

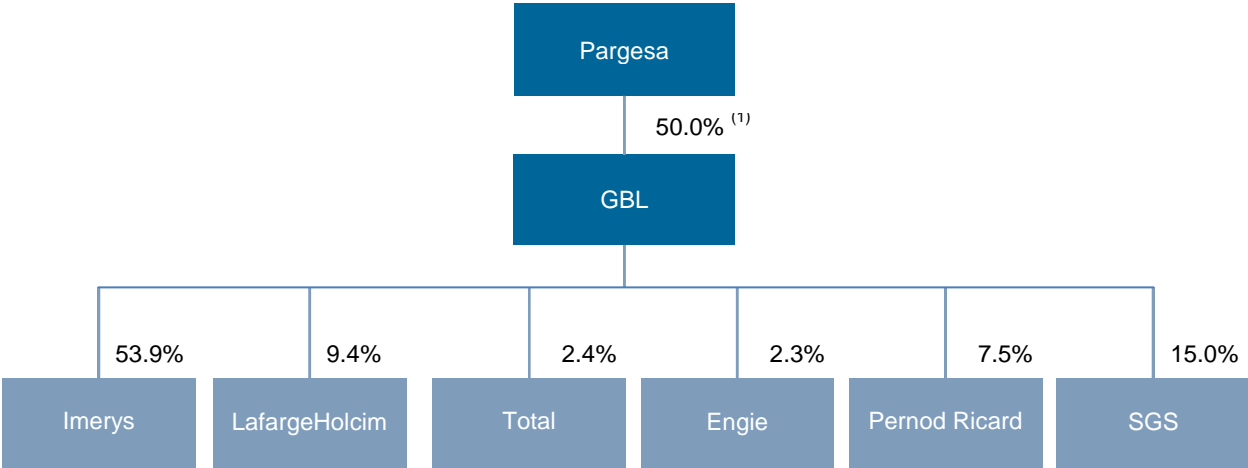


Geneva, 18 March 2016

- **2015 results:**
 - Economic operating income stood at CHF 308.4 million, compared with CHF 339.5 million in 2014. This figure includes the non-cash impact of the derivative financial instruments embedded in the exchangeable and convertible bonds issued by GBL being marked to market, for a net amount of CHF +55.8 million (CHF –6.3 million in 2014). Excluding that impact, economic operating income was CHF 252.6 million, compared with CHF 345.8 million in 2014. This decrease primarily reflects: the absence of Lafarge's contribution in H2 2015 following the deconsolidation of that holding; the smaller contribution from private-equity and other funds; and the weakening of the euro against the Swiss franc in 2015 (operating income comes mainly from GBL's contribution, which is denominated in euros).
 - Net profit came in at CHF 638.2 million, compared with CHF 636.9 million in 2014, and included non-recurring income of CHF 329.8 million (CHF 297.4 million in 2014) consisting primarily of:
 - Pargesa's share of the non-recurring items recorded by companies accounted for using the equity method, including CHF –81.7 million from Imerys, mainly reflecting impairments within the Oilfield Solutions division, and CHF –68.3 million from Lafarge (accounted for using the equity method until 30 June 2015);
 - The partial reversal of the impairment previously recorded by GBL on its holding in Lafarge, together with the impact of the deconsolidation of that holding in July 2015, representing a net amount of CHF 243.7 million for Pargesa; Pargesa's CHF 225.2 million share of the gain resulting from GBL's disposal of 0.5% of Total's share capital (CHF 274.7 million in 2014 from the disposal of 0.6% of Total's share capital); and Pargesa's CHF 14.3 million share (CHF 74.7 million in 2014) of the net gain resulting from the delivery of Suez (formerly Suez Environnement) shares following the redemption (early and at maturity) of bonds exchangeable for Suez shares issued by GBL in 2012.
 - In 2015, the average EUR/CHF exchange rate was 1.07, compared with 1.21 in 2014, a decline of 12%.
- **Dividend proposal:** CHF 2.38 per bearer share, representing an increase of 4.8% on the year-earlier dividend.

The Board of Directors of Pargesa Holding SA, chaired by Paul Desmarais Jr, approved the accounts for the 2015 financial year. They will be submitted to the Annual General Meeting to be held on 3 May 2016 in Geneva.

The organisation chart below shows the Group's structure at 31 December 2015, which was composed of six main shareholdings.



Shareholdings are expressed as a % of capital

(1) 52.0% of voting rights, taking into account the suspended voting rights relating to treasury stock

1. Highlights of 2015 and early 2016

- **The Group's portfolio**

During H1 2015, the Boards of Directors of Holcim and Lafarge announced that they had reached an agreement on revised terms for the merger of equals between the two groups, first announced in 2014. The parties agreed on a new exchange ratio of 9 Holcim shares for 10 Lafarge shares. Lafarge and Holcim also agreed that the new group would announce a post-closing scrip dividend of 1 new LafargeHolcim share for every 20 existing shares.

On 1 June 2015, Holcim launched its public exchange offer for all Lafarge shares, which closed on 3 July 2015 with 87.46% of Lafarge shares having been tendered to the offer. At the end of the reopening period on 28 July 2015, the results of which were disclosed on 31 July 2015, Holcim held 96.4% of the capital, representing more than 95% of Lafarge's voting rights. A squeeze-out was therefore launched and successfully completed on 23 October 2015. As announced, in September 2015 LafargeHolcim distributed a scrip dividend at a ratio of one new LafargeHolcim share for every 20 existing shares, which had no impact on the income statement. At 31 December 2015, GBL held 9.4% of the capital of LafargeHolcim, the shares of which are listed on the SIX Swiss Exchange and Euronext Paris. GBL's holding in Lafarge, which was previously accounted for using the equity method, was reclassified under assets held for sale at 30 June 2015 and then as an available-for-sale financial asset as of 10 July 2015, the date on which the Lafarge shares were exchanged for LafargeHolcim shares. This generated a net accounting gain of EUR 442 million for GBL, with Pargesa's share amounting to CHF 243.7 million.

