | (3,591)         | 26,054            | (527)                      | 839,633          |
| <b>TOTAL</b>  | <b>3,249,114</b> | <b>21,472</b>      | <b>230,711</b> | <b>(78,016)</b> | <b>601</b>        | <b>18,692</b>              | <b>3,442,574</b> |

| Depreciation<br><i>(in thousands of euros)</i> | 12/31/2017         | Change<br>in scope | Increases        | Decreases      | Reclassifications | Translation<br>adjustments | 12/31/2018         |
|--|--------------------|--------------------|------------------|----------------|-------------------|----------------------------|--------------------|
| Other property, plant and equipment            | (134,478)          | (6,400)            | (14,975)         | 4,637          | (219)             | 2,159                      | (149,276)          |
| Facilities and equipment                       | (1,289,068)        | (5,868)            | (89,805)         | 63,716         | (34)              | (13,627)                   | (1,334,686)        |
| Land and buildings                             | (350,185)          | (1,234)            | (20,201)         | 2,497          | (685)             | (699)                      | (370,507)          |
| <b>TOTAL</b>                                   | <b>(1,773,731)</b> | <b>(13,502)</b>    | <b>(124,981)</b> | <b>70,850</b>  | <b>(938)</b>      | <b>(12,167)</b>            | <b>(1,854,469)</b> |
| <b>NET VALUE</b>                               | <b>1,475,383</b>   | <b>7,970</b>       | <b>105,730</b>   | <b>(7,166)</b> | <b>(337)</b>      | <b>6,525</b>               | <b>1,588,105</b>   |

The main changes in scope are as follows:

- the adjustment of the fair value of the assets acquired and liabilities assumed in Haiti (takeover in May 2017) in the gross negative amount of €0.4 million and €0.4 million in depreciation;
- the acquisition of an additional interest in Sigalnor in the gross amount of €8.5 million and €7.4 million in depreciation;
- the acquisition of Sigloi in Réunion in the gross amount of €7.9 million and €5.3 million in depreciation;
- the acquisition of Terminal Gazier de Varreux for €4.9 million.

## 4.2 GOODWILL

### ACCOUNTING POLICIES

#### Business combinations prior to January 1, 2010

Business combinations carried out prior to January 1, 2010 have been recognized according to IFRS 3 unrevised, applicable from that date. These combinations have not been restated, as revised IFRS 3 must be applied prospectively.

On first consolidation of a wholly controlled company, the assets, liabilities and contingent liabilities have been valued at their fair value in accordance with IFRS requirements. Valuation discrepancies generated at that time have been recorded in the relevant asset and liability accounts, including the non-controlling interests' share, rather than solely for the proportion of shares acquired. The difference between the acquisition cost and the acquirer's share of the fair value of the identifiable net assets in the acquired company is recognized in goodwill if positive and charged to income under "Other operating income and expenses" if negative (badwill).

#### Business combinations subsequent to January 1, 2010

IFRS 3 revised and IAS 27 amended modified the accounting policies applicable to business combinations carried out after January 1, 2010.

The main changes with an impact on the Group's consolidated financial statements are:

- recognition of direct acquisition costs in expenses;
- revaluation at fair value through profit and loss of interests held prior to the controlling interest, in the case of an acquisition via successive securities purchases;
- the possibility of valuing non-controlling interests either at fair value or as a proportional share of identifiable net assets, on a case by case basis;
- recognition at fair value of earn-out payments on the takeover date, with any potential adjustments being recognized in profit and loss if they take place beyond the assignment deadline;
- adjustments of the price recorded on acquisitions made by the Group are recognized in cash flows from investing activities on the same basis as the initial price.

In accordance with the acquisition method, on the date of takeover, the Group recognizes the identifiable assets acquired and liabilities assumed at fair value. It then has a maximum of 12 months with effect from the acquisition date to finalize recognition of the business combination in question. Beyond this deadline, adjustments of fair value of assets acquired and liabilities assumed are recognized directly in the income statement.

Goodwill is determined as the difference between (i) the transferred counterpart (mainly the acquisition price and any earn-out payment excluding acquisition expenses) and the total non-controlling interests, and (ii) the fair value of assets acquired and liabilities assumed. When positive, this difference is recognized as an asset in the consolidated balance sheet or, when negative (badwill), under "Other operating income and expenses".

After the adoption of the revised IFRS 3, an option exists for the measurement of non-controlling interests as of the acquisition date: either at the fraction they represent of the net assets acquired (the partial goodwill method) or at fair value (the full goodwill method). The option is available on a case-by-case basis for each business combination.

For the purposes of allocating the goodwill generated following the various business combinations and of implementing IFRS 8 "Operating segments", Rubis has retained the following Cash-Generating Units (CGUs):

- bulk liquid Storage business (Europe);
- petroleum products Distribution business (Europe);
- petroleum products Distribution business (Africa);
- petroleum products Distribution business (Caribbean);
- the Support and services activity.

This allocation was calculated based on the General Management's organization of Group and operations the internal reporting system, enabling not only business oversight, but also monitoring of the return on capital employed, i.e. the level at which goodwill is monitored for internal management purposes.

### Impairment of fixed assets

Goodwill and intangible assets with an indefinite useful life are subject to an impairment test at least once per year, or more frequently if there are indications of a loss in value, in accordance with the requirements of IAS 36 "Impairment of assets". Annual tests are performed during the fourth quarter.

The impairment test consists of comparing the asset's net book value against its recoverable value, which is its fair value minus disposal costs or its value in use, whichever is higher.

The value in use is obtained by adding the discounted values of anticipated cash flows generated from the use of the asset (or group of assets) and from its final disposal. For this purpose, fixed assets are grouped into CGUs. A CGU is a uniform set of assets (or group of assets) whose continued use generates cash inflows that are largely independent of cash inflows generated by other groups of assets.

The fair value minus disposal costs corresponds to the amount that could be obtained from the disposal of the asset (or group of assets) under normal market conditions, minus the costs directly incurred to dispose of it.

When the recoverable value is lower than the net book value of the asset (or group of assets), an impairment, corresponding to the difference, is recorded in the income statement and is charged primarily against goodwill.

Impairments recorded in relation to goodwill are irreversible.

| (in thousands of euros)                              | 12/31/2017<br>(reported) | Transfer* | Adjustments<br>in the<br>allocation<br>period | 12/31/2017<br>(corrected) | Changes in<br>consolidation | Translation<br>adjustments | 12/31/2018       |
|--|--------------------------|-----------|---|---------------------------|-----------------------------|----------------------------|------------------|
| Bulk liquid Storage business (Europe)                | 57,446                   |           |   | 57,446                    |                             |                            | 57,446           |
| Petroleum products Distribution business (Europe)    | 235,818                  |           |   | 235,818                   | 261                         | 2,231                      | 238,310          |
| Petroleum products Distribution business (Africa)    | 322,147                  | (14,868)  | 1,797   | 309,076                   | 2,085                       | (29,930)                   | 281,231          |
| Petroleum products Distribution business (Caribbean) | 402,193                  |           | 10,974  | 413,167                   |                             | (9,547)                    | 403,620          |
| Support and services activity                        | 78,159                   | 14,868    | (2,009)                                       | 91,018                    | 3,029                       | 19,700                     | 113,747          |
| <b>GOODWILL</b>                                      | <b>1,095,763</b>         |           | <b>10,762</b>                                 | <b>1,106,525</b>          | <b>5,375</b>                | <b>(17,546)</b>            | <b>1,094,355</b> |

\* During the allocation period, a portion of the Galana goodwill was reallocated to the Support and services CGU (as of 12/31/2017, the entire goodwill of the Galana Group was presented under "petroleum products Distribution business (Africa)").

The main changes in scope recorded during the year are as follows:

- the acquisition of Sigloi in Réunion for €2.1 million;
- the acquisition of Terminal Gazier de Varreux for €3 million.

Adjustments during the allocation period correspond chiefly to the finalization of the fair value of the assets acquired and liabilities assumed in Haiti (takeover in May 2017).

### IMPAIRMENT TESTS AS OF DECEMBER 31, 2018

As of December 31, 2018, Rubis had systematically tested all goodwill determined definitively on the date the tests were performed using the discounted future cash flow method.

Recoverable amounts are based on the value in use calculation. Value in use calculations are based on cash flow forecasts using the financial budgets approved by Management at

year-end, covering a period of three years. The primary assumptions used in the calculation relate to trading volumes and market prices. Cash flows beyond the three year period are extrapolated at a growth rate of 2%.

The discount rate used, based on the concept of Weighted Average Cost of Capital (WACC), reflects current market assessments of the time value of money, and the specific risks inherent in each CGU.

The following discount rates are used:

| CGU  | 2018 rate             | 2017 rate             |
|--|-----------------------|-----------------------|
| Bulk liquid storage business (Europe)                | between 4.5 and 9.7%  | between 5.0 and 8.6%  |
| Petroleum products distribution business (Europe)    | between 4.5 and 8.6%  | between 4.0 and 7.3%  |
| Petroleum products distribution business (Africa)    | between 5.5 and 16.8% | between 5.3 and 12.4% |
| Petroleum products distribution business (Caribbean) | between 5.5 and 17.9% | between 5.3 and 12.9% |
| Support and services activity                        | between 5.5 and 17.9% | between 5.3 and 12.9% |

These tests revealed no impairment as of December 31, 2018.

### SENSITIVITY OF IMPAIRMENT TESTS

Impairment tests are based on assumptions used to determine the discount and

perpetual growth rates, as well as sensitivity testing allowing for a +/-2% variation in the perpetual growth rate and a +/-1% variation in the discount rate.

A 1% increase in the discount rate, or a 2% decrease in the growth rate, would not

generate recoverable amounts for capital employed below net book value for the five CGUs mentioned above.

Similarly, a 5% decrease in discounted future cash flows would not change the results of the tests for the Group's five CGUs.

### 4.3 INTANGIBLE ASSETS

#### ACCOUNTING POLICIES

Intangible assets are accounted for at their acquisition cost.

Intangible assets with a finite useful life are amortized according to the straight-line method for the periods corresponding to their expected useful lives and are subject to an impairment test whenever events or changes in circumstances indicate that their book values may not be recoverable.

Intangible assets mainly include concessions, patents and similar rights, and in particular Rubis Terminal's port lease rights in the amount of €2,319 thousand. Rubis Terminal uses land for its operations under concession

from the Independent Ports of Rouen and Dunkirk measuring a surface area of 203,146 m<sup>2</sup>. These rights were valued according to existing agreements. This intangible asset with an indefinite useful life

is subject to impairment testing in the same way as goodwill, as described in note 4.2.

| Gross value<br><i>(in thousands of euros)</i> | 12/31/2017    | Changes in<br>consolidation | Acquisitions | Decreases    | Reclassifications | Translation<br>adjustments | 12/31/2018    |
|---|---------------|-----------------------------|--------------|--------------|-------------------|----------------------------|---------------|
| Port lease rights (Rubis Terminal)            | 2,319         |                             |              |              |                   |                            | 2,319         |
| Other concessions, patents and similar rights | 20,862        | 38                          | 2,396        | (201)        | (819)             | (187)                      | 22,090        |
| Lease   | 1,654         |                             | 80           |              |                   | (20)                       | 1,714         |
| Other intangible assets                       | 41,231        | (8,585)                     | 3,150        |              | 472               | (363)                      | 35,906        |
| <b>TOTAL</b>                                  | <b>66,066</b> | <b>(8,547)</b>              | <b>5,626</b> | <b>(201)</b> | <b>(347)</b>      | <b>(569)</b>               | <b>62,028</b> |

| Depreciation<br><i>(in thousands of euros)</i> | 12/31/2017      | Changes in<br>consolidation | Increases      | Decreases  | Reclassifications | Translation<br>adjustments | 12/31/2018      |
|--|-----------------|-----------------------------|----------------|------------|-------------------|----------------------------|-----------------|
| Other concessions, patents and similar rights  | (7,014)         | (38)                        | (1,083)        | 199        |                   | 136                        | (7,800)         |
| Other intangible assets                        | (17,921)        |                             | (2,009)        |            |                   | 51                         | (19,879)        |
| <b>TOTAL</b>                                   | <b>(24,935)</b> | <b>(38)</b>                 | <b>(3,092)</b> | <b>199</b> |                   | <b>187</b>                 | <b>(27,679)</b> |
| <b>NET VALUE</b>                               | <b>41,131</b>   | <b>(8,585)</b>              | <b>2,534</b>   | <b>(2)</b> | <b>(347)</b>      | <b>(382)</b>               | <b>34,349</b>   |

Changes in the scope of consolidation correspond chiefly to the adjustment of the fair value of assets acquired and liabilities assumed in Haiti (takeover in May 2017).

#### IFRS 15 - COSTS OF OBTAINING CONTRACTS

Following the first application of IFRS 15, the costs of obtaining contracts related to LPG distribution in France are now capitalized as other property, plant and equipment and depreciated over the average useful life of the corresponding contracts (10 years).

| Costs of obtaining contracts <i>(in millions of euros)</i> | 12/31/2017 | Increases | Decreases | 12/31/2018 |
|--|------------|-----------|-----------|------------|
| Gross value  |            | 2.2       |           | 2.2        |
| Depreciation   |            | (0.2)     |           | (0.2)      |
| <b>NET VALUE</b>   |            | <b>2</b>  |           | <b>2</b>   |

### 4.4 INTERESTS IN ASSOCIATES

Information about non-controlling interests, interests in joint operations and interests in joint ventures is given in notes 7 to 9.

## 4.5 FINANCIAL ASSETS

### ACCOUNTING POLICIES

Financial assets are recognized and measured in accordance with IFRS 9 “Financial Instruments”, which replaces IAS 39 “Financial Instruments: Recognition and Measurement”.

#### Classification and measurement

Financial assets are recognized in the Group balance sheet when the Group is a party to the instrument’s contractual provisions.

The classification proposed by IFRS 9 determines how assets are accounted for and the method used to measure them. Financial assets are classified based on two cumulative criteria: the management model applied to the asset and the characteristics of its contractual cash flows.

Based on the combined analysis of the two criteria, IFRS 9 distinguishes between three categories of financial assets, which are specific to each category:

- Financial assets at amortized cost as of the closing date;
- Financial assets at fair value through other comprehensive income;
- Financial assets at fair value through profit or loss.

Financial assets at amortized cost mainly include bonds and negotiable debt securities, loans and receivables.

Financial assets at fair value through other comprehensive income mainly include equity securities, previously classified as available-for-sale securities.

Financial assets at fair value through profit or loss include cash, Sicav and other funds.

The Group used the fair value hierarchy in IFRS 7 to determine the classification level of the financial assets:

- Level 1: quoted prices in active markets for identical assets or liabilities;
- Level 2: use of data other than the quoted prices listed in level 1, which are observable for the assets or liabilities in question, either directly or indirectly;
- Level 3: use of data relating to the asset or liability which are not based on observable market data.

#### Impairment of financial assets

IFRS 9 introduces an impairment model based on expected losses. This model does not have a material impact on the estimate of the risk of impairment of financial assets.

#### Measurement and recognition of derivative instruments

The Group uses derivative financial instruments to manage its exposure to fluctuations in interest rates, foreign exchange rates and raw material prices. The Group’s hedging policy includes the use of swaps. It may also use caps, floors, and options. The derivative instruments used by the Group are valued at their fair value. Unless otherwise specified below, changes in the fair value of derivatives are always recorded in the income statement.

Derivative instruments may be designated as hedging instruments in a fair value or future cash flow hedging relationship:

- a fair value hedge protects the Group against the risk of changes in the value of any asset or liability, resulting from foreign exchange rate fluctuations;
- a future cash flow hedge protects the Group against changes in the value of future cash flows relating to existing or future assets or liabilities.

The Group only applies cash flow hedges.

Hedge accounting is applicable if:

- the hedging relationship is clearly defined and documented at the date it is set up;
- the hedging relationship’s effectiveness is demonstrated from the outset and throughout its duration.

As a consequence of the use of hedge accounting of cash flows, the effective portion of the change in fair value of the hedging instrument is recorded directly in other comprehensive income. The change in value of the ineffective portion is recorded in the income statement under “Other financial income and expenses”. The amounts recorded in other comprehensive income are recycled in the income statement during the periods when the hedged cash flows impact profit and loss.

## Financial statements

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| Breakdown of financial assets by class (IFRS 7) and by category (IFRS 9)<br><i>(in thousands of euros)</i> | Note  | Value on balance sheet |                  | Fair value       |                  |
|--|-------|------------------------|------------------|------------------|------------------|
|  |       | 12/31/2018             | 12/31/2017       | 12/31/2018       | 12/31/2017       |
| <b>AT AMORTIZED COST</b>   |       | <b>696,632</b>         | <b>612,885</b>   | <b>696,632</b>   | <b>612,885</b>   |
| Bonds and negotiable debt securities   | 4.5.1 | 300                    | 148              | 300              | 148              |
| Other receivables from investments (long term)   | 4.5.1 | 12,784                 | 13,606           | 12,784           | 13,606           |
| Other receivables from investments (short term)  | 4.5.2 |                        |                  |                  |                  |
| Loans, deposits and guarantees (long term)   | 4.5.1 | 11,509                 | 7,756            | 11,509           | 7,756            |
| Loans, deposits and guarantees (short term)  | 4.5.2 | 782                    | 3,438            | 782              | 3,438            |
| Trade and other receivables  | 4.5.4 | 582,059                | 515,715          | 582,059          | 515,715          |
| Prepaid expenses   | 4.5.2 | 18,498                 | 27,601           | 18,498           | 27,601           |
| Other non-current assets   | 4.5.3 | 28,500                 | 4,759            | 28,500           | 4,759            |
| Income tax receivables   |       | 42,200                 | 39,862           | 42,200           | 39,862           |
| <b>FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME</b>   |       | <b>78,918</b>          | <b>30,643</b>    | <b>78,918</b>    | <b>30,643</b>    |
| Equity interests   | 4.5.1 | 78,704                 | 28,505           | 78,704           | 28,505           |
| Derivative instruments   | 4.5.2 | 214                    | 2,138            | 214              | 2,138            |
| <b>FAIR VALUE THROUGH PROFIT OR LOSS</b>   |       | <b>755,969</b>         | <b>825,302</b>   | <b>755,969</b>   | <b>825,302</b>   |
| Cash and cash equivalents  | 4.5.5 | 755,969                | 825,302          | 755,969          | 825,302          |
| <b>TOTAL FINANCIAL ASSETS</b>  |       | <b>1,531,519</b>       | <b>1,468,830</b> | <b>1,531,519</b> | <b>1,468,830</b> |

| IAS 39/IFRS 9 transition table<br><i>(in thousands of euros)</i> | Financial assets held to maturity | Loans and receivables | Financial assets available for sale | Financial assets at fair value | Cash and cash equivalents |
|--|-----------------------------------|-----------------------|-------------------------------------|--------------------------------|---------------------------|
| <b>At amortized cost</b>   |                                   |                       |                                     |                                |                           |
| Bonds and negotiable debt securities                             | 300                               |                       |                                     |                                |                           |
| Other receivables from investments (long term)                   |                                   | 12,784                |                                     |                                |                           |
| Other receivables from investments (short term)                  |                                   |                       |                                     |                                |                           |
| Loans, deposits and guarantees (long term)                       |                                   | 11,509                |                                     |                                |                           |
| Loans, deposits and guarantees (short term)                      |                                   | 782                   |                                     |                                |                           |
| Trade and other receivables                                      |                                   | 582,059               |                                     |                                |                           |
| Prepaid expenses   |                                   | 18,498                |                                     |                                |                           |
| Other non-current assets   |                                   | 28,500                |                                     |                                |                           |
| Income tax receivables   |                                   | 42,200                |                                     |                                |                           |
| <b>FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME</b>             |                                   |                       |                                     |                                |                           |
| Equity interests   |                                   |                       | 78,704                              |                                |                           |
| Derivative instruments   |                                   |                       |                                     | 214                            |                           |
| <b>FAIR VALUE THROUGH PROFIT OR LOSS</b>                         |                                   |                       |                                     |                                |                           |
| Cash and cash equivalents  |                                   |                       |                                     |                                | 755,969                   |
| <b>TOTAL</b>   | <b>300</b>                        | <b>696,332</b>        | <b>78,704</b>                       | <b>214</b>                     | <b>755,969</b>            |

On initial recognition, investments in non-consolidated companies are recorded at fair value (generally their acquisition cost plus transaction costs). Changes in the fair value of these assets are recognized in other comprehensive income. Equity investments already in the portfolio as of December 31, 2017 were previously classified as available-for-sale. As of December 31, 2018, equity investments in non-consolidated companies correspond chiefly to the acquisition of

new businesses that were temporarily not consolidated as of the balance sheet date due to the fact that the takeover was too late in view of the Group's consolidation procedures.

### FAIR VALUE OF FINANCIAL INSTRUMENTS BY LEVEL (IFRS 7)

Equity interests and other available-for-sale financial assets are considered to be level 3

(non-observable data), as the shares are not listed.

The fair value of derivative instruments is determined using valuation models based on observable data (level 2).

Cash and cash equivalents are detailed in note 4.5.5. They are classified as level 1, with the exception of term deposits in the amount of €132 million, which are considered as level 2.

#### 4.5.1 NON-CURRENT FINANCIAL ASSETS

Other financial assets notably include equity interests, other long-term receivables from investments, long-term securities, long-term loans, long-term deposits and guarantees and long-term marketable securities that are not considered cash or cash equivalents.

| <i>Gross value (in thousands of euros)</i> | 12/31/2018     | 12/31/2017    |
|--|----------------|---------------|
| Equity interests                           | 78,729         | 28,530        |
| Other receivables from investments         | 12,784         | 13,606        |
| Long-term securities                       | 1,689          | 1,491         |
| Loans, deposits and guarantees             | 11,540         | 7,786         |
| <b>TOTAL OTHER FINANCIAL ASSETS</b>        | <b>104,742</b> | <b>51,413</b> |
| Impairment                                 | (1,445)        | (1,398)       |
| <b>NET VALUE</b>                           | <b>103,297</b> | <b>50,015</b> |

Investments in non-controlled entities correspond mainly to:

- shares of the EIG held by Rubis Antilles Guyane;
- non-controlling interests held by Rubis Energia Portugal in two entities in Portugal;
- the acquisition of 24.99% of the share capital of KenolKobil Plc in the context of the takeover bid proposed by Rubis

Énergie SAS in October 2018 (see note 11 "Post-balance sheet events"). This activity will be fully consolidated in 2019;

- securities of companies acquired as part of the acquisition of Repsol's distribution activities in the Azores and Madeira; since the repurchase of the shares took place at the end of December 2018, the new activity could not be consolidated in fiscal 2018. It will be consolidated using the full

consolidation method as of January 1, 2019.

Other receivables from investments mainly include advances made to EIGs or joint ventures.

Loans, deposits and guarantees paid correspond essentially to advances made to certain distributors working for the Group and guarantees given to suppliers of petroleum products.

#### 4.5.2 OTHER CURRENT FINANCIAL ASSETS

Current financial assets include the portion due in less than one year of receivables related to investments, loans and deposits

and guarantees paid, advances and deposits paid to acquire new businesses, prepaid expenses, marketable securities that cannot

be considered as cash or cash equivalents, and hedging instruments at fair value.

| <i>(in thousands of euros)</i>            | 12/31/2018    | 12/31/2017    |
|---|---------------|---------------|
| Other receivables from investments        |               |               |
| Loans, deposits and guarantees            | 798           | 3,438         |
| <b>GROSS CURRENT FINANCIAL ASSETS</b>     | <b>798</b>    | <b>3,438</b>  |
| Impairment                                | (16)          |               |
| <b>NET CURRENT FINANCIAL ASSETS</b>       | <b>782</b>    | <b>3,438</b>  |
| Fair value of financial instruments       | 214           | 2,138         |
| Other receivables – advances and deposits |               |               |
| Prepaid expenses                          | 18,498        | 27,601        |
| <b>CURRENT ASSETS</b>                     | <b>18,712</b> | <b>29,739</b> |
| <b>TOTAL OTHER CURRENT ASSETS</b>         | <b>19,494</b> | <b>33,177</b> |

Loans, deposits and guarantees include advances and deposits paid for the acquisition of new operations.

#### 4.5.3 OTHER NON-CURRENT ASSETS

| <i>(in thousands of euros)</i>        | 1 to 5 years | More than 5 years |
|---------------------------------------|--------------|-------------------|
| Uncalled share capital                | 86           |                   |
| Other receivables (long-term portion) |              | 24,938            |
| Prepaid expenses (long-term portion)  | 3,476        |                   |
| <b>TOTAL</b>                          | <b>3,562</b> | <b>24,938</b>     |

Other receivables outstanding for more than one year mainly include receivables relating to the sale of the bitumen business in Iran (see note 3.2.2).



#### 4.5.4 TRADE AND OTHER RECEIVABLES (CURRENT OPERATING ASSETS)

##### ACCOUNTING POLICIES

Trade receivables, generally due within a period of one year, are recognized and accounted for at the initial invoice amount less an allowance for impairment recorded as the amount deemed to be unrecoverable. Doubtful receivables are estimated when there is no longer any probability of recovering the entire receivable. Impaired receivables are recorded as losses when they are identified as such. The Group uses the simplified approach allowed under IFRS 9 to calculate provisions for expected losses on trade receivables. Due to the Group's low rate of past losses, the application of the impairment model for financial assets based on expected losses did not have a material impact for it.

