



Document de Référence 2015



This reference document was submitted to the Financial Markets Authority on 27 April 2016, pursuant to article 212-13 of the FMA General Rules and Regulations. It may be used in support of a financial transaction only if it is supplemented by an operation note approved by the Financial Markets Authority. The document has been signed by the issuer and commits the signatories.

The reference document also serves as the company annual financial report (AFR). A table of concordance including the information requested by this document is enclosed in Appendix 2 *"Table of concordance with the annual financial report"*.

Copies of the present reference document can be found free of charge:

- at SQLI headquarters;
- on SQLI website (www.sqli.com);
- on the French FMA website (www.amf-france.org).

Pursuant to article 28 of the EU Regulation N°809/2004 of the European Commission, the following information is included in this reference document:

- The consolidated accounts and the related reports of the statutory auditors for years ending on 31 December 2013 and 31 December 2014, both included pages 159 to 190 and 194 to 195 of the Reference Document submitted to the FMA under number D.14-0430 on 29 April 2014 and pages 165 to 197 and 201 to 202 of the Reference Document submitted to the FMA under number D.15-0439 on 30 April 2015;
- The annual accounts and statutory auditors reports for years ending on 31 December 2013 and 31 December 2014, both included pages 131 to 158 and 191 to 193 of the Reference Document submitted to the FMA under number D.14-0430 on 29 April 2014 and pages 137 to 164 and 198 to 200 of the Reference Document submitted to the FMA under number D.15-0439 on 30 April 2015.

TABLE OF CONTENTS

TABLE OF CONTENTS.....	4
CHAPITRE 1. PERSON IN CHARGE.....	8
1.1. Designation of the person in charge	8
1.2. Declaration of the person in charge.....	8
CHAPITRE 2. STATUTORY AUDITORS.....	9
2.1. Designation of the statutory auditors	9
2.1.1. Incumbent statutory auditors	9
2.1.2. Auxiliary statutory auditors	9
2.2. Statutory auditors resignation, dismissal or non-reappointment.....	10
2.3. Fees of statutory auditors and their network members	11
CHAPITRE 3. SELECTED FINANCIAL DATA.....	12
3.1. Financial information in brief	12
3.2. Financial information on intermediary periods.....	15
3.3. SQLIshare.....	15
3.3.1. Main statistical figures.....	15
3.3.2. Price trends.....	15
CHAPITRE 4. RISK FACTORS.....	17
4.1. Activity-related risks.....	17
4.1.1. Customers-related risks	17
4.1.2. Recruitment-related risks	17
4.1.3. Key persons-related risks.....	17
4.1.4. Technology-related risks.....	19
4.1.5. External growth policy-related risks	19
4.1.6. Suppliers-related risks.....	21
4.1.7. Competition-related risks	21
4.2. Financial risks	22
4.2.1. Liquidity risks – Financing of the working capital requirement	22
4.2.2. Rates-related risks	23
4.2.3. Exchange risks.....	25
4.2.4. Equity risks	25
4.2.5. Risks related to off-balance sheet commitments	26
4.3. Legal, regulatory and tax-related risks	28
4.3.1. Legal risks.....	28
4.3.2. Environment-related risks – Impact of business on the environment.....	28
4.3.3. Current conflicts	29
4.3.4. Insurance-related risks.....	29
4.3.5. Dependence upon patents and licenses	30
4.3.6. Government action, economics, budget, currency and policy-related risks.....	30
4.4. Risk review – list of significant risks	31
CHAPITRE 5. INFORMATION ABOUT THE ISSUER	32
5.1. History and evolution of the Company	32
5.1.1. Corporate name and trade name (article 2 of the Company Articles of Association)	32
5.1.2. Location and registration number	32
5.1.3. Date of incorporation and duration (article 5 of the Company Articles of association)	32
5.1.4. Other information related to SQLI	32
5.1.5. Major events in the development of the SQLI activities.....	33
5.2. Investments.....	36
5.2.1. Main investments made during the year	36
5.2.2. Main current investments and financing strategy	37



5.2.3. Investment strategy and firm commitments	37
CHAPITRE 6. GENERAL SURVEY OF THE COMPANY ACTIVITIES	38
6.1. Main activities	39
6.1.1. SQLI offer: Digital transformation.....	39
6.2. Main markets	45
6.3. Exceptional events that influenced the company business	47
6.4. SQLI dependence.....	47
6.4.1. Upon patents, licenses and other technology skills	47
6.4.2. Upon industrial and commercial contracts	47
6.5. The company competitive environment	48
6.5.1. Competitive environment.....	49
6.5.2. Perspectives, strategy and group projects.....	50
CHAPITRE 7. ORGANIZATION CHART	51
7.1. Group scope	51
7.1.1. Scope variations.....	52
7.1.2. SQLI legal chart	52
7.2. Main subsidiaries.....	53
CHAPITRE 8. REAL ESTATE PROPERTY, FACTORIES AND EQUIPMENT	54
8.1. Tangible fixed assets and real estate properties for rent.....	54
8.1.1. Tangible fixed assets	54
8.1.2. Real estate properties for rent.....	54
8.2. Environmental influence on SQLI use of tangible assets.....	55
CHAPITRE 9. ANALYSIS OF FINANCIAL SITUATION AND RESULT	56
9.1. SQLI financial situation	56
9.2. Consolidated operating result	59
9.2.1. Evolution of the consolidated operating result	59
9.2.2. Main Factors having an influence on the operating result	61
9.2.3. Main changes in the net turnover and net consolidated products.....	61
9.2.4. Government action, economics, budget, currency and policy-related risks.....	61
CHAPITRE 10. FUNDS AND CAPITAL	62
10.1. Consolidated own equity.....	62
10.2. Source, amount and description of consolidated cash flow	64
10.2.1. Consolidated operating cash flow.....	65
10.2.2. Consolidated investment cash flow	66
10.2.3. Consolidated financing cash flow	66
10.3. Loan conditions and financing structure	67
10.3.1. Consolidated debt.....	67
10.3.2. Debt maturity.....	69
10.3.3. Net financial debt	70
10.4. Possible restrictions on capital use	71
10.5. Expected sources of funding needed to meet the Group commitments.....	72
CHAPITRE 11. RESEARCH AND DEVELOPMENT, PATENTS AND LICENCES.....	73
11.1. Trademarks, patents, licenses and intellectual property protection policy	73
11.2. Research & Development related activity.....	73
CHAPITRE 12. INFORMATION ABOUT THE TRENDS	75
12.1. Main trends with an effect on business in 2013	75
12.2. Factors likely to affect SQLI perspectives	76
CHAPITRE 13. PROFIT EXPECTATIONS AND ESTIMATE.....	77
CHAPITRE 14. MANAGERIAL, GOVERNING AND SUPERVISORY ORGANS.....	78
14.1. General Information.....	78



14.1.1. Head Managers.....	78
14.1.2. Members of the Executive Board.....	78
14.1.3. Executive officers profile	83
14.1.4. Head managers profile.....	84
14.2. Conflicts of interest within the Executive, Governing and Supervisory Boards	85
CHAPITRE 15. REMUNERATION AND BENEFITS	86
15.1. Remuneration and benefits in kind granted to executive officers and executive head managers.....	86
15.1.1. Remuneration executive officers	86
15.1.2. Remuneration of Executive Board members	90
15.1.3. Share and subscription options and performance shares.....	92
15.1.4. Secondary information	92
CHAPITRE 16. ORGANIZATION OF EXECUTIVE AND GOVERNING BODIES.....	93
16.1. Head managers and Executive Board of the company.....	93
16.1.1. The company governance	93
16.1.2. The company management	93
16.1.3. Information on the Executive Board composition	94
16.2. Informations on service contracts.....	96
16.3. Information on committees	96
16.4. Statement of compliance with the French corporate governance system	96
16.5. Report on internal control and corporate governance	97
16.5.1. Chairman report on the Executive Board functioning and the internal control procedures	97
16.5.2. Auditors report, in compliance with article L.225-235 of the French commercial code, about the report made by the Chairman of SQLI Executive Board.....	122
CHAPITRE 17. EMPLOYEES	124
17.1. Staff	124
17.2. Participation of Executive officers and managing agents in stock option.....	125
17.2.1. Participation.....	125
17.2.2. Free shares allocated to Executive officers and managers	126
17.2.3. Stock options and BCE granted to the company executive officers and managers	126
17.3. Participation of employees in SQLI capital.....	128
17.3.1. Free shares.....	128
17.3.2. Stock Options and warrants for subscription to business creator shares	128
CHAPITRE 18. MAIN SHAREHOLDERS.....	129
18.1. Distribution of capital.....	129
18.1.1. Shareholders at 31December 2015	129
18.1.2. Shareholders at 31 December 2014.....	130
18.1.3. Shareholders at 31 December 2013.....	131
18.1.4. Statements on crossing of thresholds during the last three years.....	132
18.2. Main shareholders voting rights.....	133
18.3. Ownership or control of SQLI	133
18.4. Agreement likely to alter the control of the company.....	134
18.4.1. Shareholders agreements and other	134
CHAPITRE 19. OPERATIONS WITH RELATED FIRMS.....	136
19.1. Description of conventions	136
19.2. Statutory auditors' report on regulated agreements.....	136
CHAPITRE 20. FINANCIAL INFORMATION ABOUT THE GROUP ASSETS, ITS FINANCIAL SITUATION AND THE ISSUER RESULTS	140
20.1. Historical financial statement - Balance sheet and social accounts	140
20.1.1. Balance sheet.....	140
20.1.2. Social accounts.....	141
20.1.3. Financing Chart	142



20.1.4. Accounting procedures and criteria, appendix and explanations	143
20.1.5. SQLI result over the last five years	171
20.2. Proforma financial information	171
20.3. Consolidated financial statement	172
20.3.1. Consolidated balance sheet	172
20.3.2. Consolidated accounts	174
20.3.3. Variation of consolidated shareholders equity	176
20.3.4. Variation of cash flow	178
20.3.5. Accounting procedures and criteria, appendix and explanations	179
20.4. Assessment of annual historical financial data	209
20.4.1. Annual accounts	209
20.4.2. Consolidated accounts	212
20.5. Latest financial data	215
20.6. Intermediate financial data and others	215
20.7. Dividend payment policy	215
20.8. Legal and arbitration procedures	215
20.9. Significant change of the financial or commercial situation	215
CHAPITRE 21. FURTHER INFORMATION	216
21.1. Share capital	216
21.1.1. Amount of subscribed capital (Article 6 of the Articles of association)	216
21.1.2. Unrepresentative securities	216
21.1.3. Self owned shares and buyback programs	216
21.1.4. Liquidity tools	219
21.1.5. Rules for purchase and obligation rights aimed at increasing the capital	221
21.1.6. Capital subjected to options, or conditional or unconditional agreements preparing for options	222
21.1.7. Evolution of share capital during the year	222
21.2. Deed of foundation and Articles of association	223
21.2.1. SQLI social purpose - (Article 3 of Articles of association)	223
21.2.2. Measures related to the Governing, Executive and Supervisory Boards	223
21.2.3. Rights, privileges and restrictions tied to the company shares	233
21.2.4. Procedures needed to alter the shareholders rights	235
21.2.5. Conditions regulating calls of and admission to a General Assembly	239
21.2.6. Conditions that can delay, postpone or prevent a change of control	240
21.2.7. Calculation of the minimum attendance for compulsory announced participation	240
21.2.8. Conditions defining changes in capital	241
CHAPITRE 22. MAJOR ACCOUNTS	243
CHAPITRE 23. INFORMATION COMING FROM OUTSIDERS, EXPERT STATEMENTS OR INTEREST STATEMENTS	244
CHAPITRE 24. DOCUMENTS OPEN TO PUBLIC INSPECTION	245
24.1. Financial agenda	245
CHAPITRE 25. INFORMATIONS ON PARTICIPATIONS	246
ANNEXE 1. INDEX OF CHARTS, GRAPHS AND OTHER TABLES WITHIN THE REFERENCE DOCUMENT	247
ANNEXE 2. TABLE OF CONCORDANCE WITH THE ANNUAL FINANCIAL REPORT	249
ANNEXE 3. TABLE OF CONCORDANCE WITH THE ANNUAL FINANCIAL REPORT	250
ANNEXE 4. TABLE OF CONCORDANCE REGARDING SOCIAL, CORPORATE AND ENVIRONMENT-RELATED INFORMATION	252



CHAPITRE 1. PERSON IN CHARGE

1.1. DESIGNATION OF THE PERSON IN CHARGE

Monsieur Didier FAUQUE, Chief Executive Officer, is the person in charge of the Reference Document.

Monsieur Didier FAUQUE, Chief Executive Officer

SQLI - 268, avenue du Président Wilson - 93210 La Plaine Saint-Denis

Tel.: 01 55 93 26 00 - Fax: 01 55 93 26 01

1.2. DECLARATION OF THE PERSON IN CHARGE

After having taken all reasonable measure to this end, I attest that the pieces of information presented in this reference document fairly reflect the current situation and I certify that no information likely to have a material impact on the interpretation of this document has been omitted.

I attest that, to my knowledge, the accounts are drawn up in compliance with the applicable accountancy standards and reflect faithfully the capital, the financial situation and the result of the company and its consolidated firms. All information included in the management report, whose table of concordance is included in Appendix 3 of this report, "*Table of concordance with the annual financial report*", contains a table showing the evolution of the activities, the results and the financial situation for both the company and its consolidated firms, as well as a description of the main risks and uncertainties they have to face.

The statutory auditors gave me a notice of completion of work that guarantees both the audit of the financial situation and the accounts presented in this reference document, and the reading of this very document.

La Plaine Saint-Denis, 27 April 2015.

Monsieur Didier FAUQUE

Chief Executive Officer



CHAPITRE 2. STATUTORY AUDITORS

2.1. DESIGNATION OF THE STATUTORY AUDITORS

2.1.1. INCUMBENT STATUTORY AUDITORS

EY

1-2, place des Saisons - Paris, La Défense 1
92400 Courbevoie

Represented by Franck Sebag

First mandate: Appointed during the Shareholders meeting held on 20 June 2012

Mandate expiry date: Date of the Shareholders' Meeting called to assess the financial statements for the financial year ending 31 December 2017.

The firm is member of the Compagnie Régionale des Commissaires aux Comptes de Versailles.

EXCO PARIS ACE

5, avenue Franklin Roosevelt
75008 Paris

Represented by Alain Auvray

First mandate: 26 June 2013

Mandate expiry date: Shareholders Meeting called to assess the financial statements for the financial year ending 31 December 2018.

The firm is member of the Compagnie Régionale des Commissaires aux Comptes de Paris.

2.1.2. AUXILIARY STATUTORY AUDITORS

AUDITEX

1-2, place des Saisons - Paris, La Défense 1
92400 Courbevoie

First mandate: Appointed during the Shareholders meeting held on 20 June 2012

Mandate expiry date: Shareholders Meeting called to assess the financial statements for the financial year ending 31 December 2017.

The firm is member of the Compagnie Régionale des Commissaires aux Comptes de Versailles.

François Fouad Shoukry

5, avenue Franklin Roosevelt
75008 Paris

First mandate: 26 June 2013

Mandate expiry date: Shareholders Meeting called to assess the financial statements for the financial year ending 31 December 2018.

The firm is member of the Compagnie Régionale des Commissaires aux Comptes de Paris.



2.2. STATUTORY AUDITORS RESIGNATION, DISMISSAL OR NON-REAPPOINTMENT

The company did not register any resignation, dismissal or removal of a statutory auditor in 2013, 2014 and 2015.

The General meeting held on 20 June 2012 appointed:

- ERNST & YOUNG ET AUTRES in replacement of CONSTANTIN & ASSOCIES, whose mandate of incumbent statutory auditor came to an end during this General meeting.
- AUDITEX, in replacement of François-Xavier AMEYE, whose mandate of auxiliary statutory auditor came to an end during this General meeting.

The General meeting held on 26 June 2013 appointed:

- EXCO PARIS ACE, in replacement of LA FIDUCIAIRE DE LA TOUR, whose mandate of auxiliary statutory auditor came to an end during this General meeting.
- François Fouad SHOUKRY, in replacement of Dominique BEYER, whose mandate of auxiliary statutory auditor came to an end during this General meeting.



2.3. FEES OF STATUTORY AUDITORS AND THEIR NETWORK MEMBERS

The chart presenting the statutory auditors services included in the income statement and accounting for the last two financial years ended 31 December 2014 and 31 December 2015, is presented below:

Table 1. Fees of statutory auditors and their network members

	2015				2014			
	EXCO PARIS ACE		ERNST & YOUNG		EXCO PARIS ACE		ERNST & YOUNG	
	Amount in €	%	Amount in €	%	Amount in €	%	Amount in €	%
Auditing	€77,100	100%	€180,697	100%	€71,476	100%	€227,601	100%
Including Statutory Auditors, certification, assessment of individual accounts	€77,100	100%	€180,697	100%	€67,440	94%	€175,634	77%
Issuer	€62,200	81%	€106,340	59%	€60,690	85%	€92,860	41%
Fiscally integrated subsidiaries	€14,900	19%	€74,357	41%	€6,750	9%	€82,774	36%
Inc. Other diligences and services directly related to the statutory auditor mission	€0	0%	€0	0%	€4,036	6%	€51,976	23%
Other services performed by the networks for globally integrated subsidiaries	€0	0%	€0	0%	€0	0%	€0	0%

CHAPITRE 3. SELECTED FINANCIAL DATA

3.1. FINANCIAL INFORMATION IN BRIEF

SQLI and its subsidiaries constitute a service company which operates in the sector of advices and integration of e-business architectures. The group operates mainly in France, Belgium, Netherlands, Luxembourg, Switzerland and Morocco.

In 2015, SQLI continued to implement the "Ambition 2006" plan. This three years (2014-2016) development strategy plan targets a double digit annual growth (including acquisitions) and a current operating margin rate between 8 and 10% at the end of the period.

According to this plan, SQLI aims to organize its offer in two distinct brands:

- **WAX INTERACTIVE**, focused on developing its customers sale business in three major fields: digital marketing, connected commerce and data intelligence, in order to improve the company performance on the market;
- **SQLI ENTREPRISE**, dealing with the transformation of organizations and systems in order to create new interactions between the company and its partners, suppliers and coworkers, with the objective to improve the performance of the company itself.

SQLI decided to integrate this distinctive positioning within its legal organization in 2014 with the creation of WAX INTERACTIVE, whose capital is totally owned by SQLI, and by performing targeted external growth operations. During 2014 last quarter, two new acquisitions were integrated to this unit: NAXEO and ECOMMERCE4U.

All the Group digital agencies are now part of WAX INTERACTIVE brand. The operational integration of digital agencies business from

SQLI, NAXEO (now WAX INTERACTIVE Lille) and WAX INTERACTIVE has been completed in 2015. They were united under a common management in order to offer a consistent and optimal steering. This strong operational integration and common management should help to improve business efficiency and profitability, after deduction of extraordinary reorganization costs incurred in 2015.

During the year 2015, SQLI turnover amounted to 179.0 M€ (+11% compared with last year 161.6 M€ turnover). The Group organic growth was solid and stable during the whole year (+7% compared with 2.1% for the market).

According to the Syntec, the "SMACS" (Social Mobility Analytics) segment is 16.9% higher in 2015 and represents now 12% of the software and computer services market. SQLI is well positioned on various segments of this market but also on the digital market and e-commerce segments, which also had a solid growth in 2015.

During the year, all activities integrated under WAX (Digital Commerce) brand represented 31% of the group turnover, despite the accelerated withdrawal of media buying within the digital agency activity (non strategical and low added value).

The activities controlled by the Innovation Services Centers of Bordeaux and Rabat also significantly participated in the profitable growth, accounting for 28% of the number of days charged in 2015 (2014: 19%). These powerful onshore/offshore industrialization sources generate new developments which



combine operational and competitive performance for major accounts such as RTE or Nestlé.

Along with this business performance, the group also performed a continued optimization of operational steering indicators. SQLI staff remained stable (2015: 1875 employees, 2014: 1910) and the activity rate was much higher (85% in 2015 and 87% for 2014 last quarter), by 4 points compared with 2014.

Thanks to the sustained organic growth and the progressive improvement of operational steering indicators, the current operational profitability was significantly higher in 2015.

For year ending on 31 December 2015, the turnover amounted to 179.0 K€ (161.6 K€ in 2014). At constant scope, the turnover has been decreasing by 7% since the beginning of the year.

The operating result for year 2015 has 10,843 K€ of benefits compared with 5,022 K€ in the previous year.

The operating result for year 2015 has 6,720 K€ of benefits compared with 4,211 K€ in the previous year.

The financial year ended 31 December 2015 registered a profit of 3,555 K€ compared with a profit of 2,555 K€ in 2013.



Table 2. Income statement - key figures

Data in thousands of euros	2015	2014	2013
Turnover	178,981	161,633	154,150
Current Operating result	10,843	5,022	7,335
Operating result	6,720	4,211	10,640
Net result	3,555	2,555	6,466

For more information, see Chapter 9. "Analysis of financial situation and result"



At 31 December 2015, the net non current assets amounted to 67,053 K€ vs. 65,733 K€ in the last year, an increase of 1,320 K€ mainly consisting in goodwill and other non current assets (CIR et CICE).

The current assets amounted to 97,177 K€ (2014: 96,522 K€), a 655 K€ increase mainly due to the increase of the Customers items (1,429 K€), the other operating claims (2,958 K€) the tax outstanding assets (1,359 K) and a decrease in cash flows (-5,091 K€).

At 31 December 2015, the consolidated own equity amounted to 72,641 K€ against 68,721 K€ at 31 December 2014.

The non current liabilities amounted to 12,131 K€ against 8,503 K€ at 31 December 2014. This increase is mainly due to the reclassification of the portion exceeding one year of the 7,000 K€ bank loan from short term financial debt (at 31 December 2014) to long term financial debt.

The Current liabilities decreased by 5,573 K€ (79,458 K€ vs 85,031 K€ in 2014). The main variations are related to:

- A 8,634 K€ decrease of short term financial debts due to the reclassification of the 7,000 K€ (nominal value) bank loan in long term financial debts and the repayment of contracted loans.
- The increase of Other debts amounting to 3 157 K€ (mainly to staff and social institutions for 1,906 K€ and to the government for 2,829 K€).

Table 3. Summarized balance sheet

Data in thousands of euros	2015	2014	2013
Other non current assets	67,053	65,733	53,323
Goodwill	51,125	52,742	44,368
Current assets	97,177	96,522	89,626
Customer receivables and related accounts	53,124	51,695	43,103
Cash flow and cash flow equivalents	18,199	23,290	23,714
Own Equity (group share)	72,641	68,721	69,104
Other non current liabilities	12,131	8,503	9,027
Inc. Long term financial debt	7,263	5,123	6,801
Current liabilities	79,458	85,031	64,818
Inc. Other payables	55,308	52,151	48,290
Inc. Debts with suppliers and related accounts	16,723	16,567	12,702
Inc. Short term financial debt	7,263	15,897	3,548

For more information, see Chapter 10. "Cash flow and capital"



3.2. FINANCIAL INFORMATION ON INTERMEDIARY PERIODS.

The current reference document doesn't include any financial information on intermediary periods.

3.3. SQLISHARE

SQLI shares are quoted in Euronext Paris (Category C) with the code ISIN FR0004045540. The data below comes

from Infineanals and NYSE Euronext databases.

3.3.1. MAIN STATISTICAL FIGURES

Following four capital increases registered by the CEO and presented in paragraph 21.1.7. "Evolution of share capital during the year", the share capital went from 3,596,998 shares at 31 December 2014 to 3,685,916 shares at 31 December 2015.

The total number of exchanged securities in 2015 amounts to 2,082,201 (56% of the total number of shares compared with 46% in 2014). The amount of transactions reaches 48.0 M€ vs. 30.4 M€ in 2014. In 2015, the average monthly number of exchanged securities amounts to

173,516 and the average monthly volume of transactions to 4.0 M€.

The market capitalization reaches 107.7 M€ at 31 December 2015, compared with 71.8 M€ at 31 December 2014.

The average cost of transactions based on the number of exchanged securities amounted to 23.08 € in 2015 compared with 18.59 € in 2014.

The Group shares average stock price amounted to 23.10 € in 2015 vs. 18.63 € in 2014.

3.3.2. PRICE TRENDS

The company price trends followed a positive trend during 2015, thanks to the improvement of the Group margin rates and economic outlooks, with a 47.0% global rise between 2 January 2014 and 31 December 2015:

- At 2 January 2015: 19.88 € (opening rate)

- At 31 December 2015: 29.22 € (closing rate)
- Lowest value of 2015 (including intraday): 18.00 € on 6 January;
- Highest value of 2015 (including intraday): 219.94 € on 1st December.