In 2015, GBL sold 12.1 million Total shares, or 0.5% of Total's capital, for proceeds of EUR 556 million, generating a capital gain of EUR 282 million for GBL. Most of these shares were sold through forward contracts that expired in December 2015. These disposals generated a capital gain of CHF 225.2 million for Pargesa. At 31 December 2015, GBL held 2.4% of the capital of Total, which was still the Group's third largest holding at year-end. In February 2016, GBL sold a further 26.2 million Total shares, representing approximately 1% of the company's capital, both in the market and through a private placement by way of an accelerated bookbuilding process to institutional investors. These transactions represented a total amount of EUR 1 billion and generated a capital gain for GBL of approximately EUR 405 million, which will be booked in 2016. Following these transactions, GBL held 1.4% of Total's capital.

Imerys' acquisition of Greek group S&B was completed on 26 February 2015. As the acquisition was partially paid in Imerys shares, the Kyriacopoulos family, the founding shareholder of S&B, now holds approximately 4.7% of Imerys' capital. GBL's holding was therefore slightly diluted, from 56.5% at end-2014 to 53.9% at 31 December 2015.

In 2015, GBL received additional requests for the early conversion of bonds exchangeable for Suez (formerly Suez Environnement) shares, which matured in September 2015. In total, GBL delivered 5.1 million Suez shares, representing EUR 59 million in bond par value. As previously announced, the conversions cancelled the debt and resulted in a reversal in the value adjustments previously recorded on the derivatives implicitly embedded in the bonds, as well as a gain on the Suez shares delivered. At 31 December 2015, GBL no longer held any shares in this company.

As part of the expansion of its incubator-type investments, GBL continued to increase its stake in Umicore and held 16.6% of that company's capital at 31 December 2015 (12.4% at end-December 2014), worth EUR 720 million. GBL is now Umicore's largest shareholder.

In July 2015, GBL announced that it had crossed the statutory threshold of 3% in the capital of adidas, a world leader in the design and distribution of sportswear. GBL held 4.7% of adidas' capital, worth EUR 890 million, at 31 December 2015. In January 2016, GBL informed the company that it had passed the statutory threshold of 5% of adidas' capital.

Finally, in 2015 GBL acquired a stake in the capital of the listed Belgian company Ontex, a leading provider of disposable hygiene products. GBL also acquired some of the new Ontex shares issued in November 2015, in order to maintain its holding at the same level. GBL held 7.6% of Ontex' capital, worth EUR 181 million, at 31 December 2015. On 16 March 2016, GBL informed Ontex that it had passed the statutory threshold of 10% of the company's capital.

Within GBL's Financial Pillar (Sienna Capital), Ergon Capital Partners III (ECP III) acquired in May 2015 a majority interest in Golden Goose, an Italian designer of contemporary shoes, clothes and accessories. In Q1 2015, Ergon Capital Partners II (ECP II) disposed of its majority holding in Joris Ide, a leader in insulating panels and steel envelope products. This transaction generated a net consolidated gain of EUR 14 million for GBL, with Pargesa's share amounting to CHF 8 million. Sagard III also made new investments in 2015 – in Safic-Alcan, Délices des 7 Vallées and Alvest. In July 2015 the Sagard II fund, in which both GBL and Pargesa are investors, disposed of its stake in Cérélia, generating an overall capital gain of CHF 12.4 million for Pargesa. Finally, the Sagard III fund sold its interest in the Santiane Group in September 2015, generating a capital gain of CHF 3.7 million for Pargesa.

In February 2015, Sienna Capital announced that it was investing EUR 150 million in PrimeStone, a new fund whose strategy consists of making medium- to long-term investments in medium-sized listed companies in Europe.

In December 2015, Sienna Capital committed to investing EUR 113 million in BDT Capital Partners II, a private-equity fund that currently manages approximately USD 8 billion in commitments. The fund's aim is to meet the long-term financial and strategic needs of family-owned and entrepreneurial businesses in the USA and Europe.

At 31 December 2015, debt fund Kartesia had made capital calls of EUR 386 million (representing approximately 76% of the fund's commitments) invested in primary and secondary financing transactions.

In Q1 2016, ECP III acquired a majority stake in Financière Looping SAS, a European theme-park operator.

At 31 December 2015, GBL's commitments under its Financial Pillar amounted to EUR 413 million (EUR 520 million at 31 December 2014).

At the end of March 2015, Pargesa Holding SA issued a CHF 150 million Swiss domestic bond in order to increase its financial resources and fund the refinancing of its 2.5% bond of CHF 150 million maturing in November 2016. The nine-year bond pays an annual coupon of 0.875% and is redeemable on 24 April 2024. The transaction took place under favourable market conditions and significantly increased Pargesa's average debt maturity.

- **Company organisation**

Following the Annual General Meeting on 5 May 2015, Gérald Frère, Vice Chairman of the Board of Directors since 2002 and a member of the Board since 1992, replaced Albert Frère as Executive Director. On 2 February 2015 Albert Frère, Vice Chairman of the Board of Directors and Executive Director, and a Board member since 1981, had informed the Board of Directors that he would not seek another term as Director at the Annual General Meeting on 5 May 2015.

It was with great sadness that all those at the Company learned of the death of Andrew Allender, Deputy Managing Director, Financial Director and Secretary to the Board of Directors of Pargesa Holding SA, who passed away on 2 November 2015 at the age of 51. He had joined the company in 1989. The Board of Directors and the entire Pargesa Holding SA team would like to express their sincerest condolences to Andrew Allender's family.