Trade and other receivables include the short-term portion of trade receivables and related accounts, employee receivables, government receivables, and other operating receivables.

| <b>Gross value</b><br><i>(in thousands of euros)</i> | <b>12/31/2018</b> | <b>12/31/2017</b> |
|--|-------------------|-------------------|
| Trade and other receivables                          | 448,452           | 412,942           |
| Employee receivables                                 | 804               | 492               |
| Government receivables                               | 72,094            | 43,568            |
| Other operating receivables                          | 99,048            | 94,166            |
| Deferred revenue                                     |                   |                   |
| <b>TOTAL</b>   | <b>620,398</b>    | <b>551,168</b>    |

Other operating receivables include €60 million (€64 million in 2017) of current accounts for joint ventures.

| <b>Impairment</b><br><i>(in thousands of euros)</i> | <b>12/31/2017</b> | <b>Changes in consolidation</b> | <b>Allowances</b> | <b>Reversals</b> | <b>Reclassifications</b> | <b>12/31/2018</b> |
|---|-------------------|---------------------------------|-------------------|------------------|--------------------------|-------------------|
| Trade and other receivables                         | 31,488            | 180                             | 9,874             | (4,230)          | (439)                    | 36,873            |
| Other operating receivables                         | 3,965             |                                 | 59                | (2,558)          |                          | 1,466             |
| <b>TOTAL</b>  | <b>35,453</b>     | <b>180</b>                      | <b>9,933</b>      | <b>(6,788)</b>   | <b>(439)</b>             | <b>38,339</b>     |

Changes in the scope of consolidation result primarily from the consolidation of an LPG activity in Réunion.

##### RECONCILIATION OF CHANGE IN WORKING CAPITAL WITH THE STATEMENT OF CASH FLOWS

|  |                 |
|--|-----------------|
| <b>Net carrying amount as of 12/31/2018</b>  | <b>582,059</b>  |
| Net carrying amount as of 12/31/2017   | 515,715         |
| <b>CHANGE IN TRADE AND OTHER RECEIVABLES ON THE BALANCE SHEET</b>                          | <b>(66,344)</b> |
| Impact of change in the scope of consolidation   | 13,417          |
| Impact of foreign exchange differences   | 40              |
| Impact of reclassifications  | 1,900           |
| Impact of change in receivables on disposal of assets (in investment)                      | (533)           |
| Impact of changes in other current assets and other receivables due for more than one year | (23,566)        |
| <b>CHANGE IN TRADE AND OTHER RECEIVABLES ON THE STATEMENT OF CASH FLOWS</b>                | <b>(75,086)</b> |

#### 4.5.5 CASH AND CASH EQUIVALENTS

##### ACCOUNTING POLICIES

Cash and cash equivalents include current bank accounts and UCITS units which can be mobilized or sold in the very short term (less than three months) and which present no significant risk of change in value, according to the criteria stipulated in IAS 7. These assets are recognized at fair value through profit or loss.

| <i>(in thousands of euros)</i> | 12/31/2018     | 12/31/2017     |
|--------------------------------|----------------|----------------|
| Sicav                          | 21,935         | 22,497         |
| Equities                       |                |                |
| Other funds                    | 122,444        | 124,963        |
| Interest receivable            | 898            | 592            |
| Cash                           | 610,692        | 677,250        |
| <b>TOTAL</b>                   | <b>755,969</b> | <b>825,302</b> |

Rubis holds 94% of the marketable securities.

##### Equity risk

The Group is not exposed to equity risk, as it does not hold a large equity portfolio.

#### 4.5.6 CREDIT RISK

##### Customer concentration risk

Revenue generated with the Group's largest customer, the top five customers and the top 10 customers over the past two fiscal years.

|                  | 2018 | 2017 |
|------------------|------|------|
| Top customer     | 10%  | 9%   |
| Top 5 customers  | 17%  | 17%  |
| Top 10 customers | 22%  | 21%  |

The Group's maximum credit risk exposure from trade receivables at the closing date is as follows for each geographic zone:

| <i>Net amount (in thousands of euros)</i> | 12/31/2018     | 12/31/2017     |
|---|----------------|----------------|
| Europe                                    | 103,075        | 98,374         |
| Caribbean                                 | 195,370        | 170,881        |
| Africa                                    | 113,134        | 112,199        |
| <b>TOTAL</b>                              | <b>411,579</b> | <b>381,454</b> |

Over both fiscal years, the ratio of trade receivables to sales was less than 10%.

The age of the current assets at the closing date breaks down as follows:

| <i>(in thousands of euros)</i> | Book value     | Impairment    | Net book value | Assets not yet due | Assets due unimpaired |                         |                  |
|--------------------------------|----------------|---------------|----------------|--------------------|-----------------------|-------------------------|------------------|
|                                |                |               |                |                    | Less than 6 months    | From 6 months to 1 year | More than 1 year |
| Trade and other receivables    | 620,398        | 38,339        | 582,059        | 421,077            | 123,150               | 19,060                  | 18,772           |
| Income tax receivables         | 42,200         |               | 42,200         | 31,790             | 5,641                 | 2,999                   | 1,770            |
| Other current assets           | 19,510         | 16            | 19,494         | 18,980             | 237                   | 197                     | 80               |
| <b>TOTAL</b>                   | <b>682,108</b> | <b>38,355</b> | <b>643,753</b> | <b>471,847</b>     | <b>129,028</b>        | <b>22,256</b>           | <b>20,622</b>    |

## 4.6 DEFERRED TAX ASSETS AND LIABILITIES

## ACCOUNTING POLICIES

Deferred tax assets and liabilities are recognized for all temporary differences between the book value and the tax basis, using the liability method.

Deferred tax assets are recognized for all deductible temporary differences, carry forwards of unused tax losses and unused tax credits, subject to the probability of taxable profit becoming available in the foreseeable future, on which these temporary deductible differences and carry forwards of unused tax losses, and unused tax credits can be used.

Deferred tax assets and liabilities are measured at the expected tax rate for the period when the asset is realized or the liability is settled, based on tax rates and laws enacted by the closing date. This measurement is updated at each balance sheet date.

Deferred tax assets and liabilities are not discounted.

Deferred tax is recorded as the difference between the book value and the tax basis of assets and liabilities. Deferred tax assets and liabilities break down as follows:

| <i>(in thousands of euros)</i>     | <b>12/31/2018</b> | <b>12/31/2017</b> |
|------------------------------------|-------------------|-------------------|
| Depreciation of fixed assets*      | (90,363)          | (90,076)          |
| Free carry forwards                | 2,671             | 3,200             |
| Temporary differences              | 6,245             | 7,229             |
| Provisions for risks               | 1,512             | 2,205             |
| Provisions for environmental costs | 6,065             | 5,252             |
| Financial instruments              | 1,421             | 382               |
| Pension commitments                | 8,283             | 8,367             |
| Other*                             | (144)             | (468)             |
| <b>NET DEFERRED TAXES</b>          | <b>(64,311)</b>   | <b>(63,909)</b>   |
| Deferred tax assets                | 8,080             | 7,029             |
| Deferred tax liabilities           | (72,391)          | (70,938)          |
| <b>NET DEFERRED TAXES</b>          | <b>(64,311)</b>   | <b>(63,909)</b>   |

\* For the 2017 column, a reclassification of €1,852 thousand has been made from the "Depreciation of fixed assets" line to the "Other" line to correct a misallocation.

Deferred taxes representing tax loss carry forwards mainly concern the tax loss carry forwards of the Frangaz and Sigalnor entities. The deferred tax recorded on tax loss carry forwards of Frangaz concern the loss carry forwards generated before its inclusion in Rubis' tax scope. These losses are deducted from the net profits generated by Frangaz. The business forecasts updated at year-end justify the probability of deferred tax assets being applied in the medium term. Deferred taxes relating to financial instruments basically comprise the deferred tax pertaining to the fair value of hedging instruments for Rubis Terminal and Rubis Énergie.

Deferred taxes on fixed assets mainly comprise:

- the cancellation of excess tax depreciation over normal depreciation;
- the standardization of depreciation rates for machinery;
- the difference between the consolidated value and the tax value of certain assets.

With respect to French entities, deferred taxes that will probably be applied between 2019 and 2022 were measured inclusive of the gradual reductions in tax rate provided by the Finance Act of 2018. The rate differential did not have a significant impact on earnings in 2018.

Deferred tax assets and liabilities are offset by entity or by tax consolidation group. Only the deferred tax asset or liability balance by entity or by tax consolidation group appears on the balance sheet. There is only one tax consolidation scope within the Group, that of the parent company, Rubis, which comprises the following entities: Rubis Terminal, Vitogaz France, Rubis Énergie, Coparef, Rubis Patrimoine, ViTO Corse, Frangaz, Starogaz, Sicogaz, Rubis Antilles Guyane, SIGL, Rubis Caraïbes Françaises, Rubis Guyane Française, Société Antillaise des Pétroles Rubis, Rubis Restauration et Services and Société Réunionnaise de Produits Pétroliers (SRPP).

## 4.7 INVENTORIES

### ACCOUNTING POLICIES

Inventories are valued at cost or net realizable value, whichever is lower.

Inventory purchase cost is determined according to weighted average cost for Rubis Énergie and according to the First-In First-Out (FIFO) method for Rubis Terminal.

Borrowing costs are not included in inventory cost.

The net realizable value is the estimated sale price in the normal course of business minus estimated costs necessary to complete the sale.

Impairment is recognized when the probable realizable value is lower than the net book value.

### Gross value

(in thousands of euros)

|  | 12/31/2018     | 12/31/2017     |
|--|----------------|----------------|
| Inventories of raw materials and supplies          | 107,249        | 80,452         |
| Inventories of finished and semi-finished products | 87,574         | 80,019         |
| Inventories of merchandise                         | 172,375        | 137,859        |
| <b>TOTAL</b>                                       | <b>367,198</b> | <b>298,330</b> |

| (in thousands of euros)                            | 12/31/2017    | Changes in consolidation | Allowances    | Reversals       | 12/31/2018    |
|--|---------------|--------------------------|---------------|-----------------|---------------|
| Inventories of raw materials and supplies          | 10,233        |                          | 13,302        | (9,306)         | 14,229        |
| Inventories of finished and semi-finished products | 1,209         |                          | 3,791         | (1,209)         | 3,791         |
| Inventories of merchandise                         | 573           | 18                       | 1,704         | (203)           | 2,092         |
| <b>TOTAL</b>                                       | <b>12,016</b> | <b>18</b>                | <b>18,797</b> | <b>(10,718)</b> | <b>20,112</b> |

Changes in the scope of consolidation result from the acquisition of Galana activities in Madagascar.

### RECONCILIATION OF CHANGE IN WORKING CAPITAL WITH THE STATEMENT OF CASH FLOWS

|  |                 |
|--|-----------------|
| Net carrying amount as of 12/31/2018   | 347,086         |
| Net carrying amount as of 12/31/2017   | 286,314         |
| <b>CHANGE IN INVENTORIES AND WORK IN PROGRESS ON THE BALANCE SHEET</b>           | <b>(60,772)</b> |
| Impact of change in the scope of consolidation                                   | 250             |
| Impact of reclassifications  | 207             |
| Impact of foreign exchange differences   | 940             |
| <b>CHANGE IN INVENTORIES AND WORK IN PROGRESS IN THE STATEMENT OF CASH FLOWS</b> | <b>(59,375)</b> |



#### 4.8 SHAREHOLDERS' EQUITY

As of December 31, 2018, the share capital consisted of 96,813,744 shares (of which 2,740 preferred shares), fully paid up, with a par value of €1.25 each, i.e. a total amount of €121,017 thousand.

The various transactions impacting the share capital in the period are set out in the table below:

|                                   | Number<br>of shares | Share capital<br>(in thousands<br>of euros) | Share premium<br>(in thousands<br>of euros) |
|-----------------------------------|---------------------|---|---|
| <b>AS OF JANUARY 1, 2018</b>      | <b>93,868,480</b>   | <b>117,336</b>                              | <b>1,195,964</b>                            |
| Payment of the dividend in shares | 1,609,665           | 2,012                                       | 84,153                                      |
| Free shares                       | 17,622              | 22  | (22)  |
| Company savings plan              | 117,977             | 147   | 5,420                                       |
| Equity line                       | 1,200,000           | 1,500                                       | 65,907                                      |
| Capital increase expenses         |                     |   | (357)                                       |
| Legal reserve allocation          |                     |   | (369)                                       |
| <b>DECEMBER 31, 2018</b>          | <b>96,813,744</b>   | <b>121,017</b>                              | <b>1,350,696</b>                            |

As of December 31, 2018, Rubis held 36,128 treasury shares.

#### RECONCILIATION OF THE CAPITAL INCREASE WITH THE STATEMENT OF CASH FLOWS

|  |                |
|--|----------------|
| Increase in the share capital                              | 3,681          |
| Increase in issue premiums                                 | 154,732        |
| Reintegration of the allocation to the legal reserve       | 370            |
| Change in receivables related to called but unpaid capital |                |
| <b>CAPITAL INCREASE IN THE STATEMENT OF CASH FLOWS</b>     | <b>158,783</b> |



## 4.9 FREE SHARES

### ACCOUNTING POLICIES

IFRS 2 provides for payroll expenses to be recognized for services remunerated by benefits granted to employees in the form of share-based payments. These services are carried at fair value of the instruments awarded.

All the plans granted by the Group are in the form of instruments settled in shares; the payroll expense is offset in shareholders' equity.

#### Free share awards

Free share plans are granted to some members of the Rubis Group personnel.

These free share awards are valued at fair value on the grant date, using a binomial model. The valuation is based, in particular, on the share price on the grant date, taking into account the absence of dividends during the vesting period.

This fair value on the grant date is recognized as payroll expenses, on a straight-line basis over the vesting period, offset against shareholders' equity.

#### Preferred share awards

Preferred share plans are also granted to some members of the Rubis Group personnel.

These preferred share awards are valued at fair value on the grant date, using a binomial model. The valuation is based, in particular, on the share price on the grant date, taking into account the vesting period, the absence of dividends and conditions relating to the Average Annual Overall Rate of Return (AAORR) of the Rubis share.

This fair value on the grant date is recognized as payroll expenses, on a straight-line basis over the vesting period, offset against shareholders' equity.

#### Company savings plans (PEE)

The Group has set up several company savings plans for its employees. These plans provide employees with the possibility of subscribing to a reserved capital increase at a discounted share price.

The plans comply with the conditions of application of share purchase plans (French National Accounting Council statement dated December 21, 2004).

The fair value of each share is then estimated as corresponding to the variance between the share price on the plan grant date and the subscription price. The share price is nonetheless adjusted to take into account the unavailability of the share for five years, based on the variance between the risk-free rate on the grant date and the interest rate of an ordinary five-year consumer loan.

In the absence of vesting period, the payroll expense is recognized directly against shareholders' equity.

The expense corresponding to the Company contribution granted to employees is also recognized in the income statement under payroll expenses.

A €5,331 thousand expense for free shares and company savings plans was recognized under "Payroll expenses" in 2018.

The terms of the free share plans outstanding as of December 31, 2018 are set out in the tables below:

### FREE SHARES

| Date of the Board of Management meeting | Outstanding<br>as of 12/31/2017 | Rights issued | Rights exercised | Rights canceled | Outstanding<br>as of 12/31/2018 |
|---|---------------------------------|---------------|------------------|-----------------|---------------------------------|
| August 18, 2014                         | 8,748                           |               |                  |                 | 8,748                           |
| April 17, 2015                          | 17,622                          |               | (17,622)         |                 |                                 |
| <b>TOTAL</b>                            | <b>26,370</b>                   |               | <b>(17,622)</b>  |                 | <b>8,748</b>                    |

The vesting period for beneficiaries' free shares is a minimum of three years from the date on which they are granted by the Board of Management. The conditions for granting free shares are set by the Board of Management.

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### PREFERRED SHARES

| Date of the Board of Management meeting | Outstanding as of 12/31/2017 | Rights issued | Rights exercised | Rights canceled | Outstanding as of 12/31/2018 | Of which preferred shares acquired but not yet converted into ordinary shares |
|---|------------------------------|---------------|------------------|-----------------|------------------------------|---|
| September 2, 2015                       | 2,884                        |               |                  |                 | 2,884                        | 2,740   |
| July 11, 2016                           | 3,864                        |               |                  |                 | 3,864                        |   |
| March 13, 2017                          | 1,932                        |               |                  |                 | 1,932                        |   |
| July 19, 2017                           | 374                          |               |                  |                 | 374                          |   |
| March 2, 2018                           |                              | 345           |                  |                 | 345                          |   |
| March 5, 2018                           |                              | 1,157         |                  |                 | 1,157                        |   |
| October 19, 2018                        |                              | 140           |                  |                 | 140                          |   |
| <b>TOTAL</b>                            | <b>9,054</b>                 | <b>1,642</b>  |                  |                 | <b>10,696</b>                | <b>2,740</b>  |

Preferred shares will be converted into ordinary shares at the end of a retention or vesting period based on the extent to which the performance conditions have been achieved.

### VALUATION OF STOCK OPTION PLANS AND FREE SHARES

The risk-free interest rate used to calculate the value of these plans is the interest rate on Euro zone Government bonds with the same maturity as the options (source: Iboxx).

With respect to the early exercise of the options, the model assumes rational expectations on the part of options holders, who may exercise their options at any time

throughout the exercise period. The implied volatility used in the calculation is estimated on the basis of past volatility levels.

The annual dividend rates used in the valuations are as follows:

| Date of the Board of Management meeting | Free shares |
|---|-------------|
| August 18, 2014                         | 4.1%        |
| April 17, 2015                          | 4.1%        |
| September 2, 2015                       | 3.9%        |
| July 11, 2016                           | 3.7%        |
| March 13, 2017                          | 3.4%        |
| July 19, 2017                           | 3.3%        |
| March 2, 2018                           | 3.4%        |
| March 5, 2018                           | 3.4%        |
| October 19, 2018                        | 3.0%        |

### COMPANY SAVINGS PLANS - VALUATION OF COMPANY SAVINGS PLANS

The lock-up rate was estimated at 0.58% for the 2018 plan (0.76% for the 2017 plan).

The risk-free interest rate used to calculate the value of the company savings plans is

the interest rate on Euro zone Government bonds with the same maturity as the instruments valued (source: Iboxx). The discount related to the lock-up was estimated

based on the risk-free interest rate and the average borrowing rate over five years, i.e. respectively 0.27% and 0.58%.



## 4.10 FINANCIAL LIABILITIES

### ACCOUNTING POLICIES

Financial liabilities are recognized and measured in accordance with IAS 9 "Financial instruments".

Financial liabilities are recognized in the Group balance sheet when the Group is a party to the instrument's contractual provisions.

IAS 9 distinguishes between two categories of financial liabilities, each subject to a specific accounting treatment:

- financial liabilities valued at amortized cost: these mainly include trade payables and borrowings applying the effective interest rate method, if applicable;
- financial liabilities valued at fair value through profit and loss, which only represent a very limited number of scenarios for the Group and do not have a significant impact on the financial statements.

### Measurement and recognition of derivative instruments

The accounting policies used to measure and recognize derivative instruments are set out in note 4.5.

| Breakdown of financial liabilities by class (IFRS 7)<br>and by category (IFRS 9)<br><i>(in thousands of euros)</i> | Note   | Value on balance sheet |                  | Fair value       |                  |
|--|--------|------------------------|------------------|------------------|------------------|
|  |        | 12/31/2018             | 12/31/2017       | 12/31/2018       | 12/31/2017       |
| <b>AT AMORTIZED COST</b>   |        | <b>2,036,072</b>       | <b>2,085,202</b> | <b>2,036,072</b> | <b>2,085,202</b> |
| Borrowings and financial debt  | 4.10.1 | 1,364,072              | 1,466,241        | 1,364,072        | 1,466,241        |
| Deposit/consignment  | 4.10.1 | 113,001                | 103,991          | 113,001          | 103,991          |
| Other non-current liabilities  | 4.10.3 | 2,364                  | 3,461            | 2,364            | 3,461            |
| Trade and other payables   | 4.10.4 | 526,849                | 457,873          | 526,849          | 457,873          |
| Current tax liabilities  |        | 14,738                 | 17,424           | 14,738           | 17,424           |
| Other current liabilities  | 4.10.3 | 15,048                 | 36,212           | 15,048           | 36,212           |
| <b>FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME</b>   |        | <b>4,582</b>           | <b>3,249</b>     | <b>4,582</b>     | <b>3,249</b>     |
| Derivative instruments   | 4.5.2  | 4,582                  | 3,249            | 4,582            | 3,249            |
| <b>FAIR VALUE THROUGH PROFIT OR LOSS</b>   |        | <b>85,527</b>          | <b>45,689</b>    | <b>85,527</b>    | <b>45,689</b>    |
| Short-term bank borrowings   | 4.10.1 | 85,527                 | 45,689           | 85,527           | 45,689           |
| <b>TOTAL FINANCIAL LIABILITIES</b>   |        | <b>2,126,181</b>       | <b>2,134,140</b> | <b>2,126,181</b> | <b>2,134,140</b> |

The fair value of derivative instruments is determined using valuation models based on observable data (level 2).

### 4.10.1 FINANCIAL DEBT

Financial debt is presented in the following table, which differentiates between non-current and current liabilities:

| <b>Current</b> <i>(in thousands of euros)</i>  | 12/31/2018        | 12/31/2017        |
|--|-------------------|-------------------|
| Credit institution loans   | 252,873           | 228,750           |
| Interest accrued not yet due on loans and bank overdrafts                                  | 2,857             | 3,281             |
| Bank overdrafts  | 85,188            | 45,310            |
| Other loans and similar liabilities  | 684               | 337               |
| <b>TOTAL BORROWINGS AND SHORT-TERM BANK BORROWINGS (PORTION DUE IN LESS THAN ONE YEAR)</b> | <b>341,602</b>    | <b>277,678</b>    |
| <b>Non-current</b> <i>(in thousands of euros)</i>  | <b>12/31/2018</b> | <b>12/31/2017</b> |
| Credit institution loans   | 1,089,824         | 1,217,188         |
| Customer deposits on tanks   | 18,992            | 19,263            |
| Customer deposits on cylinders   | 94,009            | 84,728            |
| Other loans and similar liabilities  | 18,173            | 17,064            |
| <b>TOTAL BORROWINGS AND FINANCIAL DEBT</b>   | <b>1,220,998</b>  | <b>1,338,243</b>  |
| <b>TOTAL</b>   | <b>1,562,600</b>  | <b>1,615,921</b>  |



## Financial statements

2018 consolidated financial statements and Notes

### Non-current borrowings and financial debt

| (in thousands of euros)             | 1 to 5 years     | More than 5 years |
|-------------------------------------|------------------|-------------------|
| Credit institution loans            | 1,041,048        | 48,776            |
| Other loans and similar liabilities | 7,846            | 10,327            |
| <b>TOTAL</b>                        | <b>1,048,894</b> | <b>59,103</b>     |

| 12/31/2018<br>(in thousands of euros) | Mortgages | Pledged securities | Pledged property, plant and equipment | Other guarantees | Unsecured        | Total            |
|---------------------------------------|-----------|--------------------|---------------------------------------|------------------|------------------|------------------|
| Credit institution loans              |           | 45,625             | 3,394                                 | 57,322           | 1,236,356        | 1,342,697        |
| Bank overdrafts                       |           |                    | 6,255                                 | 47,362           | 31,571           | 85,188           |
| Other loans and similar liabilities   |           |                    |                                       |                  | 18,857           | 18,857           |
| <b>TOTAL</b>                          |           | <b>45,625</b>      | <b>9,649</b>                          | <b>104,684</b>   | <b>1,286,784</b> | <b>1,446,742</b> |

The change in borrowings and other current and non-current financial liabilities between December 31, 2017 and December 31, 2018 breaks down as follows:

| (in thousands of euros)                               | 12/31/2017 | Changes in consolidation | Issue   | Repayment | Translation differences | 12/31/2018 |
|---|------------|--------------------------|---------|-----------|-------------------------|------------|
| Current and non-current borrowings and financial debt | 1,511,930  | 700                      | 292,363 | (357,645) | 2,251                   | 1,449,599  |

Changes in the scope of consolidation result primarily from the consolidation of an LPG activity in Réunion (see note 3.2.3).

Issues made during the period are mainly explained by the financing of capital

expenditure and changes in the structure of the three divisions.

| (in thousands of euros)                       | Fixed rate     | Variable rate    |
|---|----------------|------------------|
| Credit institution loans                      | 205,976        | 883,848          |
| Credit institution loans (short-term portion) | 26,048         | 226,825          |
| <b>TOTAL</b>                                  | <b>232,024</b> | <b>1,110,673</b> |

### Financial covenants

The Group's consolidated net debt totaled €694 million as of December 31, 2018.

Credit agreements include the commitment by the Group and by each of its operating

segments to meet the following financial ratios during the term of the loans:

- net debt to shareholders' equity ratio of less than 1;
- net debt to Ebitda ratio of less than 3.5.

As of December 31, 2018, the Group's ratios show that Rubis can comfortably meet its commitments; likewise, the Group's overall position and its outlook remove any likelihood that events might result in an acceleration of maturities. Failure to comply with these ratios would result in the early repayment of the loans.