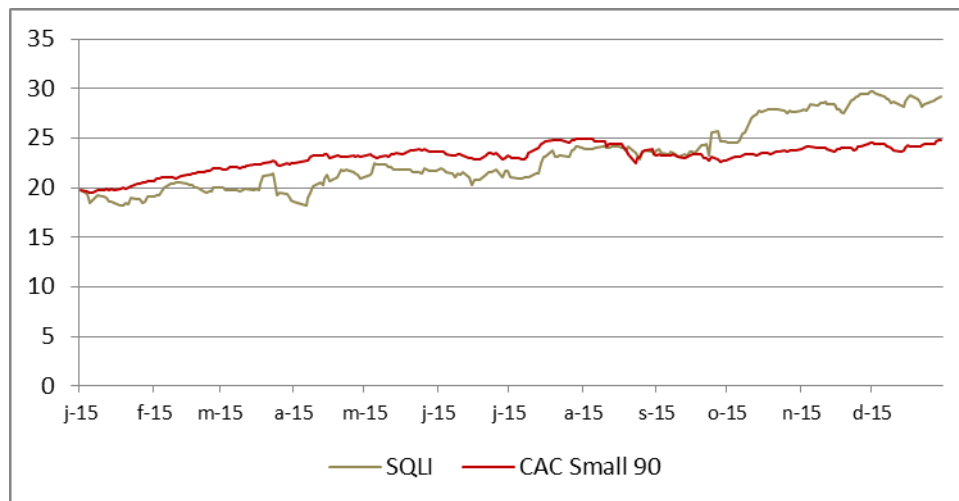


Table 4. SQLI – Stock price trend

Month	2015			2014		
	Max.	Min.	Monthly volume	Max.	Min.	Monthly volume
January	19.98	18.00	77,463	18.50	15.72	271,104
February	20.70	18.69	104,094	19.30	16.81	167,991
March	21.50	18.80	244,050	19.89	17.60	214,983
April	21.96	18.10	328,849	21.47	19.00	96,121
May	22.45	20.46	127,807	22.09	19.16	77,022
June	21.92	19.35	72,153	21.89	20.28	168,631
July	24.30	20.10	154,276	21.45	18.44	83,744
August	24.35	22.50	119,338	19.48	16.52	105,248
September	26.40	22.16	356,639	18.60	15.94	103,213
October	28.00	23.90	188,266	17.49	14.30	148,730
November	29.59	25.90	201,849	18.00	15.92	89,305
December	29.94	27.70	107,417	20.74	17.67	115,047
Full year	29.94	18.00	2,082,201	22.09	14.30	1,641,139

CAC SMALL index increased by 26.2% during year 2015. SQLI stock price outperformed the index, increasing by 47.0%.

Table 5. Evolution of SQLI trend compared with CAC Small



CHAPITRE 4. RISK FACTORS

4.1. ACTIVITY-RELATED RISKS

4.1.1. CUSTOMERS-RELATED RISKS

While expanding its activity, SQLI tries carefully to keep both diversified customers (1,000 billed customers in 2015) and diversified business fields, in order to limit the concentration risk on a restricted number of customers.

In 2015, the importance of main SQLI customers was as follows:

- The first customer accounted for 7.6% of the consolidated turnover;
- The first 5 customers accounted for 23.4% of the consolidated turnover.
- The first 10 customers accounted for 34.8% of the consolidated turnover.

The company works with a factoring company which provides credit insurance, customers

credit quality study, follow-up services and legal conflicts assistance for the main part of SQLI business in France. Furthermore, since the group works only for major accounts, the insolvency risk is limited.

Finally, the credit management and collection procedures that have been set allow the company to control the customer risk (advance check of the prospects solvency, monitoring outstanding invoices, follow-up on customer payment periods, customer reminders and legal proceedings).

The risks related to the execution of package projects will be presented at paragraph 4.3.1 *“Legal risks”*.

4.1.2. RECRUITMENT-RELATED RISKS

The new information and communication technologies and the specialized consulting sector are very lean in terms of human resources. In this high added-value sector, there is a big demand for qualified and specialized labor. SQLI ability to grow and to satisfy its customers' needs in the next years depends on its power in recruiting, attracting and keeping the competent persons in this very specialized field.

SQLI has to face the scarcity of available workers and the recruitment of its best candidates by its competitors and its own customers. Furthermore, in order to keep its best employees, SQLI could have to grant some pay

raises that the company won't be able to compensate immediately with a tariff raise. The group activity could then experience a deterioration, along with its results.

At last, the employment laws are very strict in France, which has an influence on the groups flexibility and its ability to adapt to a possible fall of the demand on the market. The company doesn't think it can keep a satisfying employment rate because of the economic context and the lack of flexibility of employment. If the group's activity starts to decrease, there will then be a risk of fall in the company's net result.

4.1.3. KEY PERSONS-RELATED RISKS

SQLI growth depends on its power in recruiting, attracting and keeping highly skilled people.

The direction thinks that the risk of having key persons leaving is limited because SQLI Group is organized into profit centers governed by



managers, who enjoy a relative freedom to supervise their organization. These responsibility and freedom for operations mean that managers are heavily involved in the running of the company, creating synergies between various profit centres (commercial synergies and skills....).

This organization favors long term managerial commitment and a network organization, by relying on other members of the group to reinforce the notion of true team. The group management checks that managers pay attention to detecting talented employees and to their career progress, so as to have potential managers available.

Table 6. Staff turnover rate per age group

Age group	2015	2014	2013
20 - 24 y.o.	10.53%	6.76%	4.08%
25 - 29 y.o.	30.86%	25.98%	19.5%
30 - 34 y.o.	27.62%	23.55%	19.94%
35 - 39 y.o.	19.82%	23.18%	17%
40 - 44 y.o.	22.33%	13.62%	16.67%
45 - 49 y.o.	20.86%	12.86%	15.63%
50 - 54 y.o.	17.86%	6.12%	10.67%
55 - 59 y.o.	2.00%	2%	2%
60 - 64 y.o.	1.00%	1%	1%
65 y.o. and more	0.00%	0%	0%

The above staff turnover rates present the ratio between all kind of departure during 2015 and the staff at 31 December 2015.

The staff turnover increase is partly due to an intentional restructuring aimed at adapting the staff to the group positioning and managing the wage bill.



4.1.4. TECHNOLOGY-RELATED RISKS

SQLI Group operates in an environment where technology change is particularly fast moving. There is a real existing risk of major technological evolution, which could have a significant impact in SQLI results and plans.

Ever since its creation, the group has focused on helping its customers to take benefit from this technology. SQLI group has always been a precursor when it comes to adaptation and integration of new technologies.

Although SQLI group can't guarantee that it will always be able to quickly identify and build up knowledge for every change in technology,

this skill is part of the company culture and constitutes one of its strong points.

Strikingly, the group keeps on giving a big budget to R&D of new technologies every year.

The company does not tie up its R&D costs and records it as charges. They consist in staff costs of researchers and functioning costs. These costs amount to about 2.8% of 2015 global turnover.

Further information about SQLI innovative skills is presented in Chapter 11. *"Research and Development, patents and licenses"*.

4.1.5. EXTERNAL GROWTH POLICY-RELATED RISKS

This growth strategy include the following risks: integration problems, departure of key men and partners, customer loss, occurrence or discovery of conflicts, spreads on expected results. Even if these risks are hardly

measurable, SQLI thinks that a risk of goodwill depreciation will exist (amounting to 51.1 M€ at the end of 2015 compared with 52.7 M€ at the end of 2014) if the profitability does not reach the expected amount.

Integration issues

It is considered as the major risk by the company's managers all the more since the group tends to favor a strong degree of integration of acquired companies, in order to boost the development of commercial, technical and administrative synergies. For each future

acquisition the company's head managers carefully assess the risk factors of an integration failure in order to complete the operations without guaranteeing the success of the integration.

Key men departure

When the acquired companies' managers or shareholders are considered as essential in the cooperation success, there are asked by SQLI to commit themselves to remaining in the group for at least two to three years after the acquisition. However, this commitment is not considered as essential when the primary goal

of these managers is to reach the objectives set regarding the earn-outs. If SQLI is covered by the commitments subscribed, the company does not have any legal resort to secure the employees' services. The risk can be important (in theory, SQLI could lose up to 100% of the staff and thus of the purchased companies).

Partners departure

Since SQLI is a services firm, its partners represent its real potential manpower. The integration of new partners in the group is thus

carefully followed, and the harmonization of working conditions is generally favorably considered.



The change of working places can also create difficulties. However as most partners work in the customer offices, the headquarters transfer does not modify their main workplace. The

announcement of pooling the interests of the companies can lead to a period of uncertainty for some partners.

Customer loss

SQLI group, the acquired companies and the targeted companies mostly work for major accounts. For a few years these customers have carried out an active referencing policy aiming to reduce the number of service providers. These acquisitions have thus been positively

considered both by the customers of SQLI and by those of recently acquired companies, as they take part in the sector consolidation wanted by the major accounts. Today, SQLI does not register any loss of major customers related to recent acquisitions.

Emergence or detection of conflicts

Even if the group carries out judicial, tax, accounting and operating due diligences on external growth transactions in order to finalize definitive agreements, an uncertainty still remains about the existence of conflicts that would not have been mentioned or translated in

the accounts. The agreements relating to the acquisitions provide consequently the conventional assets and liabilities guarantees as well as the mode of paying them if they are invoked.

Earn-out

A clause allowing an earn-out payment if the objective expected have been met is usually inserted in the protocols of agreement related to firm acquisitions.

Following an agreement contracted in June 2015 with the manager of the transferred company, there is no earn-out due for the acquisition of NAXEO and EC4U



4.1.6. SUPPLIERS-RELATED RISKS

SQLI does not have any significant supplier. The company is not dependent on any supplier regarding the costs or resources. SQLI can easily change supplier if needed, and find similar products for a similar price.

The dependence upon suppliers is as follows:

- The first supplier accounts for 4.8% in SQLI purchases.
- The first 5 suppliers account for 13.6% in SQLI purchases,
- The first 10 suppliers account for 21.5% in SQLI purchases,

The share made by the group with its subcontractors accounts for 14.8%.

Specific contracts are signed with each subcontractor, in order to protect SQLI from the related risks.

Following articles L.441-6-1 and D.441-4 of the Commercial Code, we inform you that the balance of trade accounts payable to SQLI SA suppliers by due date at the end of year 2015 is presented below:

Table 7. Balance of trade accounts payable to SQLI SA suppliers by due date at the end of year

Data in thousands of euros	Total	Accrued	Non accrued	0 to 15 years	16 to 30 years	31 to 45 years	46 to 60 years	Except deadline
Suppliers	9,697	7,169	2,528	289	0	1,611	594	34
Fixed assets suppliers	2	2						
Total to be paid	9,699	7,171	2,528	289	0	1,611	594	34
Unbilled invoices	2,208		2,208					2,208
Group suppliers	7,431	6,435	996				996	
Total	19,338	13,606	5,732	289	0	1,611	1,590	2,242

4.1.7. COMPETITION-RELATED RISKS

SQLI Group reckons that the competition in the sector will intensify and intends to strengthen its competitive positions by industrializing its trading approach and its positioning on high value added projects.

The Company contracted a non competition agreement with M. Yahya El Mir, Chairman of

the Company Executive Board until 29 March 2011 (see section "Risks related to off-balance sheet commitments").

The Company also contracted a non competition agreement with Julien Mériaudeau, CEO until 7 May 2013 (see section "Risks related to off-balance sheet commitments").



4.2. FINANCIAL RISKS

4.2.1. LIQUIDITY RISKS – FINANCING OF THE WORKING CAPITAL REQUIREMENT

The company managers consider the liquidity risk as relatively limited.

2015 with a factoring capacity (14,300 K€ at 31 December 2015) and overdraft lines (3 M€ at 31 December 2015) both untouched.

The Group gross cash position amounts to 18,199 K€ (net: 1,232 K€) at 31 December

Table 8. SQLI net financial debt during the last two years

(Data in thousands of euros)

	2015	2014	Trend 2015 vs. 2014
Total of gross financial debt	16,967	21,020	-4,053
Cash flow and equivalents	-18,199	-23,290	5,091
Total of net financial debt	-1,232	-2,270	1,038

The group debt structure is detailed in paragraph 10.3.1. "*Consolidated debt*"

Covenants, early redemption and default clauses related to SQLI loans are presented in paragraph 10.4. "*Possible restrictions on the use of capital*".

Working capital requirement and credit access capacity

The invoicing is submitted to seasonal fluctuation according to the number of working days in the month, and to year fluctuation in December related to the customers annual budgets closure.

Costs register a peak on the first day of every half-year term related to pension and insurance periodic rents and costs.

The Working capital requirement amounts to - 6,451 K€ in 2015 vs. -6,237 K€ in 2014.

Table 9. Evolution of the operating working capital (excl. scope variations)

Data in thousands of euros

	Data 2015	Data 2014
Variation of customers	-3,641	-6,037
Variation of suppliers	89	3,319
Variation of other current assets and liabilities	-607	-1,722
(paid) reimbursed Corporate Tax	-2,292	-1,797
Variation of working capital requirement	-6,451	-6,237



At 31 December 2015, SQLI factoring capacity remains constant (available credit line of 14,300 K€ at 31 December 2015) and authorized overdraft lines of 3,000 K€.

After examination of liquidity risks, the Company considers itself as being able to meet future deadlines.

4.2.2. RATES-RELATED RISKS

The company contracted a risk hedge fund to prevent the risk of seeing the floating rate allocated to the 17 M€ OBSAAR (3 month Euribor - 0.44%) holders increase. The hedged amount is limited to 13.6 M€. The company chose a fixed rate.

In 2015, the group also contracted a rate hedge agreement in order to protect itself from the

fluctuations of variable rates within the repayment duration of the 10 millions € loan, subscribed in December 2014. The hedged amount is limited to 7 M€. The company chose a fixed rate.

The conditions of derivative instruments related to the rate risk control at 31 December 2015 are exposed as follows:

Table 10. Hedging instruments

	Bond loan: 13.6 M€	Bank loan: 7.0 M€
Starting date	27/05/2011	27/02/2015
Floating rates payer	Société Générale	LCL
Floating rate	3 months EURIBOR	EURIBOR 3 months + 1.50%
SQLI Fixed rate	2.425%	0.18%
Notional amounts covered at 31 December:		
2015	3,400 K€	6,230 K€
2016		4,690 K€
2017		3,150 K€
2018		1,610 K€
2019		
Fair value of instruments at 31/12/2015	-43 K€.	-34 K€.



In 2015, the variation of instruments fair value generated a charge of 85 K€ (2014: 154 K€).

The table below describes SQLI Group exposure at 31 December 2015.

Table 11. SQLI Group exposure to the rate risk

(Data in thousands of euros)

	Financial assets		Financial liabilities		Net exposure before hedging		Rate hedging instruments		Net exposure after hedging	
	Fixed rate	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate
< 1 year		18,199	315	6,948	315	-11,251		4,940	315	-16,191
From 1 y to 2 y			706	1,540	706	1,540		1,540	706	0
From 2 to 3 y			879	1,540	879	1,540		1,540	879	0
From 3 to 4 y			857	1,610	857	1,610		1,610	857	0
From 4 to 5 y			857		857				857	
> 5 years			1,715		1,715				1,715	
Total		18,199	5,329	11,638	5,329	-6,561		9,630	5,329	-16,191

Table 12. Analysis of the impact of interest rates variation

(Data in thousands of euros)

2015	
Impact in result bef. taxes	
Impact of 1% interest rates variation	+161
Impact of <1% interest rates variation	-161

As presented above, the company is totally protected from any floating rate related risk for all the loans contracted with floating rates.

In 2016, considering the net exposure at 31 December 2015, a 1 p. increase in applicable interest rates would generate a 161 K€ increase of the result.

The cash flow amounts to 18,199 K€ at 31 December 2015.

The group cash investments are exposed to a risk of floating rates decrease. Nevertheless, since the amounts involved are relatively limited (18,199 K€ at 31 December 2015), a 1% fall of the rates of return would lead to a decrease in financial revenues expectations of about 182 K€.

The group debt structure is detailed in paragraph 10.3.1. "Consolidated debt"



4.2.3. EXCHANGE RISKS

Part of SQLI business takes place outside of the euro zone with its subsidiaries in Switzerland and Morocco.

The group bears an exchange rate risk in connection with the activities in Switzerland, Luxembourg, Morocco and Canada i.e. a 23 M€ in 2015 for consolidated accounts of 179 M€ (12.8% of the total turnover). However, the

exchange rate risk is very limited as all costs (mainly salaries) and revenues are carried out in the local currency.

SQLI consider that the amounts involved are non relevant and, since the currency risk is divided among different currencies, the currency positions are not hedged by currency hedging instruments.

Table 13. Exchange risks – Net position after management

(Data in thousands of euros)

	CHF FR	MAD	Total
Assets	8,672	8,212	16,884
Liabilities	2,617	4,429	7,046
Net position before management	6,055	3,783	9,838
Off-Balance sheet commitments	-	-	
Net position after management	6,055	3,783	9,838

Table 14. Calculation of the risk of loss on currency global net position

(Data in thousands of euros)

	CHF FR	MAD	Total
Impact in result bef. taxes			
1% increase of the exchange rate	60	38	98
1% decrease of the exchange rate	-60	-38	-98

4.2.4. EQUITY RISKS

Regarding the stock exchange quote risk, the company can only take action for its own securities, following the authorization given by

the General Assembly. The operations made in 2015 are detailed on paragraph 21.1.3. "Self owned shares and buyback programs".



4.2.5. RISKS RELATED TO OFF-BALANCE SHEET COMMITMENTS

The off-balance sheet commitments are presented in the consolidated accounts, paragraph 20.3.5. *"Accounting procedures and criteria, appendix and explanations"*

These commitments consist in:

- Operating Leasing contract for premises, TI equipment and vehicles

- Commitments from former shareholder of purchased companies;
- Debts guaranteed by real securities;
- Credit lines accepted and not used;
- Current conflicts.

Mandate termination

Monsieur Yahya El Mir resigned from all his functions within SQLI group during the meeting of 29 March 2011. M. Yahya El Mir 984 K€ non competition obligation allowance

(including charges) recorded as a debt in the end of 2010 was paid for 80% in the 30 days following his resignation. The 20% balance will be paid in sixty monthly payments.

Remaining commitments coming from contract obligations

They consist exclusively in operating leasing contracts rents.

Table 15. Operating leasing contract rents

(Data in thousands of euros)

	Less than 1 year	From 1 to 5 years	More than 5 years	31/12/2015	31/12/2014
Premises	3,277	10,039	408	13,724	11,321
IT equipment	644	391	0	1,035	1,619
Vehicles	1132	786	0	1,918	2,883
Operating leasing contract rents	5,053	11,216	408	16,677	15,823



Commitments regarding former shareholder of purchased companies

DIADEMYS gave to SQLI, as a pledge and a guarantee covering the remaining amounts still due, the ICT hosting service activity acquired on 22 June 2012.

DILITRUST gave to SQLI, as a pledge and a guarantee covering the remaining amounts still due, the Dataroom goodwill activity acquired on 16 June 2013.

The former shareholders of WAX INTERACTIVE LILLE granted to SQLI, until the term of the legal deadline set in the related social and tax regulations, a guarantee on its assets and liabilities with an exemption of 48 K€ limited to 400 K€, with a possible surplus of 20% of the received earn-out, cross-guaranteed by a bank surety of 200 K€.

This guarantee does not include customer contracts.

The former shareholders of ECOMMERCE4U granted to SQLI, until the term of the legal deadline set in the related social and tax regulations, a guarantee on its assets and liabilities with an exemption of 3 K€ limited to 40 K€, with a possible surplus of 20% of the received earn-out.

This guarantee does not include customer contracts.

The former shareholders of LSF LOYALTY have granted WAX INTERACTIVE a guarantee on its assets and liabilities until 30 April 2016 for all damages exceeding in total 20 K€, without any deductible amount. This guarantee is limited to 85 K€.

Debts guaranteed by real securities

Some commitments have been given in 2011 by SQLI regarding the issue of OBSAAR, with bond owners benefiting from:

- A 3.1 M€ key-man insurance delegation contracted between SQLI and AGIPI on behalf of the CEO;
- The pledge of EOZEN Belgium, EOZEN SA and CLEAR VALUE SAS securities;
- The pledge of SQLI business up to 1.4 M€.

In July 2012 and February 2013, the bond owners, as a whole, partly released the pledge registered on SQLI business regarding the ICT hosting services and Dataroom activities.

In exchange of the 10 M€ credit line contracted with a bank pool including banque Palatine,

BNP Paribas, Société Générale, Caisse d'Epargne et de Prévoyance Bretagne Pays de Loire and Crédit Lyonnais, SQLI gave the banks the following guarantees:

- a pledge of ECOMMERCE4U all social shares,
- a pledge of WAX INTERACTIVE LILLE all social shares,
- a pledge of WAX INTERACTIVE all social shares,
- a transfer of the debt due to SQLI by WAX INTERACTIVE regarding a current account advance agreement and the related accessories. The market capitalization amounts to 5.3 M€ on 31 December 2015.



Credit lines accepted and still available

The Group has three credit lines of 1 M€ each, with BNP Paribas, Caisse d'Epargne and the

Banque Palatine, plus a 14.3 M€ factoring capacity untouched at 31 December 2015.

Current conflicts

Various legal actions have been made against the group companies from former employees or customers. SQLI made reserves according to the level of risk calculated by the management team and based on the recommendations of legal counseling. Two former employees started a legal action against SQLI, requesting 1.2 M€ of damages, for which a reserve of 0.13 M€ was created. Two customers started a legal action against SQLI, requesting 6.7 M€ of damages. SQLI considered this claim as unfounded and didn't make any reserve therefore.

The amount of damages estimated regarding the legal conflict opposing a former shareholder of EOZEN Belgium and EOZEN SA companies with the transferor shareholders and the transferred companies has been reduced from 2014 to 1 M€ after the ruling of Brussels Court of Appeal. EOZEN Belgium and EOZEN SA would be protected from the possible impact of this dispute by the guarantees subscribed with the transferors.

4.3. LEGAL, REGULATORY AND TAX-RELATED RISKS

4.3.1. LEGAL RISKS

SQLI Group is not subject to any specific regulation.

More than half of the company business is carried out through fixed price contracts with outcome obligation. Even if the group has contract management experience for this type of contract and rarely suffers excesses, the outcome obligation resulting from these commitments can involve significant risks.

- obtains a contractual penalty ceiling for late payment;
- commits to carrying out its deliveries in conformance with the detailed specifications established by its needs on the basis of the reference terms prepared by customers;
- limits its responsibility in the amount of the contract or the ceiling covered by its third party insurance.

To limit the range of these commitments, the company, for the majority of contracts, ensures that it:

4.3.2. ENVIRONMENT-RELATED RISKS – IMPACT OF BUSINESS ON THE ENVIRONMENT

SQLI did not acknowledge any specific risk related to its activity in the industrial or environment fields, especially regarding the natural resources consumption (water, energy), the rejections in the water, the air or the soil...

Consequently, no funds or guarantee against environment risks have been created.

Given the nature of the group activity, no specific impact on the company close environment, whether good or bad, has been witnessed. In particular, the company business does not have any significant influence on the local economic development.



Social, corporate and environment-related information

It is recommended to consult the Report on social and environmental responsibility which is separately available on the Company website and dedicated to the instruction of the company shareholders before a General Meeting. This report is available on SQLI website:

<http://www.sqli.com/Finance/Documents#assemblee>

A table of concordance including the topics mentioned in the Decree n°2012-557 of 24 April 2012 is included in Appendix 4. *"Table of concordance regarding social, corporate and environment-related information"* to the Reference Document.

4.3.3. CURRENT CONFLICTS

The action in deceit of a former minority shareholder of EOZEN Belgium and EOZEN SA companies towards the transferor shareholders of EOZEN main companies and the companies themselves was dismissed in first instance by the Belgian Commercial Court. The claimant filled an appeal against this decision and is asking for damages of 1.0 M€. Without interfering with the legal decisions, EOZEN Belgium and EOZEN SA would be protected from the possible impact of this dispute by the guarantees subscribed with the transferors.

Various legal actions have been made against the group companies from former employees or customers. SQLI made reserves according to

the level of risk calculated by the management team and based on the recommendations of legal counseling.

There is no existing government action, conflict, arbitration or any other process known by SQLI which had during the last 12 months, could have or will have a significant impact on the financial situation, results, activity and capital of the company.

The provisions related to the current conflicts are detailed in note 18 of the consolidated accounts exposed in paragraph 20.3.5. *"Accounting procedures and criteria, appendix and explanations"*

4.3.4. INSURANCE-RELATED RISKS

The SQLI Group has adequate professional risk cover and is not currently implicated in any conflict related to activities not covered by its insurance policies.

Risks relating to losses due to contact termination or late payment penalties not covered by third party insurance are covered by provisions for risks and costs in the company's accounts.