Marc-Henri Chaudet, a member of the Board of Directors since 1996 and Chairman of the Audit Committee since it was created in 1997, informed the Chairman of the Board of Directors that, owing to his age, he would not seek another term as Director at the Annual General Meeting on 3 May 2016. The Board of Directors would like to thank Mr Chaudet for his loyalty and invaluable contribution over the last 20 years.

At the Annual General Meeting on 3 May 2016, the Board of Directors will submit a proposal to elect Jean-Luc Herbez as Director for a one-year term that will expire at the end of the 2017 Annual General Meeting.

2. Main Group shareholdings

For **Imerys**, the world leader in mineral-based specialty solutions for industry, overall market conditions were difficult in 2015. Furthermore, demand for ceramic proppants for non-conventional oilfields dropped sharply following the continued decline in oil prices. Against this backdrop, the group continued to implement its action plans to protect and improve its operational performance and to invest in innovation and the extension of its portfolio of activities.

In February 2015, Imerys completed its acquisition of S&B, a global player and European leader in bentonite (binders for foundry, sealing solutions, additives for drilling and functional additives) and a world leader in continuous casting fluxes for the steel industry and in wollastonite (functional additives for polymers and paints). S&B also provides perlite-based solutions for building materials and horticulture. The integration of S&B, which started last March, is progressing in line with expectations. Imerys also continued its expansion, with the acquisition of the Precipitated Calcium Carbonate (PCC) division of Solvay, which operates four plants in Europe, of BASF's paper hydrous kaolin (PHK) activities in the USA, and of Matisco, a specialised manufacturer of metal accessories for roofing.

Revenue stood at EUR 4'087 million, compared with EUR 3'688 million in 2014, a rise of 10.8% on a current basis. This improvement reflects the positive impact of changes in scope (+9.5%), mainly stemming from the consolidation of S&B since 1 March 2015, and a positive exchange rate effect (+5.9%) reflecting the depreciation of the euro against the US dollar in particular. At constant scope and exchange rates, revenue was down 4.6% year on year due to the persistent weakness of some markets and regions, as well as a particularly unfavourable basis of comparison in ceramic proppants (gradual ramp-up of production during the previous year). Excluding ceramic proppants, revenue was down 2.5% at constant scope and exchange rates. In this difficult environment, the price/mix effect remained positive, reaching 1.3% for the group as a whole.

Current operating income came in at EUR 538.1 million, compared with EUR 494.6 million in 2014, a rise of 8.8%.

Current operating income was impacted by the decline in sales volumes, which was partly offset by a favourable exchange rate and scope effect, as well as by a positive trend in the mix of activities and effective management measures (improvement in variable costs and a decrease in fixed costs and general expenses). The group's operating margin was 13.2% (13.4% in 2014).

Group share of net income from current operations came in at EUR 341.5 million, compared with EUR 316.3 million in 2014, a rise of 8.0%.

Group share of net income stood at EUR 68.4 million, compared with EUR 271.6 million in 2014. It included other income and expenses net of tax of EUR -273.1 million in 2015 (EUR -44.7 million in 2014), made up of a non-cash impairment charge of EUR -209 million on assets in the Oilfield Solutions division (total impairment of goodwill and impairment of part of the assets) owing to the current oil market situation, together with restructuring costs amounting to EUR 64.1 million.

A dividend of EUR 1.75 per share, compared with EUR 1.65 for the year-earlier period (a rise of 6.1%), will be submitted for approval at the Annual General Meeting.

At 31 December 2015, GBL held 53.9% of Imerys' share capital.

Lafarge (H1 2015) – Lafarge recorded sales of EUR 6'319 million in H1 2015, a rise of 5%. This reflects the divestments made, particularly those in Ecuador, Russia and Pakistan, while the appreciation of many currencies against the euro had a positive impact. On a like-for-like basis, sales in H1 2015 were stable compared with the previous year.

In H1 2015, EBITDA came in at EUR 1'223 million, up 6% on a reported basis. On a like-for-like basis, it rose 2% as a result of cost reduction and innovation measures, together with carbon credit sales.

Current operating income increased 8% to EUR 813 million on a reported basis and 6% on a like-for-like basis. However, Lafarge recorded a net loss of EUR 477 million in H1 2015, due to the impact of various one-off items, including EUR 450 million in impairments on some of the assets that were to be divested to CRH in Q3 2015, restructuring costs, and costs relating to the merger with Holcim.

LafargeHolcim (H2 2015 - N.B. full year 2015, as well as 2014 figures, are on a pro-forma basis - net income and free cash-flow for full year 2015 are not published, as the full year figures would include pre and post-merger items -)

2015 Q4 results were impacted by challenges in selected markets, most notably Brazil, Switzerland, China, Indonesia, Zambia, Nigeria and Azerbaijan. Lower CO2 revenues and adverse FX movements also affected results. However, positive developments in markets including the US, Mexico, Argentina, the Philippines, Australia and the UK look promising.

Net sales were CHF 7'441 million in Q4 2015, down 5.9% over Q4 2014, but up 1.7% on a like-for-like basis.

In the Asia-Pacific region, numbers were driven by volume growth in countries including the Philippines, Vietnam, and Australia. Results were affected by the deceleration of economic growth in China and, to some extent, in India. In Indonesia, delays to infrastructure projects and pressure on pricing impacted performance.

In Europe, strong growth in some markets, including the United Kingdom and Romania, showed pockets of growth remain in this challenging region. However, performance in the region was influenced by uncertainty and depressed construction markets in several countries.

The group performed well in large parts of the Latin American market, but was significantly impacted by the deteriorating economic situation in Brazil. Mexican infrastructure projects had a positive effect, and Argentina experienced a stabilization of economic activity over the course of 2015.