## 4.10.2 DERIVATIVE FINANCIAL INSTRUMENTS

| Hedges/entity                      | Item hedged                  | Nominal amount hedged | Term               | Type of instrument | Market value as of 12/31/2018  |
|------------------------------------|------------------------------|-----------------------|--------------------|--------------------|--------------------------------|
| <b>RATE</b>                        |                              |                       |                    |                    | <i>(in thousands of euros)</i> |
| Rubis Terminal                     | Loan                         | €30 million           | Mar.-20            | swap               | (176)                          |
|                                    | Loan                         | €25 million           | Sep.-20            | swap               | (323)                          |
| Rubis Énergie                      | Loan                         | €25 million           | Sep.-26            | cap                | 130                            |
|                                    | Loan                         | €5 million            | Dec.-19            | swap               | (32)                           |
|                                    | Loan                         | €4 million            | Dec.-19            | swap               | (15)                           |
|                                    | Loan                         | €50 million           | Nov.-19            | swap               | (221)                          |
|                                    | Loan                         | €30 million           | Jan.-22            | swap               | (246)                          |
|                                    | Loan                         | €50 million           | Dec.-19            | swap               | (115)                          |
|                                    | Loan                         | €20 million           | Jul.-20            | swap               | (56)                           |
|                                    | Loan                         | €60 million           | May-22             | swap               | (438)                          |
|                                    | Loan                         | €28 million           | Jan.-20            | swap               | (98)                           |
|                                    | Loan                         | €75 million           | Feb.-22            | swap               | (476)                          |
|                                    | Loan                         | €100 million          | Feb.-23            | swap               | (333)                          |
|                                    | Loan                         | €75 million           | Mar.-24            | swap               | (767)                          |
|                                    | Loan                         | €45 million           | May-22             | swap               | (118)                          |
| Loan                               | €45 million                  | May-22                | swap               | (114)              |                                |
| Loan                               | €50 million                  | Apr.-24               | swap               | (152)              |                                |
| Loan                               | €80 million                  | Jul.-22               | swap               | (92)               |                                |
| <b>Propane</b>                     |                              |                       |                    |                    |                                |
| Rubis Énergie                      | Purchase of propane and fuel | 32,115 t              | Dec.-19 to Oct.-21 | swap               | (768)                          |
| <b>TOTAL FINANCIAL INSTRUMENTS</b> |                              | <b>€797 MILLION</b>   |                    |                    | <b>(4,410)</b>                 |

The fair value of derivative financial instruments carried by the Group includes a "counterparty risk" component for derivative assets and an "own credit risk" component

for derivative instrument liabilities. Credit risk is assessed using conventional mathematical models for market participants. Adjustments recorded in respect of counterparty risk and

own credit risk as of December 31, 2018 were not material.

## Interest rate risk

| Characteristics of loans contracted | Rate          | Total amount of lines          |                  |                       |                   | Existence or not of hedging |
|-------------------------------------|---------------|--------------------------------|------------------|-----------------------|-------------------|-----------------------------|
|                                     |               | <i>(in thousands of euros)</i> | Less than 1 year | Between 1 and 5 years | More than 5 years |                             |
| Euros                               | Fixed rate    | 189,728                        | 16,865           | 163,087               | 9,776             | YES                         |
|                                     | Variable rate | 1,101,185                      | 219,192          | 842,993               | 39,000            |                             |
| Pula                                | Fixed rate    |                                |                  |                       |                   |                             |
|                                     | Variable rate | 413                            | 413              |                       |                   |                             |
| Swiss francs                        | Fixed rate    | 6,523                          | 920              | 5,603                 |                   |                             |
|                                     | Variable rate | 5,830                          | 5,830            |                       |                   |                             |
| Rands                               | Fixed rate    | 2,431                          | 608              | 1,823                 |                   |                             |
|                                     | Variable rate |                                |                  |                       |                   |                             |
| US dollars                          | Fixed rate    | 29,178                         | 5,487            | 23,691                |                   |                             |
|                                     | Variable rate | 3,245                          | 1,390            | 1,855                 |                   |                             |
| Jamaican dollars                    | Fixed rate    | 4,164                          | 2,168            | 1,996                 |                   |                             |
|                                     | Variable rate |                                |                  |                       |                   |                             |
| <b>TOTAL</b>                        |               | <b>1,342,697</b>               | <b>252,873</b>   | <b>1,041,048</b>      | <b>48,776</b>     |                             |

Interest rate risk for the Group is limited to the loans obtained.

None of the Group's loans to date is likely to be repaid due to the enforcement of covenants.

As of December 31, 2018, the Group had interest rate hedging agreements (swaps) in the amount of €797 million on a total of €1,110.7 million in variable rate debt, representing 72% of that amount (see "Off-balance sheet items" in the table below).

| <i>(in thousands of euros)</i>                                      | <b>Overnight to 1 year<sup>(4)</sup></b> | <b>1 to 5 years</b> | <b>Beyond</b>   |
|---|--|---------------------|-----------------|
| Borrowings and financial debt excluding consignments <sup>(1)</sup> | 341,602                                  | 1,048,894           | 59,103          |
| Financial assets <sup>(2)</sup>                                     | 755,969                                  |                     |                 |
| Net position before management                                      | (414,367)                                | 1,048,894           | 59,103          |
| Off-balance sheet items <sup>(3)</sup>                              | (109,000)                                | (538,000)           | (150,000)       |
| <b>NET POSITION AFTER MANAGEMENT</b>                                | <b>(523,367)</b>                         | <b>510,894</b>      | <b>(90,897)</b> |

(1) Loans from credit institutions, bank overdrafts, accrued interest not yet due and other borrowings and debt

(2) Cash and cash equivalents

(3) Derivative financial instruments

(4) Including variable rate assets and liabilities

### Interest rate sensitivity

€439.9 million of the Group's net debt has a variable interest rate, comprising confirmed variable rate loans (€1,110.7 million) plus short-term bank borrowings (€85.2 million), minus cash on hand (€756 million).

In light of the hedging put in place, a 1% variation in short-term interest rates would not have a significant impact on the cost of net financial debt for 2018 (impact of less than €100 thousand before tax).

### Foreign exchange risk

Rubis purchases petroleum products in US dollars; its only potential exposure is therefore to this currency.

With regard to storage business, CPA (trading business) remains marginally exposed (virtually no position) to foreign exchange risk as its purchases in US dollars

are financed by daily exchanges of euros for US dollars, corresponding to the sales made. A positive US dollar position may occasionally occur when inventory is low, and in that case corresponds to the value of the base stock to be replenished.

Rubis Terminal Petrol (formerly Delta Rubis Petrol), its Turkey-based subsidiary, has selected the US dollar as its functional currency, as its main transactions are denominated in US dollars.

As of December 31, 2018 the Rubis Énergie and Rubis Support and Services divisions showed a net positive position of USD 97 million consisting of debts, receivables and, more marginally, cash and cash equivalents.

A €0.01 fall in the euro against the US dollar would not entail a material foreign exchange risk (less than €1 million before tax).

| <i>(in millions of US dollars)</i>    | <b>12/31/2018</b> |
|---------------------------------------|-------------------|
| Assets                                | 89                |
| Liabilities                           | (186)             |
| <b>NET POSITION BEFORE MANAGEMENT</b> | <b>(97)</b>       |
| Off-balance sheet position            |                   |
| <b>NET POSITION AFTER MANAGEMENT</b>  | <b>(97)</b>       |

### Risk of fluctuations in petroleum product prices

The following two factors must be considered when analyzing the risk related to fluctuations in petroleum product prices:

- petroleum product price fluctuation risk is mitigated by the short product storage times;
- sales rates are revised on a regular basis, based on market conditions.

#### 4.10.3 OTHER LIABILITIES

##### Current

| <i>(in thousands of euros)</i>      | <b>12/31/2018</b> | <b>12/31/2017</b> |
|-------------------------------------|-------------------|-------------------|
| Prepaid income and other accruals   | 15,048            | 36,212            |
| Fair value of financial instruments | 4,582             | 3,249             |
| <b>TOTAL</b>                        | <b>19,630</b>     | <b>39,461</b>     |

##### Non-current

| <i>(in thousands of euros)</i>                              | <b>12/31/2018</b> | <b>12/31/2017</b> |
|---|-------------------|-------------------|
| Debt on the acquisition of fixed assets (long-term portion) |                   | 11                |
| Other liabilities (long-term portion)                       | 887               | 1,665             |
| Prepaid income (long-term portion)                          | 1,477             | 1,785             |
| <b>TOTAL</b>  | <b>2,364</b>      | <b>3,461</b>      |

**4.10.4 TRADE AND OTHER PAYABLES (CURRENT OPERATING LIABILITIES)**

| <i>(in thousands of euros)</i>                              | 12/31/2018     | 12/31/2017     |
|---|----------------|----------------|
| Trade payables  | 347,865        | 296,601        |
| Debt on the acquisition of fixed assets (long-term portion) | 10,106         | 8,231          |
| Liabilities related to payroll                              | 37,277         | 36,774         |
| Taxes payable   | 90,078         | 74,426         |
| Expenses payable  | 134            | 152            |
| Current accounts (to non-controlling interests)             | 3,595          | 90             |
| Miscellaneous operating liabilities                         | 37,794         | 41,599         |
| <b>TOTAL</b>  | <b>526,849</b> | <b>457,873</b> |

**RECONCILIATION OF CHANGE IN WORKING CAPITAL WITH THE STATEMENT OF CASH FLOWS**

|   |                |
|---|----------------|
| <b>Net carrying amount as of 12/31/2018</b>   | <b>526,849</b> |
| Net carrying amount as of 12/31/2017  | 457,873        |
| <b>CHANGE IN TRADE AND OTHER PAYABLES ON THE BALANCE SHEET</b>  | <b>68,976</b>  |
| Impact of change in the scope of consolidation  | (12,732)       |
| Impact of foreign exchange differences  | 6,347          |
| Impact of reclassifications   | (735)          |
| Impact of change in payables on acquisition of assets (in investment)                                 | (1,875)        |
| Impact of the change in dividends payable and accrued interest on liabilities or debts (in financing) | (83)           |
| Impact of change in other liabilities (long-term portion)   | (4,928)        |
| <b>CHANGE IN TRADE AND OTHER PAYABLES ON THE STATEMENT OF CASH FLOWS</b>                              | <b>54,970</b>  |

**4.10.5 LIQUIDITY RISK****Risk related to supplier and subcontractor dependence**

Group purchases made with the largest supplier, the top five suppliers and the top 10 suppliers over the past two fiscal years:

|                  | 2018 | 2017 |
|------------------|------|------|
| Top supplier     | 11%  | 8%   |
| Top 5 suppliers  | 36%  | 32%  |
| Top 10 suppliers | 49%  | 47%  |

**Liquidity risk**

In the year ended December 31, 2018, the Group used confirmed credit facilities totaling €1,004.5 million. Given the Group's

net debt to shareholders' equity ratio (30%) as of December 31, 2018 and its cash flow, the

ability to draw down these lines is not likely to be put at risk due to a breach of covenants.

| <i>(in millions of euros)</i> | Less than 1 year | 1 to 5 years | More than 5 years |
|-------------------------------|------------------|--------------|-------------------|
| Repayment schedule            | 253              | 1,041        | 49                |

At the same time, the Group has €756 million in immediately available cash on the assets side of its balance sheet.

The remaining contractual maturities of the Group's financial liabilities break down as follows (including interest payments):

| <b>Financial liabilities</b><br><i>(in thousands of euros)</i> | Book value       | Contractual cash flows | Less than 1 month | 1 to 3 months  | 3 months to 1 year | 1 to 5 years     | More than 5 years | Total            |
|--|------------------|------------------------|-------------------|----------------|--------------------|------------------|-------------------|------------------|
| Borrowings and financial debt                                  | 1,107,997        | 1,127,571              |                   |                |                    | 1,068,288        | 59,283            | 1,127,571        |
| Deposit/consignment  | 113,001          | 113,001                | 25                | 128            | 922                | 73,872           | 38,054            | 113,001          |
| Other non-current liabilities                                  | 2,364            | 2,365                  |                   |                |                    | 2,365            |                   | 2,365            |
| Borrowings and bank overdrafts                                 | 341,602          | 357,551                | 125,374           | 11,957         | 220,220            |                  |                   | 357,551          |
| Trade and other payables                                       | 526,849          | 526,849                | 347,112           | 118,113        | 44,347             | 16,583           | 694               | 526,849          |
| Other current liabilities                                      | 19,630           | 19,630                 | 1,349             | 1,266          | 16,781             | 223              | 11                | 19,630           |
| <b>TOTAL</b>   | <b>2,111,443</b> | <b>2,146,967</b>       | <b>473,860</b>    | <b>131,464</b> | <b>282,270</b>     | <b>1,161,331</b> | <b>98,042</b>     | <b>2,146,967</b> |

The difference between contractual cash flows and the book values of financial liabilities mainly corresponds to future interest.

#### 4.11 OTHER PROVISIONS (EXCLUDING EMPLOYEE BENEFITS)

##### ACCOUNTING POLICIES

Provisions are recognized when the Group has a current (legal or implicit) obligation to a third party resulting from a past event, when it is likely that an outflow of resources representing economic benefits will be necessary to settle the obligation, and when the amount of the obligation can be reliably estimated.

##### Dismantling and clean-up

Provisions are made for future site rehabilitation expenditures (dismantling and clean-up), arising from a current legal or implicit obligation, based on a reasonable estimate of their fair value during the fiscal year in which the obligation arises. The counterpart of this provision is included in the net book value of the underlying asset and is depreciated according to the asset's useful life. Subsequent adjustments to the provision following, in particular, a revision of the outflow of resources or the discount rate are symmetrically deducted from or added to the cost of the underlying asset. The impact of accretion (the passage of time) on the provision for site rehabilitation is measured by applying a risk-free interest rate to the provision. Accretion is recorded under "Other financial income and expenses."

##### Litigation and claims

Provisions for litigation and claims are recognized when the Group has an obligation relating to legal action, tax audits, vexatious litigation or other claims resulting from past events that are still pending, when it is likely that an outflow of resources representing economic benefits will be necessary to settle the obligation, and when the amount of the obligation can be reliably estimated. The Group takes advice from its counsel and lawyers in order to assess the likelihood of the occurrence of risks and to estimate provisions for litigation and claims by including the probabilities of the various scenarios envisaged taking place.

##### Restructuring

In the case of restructuring, an obligation is established once the reorganization and a detailed plan for its execution have been announced, or started.

If the impact of time value is significant, provisions are discounted to present value.

| Non-current<br>(in thousands of euros)       | 12/31/2018    | 12/31/2017    |
|--|---------------|---------------|
| Provisions for contingencies and expenses    | 37,497        | 46,828        |
| Provisions for clean-up and asset renovation | 36,169        | 36,104        |
| <b>TOTAL</b>                                 | <b>73,666</b> | <b>82,932</b> |

Provisions for contingencies and expenses include:

- a provision relating to the Rubis Group's obligation to bring some of the assets obtained from its acquisitions under its own banner, recorded as of December 31, 2018 in the amount of €8 million;

- provisions relating to risks or disputes that could potentially lead to action being taken against the Rubis Group.

Provisions for the replacement of fixed assets are compliant with IAS 16. The Group has estimated its clean-up and dismantling costs largely based on the findings of

outside consultants. In compliance with IAS 16, the present value of these expenses was incorporated into the cost of the corresponding facilities.

| (in thousands of euros)                      | 12/31/2017    | Changes in consolidation | Allowances   | Reversals <sup>(1)</sup> | Reclassifications | Translation adjustments | 12/31/2018    |
|--|---------------|--------------------------|--------------|--------------------------|-------------------|-------------------------|---------------|
| Provisions for contingencies and expenses    | 46,828        | (1,733)                  | 7,128        | (16,367)                 | 1,514             | 128                     | 37,497        |
| Provisions for clean-up and asset renovation | 36,104        | 5,608                    | 1,312        | (5,322)                  |                   | (1,533)                 | 36,169        |
| <b>TOTAL</b>                                 | <b>82,932</b> | <b>3,875</b>             | <b>8,440</b> | <b>(21,689)</b>          | <b>1,514</b>      | <b>(1,405)</b>          | <b>73,666</b> |

(1) Of which €14 million reversed and unused.

The main changes in scope are as follows:

- the adjustment of the fair value of the assets acquired and liabilities assumed in Haiti (takeover in May 2017) in the amount of €5.6 million;
- the fair value of the liabilities assumed on the full consolidation of Sigalnor in the negative amount of €1.7 million.

Change in provisions for contingencies and expenses mainly reflects:

- expenses incurred in customizing the assets;
- the Group's obligations in terms of collecting energy savings certificates;
- the Group's cleanup and remediation obligations;

- refinery shutdown and maintenance obligations;
- payments in legal disputes between the Group and third parties;
- the Group's assessment of the risks for which it could be held liable.

## 4.12 EMPLOYEE BENEFITS

### ACCOUNTING POLICIES

The Group's employees are entitled to:

- defined-contribution pension plans applicable under general law in the relevant countries;
- supplementary pension benefits and retirement allowances (French, Swiss, Turkish and Bermudan companies and entities located in Barbados, Guyana and the Bahamas and certain Malagasy entities recently acquired);
- a closed supplementary pension plan (FSCI pension funds, Channel Islands);
- post-employment health plans (Bermudan and South African companies).

The Group's only obligations under defined-contribution plans are premium payments; the expense corresponding to premium payments is recorded in the results for the year.

Under defined-benefit plans, pension commitments and related obligations are valued according to the actuarial projected unit credit method based on final salary. The calculations include actuarial assumptions, mainly pertaining to mortality, personnel turnover rates, final salary forecasts and the discount rate. These assumptions take into account the economic conditions of each country or each Group entity. The rate is determined in relation to high-quality corporate bonds in the region in question.

These measurements are performed twice a year.

Actuarial gains and losses on defined-benefit post-employment benefit plans resulting from changing actuarial assumptions or experience-related adjustments (differences between previous actuarial assumptions and actual recorded staffing events) are recognized in full under other comprehensive income for the period in which they are incurred. The same applies to any adjustments resulting from the limiting of hedging assets in the case of over-financed plans. These items are never subsequently recycled into profit and loss.

In accordance with the IFRIC 14 interpretation, net assets resulting from over-financing of the FSCI's defined-benefit pension plans are not recognized in the Group's accounts, as the Group does not have an unconditional right to receive this surplus.

The employees of Vitogaz France, Rubis Énergie, Frangaz, ViTO Corse, Rubis Antilles Guyane, SARA, SRPP, Rubis Energy Bermuda, Vitogaz Switzerland and Rubis Terminal Petrol are also entitled to seniority bonuses related to the awarding of long-service medals, which fall into the category of long-term benefits, as defined in IAS 19. The amount of the bonuses likely to be awarded has been valued via the method used to value post-employment defined-benefit plans, except for actuarial gains and losses recognized in the income statement for the period during which they are incurred.

Employees of SARA are entitled to progressive pre-retirement plans, early retirement, and retirement leave. The total amount of the commitments corresponding to pre-retirement allowances and early retirement has been assessed using the method described above.

The employee benefits granted by the Group are broken down by type in the table below.

| <i>(in thousands of euros)</i>                     | 12/31/2018    | 12/31/2017    |
|--|---------------|---------------|
| Provision for pensions                             | 33,754        | 33,893        |
| Provision for health and mutual insurance coverage | 9,371         | 9,562         |
| Provision for long-service awards                  | 2,448         | 2,302         |
| <b>TOTAL</b>                                       | <b>45,573</b> | <b>45,757</b> |

The change in provisions for employee benefits breaks down as follows:

| <i>(in thousands of euros)</i>                    | 2018          | 2017          |
|---|---------------|---------------|
| <b>PROVISIONS AS OF JANUARY 1</b>                 | <b>45,757</b> | <b>47,702</b> |
| Newly consolidated/de-consolidated companies      | 329           | 943           |
| Interest expense for the period                   | 999           | 1,844         |
| Service cost for the period                       | 5,301         | 5,359         |
| Expected return on fund assets for the period     | (8)           | (1,760)       |
| Benefits paid for the period                      | (4,855)       | (7,055)       |
| Actuarial losses/(gains) and limitation of assets | (2,445)       | 139           |
| Translation differences                           | 495           | (1,415)       |
| <b>PROVISIONS AS OF DECEMBER 31</b>               | <b>45,573</b> | <b>45,757</b> |

## Post-employment benefits

Post-employment benefits as of December 31, 2017 and 2018 were assessed by an independent actuary, using the following assumptions:

| <b>Assumptions<br/>(within a range depending on the entity)</b> | <b>2018</b>        | <b>2017</b>        |
|---|--------------------|--------------------|
| Discount rate   | 0 to 16.30%        | 0 to 15.90%        |
| Rate of inflation   | 0 to 12%           | 0 to 8.90%         |
| Rate of wage increases  | 0 to 13.5%         | 0 to 15%           |
| Age at voluntary retirement                                     | 60 to 66 years old | 60 to 66 years old |

Actuarial differences are offset against shareholders' equity.

The discount rates used were determined by reference to the yields on high-quality corporate bonds (minimum rating of AA)

with terms equivalent to those of the commitments on the date of assessment.

The calculation of the sensitivity of the provision for commitments to a change of one-quarter of a percentage point in the

discount rate shows that the total obligation and the components of earnings would not be significantly affected, in view of the total sum recognized in the Group's accounts under employee benefits.

| <b>Sensitivity assumptions<br/>(in thousands of euros)</b>            | <b>Provision<br/>for commitments</b> |
|---|--------------------------------------|
| Measurement of the provision as of 12/31/2018                         | 45,573                               |
| Measurement of the provision - assuming discount rate cut by 0.25%    | 47,224                               |
| Measurement of the provision - assuming discount rate raised by 0.25% | 44,406                               |

### DETAIL OF COMMITMENTS

| <i>(in thousands of euros)</i>                              | <b>12/31/2018</b> | <b>12/31/2017</b> |
|---|-------------------|-------------------|
| Actuarial liabilities for commitments not covered by assets | 37,721            | 38,148            |
| Actuarial liabilities for commitments covered by assets     | 28,120            | 31,011            |
| Market value of hedging assets                              | (28,120)          | (31,011)          |
| <b>DEFICIT</b>  | <b>37,721</b>     | <b>38,148</b>     |
| Limitation of assets (overfunded plans)                     | 5,404             | 5,308             |
| <b>PROVISION RECOGNIZED AS OF DECEMBER 31</b>               | <b>43,125</b>     | <b>43,456</b>     |

### CHANGE IN ACTUARIAL LIABILITIES

| <i>(in thousands of euros)</i>                                     | <b>2018</b>   | <b>2017</b>   |
|--|---------------|---------------|
| <b>ACTUARIAL LIABILITIES AS OF JANUARY 1</b>                       | <b>69,159</b> | <b>78,790</b> |
| Service cost for the period  | 5,290         | 4,997         |
| Interest expense for the period                                    | 1,631         | 1,827         |
| Benefits paid for the period                                       | (7,601)       | (13,566)      |
| Actuarial losses/(gains) and limitation of assets                  | (3,386)       | 355           |
| Newly consolidated companies and change in percentage of interest* | 288           | 779           |
| Translation adjustments  | 460           | (4,023)       |
| <b>ACTUARIAL LIABILITIES AS OF DECEMBER 31</b>                     | <b>65,841</b> | <b>69,159</b> |

\* Mainly comprising the actuarial debt of Sigloi (newly consolidated) and Siglnor (additional interest)

### CHANGE IN HEDGING ASSET

| <i>(in thousands of euros)</i>             | <b>2018</b>   | <b>2017</b>   |
|--|---------------|---------------|
| <b>Hedging assets as of January 1</b>      | <b>31,011</b> | <b>37,739</b> |
| Newly consolidated                         |               |               |
| Translation differences                    | 365           | (2,652)       |
| Expected return on fund assets             | (360)         | 2,650         |
| Benefits paid                              | (2,896)       | (6,725)       |
| <b>Hedging assets as of December 31</b>    | <b>28,120</b> | <b>31,011</b> |
| Limitation of assets                       | (5,404)       | (5,308)       |
| <b>ASSETS RECOGNIZED AS OF DECEMBER 31</b> | <b>22,716</b> | <b>25,703</b> |

Hedging assets are detailed below:

| <b>Breakdown of hedging assets</b>  | <b>12/31/2018</b> |
|-------------------------------------|-------------------|
| Equity                              | 21%               |
| Bonds                               | 32%               |
| Assets backed by insurance policies | 47%               |
| <b>TOTAL</b>                        | <b>100%</b>       |

#### **GEOGRAPHIC BREAKDOWN OF EMPLOYEE BENEFITS**

| <i>(in thousands of euros)</i>                       | <b>Europe</b> | <b>Caribbean</b> | <b>Africa</b> |
|--|---------------|------------------|---------------|
| Actuarial assumptions                                | 0 to 12.30%   | 0.85 to 4%       | 9.09 to 15.9% |
| Provision for pensions and health insurance coverage | 8,074         | 32,909           | 2,142         |
| Provision for long-service awards                    | 780           | 1,357            | 311           |

## Note 5. Notes to the income statement

### **ACCOUNTING POLICIES**

The Group uses gross operating profit (Ebitda) as a performance indicator. Gross operating profit corresponds to net revenue minus:

- purchases consumed;
- external expenses;
- payroll expenses;
- taxes.

The Group uses current operating income (Ebit) as its main performance indicator. Current operating income corresponds to gross operating profit after:

- other operating income;
- net depreciation and provisions;
- other operating income and expenses.

To better present the operating performance in the business lines, the equity associates' net income is shown on a specific line in operating income.

### **5.1 SALES REVENUE**

#### **ACCOUNTING POLICIES**

Revenue from the Group's activities is recognized:

- for income arising from storage activities (Rubis Terminal), spread over the term of the service contract;
- for income arising from trading and distribution activities (Rubis Énergie), upon delivery. For the bitumen activity, sales revenue is mainly recognized at the bulk tank outlet;
- for income earned by the support and services activities (Rubis Support and Services), recognition is upon delivery and according to the term of the service contract. Transport services associated with the supply of bitumen are mainly invoiced at the bulk tank outlet. As regards SARA, revenue from the sale of petroleum products is recognized at the bulk tank outlet when the product leaves the refinery or the other depots. Revenue from electricity sales is recognized at the end of the month on the basis of meter readings. In the case of administered margins, revenue is restated by recognizing accrued income, if applicable, or deferred income, in order to take into account the substance of the operations.

Operations carried out on behalf of third parties are excluded from revenue and purchases in line with industry practices.