The SQLI Group has a third party insurance policy with AXA company which covers any damages caused by third parties to its activities up to a maximum amount:

- of 7,500,000 € per accident implying the operating third party liability;
- of 10,000 K€ per claim and per insurance year implying the professional third party liability;

The third party liability of the company representatives relating to the exercising of their mandate is covered by an insurance policy with AXA; the guarantee amounts to 10,000,000 €.

The business loss risk is a major risk for which the company is not covered and whose management is ensured by the company itself. The costs of re-entry in case of loss exceeding the normal operating charges are covered by an



insurance policy with AXA for an amount of 2,000,000 €.

A key man insurance for the CEO amounting to 3,060,000 € has been subscribed in favor of the company. If levied, the money would be

allocated to the anticipated reimbursement of the bank loan.

The total amount of insurance premiums paid in 2015 amounts to 415 K€ for the Group (2014: 396 K€).

Table 16. Summary of the main effective insurance policies (France)

Risk factors	Company	Annual cost	Cover extense
MRE	AXA	32 K€.	Fires, explosion, theft, additional costs
Professional third party liability	AXA	140 K€.	Civil liability insurance, ceiling of 9,100 K€ per accident Professional liability, ceiling of 10,000 K€ per accident and insurance year
Liability of corporate officers and head managers	AXA	17 K€.	Fault or oversight on behalf of managers, guarantee of 10,000 K€ per claim
Car fleet	AXA	162 K€.	Damages all accidents
Key man insurance	AXA	11 K€.	3,060 K€ guarantee on the life of the CEO.
Insurance for senior executives loss of job	AXA	46 K€.	Insurance for senior executives loss of job

4.3.5. DEPENDENCE UPON PATENTS AND LICENSES

The company is not dependent on any patent or license really essential to its activity. The Groups main brands (SQLI, Eozen, Alcyonix) are protected in Europe and in the United States.

All the brands belong to SQLI. There is no existing item owned by the company managers or their families. All legal forms of protection of the trademarks, domain names and the

copyright have been carried out to the benefit of SQLI or its subsidiaries.

SQLI and its subsidiaries benefit from the copyright protection, enforced by the law of 3 July 1985, on all their software solutions and training aids. Major works have been deposited with a bailiff or with specialized depositories.

4.3.6. GOVERNMENT ACTION, ECONOMICS, BUDGET, CURRENCY AND POLICY-RELATED RISKS

There is no existing risk related to government action, economics, budget, currency or policy which has does or will threaten the company, its

activities, its financial situation and profitability.



4.4. RISK REVIEW – LIST OF SIGNIFICANT RISKS

After assessing the risks which may have a significant negative impact on SQLI activity, financial situation or results, the company concluded there is no significant existing risk beyond those presented in Chapter 4. "*Risk factors*" of the Reference document.

After examination of liquidity risks, the Company considers itself as being able to meet future deadlines.

The biggest existing risks which have been detailed above in Chapter 4 "*Risk factors*" are the following:

- Competition-related risks;
- Recruitment-related risks;
- Technology-related risks;
- External growth policy-related risks?



CHAPITRE 5. INFORMATION ABOUT THE ISSUER

5.1. HISTORY AND EVOLUTION OF THE COMPANY

5.1.1. CORPORATE NAME AND TRADE NAME (ARTICLE 2 OF THE COMPANY ARTICLES OF ASSOCIATION)

"The company name is: SQLI

In all reports and documents coming from the company to be given to a third party, the terms "Société Anonyme" or its initials "SA" must be written before or after the company name, along with the amount of its social capital and its SIREN and RCS registration numbers." "

5.1.2. LOCATION AND REGISTRATION NUMBER

SQLI is registered in the Bobigny Commercial Register under number 353 861 909.

5.1.3. DATE OF INCORPORATION AND DURATION (ARTICLE 5 OF THE COMPANY ARTICLES OF ASSOCIATION)

"The legal duration of the Company is fixed at 99 years as from 22 March 1990, date of registration in the French Companies register, unless it is extended or dissolved. "

5.1.4. OTHER INFORMATION RELATED TO SQLI

Headquarters, legal form, home country, address and phone number, internet website

SQLI is a corporation (a French "Société Anonyme") run by an Executive Board.

The headquarters address, phone number and website are:

SQLI

268, avenue du Président Wilson - 93210 La Plaine Saint-Denis

Tel: 01 55 93 26 00 - Fax: 01 55 93 26 01

Website:

Regulations affecting the company activities

SQLI is a "Société anonyme" subject to the French laws and regulations and in particular to the Commercial Code (Code de Commerce) principles regarding business companies, and to the company Statutes.

Financial year (article 31 of the company Articles of association)

"The financial year starts on 1st January and ends on 31 December. "



5.1.5. MAJOR EVENTS IN THE DEVELOPMENT OF THE SQLI ACTIVITIES

SQLI, created to accompany businesses in their use of new technologies, has specialized in realizing new-generation information systems.

Starting at the time of its creation in 1990, SQLI based its development on advanced technological expertise and on its intense policy of monitoring developments and R&D. The company recruits high-level engineers and experts in complex assignments, and invests large amounts in training.

Strengthened by its expertise, SQLI has been able to anticipate all major computer trends and to determine their potential for the company's information system and performance.

Being positioned on the most buoyant segments of the computer services market, SQLI keeps strengthening its leading position in e-business, SAP and Business projects and solutions, with a constantly increasing amount of major accounts and a high added value offer focused on Digital expertise.

1990 - 1995: The user-server years

Jean Rouveyrol and Alain Lefebvre created the company, focusing on the use of new technologies.

Creation of a R&D department and publication of comparative studies on the user-server development tools.

1995 - 1998: From user-server to the Internet

A turn is made towards Internet technologies, that help the R&D teams to resolve the problems of user-server application deployment (in 1995 the Internet is considered as the universal user-server).

Creation of the «Web Agency». Publication of an ergonomics guideline for Internet applications.

Beginning of a regional development with the creation of an agency in Lyon.

1999 to 2001: Acceleration of the company development in order to grow

Capital uplift thanks to the company initial public offering in 2000. The company has more than 700 customers for a turnover of 45.3 M€ in 2001.

Purchase of SUDISIM, ABCIAL, INVERSO and CARI, Opening of a subsidiary in Switzerland. Development of the regional network (Toulouse, Bordeaux, Nantes...).

2002 to 2004: New Board of directors and new development project

The founders form a new Governing team. In order to meet the customers' expectations "better, faster, and cheaper", SQLI launches the industrialization project with CMMI, which is the spearhead of the company strategy. CMMI business is at the core of this strategy and the group obtains certification CMMI 2 in 2004.

Industrialization of the technical capitalization with CMMI in order to offer turnkey contracts.

In 2003 is created an offshore development center in Morocco. Totally owned by SQLI, the centre follows all methods and processes projected by the company.



2005 to 2009: SQLI has become the leader of e-business projects

The industrialization strategy is going on: all agencies have obtained CMMI level 3 certification in 2006. The range of turnkey products has improved with Ideoproject, a management and project regulation tool (result of the experience gained with CMMI).

Thanks to the acquisition of many companies between 2005 and 2007, SQLI asserted its leading position on the e-business French market. At 31 December 2008, 1,900 associates pool their assessments to help customers transform their information systems thanks to new technologies.

2009 - 2012

In 2009, SQLI started to follow boosting strategy to enter a more rationalizing phase by focusing on production means, optimizing the Group structure and innovating in order to increase the value offer made to the clients.

Agencies or subsidiaries which can't reach the expected business size or whose activity does not match the company objectives of increasing added value are being closed or sold. An upgrade of managing structures and headquarters costs has also been operated since 2010. After the head management transition, the group is adopting a matrix structure organized in transversal business lines (reinforcement plan for offers added value) and local agencies (rationalization of production means).

In March 2011, SQLI purchased Wax ! Interactive. This acquisition is meant to strengthen SQLI offer in Digital activities and to help developing non SAP activities in Belgium.

In 2012 and in the beginning of 2013, SQLI carried on pursuing strategical actions with the sale of 5 business segments representing 9 partners and a turnover of 1 M€.

2013 - 2015

2013 has seen the arrival of Didier Fauque as SQLI new CEO and the following creation of a new development strategy plan for the Group.

In 2013, SQLI sold its Health solutions activity (IdéoSanté) following its strategy of focusing on SQLI core expertise development, which includes digital marketing and Front-office & Back-office e-business activities. This transaction is the last one in the series of transfers of complementary activities.

The Group is organized in two complementary business branches: "Digital Commerce" (branded as WAX INTERACTIVE) and "Digital Technologies" (branded as SQLI ENTREPRISE).

- **WAX INTERACTIVE**, focused on developing its customers sale business in three major fields: digital marketing, connected commerce and data intelligence, in order to improve the company performance on the market;
- **SQLI ENTREPRISE**, dealing with the transformation of organizations and systems in order to create new interactions between the company and its partners, suppliers and coworkers, with the objective to improve the performance of the company itself.



2014 showed the restructuring of WAX INTERACTIVE business with the acquisition of NAXEO, ECOMMERCE4U and LSF INTERACTIVE:

- NAXEO helps its clients to develop their digital strategy and creates cross-channel e-commerce tools focused on marketing and commercial performance.
- ECOMMERCE4U is developing an e-commerce delegation activity for a kitchen tools brand.
- LSF INTERACTIVE is a communication and marketing integrated digital agency specialized in chasing and retaining visitors, members, prospects and buyers on behalf of its customers.



5.2. INVESTMENTS

5.2.1. MAIN INVESTMENTS MADE DURING THE YEAR

The cash flow related to consolidated investments decreased because of the contraction of fixed assets acquisitions in 2015.

Table 17. Cash flow on investment activities

(Data in thousands of euros)

	2015	2014	Trend 2015 vs. 2014
Acquisition of fixed assets	-2,425	-6,325	3,900
Transfer of fixed assets	54	378	-324
Scope variation	0	-2,560 ⁽³⁾	2,560
Cash flow on investment activities	-2,371	-8,507	6,136

Note: (3) Inc. acquisition price of NAXEO (2,950 K€), Ecommerce4U (250 K€) and LSF LOYALTY (540 K€) securities, net of these companies cash flows when they entered SQLI scope (256 K€), less the earn-out due for NAXEO and ECOMMERCE4U (1,200 K€). Following an agreement contracted in June 2015 with the manager of the transferred company, there is no earn-out due for the acquisition of NAXEO and EC4U

New acquisitions

The fixed assets acquisitions made in 2015 include:

- 653 K€ of refurbishment and equipment in Arcueil offices,
- 402 K€ of IT equipment in Paris-Saint-Denis offices,
- 300 K€ of IT equipment in the other French offices, and
- 520 K€ of equipment and material in the other European offices (France excl.)

Transfers concluded in 2014

In 2015, SQLI didn't do any major sale.



5.2.2. MAIN CURRENT INVESTMENTS AND FINANCING STRATEGY

The company didn't plan to start or continue any following investments in 2016 and in the future.

Regarding its current investments, the company will use a part of its available cash flow, which amounts to 18.2 M€ at 31 December 2015.

The Group financial structure is very healthy at 31 December 2015 with:

- a positive net cash flow of 1.2 M€,
- a factoring capacity unchanged (available credit line of 14.3 M€),
- authorized overdraft lines of 3.0 M€.

5.2.3. INVESTMENT STRATEGY AND FIRM COMMITMENTS

As explained above, SQLI main investments are related to its external growth, with the acquisition of companies and the payment of earn-outs related to former acquisitions. The group can also invest opportunistically for its internal growth.

However, and given the many acquisitions made during the last years, the company wants to consolidate its position on the purchased companies markets and to focus on their integration in order to perfect their complementarity.

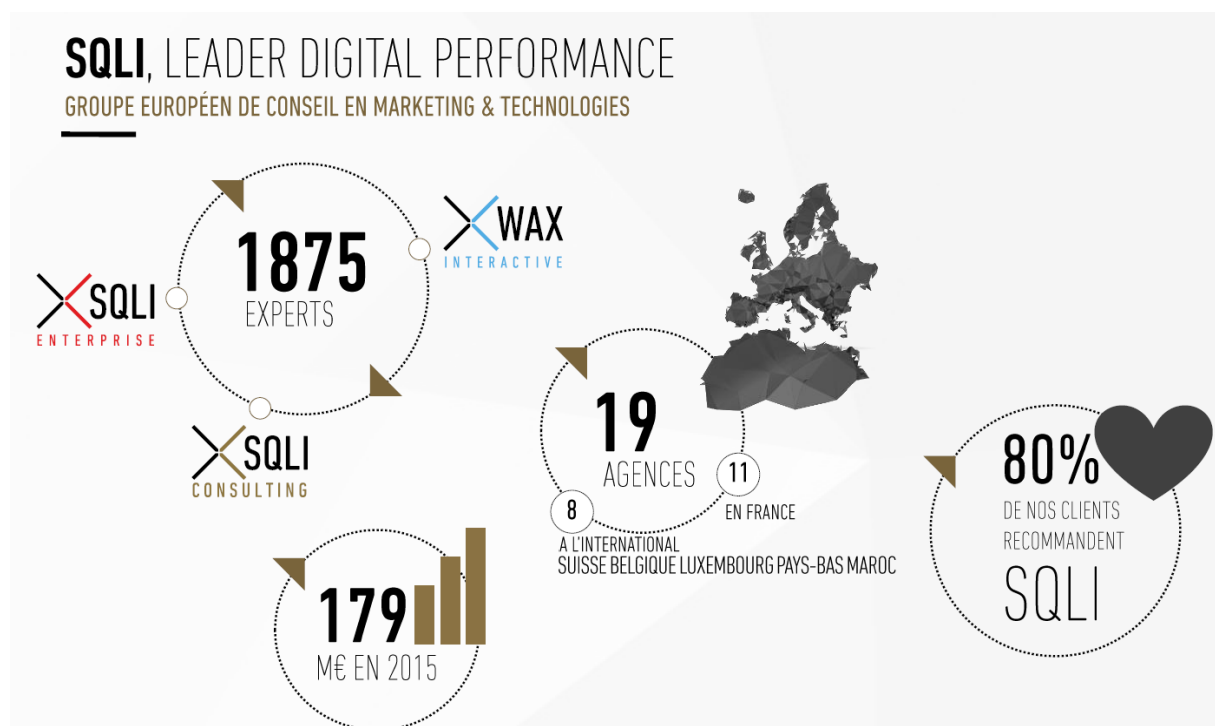
The Group main firm commitments are exposed in paragraph 4.2.5. « *Risks related to off-balance sheet commitments* ». These commitments will be mainly financed with the Group own equity and net cash position.



CHAPITRE 6. GENERAL SURVEY OF THE COMPANY ACTIVITIES



In 2015, SQLI continued to implement the "Ambition for 2006" plan, a three years development strategical plan (2014-2016) with the aim to reach a double digit annual growth and a current operating margin rate between 8 and 10% at the end of the period.



According to this plan, SQLI aims to organize its offer in two distinct brands:

- WAX INTERACTIVE, focused on developing its customers sale business in three major fields: digital marketing, connected commerce and data intelligence, in order to improve the company performance on the market;
- SQLI ENTREPRISE, dealing with the transformation of organizations and systems in order to create new interactions between the company and its partners, suppliers and coworkers, with the objective to improve the performance of the company itself.



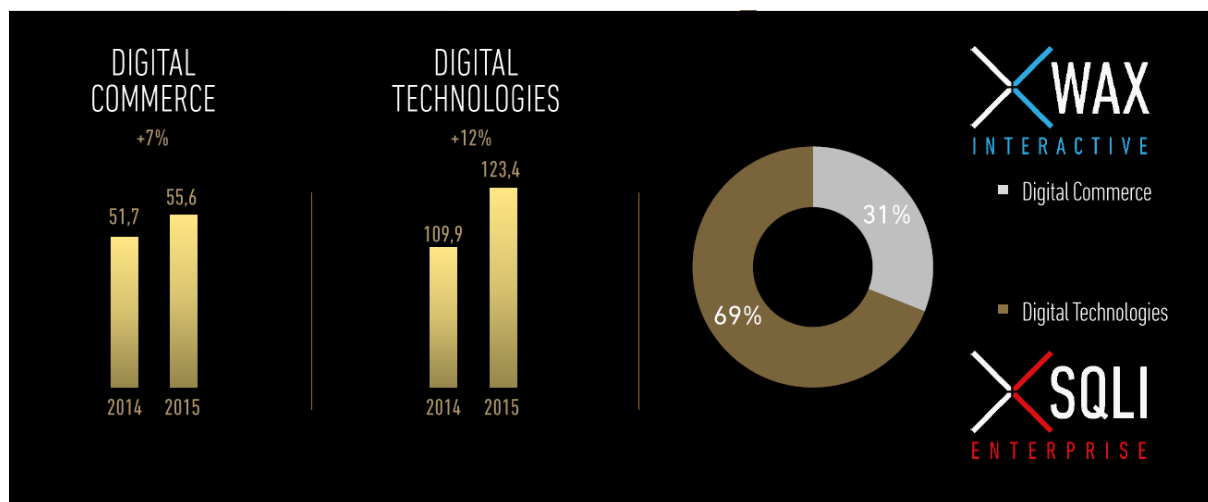
6.1. MAIN ACTIVITIES

6.1.1. SQLI OFFER: DIGITAL TRANSFORMATION



The group activity consists in two main business branches:

- WAX INTERACTIVE: how to increase the clients sale numbers and experience;
- SQLI ENTERPRISE: how to transform existing organizations and systems



A dual answer for a unique positioning

The digital transformation is a critical move for companies today. With digital channel being more and more diverse and generating more and more uses, economic models are totally transformed, from customer relationship to working methods within a company.

SQLI positioning is unique, which helps the company to reach its performance objectives with a global approach, relying on two strong brands:

- **WAX Interactive: powerful catalyst for brands wishing to boost sales**

WAX Interactive is a digital marketing agency offering an extended panel of services and solutions to help the brands and commercial firms in their digital transformation.

With a unique offer, combining marketing, technology, innovation and creativity, the company tries to make the user experience performant and efficient and bases its reputation and brand loyalty on three intricate poles of expertise: Integrated Digital Marketing, Connected Commerce and Data Intelligence.

WAX Interactive designs, implements and promotes digital solutions on all web and mobile platforms, with a simple goal: making people connected to transform and retain the consumers.

- **SQLI Enterprise: an expert in transforming organizations and systems**

SQLI Enterprise is an expert in consulting and technology innovation. The company is a leading actor on the business digital transformation market: business/IT collaboration, futurist architecture, advanced expertise on innovative technologies, all at the service of collaborative experience and digitalization of processes and services.

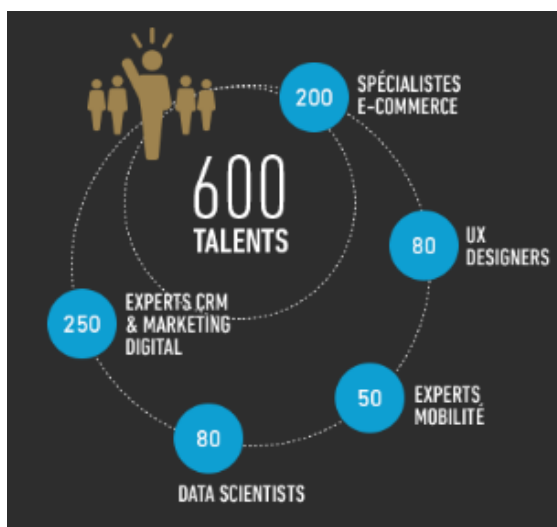
SQLI Enterprise tries to create a strong digital footprint with the implementation of digital industrialization facilities combining quality, innovation and flexibility, conception of versatile cross-channel bases, Big Data solution and counseling, mobile technologies and connected devices.



WAX INTERACTIVE: data marketing and e-commerce



The organizations awareness related to the digital revolution got a lot bigger. Just like for the evolution of uses, companies and brand wish to improve their digital value in order to boost their development and economic performance.



In this situation, convinced that the digital game

needs to focus on customer experience, WAX INTERACTIVE helps companies to boost their digital transformation and fulfill their brand objectives by relying on its experience in customer relationship job and tools: social network, e-commerce, DMP platforms and marketing tools, CRM, Big Data, BI et analytics, predictive commerce, ergonomics, mobility and new uses.

With a lot of realism and operational efficiency, WAX INTERACTIVE impertinently masters digital levels to offer a true 360° vision to the client in order to optimize commercial performance. Expert teams made of creative and highly specialized agents who work with a real passion for their job, share and innovate continuously in order to answer the client business challenges and offer the best answers, solutions and services available in this time of behavioral, social and digital marketing.

WAX INTERACTIVE offers the following services:



- CRM / E-CRM / Customer Relationship Management
- Business intelligence (BI) & Big Data
- E-commerce
- Branding strategy
- Mobility and new interfaces
- Innovation
- Training institute



SQLI ENTERPRISE

Digitalizing existing services or creating new digital services, connecting teams with themselves, their customers and partners, implementing an open and mobile-ready information system and a true data-centric strategy, creating more and more flexibility: transforming organizations and systems is a true challenge.



SQLI ENTERPRISE is the reference partner to define, implement and monitor digital transformation.

Our leitmotiv is business and IT integration applied with a cross-channel consistency:

- assistance and change monitoring to serve your business needs following a smart approach,
- assistance and IT governance to adopt disruptive technologies and most performing methodologies, in order to help you make the right choices,
- creation of digital industrialization factories combining quality, innovation

and flexibility in order to leverage your digital strength.

Our solutions make the digital integration easier by accelerating collaboration between employees, partners and suppliers, promoting innovation, improving team mobility and devices connectivity, digitalizing business processes to gain in efficiency and simplicity.

Our approach combines uses and technologies to work in a faster, more connected and more efficient way and help the company to satisfy the customer's needs.

SQLI ENTERPRISE key expertise is the following:

- Consulting - Governance - project portfolios - change monitoring.
- Dematerialization - Digital office - skill management - innovation management
- Services digitalization - purchases, finance, HR and governance solutions
- Enterprise Asset Management
- Digital basis - Big data - mobility

SQLI ENTERPRISE main offers are the following:

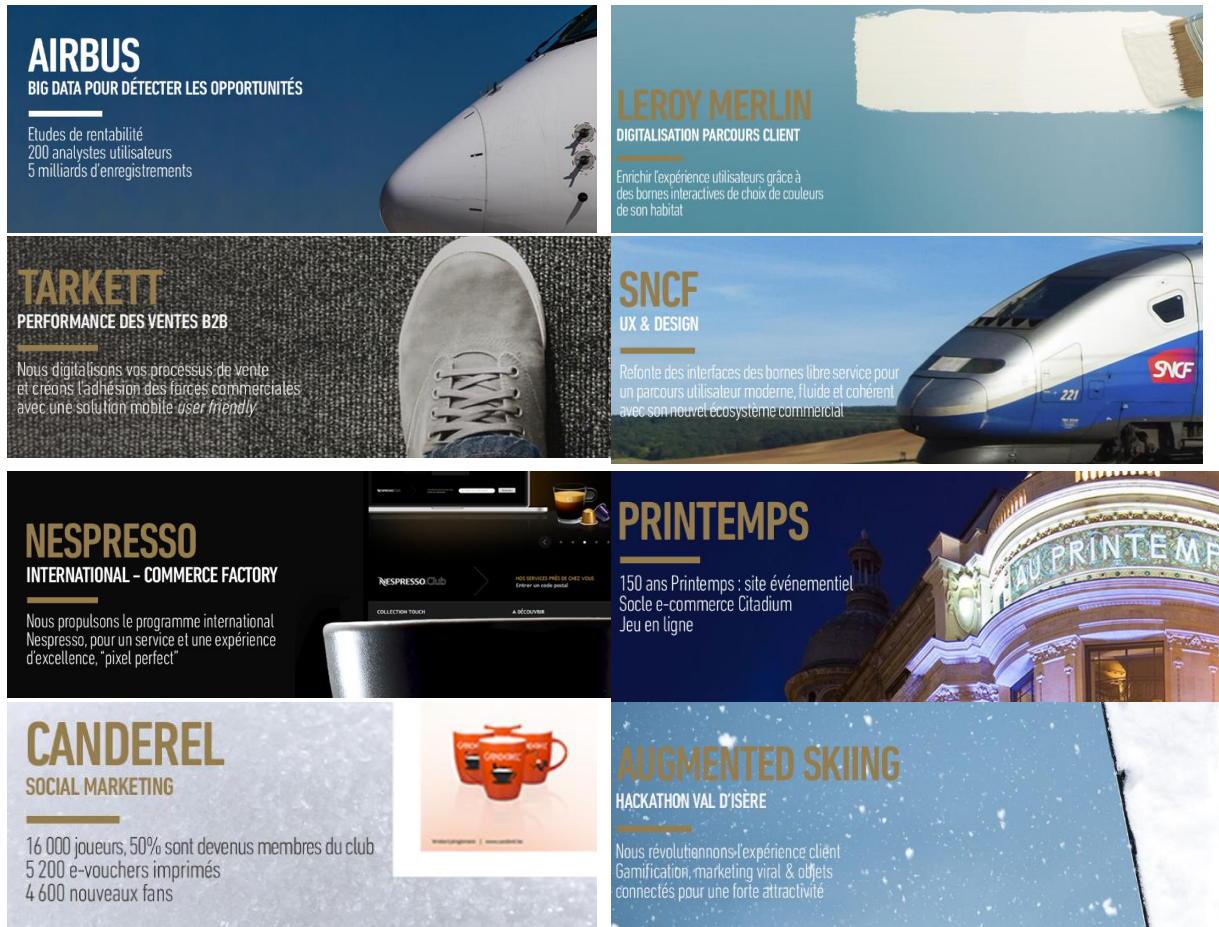
- Collaborative enterprise
- Business solutions
- Cross-channel IS
- Mobility and connected devices
- CRM
- Marketing & E-Commerce
- Innovative Service Centers



Client references

SQLI client references are presented on the company website at the address:

<http://www.sqli.com/Accueil/References>



Innovation

Immochan, the real-estate subsidiary of Auchan Holding, received the 1st price in the Commerce category for its website aushopping.com by the editor of Solutions IT magazine and Solutions-numeriques.com website.