Middle East & Africa showed mixed growth. Some of the Group region's markets were impacted by lower demand, resulting from lower oil and commodity prices while other countries such as Kenya and Algeria recorded strong performances. Performance in Egypt was strong with economic tailwinds at the start of the year and increased infrastructure activity, while Nigeria's increased urbanization helped sales. Regional political instability affected markets in Jordan, Syria and Iraq.

LafargeHolcim posted solid results in North America as a result of both the continuing recovery in the United States as well as successful price management and cost optimization. Cement and aggregate volumes increased as a whole across the US and in Eastern Canada, offset partially in particular by reduced demand in some regions (such as Western Canada and Texas) where oil and commodity investments were under pressure. Financial performance increased markedly thanks mainly to the United States as well as an overachievement on synergy realization.

Adjusted operating EBITDA in Q4 2015 stood at CHF 1.40 billion, down 15.3% on Q4 2014 (-8.4% like-for-like). Excluding CO2 sales, Q4 adjusted operating EBITDA was down 12.9% (-5.8% on a like-for-like basis) Adjusted operating EBITDA for full year 2015 stood at CHF 5.75 billion, -10.7% on full year 2014 (-4.6% like-for-like). Excluding CO2 sales, 2015 adjusted EBITDA was down 9.7% (-3.6% like-for-like).

LafargeHolcim recorded in Q4 2015 a net loss of CHF 2.86 billion. In the context of the deployment of the synergy action plans, the completion of the portfolio review and the progress on the purchase price allocation exercise, the Group has recorded a one-off non-cash charge of CHF 3.0 billion related to asset impairments and other charges in Q4. Q4 merger, restructuring and other one-off costs were at CHF 407 million, of which a total of CHF182 million was incurred to implement synergy action plans including restructuring activities.

Q4 2015 free cash flow stood at CHF 813 million after adjusting for one-off items of CHF 166 million.

Net debt stood at CHF 17.3 billion at the end of 2015.

Significant progress was made with respect to integration: merger synergies were ahead of plan with CHF 130 million on operating EBITDA in H2 2015 (of which CHF 94 million in the fourth quarter) versus CHF 100 million targeted and the portfolio review has been completed (CHF 3.5 billion of divestments planned in 2016).

The Board of directors will propose to the Annual General meeting of shareholders a dividend of CHF 1.50 per share.

At 31 December 2015, GBL held 9.4% of LafargeHolcim's share capital.

Total is a global, integrated oil and gas group with also a presence in the chemical industry. In 2015, Total recorded a 9.4% increase in hydrocarbon production to 2.347 boe/d, driven by the start-up of nine projects.

Despite the drop in oil prices (the average Brent price in 2015 was USD 52.4 per barrel, compared with USD 99.0 in 2014, a drop of 47%) and in gas prices (-28%), which had a significant impact on the Upstream segment, the group was able to take advantage of its integrated business model, with Refining & Chemicals in particular benefiting from favourable margin levels. Refinery throughput increased by 9% year on year, while petroleum product sales were up 3%. In addition, Total pressed ahead with its cost reduction programme, which led to savings of USD 1.5 billion.

Adjusted net operating income from business segments was USD 11'362 million in 2015, compared with USD 14'247 million in 2014, a drop of 20%. Upstream adjusted net operating income was down 55% to USD 4'774 million, while the same item for Refining & Chemicals rose 96% to USD 4'889 million and that of Marketing & Services was up 35% to USD 1'699 million.

Adjusted net income stood at USD 10'518 million in 2015, compared with USD 12'837 million in 2014, a decrease of 18%. Group share of net income came in at USD 5'087 million, compared with USD 4'244 million in 2014, and included USD -5'431 million in adjustment items, among which impairments on Fort Hills in Canada and Gladstone LNG in Australia as well as on exploration projects that will not be developed. In 2014, adjustment items amounted to USD -8'593 million and included one-off impairments concerning oil sands in Canada, unconventional gas, European refining and certain other assets in the Upstream segment.

Net investments stood at USD 20'360 million in 2015, compared with USD 24'140 million a year earlier.

The dividend to be submitted for approval at the Annual General Meeting of shareholders will be EUR 2.44 per share, unchanged from the previous year.

At 31 December 2015, GBL held 2.4% of Total's share capital.

Engie (formerly GDF Suez) is a leading international energy group operating in gas, electricity and energy-related services.

In a deteriorated market context, marked in particular by a very difficult market price environment, revenues came in at EUR 69.9 billion in 2015, compared with EUR 74.7 billion in 2014, a decrease of 6.4% on a reported basis (-8.8% in organic terms). This decrease reflects lower commodity prices, the decline in LNG activities and the unavailability of the Doel 3 and Tihange 2 nuclear plants (throughout almost the entire year) and Doel 1 being offline in Belgium. This was partially offset by the appreciation of the US dollar against the euro and by more favourable weather conditions in France, despite very mild temperatures towards the end of 2015 (2014 had been a particularly warm year).

Group EBITDA amounted to EUR 11.3 billion, compared with EUR 12.1 billion in 2014, down 7.2% on a reported basis and down 9.1% on an organic basis, mainly for the same reasons as indicated above.

Group share of net recurring income was EUR 2.6 billion, compared with EUR 2.7 billion a year earlier, and included lower tax expense and lower recurring financial expenses.

Engie reported in 2015 a net loss (Group share) of EUR –4.6 billion (compared with net income of EUR 2.4 billion in 2014), which reflected EUR 6.8 billion in impairment losses. These impairments primarily relate to the exploration-production activity which was heavily impacted by the major and prolonged drop in oil and gas prices, and to the LNG supply & sales activity, which was impacted by the turnaround in the LNG market. Impairments also related to power production activities in merchant markets, due to deteriorating fundamentals, and intangible assets in France.