## Financial statements

2018 consolidated financial statements and Notes

Sales revenue is detailed in the table below by business segment and geographic zone of the consolidated companies.

| <i>(in thousands of euros)</i>          | 12/31/2018     |                  |                            |                | Total            |
|---|----------------|------------------|----------------------------|----------------|------------------|
|   | Rubis Terminal | Rubis Énergie    | Rubis Support and Services | Parent company |                  |
| <b>Region</b>                           |                |                  |                            |                |                  |
| Europe                                  | 355,047        | 653,426          |                            | 37             | 1,008,510        |
| Caribbean                               |                | 1,779,964        | 1,046,588                  |                | 2,826,552        |
| Africa                                  |                | 903,005          | 15,657                     |                | 918,662          |
| <b>TOTAL</b>                            | <b>355,047</b> | <b>3,336,395</b> | <b>1,062,245</b>           | <b>37</b>      | <b>4,753,724</b> |
| <b>Products and services</b>            |                |                  |                            |                |                  |
| Petroleum products, LPG and bitumen     |                | 3,336,395        |                            |                | 3,336,395        |
| Refining                                |                |                  | 624,161                    |                | 624,161          |
| Trading, supply, transport and services | 209,212        |                  | 438,084                    |                | 647,296          |
| Storage                                 | 145,835        |                  |                            |                | 145,835          |
| Other                                   |                |                  |                            | 37             | 37               |
| <b>TOTAL</b>                            | <b>355,047</b> | <b>3,336,395</b> | <b>1,062,245</b>           | <b>37</b>      | <b>4,753,724</b> |

| <i>(in thousands of euros)</i>          | 12/31/2017     |                  |                            |                | Total            |
|---|----------------|------------------|----------------------------|----------------|------------------|
|   | Rubis Terminal | Rubis Énergie    | Rubis Support and Services | Parent company |                  |
| <b>Region</b>                           |                |                  |                            |                |                  |
| Europe                                  | 328,922        | 555,467          |                            | 55             | 884,444          |
| Caribbean                               |                | 1,471,586        | 886,018                    |                | 2,357,604        |
| Africa                                  |                | 681,550          | 9,054                      |                | 690,604          |
| <b>TOTAL</b>                            | <b>328,922</b> | <b>2,708,603</b> | <b>895,072</b>             | <b>55</b>      | <b>3,932,652</b> |
| <b>Products and services</b>            |                |                  |                            |                |                  |
| Petroleum products, LPG and bitumen     |                | 2,708,603        |                            |                | 2,708,603        |
| Refining                                |                |                  | 524,499                    |                | 524,499          |
| Trading, supply, transport and services | 155,552        |                  | 370,573                    |                | 526,125          |
| Storage                                 | 173,370        |                  |                            |                | 173,370          |
| Other                                   |                |                  |                            | 55             | 55               |
| <b>TOTAL</b>                            | <b>328,922</b> | <b>2,708,603</b> | <b>895,072</b>             | <b>55</b>      | <b>3,932,652</b> |

| <i>(in thousands of euros)</i>                          | 12/31/2018       |             | 12/31/2017       |             |
|---|------------------|-------------|------------------|-------------|
|   | Amount           | %           | Amount           | %           |
| <b>SALES OF MERCHANDISE</b>                             | <b>3,400,080</b> | <b>100%</b> | <b>2,693,851</b> | <b>100%</b> |
| Rubis Terminal  | 208,532          | 6.1%        | 154,899          | 5.8%        |
| Rubis Énergie Europe                                    | 309,862          | 9.1%        | 235,368          | 8.7%        |
| Rubis Énergie Caribbean                                 | 1,747,651        | 51.4%       | 1,441,981        | 53.5%       |
| Rubis Énergie Africa                                    | 725,354          | 21.3%       | 523,297          | 19.4%       |
| Rubis Support and Services Caribbean                    | 408,681          | 12.0%       | 338,306          | 12.6%       |
| Parent company  |                  |             |                  |             |
| <b>REVENUE FROM MANUFACTURING OF GOODS AND SERVICES</b> | <b>1,353,644</b> | <b>100%</b> | <b>1,238,801</b> | <b>100%</b> |
| Rubis Terminal  | 146,515          | 10.8%       | 174,023          | 14.0%       |
| Rubis Énergie Europe                                    | 343,564          | 25.4%       | 320,099          | 25.8%       |
| Rubis Énergie Caribbean                                 | 32,313           | 2.4%        | 29,605           | 2.4%        |
| Rubis Énergie Africa                                    | 177,651          | 13.1%       | 158,253          | 12.8%       |
| Rubis Support and Services Caribbean                    | 637,908          | 47.1%       | 547,712          | 44.2%       |
| Rubis Support and Services Africa                       | 15,656           | 1.2%        | 9,054            | 0.7%        |
| Parent company  | 37               | 0.0%        | 55               | 0.0%        |
| <b>TOTAL</b>  | <b>4,753,724</b> |             | <b>3,932,652</b> |             |

## 5.2 PURCHASES CONSUMED

(in thousands of euros)

|   | 12/31/2018       | 12/31/2017       |
|---|------------------|------------------|
| Purchase of raw materials supplies and other materials                      | 323,577          | 295,295          |
| Change in inventories of raw materials, supplies and other materials        | (25,864)         | (4,575)          |
| Goods-in-process inventory  | (11,035)         | (16,697)         |
| Other purchases   | 21,165           | 19,073           |
| Merchandise purchases   | 3,179,811        | 2,399,331        |
| Change in merchandise inventories   | (32,921)         | 991              |
| Provisions net of reversals of impairment for raw materials and merchandise | 8,041            | 2,402            |
| <b>TOTAL</b>  | <b>3,462,774</b> | <b>2,695,820</b> |

## 5.3 PERSONNEL COSTS

The Group's personnel costs break down as follows:

(in thousands of euros)

|                               | 12/31/2018     | 12/31/2017     |
|-------------------------------|----------------|----------------|
| Salaries and wages            | 143,511        | 131,025        |
| Top Management compensation   | 2,314          | 3,281          |
| Social security contributions | 59,485         | 59,186         |
| <b>TOTAL</b>                  | <b>205,310</b> | <b>193,492</b> |

The Group's average headcount breaks down as follows:

| Average headcount of fully consolidated companies by category | 12/31/2018   |
|---|--------------|
| Executives  | 577          |
| Employees and workers   | 2,176        |
| Supervisors and technicians                                   | 755          |
| <b>TOTAL</b>  | <b>3,508</b> |

| Average headcount of fully consolidated companies | 12/31/2017   | New hires* | Departures   | 12/31/2018   |
|---|--------------|------------|--------------|--------------|
| <b>TOTAL</b>                                      | <b>3,411</b> | <b>787</b> | <b>(690)</b> | <b>3,508</b> |

\* Of which 23 in respect of the consolidation of Sigloi (Réunion).

| Share of average headcount of proportionately consolidated companies | 12/31/2018 |
|--|------------|
| <b>TOTAL</b>   | <b>13</b>  |



## 5.4 EXTERNAL EXPENSES

### ACCOUNTING POLICIES

Operating leases: leases that do not have the characteristics of a finance lease are operating leases, for which only the rental payments are recorded in the income statement.

| <i>(in thousands of euros)</i>                       | 12/31/2018     | 12/31/2017     |
|--|----------------|----------------|
| Leases and rental expenses                           | 27,410         | 24,433         |
| Compensation of intermediaries and professional fees | 23,067         | 23,651         |
| Other external services                              | 396,567        | 398,393        |
| <b>TOTAL</b>   | <b>447,044</b> | <b>446,477</b> |

## 5.5 NET DEPRECIATION AND PROVISIONS

| <i>(in thousands of euros)</i>       | 12/31/2018     | 12/31/2017     |
|--------------------------------------|----------------|----------------|
| Intangible assets                    | 2,745          | 2,489          |
| Property, plant and equipment        | 125,049        | 123,325        |
| Current assets                       | (3,116)        | (1,203)        |
| Operating contingencies and expenses | (13,057)       | 1,809          |
| <b>TOTAL</b>                         | <b>111,621</b> | <b>126,420</b> |

## 5.6 OTHER OPERATING INCOME AND EXPENSES

| <i>(in thousands of euros)</i>  | 12/31/2018     | 12/31/2017     |
|---------------------------------|----------------|----------------|
| Operating subsidies             | 57             | 76             |
| Other miscellaneous income      | 11,845         | 4,692          |
| <b>OTHER OPERATING INCOME</b>   | <b>11,902</b>  | <b>4,768</b>   |
| Other miscellaneous expenses    | 13,372         | 8,374          |
| <b>OTHER OPERATING EXPENSES</b> | <b>13,372</b>  | <b>8,374</b>   |
| <b>TOTAL</b>                    | <b>(1,470)</b> | <b>(3,606)</b> |

## 5.7 OTHER OPERATING INCOME AND EXPENSES

### ACCOUNTING POLICIES

The Group sets aside operating income and expenses which are unusual, infrequent or, generally speaking, non-recurring, and which could impair the readability of the Group's operational performance.

Other operating income and expenses include the impact of the following on profit and loss:

- acquisitions and disposals of companies (negative goodwill, strategic acquisition costs, capital gains or losses, etc.);
- capital gains or losses or scrapped property, plant and equipment or intangible assets;
- other unusual and non-recurrent income and expenses;
- significant provisions and impairment of tangible or intangible assets.

| <i>(in thousands of euros)</i>                         | 12/31/2018      | 12/31/2017   |
|--|-----------------|--------------|
| Income from disposal of tangible and intangible assets | (2,651)         | (1,353)      |
| Strategic acquisition expenses                         | (1,071)         | (4,037)      |
| Other expenses, income and provisions                  | 24              |              |
| Impact of business combinations and disposals          | (18,999)        | 7,575        |
| <b>TOTAL</b>   | <b>(22,697)</b> | <b>2,185</b> |

The impacts of business combinations and disposals mainly correspond to:

- the gain of €1.6 million recognized on the takeover of Sigalnor (see note 3.2.1);
- the costs related to the disposal of activities in Iran in the amount of €19.6 million; this corresponds to the capital loss on the sale of the assets and the impairment of

receivables held by a partner affected by the termination of the Group's projects in Iran (see note 3.2.2).

## 5.8 COST OF NET FINANCIAL DEBT

| <i>(in thousands of euros)</i>                      | 12/31/2018      | 12/31/2017      |
|---|-----------------|-----------------|
| Income from cash and cash equivalents               | 2,522           | 4,125           |
| Net proceeds from disposal of marketable securities | (860)           | 2,101           |
| Interest on borrowings and other financial debt     | (22,316)        | (20,557)        |
| <b>TOTAL</b>  | <b>(20,654)</b> | <b>(14,331)</b> |

## 5.9 OTHER FINANCIAL INCOME AND EXPENSES

### ACCOUNTING POLICIES

Transactions denominated in foreign currencies are converted by the subsidiary into its operating currency at the rate applicable on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are converted at the exchange rate in effect at the closing date of each accounting period. The corresponding foreign exchange differences are recorded in the income statement under "Other financial income and expenses".

| <i>(in thousands of euros)</i>      | 12/31/2018     | 12/31/2017   |
|-------------------------------------|----------------|--------------|
| Foreign exchange losses             | (24,098)       | (14,223)     |
| Foreign exchange gains              | 15,017         | 18,389       |
| Other financial income and expenses | 274            | (1,016)      |
| <b>TOTAL</b>                        | <b>(8,807)</b> | <b>3,150</b> |

## 5.10 INCOME TAX

### 5.10.1 INCOME TAX ON FRENCH TAX GROUP COMPANIES

#### Current income tax expense

Current income tax expense corresponds to the amount of income tax payable to the tax authorities for the fiscal period, in accordance with applicable regulations and tax rates in effect in France.

The base tax rate in France is 33.33%.

The Social Security Finance Act No. 99-1140 of December 29, 1999 established an additional tax of 3.3% of the base tax payable;

the legal tax rate for French companies was thus increased by 1.1%. As a result, income from the French tax consolidation group is taxed at a rate of 34.43%.

#### Deferred tax assets and liabilities

Deferred income tax expense is determined using the method described in note 4.6.

The 2018 Finance Act contains a gradual reduction in the rate of income tax to 25.83% in 2022 for all companies.

This reduction will be made in successive steps depending on sales revenue. The Group will take full advantage of this measure starting in 2022.

IFRS require that deferred taxes be measured using the tax rate in effect at the time of their probable use. This measurement will be updated at each balance sheet date. The impact on the 2018 result is not material.

### 5.10.2 RECONCILIATION BETWEEN THEORETICAL INCOME TAX APPLICABLE IN FRANCE AND ACTUAL INCOME TAX EXPENSE

| <i>(in thousands of euros)</i>                                       | 12/31/2018     |                  |               |
|--|----------------|------------------|---------------|
|  | Income         | Tax              | Rate          |
| <b>INCOME AT THE NORMAL RATE</b>                                     | <b>338,748</b> | <b>(116,631)</b> | <b>34.43%</b> |
| Geographic impact  |                | 54,812           | -16.2%        |
| Distribution tax (share of cost and expenses, withholding tax)       |                | (7,547)          | 2.2%          |
| Special 3% tax on dividends  |                |                  | 0.0%          |
| Repayment of special 3% tax on dividends                             |                | 34               | 0.0%          |
| Additional contribution in France                                    |                |                  | 0.0%          |
| Permanent differences  |                | (1,930)          | 0.6%          |
| Tax adjustments and risks  |                | (475)            | 0.1%          |
| Impact of operations taxed at a reduced rate                         |                | (666)            | 0.2%          |
| Effect of changes in rate  |                | 465              | -0.1%         |
| Other  |                | (840)            | 0.2%          |
| <b>INCOME BEFORE TAX AND SHARE OF NET INCOME FROM JOINT VENTURES</b> | <b>338,748</b> | <b>(72,779)</b>  | <b>21.5%</b>  |
| Share of net income from joint ventures                              | 4,811          |                  |               |
| <b>INCOME BEFORE TAX</b>   | <b>343,559</b> | <b>(72,779)</b>  | <b>21.2%</b>  |

### 5.11 EARNINGS PER SHARE

#### ACCOUNTING POLICIES

Basic earnings per share is calculated by dividing net income, Group share by the weighted average number of shares outstanding during the fiscal year.

The weighted average number of shares outstanding is calculated based on any changes in share capital during the period, multiplied by a weighting factor depending on the time, and adjusted, where applicable, to take into account the Group's treasury share holdings.

Diluted net earnings per share is calculated by dividing net income, Group share by the weighted average number of ordinary shares outstanding, increased by the maximum amount of impact from the conversion of all dilutive instruments.

In both cases, the shares included in the calculation of the weighted average number of shares outstanding during the fiscal year are those that provide unlimited entitlement to earnings.

The table below presents the income and shares used to calculate basic earnings and diluted earnings per share.

| <b>Earnings per share</b><br><i>(in thousands of euros)</i>                        | 12/31/2018  | 12/31/2017  |
|--|-------------|-------------|
| Consolidated net income, Group share   | 254,070     | 265,583     |
| Impact of stock options on income  |             |             |
| Consolidated net income after recognition of the impact of stock options on income | 254,070     | 265,583     |
| Number of shares at the beginning of the period                                    | 93,867,110  | 45,454,888  |
| Two-for-one split of the par value of the share                                    |             | 45,454,888  |
| Company savings plan   | 71,433      | 111,155     |
| Equity line  | 997,397     |             |
| Preferential subscription rights   | 12,456      | 308,087     |
| Dividend in shares   | 789,397     | 1,151,516   |
| Preferred shares   |             | 443         |
| Free shares  | 1,046,261   | 942,636     |
| Average number of stock options  |             | 116,288     |
| Average number of shares (including stock options)                                 | 96,784,054  | 93,539,902  |
| <b>DILUTED EARNINGS PER SHARE</b> <i>(in euros)</i>                                | <b>2.63</b> | <b>2.84</b> |
| <b>UNDILUTED EARNINGS PER SHARE</b> <i>(in euros)</i>                              | <b>2.65</b> | <b>2.87</b> |

## 5.12 DIVIDENDS

### 5.12.1 DIVIDENDS DECLARED

Rubis has always pursued an active dividend payment policy for its shareholders, as illustrated by the dividend payout ratio over the past five years, which has represented an average of 60% of net income, Group share.

| Date of distribution | Fiscal year concerned | Number of shares concerned | Net dividend distributed (in euros) | Total net amount paid out (in euros) |
|----------------------|-----------------------|----------------------------|-------------------------------------|--------------------------------------|
| OSM 06/12/2008       | 2007                  | 9,931,546                  | 2.45                                | 24,332,287                           |
| CSM 06/10/2009       | 2008                  | 10,295,269                 | 2.65                                | 27,282,463                           |
| OSM 06/10/2010       | 2009                  | 11,042,591                 | 2.85                                | 31,471,384                           |
| CSM 06/09/2011       | 2010                  | 14,534,985                 | 3.05                                | 44,331,704                           |
| CSM 06/07/2012       | 2011                  | 30,431,861                 | 1.67                                | 50,821,208                           |
| CSM 06/07/2013       | 2012                  | 33,326,488                 | 1.84                                | 61,320,738                           |
| CSM 06/05/2014       | 2013                  | 37,516,780                 | 1.95                                | 73,157,721                           |
| CSM 06/05/2015       | 2014                  | 38,889,996                 | 2.05                                | 79,724,492                           |
| CSM 06/09/2016       | 2015                  | 43,324,068                 | 2.42                                | 104,844,245                          |
| CSM 06/08/2017       | 2016                  | 45,605,599                 | 2.68                                | 122,223,005                          |
| OSM 06/07/2018       | 2017                  | 95,050,942*                | 1.50                                | 142,574,358                          |

\* of which 2,740 preferred shares eligible for only 50% of the net dividend paid out (i.e. €0.75 in respect of 2017)

Note that two-for-one share splits were performed in both 2011 and 2017.

### 5.12.2 DIVIDEND PER BY-LAWS

General Partners' dividends are governed by Article 56 of the by-laws. For each fiscal period, the General Partners receive a dividend, which is calculated according to

the overall stock market performance of Rubis stock. This dividend is capped at a percentage of net income, Group share for the year.

In respect of 2018, the dividend amount is nil (€26,690 thousand allocated for 2017).



## Note 6. Summary segment information

### ACCOUNTING POLICIES

In accordance with IFRS 8, operating segments are those examined by the Group's main operational decision-makers (the Top Managers). This segment analysis is based on internal organizational systems and the Group's management structure.

Apart from the Rubis holding company, the Group is managed in three main divisions:

- Rubis Terminal, comprising the bulk liquid product storage businesses;
- Rubis Énergie, comprising petroleum product distribution businesses;
- Rubis Support and Services, which houses all infrastructure, transportation, supply and services activities, supporting the development of downstream distribution and marketing activities.

Furthermore, the Group has defined three geographic segments:

- Europe;
- Africa;
- the Caribbean.

### 6.1 INFORMATION BY BUSINESS SEGMENT

#### 6.1.1 ELEMENTS IN THE INCOME STATEMENT PER BUSINESS SEGMENT

The following table presents, for each business segment, information on income from ordinary business activities and the results for 2018 and 2017. Each column in the table below contains figures specific to each segment as an independent entity; the "Intra-group" column groups together transactions and accounts between the different segments, which have been eliminated.

| <i>(in thousands of euros)</i>                                | 12/31/2018     |                  |                            |                 |                          |                  |
|---|----------------|------------------|----------------------------|-----------------|--------------------------|------------------|
|   | Rubis Terminal | Rubis Énergie    | Rubis Support and Services | Parent company  | Intra-group eliminations | Total            |
| <b>SALES REVENUE</b>  | <b>355,047</b> | <b>3,336,395</b> | <b>1,062,245</b>           | <b>37</b>       |                          | <b>4,753,724</b> |
| Intersegment sales revenue                                    | 78             | 201              |                            | 5,050           | (5,329)                  |                  |
| Sales revenue   | 355,125        | 3,336,596        | 1,062,245                  | 5,087           | (5,329)                  | 4,753,724        |
| <b>EBITDA</b>   | <b>78,124</b>  | <b>332,781</b>   | <b>106,468</b>             | <b>(17,024)</b> |                          | <b>500,349</b>   |
| <b>EBIT</b>   | <b>46,170</b>  | <b>274,923</b>   | <b>87,563</b>              | <b>(17,750)</b> |                          | <b>390,906</b>   |
| Share of net income from joint ventures                       | 4,811          |                  |                            |                 |                          | 4,811            |
| <b>OPERATING INCOME AFTER PROFIT/LOSS FROM JOINT VENTURES</b> | <b>49,982</b>  | <b>257,776</b>   | <b>83,042</b>              | <b>(17,780)</b> |                          | <b>373,020</b>   |
| Cost of net financial debt                                    | (3,473)        | (18,188)         | 43                         | 512             | 452                      | (20,654)         |
| Income tax expense  | (13,513)       | (56,940)         | (14,059)                   | 11,733          |                          | (72,779)         |
| <b>NET INCOME</b>   | <b>33,394</b>  | <b>176,869</b>   | <b>65,809</b>              | <b>(5,292)</b>  |                          | <b>270,780</b>   |

| <i>(in thousands of euros)</i>                                | 12/31/2017     |                  |                            |                 |                          |                  |
|---|----------------|------------------|----------------------------|-----------------|--------------------------|------------------|
|   | Rubis Terminal | Rubis Énergie    | Rubis Support and Services | Parent company  | Intra-group eliminations | Total            |
| <b>SALES REVENUE</b>  | <b>328,922</b> | <b>2,708,603</b> | <b>895,072</b>             | <b>55</b>       |                          | <b>3,932,652</b> |
| Intersegment sales revenue                                    | 73             | 165              |                            | 4,898           | (5,136)                  |                  |
| Sales revenue   | 328,995        | 2,708,768        | 895,072                    | 4,953           | (5,136)                  | 3,932,652        |
| <b>EBITDA</b>   | <b>102,421</b> | <b>313,519</b>   | <b>98,684</b>              | <b>(18,563)</b> |                          | <b>496,061</b>   |
| <b>EBIT</b>   | <b>69,389</b>  | <b>253,711</b>   | <b>63,741</b>              | <b>(18,830)</b> |                          | <b>368,011</b>   |
| Share of net income from joint ventures                       | 3,260          |                  |                            |                 |                          | 3,260            |
| <b>OPERATING INCOME AFTER PROFIT/LOSS FROM JOINT VENTURES</b> | <b>78,249</b>  | <b>249,977</b>   | <b>64,060</b>              | <b>(18,830)</b> |                          | <b>373,456</b>   |
| Cost of net financial debt                                    | (3,266)        | (13,977)         | 179                        | 2,201           | 532                      | (14,331)         |
| Income tax expense  | (20,024)       | (50,218)         | (11,986)                   | 2,791           |                          | (79,437)         |
| <b>NET INCOME</b>   | <b>55,239</b>  | <b>187,650</b>   | <b>53,254</b>              | <b>(13,305)</b> |                          | <b>282,838</b>   |

## 6.1.2 BALANCE SHEET ITEMS BY BUSINESS SEGMENT

|                                   | 12/31/2018     |                  |                            |                  |                    |                  |
|-----------------------------------|----------------|------------------|----------------------------|------------------|--------------------|------------------|
| <i>(in thousands of euros)</i>    | Rubis Terminal | Rubis Énergie    | Rubis Support and Services | Parent company   | Eliminations       | Total            |
| Fixed assets                      | 672,047        | 1,832,368        | 239,413                    | 26,378           | (304)              | 2,769,902        |
| Equity interests                  | 24             | 409,994          |                            | 987,535          | (1,318,849)        | 78,704           |
| Investments in joint ventures     | 48,334         |                  |                            |                  |                    | 48,334           |
| Deferred tax assets               | 202            | 2,356            | 5,522                      |                  |                    | 8,080            |
| Segment assets                    | 162,015        | 984,696          | 420,274                    | 749,786          | (569,963)          | 1,746,808        |
| <b>TOTAL ASSETS</b>               | <b>882,622</b> | <b>3,229,414</b> | <b>665,209</b>             | <b>1,763,699</b> | <b>(1,889,116)</b> | <b>4,651,828</b> |
| Consolidated shareholders' equity | 424,818        | 1,179,927        | 347,207                    | 1,715,809        | (1,333,744)        | 2,334,017        |
| Financial debt                    | 272,799        | 1,120,245        | 55,248                     | 1,615            | (308)              | 1,449,599        |
| Deferred tax liabilities          | 21,571         | 15,320           | 800                        | 34,700           |                    | 72,391           |
| Segment liabilities               | 163,434        | 913,922          | 261,954                    | 11,575           | (555,064)          | 795,821          |
| <b>TOTAL LIABILITIES</b>          | <b>882,622</b> | <b>3,229,414</b> | <b>665,209</b>             | <b>1,763,699</b> | <b>(1,889,116)</b> | <b>4,651,828</b> |
| Borrowings and financial debt     | 272,799        | 1,120,245        | 55,248                     | 1,615            | (308)              | 1,449,599        |
| Cash and cash equivalents         | 43,593         | 335,292          | 32,296                     | 344,788          |                    | 755,969          |
| <b>NET FINANCIAL DEBT</b>         | <b>229,206</b> | <b>784,953</b>   | <b>22,952</b>              | <b>(343,173)</b> | <b>(308)</b>       | <b>693,630</b>   |
| <b>CAPITAL EXPENDITURE</b>        | <b>54,500</b>  | <b>116,388</b>   | <b>59,153</b>              | <b>2,733</b>     |                    | <b>232,774</b>   |

|                                   | 12/31/2017     |                  |                            |                  |                    |                  |
|-----------------------------------|----------------|------------------|----------------------------|------------------|--------------------|------------------|
| <i>(in thousands of euros)</i>    | Rubis Terminal | Rubis Énergie    | Rubis Support and Services | Parent company   | Eliminations       | Total            |
| Fixed assets                      | 640,842        | 1,819,989        | 154,030                    | 23,991           | (305)              | 2,638,547        |
| Equity interests                  | 6,191          | 282,956          |                            | 987,535          | (1,248,178)        | 28,504           |
| Investments in joint ventures     | 37,747         |                  |                            |                  |                    | 37,747           |
| Deferred tax assets               | 103            | 2,155            | 4,771                      |                  |                    | 7,029            |
| Segment assets                    | 159,274        | 805,501          | 399,334                    | 598,660          | (262,399)          | 1,700,370        |
| <b>TOTAL ASSETS</b>               | <b>844,157</b> | <b>2,910,601</b> | <b>558,135</b>             | <b>1,610,186</b> | <b>(1,510,882)</b> | <b>4,412,197</b> |
| Consolidated shareholders' equity | 411,134        | 1,058,727        | 305,556                    | 1,563,067        | (1,260,054)        | 2,078,430        |
| Financial debt                    | 299,126        | 1,181,882        | 29,599                     | 1,631            | (308)              | 1,511,930        |
| Deferred tax liabilities          | 21,681         | 14,224           | 692                        | 34,341           |                    | 70,938           |
| Segment liabilities               | 112,216        | 655,768          | 222,288                    | 11,147           | (250,520)          | 750,899          |
| <b>TOTAL LIABILITIES</b>          | <b>844,157</b> | <b>2,910,601</b> | <b>558,135</b>             | <b>1,610,186</b> | <b>(1,510,882)</b> | <b>4,412,197</b> |
| Borrowings and financial debt     | 299,126        | 1,181,882        | 29,599                     | 1,631            | (308)              | 1,511,930        |
| Cash and cash equivalents         | 41,302         | 308,983          | 93,723                     | 381,294          |                    | 825,302          |
| <b>NET FINANCIAL DEBT</b>         | <b>257,824</b> | <b>872,899</b>   | <b>(64,124)</b>            | <b>(379,663)</b> | <b>(308)</b>       | <b>686,628</b>   |
| <b>CAPITAL EXPENDITURE</b>        | <b>48,442</b>  | <b>114,140</b>   | <b>20,475</b>              | <b>22,660</b>    |                    | <b>205,717</b>   |