Immochan (about 300 shopping centers in twelve countries) tries to satisfy its customers needs by offering a new digital service: a shopping e-center on which they can find the same products which are on offer in the physical center.

"We have an ambitious goal for Aushopping. Com: we want to be the pioneer of shopping e-centers in our field." explains Hervé Vanden Abeele, Managing director of Aushopping Immochan e-center.





A positioning strengthened through partnerships

The group has a privileged relationship with major technology and software actors, but also with smaller ones, offering real added value solutions to its customers. Built on lasting collaboration, its partnerships rely on a deep knowledge of solutions and of their evolution.

POSITIONNEMENT RENFORCÉ PAR LA CRÉATION D'UN ECOSYSTÈME D'EXCELLENCE AVEC LES EXPERTS DU SECTEUR













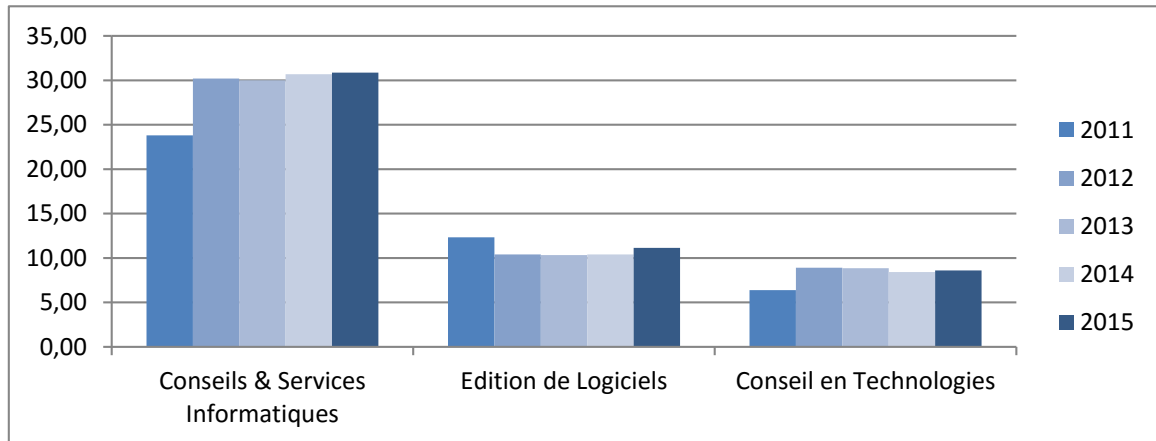



6.2. MAIN MARKETS

SQLI operates in the software and computer services market, mainly in France. The French market represents about 50.6 billions € in 2015

and about 49,5 billions € in 2014, an increase of about 2.2%. (Source: Syntec Numérique).

Table 18. Growth of the software and computer services market per category (Source: Syntec Numérique).



This sector is a strategic one for the French economy, representing a competitive and innovative market. The French market has more than 365,000 companies for three different actors: software publishers, technology consulting companies and consulting and IT services companies. In 2015, 35,000 executives were recruited.

The activity sectors more active in the segments "Software" and "Computer services" are:

- the industry market which absorbs 30% of the demand,
- The "Public, health and Education" sector which accounts for 19%,
- The "banking and insurance" sector which also accounts for 19%.

Table 19. Division of the market in 2015 (50.6 billions of euros) per actor type (Source: Syntec Numérique).

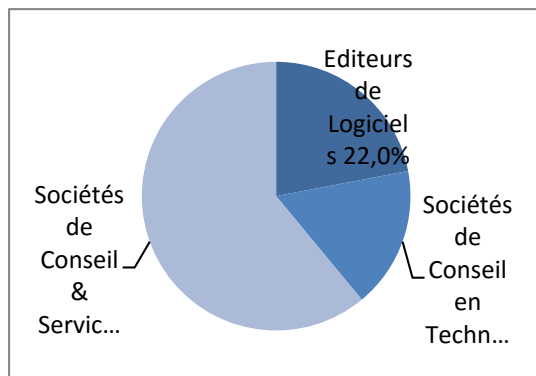
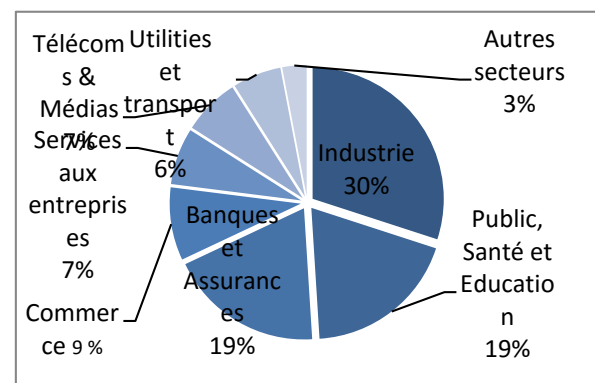


Table 20. Division of the market in 2012 (49.5 billions of euros) per actor type (Source: Syntec Numérique).

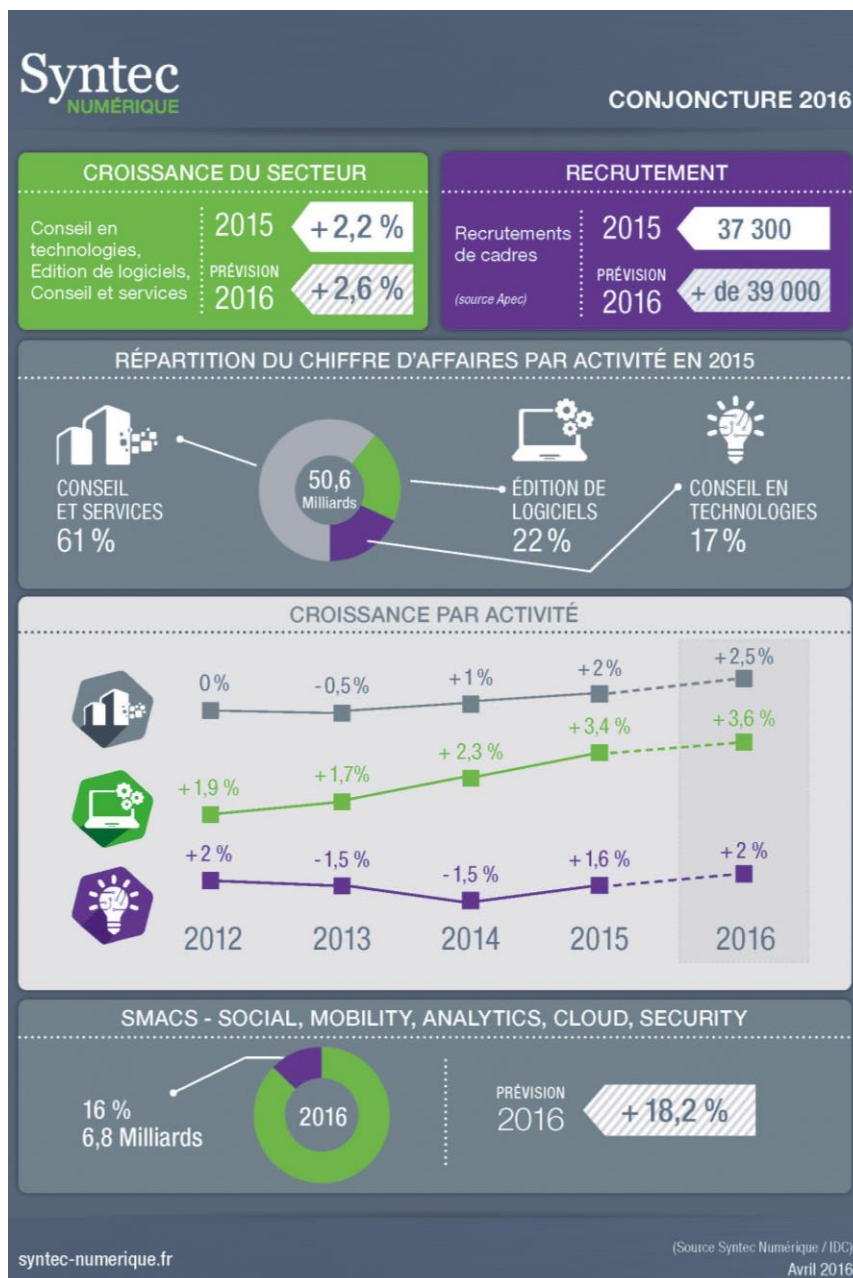


Market prospects

In 2016, Syntec expects a 2.6% growth for the whole sector and 2.5% for the "Consulting and computer services" segment.

Growth expectations will be better in 2016 than in 2015, thanks to:

- the development of digital transformation projects
- SMACS growth in 2016: 18.2%
- Dynamic market with multiple growth levers (IoT / Data ...)
- Apparition of new actors and multiplication of partnership focusing on innovation
- Strengthening of decisions made with or by business management teams.



6.3. EXCEPTIONAL EVENTS THAT INFLUENCED THE COMPANY BUSINESS

The company didn't acknowledge any particular or exceptional event having consequences on SQLI activities in 2015.

6.4. SQLI DEPENDENCE

6.4.1. UPON PATENTS, LICENSES AND OTHER TECHNOLOGY SKILLS

The company is not dependent on any patent or license really essential to its activity.

Technology-related risks are detailed in paragraph 4.1.5. *"Technology-related risks"*

and risks of dependence upon patents, licenses and other are detailed in paragraph 4.3.5. *"Dependence upon patents and licenses"*.

6.4.2. UPON INDUSTRIAL AND COMMERCIAL CONTRACTS

Customer-related risks and commercial contracts-related risks are limited, as there is no existing customer representing more than 7.6% of SQLI turnover. Customer-related risks are detailed in paragraph 4.1.1. *"Customer-related*

risks" and the risks related to the execution of package projects will be presented at paragraph 4.3.1 *"Legal risks"*. Other information is mentioned in chapter 22. *"Major contracts"*.



6.5. THE COMPANY COMPETITIVE ENVIRONMENT

SQLI is one of the leading companies of the French market regarding digital transformation and technology, marketing and innovation consulting and technical integration.

The group has many competitive advantages which help it to be a reference on its markets, with a collaboration with various major accounts:

- **An extended agencies network:**

SQLI is one of the few companies relying on such an extended network in France: Paris, Lyon, Bordeaux, Nantes, Rouen, Toulouse, Lille) but also in Europe (Switzerland, Belgium, Luxembourg, Netherlands and Morocco), where the Group is developing its footprint with a future opening in the United Kingdom.

SQLI implementation on various locations in France allows to meet global expectations of big national and international accounts more easily:

The Group will rely on its strong footprint in France and the continued development of its network on European most dynamic markets to implement its new mid term development plan which will be presented in 2016 and will help SQLI strengthen its leading position in Europe.

- **Onshore/Offshore centers**

The activities controlled by the Innovation Services Centers of Bordeaux and Rabat also significantly participate in the profitable growth. They represent 28% of the number of days charged in 2015 (2014: 19%).

These powerful onshore/offshore industrialization platforms offer developments which combine operational excellency and competitiveness for major accounts such as RTE or Nestlé.

- **Focus on innovation**

In order to strengthen its innovative approach, which is on line with the group unique positioning on improving the business global performance and combining marketing and technology, SQLI decided to create a new unit dedicated to digital prospective: the LAB.

The LAB is run by a team of experts with complementary skills: Creative Technology, Innovation, strategic planification and Creative Development. These experts are strongly interested in technology innovation and the new usages which come from it.

They form the "hard core" of the LAB and their mission is to lead a community of digital experts within the Group.



6.5.1. COMPETITIVE ENVIRONMENT

Digital transformation is a critical move for companies today. This transformation must be structured and accompanied by a highly skilled partner who knows how to dress strategical and governance issues, how to deal with technological challenges in order to offer new processes to transform the organization.

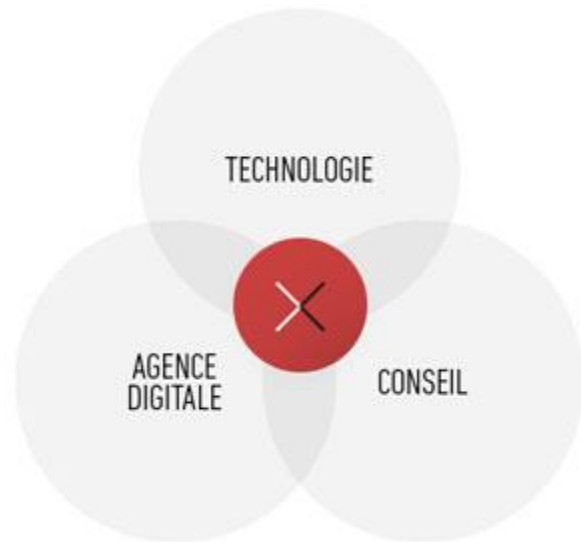
The integrated model which is linked to a combination of integrators, interactive agencies, publishers and consultants, makes this global approach of digital possible.

This association brings a unique value to the market: with the ability to transform the project vision in order to meet global strategic needs.

SQLI has a renowned expertise and a panel of skills capable of addressing various technological challenges.

SQLI skills:

- A dual complementary approach: digital agency (UX & Marketing) and integrator
- A renowned business & IT consulting expertise on the market
- A capacity for constant innovation thanks to the Lab Innovation unit
- A unique approach combining flexibility and CMMI
- An externalization capacity through onshore/offshore centers



6.5.2. PERSPECTIVES, STRATEGY AND GROUP PROJECTS

In the last years, SQLI successfully integrated 15 acquisitions which enabled the company to strengthen its leading position on the e-business French market. With a turnover exceeding 179 M€, the group size is sufficient to attract major accounts.

In 2015, SQLI continued to implement the "Ambition for 2006" plan, a three years development strategical plan (2014-2016) with the aim to reach a double digit annual growth and a current operating margin rate between 8 and 10% at the end of the period.

The 2014-2016 strategy plan introduced in September 2013 was based on a 10% estimated growth for the whole period, including external growth operations. Profitability level estimations

In order to reach the last step of this plan, SQLI must achieve external growth operations for a total amount of 102 M€ in 2016, with an improvement of the current operating profitability of about 2% in order to reach a total 8%.

The Company cannot guarantee that these objectives will be reached in 2016 but keeps trying to succeed.

The first business trends identified in 2016 show that the Group growth remains stable and the activity profitable in 2016, which is the last

year of its strategic plan. This positive trend is boosted by the leadership gained in France on key markets (banking, commerce, utilities).

This leadership was elaborated from the Group internal skills (sector-related knowledge, technology watch of SQLI Lab), the precious added value of acquisitions and strategical partnerships (Adobe, Digimind, Hybris, Magento, Microsoft and Sparkow). The Group is a reference partner in the digital transformation implementation for major accounts, in particular with e-commerce solutions, multichannel commerce, social commerce, etc.

With this positioning, SQLI can help international groups (Airbus, Audemars Piguet, BNP Paribas, L'Oréal, Nestlé, Pizza Hut, Roche, Seb and others) to implement their digital strategy.

During the results announcement on 22 March 2016, Didier Fauque, SQLI CEO, confirmed that the group set a turnover objective of 200 M€ at the end of 2016, relying on SQLI organic growth, 2014 acquisitions and future purchases (on particular in the UK).

SQLI wishes to become a leader on the digital transformation European market. A new "Plan for 2020" will be presented during the year 2016.



CHAPITRE 7. ORGANIZATION CHART

7.1. GROUP SCOPE

SQLI holdings at 31 December 2015 are the following:

Table 21. SQLI holdings

Name	Headquarters	31/12/2015		31/12/2014	
		Control%	Interest%	Control%	Interest%
SQLI SA	La Plaine Saint-Denis (93)	Consolidating Company			
ABCIAL SAS	La Plaine Saint-Denis (93)	100%	100%	100%	100%
ASTON INSTITUT SARL	Boulogne (92)	100%	100%	100%	100%
CLEAR VALUE SAS	La Plaine Saint-Denis (93)	100%	100%	100%	100%
ECOMMERCE4U	Roubaix (59)	100%	100%	100%	100%
EOZEN France SAS	La Plaine Saint-Denis (93)	100%	100%	100%	100%
GEIE ICE	Blagnac (31)	25%	100% ¹	25%	100% ¹
LSF LOYALTY	Paris (75)	UTA end 01/2015	100%	100%	
WAX INTERACTIVE	La Plaine Saint-Denis (93)	100%	100%	100%	100%
WAX INTERACTIVE LILLE (Ex-NAXEO)	Roubaix (59)	100%	100%	100%	100%
ICONEWEB MULTIMEDIA Morocco SARL	Rabat (Morocco)	100%	100%	100%	100%
EOZEN Belgium SA	Diegem (Belgium)	100%	100%	100%	100%
SQLI Luxembourg SA	Luxembourg (Luxembourg)	100%	100%	100%	100%
SQLI Morocco SA	Rabat (Morocco)	100%	100%	100%	100%
SQLI SA	Strassen (Luxembourg)	100%	100%	100%	100%
SQLI Switzerland SA	Renens (Switzerland)	100%	100%	100%	100%
WAX DESIGN SPRL	Laethem-Saint-Martin (Belgium)	100%	100%	100%	100%

¹ For SQLI business

LSF LOYALTY was liquidated and transferred to SAS WAX INTERACTIVE on 1st January 2015.

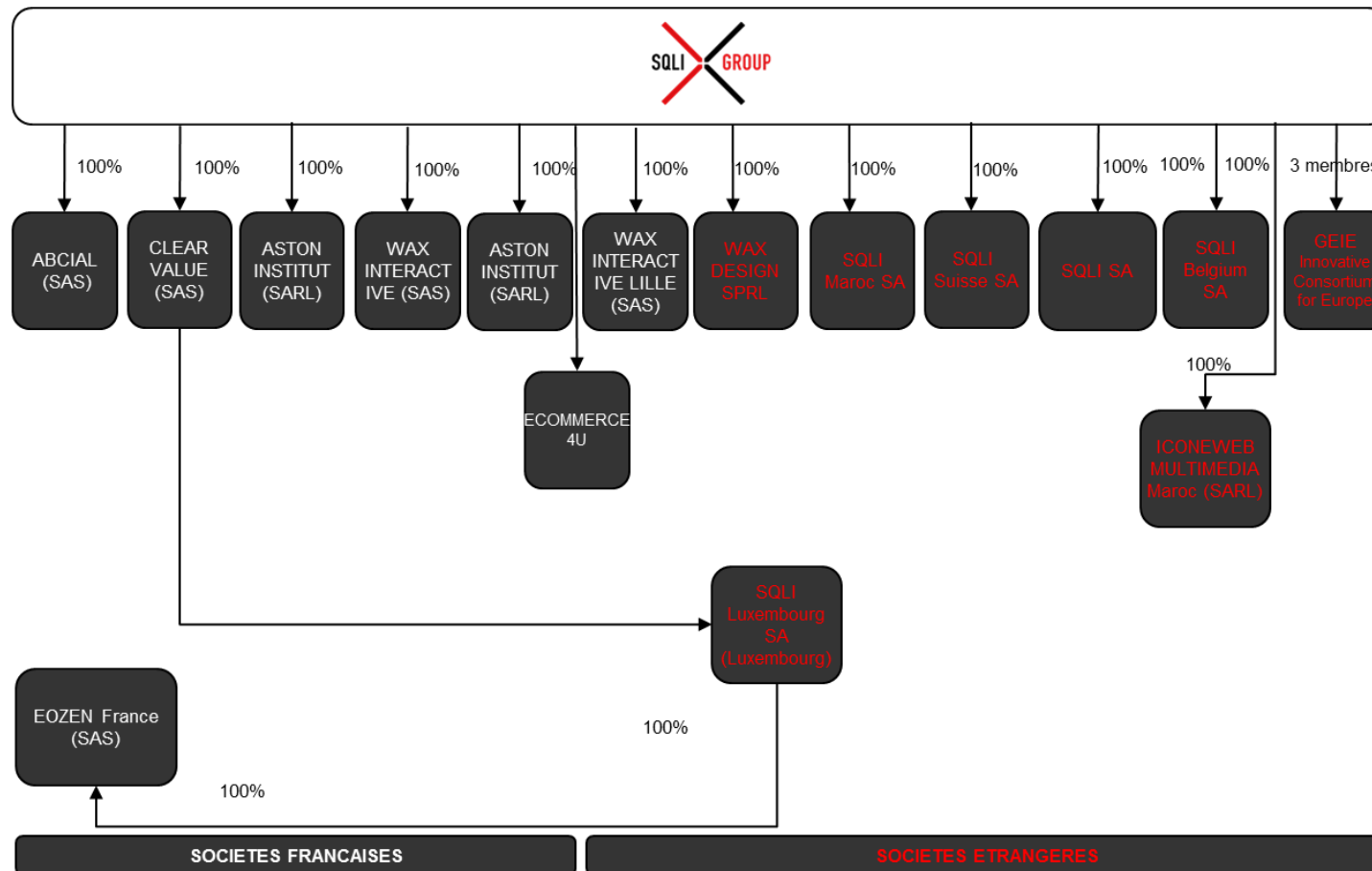


7.1.1. SCOPE VARIATIONS

The transfers and acquisitions are presented in paragraph 5.2.1. "Main investments made during the year".

7.1.2. SQLI LEGAL CHART

Table 22. SQLI Organization chart at 31 December 2015



7.2. MAIN SUBSIDIARIES

All subsidiaries of the SQLI Group have similar business activities to that of SQLI and are therefore able to offer their customer base the whole range of the group skills.

At 31 December 2015, the group consolidated scope included SQLI and all the companies listed below. The table presents each company contribution to the group turnover and consolidated results, excluding intra-group transactions.

Table 23. Contribution of the Group main subsidiaries

(Data in thousands of euros)

Subsidiary	2015			2014		
	Turnover	Current Operating result	Net result	Turnover	Current Operating result	Net result
SQLI	119,801	9,874	4,437	107,447	3,399	1,992
GEIE ICE	10,394	-12	-14	9,165	4	1
EOZEN (ex-CLEAR VALUE)	-	85	138	3,977	-666	-813
ASTON EDUCATION	-				98	66
ASTON INSTITUT	2,493	300	195	2,547	476	308
WAX INTERACTIVE	8,213	-1,356	-1,724	2,622	-110	-236
WAX INTERACTIVE LILLE	884	-211	-410	465	30	36
ECOMMERCE4U	601	-143	-143	261	31	21
LSF LOYALTY				204	28	18
France	142,386	8,537	2,479	126,688	3,290	1,393
SQLI Switzerland	19,944	326	151	16,834	149	115
CLEAR VISION International	24	32	-146	58	66	31
SQLI Morocco	3,210	894	513	2,665	580	481
ICONEWEB Morocco	-	3	8		-7	2
EOZEN	11,255	792	391	13,338	641	342
WAX Belgium	2,162	259	159	2,050	303	191
Abroad	36,595	2,306	1,076	34,945	1,732	1,162
Total	178,981	10,843	3,555	161,633	5,022	2,555

The results of business abroad account for 36.6 M€ in the consolidated turnover of 2015, i.e. 20.0% of the total turnover (compared to 21.6% in 2014).



CHAPITRE 8. REAL ESTATE PROPERTY, FACTORIES AND EQUIPMENT

8.1. TANGIBLE FIXED ASSETS AND REAL ESTATE PROPERTIES FOR RENT

8.1.1. TANGIBLE FIXED ASSETS

The provisions related to the current conflicts are detailed in note 9 of the consolidated accounts exposed in paragraph 20.3.5. "Accounting procedures and criteria, appendix and explanations".

They mainly consist in general facilities, office equipment, computer equipment and furniture.

The Group rents the majority of its premises under traditional commercial leases. The largest premises are in the Company's headquarters in Saint Denis and in Lyon. The details regarding SQLI leases are given hereafter.