At 31 December 2015, net debt stood at EUR 27.7 billion, a year-on-year increase of EUR 0.2 billion, mainly reflecting the unfavourable impact of changes in exchange rates. The net debt/EBITDA ratio was 2.46x at end-2015.

Engie confirmed that it would pay a dividend of EUR 1.00 per share for the 2015 and 2016 financial years and committed to paying a dividend of EUR 0.70 per share for the 2017 and 2018 financial years.

At 31 December 2015, GBL held 2.3% of Engie's capital, almost all of which corresponded to shares underlying the exchangeable bonds issued by GBL in early 2013 and maturing in 2017.

Pernod Ricard, the world co-leader in wine and spirits, recorded net sales of EUR 8'558 million for the 2014-2015 financial year ending on 30 June 2015, a rise of 2% at constant scope and exchange rates. This increase reflected a return to growth in Asia/Rest of the World (+4%) following an improvement in China and strong momentum in India, growth of 2% in the Americas and stability in Europe. On a reported basis, net sales were up 8%, as a result of a very favourable exchange rate effect.

Profit from recurring operations was EUR 2'238 million, a rise of 2% at constant scope and exchange rates. On a reported basis, it increased 9%. The operating margin came in at 26.2%, including a favourable exchange rate effect. At constant scope and exchange rates, the rise in profit from recurring operations reflects in particular the 105bp decrease in the gross margin ratio, a 2% rise in advertising and promotion expenses and a 3% decrease in structure costs.

Group share of net profit from recurring operations came in at EUR 1'329 million, a year-on-year rise of 12%. Group share of net profit declined by 15% to EUR 861 million, mainly due to an impairment charge on the Absolut brand.

The dividend for the 2014-2015 financial year was set at EUR 1.80 per share, an increase of 10%.

For the first half of the 2015-2016 financial year, i.e. the period ending on 31 December 2015, net sales were EUR 4'958 million, compared with EUR 4'621 million for the first half of the 2014-2015 financial year. This rise of 7% included a favourable exchange-rate impact. Organic sales growth stood at 3%, reflecting accelerated growth in the Americas (+4%), notably driven by the USA (+3%), 5% growth in Asia/Rest of World and a slight improvement in Europe (+1%). The group reported sales growth across the Top 14, Priority Premium Wines and Key Local Brands. Market share gains were recorded in most key markets, while innovation contributed 1% to the organic sales growth, driven by sustained advertising and promotion investments. The group also benefited from a return to positive pricing.

H1 2015-2016 profit from recurring operations came in at EUR 1'438 million, compared with EUR 1'358 million a year earlier, reflecting organic growth of 3% and reported growth of 6%. Pressure on the gross margin eased (–25bp) versus full year 2014-2015 (–105bp).

Group share of net profit from recurring operations stood at EUR 909 million, compared with EUR 834 million a year earlier, a rise of 9% on a reported basis. Group net profit was EUR 886 million, compared with EUR 788 million a year earlier, a rise of 12%.

At 31 December 2015, GBL held 7.5% of Pernod Ricard's share capital.

SGS, the world's leading inspection, verification, testing and certification company, recorded CHF 5.7 billion in revenues in 2015, a year-on-year rise of 3.6% at constant exchange rates (–2.9% on a reported basis), of which 2.0% was organic and 1.6% was contributed by recent acquisitions. The group initiated 14 acquisitions during 2015, 10 of which were completed.

Organic growth reflects the strong performance by certain divisions, which was partially offset by the impact that the drop in commodities prices had on the Oil, Gas & Chemicals, Minerals Services and Industrial Services divisions. Adjusted EBITDA reached CHF 1'191 million, up 3.4% at constant currency rates versus the prior year (–2.9% on a reported basis). Adjusted operating income was CHF 917 million, a rise of 3.2% at constant currency rates (–3.2% on a reported basis). The adjusted operating margin was stable at 16.1%. Group share of net income for the period was CHF 549 million, down 6.9% at constant currency rates (–12.7% on a reported basis) versus the prior year, mainly due to restructuring expenses in 2015, while the group had recorded one-off income in 2014. Operating cash flow was CHF 1'062 million, compared with CHF 912 million in 2014. The Annual General Meeting of shareholders held on 14 March 2016, approved the payment of a dividend of CHF 68 per share for the 2015 financial year, unchanged from the previous year.

At 31 December 2015, GBL held 15.0% of SGS' share capital.

3. 2015 consolidated financial results

3.1. Presentation of results in accordance with IFRS

The simplified income statement in accordance with IFRS is as follows:

CHF millions	2015	2014
Operating income	4'774.4	4'854.6
Operating expenses	(4'478.8)	(4'399.3)
Other income and expenses	820.3	833.5
Operating profit	1'115.9	1'288.8
Dividends and interest from long-term investments	345.2	384.4
Other financial income and expenses	(31.1)	(229.1)
Taxes	(69.8)	(147.5)
Income from associates and joint ventures	(77.6)	91.8
Consolidated net profit (before minority interests)	1'282.6	1'388.4
Attributable to minority interests	(644.4)	751.5
Attributable to Pargesa shareholders (Group share)	638.2	636.9
<i>Average number of shares in circulation (in thousands)</i>	<i>84'659</i>	<i>84'656</i>
<i>Basic earnings per share attributable to Pargesa shareholders (CHF)</i>	<i>7.54</i>	<i>7.52</i>
<i>Average EUR/CHF exchange rate</i>	<i>1.067</i>	<i>1.214</i>

Operating income and expenses are primarily the revenues and operating expenses of Imerys, whose accounts are fully consolidated.