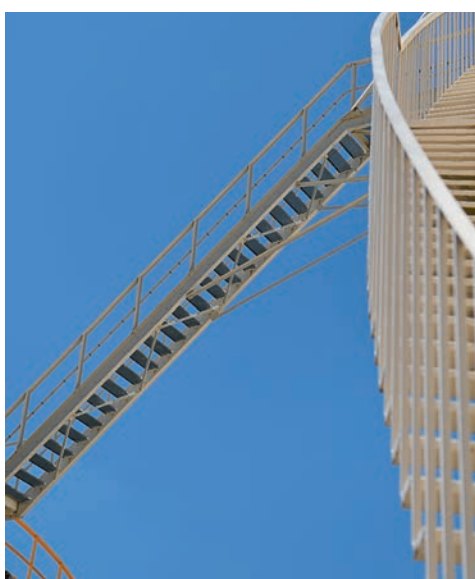
**6.2 BREAKDOWN BY REGION (AFTER ELIMINATION OF INTERSEGMENT TRANSACTIONS)**

| <i>(in thousands of euros)</i>                         | 12/31/2018 |           |         |           |
|--|------------|-----------|---------|-----------|
|  | Europe     | Caribbean | Africa  | Total     |
| Sales revenue  | 1,008,510  | 2,826,552 | 918,662 | 4,753,724 |
| Ebitda   | 153,480    | 208,632   | 138,237 | 500,349   |
| Ebit   | 95,316     | 174,052   | 121,538 | 390,906   |
| Operating income after profit/loss from joint ventures | 83,599     | 167,583   | 121,838 | 373,020   |
| Capital expenditure                                    | 100,518    | 102,183   | 30,073  | 232,774   |

| <i>(in thousands of euros)</i>                         | 12/31/2017 |           |         |           |
|--|------------|-----------|---------|-----------|
|  | Europe     | Caribbean | Africa  | Total     |
| Sales revenue  | 884,444    | 2,357,604 | 690,604 | 3,932,652 |
| Ebitda   | 169,723    | 206,551   | 119,787 | 496,061   |
| Ebit   | 111,780    | 151,693   | 104,538 | 368,011   |
| Operating income after profit/loss from joint ventures | 116,560    | 151,995   | 104,901 | 373,456   |
| Capital expenditure                                    | 121,185    | 60,306    | 24,226  | 205,717   |

| <i>(in thousands of euros)</i> | 12/31/2018       |                  |                |                  |
|--------------------------------|------------------|------------------|----------------|------------------|
|                                | Europe           | Caribbean        | Africa         | Total            |
| Fixed assets                   | 1,419,558        | 927,038          | 423,305        | 2,769,901        |
| Equity interests               | 75,764           | 2,939            | 2              | 78,705           |
| Investments in joint ventures  | 48,334           |                  |                | 48,334           |
| Deferred tax assets            | 710              | 7,038            | 332            | 8,080            |
| Segment assets                 | 694,518          | 751,244          | 301,046        | 1,746,808        |
| <b>TOTAL ASSETS</b>            | <b>2,238,884</b> | <b>1,688,259</b> | <b>724,685</b> | <b>4,651,828</b> |

| <i>(in thousands of euros)</i> | 12/31/2017       |                  |                |                  |
|--------------------------------|------------------|------------------|----------------|------------------|
|                                | Europe           | Caribbean        | Africa         | Total            |
| Fixed assets                   | 1,338,770        | 875,957          | 423,819        | 2,638,546        |
| Equity interests               | 25,566           | 2,939            |                | 28,505           |
| Investments in joint ventures  | 37,747           |                  |                | 37,747           |
| Deferred tax assets            | 1,127            | 5,567            | 335            | 7,029            |
| Segment assets                 | 732,157          | 702,757          | 265,456        | 1,700,370        |
| <b>TOTAL ASSETS</b>            | <b>2,135,367</b> | <b>1,587,220</b> | <b>689,610</b> | <b>4,412,197</b> |



## Note 7. Non-controlling interests

The primary non-controlling interests are calculated for the following entities or sub-groups:

### SARA

Since June 1, 2015, the Group has consolidated the 71%-owned SARA using the full consolidation method; the 29%

non-controlling interests are held by Sol Petroleum Antilles SAS.

### EASIGAS ENTITIES

The Group has consolidated the Easigas entities using the full consolidation method, with a Group ownership rate of 60% until June 30, 2018 and then 55% for the second half (see note 3).

### ENTITIES OF THE RUBIS TERMINAL DIVISION

Certain entities of the Rubis Terminal division are less than 100% owned (see the consolidation scope in note 3.1)

### GALANA GROUP

Some entities of the Galana group in Madagascar are 80% and 90% owned.

### 7.1 CONDENSED FINANCIAL INFORMATION - SUBSIDIARY WITH NON-CONTROLLING INTERESTS: SARA

The amounts presented below are before the elimination of intercompany transactions and accounts:

| <i>(in thousands of euros)</i>   | 12/31/2018 | 12/31/2017 |
|--|------------|------------|
| Fixed assets   | 134,256    | 126,667    |
| Net financial debt (cash and cash equivalents – liabilities)                                 | (14,125)   | 50,340     |
| Current liabilities (including loans due in less than 1 year and short-term bank borrowings) | 157,959    | 112,806    |

| <i>(in thousands of euros)</i>                  | 12/31/2018      | 12/31/2017      |
|---|-----------------|-----------------|
| <b>NET REVENUE</b>                              | <b>884,551</b>  | <b>741,150</b>  |
| <b>NET INCOME</b>                               | <b>19,938</b>   | <b>18,388</b>   |
| Group share                                     | 13,489          | 12,226          |
| Share attributable to non-controlling interests | 6,449           | 6,162           |
| <b>OTHER COMPREHENSIVE INCOME</b>               | <b>692</b>      | <b>541</b>      |
| Group share                                     | 491             | 384             |
| Share attributable to non-controlling interests | 201             | 157             |
| <b>COMPREHENSIVE INCOME FOR THE PERIOD</b>      | <b>20,630</b>   | <b>18,929</b>   |
| Group share                                     | 13,980          | 12,610          |
| Share attributable to non-controlling interests | 6,650           | 6,319           |
| Dividends paid to non-controlling interests     | 6,428           | 6,061           |
| Cash flows related to operations                | (13,336)        | 40,575          |
| Cash flows related to investing activities      | (28,459)        | (18,243)        |
| Cash flows related to financing activities      | 2,979           | (40,397)        |
| <b>CHANGE IN CASH AND CASH EQUIVALENTS</b>      | <b>(38,816)</b> | <b>(18,065)</b> |



## 7.2 CONDENSED FINANCIAL INFORMATION - SUBSIDIARY WITH NON-CONTROLLING INTERESTS: EASIGAS SA AND ITS SUBSIDIARIES

The amounts presented below are before the elimination of intercompany transactions and accounts:

| <i>(in thousands of euros)</i>   | 12/31/2018     | 12/31/2017     |
|--|----------------|----------------|
| Fixed assets   | 57,114         | 58,948         |
| Net financial debt (cash and cash equivalents – liabilities)                                 | 1,931          | 192            |
| Current liabilities (including loans due in less than 1 year and short-term bank borrowings) | 13,768         | 12,875         |
| <i>(in thousands of euros)</i>   |                |                |
| <b>NET REVENUE</b>   | <b>133,681</b> | <b>125,253</b> |
| <b>NET INCOME</b>  | <b>11,800</b>  | <b>10,815</b>  |
| Group share  | 6,568          | 6,226          |
| Share attributable to non-controlling interests  | 5,232          | 4,589          |
| <b>OTHER COMPREHENSIVE INCOME</b>  |                | <b>78</b>      |
| Group share  |                | 47             |
| Share attributable to non-controlling interests  |                | 31             |
| <b>COMPREHENSIVE INCOME FOR THE PERIOD</b>   | <b>11,800</b>  | <b>10,893</b>  |
| Group share  | 6,568          | 6,273          |
| Share attributable to non-controlling interests  | 5,232          | 4,620          |
| Dividends paid to non-controlling interests  | 3,909          | 4,444          |
| Cash flows related to operations   | 15,008         | 15,512         |
| Cash flows related to investing activities   | (6,909)        | (7,549)        |
| Cash flows related to financing activities   | (7,708)        | (7,952)        |
| Impact of exchange rate changes  | (110)          | (1,125)        |
| <b>CHANGE IN CASH AND CASH EQUIVALENTS</b>   | <b>281</b>     | <b>(1,114)</b> |

## Note 8. Interests in joint operations

Group interests in joint operations refer only to Rubis Énergie. These entities are not material as of December 31, 2018.



## Note 9. Investments in joint ventures

### ACCOUNTING POLICIES

These investments, which are consolidated by the equity method, involve joint ventures and companies in which the Group has significant influence. They are initially recognized at acquisition cost, including any goodwill generated. Their net book value is then increased or decreased to recognize the Group share of the entity's profits or losses after the date of acquisition. Whenever losses are greater than the value of the Group's net investment in the equity method, these losses are not recognized unless the Group has entered into a commitment to recapitalize the entity or provide it with funding.

If there is an indication that an investment may be impaired, its recoverable value is tested as described in note 4.2. Impairment losses shown by these impairment tests are recognized as a deduction from the net book value of the corresponding investments.

The Group qualifies two partnerships (Rubis Terminal Antwerp and Zeller & Cie) as joint ventures within the meaning of IFRS. Zeller & Cie's contribution is not material for the Group.

### CONDENSED FINANCIAL INFORMATION - ITC RUBIS TERMINAL ANTWERP JOINT VENTURE

The figures below were prepared in accordance with IFRS at 100%.

#### Company statement of financial position

(in thousands of euros)

|                          | 12/31/2018     | 12/31/2017     |
|--------------------------|----------------|----------------|
| Current assets           | 4,093          | 5,351          |
| Non-current assets       | 228,590        | 222,134        |
| <b>TOTAL ASSETS</b>      | <b>232,683</b> | <b>227,485</b> |
| Current liabilities      | 132,123        | 137,690        |
| Non-current liabilities  | 17,120         | 14,301         |
| <b>TOTAL LIABILITIES</b> | <b>149,243</b> | <b>151,991</b> |

Current liabilities mainly include current account financing by the two joint venturers.

The assets and liabilities of the joint venture specifically include the following:

| (in thousands of euros)   | 12/31/2018 | 12/31/2017 |
|---|------------|------------|
| Cash and cash equivalents   | 665        | 1,077      |
| Current financial liabilities (excl. trade payables and provisions)     | 6,200      | 2,500      |
| Non-current financial liabilities (excl. trade payables and provisions) | 16,100     | 14,300     |

| (in thousands of euros)                    | 12/31/2018   | 12/31/2017   |
|--|--------------|--------------|
| Net revenue                                | 31,502       | 25,586       |
| Net income                                 | 7,950        | 6,520        |
| Other comprehensive income                 |              |              |
| <b>COMPREHENSIVE INCOME FOR THE PERIOD</b> | <b>7,950</b> | <b>6,520</b> |

Net income for the period given above includes the following items:

| (in thousands of euros)     | 12/31/2018 | 12/31/2017 |
|-----------------------------|------------|------------|
| Depreciation expense        | (6,501)    | (5,734)    |
| Interest income and expense | (763)      | (652)      |
| Income tax                  | (3,790)    | (1,338)    |

| (in thousands of euros)   | 12/31/2018    | 12/31/2017    |
|---|---------------|---------------|
| Net assets in the joint venture   | 83,440        | 75,494        |
| Rubis percentage held in the joint venture                              | 50%           | 50%           |
| Goodwill  |               |               |
| Other adjustments   |               |               |
| <b>NET CARRYING AMOUNT OF THE GROUP'S INTEREST IN THE JOINT VENTURE</b> | <b>41,720</b> | <b>37,747</b> |

The Group received no dividends in respect of the period from the ITC Rubis Terminal Antwerp joint venture.

## Note 10. Other information

### 10.1 FINANCIAL COMMITMENTS

#### COMMITMENTS GIVEN AND RECEIVED

| <i>(in thousands of euros)</i>  | <b>12/31/2018</b> | <b>12/31/2017</b> |
|---------------------------------|-------------------|-------------------|
| <b>Liabilities secured</b>      | <b>159,958</b>    | <b>122,668</b>    |
| <b>Commitments given</b>        | <b>407,741</b>    | <b>289,310</b>    |
| Guarantees and securities       | 246,740           | 289,310           |
| Other commitments given         | 25,292            |                   |
| Forward purchases of currencies | 135,709           |                   |
| <b>Commitments received</b>     | <b>529,911</b>    | <b>526,696</b>    |
| Confirmed credit facilities     | 498,850           | 489,900           |
| Guarantees and securities       | 31,061            | 36,796            |
| Other                           |                   |                   |

The guarantees and securities given mainly concern:

- bank guarantees granted on loans obtained by the Group's subsidiaries;
- guarantees required by suppliers of petroleum products;
- guarantees given to customs authorities;

- environmental guarantees.

Guarantees and securities received largely concern guarantees obtained from customers located in the Caribbean zone and, to a lesser degree, customers of Vitogaz France.

As of December 31, 2018, the Group had interest rate hedging agreements (swaps)

in the amount of €797 million on a total of €1,110.7 million in variable rate debt, representing 72% of that amount.

As part of its acquisition and disposal transactions concerning subsidiaries, the Group gives or receives guarantees on liabilities, with no specific duration or amount.

#### PLEGDED ASSETS AS OF DECEMBER 31, 2018

| <b>On financial assets</b><br><i>(in thousands of euros)</i>       | <b>Start date<br/>of pledge</b> | <b>Maturity date<br/>of pledge</b> | <b>Liabilities<br/>secured</b> | <b>Amount<br/>of assets<br/>pledged (a)</b> | <b>Asset item<br/>total in gross<br/>value (b)</b> | <b>% a/b</b> |
|--|---------------------------------|------------------------------------|--------------------------------|---|--|--------------|
| <b>Name of shareholder registered (directly registered shares)</b> |                                 |                                    |                                |   |  |              |
| Rubis Terminal <sup>(1)</sup>                                      | 04/01/2015                      | 03/31/2021                         | 45,625                         | 45,072                                      |  |              |
| <b>TOTAL RUBIS TERMINAL</b>  |                                 |                                    | <b>45,625</b>                  | <b>45,072</b>                               | <b>257,065</b>                                     | <b>18%</b>   |
| <b>TOTAL SECURED DEBT</b>  |                                 |                                    | <b>45,625</b>                  |   |  |              |

| <b>Subsidiaries whose assets are pledged</b> | <b>Number of<br/>shares pledged</b> | <b>% of share<br/>capital pledged</b> | <b>Beneficiary</b> | <b>Condition for<br/>exercise of pledge</b> |
|--|-------------------------------------|---------------------------------------|--------------------|---|
| (1) Rubis Terminal BV                        | 328,000                             | 100%                                  | ABN AMRO           | <i>Repayment<br/>of the loan in full</i>    |

The pledges of property, plant and equipment mentioned in note 4.10.1 correspond essentially to property held under finance leases, and are not included above.

The pledged assets represent less than 1% of Rubis' consolidated balance sheet as of December 31, 2018.

## 10.2 CONTRACTUAL AND TRADE COMMITMENTS

| Contractual commitments as of 12/31/2018<br>(in thousands of euros) | Total            | Payments due by period |                   |                   |
|---|------------------|------------------------|-------------------|-------------------|
|   |                  | Less than 1 year       | From 1 to 5 years | More than 5 years |
| Credit institution loans  | 1,342,697        | 252,873                | 1,041,048         | 48,776            |
| Finance lease commitments   | 4,457            | 1,470                  | 2,897             | 90                |
| Operating leases  | 283,536          | 33,919                 | 79,148            | 170,469           |
| Other long-term commitments   | 680              | 155                    | 365               | 160               |
| <b>TOTAL</b>  | <b>1,631,370</b> | <b>288,417</b>         | <b>1,123,458</b>  | <b>219,495</b>    |

The review of operating leases was subject to particular attention as part of the preparatory work for the implementation of IFRS 16 on leases. The operating lease commitments

appearing in this table are not representative of a lease obligation within the meaning of IFRS 16, mainly because of the effects of discounting, exclusions provided for by the

standard and the variable nature of certain material rents.

Commercial commitments made or received by the Group are not significant.

## 10.3 TRANSACTIONS WITH RELATED PARTIES

### TOP MANAGERS' COMPENSATION

Top Management compensation is governed by Article 54 of the by-laws. It totaled €2,614 thousand for the fiscal year, including compensation due to the Management of the parent company (€2,304 thousand, for which the corresponding social security contributions are entirely borne by the Top Managers) and compensation due to

management functions in the subsidiaries (i.e. €310 thousand gross).

The 10<sup>th</sup> resolution approved at the Annual Shareholders' and General Partners' Meetings on June 5, 2015 introduced variable compensation, the terms and conditions of which are described in chapter 6,

section 6.5.1.2 of the 2018 Registration Document. Variable compensation recorded during 2018 was €11 thousand (adjustment for 2017).

Attendance fees paid to members of the parent company's Supervisory Board totaled €142 thousand in fiscal year 2018.

## 10.4 FEES PAID TO STATUTORY AUDITORS

Fees paid to the Statutory Auditors and members of their networks in respect of 2018 and 2017 break down as follows:

| (in thousands of euros)   | Mazars             |              |             |             | Monnot & Associes  |            |             |             |
|---|--------------------|--------------|-------------|-------------|--------------------|------------|-------------|-------------|
|   | Amount (excl. tax) |              | %           |             | Amount (excl. tax) |            | %           |             |
|   | 2018               | 2017         | 2018        | 2017        | 2018               | 2017       | 2018        | 2017        |
| <b>Certification of financial statements</b>  |                    |              |             |             |                    |            |             |             |
| Audit, certification and examination of the separate and consolidated financial statements: |                    |              |             |             |                    |            |             |             |
| • Issuer  | 350                | 340          | 34%         | 27%         | 170                | 165        | 56%         | 51%         |
| • Fully consolidated subsidiaries   | 606                | 818          | 59%         | 64%         | 133                | 160        | 44%         | 49%         |
| <b>SUB-TOTAL</b>  | <b>956</b>         | <b>1,158</b> | <b>92%</b>  | <b>91%</b>  | <b>303</b>         | <b>325</b> | <b>100%</b> | <b>100%</b> |
| <b>Services other than the certification of financial statements</b>                        |                    |              |             |             |                    |            |             |             |
| • Issuer  | 60                 | 41           | 6%          | 3%          |                    |            |             |             |
| • Fully consolidated subsidiaries   | 18                 | 77           | 2%          | 6%          |                    |            |             |             |
| <b>SUB-TOTAL</b>  | <b>78</b>          | <b>118</b>   | <b>8%</b>   | <b>9%</b>   |                    |            |             |             |
| <b>TOTAL</b>  | <b>1,034</b>       | <b>1,276</b> | <b>100%</b> | <b>100%</b> | <b>303</b>         | <b>325</b> | <b>100%</b> | <b>100%</b> |

## Note 11. Post-balance sheet events

### ACQUISITION OF KENOLKOBIL PLC

In October 2018, the Group acquired 24.99% of KenolKobil Plc, Kenya's largest oil group, and announced its intention of launching a takeover bid on the remaining capital. The securities acquired in 2018 are included in "Other financial assets" as of December 31, 2018.

On January 10, 2019, following the approval received from the Financial Markets Authority

of Kenya, the Group announced its offer to buy all KenolKobil Plc shares at a price of 23 Kenyan shillings per share.

The Board of Directors of KenolKobil Plc, after reviewing the report of an independent consultant, examined the Offer and recommended that its shareholders accept it.

The offer was successfully closed on February 18, 2019. Following the transaction,

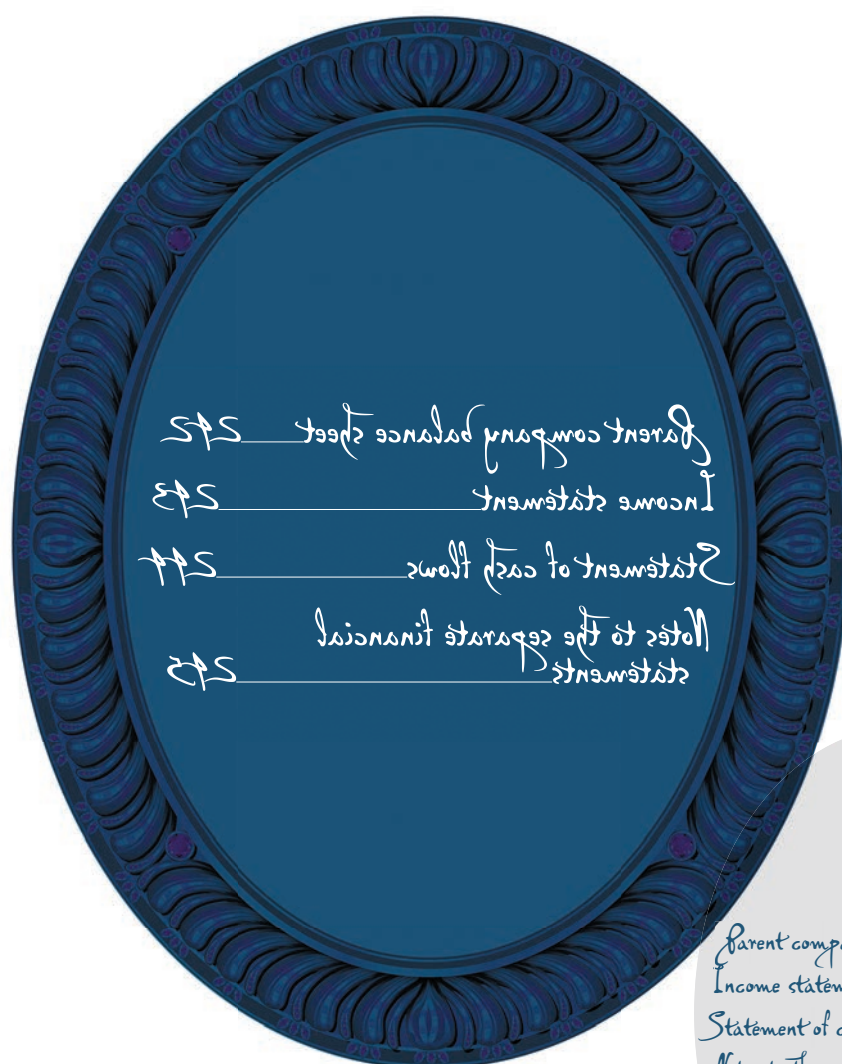
the Group holds 97.6% of issued capital, and is in a position to launch a compulsory buyout procedure for the remaining shares.

On the basis of the offer price of 23 Kenyan shillings per share on the entire capital, the total amount disbursed will be €312 million, financed entirely by drawdowns on existing lines of credit.