8.1.2. REAL ESTATE PROPERTIES FOR RENT

The Group is implanted in France (Paris, Lyon, Bordeaux, Nantes, Roubaix, Lille and Toulouse), but also in Switzerland (Lausanne and Geneva), Luxembourg, Belgium (Brussels) and Morocco (Rabat and Oujda).

At 31 December 2015, the "premises for rent and rental costs" item amounts to 7,287 K€, compared with 7,305 K€ in the end of 2014.



The following table presents the main existing leases at 31 December 2015.

Table 24. Main existing leases (non audited data)

Location	Country	Surface area (s.m)	Annual rent 2015 (€ Tax ex.)	Annual rent 2014 (€ Tax ex.)
Saint-Denis	France	3,843	997,241	1,000,712
Lyon	France	2,675	476,278	467,734
Toulouse	France	1,824	190,214	218,880
Paris, France	France	1,381	628,223	251,147
Bordeaux	France	1,203	145,919	169,948
Nantes	France	897	116,733	116,946
Bagneux	France	630	55,835	112,499
Boulogne	France	274	94,950	95,887
Rouen	France	374	47,435	47,435
Aix	France	48	18,132	18,132
Roubaix	France	500	62,963	0
Lille	France	248	26,136	0
Arcueil	France	1,069	0	0
Casablanca	Morocco	234	28,374	26,402
Rabat	Morocco	1,322	228,162	190,967
Lausanne	Switzerland	559	108,427	108,427
Geneva	Switzerland	356	116,458	116,458
Diegem	Belgium	502	72,101	69,719
Sint-Martens-Latem	Belgium	180	44,712	44,703

8.2. ENVIRONMENTAL INFLUENCE ON SQLI USE OF TANGIBLE ASSETS

There hasn't been any consequence of the environment on SQLI activity during last years, nor is there any environment factor likely to have an impact in the future on the group's activity.

For further information, see paragraph 4.3.2. "Environment-related risks – Impact of business on the environment" of this Reference Document.

<http://www.sqli.com/Finance/Documents#assemblée>

A table of concordance including the topics mentioned in the Decree n°2012-557 of 24 April 2012 is included in Appendix 4. "Table of concordance regarding social, corporate and environment-related information" to the Reference Document.

Social, corporate and environment-related information

It is recommended to consult the Report on social and environmental responsibility which is separately available on the Company website and dedicated to the instruction of the company shareholders before a General Meeting. This report is available on SQLI website:



CHAPITRE 9. ANALYSIS OF FINANCIAL SITUATION AND RESULT

The figures below contain consolidated data.
The rules and accountancy procedures used for
their drafting are detailed in paragraph 20.3.5.

*"Accounting procedures and criteria, appendix
and explanations".*

9.1. SQLI FINANCIAL SITUATION

Consolidated Result account

Table 25. SQLI Consolidated Result account

<i>Data in thousands of euros</i>	2015	2014	Variation
Turnover	178,981	161,633	17,348
Other earnings	5,698	4,013	1,685
Used purchases	-5,432	-2,829	-2,603
Staff costs	-117,870	-113,628	-4,242
External costs	-45,821	-39,970	-5,851
Taxes and dues	-3,047	-3,291	244
(Net) Depreciation and other operating provisions	-1,667	-917	-750
Other operating costs and income	1	11	-10
Current Operating result	10,843	5,022	5,821
Goodwill depreciation	0	0	0
Other non recurrent incomes and costs	-4,123	-811	-3,312
Operating result	6,720	4,211	2,509
Cash and cash equivalent income (charges)	116	118	-2
Total of gross financial debt	-709	-524	-185
Total of net financial debt	-593	-406	-187
Other financial income and charges	-100	495	-595
Result (bef. taxes)	6,027	4,300	1,727
Tax liability	-2,472	-1,745	-727
Net result (before result of activities transfered or being transfered)	3,555	2,555	1,000
Result of activity being stopped or transferred	0	0	0
Net result	3,555	2,555	1,000
Group share	3,555	2,555	1,000
Minority shareholders	0	0	0





Operating result

The operating result for year 2015 has 10,843 K€ of benefits compared with 5,022 K€ in the previous year.

The operating result for year 2015 has 6,720 K€ of benefits compared with 4,211 K€ in the previous year.

In 2015, the average daily flow remained stable at 474 € (401 € for offshore activity), compared with 477 € in 2014, and the activity rate is much higher at 85% (compared with 81% in 2014).

Financial result

The cost of consolidated net financial debt recorded a loss of 593 K€ compared to a loss of 406 K€ in 2014.

This decreasing cost of net financial debt is due to the increasing amount of interest charges (-773 K€) partly offset by the positive impact of rate hedging instruments.

Table 26. Total of SQLI consolidated net financial debt

(Data in thousands of euros)

	2015	2014	Trend 2015 vs. 2014
Revenues from loans and receivables	35	81	-46
Net earnings from VMP sales	81	37	44
Cash and cash equivalent income	116	118	-2
Interest charges	-773	-646	-127
Factoring financing commission	-21	-32	11
Hedging instruments for loans rates	85	154	-69
Total of gross financial debt	-709	-524	-185
Total of net financial debt	-593	-406	-187

The other financial income and expenditure decreased by 595 K€ because of the negative impact of foreign exchange variations and the discounting of long term loans and debts.

SQLI also contracted a rate hedge in order to protect the company from the fluctuations during the reimbursement of the loan. The hedged amount at 31 December 2015 is 3.4 M€ and the fixed rate amount 2.425%.



Table 27. Other financial income and charges

(Data in thousands of euros)

	2015	2014	Trend 2015 vs. 2014
Exchange rate differences	-11	46	-57
Discounting of long term loans and debts	-89	449	-538
Other financial income and charges	-100	495	-595

Consolidated net result

The financial year ended 31 December 2015 registered a profit of 3,555 K€ compared with a profit of 2,555 K€ in 2013.

9.2. CONSOLIDATED OPERATING RESULT

9.2.1. EVOLUTION OF THE CONSOLIDATED OPERATING RESULT

Turnover

For year ended 31 December 2015, the turnover amounted to 179.0 K€ (161.6 K€ in 2014).

At constant scope, the turnover has been decreasing by 7% since the beginning of the year.

Operating charges

In 2015, the operating charges included staff costs for 69.7% (72.6% in 2014 and 2013) and external costs for 27.1% (25.5% in 2014 and 23.6% in 2013), amounting to a total 96.8%.

Staff costs

Staff costs amount to 118,103 K against 113,628 K€ for the previous year, representing a 3.8% rise partly due to key recruitments

during the period and to the integration of integrated companies staff.



Table 28. Evolution of staff and staff costs

(Data in thousands of euros)

	2015	2014	Variation
Wages and allowance	84,015	80,947	3,068
Social costs	33,855	32,681	1,174
Participation of employees	0	0	0
Staff costs	117,870	113,628	4,242
Provision for retirement compensations and other benefits	233	148	85
			0
Total Staff costs	118,103	113,776	4,327
Average staff (trainees ex.)	1,863	1,891	-28
Staff registered at 1st January (trainees excluded)	1,910	1,784	126
Scope variations	0	87	-87
Increase (decrease)	-35	39	-74
Staff registered at 31 December (trainees excluded)	1,875	1,910	-35

External costs

External costs increased between 2014 and 2015, with an increase of outsourcing use (+ 5,164 K€) and an increase of costs related to "Staff outside the company and fees" (1,018 K€).

Table 29. Evolution of external costs

(Data in thousands of euros)

	2015	2014	Variation
Global outsourcing	26,495	21,331	5,164
Leasing and related costs	7,287	7,305	-18
Maintenance and repairs	980	844	136
Insurance premiums	470	443	27
Various materials	259	399	-140
Staff outside the company and fees	4,193	3,175	1,018
Advertising and external relationship	723	572	151
Goods transportation	151	69	82
Business trips, missions and receptions	3,653	3,905	-252
Mailing and telecommunication costs	990	1,037	-47
Bank services	238	403	-165
Other external services	382	487	-105
Total external costs	45,821	39,970	5,851



9.2.2. MAIN FACTORS HAVING AN INFLUENCE ON THE OPERATING RESULT

During year 2015, SQLI turnover amounted to 179.0 M€ (+11% compared with last year 161.6 M€ turnover). The Group organic growth was solid and stable during the whole year (+7% compared with 2.1% for the market).

During the year, all activities integrated under WAX (Digital Commerce) brand represented 31% of the group turnover, despite the accelerated withdrawal of media buying within the digital agency activity (non strategical and low added value).

9.2.3. MAIN CHANGES IN THE NET TURNOVER AND NET CONSOLIDATED PRODUCTS

The changes related to the company revenues are detailed above and in "Turnover" of

paragraph 9.2.1 *"Evolution of the consolidated operating result"*

9.2.4. GOVERNMENT ACTION, ECONOMICS, BUDGET, CURRENCY AND POLICY-RELATED RISKS

As explained in paragraph 4.3.6. *"Government action, economics, budget, currency and policy-related risks"* of the Reference Document, the company doesn't see any existing risk related to

government action, economics, budget, currency or policy which has does or will threaten the company, its activities, its financial situation and profitability.



CHAPITRE 10. FUNDS AND CAPITAL

10.1. CONSOLIDATED OWN EQUITY

At 31 December 2015, the consolidated own equity amount to 72,641 K€ against 68,721 K€ at 31 December 2014. The 3,920 K€ variation is mainly due to:

- the integration of the year comprehensive income amounting to 4,159 K€ (including translation & actuarial differences)
- the distribution of dividends for year 2014 (-1,606 K€),
- the capital increase related to the BSAAR (965 K€)
- the capital increase related to the Group saving plans (395 K€). .



Table 30. Variation of shareholders' equity in the last three years

Data in thousands of euros

	Number of shares	Capital	Premium	Reserves	Year result	Translation & actuarial differences	Group share	Own Equity Minority shareholders	Total
Situation at 31/12/13	3,596,422	2,877	36,645	22,023	6,466	1,093	69,104		69,104
Allocation of result				4,484	-4,484				
Dividend allocation					-1,982		-1,982		-1,982
Cancellation of 5,760 BSAAR	576	1	-1						
BSAAR cancellation				-203			-203		-203
Self-control			-872				-872		-872
BSAAR Issue			241				241		241
Other items of comprehensive income						-122			
Comprehensive income of the period					2,555	-122	2,433		2,433
Situation at 31/12/14	3,596,998	2,878	36,013	26,304	2,555	971	68,721		68,721
Allocation of result				949	-949				
Dividend allocation					-1,606		-1,606		-1,606
Exercise of BSAAR	65,883	53	912				965		965
Group Saving Plan	23,035	18	377				395		395
Allocation of stock options			37				37		37
Self-control			-30				-30		-30
Other items of comprehensive income						604			
Comprehensive income of the period					3,555	604	4,159		4,159
Situation at 31/12/15	3 685 916	2,949	37,309	27,253	3,555	1,575	72,641		72,641

10.2. SOURCE, AMOUNT AND DESCRIPTION OF CONSOLIDATED CASH FLOW

At 31 December 2015, the Group available cash flow amounts to 16,031 K€ (2014: 21,071 K€). This decrease is due to the contraction of

financial activities cash flow and especially the repayment of loans for 4,246 K€.

Table 31. SQLI consolidated cash flow

(Data in thousands of euros)

	2015	2014	Trend 2015 vs. 2014
Cash flow due to operational activities	1,594	-1,435	3,029
Cash flow on investment activities	-2,371	-8,507	6,136
Cash flow on financing activities	-4,998	7,354	-12,352
Cash flow fluctuation	-5,775	-2,588	-3,187
Cash flow and equivalent at 1st January	21,071	23,572	-2,501
Reclassification of cash position	310	0	310
Effect of currency rates fluctuation	425	87	338
Cash flow and equivalent at 31 December	16,031	21,071	-5,040



10.2.1. CONSOLIDATED OPERATING CASH FLOW

The consolidated operating cash flows increased by 3,029%, thanks to a good self-financing capacity of 3,243 K€ and an improvement in the variation of customers (2,396 K€) offset by a variation of suppliers (-3 230 K€).

Table 32. Consolidated operating cash flow

(Data in thousands of euros)

	2015	2014	Variation
Consolidated net result	3,555	2,555	1,000
Net allowance to depreciation and provisions ⁽¹⁾	1,359	140	1,219
Calculated charges (income)	-48	-147	99
Transferred capital gain and loss	-2	-15	13
Self-financing capacity generated by activity (ex. cost of financial debt and taxes)	4,864	2,533	2,331
Cost of financial debt	709	524	185
Tax liability (deferred taxes included)	2,472	1,745	727
Self-financing capacity generated by activity (inc. cost of financial debt and taxes)	8,045	4,802	3,243
Variation of customers	-3,641	-6,037	2,396
Variation of suppliers	89	3,319	-3,230
Variation of other current assets and liabilities	-607	-1,722	1,115
(paid) reimbursed Corporate Tax ⁽²⁾	-2,292	-1,797	-495
Cash flow due to operational activities	1,594	-1,435	3,029

Note: ⁽¹⁾ Excluding provisions related to current assets.

⁽²⁾ Including 1,524 K€ of CVAE.



10.2.2. CONSOLIDATED INVESTMENT CASH FLOW

The cash flow related to consolidated investments decreased because of the contraction of fixed assets acquisitions in 2015.

Table 33. Cash flow on investment activities

(Data in thousands of euros)

	2015	2014	Trend 2015 vs. 2014
Acquisition of fixed assets	-2,425	-6,325	3,900
Transfer of fixed assets	54	378	-324
Scope variation	0	-2,560 ⁽³⁾	2,560
Cash flow on investment activities	-2,371	-8,507	6,136

Note: (3) Inc. acquisition price of NAXEO (2,950 K€), Ecommerce4U (250 K€) and LSF LOYALTY (540 K€) securities, net of these companies cash flows when they entered SQLI scope (256 K€), less the earn-out due for NAXEO and ECOMMERCE4U (1,200 K€). Following an agreement contracted in June 2015 with the manager of the transferred company, there is no earn-out due for the acquisition of NAXEO and EC4U.

10.2.3. CONSOLIDATED FINANCING CASH FLOW

The consolidated financing cash flows decreased by -12,352 K€ compared with last year, thanks to the loan repayment of 4,246 K€

and the base effect related to the loan issue for year 2014 (13,967 K€).

Table 34. Consolidated financing cash flow

(Data in thousands of euros)

	2015	2014	Trend 2015 vs. 2014
Capital Increase	1,360	241	1,119
BSAAR cancellation	0	-305	305
Dividends paid to the controlling company shareholders	-1,606	-1,982	376
Loan issue	0	13,967	-13,967
Acquisition (transfer) of treasury shares	-30	-878	848
Loan repayment	-4,246	-3,478	-768
Paid interests	-476	-211	-265
Cash flow on financing activities	-4,998	7,354	-12,352



10.3. LOAN CONDITIONS AND FINANCING STRUCTURE

10.3.1. CONSOLIDATED DEBT

The financial debt amounts to 16,967 K€ and is mainly made of:

- a bond loan amounting to 17,000 K€ subscribed on 20 April 2011, with one annual payment left due on 20 April 2016 and 2016 (3,400 K€.) It bears interest at 3 months EURIBOR variable rate minus 0.44 point. Interests are due every quarter on 20/07, 20/10, 20/01 and 20/04, every year.

On 18 December 2015, SQLI announced the early repayment on 20 January 2016 of the last portion of the bond loan. The representative of the bond owners confirmed on 23 December that this announcement caused the early repayment clause to be invalid since the contractual financial ratios had not been respected.

- a credit agreement contracted on 4 December 2014 between SQLI and Banque Palatine, BNP Paribas, Société Générale, Caisse d'Epargne et de Prévoyance Bretagne Pays de Loire and Crédit Lyonnais, for a maximum amount of 10,000 K€ in order to finance and/or refinance, wholly or partly, various acquisitions made by SQLI and intra-group loans contracted to finance WAX INTERACTIVE purchases and the related costs. This credit is repaid in nine annual payments. The first payment occurred on 30 November 2015. The first withdrawal made on 17 December 2014 for the purchase of LSF and Naxeo amounted to 7,000 K€.
- a "Growth" loan of 2,500 K€ granted by BPI
Available on 13 November 2014;

Duration: 7 years

Fixed rate: 2.92% / year;

The principal repayment will be made in 20 quarterly payments at the end of the month, with the capital being depreciated on a straight-line basis, after a 24 month deferred period during which only interests will be perceived.

This loan didn't generate any security right or personal guarantee.

This loan is attached to a hold back of 125 K€.

- a "Future" loan of 2,500 K€ granted by BPI/

Available on 13 November 2014;

Duration: 10 years

Fixed rate: 4.51% / year;

The principal repayment will be made in 28 quarterly payments at the end of the month, with the capital being depreciated on a straight-line basis, after a 36 month deferred period during which only interests will be perceived.

This loan didn't generate any security right or personal guarantee.

- the funding of the state debt to BPI related to CICE 2013 and 2014, for an amount of 2,139 K€, due in October 2015; the interests are based on the EURIBOR 1 month increased by 1.20% a year.

The loans and financial debts contracted with credit institutions have been exclusively made in euros:



Table 35. SQLI gross financial debt during the last two years

(Data in thousands of euros)

	2015	2014	Variation
Repayable advances	43	64	-21
Loans toward credit institutions	9,570	5,000	4,570
Restatement of lease contracts	66	59	7
Valuation of rate hedging instruments	25	0	25
Other non current liabilities	9,704	5,123	4,581
Bond loan	1,738	5,138	-3,400
Loans toward credit institutions	1,500	6,840	-5,340
Restatement of lease contracts	73	60	13
Received security deposits	21	0	21
Bank overdrafts	2,168	2,219	-51
Accrued interest not due	1,711	1,477	234
Valuation of rate hedging instruments	52	163	-111
Current liabilities	7,263	15,897	-8,634
			0
Total of gross financial debt	16,967	21,020	-4,053

"Croissance" loan BPIFrance financement

Croissance loan fund of 2,500 K€ with Bpifrance Financement:

- Available on 13 November 2014;
- Duration: 7 years
- Fixed rate: 2.92% / year;
- The principal repayment will be made in 20 quarterly payments at the end of the month, with the capital being depreciated on a straight-line basis, after a 24 month deferred period during which only interests will be perceived.
- This loan didn't generate any security right or personal guarantee.
- This loan is attached to a hold back of 125 K€.

"Avenir" loan BPIFrance financement

Avenir loan fund of 2,500 K€ with Bpifrance Financement:

- Available on 13 November 2014;
- Duration: 10 years
- Fixed rate: 4.51% / year;
- The principal repayment will be made in 28 quarterly payments at the end of the month, with the capital being depreciated on a straight-line basis, after a 36 month deferred period during which only interests will be perceived.
- This loan didn't generate any security right or personal guarantee.



10,000 K€ with a bank pool including banque Palatine, BNP Paribas, Société Générale, Caisse d'Epargne et de Prévoyance Bretagne Pays de Loire and Crédit Lyonnais

- a first withdrawal of 7,000 K€ was made available to SQLI on 17 December 2014;
- The credit repayment will start on 30 November 2015 and end on 30 November 2019.

Allocation date	30/11 2015	31/05 2016	30/11 2016	30/05 2017	30/11 2017	30/05 2018	30/11 2018	30/05 2019	30/11 2019
Depreciation	11%	11%	11%	11%	11%	11%	11%	11%	12%

- Interests are due every quarter based on EURIBOR 3 month rate, increased by a margin of 1.50 to 2.40% maximum, set according to the R2 level ratio (net financial debt / restated EBITDA):

R2 Level ratio	Margin applied to the credit
$R2 \leq 0,75$	1.50%
$0,75 < R2 \leq 1,2$	1.75%
$1,2 < R2 \leq 1,5$	2.00%
$1,5 < R2$	2.40%

10.3.2. DEBT MATURITY

The following chart presents SQLI debt situation according to payment deadlines.

The debt maturing within one year decreased by 8,634 K€ because of the reclassification of the 7,000 K€ long term loan (nominal value)

and the repayment of loans contracted due made during the year.

For more information, see Chapter 10.4. *“Possible restrictions on the use of capital”*.

Table 36. Gross financial debt per deadline

	2015	2014
Due within one year	7,263	15,897
Due between 1 and 5 years	7,774	2,123
Due in more than 5 years	1,930	3,000
Total of gross financial debt	16,967	21,020

(Data in thousands of euros)



10.3.3. NET FINANCIAL DEBT

SQLI net cash flow was a bit lower in 2015 (1,232 K€), because of a decreasing available cash flow (-5 091 K€), partly offset by the gross financial debt improvement (+ 4,053 K€).

Table 37. SQLI net financial debt during the last two years

(Data in thousands of euros)

	2015	2014	Variation
Total of gross financial debt	16,967	21,020	-4,053
Cash flow and equivalents	-18,199	-23,290	5,091
Total of net financial debt	-1,232	-2,270	1,038



10.4. POSSIBLE RESTRICTIONS ON CAPITAL USE

Restrictions and warranties related to banking loans

Credit agreement of 4 December 2014

a first withdrawal of 7,000 K€ was made available to SQLI on 17 December 2014;

As a security and repayment insurance, SQLI gave to the Banks the following guarantees:

- a pledge of ECOMMERCE4U all social shares,
- a pledge of the security account held in WAX INTERACTIVE LILLE books,
- a pledge of the security account held in WAX INTERACTIVE books,
- a transfer of the debt due to SQLI by WAX INTERACTIVE regarding a current account advance agreement and the related accessories.

The credit agreement includes several cases of anticipated collectability, such as:

- payment default regarding any amount due as part of the credit agreement at the maturity date of the related amount;
- failure to comply to any obligation or duty from SQLI or any of its subsidiaries (other than the payment obligation aforementioned), under the the financial documentation related to the credit (except in case of regularization in the terms and conditions described in the credit agreement),
- inaccuracy of statement of guarantee made or to be made or confirmed by SQLI or any of its subsidiary in the financial documentation related to the credit ((except in case of regularization in the terms and conditions described in the credit agreement),
- failure to comply with financial ratios (such as defined in the credit agreement) and failure to perform the verification and annual certification of these financial

ratios by the statutory auditors, or delivery of an incomplete ratio certificate (statutory auditors stamp missing),

- $R1 = \text{Interest charge coverage ratio} = \frac{\text{restated EBITDA}}{\text{Cash net financial costs}} > 8$
- $R2 = \text{Leverage ratio} = \frac{\text{net financial debt}}{\text{restated EBITDA}} < 1,2$ in 2014 and then 1 in the following years
- $R4 = \text{Structure ratio} = \frac{\text{net financial debt}}{\text{Own equity}} < 0,3$
- failure to use the Credit in compliance with the credit agreement terms and conditions,
- loss of a guarantee granted as a repayment warranty regarding the funds made available under the credit agreement,
- occurrence of a negative significant event, such as defined in the credit agreement, other than those aforementioned,
- failure to comply with execution measures, decisions or verdicts (the nature of these execution measures, decisions or verdicts is detailed in the Credit agreement, along with the conditions of non-compliance leading to the anticipated collectability of the funds due under the agreement), etc.

OBSAAR

On 18 December 2015, SQLI announced the early repayment on 20 January 2016 of the last portion of the bond loan. The representent of the bond owners confirmed on 23 December that this announcement caused the early repayment clause to be invalid since the contractual financial ratios had not been respected.



10.5. EXPECTED SOURCES OF FUNDING NEEDED TO MEET THE GROUP COMMITMENTS

The company declares that the firm commitments are related to significant investments and that current investments, exposed in paragraph 5.2 "*Investments*" will be respected thanks to the group available revenues amounting to 18.2 M€ on 31 December 2015.



CHAPITRE 11. RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES

11.1. TRADEMARKS, PATENTS, LICENSES AND INTELLECTUAL PROPERTY PROTECTION POLICY

SQLI does not have any dependence on patents or licenses essential for its activity. The Groups main brands (SQLI, Eozen, Alcyonix) are protected in Europe and in the United States.

All the brands belong to SQLI. There is no existing item owned by the company managers or their families. All legal forms of protection of the trademarks, domain names and the

copyright have been carried out to the benefit of SQLI or its subsidiaries.

SQLI and its subsidiaries benefit from the copyright protection, enforced by the law of 3 July 1985, on all their software solutions and training aids. Major works have been deposited with a bailiff or with specialized depositories.

11.2. RESEARCH & DEVELOPMENT RELATED ACTIVITY

Since it was created, SQLI always tried to support its customers in the new technologies application. SQLI group has always been a precursor when it comes to adaptation and integration of new technologies.

Although SQLI group can't guarantee that it will always be able to quickly identify and build up knowledge for every change in technology, this skill is part of the company culture and constitutes one of its strong points.

Innovating means detecting, anticipating and experimenting in order to take the best decisions and generate relevant usages. The group is also recognized for his 6MMX innovation approach: innovating in usages, methods, ideas, interfaces and technologies.