Other income and expenses includes net capital gains and losses as well as impairments or reversal of previous impairments on Group shareholdings and operations. At 31 December 2015, this figure included the net impact of the deconsolidation of Lafarge, for an amount of CHF +469.4 million. It also included the capital gain recorded on GBL's sale of 0.5% of Total's share capital, together with the capital gain recorded by GBL following the delivery of Suez shares to holders of bonds exchangeable for Suez shares who had exercised their right to exchange the bonds either early or at maturity in September 2015. In 2014, this line item mainly represented the capital gain recorded on GBL's sale of 0.6% of Total's share capital, and the capital gain recorded by GBL following the delivery of Suez shares to bondholders who had exercised their right to exchange the bonds early.

The *dividends and interest from long-term investments* item comprises the net dividends received by the Group from its non-consolidated investments, mainly in 2015 dividends from Total, SGS, Engie and Pernod Ricard.

The *other financial income and expenses* and *taxes* items provide consolidated figures for Pargesa, GBL and Imerys. Other financial income and expenses includes the non-cash impact of GBL's derivative financial instruments (mainly those implicitly embedded in convertible and exchangeable bonds issued by GBL) being marked to market.

Income from associates and joint ventures represents the share of the consolidated net profit contributed by shareholdings accounted for in the Pargesa financial statements using the equity method. In 2015, this item included Pargesa's CHF -107.1 million share of the loss recorded in H1 2015 by Lafarge, a holding that was accounted for using the equity method until 30 June 2015.

The item *minority interests* mainly relates to the share of income due to the minority shareholders of GBL and Imerys, these two companies being fully consolidated into the Pargesa Group financial statements.

3.2. Economic presentation of Pargesa financial results

In addition to the financial statements drawn up in accordance with IFRS, Pargesa has published for several years now an economic presentation of its results, in order to provide continuous information over the long term about the contribution of each of its major shareholdings to its results. IFRS require different accounting treatments depending on the Group's percentage holding in each of its investments (full integration, mainly for Imerys, equity method for Lafarge up to 30 June 2015, with other major Group holdings being booked as financial instruments), so this continuous view would be interrupted without this additional economic presentation of the Group's results.

The economic presentation shows, in terms of the Group's share of results, the contribution of the main shareholdings to the consolidated income of Pargesa, together with the income from the operations of the holding companies (Pargesa and GBL), which highlight in particular the income from private-equity activities and other investment funds (GBL's Financial Pillar, now combined under Sienna Capital) and the impact of net financial income. The analysis also draws a distinction between the operating and non-operating items in the income, the non-operating part being composed of net capital gains and losses in connection with disposals and any restructuring costs and impairment or reversal of previous impairments.

According to this approach, the economic results for 2015 were as follows:

CHF millions		2015	2014
Operating contribution of the main shareholdings			
- Consolidated (Imerys) or equity-accounted (Lafarge):			
Imerys	share of operating income	102.3	113.0
Lafarge (until 30 June 2015)	share of operating income	12.5	54.6
- Non-consolidated:			
Total	net dividend	85.0	97.7
SGS	net dividend	37.3	39.7
Engie	net dividend	25.5	34.4
Pernod Ricard	net dividend	19.7	20.6
Suez (formerly Suez Environnement)	net dividend	0.3	1.8
Operating contribution of the main shareholdings		282.6	361.8
<i>per share (CHF)</i>		<i>3.34</i>	<i>4.27</i>
Contribution from private-equity activities and other funds		13.7	34.0
Net financial income and expenses		34.1	(33.2)
Other operating income from holding company activities		10.7	6.3
General expenses and taxes		(32.7)	(29.4)
Economic operating income		308.4	339.5
<i>per share (CHF)</i>		<i>3.64</i>	<i>4.01</i>
Non-operating income from consolidated or equity-accounted companies		(150.0)	(51.6)
Non-operating income from holding company activities		479.8	349.0
Net income		638.2	636.9
<i>per share (CHF)</i>		<i>7.54</i>	<i>7.52</i>
<i>Average number of shares in circulation (thousands)</i>		<i>84'659</i>	<i>84'656</i>
<i>Average EUR/CHF exchange rate</i>		<i>1.067</i>	<i>1.214</i>

2015 results were affected by the euro's depreciation against the Swiss franc from the start of the year. Most income comes from GBL's contribution, which is denominated in euros. In 2015, the average EUR/CHF exchange rate was 1.067, compared with 1.214 in 2014, a decline of 12.1%.

Consolidated and equity-accounted holdings:

Imerys recorded an 8.0% rise in net income from current operations to EUR 341.5 million in 2015, compared with EUR 316.3 million in 2014. Net income stood at EUR 68.4 million (after non-recurring items of EUR -273.1 million net of taxes), versus EUR 271.6 million in 2014 (after non-recurring items of - EUR 44.7 million net of taxes). Pargesa's share of Imerys' operating income, in Swiss francs, was down 9.5% to CHF 102.3 million, mainly reflecting a decline in the average EUR/CHF exchange rate and, to a lesser extent, the dilution of GBL's holding in Imerys, from 56.6% in 2014 to 54.0% in 2015, after new shares were issued as part of the acquisition of S&B group.

Lafarge's contribution in 2015 represents Pargesa's share of H1 2015 results; this holding was deconsolidated in early July following the merger with Holcim, as described above. It is therefore not directly comparable to Lafarge's contribution in 2014. In H1 2015, Lafarge recorded a 5% rise in sales (stable at constant scope and exchange rates), and EBITDA was up 6%. Lafarge's net income, however, was EUR -477 million in H1 2015, as a result of various one-off items such as impairments on assets to be divested to CRH, costs related to the merger and other restructuring costs. Pargesa's share of Lafarge's H1 2015 operating income, in Swiss-franc terms, was CHF 12.5 million, compared with CHF 54.6 million in 2014.

Non-consolidated holdings:

The contributions from **Total**, **SGS**, **Engie**, **Pernod Ricard** and **Suez** represent Pargesa's share of net dividends recorded by GBL from these companies.