## 9.2

# 2018 separate financial statements, Notes and other information



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## PARENT COMPANY BALANCE SHEET

### ASSETS

| <i>(in thousands of euros)</i>                        | Note | Gross            | Depreciation and provisions | Net 12/31/2018   | Net 12/31/2017   |
|---|------|------------------|-----------------------------|------------------|------------------|
| <b>Fixed assets</b>                                   |      |                  |                             |                  |                  |
| Property, plant and equipment and intangible assets   |      | 1,732            | 652                         | 1,080            | 788              |
| Equity interests under long-term capital gains regime | 3.1  | 1,010,092        |                             | 1,010,092        | 1,010,087        |
| Other financial assets                                | 3.2  | 1,771            | 16                          | 1,755            | 964              |
| <b>TOTAL (I)</b>                                      |      | <b>1,013,595</b> | <b>668</b>                  | <b>1,012,927</b> | <b>1,011,839</b> |
| <b>Current assets</b>                                 |      |                  |                             |                  |                  |
| Other receivables                                     | 3.4  | 407,819          |                             | 407,819          | 217,746          |
| Investment securities                                 | 3.3  | 135,591          | 183                         | 135,408          | 134,444          |
| Cash  |      | 208,257          |                             | 208,257          | 244,761          |
| Prepaid expenses                                      |      | 197              |                             | 197              | 354              |
| <b>TOTAL (II)</b>                                     |      | <b>751,864</b>   | <b>183</b>                  | <b>751,681</b>   | <b>597,305</b>   |
| <b>GRAND TOTAL (I + II)</b>                           |      | <b>1,765,459</b> | <b>851</b>                  | <b>1,764,608</b> | <b>1,609,144</b> |

### EQUITY AND LIABILITIES

| <i>(in thousands of euros)</i>                        | Note       | 12/31/2018       | 12/31/2017       |
|---|------------|------------------|------------------|
| <b>Shareholders' equity</b>                           |            |                  |                  |
| Share capital   |            | 121,017          | 117,336          |
| Share premium   |            | 1,350,696        | 1,195,964        |
| Legal reserve   |            | 12,102           | 11,733           |
| Restricted reserve                                    |            | 1,763            | 1,763            |
| Other reserves  |            | 94,626           | 94,626           |
| Retained earnings                                     |            | 12,604           | 41,422           |
| Net earnings for the period                           |            | 165,590          | 140,448          |
| Regulated provisions                                  |            | 297              | 49               |
| <b>TOTAL (I)</b>                                      | <b>3.5</b> | <b>1,758,695</b> | <b>1,603,341</b> |
| <b>PROVISIONS FOR CONTINGENCIES AND EXPENSES (II)</b> |            | <b>238</b>       | <b>97</b>        |
| <b>Liabilities</b>                                    |            |                  |                  |
| Bank loans  |            | 225              | 226              |
| Trade and other payables                              |            | 613              | 415              |
| Taxes and social security payables                    |            | 1,406            | 1,676            |
| Other liabilities                                     |            | 3,431            | 3,389            |
| <b>TOTAL (III)</b>                                    | <b>3.6</b> | <b>5,675</b>     | <b>5,706</b>     |
| <b>GRAND TOTAL (I + II + III)</b>                     |            | <b>1,764,608</b> | <b>1,609,144</b> |

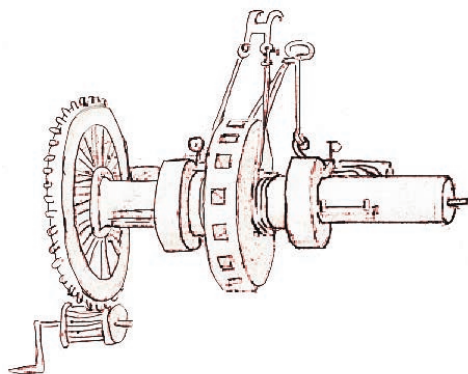
## INCOME STATEMENT

| <i>(in thousands of euros)</i>  | Note     | 12/31/2018     | 12/31/2017     |
|---|----------|----------------|----------------|
| Sales of services   |          | 5,073          | 4,901          |
| Other income  |          |                |                |
| <b>Net revenue</b>  |          | <b>5,073</b>   | <b>4,901</b>   |
| Other purchases and external expenses                                   |          | (5,369)        | (4,918)        |
| Taxes, duties and similar payments                                      |          | (269)          | (240)          |
| Personnel costs   |          | (3,635)        | (3,527)        |
| Depreciation of fixed assets  |          | (113)          | (88)           |
| Allowances and reversals of impairment of current assets                |          |                |                |
| Additions to and reversals of provisions for contingencies and expenses |          | (141)          | (75)           |
| Other expenses  |          | (2,458)        | (3,403)        |
| <b>Ebitda/gross operating profit</b>                                    |          | <b>(4,200)</b> | <b>(3,784)</b> |
| <b>Operating profit</b>   |          | <b>(6,912)</b> | <b>(7,350)</b> |
| Financial income from equity investments                                |          | 159,220        | 135,011        |
| Financial income from other securities                                  |          | 2,172          | 1,115          |
| Other interest income   |          | 1,008          | 1,110          |
| Net proceeds from disposal of marketable securities                     |          | (242)          | 403            |
| Financial provisions  |          | (200)          | (3)            |
| Reversals of financial provisions                                       |          | 3              | 8              |
| Interest and similar expenses   |          | (1,330)        | (942)          |
| <b>Financial income and expense</b>                                     |          | <b>160,631</b> | <b>136,702</b> |
| <b>Net income before tax</b>  |          | <b>153,719</b> | <b>129,352</b> |
| <b>Extraordinary items</b>  |          | <b>(231)</b>   | <b>3</b>       |
| <b>Income tax gain/(expense)</b>  | <b>4</b> | <b>12,102</b>  | <b>11,093</b>  |
| <b>TOTAL NET INCOME</b>   |          | <b>165,590</b> | <b>140,448</b> |

## STATEMENT OF CASH FLOWS

| <i>(in thousands of euros)</i>                           | <b>12/31/2018</b> | 12/31/2017       |
|--|-------------------|------------------|
| <b>Operating activity</b>                                |                   |                  |
| Results for the year                                     | 165,590           | 140,448          |
| Depreciation and provisions                              | 699               | 208              |
| Capital gains or losses on disposals of fixed assets     | 12                |                  |
| <b>CASH FLOW (A)</b>                                     | <b>166,301</b>    | <b>140,656</b>   |
| Decrease/(increase) in working capital requirements (b): | (189,949)         | 74,800           |
| • operating receivables                                  | (189,919)         | 75,893           |
| • trade payables   | (30)              | (1,093)          |
| <b>OPERATING CASH FLOWS (A+B) (I)</b>                    | <b>(23,648)</b>   | <b>215,456</b>   |
| <b>Investments</b>                                       |                   |                  |
| Acquisitions of interests during the current year:       |                   |                  |
| • Rubis Terminal division                                |                   |                  |
| • Rubis Énergie division                                 |                   | (203,000)        |
| • Rubis Patrimoine                                       |                   | (22,509)         |
| • Cimarosa Investissements                               | (5)               |                  |
| Other  | (1,225)           | 1,447            |
| <b>CASH FLOW ALLOCATED TO INVESTMENTS (II)</b>           | <b>(1,230)</b>    | <b>(224,062)</b> |
| <b>CASH FLOW GENERATED BY THE BUSINESS (I+II)</b>        | <b>(24,878)</b>   | <b>(8,606)</b>   |
| <b>Financing</b>   |                   |                  |
| Increase/(decrease) in financial liabilities             | (1)               | 50               |
| Increase in shareholders' equity                         | 158,783           | 115,778          |
| Dividend paid  | (169,265)         | (133,009)        |
| <b>CASH FLOW FROM FINANCING ACTIVITIES (III)</b>         | <b>(10,483)</b>   | <b>(17,181)</b>  |
| <b>OVERALL CHANGE IN CASH FLOW (I + II + III)</b>        | <b>(35,361)</b>   | <b>(25,787)</b>  |
| Opening cash and cash equivalents                        | 379,209           | 404,996          |
| Overall change in cash and cash equivalents              | (35,361)          | (25,787)         |
| Closing cash and cash equivalents                        | 343,848           | 379,209          |
| Financial debt   | (225)             | (226)            |
| Closing cash and cash equivalents net of financial debt  | 343,623           | 378,983          |

# NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018



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## Note 1. Presentation of the company

Rubis Group operates three businesses in the energy sector:

- **Rubis Terminal** (bulk liquid storage), which via its subsidiary, Rubis Terminal, and the companies owned by the subsidiary in France (including Corsica), the Netherlands, Belgium, and Turkey, specializes in the storage and trading of

petroleum products, fertilizers, chemical products and agrifood products;

- **Rubis Énergie**, which specializes in the trading and distribution of liquefied petroleum gas (LPG) and petroleum products;

- **Rubis Support and Services**, which houses all infrastructure, transportation, supply and services activities that support the development of downstream distribution and marketing activities.

**Rubis Énergie** and **Rubis Support and Services** operate on three continents (Europe, Africa and the Caribbean).

## Note 2. Accounting rules and methods

The financial statements for the year ended December 31, 2018 are presented in accordance with legal and regulatory provisions applicable in France.

The annual financial statements of Rubis are presented in thousands of euros.

The following should be noted in relation to the way in which the financial statements are presented.

### 2.1 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Property, plant and equipment and intangible assets are valued at their acquisition cost.

Depreciation for impairment is calculated according to the straight-line method as follows:

|                         | Duration      |
|-------------------------|---------------|
| Intangible assets       | 1 to 10 years |
| Facilities and fixtures | 4 to 10 years |
| Office equipment        | 3 to 10 years |
| Movable property        | 4 to 10 years |

### 2.2 FINANCIAL ASSETS

Equity interests are recognized at their acquisition cost. A provision for impairment is recognized if their value in use falls below their book value.

The value in use is determined on the basis of discounted future cash flows.

Value in use is calculated based on the various intangible items that are recognized when the equity interests are acquired and is remeasured annually.

### 2.3 INVESTMENT SECURITIES

Investment securities are recognized at their acquisition cost. In the event of disposals of securities of the same kind giving the same rights, the cost of the securities disposed of was determined using the First-In First-Out (FIFO) method.

At the close of each fiscal year, a provision for impairment is recognized if the book value is higher than:

- their market value for listed securities or units of UCITS;
- their probable realizable value for negotiable debt securities.

### 2.4 PENSION COMMITMENTS

The evaluation of the amount of retirement benefits in respect of Rubis employees was determined using the projected unit credit method.

### 2.5 SALES REVENUE

Sales revenue comprises management fees received from subsidiaries.

### 2.6 TAX CALCULATION

The income tax expense includes tax on net income and tax on extraordinary items.

## Note 3. Notes relating to selected balance sheet items

### 3.1 FINANCIAL ASSETS

| <i>(in thousands of euros)</i> | Net value as<br>of 12/31/2018 | Net value as<br>of 12/31/2017 |
|--------------------------------|-------------------------------|-------------------------------|
| Equity interests               | 1,010,092                     | 1,010,087                     |
| Impairment of securities       |                               |                               |
| <b>TOTAL</b>                   | <b>1,010,092</b>              | <b>1,010,087</b>              |

### 3.2 OTHER FINANCIAL ASSETS

Other financial assets mainly comprise treasury shares.

The Shareholders' Meeting authorizes the Board of Management annually, with the option to delegate such powers, to buy

back the Company's own shares in order to increase the liquidity or market activity of Rubis shares as part of a liquidity contract, in compliance with the Association Française des Entreprises d'Investissement (French Association of Investment Companies) Code of Ethics.

As of December 31, 2018, Rubis held 36,128 Rubis shares for a purchase price of €1,676 thousand. No impairment has been recognized.

Changes during the year were as follows:

| <i>(in thousands of euros)</i> | Gross value as<br>of 12/31/2017 | Acquisitions  | Disposal        | Gross value as<br>of 12/31/2018 |
|--------------------------------|---------------------------------|---------------|-----------------|---------------------------------|
| Treasury shares                | 879                             | 20,431        | (19,634)        | 1,676                           |
| <b>TOTAL</b>                   | <b>879</b>                      | <b>20,431</b> | <b>(19,634)</b> | <b>1,676</b>                    |

### 3.3 INVESTMENT SECURITIES PORTFOLIO

As of December 31, 2018, the investment securities portfolio had a gross value of €135,591 thousand, and a net value of €135,408 thousand:

| <i>(in thousands of euros)</i>     | Gross value as<br>of 12/31/2018 | Impairment   | Net value as<br>of 12/31/2018 | Market value as<br>of 12/31/2018* | Net value as<br>of 12/31/2017 |
|------------------------------------|---------------------------------|--------------|-------------------------------|-----------------------------------|-------------------------------|
| Sicav                              | 21,436                          | (6)          | 21,430                        | 21,430                            | 22,464                        |
| Equities                           |                                 |              |                               |                                   |                               |
| Other funds                        | 113,259                         | (177)        | 113,082                       | 114,094                           | 111,394                       |
| Interest receivable on other funds | 896                             |              | 896                           | 896                               | 586                           |
| <b>TOTAL</b>                       | <b>135,591</b>                  | <b>(183)</b> | <b>135,408</b>                | <b>136,420</b>                    | <b>134,444</b>                |

\* provisional market value as of December 31, 2018.

### 3.4 RECEIVABLES

Other receivables, amounting to €407,819 thousand, are all due in less than one year and break down as follows:

- €392,799 thousand in intra-group receivables;
- €14,942 thousand in receivables from the French Treasury. This item notably includes a tax payment of €5,161 thousand, which Rubis SCA expects to be refunded by the tax authorities, €8,183 thousand in receivables related to the tax consolidation and €1,462 thousand relating to the VAT credit to be carried back to December 31, 2018;
- €78 thousand in miscellaneous receivables.

### 3.5 SHAREHOLDERS' EQUITY

#### STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(in thousands of euros)

|  | 12/31/2018       | 12/31/2017       |
|--|------------------|------------------|
| <b>SHAREHOLDERS' EQUITY AT THE BEGINNING OF THE YEAR</b> | <b>1,603,292</b> | <b>1,480,072</b> |
| Capital increase   | 3,681            | 3,699            |
| Increase in the share premium                            | 154,732          | 111,713          |
| Legal reserve allocation from share premium              | 369              | 369              |
| Dividend distribution                                    | (169,266)        | (133,009)        |
| Results for the year                                     | 165,590          | 140,448          |
| <b>SHAREHOLDERS' EQUITY AT THE END OF THE YEAR*</b>      | <b>1,758,398</b> | <b>1,603,292</b> |

\* excluding regulated provisions.

As of December 31, 2018, the share capital consisted of 96,813,744 shares (of which 2,740 preferred shares), fully paid up, with a par value of €1.25 each, i.e. a total amount of €121,017 thousand.

As of December 31, 2018, Rubis held 36,128 treasury shares.

The various transactions impacting the share capital in the period are set out in the table below:

|                                   | Number of shares  | Share capital<br>(in thousands of euros) | Share premium<br>(in thousands of euros) |
|-----------------------------------|-------------------|--|--|
| <b>AS OF JANUARY 1, 2018</b>      | <b>93,868,480</b> | <b>117,336</b>                           | <b>1,195,964</b>                         |
| Payment of the dividend in shares | 1,609,665         | 2,012                                    | 84,153                                   |
| Free shares                       | 17,622            | 22                                       | (22)                                     |
| Company savings plan              | 117,977           | 147                                      | 5,420                                    |
| Equity line                       | 1,200,000         | 1,500                                    | 65,907                                   |
| Capital increase expenses         |                   |  | (357)                                    |
| Legal reserve allocation          |                   |  | (369)                                    |
| <b>AS OF DECEMBER 31, 2018</b>    | <b>96,813,744</b> | <b>121,017</b>                           | <b>1,350,696</b>                         |

The terms of the free share plans outstanding as of December 31, 2018 are set out in the tables below:

#### FREE SHARES

| Date of the Board of Management meeting | Outstanding as of 12/31/2017 | Rights issued | Rights exercised | Rights canceled | Outstanding as of 12/31/2018 |
|---|------------------------------|---------------|------------------|-----------------|------------------------------|
| August 18, 2014                         | 8,748                        |               |                  |                 | 8,748                        |
| April 17, 2015                          | 17,622                       |               | (17,622)         |                 |                              |
| <b>TOTAL</b>                            | <b>26,370</b>                |               | <b>(17,622)</b>  |                 | <b>8,748</b>                 |

The vesting period for beneficiaries' free shares is a minimum of three years from the date on which they are granted by the Board of Management. The conditions for granting free shares are set by the Board of Management.

#### PREFERRED SHARES

| Date of the Board of Management meeting | Outstanding as of 12/31/2017 | Rights issued | Rights exercised | Rights canceled | Outstanding as of 12/31/2018 | Of which preferred shares acquired but not yet converted into ordinary shares |
|---|------------------------------|---------------|------------------|-----------------|------------------------------|---|
| September 2, 2015                       | 2,884                        |               |                  |                 | 2,884                        | 2,740   |
| July 11, 2016                           | 3,864                        |               |                  |                 | 3,864                        |   |
| March 13, 2017                          | 1,932                        |               |                  |                 | 1,932                        |   |
| July 19, 2017                           | 374                          |               |                  |                 | 374                          |   |
| March 2, 2018                           |                              | 345           |                  |                 | 345                          |   |
| March 5, 2018                           |                              | 1,157         |                  |                 | 1,157                        |   |
| October 19, 2018                        |                              | 140           |                  |                 | 140                          |   |
| <b>TOTAL</b>                            | <b>9,054</b>                 | <b>1,642</b>  |                  |                 | <b>10,696</b>                | <b>2,740</b>  |

Preferred shares will be converted into ordinary shares at the end of a retention or vesting period based on the extent to which the performance conditions have been achieved.

## Financial statements

2018 separate financial statements, Notes and other information

### 3.6 EXPENSES PAYABLE

Accrued expenses totaled €1,213 thousand, breaking down as €188 thousand relating to suppliers, €225 thousand to accrued interest and €800 thousand to tax and social security

liabilities. These expenses payable are operating expenses and financial expenses.

All the liabilities recognized on the balance sheet are due in less than one year.

As in 2017, trade payables recognized on the balance sheet, in a total amount of €424 thousand, all mature in less than three months.

### 3.7 ITEMS CONCERNING RELATED COMPANIES

(in thousands of euros)

12/31/2018

|                         |         |
|-------------------------|---------|
| Receivables             | 392,799 |
| Liabilities             | (3,486) |
| Income from investments | 159,220 |
| Net financial income    | 458     |



## Note 4. Notes relating to selected income statement items

### INCOME TAX

(in thousands of euros)

|   | Tax base | Rate   | Gross tax       | Credit       | Net tax         |
|---|----------|--------|-----------------|--------------|-----------------|
| Corporation tax on net income at standard rate  |          | 34.43% |                 | (503)        | (503)           |
| Corporation tax calculated on expenses related to capital increases allocated to share premiums | 544      | 34.43% | 187             |              | 187             |
| Reimbursements received   |          |        | (51)            |              | (51)            |
| Expense/(benefit) relating to tax consolidation   |          |        | (11,735)        |              | (11,735)        |
| <b>TOTAL</b>  |          |        | <b>(11,599)</b> | <b>(503)</b> | <b>(12,102)</b> |

Rubis is taxed under the system for parent companies and subsidiaries. These dividends are subject to taxation on a share of fees and expenses amounting to 1%.

Rubis has opted for the tax consolidation regime since January 1, 2001. The scope of consolidation is as follows:

### DATE OF INCLUSION OF COMPANIES IN THE TAX CONSOLIDATION GROUP AT THE REPORTING DATE

|                 |   |
|-----------------|---|
| January 1, 2001 | Rubis<br>Rubis Terminal   |
| January 1, 2006 | Rubis Énergie<br>Rubis Antilles Guyane<br>SIGL<br>Sicogaz<br>Starogaz   |
| January 1, 2011 | Frangaz<br>ViTO Corse   |
| January 1, 2012 | Société Antillaise des Pétroles Rubis (SAPR)<br>Rubis Guyane Française (RGF)<br>Rubis Caraïbes Françaises (RCF) |
| January 1, 2013 | Coparef<br>Vitogaz France   |
| January 1, 2014 | Rubis Restauration et Services (RRS)  |
| January 1, 2016 | Société Réunionnaise de Produits Pétroliers (SRPP)  |
| January 1, 2018 | Rubis Patrimoine  |

Under these agreements, each company calculates its tax as if there were no tax consolidation, the parent company being the only one liable for corporation tax.

Rubis is the parent company of the tax consolidation group.

The agreed breakdown of tax is as follows (unless otherwise agreed):

- tax expenses are paid by the companies as if there were no tax consolidation;

- tax savings made by the Group are recognized in the income statement by the parent company;
- tax savings are not reallocated to subsidiaries, except in the event of an exit from the Group.



## Note 5. Other information

### 5.1 WORKFORCE

The headcount as of December 31, 2018 included 16 people.

### 5.2 OFF-BALANCE SHEET COMMITMENTS

#### 5.2.1 PENSION COMMITMENTS

Retirement benefits for Rubis employees totaled €220 thousand, including social security contributions. The evaluation method is described in note 2.4.

#### 5.2.2 FINANCIAL COMMITMENTS AND CONTRACTUAL OBLIGATIONS

| Commitments given (in thousands of euros) | 12/31/2018 | 12/31/2017 |
|---|------------|------------|
| Letter of intent*                         | 463        | 463        |
| <b>TOTAL</b>                              | <b>463</b> | <b>463</b> |

\* For the subsidiary Rubis Terminal SA.

| Commitments received (in thousands of euros) | 12/31/2018     | 12/31/2017     |
|--|----------------|----------------|
| Confirmed and unused lines of credit         | 386,250        | 345,000        |
| <b>TOTAL</b>                                 | <b>386,250</b> | <b>345,000</b> |

| Contractual commitments (in thousands of euros) | 12/31/2018 | 12/31/2017 |
|---|------------|------------|
| Operating leases*                               | 165        | 248        |
| <b>TOTAL</b>                                    | <b>165</b> | <b>248</b> |

\* For the Rubis Patrimoine subsidiary.

### 5.3 COMPENSATION OF TOP MANAGERS AND ATTENDANCE FEES

Top Management compensation is governed by Article 54 of the by-laws. For the 2018 fiscal year, it totaled €2,304 thousand.

The 10<sup>th</sup> resolution approved at the Annual Shareholders' and General Partners'

Meetings on June 5, 2015 introduced variable compensation, the terms and conditions of which are described in chapter 6, section 6.5. of this Document. Variable compensation

recorded during 2018 was €11 thousand (adjustment for 2017).

Attendance fees paid to members of the Supervisory Board totaled €142 thousand.

### 5.4 SUBSIDIARIES AND EQUITY INTERESTS

Subsidiaries: at least 50% of share capital held by Rubis

| (in thousands of euros)                                   | Rubis Énergie SAS | Rubis Terminal SA | Kelsey <sup>(1)</sup> | Coparef SA | Rubis Patrimoine SARL | Cimarsa Invest. SAS |
|---|-------------------|-------------------|-----------------------|------------|-----------------------|---------------------|
| Share capital   | 335,000           | 8,578             | 1                     | 40         | 471                   | 5                   |
| Shareholders' equity other than share capital             | 376,888           | 255,390           | 19                    | (13)       | (643)                 |                     |
| Government grants and regulated provisions                | 9,904             | 3,339             |                       |            |                       |                     |
| Share of capital held                                     | 100.00%           | 99.44%            | 100.00%               | 100.00%    | 100.00%               | 100.00%             |
| Gross book value of the shares held                       | 685,503           | 302,037           | 4                     | 34         | 22,509                | 5                   |
| Net book value of the shares held                         | 685,503           | 302,037           | 4                     | 34         | 22,509                | 5                   |
| Loans and advances from Rubis not repaid                  | 284,750           | 97,028            |                       |            | 3,607                 |                     |
| Amounts of guarantees and securities given by the Company |                   | 463               |                       |            |                       |                     |
| Sales revenue for the last period ended                   | 352,494           | 52,243            | 661                   |            | 82                    |                     |
| Net income for the last period ended                      | 125,776           | 21,867            | 11                    | (4)        | (330)                 |                     |
| Dividends received by Rubis during fiscal year 2018       | 137,350           | 21,870            |                       |            |                       |                     |

(1) The company's accounting records are kept in US dollars. The following exchange rates were used:

- shareholders' equity: closing rate (€1 = \$1.145000);
- sales revenue and net income: average rate (€1 = \$1.181492).

## 5.5 PROPERTY, PLANT AND EQUIPMENT

The Rubis Group owns its industrial establishments (buildings, tanks, equipment) except for certain land in ports, granted as concessions by the port authorities of Rouen,

Dunkirk, Strasbourg and Brest to the Rubis Terminal division.

In the Rubis Support and Services division, vessels acquired from the Eres Group in 2015 are not mentioned.

Information concerning these properties is supplied in the tables below.