In 2015, the group carried on new developments in the following fields:

- BIG DATA HADOOP project: development of a feelings analysis solution package under BIG DATA architecture, ready to be implemented in the companies systems.
- AUGMENTED REALITY project: study of the use of augmented reality technologies within a troubleshooting environment.

- POC BEACON: experimentation works on the dematerialization and automatization of customer relationships for banking agencies.
- POC SCAN 3D project: solutions to digitalize products and stores, experiment on scanning systems (products, items, floors, etc.)
- MRO_W3 project: Maintenance support solutions (support, analysis, watch, etc.)
- "WEBTEK": application created to manage incidents follow-up regarding BtoB product between customers and manufacturers.
- *Boutique Appointment Tool*: implementation of a real-time management solution for the clients of watchmaking group stores.
- development of methodologies, processes and tools regarding the transition of decision reports from BO 6.5 to BO XI r4 with integration of the database transition.

In 2015, R&D expenses, which consisted in staff costs of researchers and functioning costs, accounted for about 2.8% of annual turnover.

The groups expenses in 2015 for the R&D activity in compliance with the R&D tax credit



criteria, generated a R&D tax claim of 1,506 K€ registered in the Assets of the balance sheet.

As a precaution, a non-deductible provision was assigned to this asset, which was not definitively earned.

The provision for 2015 accounts for 30% of the tax claim and is registered in the income statement together with the tax credit. This provision will be maintained during a period of 3 years, notwithstanding the repayments registered in the meantime.

A tax investigation regarding R&D tax credit for years 2010 to 2012 (3,759 K€) ended with a recovery of 856 K€ accepted by SQLI and a provision reversal of 1,040 K€.

Following the results of this investigation, the company decided to decrease the uncontrolled R&D tax credit provision rate (2013 to 2015) from 50% to 30%, generating a write back of 335 K€ for years 2013 and 2014 and an allocation of 452 K€ for 2015.

CICE credit claims for 2013 (962 K€) and 2014 (1,397 K€) have been transferred to Bpifrance Financement in 2014 against a prefunding amount of 2,139 K€. CICE credit claims non assigned at 31 December 2015 amount to 1,723 K€.

Furthermore, the innovative capacity of SQLI has been recognized by BPIFrance agency (formerly OSEO-ANVAR), being rewarded with the label of innovating company in September 2004, December 2007, April 2011 and May 2014.

labeling regarding actual or future projects implying innovative technologies for 4 kinds of operations:

- future innovations;
- new products;
- improvement of product technologies;
- customer-related innovations.

This "Innovative Company" label allows innovation funds (FCPI) to purchase SQLI

shares and allocate this investment as part of its compulsory investment in innovative companies.



CHAPITRE 12. INFORMATION ABOUT THE TRENDS

12.1. MAIN TRENDS WITH AN EFFECT ON BUSINESS IN 2013

At the present Reference Document date, SQLI activity remains stable.

On 20 January 2016 SQLI executed the early repayment of the last portion of the 3.4 M€ bond loan.

Press release, 7 April 2016 - Expansion to the United Kingdom

SQLI, a reference partner for companies and businesses focused on the definition, implementation and management of their digital transition, has announced its expansion to the United Kingdom. The Group is reinforcing its international reach with a team of experts in e-Commerce delivery and a solid Offshore production base in South Africa.

MORE THAN 20 EXPERTS IN CUTTING-EDGE E-COMMERCE PLATFORMS

SQLI has chosen to accelerate its market penetration in the United Kingdom by integrating a team of renowned experts in state-of-the-art e-Commerce platforms. The Group will integrate the twenty or so employees of InventCommerce who operate across the entire value chain, from consulting to architecture, development and support. Like SQLI, InventCommerce is a partner of Hybris and Magento, two technological benchmark brands in this sector.

InventCommerce has a sales office in London and an English-speaking Offshore production base in Cape Town, South Africa. Since its creation in 2011, the company has deployed e-Commerce platforms for major accounts such as Danone, Dr Martens, Pearson, Shell and SSE, both in the United Kingdom and in other European countries.

A VERY STRONG FIT BETWEEN TEAMS

The teams at SQLI and InventCommerce share the same DNA, combining marketing and technological expertise in the service of major innovative e-Commerce projects. Already present in France, the Benelux countries and Switzerland, SQLI is extending its presence across Northern Europe and reinforcing its Offshore production capacities. The Group will now have two highly-skilled, highly-competitive technical production bases - one in Morocco and one in South Africa - which share the same time zone as Europe.

SQLI's new UK operations will be managed by a running operational team composed of InventCommerce CEO Kevin Ludford (ex-Oracle, Optaros), and COO/CTO Jason Bramsden (ex-eCommera, Optaros).

InventCommerce will be integrated from 1st January 2016. While the terms and conditions of the operation are confidential, the acquisition will not be financed by a loan or share issue and will be immediately accretive.

There hasn't been any other event occurring after the accounts closure which could modify these accounts at 31 December 2015.



12.2. FACTORS LIKELY TO AFFECT SQLI PERSPECTIVES

As far as the Group is concerned, there is no existing factor likely to have a significant impact on the company perspectives.



CHAPITRE 13. PROFIT EXPECTATIONS AND ESTIMATE

SQLI chose not to include profit expectations or expectations in this report.

Details on the company strategy and projects are given in Chapter 6. *"General survey of the company activities"*.



CHAPITRE 14. MANAGERIAL, GOVERNING AND SUPERVISORY ORGANS

14.1. GENERAL INFORMATION

14.1.1. HEAD MANAGERS

At the date of the present document, the Company head managers are the following:

- Monsieur Didier FAUQUE, Chief Executive Officer;
- Monsieur Nicolas Rebours, Delegated Executive Officer (and Executive and Financial Director of SQLI).
- Monsieur Thierry Chemla, Delegated Executive Officer (and Director of SQLI Group Strategy and Development).

Didier Fauque replaced Julien Mériaudeau as SQLI new CEO on 7 May 2013.

The CEO is assisted by two Delegated Executive Officers: Nicolas Rebours, appointed by the Executive Board on 30 June 2008, and reappointed by the Board on 25 June 2014, and Thierry Chemla, appointed by the Executive Board on 14 January 2014.

14.1.2. MEMBERS OF THE EXECUTIVE BOARD

At the date of the present document, the Executive Board members are:

- Monsieur Roland Fitoussi, Chairman of the Executive Board;
- Madame Véronique Reille-Soult de Dalmatie, member of the Executive Board;

- Monsieur Bernard Jacon, member of the Executive Board;
- Monsieur Hervé de Beublain, member of the Executive Board;
- Monsieur Didier Fauque, member of the Executive Board.

During the meeting of 15 May 2013, Didier Fauque was appointed as a new Board member after Julien Mériaudeau resignation. This decision was confirmed by the General Assembly of 26 June 2013.

Monsieur Roland Fitoussi has been appointed Executive Board Chairman on 14 June 2011. His mandate was renewed by decision of the Board on 25 June 2014. This decision was confirmed by the General Assembly of 25 June 2014.

Véronique Reille-Soult de Dalmatie was appointed director by the General Assembly of 25 June 2014, replacing Fabienne Conte.



The mandates and functions held by the Executive board members in 2015 are the following:

Table 38. Remuneration and benefits of the Board members

First and last name of executive officers and managers	Functions	Other mandates exercised in 2011 and in the last five years
Business address	Mandate starting date	
Age and amount of held shares	Mandate ending date	
Roland Fitoussi	EB member and Chairman	Other current mandates:
Age: 71 years	Mandate starting date: Executive Board member since 30 June 2008	Honorary chairman of Solving Efeso International Supervisory Board
Number of shares 422,634	Reappointed on 25 June 2014	Président of Sethi
	Chairman since 14 June 2011	Manager of Immobilière Fénélon
	Mandate expiry date: General meeting presiding on year ended 31 December 2019	Manager of HIP Fénélon
		Other mandates exercised in the last five years:
		Executive board member of Bohlin & Strömberg
		Executive board member of Solving Iberica
		Executive board member of Solving Spa
		President of Solving International North America
		President of Solving Efeso International Board
		Executive Board member of Alcor Développement
Véronique Reille- Sout de Dalmatie	Executive Board member	Other current mandates:
Age: 51 years	Mandate starting date: 25 June 2014	President of Boutique Factory SAS
Number of owned shares: 0	Mandate expiry date: General meeting presiding on year ended 31 December 2019	Other mandates exercised in the last five years:
		President of 910*
Hervé de Beublain	Executive Board member	Other current mandates:
Age: 56 years	Mandate starting date: 14 June 2011	Member of Legris Industries SA Group Supervisory Board
Number of owned shares: 60,634	Mandate expiry date: General meeting presiding on year ended 31 December 2016	President of FDV SAS
		President of BDB SAS
		President of Platinum Gestion
		Other mandates exercised in the last five years:
		Member of Member of Constellation Network SAS Supervisory Board



		Member of Movies Benelux EB CEO of Nextstage SAS (NS) Observer of Gruau SA President of Augier Passy SAS Chairman of the Supervisory Board Fillon Participations SAS EB member of S.E.V SA EB member of PEI SA Member of Frégate SAS Strategic Committee Chairman of Fd5 SA Governing Board Member of Holding Lagoutte Supervisory Board Member of KXEN Inc Board NS permanent representative, EB member Cabinet Roux NS Permanent representative, Member of Asset International Holding SAS and Accorus SAS Strategic Committees NS Permanent representative. Executive Board member Resto-in SA, First SA NS Permanent representative, Member of Alyotech SAS, Alyotech Consulting SAS, Quadriplay SAS, Inovasol SAS, Elbee SAS, HTI SAS, Hippo SA, Arma + SAS Supervisory Board
Bernard Jacon	Executive Board member	Other current mandates:
Age: 72 years	Mandate starting date: 14 June 2011	Manager of LVCT
Number of owned shares: 4,277	Mandate expiry date: General meeting presiding on year ended 31 December 2016	Other mandates exercised in the last five years:
		EB member of Press Index
Didier Fauque	CEO and EB member	Other current mandates (beside SQLI group)
268, avenue du Président Wilson	Mandate starting date: CEO since 7 May 2013	President of WADI Management SAS
93210 La Plaine Saint-Denis	Executive Board member Cooptation on 15 May 2013 / ratification on 26 June 2013 Reappointed on 25 June 2014	Comanager of Wadi Investment SPRL
Age: 52 years	Mandate expiry date:	Other mandates exercised in the last five years:
Number of owned shares: 9,385	Executive Board member General meeting presiding on year ended 31 December 2019	None





Table 39. Mandates and functions of Head Managers during the year

For M. Didier Fauque, see previous table.

First and last name of executive officers and managers	Functions	Other mandates exercised in 2011 and in the last five years
Business address	Mandate starting date	
Age and amount of held shares	Mandate ending date	
Nicolas Rebours	Delegated Executive Officer	Other current mandates:
268, avenue du Président Wilson	Executive and Financial Manager	None
93210 La Plaine Saint-Denis	Mandate starting date:	Other mandates exercised in the last five years:
Age: 55 years	30 June 2008	None
Number of owned shares: 53	Mandate expiry date:	
	His mandate was renewed by decision of the Board on 25 June 2014.	
Thierry Chemla	Delegated Executive Officer	Other current mandates:
268, avenue du Président Wilson	Director of Strategy and Development	None
93210 La Plaine Saint-Denis	Mandate starting date:	Other mandates exercised in the last five years:
Age: 51 years	14 January 2014	None
Number of owned shares: 0	Mandate expiry date:	
	General meeting presiding on year ended 31 December 2016	

There is no existing family relationship between the members of the Executive Board.

During the last five years SQLI didn't have any Manager or Executive Officer who:

- Was convicted for fraud, accused or punished by the regulatory and statutory authorities ,

- Was involved in a bankruptcy, sequestration or liquidation as a member of the Executive, Governing or Supervisory Board, or an active partner or founder,
- Had its business activity, role or action stopped by a court, as a member of the Executive, Governing or Supervisory Board.



14.1.3. EXECUTIVE OFFICERS PROFILE

Monsieur Roland Fitoussi

Telecommunications Engineer, and graduated in Economics.

Before being an Executive officer within SQLI Executive Board, Roland Fitoussi was vice-president of SQLI Supervisory Board since 2002.

In 1980, after several years in consulting business, he created Solving International, a strategy and management consulting firm (which entered the junior stock market in 1998).

He also has other functions inside Solving International group: CEO of Solving International North America, Executive officer of Bohlin & Strömberg, and of Solving Iberica. He is also a manager in HIP Fenelon and SETHI company.

He published two books: « Gagner dans la cour des géants » (1991) and « Conquérir les marchés du XXIème siècle » (1995).

Véronique Reille-Soult de Dalmatie

Véronique Reille-Soult de Dalmatie, 51 years old, has been the founder and President of 910* since its creation. This company is the first consulting agency specialized in reputation management and interactive influence, as well as a pioneer in conversational devices and influence strategies.

She was formerly CEO of Hopscotch, a communication group of 9 companies, specialized in social web and on line influence strategies.

Being a digital communication and social networks expert, Véronique Reille-Soult de Dalmatie is regularly interviewed in large audience medias.

Monsieur Hervé de Beublain

Graduated at ESSEC (1981) and ENA (1986)

Hervé de Beublain worked within the Ministry of Industry during 4 years, first as a deputy member and then as Manager of the Economy and Finance Department of the Hydrocarbons Division. In 1990, he was appointed Deputy Director of Baring Brother before becoming

Partner of the company. He acted as a consultant regarding mergers and acquisitions in France and abroad. In 1995, he created FD5, an investment funds (60M€ of own equity today) of which he still is the President. Since 2004, Hervé De Beublain is CEO and Partner of NextStage.



Monsieur Bernard Jacon

Engineer. Graduated in Sciences.

Bernard Jacon started his career at IBM France in 1968. He became member of the Governing Board in 1988 and was put in charge of all service activities, Telecom unit and subsidiaries development. Later, he became manager of IBM business for professional services at European level during 4 years.

Then, he created his own company and worked 5 years on SSII companies bridging activity. He became member of Société PressIndex Executive Board.

He assisted in the development of various start up companies, especially within the "Entreprendre" network.

Monsieur Didier FAUQUE

Graduated from European Business School Paris.

Didier Fauque was previously CEO of IBM Global Business Services in France.

In this function, he helped developing Consulting and Integration activities from 2011.

He also served as vice-President of IBM Sectors and Systems & Technology Group.

14.1.4. HEAD MANAGERS PROFILE

For M. Didier Fauque, see previous profile.

Monsieur Nicolas Rebours

Degree from Paris IX Dauphine University and certificate of Organization and Management of Accounting Expertise.

Nicolas Rebours was graduated in 1984 at Paris IX Dauphine University (Degree of Financing and Accounting) and got a certificate of Organization and Management of Accounting Expertise in 1985. He started his career as an auditor at Pricewaterhouse Coopers firm. From 1999 to 2000 he was successively Executive and Financial manager in various AG

and Atempo software publishers among which Dorotech, Software AG and Atempo, and worked for DSL Subiteo operator until 2001 and for In-Fusio, leading company for downloadable games on mobile phones.

In 2002, he entered SQLI as a Financial and Executive officer. He became Associate manager in June 2008 after having been member of the Governing Board from June 2002 to June 2008.

Thierry Chemla

Degree from the École Nationale Supérieure d'Informatique pour l'Industrie et l'Entreprise.

After several management positions at IBM, PricewaterhouseCoopers and BNP Paribas, Thierry Chemla was appointed vice-president Sales of IBM Global Business Services in 2010

and member of IBM France Governing board, where he supervised the operating management of all Sectors and a transformation project aimed at revitalizing the commercial performance of consulting and integration teams.



14.2. CONFLICTS OF INTEREST WITHIN THE EXECUTIVE, GOVERNING AND SUPERVISORY BOARDS

Except for the elements indicated in Chapter 19 of the present reference document "*Operations with related firms*" and related to the company various regulated conventions, as exposed in paragraph 16.5 "*Report on internal control and company governance*" there is no existing risk of conflict of interest between the functions of the persons presented in paragraph 14.1. "*General information*" and their private interests and/or other functions.

There has not been any agreement or settlement concluded with customers, suppliers or others leading to the appointment of one of the persons presented in paragraph 14.1 "*General information*" as members of the Executive Board or the Governing Board.

There is no existing retain undertaking or restriction accepted by any of the persons presented above, related to the transfer of their assets in the company.



CHAPITRE 15. REMUNERATION AND BENEFITS

15.1. REMUNERATION AND BENEFITS IN KIND GRANTED TO EXECUTIVE OFFICERS AND EXECUTIVE HEAD MANAGERS.

15.1.1. REMUNERATION EXECUTIVE OFFICERS

The remuneration of the Executive managers, and especially annual determination of their proportional compensation along with the attribution of free shares, is decided by the Executive Board according to their work, results, and responsibility with the objective of keeping and rewarding the good managers.

The data presented below is in compliance with FMA recommendations of 22 December 2008

Monsieur Yahya El Mir

Monsieur Yahya El Mir resigned from all his mandates within SQLI Group during the Executive Board meeting of 29 March 2011. The Board acknowledged this decision. The financial compensation due to Monsieur Yahya El Mir for the non competition commitment amounted to:

and 17 December 2013 regarding information on Executive officers compensations to include in the reference document.

It is also in compliance with the Commercial Code regulations about the information to be given in the Management Report, with the EU Regulation n°809/2004 of 29 April 2004 and with MiddleNext guidelines.

- Immediate payment: 604,310 € (paid in 2011);
- Deferred payment: 151,078 € in 60 monthly payments of 2,518 € from April 2011 to March 2016.

Monsieur Didier FAUQUE

Didier Fauque was appointed CEO after the Executive Board meeting of 7 May 2013, for a duration of 3 years. The Executive Board set Monsieur Didier Fauque annual fixed wages for his CEO work contract to 250.000 euros (gross value) from 7 May 2013.

On 7 May 2013, the Executive Board decided that the annual variable compensation of the CEO would be calculated according to the annual budget being reached and year objectives defined by the Board being fulfilled.

On 19 March 2015, the Executive Board set the objectives for 2015 in terms of turnover and operational EBIT and regarding the execution of 2016 strategical plan.

Following the aforementioned objectives, the Executive Board fixed on 17 March 2016 the CEO variable compensation for year ended 31 December 2015 to 167,600 euros.

The Board meeting of 7 May 2013 also set exceptional bonuses due between 2013 and 2015 (capped at 600,000 euros for the three years) according to SQLI stock performance compared with the arithmetic mean of a comparable companies panel.

On 17 March 2016, the Executive Board fixed the CEO bonus amount at 186,222 €.

The CEO is allowed to have a company vehicle corresponding to in kind benefit of 3,837 € for 2015.

The CEO will benefit from the pension, health and social security Company schemes for managers and from a life-insurance contract



with fixed contributions subscribed by SQLI for the company employees (Article 83 of French Code Général des Impôts). This collective contract hasn't been implemented since 2013.

Didier Fauque also has an executive manager job loss insurance, whose premiums are calculated as benefit in kind and amount to 45,535 € for year 2015 (same as for year 2014, paid in arrears and recorded as benefit in kind in 2015).

On 16 September 2014, in compliance with the delegation granted by the General Assembly on 25 June 2014, the Executive Board issued 215,784 shares with warrants attached (BSA), 143,856 of which have been subscribed by Wadi Investment, whose capital and voting rights are currently mainly owned by Didier Fauque.

Monsieur Nicolas Rebours

M. Nicolas Rebours compensation for his Delegated Executive Officer position was set by the Executive Board during the meeting of 29 July 2013 and confirmed when his mandate was renewed on 25 June 2014. His annual gross compensation amounts to 20,000 € and is paid every month.

Monsieur Nicolas Rebours kept the benefit from his work contract of Executive and Financial manager of the group. The Annual fixed wages of Monsieur Nicolas Rebours amounts to 151,500 euros (including vacation bonus). The variable part of his remuneration

amounts to 70,000 € (gross value). The company vehicle in kind benefit amounts to 4,437.

Furthermore, after authorization of the Combined General Meeting of 25 June 2014 and following a proposal of the Compensation committee, the Board decided to grant 3,500 stock options to Nicolas Rebours on 5 November 2014 (see explanations in point e) of the report of the Chairman and Executive Board presented in paragraph 16.6.1.

Table 40. Options allocated to Head managers and Executive officers

	N° and date of plan	Nature of option	Option valuation in fair value	Number of options granted during the period	Exercise price	Exercise period
Nicolas Rebours Delegated Executive Officer	2014 plan 05/11/2014	Stock options	€6,211	3.500	€16.00	From 01/01/2017 to 06/11/2019



The Executive Board didn't attach a performance condition to the exercise of all or part of Nicolas Rebours stock options, in spite of the MiddleNext Code fifth recommendation, for the following reasons: the consented options are related to M. Rebours employment contract and not to his social mandate, which proves he

had the same rights as the other employees regarding these stock options.

On 5 November 2014, the Executive Board decided that the stock options holders who exercised their options, would have to register in their own name the shares subscribed after exercising their options.

Thierry Chemla

On 14 January 2014, the Executive Board decided that Thierry Chemla would not receive any compensation for his mandate of Delegated Executive Officer.

He kept the benefit from his work contract of Executive and Financial manager of the group. M. Chemla compensation regarding his employment contract is the following: fixed wages: 181,642 € (including vacation bonus),

variable part based on target achievement: 90,000 €, bonus: 120,000 €. The company vehicle in kind benefit amounts to 3,925 €.

On 16 September 2014, in compliance with the delegation granted by the General Assembly on 25 June 2014, the Executive Board granted 71,928 BSA to Thierry Chemla (see explanations in g) of the Executive Board chairman's report presented in paragraph 16.5.1.

Table 41. Remuneration, options and shares allocated to every head manager

	[Amount in euros]	
	2015	2014
Nicolas Rebours - Delegated Executive Officer		
Remuneration due for the financial year (Cf. Table 48)	229,288	212,549
Valuation of stock options granted during the financial year	0	6.211
Valuation of performance shares granted during the financial year		
Total	229,288	218,760
Didier Fauque - CEO since 07 May 2013		
Remuneration due for the financial year (Cf. Table 48)	564,068	579,970
Valuation of stock options granted during the financial year		
Valuation of performance shares granted during the financial year		
Total	564,068	579,970
Thierry Chemla - Delegated Executive Officer since 14 January 2014		
Remuneration due for the financial year (Cf. Table 48)	307,525	233,107
Valuation of stock options granted during the financial year		
Valuation of performance shares granted during the financial year		
Total	307,525	233,107
Total	1,100,881	1,031,837



Table 42. Remuneration of every head manager for years 2014 and 2015

	Paid in 2015	Due in 2015	Paid in 2014	Due in 2014
Didier Fauque - CEO since 07 May 2013				
Fixed remuneration	266,448	266,448	266,488	266,488
Variable remuneration	190,000	167,600	306,000	190,000
Extraordinary remuneration	0	0	0	0
Attendance fee	12,500	12,500	5,000	5,000
In-kind compensations	95,120	95,120	2,522	2,522
Total	564,068	541,668	580,010	464,010
Nicolas Rebours - Delegated Executive Officer				
Fixed remuneration	171,500	171,500	171,500	171,500
Variable remuneration	53,350	59,500	38,250	51,600
Extraordinary remuneration	0	0	0	0
Attendance fee	0	0	0	0
In-kind compensations	4,438	4,438	2,799	2,799
Total	229,288	235,438	212,549	225,899
Thierry Chemla - Delegated Executive Officer				
Fixed remuneration	181,800	181,400	181,642	181,642
Variable remuneration	121,800	195,300	49,000	121,800
Extraordinary remuneration	0	0	0	0
Attendance fee	0	0	0	0
In-kind compensations	3,925	3,925	2,465	2,465
Total	307,525	380,625	232,927	305,727
Total	1,100,881	1,157,731	1,025,486	995,636



15.1.2. REMUNERATION OF EXECUTIVE BOARD MEMBERS

Monsieur Roland Fitoussi

The current remuneration of Monsieur Roland Fitoussi regarding his non executive Chairman function has been fixed by the Executive Board, after recommendation of the Compensation Committee, during its meeting of 31 December 2011. The Board decided to grant Monsieur Roland Fitoussi annual fixed wages of 70,000 € and an annual variable compensation, calculated in reference to the CEO annual variable compensation and equal to one quarter of the CEO compensation.

The Board decided on 19 March 2015 to grant Monsieur Roland Fitoussi a variable compensation for year 2015, equal to one quarter of the CEO compensation (fixed and variable) for year 2015, with the application of a price-cap formula such as determined by the Board.

Other EB members

The appointed members received a total amount of 70,000 € of Attendance fee in 2015 due for the period between the annual meeting of June 2014 and the annual meeting of June 2015. The distribution of this amount was decided according to the attendance rate of each member to the Board meeting and their participation to the committees.