Pargesa's share of **Total** dividends amounted to CHF 85.0 million in 2015, consisting of the final 2014 dividend (EUR 0.61 per share) and the first three quarterly interim dividends for 2015, also each amounting to EUR 0.61 per share. The aggregate amount was therefore EUR 2.44 per share, the same as a year earlier. The decrease in Total's contribution in 2015 (Pargesa's share was CHF 97.7 million in 2014) was mainly a result of the depreciation of the euro.

As part of its new dividend policy, in Q2 2015 **Engie** paid a final 2014 dividend of EUR 0.50 per share, compared with EUR 0.67 per share a year earlier. In Q3 2015 it paid an interim dividend for 2015 also of EUR 0.50 per share (unchanged from 2014). Engie's contribution to Pargesa in 2015 came to CHF 25.5 million, compared with CHF 34.4 million in 2014.

In Q2 2015, **Pernod Ricard** paid an interim dividend of EUR 0.82 per share, the same amount as a year earlier. The final 2014-2015 dividend was EUR 0.98 per share, compared with EUR 0.82 a year earlier. Pernod Ricard's 2015 contribution, taking into account the impact of exchange rates, was CHF 19.7 million, compared with CHF 20.6 million in 2014.

SGS paid an annual dividend of CHF 68 per share, compared with CHF 65 per share in 2014. Pargesa's share came to CHF 37.3 million. Even though SGS increased its dividend by 4.6%, there was a slight year-on-year decrease in the contribution from SGS, mainly because GBL had hedged the Swiss-franc-denominated SGS dividend before the Swiss National Bank removed the EUR/CHF floor in January 2015.

Contributions from holding company activities:

Contributions from **private-equity activities and other investment funds** come primarily from investments held by GBL under its "Financial Pillar" (Sienna Capital), as well as from general expenses relating to these funds (including management fees). In 2015, the net contribution of CHF 13.7 million included: Pargesa's CHF 7.8 million share of the gain realised by ECP II on the disposal of its majority holding in Joris Ide; Pargesa's CHF 12.4 million share of the gain realised by Sagard II on the disposal of C erelia; and its CHF 3.7 million share of the gain realised by Sagard III on the disposal of the Santiane Group. In 2014, the net contribution of CHF 34.0 million included: Pargesa's CHF 51.1 million share of the capital gains on the disposals of the stakes in Zellbios, held by ECP II, and in Corialis, held by ECP II and by Sagard II fund, in which GBL and Pargesa are both investors.

Net financial income and expenses includes interest income and expenses as well as other financial income and expenses, including the marking to market of derivative financial instruments. This item stood at CHF 34.1 million in 2015, compared with CHF -33.2 million in 2014.

It included the non-cash impacts at GBL relating to the derivative instruments implicitly embedded in the bonds exchangeable for Suez and Engie shares or convertible into existing GBL shares. In 2015, Pargesa's share of these non-cash impacts was CHF +55.8 million (CHF -6.3 million in 2014) and comprised:

- CHF +48.6 million (CHF -61.0 million in 2014), relating to the marking to market of the derivative instruments implicitly embedded in outstanding exchangeable and convertible bonds, primarily as a result of changes in the stock market prices of the shares underlying the bonds still outstanding at 31 December 2015;

- CHF +7.2 million (CHF +54.7 million in 2014), representing the reversal of the cumulative negative value adjustments on the derivatives implicitly embedded in the bonds exchangeable for Suez shares redeemed in 2015 (early conversion or at maturity) and recorded since the corresponding bonds were issued. As a reminder, around 85% of the bonds were converted early in 2014.

As mentioned since 2013, exchangeable and convertible bonds lead to accounting asymmetry and volatility in reported financial results throughout the bonds' lifetime.

Other operating income from holding company activities mainly comprises Pargesa's share of net dividends booked by GBL on its incubator-type investments.

The **general expenses and taxes** line item represents Pargesa's general expenses and taxes as well as its share of those of GBL.

Non-operating income: *Non-operating income from consolidated or equity-accounted companies* comprises Pargesa's share of the non-operating income of Imerys and Lafarge. In 2015, this item mainly reflects Pargesa's share of the impairment in goodwill and other assets recorded by Imerys in its Oilfield Solutions division in addition to restructuring costs, together with impairments, restructuring costs and other costs related to the merger with Holcim booked by Lafarge in H1 2015, when this holding was still accounted for using the equity method.

The net amount of *non-operating income from holding company activities* was CHF 479.8 million, compared with CHF 349.0 million in 2014. 2015 non-operating income mainly consisted of:

- Pargesa's CHF 243.7 million share of the net impact of the deconsolidation of Lafarge on 10 July.
- Pargesa's CHF 225.2 million share of the gain from GBL's sale of 0.5% of the share capital of Total, including an historical exchange-rate gain of CHF 68.9 million for Pargesa.
- Pargesa's CHF 14.3 million share of the net gain (including an historical exchange-rate gain of CHF 8.4 million for Pargesa) recorded on the delivery of 5.1 million Suez shares to holders of exchangeable bonds who exercised their exchange rights early or at maturity.

In 2014, non-operating income amounted to CHF 349.0 million and mainly consisted of:

- Pargesa's CHF 274.7 million share of the gain from GBL's sale of 0.6% of the share capital of Total, including an historical exchange-rate gain of CHF 63.2 million for Pargesa.
- Pargesa's CHF 74.7 million share of the net gain (including an historical exchange-rate gain of CHF 40.5 million for Pargesa) recorded on the delivery of Suez shares to bondholders who exercised their exchange rights early.