### Rubis Terminal

The properties owned by this division are depots situated in France, Belgium, the Netherlands and Turkey for bulk liquid product storage.

| Company                    | Site                             | Land                                      | Property, bulk tanks and buildings        |
|----------------------------|----------------------------------|---|---|
| Rubis Terminal             | Rouen                            | Ownership and concession                  | Ownership                                 |
|                            | Salaise-sur-Sanne                | Concession                                | Ownership                                 |
|                            | Villeneuve-la-Garenne            | Ownership                                 | Ownership                                 |
|                            | Village-Neuf                     | Ownership and concession                  | Ownership                                 |
|                            | Strasbourg                       | Concession                                | Ownership and concession                  |
| Rubis Terminal Dunkerque   | Dunkirk                          | Concession                                | Ownership                                 |
| SES                        | Strasbourg                       | Concession                                | Ownership                                 |
| SDSP                       | Saint-Priest                     | Ownership                                 | Ownership                                 |
|                            | Villette-de-Vienne               | Ownership                                 | Ownership                                 |
| Stockbrest                 | Brest                            | Ownership and delegated-service agreement | Ownership and delegated-service agreement |
| Wagram Terminal            | Reichstett/Vendenheim/Strasbourg | Ownership and concession                  | Ownership                                 |
| ITC Rubis Terminal Antwerp | Antwerp (Belgium)                | Concession                                | Ownership                                 |
| Rubis Terminal BV          | Rotterdam (The Netherlands)      | Concession                                | Ownership                                 |
| DPLC                       | Ajaccio (Corsica)                | Ownership                                 | Ownership                                 |
|                            | Bastia (Corsica)                 | Leases                                    | Ownership                                 |
| Rubis Terminal Petrol      | Dörtyol (Turkey)                 | Ownership                                 | Ownership                                 |

### Rubis Énergie

| Geographic zone | Site   | Business  |
|-----------------|--|---|
| FRANCE          | <b>Vitogaz France</b><br>Sainte-Florence<br>Gambshiem<br>Bourgarré<br>Montereau<br>Sorèze<br>Gémozac<br>Massiac                  | Trading and LPG distribution (cylinders, bulk and autogas)<br>• 7 relay LPG depots (leased land)  |
|                 | <b>Frangaz</b><br>Port-la-Nouvelle<br>Sillery  | LPG distribution (cylinders)<br>• 2 depots and 1 cylinder filling plant   |
|                 | <b>Sicogaz</b><br>Quéven<br>Brûlon   | LPG storage depots<br>• 2 depots, of which 1 freehold   |
|                 | <b>Signalnor</b><br>Le Havre<br>Hauconcourt<br>Saint-Marcel  | Storage depots and an LPG filling plant<br>• 1 cylinder filling plant on port authority land<br>• 1 depot on freehold land<br>• 1 depot on leased land  |
|                 | <b>VITO Corse</b><br>Bastia  | Distribution of petroleum products<br>• 65 gas stations, 5 of which on freehold land  |
|                 | <b>Rubis Antilles Guyane</b><br>Abymes (Guadeloupe)<br>Kourou (French Guiana)<br>Fort-de-France (Martinique)<br>Saint-Barthélemy | Distribution of petroleum products and LPG:<br>• 67 gas stations, of which 38 on freehold land<br>• 2 bitumen depots, of which 1 on freehold land<br>• 2 white product depots, of which 1 on freehold land<br>• 3 aviation depots held under joint ventures |
|                 | <b>Société Antillaise des Pétroles Rubis</b><br>Fort-de-France (Martinique)  | Distribution of petroleum products<br>• 19 gas stations, of which 18 on freehold land   |
|                 | <b>Rubis Guyane Française</b><br>Cayenne   | Distribution of petroleum products<br>• 6 gas stations, of which 4 on freehold land   |
|                 | <b>Stocabu</b><br>(Guadeloupe)   | • LPG storage depot (port authority land)   |
|                 | <b>SIGL</b><br>(Guadeloupe)  | • LPG filling plant (port authority land)   |

## Financial statements

2018 separate financial statements, Notes and other information

| Geographic zone                                       | Site  | Business   |
|---|---|--|
| EUROPE  | <b>Vitogas España</b><br><i>Barcelona – Tarragona – Totana – Sober – Puig-reig</i>  | LPG distribution (bulk and autogas)<br>• 4 LPG depots, of which 3 on leased land   |
|   | <b>Rubis Energia Portugal</b><br><i>Lisbon – Sines – Aveiras – Faro – Viseu – Perafita</i>  | LPG distribution (cylinders, bulk and autogas)<br>• 2 LPG depots, of which 1 freehold<br>• 3 cylinder filling plants, of which 1 freehold  |
|   | <b>Vitogaz Switzerland</b><br><i>Cornaux – Niederhasli – Wintherthur – Rancate</i>  | LPG distribution (cylinders, bulk and autogas)<br>• 4 LPG depots<br>• 3 cylinder filling plants  |
|   | <b>Fuel Supplies Channel Islands (FSCI)</b><br><i>Guernsey – Jersey</i>   | Distribution of petroleum products<br>• 26 gas stations<br>• 2 white product depots<br>• 1 aviation depot  |
| AFRICA-INDIAN OCEAN                                   | <b>Easigas South Africa (Pty)</b><br><i>Johannesburg – Durban – Port Elisabeth – Cape Town – Nigel – East-London – Bloemfontein – Kimberley – Nelspruit – Chamdor – Germinston – Hammersdale – Blackheath</i> | LPG distribution (cylinder and bulk)<br>• 7 LPG depots<br>• 12 cylinder filling plants   |
|   | <b>Easigas Botswana (Ptyl)</b><br><i>Phakalane – Serule</i>   | LPG distribution (cylinder and bulk)<br>• 2 LPG depots<br>• 2 cylinder filling plants  |
|   | <b>Vitogaz Maroc</b><br><i>Casablanca</i>   | Bulk LPG distribution  |
|   | <b>Lasfargaz</b><br><i>Jorf Lasfar (Morocco)</i>  | LPG import terminal on freehold land   |
|   | <b>Galana Madagascar</b><br><i>Antananarivo<br/>Toamasin</i>  | Distribution of petroleum products, including LPG<br>• 1 import depot for white and black products<br>• 71 gas stations, of which 40 on freehold land                              |
|   | <b>Vitogaz Madagascar</b><br><i>Antananarivo<br/>Mahajanga</i>  | LPG distribution (cylinder and bulk)<br>• 1 LPG import terminal with cylinder filling plant<br>• 1 further depot with cylinder filling plant                                       |
|   | <b>Société Réunionnaise de Produits Pétroliers (SRPP)</b><br><i>Le Port</i>   | Distribution of petroleum products, including LPG<br>• 52 gas stations, of which 27 on freehold land<br>• 1 storage depot for white products and LPG<br>• 1 cylinder filling plant |
|   | <b>Rubis Énergie Djibouti</b><br><i>Djibouti</i>  | Distribution of petroleum products<br>• 7 gas stations, of which 3 on freehold land<br>• 1 aviation fuel depot on airport land   |
|   | <b>Eres Senegal</b><br><i>Dakar</i>   | Distribution of bitumen and emulsions<br>• 1 bitumen depot on port authority land  |
|   | <b>Eres Togo</b><br><i>Lomé</i>   | Distribution of bitumen and emulsions<br>• 1 bitumen depot on port authority land  |
|   | <b>Ringardas Nigeria</b><br><i>Abuja – Sapéle – Port-Harcourt – Epe – Kaduna – Kano</i>   | Distribution of bitumen, modified bitumen and emulsions<br>• 3 bitumen depots, of which 2 on freehold land and 1 on port authority land<br>• 3 secondary depots for bitumen        |
|   | BERMUDA   | <b>Rubis Energy Bermuda</b><br><i>Saint-Georges</i>  |
| <b>Bermuda Gas</b><br><i>Hamilton – Saint-Georges</i> |   | LPG distribution<br>• 1 cylinder filling plant   |

| Geographic zone | Site   | Business  |
|-----------------|--|---|
| CARIBBEAN       | <b>Rubis West Indies</b><br><i>Antigua – Barbados – Dominica – Grenada – Saint Lucia – St Vincent and the Grenadines</i> | Distribution of petroleum products, including LPG <ul style="list-style-type: none"> <li>• 63 gas stations, of which 22 on freehold land</li> <li>• 4 white product storage depots, of which 1 with LPG depot and 3 with LPG depots and cylinder filling plants</li> <li>• 1 LPG depot with cylinder filling plant</li> <li>• 5 aviation depots, of which 2 freehold and 3 as joint ventures</li> </ul> |
|                 | <b>Rubis Guyana</b><br><i>Ramsburg</i>   | Distribution of petroleum products and import of LPG <ul style="list-style-type: none"> <li>• 10 gas stations, of which 4 on freehold land</li> <li>• 1 white product storage depot land</li> <li>• 1 LPG storage deposit</li> <li>• 1 fully-owned aviation depot</li> </ul>  |
|                 | <b>Rubis Bahamas</b><br><i>Nassau – Clifton</i>  | Distribution of petroleum products <ul style="list-style-type: none"> <li>• 21 gas stations, of which 7 on freehold land</li> <li>• 2 white product storage depots</li> <li>• 1 aviation depot held under a joint venture</li> </ul>  |
|                 | <b>Rubis Cayman Islands</b><br><i>Grand Cayman – Cayman Brac</i>   | Distribution of petroleum products <ul style="list-style-type: none"> <li>• 11 gas stations, of which 2 on freehold land</li> <li>• 2 white product storage depots</li> <li>• 1 fully-owned aviation depot</li> </ul>   |
|                 | <b>Rubis Turks &amp; Caicos</b><br><i>Providenciales – Grand Turks</i>   | Distribution of petroleum products <ul style="list-style-type: none"> <li>• 10 gas stations, of which 1 on freehold land</li> <li>• 2 white product storage depots</li> <li>• 1 fully-owned aviation depot</li> </ul>   |
|                 | <b>Rubis Energy Jamaica</b><br><i>Kingston</i>   | Distribution of petroleum products <ul style="list-style-type: none"> <li>• 49 gas stations, of which 45 on freehold land</li> <li>• 1 white product storage depot</li> </ul>   |
|                 | <b>Dinasa</b><br><i>Port-au-Prince (Haiti)</i>   | Distribution of petroleum products <ul style="list-style-type: none"> <li>• 1 co-owned storage depot for white and black products</li> <li>• 132 gas stations, of which 32 on freehold land</li> <li>• 2 fully-owned aviation depots</li> <li>• 2 LPG storage depots and 1 cylinder filling plant</li> </ul>  |
|                 | <b>Sodigaz</b><br><i>Port-au-Prince (Haiti)</i>  | LPG distribution  |
|                 | <b>Terminal Gazier de Varreux (JV)</b><br><i>Varreux (Haiti)</i>   | LPG storage <ul style="list-style-type: none"> <li>• 1 LPG storage deposit</li> <li>• 1 co-owned cylinder filling plant</li> </ul>  |

## Rubis Support and Services

| Geographic zone | Site   | Business   |
|-----------------|--|--|
| FRANCE          | <b>Société Anonyme de la Raffinerie des Antilles (SARA)</b><br><i>Le Lamentin (Martinique)<br/>Jarry (Guadeloupe)<br/>Dégrad des Cannes (French Guiana)<br/>Kourou (French Guiana)</i> | <ul style="list-style-type: none"> <li>• Oil refinery</li> <li>• 3 freehold petroleum products depots</li> </ul> |

## Rubis Patrimoine

| Geographic zone | Site  | Business   |
|-----------------|---|--|
| FRANCE          | <b>Rubis Patrimoine</b><br><i>Paris (75116)</i> | Ownership and operation of a real estate complex |

## 5.6 INVENTORY OF INVESTMENT SECURITIES

|                                       | Number of units<br>or shares | Net value as<br>of 12/31/2018<br><i>(in thousands of euros)</i> |
|---------------------------------------|------------------------------|---|
| <b>I - Shares and investments</b>     |                              |   |
| <b>French equity interests:</b>       |                              |   |
| Coparef                               | 2,500                        | 34  |
| Rubis Terminal                        | 559,339                      | 302,037   |
| Rubis Énergie                         | 13,400,000                   | 685,503   |
| Rubis Patrimoine                      | 249,398                      | 22,509  |
| Cimarsa Investissements               | 500                          | 5   |
| <b>Foreign equity interests:</b>      |                              |   |
| Kelsey                                | 1,000                        | 4   |
| <b>TOTAL EQUITY INTERESTS</b>         |                              | <b>1,010,092</b>  |
| <b>II - Ucits and similar</b>         |                              |   |
| <b>Ucits:</b>                         |                              |   |
| Sicav BNP SUS BD                      | 196                          | 19,945  |
| Sicav BNP PAR MONEY 3M                | 64                           | 1,485   |
| <b>Other:</b>                         |                              |   |
| CMC-CIC EQUIVAL CASH C fund           |                              | 3,579   |
| AGIPI fund                            |                              | 18,995  |
| OPEN CAPITAL fund                     |                              | 28,359  |
| HR PATRIMOINE CAPITALISATION fund     |                              | 42,390  |
| OPEN PERSPECTIVES CAPITALISATION fund |                              | 20,655  |
| <b>TOTAL UCITS AND SIMILAR</b>        |                              | <b>135,408</b>  |

## 5.7 RUBIS' FINANCIAL INCOME AND EXPENSES OVER THE LAST FIVE FISCAL YEARS

| <i>(in thousands of euros)</i>  | 2014       | 2015       | 2016       | 2017       | 2018       |
|---|------------|------------|------------|------------|------------|
| <b>Financial position at the end of the year</b>                            |            |            |            |            |            |
| Share capital   | 97,173     | 108,042    | 113,637    | 117,336    | 121,017    |
| Number of shares issued   | 38,869,079 | 43,216,952 | 45,454,888 | 93,868,480 | 96,813,744 |
| <b>Comprehensive income from transactions carried out</b>                   |            |            |            |            |            |
| Revenue excluding tax   | 4,130      | 3,333      | 5,134      | 4,901      | 5,073      |
| Earnings before tax, depreciation and provisions                            | 74,951     | 118,048    | 161,691    | 129,521    | 154,187    |
| Income tax  | 4,161      | 3,351      | 4,703      | 11,093     | 12,102     |
| Earnings after tax, depreciation and provisions                             | 78,971     | 121,280    | 166,285    | 140,448    | 165,590    |
| Earnings distributed to associates  | 83,933     | 124,900    | 133,009    | 169,265    | 153,932*   |
| <b>Earnings from operations reduced to a single share <i>(in euros)</i></b> |            |            |            |            |            |
| Earnings after tax but before depreciation and provisions                   | 2.04       | 2.81       | 3.66       | 1.50       | 1.72       |
| Earnings after tax, depreciation and provisions                             | 2.03       | 2.81       | 3.66       | 1.50       | 1.71       |
| Dividend awarded to each share  | 2.05       | 2.42       | 2.68       | 1.50       | 1.59*      |
| <b>Personnel</b>  |            |            |            |            |            |
| Number of employees   | 14         | 15         | 14         | 16         | 16         |
| Total payroll   | 1,582      | 1,839      | 1,916      | 2,208      | 2,607      |
| Amount paid in respect of employee benefits                                 | 825        | 1,081      | 973        | 1,117      | 1,315      |

\* Amount proposed to the SM of June 11, 2019.

Note that the par value of each share was halved in 2017.

## 5.8 FEES PAID TO STATUTORY AUDITORS

The fees paid to the Statutory Auditors during the year are set out below:

| <i>(in € thousands and excluding VAT)</i>  | <b>Mazars</b> | <b>Monnot &amp; Associés</b> |
|--|---------------|------------------------------|
| <b>Certification of financial statements</b>   | <b>350</b>    | <b>170</b>                   |
| Audit, certification and examination of the separate and consolidated financial statements | 350           | 170                          |
| <b>Services other than the certification of financial statements</b>                       | <b>60</b>     |                              |
| CSR certification  | 35            |                              |
| Financial covenant certification   | 25            |                              |



9.3

# Statutory Auditors' reports

## 9.3.1 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the Rubis Shareholders' Meeting,

### OPINION

Pursuant to the engagement entrusted to us by your Shareholders' Meeting, we have audited Rubis' accompanying consolidated financial statements for the year ended December 31, 2018.

In our opinion, the consolidated financial statements give a true and fair view of the results of operations for the past year, and of the assets and liabilities, and financial position of the Group at the end of the year comprising the persons and entities included in the consolidation, in accordance with IFRS as adopted in the European Union.

The audit opinion expressed above is consistent with our report to the Accounts and Risk Monitoring Committee.

### BASIS FOR OPINION

#### AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that our audit provides a sufficient and reasonable basis for our opinion.

Our responsibilities under the said standards are described in the section entitled "Statutory Auditors' responsibilities for the audit of the consolidated financial statements" of this report.

#### INDEPENDENCE

We conducted our audit, in compliance with the independence rules applicable to us, over the period from January 1, 2018 to the date of our report, and have not provided any of the prohibited services mentioned in Article 5 (1) of Regulation (EU) No. 537/2014 or the French Code of ethics for Statutory Auditors.

### EMPHASIS OF MATTER

Without calling into question the opinion expressed above, we draw your attention to note 2.2 of the Notes to the consolidated financial statements concerning the changes in accounting methods related to the first-time application as of January 1, 2018 of IFRS 15 on revenue from contracts with customers and IFRS 9 on financial instruments.

### JUSTIFICATION OF ASSESSMENTS - KEY AUDIT MATTERS

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we draw your attention to the key audit matters relating to the risks of material misstatement that in our professional judgment were of greatest significance in the audit of the consolidated financial statements in the year under review, as well as our responses to such risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon. We do not provide a separate opinion on specific items of these consolidated financial statements.

**MEASUREMENT OF GOODWILL***(Note 4.2 "Goodwill" to the consolidated financial statements)***Risk identified**

Rubis' business development is based in large part on external growth. Acquisitions have resulted in the recognition of significant goodwill in the consolidated balance sheet.

As of December 31, 2018, net goodwill in the consolidated balance sheet amounted to €1,094 million.

Rubis performs impairment testing of goodwill at least once a year and whenever management identifies an indication of loss of value. Impairment is recognized if the recoverable value falls below the net book value, the recoverable amount being the greater of the value in use and fair value less costs to sell.

The measurement of the recoverable value requires Rubis' management to make numerous estimates and judgments, including the preparation of forecasts and the selection of discount and long-term growth rates.

The measurement of goodwill is considered a key audit matter in view of the significant amount of goodwill in the financial statements and its sensitivity to the assumptions made by management.

**Our response**

We examined Rubis' implementation of impairment testing in accordance with the prevailing accounting standards, and assessed the reasonableness of the key estimates used by management.

In particular, we assessed the reasonableness of cash-flow projections, as validated by management, in view of the economic and financial environment, as well as the consistency of such forecasts with historical performance.

With respect to the models used to determine recoverable values, we called on our valuation experts to:

- test the mathematical reliability of the models and recalculate the resulting values;
- assess the consistency of the perpetual growth rates used by management in comparison with our own analyses;
- evaluate the methodologies used to determine discount rates and compare them with market data or external sources.

In addition, we obtained and reviewed the sensitivity analyses performed by management. We subsequently performed our own sensitivity calculations on key assumptions so as to assess their potential impact on the conclusions of impairment testing.

We also assessed the appropriateness of the information presented in note 4.2 to the consolidated financial statements.

**OTHER PROVISIONS (EXCLUDING EMPLOYEE BENEFITS)***(Note 4.11 "Other provisions (excluding employee benefits)" to the consolidated financial statements)***Risk identified**

Rubis operates in France and internationally, in complex legal and constantly changing regulatory environments. It is therefore exposed to environmental, legal and commercial litigation. Moreover, some Group subsidiaries are obliged to clean up and replace assets. This obligation is covered by provisions in the balance sheet.

Management's assessment of the related risks has led the Group to recognize provisions (excluding employee benefits) in the amount of €73.7 million as of December 31, 2018.

Management's estimate of other provisions (excluding employee benefits) is considered a key audit matter due to the high degree of judgment involved, particularly in assessing the outcome of ongoing litigation and the potentially significant impact on the consolidated financial statements.

**Our response**

Our work consisted notably in:

- reviewing the procedures implemented by management to identify and list risks and litigation;
- assessing the reasonableness of the estimated costs related to such risks:
  - by taking note of the risk analysis performed by Rubis,
  - by discussing each dispute or significant risk with management,
  - by questioning Rubis' external counsel to confirm the identification of disputes and to assess the nature of the associated risks and liabilities and the adequacy of the amount of provisions recognized;
- gauging the appropriateness of information relating to other provisions, as presented in the Notes to the consolidated financial statements.

**SPECIFIC VERIFICATION**

As required by the prevailing laws and regulations, we have also verified in accordance with professional standards applicable in France the information relating to the Group given in the management report of the Board of Management.

We are satisfied as to its fairness and consistency with the consolidated financial statements.

We certify that the consolidated Non-Financial Information Statement provided for by Article L. 225-102-1 of the French Commercial Code is included in the Group's management report, it being specified that, in accordance with the provisions of Article L. 823-10 of the said Code, the information contained in this statement was not the subject of verifications on our part as to its fairness or consistency with the consolidated financial statements. This must be dealt with in the report of an independent third party.

**INFORMATION RESULTING FROM OTHER LEGAL AND REGULATORY REQUIREMENTS****APPOINTMENT OF THE STATUTORY AUDITORS**

We were appointed Statutory Auditors of Rubis by the Shareholders' Meeting of June 30, 1992.

As of December 31, 2018, Mazars and SCP Monnot & Associés were in the 27<sup>th</sup> uninterrupted year of their engagement, including 24 years since the Company's securities were admitted to trading on a regulated market.

**RESPONSIBILITIES OF MANAGEMENT AND THE PERSONS RESPONSIBLE FOR GOVERNANCE AS REGARDS THE CONSOLIDATED FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of consolidated financial statements in accordance with IFRS as adopted in the European Union, and for establishing such internal control that it deems necessary to enable the preparation of consolidated financial statements that are free of material misstatements, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing in its financial statements, as applicable, matters relating to the going concern principle and applying the going concern basis of accounting, unless it is intended to wind up the Company or cease trading.



The Accounts and Risk Monitoring Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, and, where applicable, internal audit relating to the accounting and financial reporting procedures.

The consolidated financial statements have been approved by the Board of Management.

## **STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS**

### **OBJECTIVE AND AUDIT APPROACH**

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance that the consolidated financial statements as a whole do not contain any material misstatements. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will systematically detect any material misstatements. Misstatements may arise from fraud or error, and are considered material if, individually or in the aggregate, they may reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

As stated in Article L. 823-10-1 of the French Commercial Code, the scope of our statutory audit does not include assurance on the future viability of the Company or the quality of the management.

In an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the process. In addition:

- it identifies and assesses the risk of material misstatements in the consolidated financial statements, whether due to fraud or error, and designs and implements audit procedures to address such risks, and obtains audit evidence that it deems sufficient and appropriate to provide a basis for an opinion. The risk of not detecting a material misstatement resulting from fraud is greater than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation or the circumventing of internal control;
- it obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control;
- it assesses the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as the information concerning them provided in the consolidated financial statements;
- it assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether material uncertainty exists as to events or circumstances liable to cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future circumstances or events could jeopardize the continuity of operations. If it concludes that material uncertainty exists, it draws the attention of the readers of the audit report to the related disclosures provided in the consolidated financial statements or, if such disclosures are not provided or are inadequate, it issues a qualified certification or a refusal to certify;
- it evaluates the overall presentation of the consolidated financial statements and whether the consolidated financial statements reflect the underlying transactions and events so as to give a true and fair view;
- as regards the financial information of the persons or entities included in the consolidation, it collects information that it deems sufficient and appropriate to express an opinion on the consolidated financial statements. It is responsible for the management, supervision and performance of the audit of the consolidated financial statements as well as for the audit opinion.

### **REPORT TO THE ACCOUNTS AND RISK MONITORING COMMITTEE**

We submit to the Accounts and Risk Monitoring Committee a report that outlines the scope of the audit and the work program implemented, as well as our significant audit findings. We also report, where appropriate, the significant deficiencies identified in respect of internal control as regards procedures for preparing and processing accounting and financial information.

Our report to the Accounts and Risk Monitoring Committee includes the risks of material misstatement that in our professional judgment were of greatest significance in the audit of the consolidated financial statements for the year under review, and which as such constitute the key audit matters that we are required to describe in this report.

We also provide the Accounts and Risk Monitoring Committee with the declaration referred to in Article 6 of Regulation (EU) No. 537-2014 confirming our independence within the meaning of the rules applicable in France, as laid down notably in Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the French Code of ethics for Statutory Auditors. Where appropriate, we discuss with the Accounts and Risk Monitoring Committee the risks that may reasonably be thought to bear on our independence and the related safeguards.

Meudon and Courbevoie, April 24, 2019

The Statutory Auditors

**SCP Monnot & Associés**  
**Laurent Guibourt**

**Mazars**  
**Ariane Mignon**

## 9.3.2 STATUTORY AUDITORS' REPORT ON THE ANNUAL FINANCIAL STATEMENTS

To the Rubis Shareholders' Meeting,

### OPINION

Pursuant to the engagement entrusted to us by your Shareholders' Meeting, we have audited Rubis' accompanying annual financial statements for the year ended December 31, 2018.

In our opinion, the annual financial statements give a true and fair view of the results of operations for the past fiscal year, as well as of the assets and liabilities and of the financial position of the Company at the end of the fiscal year, in accordance with the accounting rules and policies applicable in France.

The audit opinion expressed above is consistent with our report to the Accounts and Risk Monitoring Committee.

### BASIS FOR OPINION

#### AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that our audit provides a sufficient and reasonable basis for our opinion.

Our responsibilities under the said standards are described in the section entitled "Statutory Auditors' responsibilities for the audit of the annual financial statements" of this report.

#### INDEPENDENCE

We conducted our audit, in compliance with the independence rules applicable to us, over the period from January 1, 2018 to the date of our report, and have not provided any of the prohibited services mentioned in Article 5 (1) of Regulation (EU) No. 537/2014 or the French Code of ethics for Statutory Auditors.

### JUSTIFICATION OF ASSESSMENTS - KEY AUDIT MATTERS

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we draw your attention to the key audit matters relating to the risks of material misstatement that in our professional judgment were of greatest significance in the audit of the annual financial statements in the year under review, as well as our responses to such risks.

These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon. We do not provide a separate opinion on specific items of these annual financial statements.

#### MEASUREMENT OF EQUITY SECURITIES

(Note 3.1 – Financial assets to the parent company financial statements)

##### Risk identified

Equity securities, which appear among assets in the balance sheet in the net amount of €1,010.1 million as of December 31, 2018, represent 57.2% of total assets.

Equity securities are recognized at their acquisition cost. As indicated in note 2.2 Financial assets, they are impaired when their value in use is less than their net book value. Value in use is generally determined using discounted future cash flows.

We consider the value of equity securities to be a key audit matter in that the materiality of such assets in Rubis SCA's assets and the determination of their value in use, based on discounted future cash flows, implies a large degree of judgment of the part of management and relies on economic and other assumptions relating to projected business trends.

##### Our response

As part of our assessment of the accounting rules and policies used by your Company, we verified the appropriateness of the accounting methods used and the reasonableness of the estimates made. Our work consisted mainly in taking note of the Company's valuation, the methods used and the underlying assumptions.

- For measurements based on historical data:
  - we ascertained that shareholders' equity used in measuring equity investments is consistent with the financial statements of the audited entities or with analytical procedures. We also verified the arithmetic calculation.
- For measurements based on forecast data:
  - we assessed the reasonableness of the assumptions used by management to determine the present value of future cash flows and, in particular, the consistency of cash-flow forecasts with the market outlook and with the subsidiary's past performance, both commercially and as regards its profitability;
  - we verified with the support of our valuation experts the reasonableness of the financial parameters used in impairment testing and in particular the consistency of discount and long-term growth rates with market analyses and consensus forecasts.