Table 43. Distribution of attendance fees and other remunerations of the Executive Board members
(Head managers excluded)

(In euros)

	2015	2014
Roland Fitoussi - Executive Board member	105,000	159,500
Attendance fee	12,500	15,000
Other remuneration	92,500 ¹	144,500
Hervé de Beublain – Executive Board member	15,500	15,000
Attendance fee	15,500	15,000
Other remuneration	0	0
Bernard Jacon – Executive Board member	15,500	20,000
Attendance fee	15,500	20,000
Other remuneration	0	0
Didier Fauque – Executive Board member	12,500	5,000
Attendance fee	12,500	5,000
Other remuneration	0	0
Véronique Reille-Soult de Dalmatie - Executive Board member	14,000	0
Attendance fee	14,000	0
Other remuneration	0	0
Fabienne CONTE – Executive Board member until 25 June 2014)	0	15,000
Attendance fee	0	15,000
Other remuneration	0	0
Total	162,500	214,500

¹ The amounts due regarding M. Roland Fitoussi compensation for year 2015 are 164,000 € (excluding attendance fees) and the amounts paid are 92,500 € (excluding attendance fees).



15.1.3. SHARE AND SUBSCRIPTION OPTIONS AND PERFORMANCE SHARES

On 5 November 2014, the Executive Board granted 48,000 stock options to employees and executive managers.

The conditions of this allocation are the following:

- the options will have to be exercised before the 6th November 2019 at the latest (5 years);
- No option can be exercised before 31 December 2016;
- Anybody leaving the company before 31 December 2016 will lose his exercise right.
- The share purchase price is set to 16 €.

The allocated stock options fair value has been estimated by an independent expert to 85 K€.

This value represents a charge registered in the Group non current result and is distributed on all the acquisition period. After the cancellation of 2,500 options due to departures, this charge amounts to 37 K€ in 2015.

No option has been exercised during the year by Executive Officers and Managers.

The history of stock options allocations or share transfer is available at paragraph 17.2 *"Participation of Executive officers and managing agents in stock option"* and 17.3 *"Participation of employees in the company's capital"*.

15.1.4. SECONDARY INFORMATION

Table 44. Secondary information

	Work contract	Extra pension plan	Compensation or advantages due or likely to be due for termination or change of function	Compensation related to a non-competition clause
Didier FAUQUE, Chief Executive Officer	No	No	Yes	Yes
Nicolas Rebours - Delegated Executive Officer	Yes	No	No	No
Thierry Chemla - Delegated Executive Officer	Yes	No	No	No

Items regarding the "Compensation or advantages due or likely to be due for termination or change of function" and the "Compensation related to a non-competition clause" are presented in paragraph 15.1.1. *« Remuneration of the Executive officers »*.

Funds provisioned or recorded by SQLI or its subsidiaries and distributed as annuities, retirement of other benefits

None.



CHAPITRE 16. ORGANIZATION OF EXECUTIVE AND GOVERNING BODIES

16.1. HEAD MANAGERS AND EXECUTIVE BOARD OF THE COMPANY

16.1.1. THE COMPANY GOVERNANCE

At the date of the present document, the Company head managers are the following:

- Monsieur Didier FAUQUE, Chief Executive Officer;
- Monsieur Nicolas Rebours, Delegated Executive Officer (and Executive and Financial Director of SQLI).
- Monsieur Thierry Chemla, Delegated Executive Officer (and Director of SQLI Group Strategy and Development).

Procedures related to the Company management

The provisions regarding the Company management and in particular the limits to head managers powers are presented below.

In the Articles of association

The procedures regarding the company management detailed in the company Articles of association, and especially Article 16, are

included in paragraph 21.2.2. "*Measures related to the Governing, Executive and Supervisory Boards*"

In the Internal work regulations

he procedures regarding the company management are detailed in the new Executive Board work regulations, enforced by the Executive Board on 22 September 2011 after the recomposition of the Board during the

General Meeting of 14 June 2011. They are exposed in paragraph 21.2.2. "*Measures related to the Governing, Executive and Supervisory Boards*"

16.1.2. THE COMPANY MANAGEMENT

Members of the Executive Board

The composition of the Executive Board is detailed in paragraph 14.1.2. "*Members of the Executive Board*"



Provisions related to the Board composition

The procedures regarding the company management detailed in the company Articles of association, and especially Article 14, are

included in paragraph 21.2.2. *"Measures related to the Governing, Executive and Supervisory Boards"*

16.1.3. INFORMATION ON THE EXECUTIVE BOARD COMPOSITION

Independent Executive Board member

Evaluation criteria

The criteria used to qualify and Independent Executive Board member are those of

AFEP/MEDEF corporate rules, which the Company decided to adopt.

Evaluation by the Executive Board

This Information is included in the Executive Board Chairman report presented in paragraph 16.5.1. *"Chairman report on the Executive*

Board functioning and the internal control procedures"

Number of shares held by an Executive Board member

Holding a share of the company is not compulsory anymore for the Executive Board members, following the statutes amendment

decided by the General Assembly met on 16 June 2009.

Executive managers elected by the staff

Alinea 4 of article 14. *"Executive Board"* of the company statutes are related to the Executive managers elected by the employees:

"4 –Executive managers elected by employees.

If the report presented by the Executive Board during the General Assembly stipulates, in compliance with article L.225-102 of the French Commercial Code, than the shares held by the employees of the Company and its affiliates, according to Article L.225-180, account for more than 3% of the share capital, one or more Executive managers have to be elected by the General Assembly after the suggestion of shareholder workers.

At least two months before the General Assembly, the Executive Board asks the employees to choose candidates. The Executive Board chairman receives the written suggestions of the staff in order to choose a candidate. To be receivable, the candidates have to represent at least 5% of shareholder workers. This procedure is recorded in a minute containing the number of votes for each candidate. The list of all chosen candidates is made and communicated to the Executive Board. "

At 31 December 2014, the company does not have any Executive manager elected by the staff.



Observers

At 31 December 2015, the Executive Board has not appointed any observer. The company managers consider unnecessary to appoint

observers as the number independent Executive managers in the Executive Board is big enough.

Role of the Executive Board

Statutory rules regarding the Executive Board

The statutory rules regarding the Executive Board are included in paragraph 21.2.2.

"Measures related to the Governing, Executive and Supervisory Boards"

The Executive Board work regulations

The new Executive Board work regulations have been voted by the Executive Board during the meeting of 22 September 2011, within the change of governance decision, after the new composition of the Executive Board adopted by the General Assembly on 14 June 2011.

These work regulations are likely to be modified by the Executive Board following the laws and regulations and its own functioning. The work regulations aim at:

- Identifying the formation, the organization, the role and powers of the Executive Board towards the General

Assembly by completing the existing legal procedures and statutes;

- Improving the efficiency of meetings, debates, and being a reference for the periodic valuation of the Executive Board functioning;
- Integrating the management of the Company in the rules guaranteeing the respect of corporate governance principles.

The composition of the Executive Board is detailed in paragraph 21.2.2. *"Measures related to the Governing, Executive and Supervisory Boards"*

Organization of the Executive Board during the year

The preparation and organization conditions of the Board are exposed in the Chairman report included in paragraph 16.5.1. *"Chairman report*

on the Executive Board functioning and the internal control procedures"



Distribution rules of attendance fees and individual compensations

The distribution rules of attendance fees are set in the Company Articles of association (in particular article 18. « *Remuneration of the Executive Board members* »).

"Article 18 - REMUNERATION OF THE EXECUTIVE BOARD MEMBERS

"The Executive Board members are remunerated with Attendance fees whose

amount is set by the Ordinary General Assembly meetings.

Extraordinary compensations can be allocated to the Executive Board members in compliance with the law. "

The attendance fees division for 2015 and 2014 is detailed in Chapter 15: "*Remuneration and benefits*"

16.2. INFORMATIONS ON SERVICE CONTRACTS

Invoicing between SQLI and its subsidiaries or between the subsidiaries themselves mainly consist in service agreements and brand and technology royalties. These transactions are fully excluded of the consolidated accounts and considered as contracted in standard market conditions.

The contracts between the Executive and Governing Boards members and one of SQLI subsidiaries which imply advantages for these members are detailed in Chapter 19 "*Operations with related firms*" of the present reference document.

16.3. INFORMATION ON COMMITTEES

This Information is included in the Executive Board Chairman report presented in paragraph 16.5.1. "*Chairman report on the Executive*

Board functioning and the internal control procedures"

16.4. STATEMENT OF COMPLIANCE WITH THE FRENCH CORPORATE GOVERNANCE SYSTEM

As decided by the Executive Board on 21 March 2013, the Company chose to comply with MiddleNext Corporate rules for listed companies in replacement of the AFEP-MEDEF from 1st July 2013.

In compliance with article L.225-37 alinea 7 of the French Commercial Code, the Chairman report on internal control and corporate governance presented below describes the rules which have not been respected and the explanations of this decision.



16.5. REPORT ON INTERNAL CONTROL AND CORPORATE GOVERNANCE

16.5.1. CHAIRMAN REPORT ON THE EXECUTIVE BOARD FUNCTIONING AND THE INTERNAL CONTROL PROCEDURES

Madam, Sir,

Being the Chairman of the Executive Board, I present thereafter the formation, established in respect of the principle of balanced representation of men and women, of the Board and the conditions of preparation and organization of the Board functions as well as the internal control and risk management procedures of the SQLI ("**SQLI**" or the "**Company**"), in compliance with article L.225-37 alinea 6 and followings of the French Commercial Code.

The company decided to refer to the MiddleNext corporate governance rules, which can be found on the company website and on MiddleNext website. In compliance with article L.225-37 alinea 7 of the French Commercial Code, the current report on internal control and corporate governance presented below describes the rules which have not been respected and the explanations of this decision.

The present report was drafted with the support of the drafting guide for reference documents for small and mid caps published by the Financial Market Authority on 2 December 2014 (DOC-2014-14), of the AMF DOC-2013-20 guidelines of 18 November 2013 - the AMF Report on corporate governance and VaMPs managers compensation and of AMF DOC-2015-01 guideline of 12 January 2015 regarding Presidents reports on internal control and risk management procedures - adapted to VaMPs issuers. The diligences created for the elaboration of the present report include interviews of the Group Financial and Executive officers, interviews of Agencies managers, the intervention of an external legal consultant, the monitoring of the Audit Committee and the Executive Board.

The report has been approved by the Executive Board on 17 March 2016, and will be included in the Management report and in the 2015 Group report drafted by the Executive Board. It will be published in the conditions set by the law.

It includes an evaluation of the adequacy and efficiency of the internal control and risk management procedures presented.

In compliance with the MiddleNext corporate governance rules preamble, The Executive Board was presented all the vigilance points mentioned in the rules.

The data required by article L.225-100-3 of the French Commercial Code, about the company capital structure and the elements likely to have an impact in case of public offer, are published in the Executive Board Management report, in compliance with this article.

The statutory auditors will present a report regarding their observations on the internal control and risk management procedures related to the drafting and the processing of accounting and financial and accounting data, certifying that the present report include other information requested by Article L.225-37 of the French Commercial Code.



I FORMATION OF THE EXECUTIVE BOARD

At the date of the present report, the Executive Board composition is as follows:

Mandate	Name	Mandate starting date	Mandate expiry date	Independence*
Executive Board member Chairman of the Executive Board	Roland Fitoussi	Mandate renewed on 25 June 2014	General meeting presiding on year ended 31 December 2019	Roland Fitoussi: non independent in regard with his reference shareholder position;
Executive Board member	Véronique Reille-Soult de Dalmatie	25 June 2014	General meeting presiding on year ended 31 December 2019	Independent
Executive Board member	Hervé de Beublain	14 June 2011	General meeting presiding on year ended 31 December 2016	independent.
Executive Board member	Bernard Jacon	14 June 2011	General meeting presiding on year ended 31 December 2016	independent.
Executive Board member	Didier Fauque	Mandate renewed on 25 June 2014	General meeting presiding on year ended 31 December 2019	Non independent because of his CEO mandate

The Executive Board decided on 7 July 2010 to separate the mandates of President and CEO.



Monsieur Roland Fitoussi has been appointed Executive Board Chairman on 14 June 2011. His mandate was renewed by decision of the Board on 25 June 2014.

Didier Fauque has been appointed CEO on 7 May 2013.

The CEO is assisted by two Delegated Executive Officers: (i) Nicolas Rebours, appointed by the Executive Board on 30 June 2008, and reappointed by the Board on 25 June 2014, and (ii) Thierry Chemla, appointed by the Executive Board on 14 January 2014.

The Executive Board decided that Nicolas Rebours and Thierry Chemla would retain both the Delegated Executive Officer mandate and their work contract, for the following reasons:

- The were both assumed as employees before being nominated as executive members.
- Their executive functions are segregated from their technical functions related to their work contract. Nicolas Rebours is Administrative and Financial manager and Thierry Chemla is Head of Strategy and Development. they both have technical functions (financial manager and head of strategy and development) which are independent from their social mandates and existed prior to the social mandates who they were entrusted with later; their social mandates are directly under the authority of the CEO and their powers are limited (not effective against third parties), such as defined at the time of their appointment.

The independence of Executive managers has been evaluated by the Executive Board during the meeting of 17 March 2016, following the MiddleNext corporate governance code.

Definition of MiddleNext independence (Recommendation n°8):

According to the recommendation, the Board should have at least 2 independent members. It can include only 1 independent member if the Board has only 5 members or less. This number can be adjusted during Board meetings with more members. The requirement of independent Board members, defined by a lack of material financial, contractual or family connections that could affect the independence of the board member's judgment, depends on four criteria:

- the independent Board member can't be an employee or a corporate officer of the Company or of one of its consolidated subsidiaries and has not occupied these functions in the last three years ;
- the independent Board member can't be a customer, a supplier, a financing or business banker of the company or have significant business with the company or the group ;
- the independent Board member can't be a reference shareholder of the company ;
- the independent Board member can't be closely related to a managing agent of the company ;
- the independent Board member can't have been a company auditor in the past three years.



The situation of every Executive Board member is as follows:

- Roland Fitoussi: non independent in regard with his reference shareholder position;
- Véronique Reille-Soult de Dalmatie, independent Board member;
- Monsieur Hervé de Beublain: independent Board member;
- Monsieur Bernard Jacon: independent Board member;
- Monsieur Julien Mériaudeau: not independent in regard with his function of Executive head manager.

The independent members amount to 3 out of 5 members, which is a higher proportion than the one required by the MiddleNext corporate governance code.

The Management Report includes the list of mandates and functions in other companies. The company respects the MiddleNext recommendations regarding the plurality of mandates.

When being appointed, every Board member was reminded of his obligations and urged to follow the ethical standards related to his mandate and to comply with the legal rules regarding the plurality of mandates. Every Board member shall inform the Board in case of interest conflict occurring after the beginning of his mandate and shall attend regularly the Board meeting and General Assemblies ; he shall be certain of having access to useful information regarding the Board meeting agenda before taking any decision and shall respect professional secrecy.

In compliance with MiddleNext corporate governance code, the Executive Board carried out its own evaluation during the meeting of 17 March 2016, and identified its formation as balanced and able to guarantee the achievement of its mission with the required independence and objectivity to the shareholders and the market.

SQLI takes into account the principle of equal representation of men and women within the Executive Board, and Véronique Reille-Soult de Dalmatie has been appointed Board member by the General Meeting of 25 June 2015, in replacement of Fabienne Conte.

According to the Company statutes, the Executive Board members are appointed for six years. The Board considers this duration is well adapted to the Company needs. The Board members mandate duration specified in the Company statutes complies with MiddleNext corporate governance code legal procedures and recommendations. For the company, the stability of Executive managers guarantees a better understanding of the company functioning and a better quality of debates and decisions.

Following the changes adopted by the General Assembly of 14 June 2011, the mandates have now staggered terms, which prevents the entire renewal of the Board and favors continuous renewal.



II CONDITIONS OF PREPARATION AND ORGANIZATION OF THE EXECUTIVE BOARD

1. Role of the Executive Board

Pursuant to the law, the Executive Board decides of the company activity orientations and supervises their implementation.

In compliance with the powers given by law to the shareholders assemblies, and in the limit of the social purpose of the company, the Board deals with any issue regarding the good functioning of the company.

it defines the company strategy, appoints the Executive head officers in charge with the management of the company, and chooses the organization system (unification or separation of the functions of Chairman and CEO), controls the management and the quality of information given to the shareholders and the markets through the company accounts and during important deals.

2. Role of the Executive Board Chairman

The Executive Board chairman is a non executive Chairman. Pursuant to the law, he organizes and run the Board works, reports to the Assembly and ensure the smooth operation of corporate organs.

The Executive Board didn't give him any other task except that of participating to the Audit and Strategy Committees.

3. Limitation of the CEO and the Delegated Executive Officer powers.

On 22 September 2011, the Executive Board adopted new internal rules stating that all decisions and actions regarding the following subjects must receive its approval:

- External growth operations;
- Approval and modification of annual budget (including an "investment" item);
- Any investment not included in the annual budget (*) which exceeds a global amount of 500,000 euros and any expense not included in the annual budget which exceeds a global amount of 500,000 euros (excluding recruitment operations);
- Any subsidiary creation or joint venture agreement;
- Any agreement or disposal or transfer act, with or without charge, of assets which are essential to the Company and/or its subsidiaries;
- Contracting a loan or any bond issue which would not be included in the annual budget and concluding an off-balance sheet commitment whose amount would exceed 1,000,000 euros (including liability guarantees);
- The grant of any security affecting the company and/or subsidiaries assets outside of their normal business and exceeding the annual allocation;
- Any decision leading to a modification of the Company statutes including but not limited to a change in the social form, the governance procedures, the social purpose and the nature of business;



- Any capital increase or decrease, securities issue in any category, merger, separation or partial contribution of assets regarding a company in the group;
- Any decision affecting SQLI brand by extension or restriction of its use;
- The implementation or modification of any participation, interest, stock option plan, of free shares allocation plan or of carry BSAAR.
- Any decision related to a change in the place of quotation for the company securities, including the withdrawal.
- Any change in accounting procedures;

According to the Company work regulations, the following items will have to be regularly reported to the Board:

- Cash position;
- Any change in high management positions (agency managers) and any change in the terms of agreement with one of these members (including in the work contract).
- For subsidiaries managers, any change regarding:
 - Their appointment and dismissal;
 - The appointment of subsidiaries Executive Board members;
 - The powers of subsidiaries Executive Boards.
- Any decision leading to a modification of a subsidiary statutes including but not limited to a change in the social form, the governance procedures, the social purpose and the nature of business;

4. Preparation and organization of the Executive Board works

Executive Board

The rules of procedure of the Executive Board voted on 22 September 2011, are available at the Company headquarters and on its website: <http://www.sqli.com>.

These work regulations are likely to be modified by the Executive Board following the laws and regulations and its own functioning.

The work regulations aim at:

- Identifying the formation, the organization, the role and powers of the Executive Board towards the General Assembly by completing the existing legal procedures and statutes;
- Improving the efficiency of meetings, debates, and being a reference for the periodic valuation of the Executive Board functioning;
- Integrating the management of the Company in the rules guaranteeing the respect of corporate governance principles.

Consequently, the work regulations stipulate that the Chairman or EOs have to communicate every Board member all the documents and data needed to the achievement of their mission.

The Executive Board members receive before the meeting of the Board the documents needed to examine the items which will be debated during the meeting.

The work regulations were adopted on 22 September 2011, i.e. before the Executive Board decision of 21 March 2013 to comply with MiddleNext corporate governance code from 1st July 2013.



During the next work regulations update, the Board will have to adapt the document in order to comply with MiddleNext corporate governance code.

Work regulations (Recommendation n°6 of MiddleNext Code):

The Code recommends to adopt Board Rules of Procedure, covering at least the following five points:

- ✓ *the role of the Board and any operations that are subject to prior authorization by the Board, if applicable;*
- ✓ *the composition of the Board /independence criteria applicable to directors;*
- ✓ *directors' duties (ethics: loyalty, non-competition, disclosure of conflicts of interest and the duty to abstain, confidentiality etc.);*
- ✓ *organization of the Board (frequency of the meetings, convening, member information, use of video conference and telecommunication) and of the committees;*
- ✓ *directors' compensation rules.*

The Rules of Procedure or substantial extracts from them should also be made public.

The Executive Board met 13 times in 2015, and recorded its decisions in minutes. The attendance rate of his members reached 97%. The Executive Board Chairman presided over all the Board meetings. Each of its meetings was preceded of the communications and information defined by the work regulations.

During these meetings, the Board debated the following items: development strategy for the group, external growth projects, semi-annual and annual accounts closure, three-month turnover closure, financial management, quarterly communicates to the markets, reorganizations approved by the general management, analysis of the management indicators trends, increase of capital for the employees, issue of stock options, issue of stock option plans, managers remuneration, governance, preparation of the annual meeting.



Committees

The Committees are strictly consultative. They are under exclusive and collective responsibility of the Executive Board members. They report to the Executive Board which can decide of what to do according to the Committee advices.

Audit Committee

In compliance with Article L.823-19 of the French Commercial Code, the Executive Board created on 1st September 2009 an Audit committee in charge of following the questions related to the drafting and monitoring of accounting and financial data. The Committee is particularly in charge of following:

- The Financial information elaboration process;
- The efficiency of internal control and risk management systems;
- The legal control of annual and consolidated accounts by statutory auditors;
- The independence of statutory auditors.

The Committee gives recommendations on statutory auditors proposed for nomination.

The Audit Committee members are:

- Monsieur Roland Fitoussi, Board member and Chairman of the Executive Board;
- Monsieur Hervé de Beublain, independent member in compliance with Middlednext Code criteria and expert in financing and accounting.

Monsieur Hervé de Beublain is chairman of the Audit Committee.

The Audit Committee met twice in 2015 with an attendance rate of 100%.

Compensation Committee

On 8 November 2011, the Executive Board decided to create a Compensation Committee, in charge of expressing recommendations regarding the compensations granted to executive officers and head managers.

M. Bernard Jacon and M. Hervé de Beublain, independent Board members, have been appointed as members of this Committee. The Audit Committee met four times in 2015 with an attendance rate of 100%.

Strategy Committee

The Strategy Committee mission is to study the Company strategy planned by the CEO and COS and/or DEOs, in particular regarding investments and current activities, and to measure the progress of developments.

At this date, the Strategy Committee members are: Véronique Reille-Soult de Dalmatie, Bernard Jacon and Roland Fitoussi.

The Audit Committee met 10 times in 2015 with an attendance rate of 95%.

Roland Fitoussi acts as Chairman of the Strategy Committee.



III COMPENSATIONS AND IN-KIND BENEFITS OF EXECUTIVE OFFICERS

The remuneration of the Executive managers, and especially annual determination of their proportional compensation along with the attribution of any kind of benefits, is decided by the Executive Board according to their work, results, and responsibility with the objective of keeping and rewarding the good managers.

Definition and transparency regarding the compensation of Executive managers (Recommendation n° 2 of MiddleNext Code):

The remuneration of the Executive managers should be decided by the Executive Board whose members also decide on the information they want to disclose in this matter, in compliance with legal and regulatory requirements and following the seven principles exposed below:

- ✓ **Exhaustive:** *the determination of corporate officers' compensation must be exhaustive: fixed part, performance-related part (bonus), stock options, bonus shares, directors' fees, pension terms and particular benefits must be taken into account in assessing overall compensation.*
- ✓ **Balanced between the various components of the compensation:** *each component of the compensation must be justified and correspond to the general interest of the company.*
- ✓ **Benchmarked:** *compensation must be assessed, to the extent possible, in relation to a reference profession and market, and must be in proportion with the situation of the company, while paying attention to any inflationary effects.*
- ✓ **Consistent:** *the manager's compensation must be set in a manner that is consistent with that of the company's other managers and employees.*
- ✓ **Clear rules:** *the rules must be simple and transparent; the performance criteria used for the performance-related components of compensation or for allocating any options or bonus shares must correspond to the purposes of the company, must be demanding, explainable and, to the extent possible, sustainable.*
- ✓ **Measured:** *the compensation and allocation of options or bonus shares should find the right balance and take account of the general interest of the company, market practices and manager performance.*
- ✓ **Transparent:** *annual information disclosure to shareholders on the compensation of the managers must be made in accordance with the applicable regulations.*



The following paragraphs describe SQLI politics regarding the Executive managers remuneration.

a) Remuneration, options and shares allocated to every head manager

Remuneration, options and shares allocated to every head manager		
Roland Fitoussi Chairman of the Executive Board	Year N-1	Year N
Remuneration due for the financial year <i>(presented in table b)</i>	159.500	105.000
Valuation of options granted during the year <i>(presented in table e)¹</i>	SO	SO
Valuation of performance shares granted during the financial year	SO	SO
TOTAL	159.500	105.000
Didier Fauque CEO since 7 May 2013	Year N-1	Year N
Remuneration due for the financial year <i>(presented in table b)</i>	579.970	564.068
Valuation of options granted during the year <i>(presented in table e)</i>	SO	SO
Valuation of performance shares granted during the financial year	SO	SO
TOTAL	579.970	564.068
Monsieur Nicolas Rebours. Delegated Executive Officer since 30/06/2008, his mandate was renewed by decision of the Board on 25 June 2014.	Year N-1	Year N
Remuneration due for the financial year <i>(presented in table b)</i>	212.549	229.288
Valuation of options granted during the year <i>(presented in table e)</i>	6.211	SO
Valuation of performance shares granted during the financial year	SO	SO
TOTAL	218.760	229.288
Thierry Chemla Delegated Executive Officer since 14 January 2014	Year N-1	Year N

¹ Appendix 2 of AMF n°2014-14 guideline (drafting guide for reference documents for small and mid caps) mentions that this information must be completed by the "value of the options and financial instruments at the time they were awarded, in accordance with IFRS 2, after primarily taking into account a potential discount linked to performance criteria and the probability of the individual's continued presence in the company at the end of the acquisition period, but before the averaging effect under IFRS 2 of the expense over the acquisition period."