Please note: As mentioned on page 2, GBL's holding in Lafarge, which was previously accounted for using the equity method, was reclassified under assets held for sale at 30 June 2015 and then as an available-for-sale financial asset as of 10 July 2015, the date on which the Lafarge shares were exchanged for LafargeHolcim shares. This generated a net accounting (i.e. non-cash) gain of EUR 442 million for GBL, with Pargesa's share amounting to CHF 243.7 million. Following this reclassification, the cost for GBL of its holding in LafargeHolcim now corresponds to the share price in euros on 10 July 2015.

As the holding in LafargeHolcim is classified as an available-for-sale financial asset, accounting rules specific to this asset category must now on be applied, particularly as regards the contribution to income (dividend) and the recognition of impairments, especially in the event of a significant or prolonged decline in the share price.

LafargeHolcim's share price is currently below its accounting cost. GBL did not recognise an impairment on its holding at 31 December 2015, as the corresponding accounting criteria had not been fulfilled at that date. However, the LafargeHolcim share price has continued to fall since the start of 2016; at 11 March 2016 it stood at EUR 38.8 per share. If the share price was still at this level at 31 March 2016, under IFRS and the Group's accounting principles, GBL would have to recognise a non cash impairment of EUR 1'584 million in its Q1 2016 accounts, with Pargesa's share amounting to CHF 900 million based on current exchange rates. This recognition would not, however, have any impact on Pargesa's adjusted net asset value.

4. Adjusted net asset value

Pargesa's flow-through adjusted net asset value was CHF 94.1 per share at 31 December 2015. It is calculated on the basis of prevailing market values and exchange rates for the listed shareholdings, and on the basis of shareholders' equity (or fair value for private-equity activities) and prevailing exchange rates for unlisted investments. The current figure breaks down as follows:

Pargesa's flow-through adjusted net asset value at 31 December 2015							
CHF millions	% of capital	% of economic interest	Share price and currency		Flow-through value	Weighting as a % of total	
Imerys	53.9%	27.0%	EUR	64.4	1'499		19%
LafargeHolcim	9.4%	4.7%	EUR	46.7	1'453		18%
Total	2.4%	1.2%	EUR	41.3	1'338		17%
Pernod Ricard	7.5%	3.8%	EUR	105.2	1'137		14%
SGS	15.0%	7.5%	CHF	1'911	1'123		14%
Engie (formerly GDF Suez)	2.3%	1.2%	EUR	16.3	485		6%
Incubator					974		12%
Financial Pillar					412		6%
Total portfolio					8'421		106%
GBL treasury assets					256		3%
Net cash (debt)					(707)		(9%)
Adjusted net asset value					7'970		100%
<i>per Pargesa share</i>			CHF	63.5	94.1		
EUR/CHF exchange rate					1.086		

Pargesa's flow-through adjusted net asset value is published every week on the Pargesa website. It was CHF 90.7 per share on 11 March 2016.

5. Proposals to the Annual General Meeting of 3 May 2016

5.1. Appropriation of profit

At the Annual General Meeting, the Board of Directors will propose a 2015 dividend of CHF 2.38 per bearer share and CHF 0.238 per registered share, an increase of 4.8% on the year-earlier dividend. If approved, a total of CHF 201.5 million will be paid out to shareholders on 10 May 2016.

5.2. Election of Board members, re-election of the Chairman of the Board and the members of the Compensation Committee

In accordance with the provisions of the Ordinance against excessive compensation in listed corporations (known as "ORAb") and the company's Articles of Association, at the Annual General Meeting shareholders must each year elect the members of the Board of Directors (including the Chairman) and the Compensation Committee individually. As a result, the Board of Directors of Pargesa Holding SA will recommend that the following individuals be re-elected to the Board for a one-year term that will expire at the end of the 2017 Annual General Meeting: Paul Desmarais Jr (also as Chairman of the Board), Bernard Daniel, Amaury de Sèze, Victor Delloye, André Desmarais, Paul Desmarais III, Cedric Frère, Gérald Frère, Ségolène Gallienne, Barbara Kux, Michel Pébereau, Michel Plessis-Bélair, Gilles Samyn and Arnaud Vial.

As mentioned above, Marc-Henri Chaudet announced that he would not seek another term as Director at the Annual General Meeting on 3 May 2016.

The Board of Directors will recommend that shareholders elect Jean-Luc Herbez as a new member of the Board for a one-year term that will expire at the end of the 2017 Annual General Meeting. Jean-Luc Herbez, a Swiss citizen, obtained a degree in economics (1970) and his law degree (1976) from the University of Geneva, as well as an LL.M. from the University of Pennsylvania (1981). After professional stays in Frankfurt and Washington D.C., he joined the law firm Froriep in Geneva of which he is a partner since 1987. He has an extensive experience in the regulatory, finance, audit and litigation aspects of commercial law. He is a member of the Geneva Bar Association and the Swiss Bar Association.

The Board of Directors will recommend that Bernard Daniel, Barbara Kux, Amaury de Sèze, Michel Plessis-Bélair and Gilles Samyn be re-elected to the Board's Compensation Committee.

5.3. Renewal of authorised capital: amendment to Article 5bis of the Articles of Association – Other items

At the Annual General Meeting, the Board of Directors will recommend that shareholders renew the authorised capital for a period of two years and make the corresponding amendment to Article 5bis para. 1 of the Articles of Association, as follows (changes in bold):

The Board of Directors is authorised to increase the share capital by a maximum of two hundred and fifty-three million Swiss francs (CHF 253'000'000), at any time until **3 May 2018**, by issuing a maximum of 11'500'000 bearer shares with a par value of CHF 20 each and by issuing a maximum of 11'500'000 registered shares with a par value of CHF 2 each. The newly issued shares must be fully paid up. The Board of Directors can carry out the capital increase in one or several tranches.

Finally, in accordance with ORAb and Article 36 of the Articles of Association, the Board of Directors will recommend the total compensation awarded to the Board of Directors and to Management (to be voted on separately).