### SPECIFIC VERIFICATION

In accordance with professional standards applicable in France, we have also performed the specific verifications required by the prevailing laws and regulations.

**INFORMATION GIVEN IN THE MANAGEMENT REPORT AND OTHER DOCUMENTS SENT TO SHAREHOLDERS ON THE FINANCIAL POSITION AND THE ANNUAL FINANCIAL STATEMENTS**

We have no matters to report regarding the fairness and the consistency with the annual financial statements of the information provided in the Board of Management's report and in the other documents addressed to shareholders with respect to the financial position and the annual financial statements.

We certify the fairness and consistency with the financial statements of the information relating to payment terms mentioned in Article D. 441-4 of the French Commercial Code.

**REPORT ON CORPORATE GOVERNANCE**

We certify that the Supervisory Board's report on corporate governance contains the information required pursuant to Articles L. 225-37-3 and L. 225-37-4 of the French Commercial Code.

Regarding the information provided pursuant to Article L. 225-37-3 of the French Commercial Code relating to the compensation and benefits paid to corporate officers and any other commitments made in their favor, we have verified its consistency with the financial statements or with the information used to prepare these financial statements and, when applicable, with the information obtained by your Company from companies controlling or controlled by your Company. Based on our audit, we certify the accuracy and fair presentation of this information.

**OTHER INFORMATION**

In accordance with the law, we have ensured that information relating to the acquisition of equity interests and takeovers and the identity of the holders of the share capital and voting rights has been disclosed to you in the management report.

**INFORMATION RESULTING FROM OTHER LEGAL AND REGULATORY REQUIREMENTS**

**APPOINTMENT OF THE STATUTORY AUDITORS**

We were appointed Statutory Auditors of Rubis by the Shareholders' Meeting of June 30, 1992.

As of December 31, 2018, Mazars and SCP Monnot & Associés were in the 27<sup>th</sup> uninterrupted year of their engagement, including 24 years since the Company's securities were admitted to trading on a regulated market.

**RESPONSIBILITIES OF MANAGEMENT AND THE PERSONS RESPONSIBLE FOR GOVERNANCE AS REGARDS THE ANNUAL FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of annual financial statements in accordance with French accounting rules and principles, and for establishing such internal control that it deems necessary to enable the preparation of annual financial statements that are free of material misstatements, whether due to fraud or error.

In preparing the annual financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing in its financial statements, as applicable, matters relating to the going concern principle and applying the going concern basis of accounting, unless it is intended to wind up the Company or cease trading.

The Accounts and Risk Monitoring Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, and, where applicable, internal audit relating to the accounting and financial reporting procedures.

The annual financial statements have been approved by the Board of Management.

**STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS**

**OBJECTIVE AND AUDIT APPROACH**

Our role is to issue a report on the annual financial statements. Our objective is to obtain reasonable assurance that the annual financial statements as a whole do not contain any material misstatements. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will systematically detect any material misstatements. Misstatements may arise from fraud or error, and are considered material if, individually or in the aggregate, they may reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

As stated in Article L. 823-10-1 of the French Commercial Code, the scope of our statutory audit does not include assurance on the future viability of the Company or the quality of the management.

In an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the process. In addition:

- it identifies and assesses the risk of material misstatements in the annual financial statements, whether due to fraud or error, and designs and implements audit procedures to address such risks, and obtains audit evidence that it deems sufficient and appropriate to provide a basis for an opinion. The risk of not detecting a material misstatement resulting from fraud is greater than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation or the circumventing of internal control;
- it obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control;

- it assesses the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as the information concerning them provided in the annual financial statements;
- it assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether material uncertainty exists as to events or circumstances liable to cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future circumstances or events could jeopardize the continuity of operations. If it concludes that material uncertainty exists, it draws the attention of the readers of the audit report to the related disclosures provided in the annual financial statements or, if such disclosures are not provided or are inadequate, it issues a qualified certification or a refusal to certify;
- it evaluates the overall presentation of the annual financial statements and whether the annual financial statements reflect the underlying transactions and events so as to give a true and fair view.

#### **REPORT TO THE ACCOUNTS AND RISK MONITORING COMMITTEE**

We submit to the Accounts and Risk Monitoring Committee a report that outlines the scope of the audit and the work program implemented, as well as our significant audit findings. We also report, where appropriate, the significant deficiencies identified in respect of internal control as regards procedures for preparing and processing accounting and financial information.

Our report to the Accounts and Risk Monitoring Committee includes the risks of material misstatement that in our professional judgment were of greatest significance in the audit of the annual financial statements for the year under review, and which as such constitute the key audit matters that we are required to describe in this report.

We also provide the Accounts and Risk Monitoring Committee with the declaration referred to in Article 6 of Regulation (EU) No. 537-2014 confirming our independence within the meaning of the rules applicable in France, as laid down notably in Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the French Code of ethics for Statutory Auditors. Where appropriate, we discuss with the Accounts and Risk Monitoring Committee the risks that may reasonably be thought to bear on our independence and the related safeguards.

Meudon and Courbevoie, April 24, 2019

The Statutory Auditors

**SCP Monnot & Associés**

**Laurent Guibourt**

**Mazars**

**Ariane Mignon**

## 9.3.3 STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS AND COMMITMENTS

To the Rubis Shareholders' Meeting,

In our capacity as Statutory Auditors of your Company, we hereby report on regulated agreements and commitments.

It is our responsibility to report to you, on the basis of the information provided to us, the main characteristics, terms and reasons justifying the Company's interest in the agreements and commitments disclosed to us or that we may have identified in the course of our audit, without expressing an opinion on their appropriateness or substance, or seeking to identify any undisclosed agreements or commitments. It is your responsibility, in accordance with Article R. 226-2 of the French Commercial Code (Code de commerce), to assess the benefit of entering into these agreements and commitments prior to their approval.

Where applicable, it is also our responsibility to provide shareholders with the information required by Article R. 226-2 of the French Commercial Code relating to the implementation during the year of agreements and commitments already approved by the Shareholders' Meeting.

We performed the work we deemed necessary in accordance with the professional guidance issued by the National Institute of Statutory Auditors relating to this assignment. This work consisted of verifying that the information provided to us was consistent with the underlying documents.

### AGREEMENTS AND COMMITMENTS SUBMITTED FOR APPROVAL BY THE SHAREHOLDERS' MEETING

Pursuant to Article L. 226-10 of the French Commercial Code, we have been informed of the following agreement entered into during the past financial year which was subject to the prior authorization of your Supervisory Board.

#### AGREEMENTS AND COMMITMENTS AUTHORIZED AND CONCLUDED DURING THE PAST FINANCIAL YEAR

##### Renewal of the technical assistance agreement concluded on September 30, 2014 and conclusion of Amendment No. 1

**Person concerned:** Jacques Riou: Chairman of Agena, co-Managing company of Rubis, Chairman of Rubis Énergie and Chairman of the Board of Directors of Rubis Terminal.

**Nature, purpose and terms:** at its meeting of September 12, 2018, the Supervisory Board authorized the signing of Amendment No. 1 to the assistance agreement entered into on September 30, 2014 between Rubis, Rubis Énergie and Rubis Terminal. This Amendment was signed on October 1, 2018 to add specific assistance for the implementation of compliance and anti-corruption provisions to the list of services provided by Rubis to its subsidiaries.

The income relating to the services provided under this Amendment is included in the amounts mentioned below for the performance of the assistance agreement.

### AGREEMENTS AND COMMITMENTS ALREADY APPROVED BY THE SHAREHOLDERS' MEETING

In accordance with Article R. 226-2 of the French Commercial Code, we have been informed that the following agreement, approved by the Shareholders' Meeting in prior years, remained current during the past year.

#### ASSISTANCE AGREEMENT BETWEEN RUBIS, RUBIS ÉNERGIE AND RUBIS TERMINAL DATED SEPTEMBER 30, 2014

**Person concerned:** Jacques Riou: Chairman of Agena, co-Managing company of Rubis, Chairman of Rubis Énergie and Chairman of the Board of Directors of Rubis Terminal.

**Nature and purpose:** to clarify its assistance agreements and subsequent amendments, the Supervisory Board, at its meeting of August 29, 2014, authorized the signing of a new administrative, financial, commercial and legal assistance agreement dated September 30, 2014. The purpose of the agreement is to define the nature of the benefits and services provided by Rubis to Rubis Énergie and Rubis Terminal, and the amount and terms of the consideration paid to Rubis.

This agreement was concluded for a period of 12 months backdated to January 1, 2014, i.e. from January 1, to December 31, 2014. It is renewable by tacit agreement for periods of one year, and has been renewed for the period from January 1, to December 31, 2018.

In consideration for this assistance, the Company receives an annual fee from Rubis Énergie and Rubis Terminal.

For the fiscal year ended December 31, 2018, the Company received, under the terms of this agreement, fees amounting to €4,078,000 excluding VAT from Rubis Énergie and €944,000 excluding VAT from Rubis Terminal.

Meudon and Courbevoie, April 24, 2019

The Statutory Auditors

SCP Monnot & Associés  
Laurent Guibourt

Mazars  
Ariane Mignon



Additional  
information



10.1

# Declaration of responsible officers

## OFFICERS RESPONSIBLE FOR THE REGISTRATION DOCUMENT

Gilles Gobin: Top Manager

Jacques Riou: Chairman of Agena, co-Managing company of Rubis

## DECLARATION OF THE OFFICERS RESPONSIBLE FOR THE REGISTRATION DOCUMENT

We declare that, having taken all reasonable care to ensure that such is the case, the information contained in the Registration Document is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

We declare that, to the best of our knowledge, the financial statements have been prepared in compliance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company and

all companies included in its consolidated group, and that the management report in the Annual Financial Report defined in section 10.5 gives a true and fair view of the performance of the business, results and financial position of the Company and the companies in its consolidated scope, as well as describing the main risks and uncertainties that it faces.

We have obtained a letter from the Statutory Auditors attesting that they have completed their work, having audited the information

concerning the financial position and the financial statements, as given in this Registration Document, and that they have read the entire document.

The consolidated financial statements for the year ended December 31, 2018 appearing in chapter 9 of this Registration Document were the subject of a report by the Statutory Auditors provided in chapter 9, section 9.3.1 of this Registration Document. The report contains an observation on the first-time application of IFRS 9 and IFRS 15.

Meudon and Paris, April 29, 2019

**Jacques Riou**

**Chairman of Agena, co-Managing company of Rubis**

**Gilles Gobin**

**Top Manager**



## Additional information

Declaration of responsible officers

# INFORMATION CONCERNING THE PRINCIPAL STATUTORY AUDITORS AND ALTERNATE AUDITORS

## PRINCIPAL STATUTORY AUDITORS

|   | Date of appointment | Term expires          |
|---|---------------------|-----------------------|
| <b>MONNOT &amp; ASSOCIES</b><br>2 bis A, avenue Le Corbeiller<br>92190 Meudon – France<br>represented by Laurent Guibourt | OSM June 9, 2016    | Fiscal 2021 - 2022 GM |
| <b>MAZARS</b><br>Tour Exaltis – 61, rue Henri Regnault<br>92400 Courbevoie – France<br>represented by Ariane Mignon       | OSM June 9, 2016    | Fiscal 2021 - 2022 GM |

## ALTERNATE AUDITORS

|   | Date of appointment | Term expires          |
|---|---------------------|-----------------------|
| <b>Isabelle Arribe</b><br>20, promenade du Millénaire<br>92400 Courbevoie – France                            | OSM June 9, 2016    | Fiscal 2021 - 2022 GM |
| <b>Manuela Baudoin-Revert</b><br>Mazars<br>Tour Exaltis – 61, rue Henri Regnault<br>92400 Courbevoie – France | OSM June 9, 2016    | Fiscal 2021 - 2022 GM |



## 10.2

# Included by reference

In accordance with Article 28 (referring to paragraph 24 of Appendix 1) of European Regulation No. 809/2004 of April 29, 2004, the following information is included by reference within this Registration Document:

## INFORMATION ON FISCAL 2017

- The consolidated financial statements and the Statutory Auditors' report are included in the Registration Document filed with the Autorité des Marchés Financiers on April 26, 2018, under number D. 18-0405, on pages 180 to 232 and pages 246 to 248.
- The annual financial statements and the Statutory Auditors' report on regulated agreements and commitments are included in the Registration Document filed with the Autorité des Marchés Financiers on April 26, 2018, under number D. 18-0405, on pages 233 to 245 and pages 249 to 252.

## INFORMATION ON FISCAL 2016

- The consolidated financial statements and the Statutory Auditors' report are included in the Registration Document filed with the Autorité des Marchés Financiers on April 27, 2017, under number D. 17-0452, on pages 178 to 235 and pages 249 to 250.
- The annual financial statements and the Statutory Auditors' report on regulated agreements and commitments are included in the Registration Document filed with the Autorité des Marchés Financiers on April 27, 2017, under number D. 17-0452, on pages 236 to 244 and pages 251 to 253.

10.3

# Documents on display

The Company's press releases, the Registration Documents filed with the Autorité des Marchés Financiers (AMF) and, where applicable, their updates, are available on the Company's website at the following address: [www.rubis.fr](http://www.rubis.fr).

Regulated information is posted on the Company's website for at least five years

and on the website of the French Legal and Administrative Information Directorate ([www.info-financiere.fr](http://www.info-financiere.fr)).

The by-laws and other corporate documents (Shareholders' Meeting notice, annual financial statements, etc.) are available on the Company's website and can also be

consulted at its registered office under the conditions provided by law.

Finally, declarations on the crossing of thresholds are published on the AMF's website ([www.amf-france.org](http://www.amf-france.org)).



## 10.4

# Cross-reference table for the Registration Document

The cross-reference table below refers to the main headings required by Appendix 1 of European Regulation EC No. 809/2004 pursuant to the European Directive 2003/71/EC, the “Prospectus” Directive.

| Main headings required by EC regulation No. 809/2004, Appendix 1 |   | Chapter         | Page                  |
|--|---|-----------------|-----------------------|
| <b>1</b>   | <b>Responsible officers</b>   |                 |                       |
| 1.1  | Name and position of responsible officers   | 10.1            | 265                   |
| 1.2  | Declaration of responsible officers   | 10.1            | 265                   |
| <b>2</b>   | <b>Statutory Auditors</b>   | <b>10.1</b>     | <b>266</b>            |
| <b>3</b>   | <b>Selected financial information</b>   | <b>1.4</b>      | <b>14 - 15</b>        |
| <b>4</b>   | <b>Risk factors</b>   | <b>4</b>        | <b>61 to 73</b>       |
| <b>5</b>   | <b>Information regarding the issuer</b>   |                 |                       |
| 5.1  | History and development of the Company  | 8.1.2           | 179                   |
| 5.1.1  | Corporate name  | 8.1.1           | 179                   |
| 5.1.2  | Registration place and number   | 8.1.1           | 179                   |
| 5.1.3  | Date of formation and duration  | 8.1.2           | 179                   |
| 5.1.4  | Registered office, legal form, applicable legislation, country of incorporation, address of registered office | 8.1.1           | 179                   |
| 5.1.5  | Significant events in the course of business  | 9.1             | 188                   |
| 5.2  | Capital expenditure   | 3               | 51 to 59              |
| 5.2.1  | Major investments made over the last three fiscal years   | 9.1             | 192 to 240            |
| 5.2.2  | Major investments in progress   | 3.2 - 9.1       | 59 - 202              |
| <b>6</b>   | <b>Overview of the business</b>   |                 |                       |
| 6.1  | Main businesses   | 2               | 21 to 48              |
| 6.2  | Exceptional events  | 3.1 - 9.1       | 51 - 52 - 228 - 229   |
| <b>7</b>   | <b>Organizational chart</b>   |                 |                       |
| 7.1  | Position of the issuer in the Group   | 1.6 - 9.1       | 19 - 196 to 201       |
| 7.2  | List of main subsidiaries   | 1.6 - 9.1       | 19 - 196 to 201       |
| <b>8</b>   | <b>Property, plant and equipment</b>  |                 |                       |
| 8.1  | Most significant property, plant and equipment  | 9.2             | 251 to 253            |
| 8.2  | Environmental issues liable to affect the use of property, plant and equipment                                | 5.2             | 81 to 95              |
| <b>9</b>   | <b>Overview of the financial position and earnings</b>  |                 |                       |
| 9.1  | Financial position  | 3 - 9.1         | 51 to 59 - 188 to 193 |
| 9.2  | Ebitda  | 1.4 - 3.1 - 9.1 | 15 - 51 - 190         |
| 9.2.1  | Explanation of change in net revenue or net income  | 3               | 51 to 59              |
| 9.2.2  | External factors having markedly influenced (or which could markedly influence) the business                  | 3.1 - 4.1       | 51 to 58 - 62 to 66   |
| <b>10</b>  | <b>Cash and cash equivalents and equity</b>   |                 |                       |
| 10.1   | Information on shareholders' equity   | 9.1             | 188 to 190            |
| 10.2   | Source, amount and description of cash flows  | 9.1             | 192 to 214            |
| 10.3   | Information on borrowing conditions and financing structure   | 9.1             | 217 to 221            |
| 10.4   | Restrictions on the use of share capital that have or could have an influence on the issuer's operations      | N/A             | NA                    |

## Additional information

Cross-reference table for the Registration Document

| Main headings required by EC regulation No. 809/2004, Appendix 1 |  | Chapter             | Page                         |
|--|--|---------------------|------------------------------|
| 10.5   | Anticipated sources of funding for major planned investments and major expenses weighing on the most significant property, plant and equipment | 3 - 9.1             | 51 to 59 - 203 - 204         |
| <b>11</b>  | <b>Research and development, patents and licenses</b>  | <b>9.1</b>          | <b>206</b>                   |
| <b>12</b>  | <b>Information on trends and outlook</b>   | <b>3.2</b>          | <b>59</b>                    |
| <b>13</b>  | <b>Earnings forecasts</b>  | <b>N/A</b>          | <b>NA</b>                    |
| <b>14</b>  | <b>Management and Supervisory bodies</b>   |                     |                              |
| 14.1   | Information on members of the Management and Supervisory bodies  | 6.2 - 6.3           | 123 to 140                   |
| 14.2   | Conflicts of interests, commitments pertaining to appointments, restrictions on disposal of interests in the issuer's share capital            | 6.4.1               | 141                          |
| <b>15</b>  | <b>Compensation and benefits of Management and Supervisory bodies</b>  |                     |                              |
| 15.1   | Consideration paid and benefits in kind  | 6.5 - 9.1           | 142 to 148 - 239             |
| 15.2   | Provisions recognized for the purposes of payment of pensions, retirement or other benefits  | 6.5 - 9.1           | 142 to 148 - 239             |
| <b>16</b>  | <b>Functioning of Management and Supervisory bodies</b>  |                     |                              |
| 16.1   | Expiration date of current terms of office and date the position was assumed   | 6.2 - 6.3           | 123 to 140                   |
| 16.2   | Service contracts linking members of the Supervisory Board   | 6.4.2               | 141                          |
| 16.3   | Information on Committees  | 6.3.7               | 139 - 140                    |
| 16.4   | Statement of compliance with the corporate governance regime in effect in France   | 6.1                 | 122                          |
| <b>17</b>  | <b>Employees</b>   |                     |                              |
| 17.1   | Workforce  | 1.4 - 5.3 - 9.1     | 15 - 96 - 227                |
| 17.2   | Shareholding and stock options   | 7.2.6 - 7.5 - 9.1   | 162 - 166 to 174 - 215 - 216 |
| 17.3   | Agreements providing for employee shareholding   | 5.3.4.3 - 7.4 - 9.1 | 103 - 165 - 215 - 216        |
| <b>18</b>  | <b>Main shareholders</b>   |                     |                              |
| 18.1   | Shareholders holding more than 5% of share capital or voting rights  | 7.2.6               | 162                          |
| 18.2   | Voting rights of major shareholders exceeding their share of share capital   | N/A                 | NA                           |
| <b>19</b>  | <b>Related party transactions</b>  | <b>8.2 - 9.1</b>    | <b>182 - 235 to 237</b>      |
| <b>20</b>  | <b>Information concerning the issuer's capital, financial position and earnings</b>  |                     |                              |
| 20.1   | Historical financial information   | 9.2                 | 242 to 244                   |
| 20.2   | <i>Pro forma</i> financial information   | 9.2                 | 242                          |
| 20.3   | Annual consolidated financial statements   | 9.1                 | 188 to 240                   |
| 20.4   | Verification of historical annual financial information  | 9.3                 | 256 to 262                   |
| 20.4.1   | Verification of historical financial information   | 9.3                 | 256 to 262                   |
| 20.4.2   | Other information shown in the Registration Document and verified by the Statutory Auditors  | 9.1                 | 238 - 239                    |
| 20.4.3   | Financial information shown in the Registration Document and not derived from the financial statements certified by the issuer                 | N/A                 | NA                           |
| 20.5   | Date of the last audited financial information   |                     |                              |
| 20.6   | Half-yearly and other financial information  | N/A                 | NA                           |
| 20.6.1   | Quarterly or half-yearly financial information since the date of the most recent audited financial statements                                  | N/A                 | NA                           |
| 20.6.2   | Half-yearly financial information for the first six months following the end of the most recent audited fiscal year                            | N/A                 | NA                           |
| 20.7   | Dividend payment policy  | 7.3                 | 163 - 164                    |
| 20.8   | Legal proceedings and arbitration  | 4.1.2               | 64 - 65                      |
| 20.9   | Significant change in financial or commercial position   | N/A                 | NA                           |
| <b>21</b>  | <b>Additional information</b>  |                     |                              |
| 21.1   | Share capital  | 7.2                 | 160 to 162                   |
| 21.1.1   | Registered and authorized share capital  | 7.2 - 9.2           | 160 to 162 - 247             |
| 21.1.2   | Shares not representing share capital  | N/A                 | NA                           |
| 21.1.3   | Shares held by the issuer or its subsidiaries  | 7.2.6 - 9.1         | 162 - 214                    |
| 21.1.4   | Securities giving future access to the issuer's share capital  | 7.2.4               | 161                          |
| 21.1.5   | History of the issuer's share capital over the last three fiscal years   | 7.2.6 - 7.6 - 9.2   | 162 - 175 - 176 - 254        |
| 21.2   | Articles of incorporation and by-laws  | 8.1                 | 179 to 182                   |
| 21.2.1   | Corporate purpose of the issuer  | 8.1.4               | 180                          |
| 21.2.2   | By-law provisions and measures concerning members of the Management and Supervisory bodies   | 8.1.5 to 8.1.7      | 180                          |
| 21.2.3   | Rights, privileges, and restrictions attached to each category of existing shares  | 7.5.2 to 7.5.4      | 166 to 169                   |

| Main headings required by EC regulation No. 809/2004, Appendix 1 |  | Chapter                | Page                         |
|--|--|------------------------|------------------------------|
| 21.2.4   | Actions necessary to modify shareholder rights   | 8.1.8                  | 181                          |
| 21.2.5   | Notice of Shareholders' Meeting and conditions for admission   | 8.1.8                  | 181                          |
| 21.2.6   | By-law provisions, charter or rules of the issuer that may delay, defer or prevent a change of control | N/A                    | NA                           |
| 21.2.7   | Declarations of statutory threshold crossings  | 8.1.10                 | 182                          |
| <b>22</b>  | <b>Material contracts (other than contracts concluded in the normal course of business)</b>            | <b>N/A</b>             | <b>NA</b>                    |
| <b>23</b>  | <b>Third-party information, statements by experts and declarations of interest</b>                     | <b>N/A</b>             | <b>NA</b>                    |
| <b>24</b>  | <b>Documents on display</b>  | <b>10.3</b>            | <b>268</b>                   |
| <b>25</b>  | <b>Information on shareholdings</b>  | <b>1.6 - 9.1 - 9.2</b> | <b>19 - 196 to 201 - 250</b> |



10.5

# Cross-reference tables for the Annual Financial Report and the management report

## 10.5.1 CROSS-REFERENCE TABLE FOR THE ANNUAL FINANCIAL REPORT

The Annual Financial Report, prepared in accordance with Article L. 451-1-2 of the French Monetary and Financial Code and article 222-3 of the General Regulation of the Autorité des Marchés Financiers, includes the

documents, reports and information in this Registration Document as detailed below.

The Board of Management presents the draft resolutions that are submitted for vote by the shareholders in a separate document (the Notice for the Shareholders' Meeting to be held on June 11, 2019).

|   | <b>Chapter</b> | <b>Page</b> |
|---|----------------|-------------|
| • 2018 Annual financial statements                                    | 9.2            | 242 to 255  |
| • 2018 Consolidated financial statements                              | 9.1            | 188 to 240  |
| • Management report   | 10.5.2         | 273         |
| • Statutory Auditors' report on the annual financial statements       | 9.3.2          | 258         |
| • Statutory Auditors' report on the consolidated financial statements | 9.3.1          | 256         |
| • Declaration of responsible officers                                 | 10.1           | 265         |
| • Fees paid to Statutory Auditors                                     | 9.1            | 239         |

## 10.5.2 CROSS-REFERENCE TABLE FOR THE MANAGEMENT REPORT AND THE REPORT ON CORPORATE GOVERNANCE ATTACHED TO THE MANAGEMENT REPORT

The management report comprises the information presented in this Registration Document containing the Annual Financial Report in chapters 1 to 9, with the exception of chapter 6, which constitutes the report on corporate governance.

|  | Chapter           | Page                                       |
|--|-------------------|--|
| • Business and financial position  | 1.4 - 2 - 3 - 9.1 | 14 - 15 - 21 to 48 - 51 to 59 - 188 to 240 |
| • Recent events, trends and outlook  | 3.2 - 9.1         | 59 - 202                                   |
| • Research and development   | NA                | NA   |
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*No advice is more  
trustworthy than  
that given on  
a sinking ship.*

**Leonardo da Vinci**



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*The will to undertake,  
the corporate commitment*