Remuneration due for the financial year <i>(presented in table b)</i>	233.107	307.525
Valuation of options granted during the year <i>(presented in table e)</i>	SO	SO
Valuation of performance shares granted during the financial year	SO	SO
TOTAL	233.107	307.525

b) Remuneration allocated by the Company to each head manager

Roland Fitoussi:

	Remuneration of each head manager			
Roland Fitoussi Chairman of the Executive Board	Year N-1		Year N	
	Amounts due	Amounts paid ¹	Amounts due ²	Amounts paid
Fixed remuneration	70.000	70.000	70.000	70.000
Variable remuneration	22.500	74.500	94.000	22.500
Extraordinary remuneration	SO	SO	SO	SO
Attendance fee	15.000	15.000	12.500	12.500
Benefits in kind	SO	SO	SO	SO
TOTAL	105.000	159.500	176.500	105.000

¹ Full amount of compensations paid to each executive manager regarding his functions during the year

² Compensation granted to each executive manager regarding his functions regardless of the payment date



The Board decided on 19 March 2015 to grant Monsieur Roland Fitoussi a variable compensation for year 2015, equal to one quarter of the CEO compensation (fixed and variable) for year 2015, with the application of an incentive formula related to the stock market price, such as determined by the Board. Based on this criteria, the compensation was fixed to 94,000 euros by the Executive Board on 17 March 2016.

Compensation of Didier FAUQUE:

	Remuneration of each head manager			
Didier Fauque Chief Executive Officer	Year N-1		Year N	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed remuneration	266,448	266,448	266,448	266,448
Variable remuneration	190,000	306,000	167,600	190,000 ¹
Extraordinary remuneration	SO	SO	186,222	SO
Attendance fee	5,000	5,000	12,500	12,500
Benefits in kind	2,522	2,522	95,120	95,120
TOTAL	463,970	579,970	727,890	564,068

On 7 May 2013, the Executive Board decided that the annual variable compensation of the CEO would be calculated according to the annual budget being reached and year objectives defined by the Board being fulfilled.

On 19 March 2015, the Executive Board set the objectives for 2015 in terms of turnover and operational EBIT and regarding the execution of 2016 strategical plan.

Following the aforementioned objectives, the Executive Board fixed on 17 March 2016 the CEO variable compensation for year ended 31 December 2015 to 167,600 euros.

¹ The variable compensation of Didier Fauque paid for year N is equal to the variable compensation due for N-1.



The Board meeting of 7 May 2013 also set exceptional bonuses due between 2013 and 2015 (capped at 600,000 euros for the three years) according to SQLI stock performance compared with the arithmetic mean of a comparable companies panel.

On 17 March 2016, the Executive Board fixed the CEO bonus amount at 186,222 €.

The CEO is allowed to have a company vehicle corresponding to in kind benefit of 3,837 € for 2015.

The CEO will benefit from the pension, health and social security Company schemes for managers and from a life-insurance contract with fixed contributions subscribed by SQLI for the company employees (Article 83 of French Code Général des Impôts). This collective contract hasn't been implemented since 2013.

Didier Fauque also has an executive manager job loss insurance, whose premiums are calculated as benefit in kind and amount to 45,535 € for year 2015 (same as for year 2014, paid in arrears and recorded as benefit in kind in 2015).

On 16 September 2014, in compliance with the delegation granted by the General Assembly on 25 June 2014, the Executive Board issued 215,784 shares with warrants attached (BSA), 143,856 of which have been subscribed by Wadi Investment, whose capital and voting rights are currently mainly owned by Didier Fauque.

Compensation of Nicolas REBOURS:

		Remuneration of each head manager			
➤	➤	➤ Functions related to employment contracts			
Monsieur Nicolas Rebours. Executive and Financial Manager		Year N-1	Year N-1	Year N	Year N
		Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed remuneration		151,500	151,500	151,500	151,500
Variable remuneration		51,600	38,250	59,500	53,350
Extraordinary remuneration		SO	SO	SO	SO
Benefits in kind		2,799	2,799	4438	4438
TOTAL		205,899	192,549	215,438	209,288



➤	➤	➤ Functions related to the Delegated Executive Officer mandate			
Monsieur Nicolas Rebours. Delegated Executive Officer		Year N-1	Year N-1	Year N	Year N
		Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed remuneration		20,000	20,000	20,000	20,000
Variable remuneration		SO	SO	SO	SO
Extraordinary remuneration		SO	SO	SO	SO
Benefits in kind		SO	SO	SO	SO
TOTAL		20,000	20,000	20,000	20,000

M. Nicolas Rebours compensation for his Delegated Executive Officer position was set by the Executive Board during the meeting of 29 July 2013 and confirmed when his mandate was renewed on 25 June 2014. His annual compensation amounts to 20,000 € gross and is paid every month.

Monsieur Nicolas Rebours kept the benefit from his work contract of Executive and Financial manager of the group. The Annual fixed wages of Monsieur Nicolas Rebours amounts to 151,500 euros (including vacation bonus). The variable part of his remuneration amounts to 70,000 € (gross value). The company vehicle in kind benefit amounts to 4.437 € for year 2014.

Furthermore, after authorization of the Combined General Meeting of 25 June 2014 and following a proposal of the Compensation committee, the Board decided to grant 3,500 stock options to Nicolas Rebours on 5 November 2014 (see explanations in point e) of the present report).



Compensation of Thierry Chemla:

	Remuneration of each head manager			
	➤ Functions related to employment contracts			
Thierry Chemla Vice President Strategy & Development	Year N-1	Year N-1	Year N	Year N
	Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed remuneration	181,642	181,642	181,400	181,800
Variable remuneration	121,800	49,000	195,300	121,800
Extraordinary remuneration	SO	SO	SO	SO
Benefits in kind	2,465	2,465	3,925	3,925
TOTAL	305,727	233,107	380,625	307,525
	➤ Functions related to the Delegated Executive Officer mandate			
Thierry Chemla Delegated Executive Officer	Year N-1	Year N-1	Year N	Year N
	Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed remuneration	SO	SO	SO	SO
Variable remuneration	SO	SO	SO	SO
Extraordinary remuneration	SO	SO	SO	SO
Benefits in kind	SO	SO	SO	SO
TOTAL	SO	SO	SO	SO

On 14 January 2014, the Executive Board decided that Thierry Chemla would not receive any compensation for his mandate of Delegated Executive Officer.

He kept the benefit from his work contract of Executive and Financial manager of the group. M. Chemla compensation regarding his employment contract is the following: fixed wages: 181,642 € (including vacation bonus), variable part based on target achievement: 90,000 €, bonus: 120,000 €. The company vehicle in kind benefit amounts to 3,925 €.

On 16 September 2014, in compliance with the delegation granted by the General Assembly on 25 June 2014, the Executive Board granted 71,928 BSA to Thierry Chemla (see explanations in g) of the present report).



c) **Distribution of attendance fees and other remunerations of Non Executive directors**

Distribution of attendance fees and other remunerations of Non Executive directors		
Non Executive directors	Amounts paid during year 2014	Amounts paid during year 2015
Reille Soult de Damaltie		
Attendance fee	SO	14,000
Other remuneration	SO	SO
Hervé de Beublain		
Attendance fee	15,000	15,500
Other remuneration	SO	SO
Bernard Jacon		
Attendance fee	20,000	15,500
Other remuneration	SO	SO
Fabienne Conte (<i>expiration of her board member mandate on 25 June 2014</i>)		
Attendance fee	15,000	SO
Other remuneration	SO	SO

The amount and distribution of attendance fees have been calculated according to the members attendance to the Board meetings and to their participation in one or more Committee(s).



d) Performance shares allocated to directors

No allocation has been granted to directors in 2015.

e) Stock option plan

On 25 June 2014, the Executive Board, exercising the authorization given by the extraordinary General Assembly of 5 November 2014, decided to grant 48,000 stock options to certain employees and to Nicolas Rebours, employee and Delegated Executive Officer.

The following table describes stock options allocated to Nicolas Rebours in 2014:

Stock options allocated to each director during the year							
Name of the Executive officer	N° and date of plan	Nature of option	Valuation of options (according to the chosen method)	Number of options granted during the period	Exercise price	Performance conditions	Exercise period
Monsieur Nicolas Rebours.	2014 plan 05/11/2014	Stock options	6,211 €	3,500	€16	Without	01/01/2017 - 06/11/2019

The Executive Board didn't attach a performance condition to the exercise of all or part of Nicolas Rebours stock options, in spite of the MiddleNext Code fifth recommendation, for the following reasons: the consented options are related to M. Rebours employment contract and not to his social mandate, which proves he had the same rights as the other employees regarding these stock options.

On 5 November 2014, the Executive Board decided that the stock options holders who exercised their options, would have to register in their own name the shares subscribed after exercising their options.

f) Remuneration and benefits of Yahya El Mir, Chairman of SQLI Board until March 2011

Monsieur Yahya El Mir resigned from all his mandates within SQLI Group during the Executive Board meeting of 29 March 2011. The Board acknowledged this decision. The financial compensation due to Monsieur Yahya El Mir for the non competition commitment amounted to:

- Immediate payment: 604,310 € (paid in 2011);
- Deferred payment: 151,078 € in 60 monthly payments of 2,518 € from April 2011 to March 2016.



g) Stock purchase warrants

According to the delegation of authority granted by the Combined General Meeting twelfth resolution on 25 June 2014, the Board issued on 16 September 2014 215,784 BSA including 71,928 in the BSA 1 category, 71,928 in the BSA 2 category and 71,928 in the BSA 3 category, divided between holders as follows:

- **Thierry Chemla:** 23.976 BSA 1 at the unit price of 1.33 €, 23.976 BSA 2 at the unit price of 1.14 € and 23.976 BSA 3 at the unit price of 0.88 €.
- **Wadi Investment**, a private limited company incorporated under Belgian law (registration number: 0536.878.865), whose majority of capital and voting rights is currently owned by Didier Fauque: 47.952 BSA 1 at the unit price of 1.33 €, 47.952 BSA 2 at the unit price of 1.14 € and 47.952 BSA 3 at the unit price of 0.88 €.

These 215,784 BSA have been subscribed by their holders on 16 September 2014.

The main characteristics of the 215,784 BSA are exposed in the management report.

IV **PROCEDURES RELATED TO THE SHAREHOLDERS PARTICIPATION TO THE GENERAL ASSEMBLY**

The company Articles of association¹ do not specify any particular terms for the participation to the general meetings. The assemblies meet in the conditions pursuant to the law and the regulations, at the company headquarters.

Any shareholder is allowed to participate in General Meetings and in the deliberations either personally or by proxy, regardless the amount of shares (s)he holds, upon proof of identity as soon as her/his shares are fully paid up and registered in her/his name at least three days before the date of the Meeting, at the zero hour, Paris time, either in the securities accounts held by the company, or in the securities accounts held by the middleman in charge.

Every shareholder is allowed to vote by using a postal vote by means of a form that s/he can obtain according to the conditions laid out in the notices of meeting and convening for the General meeting.

A shareholder can only be represented by his wife/her husband, his partner in a PACS union (registered domestic partnership) or by another shareholder and any other natural or legal person given proxy rights, in compliance with the laws and regulations.

¹ Available at the company headquarters, at the Bobigny Court and on the company website: <http://www.sqli.com>



In order to make the participation to assemblies easier, and in compliance with the Financial Market Authority recommendations, the General Assemblies documents are published on the company website, at least 21 days before the assembly date.

A combined General Assembly, ordinary and extraordinary, usually meets in June every year. The participation during the last three years was the following:

- Combined General Meeting of 26 June 2013: the shareholders who were present, represented or sent their vote accounted for 44,96% of voting rights and 50.36% of the total number of votes.
- Combined General Meeting of 25 June 2014: the shareholders who were present, represented or sent their vote accounted for 48,36% of voting rights and 52.41% of the total number of votes.
- Combined General Meeting of 25 June 2015: the shareholders who were present, represented or sent their vote accounted for 54,5% of voting rights and 55.7% of the total number of votes.

V INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES OF THE COMPANY

1. The internal control procedures in effect in the company have the following object:

The internal control procedures in effect in the company aim at:

- on one hand, seeing to it that the management acts or execution of operations as well as individual behavior fall within the framework defined by the guidelines provided for the company's activities by the business organs, under the applicable laws, rules and regulations, and by the values, standards and rules internal to the business;
- on the other hand, making sure that the accounting, financial and management information communicated to the company's business organs accurately reflects the company's activity and situation.

And more globally, participating in the company activities monitoring, in the efficiency of its business actions and in the efficient use of its resources.

One of the objectives of the internal control system is to ward off and control the risks resulting from the company's business and the risks of mistakes or of fraud, particularly in the accounting and financial domains. Like any control system, however, it cannot provide an absolute guarantee that such risks are completely eliminated.

2. Presentation of the internal control organization and the risk management

SQLI group has implemented an organization and an information system adapted to its activity as a provider of computer services established in several countries, at several sites, and through several legal entities.

This configuration has led to granting substantial autonomy to the operating departments to see to proper personal management and customer relations. However, that autonomy is associated with a centralization in the registered office of the accounting, pay, purchasing and treasury functions as well as of management control. In addition, the group as a whole is federated by way of a "centralized-decentralized" information system, so that each company player can access the information he needs for performance of his assignment and update the data for which he is responsible.

Management control has the most extensive access levels so as to be able to check on all group operations.



The report presents the key points involved in internal control in SQLI group, namely:

- a) Delegations granted by the CEO;
 - b) The company's administrative organization, particularly as regards development and handling of financial and accounting information;
 - c) The Internal control.
- a) **Delegations granted by the CEO**

Only the CEO and the Delegated Executive Officer(s) (the "Head managers") can represent SQLI in its external relationships.

The Agency Managers, who assume the local functions of an establishment leader have been delegated the following powers:

Powers delegated to each agency manager¹

Relationship with the customers:

Delegation for negotiating and signing the standard contracts in effect within SQLI company with the customers within a unit limit of 500.000 € excluding taxes.

Represent the Company at hearings in the Commercial Courts.

Relationship with suppliers:

Delegation for negotiating and signing the contracts with the suppliers within a unit limit of 5,000 € excluding taxes, after prior approval by the Board Chairman or the DEO of the purchasing commitment.

Represent the Company at hearings in the Commercial Courts.

Relationship with the staff:

Within the framework of the instructions issued by the Company's representative, a delegation in charge of:

- (i) *Seeing to management of the staff for which he is responsible, with due respect for the law, rules and regulations in effect,*
- (ii) *Adopting any disciplinary sanction or other necessary measure concerning the Company's employees,*
- (iii) *Representing the Company in connection with redundancy or dismissal proceedings concerning the employees (preliminary interview and signature of the dismissal or redundancy notice)*
- (iv) *Representing the Company in conflicts concerning the employees in the "jurisdiction des prud'hommes" (French Labour Court).*
- (v) *Signing the employment contracts of the new employees hired and the riders to the employment contracts of staff for which he is responsible, after advance approval by the Executive Board Chairman or the DEO,*

Various:

Signing the correspondence and any documents falling within the framework of the delegation

¹ SQLI activity is distributed among 8 agencies (Paris, Lyon, Toulouse, Nantes, Bordeaux, Benelux, Switzerland, Morocco) covering 16 geographical locations: (Toulouse, Bordeaux, Nantes, Lyon, Paris,



Boulogne, Bagneux, Saint Denis, Rouen, Lausanne, Geneva, Brussels, Luxembourg, Rabat, Casablanca, Oujda).

b) Administrative organization, especially concerning development and handling of the financial and accounting information

The following functions are provided by the registered office for the company and for all of its French subsidiaries:

- Management of cash and of payment means
- Accounting
- Management control
- Delivery excellence
- Purchasing
- Human Resources department
- Payroll

Within the foreign subsidiaries, payroll and accounting in the local format are handled by an outside accounting firm, but the administrative departments of the registered office see to regular review of those subsidiaries' accounts and to management control.

Means applied: about 30 people

The agencies manage the following functions:

- Sales administration
- Staff administration

Means applied: 25 assistants

The systems used are as follows:

- ERP Agresso for group Accounting/Invoicing
- CCMX for the France payroll
- Internal Web application (called APP) for monitoring the following elements:
 - Staff management (work contracts, hiring, departures, holidays...)
 - Monitoring time spent
 - Management of payment factors
 - Management control
 - Computer hardware management
- Application for the follow-up and invoicing of training (called BD)
- BW SAP module for operational reporting

Eozen group (Belgium, Luxembourg) runs all its activity with an ERP SAP;

The communication of financial and accounting information is managed by the Governing Board. The Company has a schedule of repayments summarizing the periodic deadlines in terms of accounting and financial data.





c) Internal control and risk management

This section offers some general information concerning the internal control procedures, focusing on the most significant elements:

Procedures:

The main procedures established by the company are listed below:

- Manager guide
- Expense account procedure
- Guide to vehicle use
- Management application follow-up procedure
- Purchasing procedure
- Sale procedure and model Contracts
- Package project validation process

The identification of the main risks and legal and operational supervision of the subsidiaries are provided by the Executive Board members, in continuous contact with the agency managers.

Reporting:

Monthly reporting including both the results of each agency and the trend of the management indicators is produced every month and is the object of regular exchanges between group management and each agency manager.

A forecasting system regarding the agencies activity was implemented in order to better anticipate problems and decide of the actions to be taken. In 2013, BMR (Business Management Review) fortnightly meetings have been created between Head managers and Agency managers. The BW operational reporting system is used as a common information management database.

Consolidation:

Consolidation of the financial data is carried out by the registered office's accounting departments by using recognized specialized consolidation software. Forwarding of the information from the companies included in the consolidation scope is carried out thanks to the ERP Agresso for SQLI and its French and Swiss subsidiaries, and on the basis of the financial elements prepared by the local accounting firms for the other foreign subsidiaries.

Customer sales cycle:

- Acknowledgment of turnover

The project follow-up Web application is at the center of the company's information system.

Each collaborator fills in the time spent per project in the application. Those times are approved by the project manager and the direct manager of each collaborator. Determination of turnover is carried out on the basis of process on the package deals by comparing the time spent with the budgeted times. The important projects or the ones for which the anticipated margins do not conform to the objectives require validation by an Executive Board member.



The anticipated costs of the package deals are regularly reviewed by the project managers. Management control verifies the consistency of those reviews and regularly confirms the detailed information. Delivery excellence service covers all package projects starting from pre-sale activity, through a risk review process and during the projects life in case of problem emergence signs.

Furthermore, the risk of default of contracts is controlled by a Delivery excellence function centrally monitoring and helping agencies to comply with budget and contract terms.

- Customer risk:

Almost all the turnover is transferred to a factoring company that assumes the solvency risk. Some specific credit procedures, if appropriate, are applied when the factoring company rejects outstanding amounts for a customer.

- Follow-up on deadlines:

The customer invoices are issued by the agency assistants when the file is complete (order, receipt or signed time sheet). Management of the customer accounts is provided by the registered office. Receivables on the customers late for payment are the object of reminders and give rise, if need be, to legal proceedings. The time allowed for customer payment and the receivables that have exceeded the payment deadline are the object of monthly reporting by agency, communicated to the members of the Executive Board and to the agency managers concerned. The factoring company issued the reminders and manages legal proceedings, if any, relative to the invoices transferred by SQLI.

Supplier purchasing cycle:

Each purchase is submitted to prior approval by the Agency manager and the Head managers. The purchase commitments go through a centralized follow-up process in order to guarantee the respect of the principle of costs integration in the financial year.

Payment of suppliers is processed in the head quarters after verification of payment orders communicated by the Agency managers.

Staff payroll cycle:

Hiring is done by the agency managers after approval by the Head managers. Arriving and departing staff are monitored in a real-time Web application. The variable pay elements are proposed by the agency manager and are submitted to the approval of the Human Resources department. The payroll is managed at the registered office and is the object of monthly validation by each department head (the agencies are divided into "Business Units", departments constituting elementary profit centers for which a manager reporting to the agency manager is responsible).

Cash management:

A separation of accounting functions from payment means management is clearly established. Physical security (access to the premises, remote surveillance, protection of payment means) is taken into account. The company does not carry out any speculative trading in connection with rates or currencies but can carry out covering operations.



Other risks:

- Computer risk

The group has taken steps to cover the main computer risks: security of physical access to premises, security of computer access, data backup. Insurance has been taken out to cover theft and breakage of computer hardware.

- Legal liability of the company and its senior managers

The company is insured to cover the company's legal liability, as well as the liability of its authorized agents and delegated managers.

- Internal auditing players:

The Head managers, under control of the Executive Board, see to observance of procedures by all group collaborators.

The Audit Committee follows the workings of internal control and risk management systems. It studies the significant off-balance sheet risks and commitments, receives the financial services responsible person, gives an opinion on the organization of the service and is informed of the possible changes. It must be provided with evaluation reports regarding internal control or with a periodic summary of these reports.

- Relationship with the statutory auditors:

The auditors perform their assignment in close relationship with the company's administrative and financial departments. An end-of-mission meeting is usually arranged with the Head managers. In performance of their assignment, the auditors enjoy access to any group employee.

The Executive Board controls that the statutory auditors have sufficiently processed their work at the stopping of the year accounts in order to be able to give any significant note.

3. Adequacy and efficiency of the internal control and risk management:

Being the Chairman of the Executive Board, i consider the internal control and risk management procedures as being adapted to the company and efficient enough.

The Executive Board Chairman

Roland Fitoussi



16.5.2. AUDITORS REPORT, IN COMPLIANCE WITH ARTICLE L.225-235 OF THE FRENCH COMMERCIAL CODE, ABOUT THE REPORT MADE BY THE CHAIRMAN OF SQLI EXECUTIVE BOARD

EXCO PARIS ACE

5, avenue Franklin Roosevelt
75008 Paris, France
Limited company with capital of € 2.250.400

Statutory Auditor
member of the company
regional company of Paris, France

Ernst & Young and others

1/2, place des Saisons
92400 Courbevoie - Paris-La Défense 1
simplified joint-stock company with variable capital,

Statutory Auditor
member of the company
regional company of Versailles

SQLI

Year closed on 31/12/2015

Auditors report, in compliance with article L.225-235 of the French commercial code, about the report made by the Chairman of SQLI Executive BoardSQLI

Dear shareholders,

In application of the provisions stated by last paragraph of Article L.225-235 of the Commercial Code, we, Statutory auditors for SQLI CompanySQLI, present our report aimed to check your Chairmans report on financial year 31/12/2015., drawn up in compliance with the provisions of Article L 225-68 of the Commercial Code.

It is up to the Chairman to describe the conditions of preparation and organization of the Executive Board works and the internal control procedures set by the company and to give the other information required by article L. 225-37, related to the company governance system.

Our mission is to:

- communicate the observations we made on the Chairman's report about the internal control and risk management procedures related to the compilation and the processing of financial and accountable information.
- Guarantee that the present report contains the other information required by article L. 225-37 of the French Commercial Code, information which we do not have to check ourselves.

We carried out our works in compliance with the professional standards applied in France.



It implies setting due diligences aimed to check the authenticity of the information given in the Chairmans report on the internal control and risk management procedures related with the compilation and the processing of financial and accounting information.

The applicable professional standards require the use of diligences aimed at verifying the honesty of the information given on internal control and risk management procedures related to the compilation and processing of financial and accounting information included in the Chairman's report. These diligences consist in:

- perusing the internal control and risk management procedures related to the compilation and the processing of the information, including the information given in the present report and the sources it came from;
- Perusing the works which led to the compilation of this information and of the existing documentation;
- Deciding if the major deficiencies of the internal control related to the compilation and the processing of the accounting and financial information that we noticed during our mission should be specifically underlined in the Chairman report.

On the basis of these works, we do not have any comment to make on the information related to the internal control and risk management procedures related to the compilation and the processing of financial and accountable information, of the Executive Board Chairmans report stated in compliance with the provisions of last paragraph of Article L.225-37 of the Commercial Code.

Other information

We attest that the Executive Board Chairmans report includes all the information required in article L. 225-37 of the Commercial Code.

Paris, France et Paris-La Défense, le 22 April 2016

The Statutory Auditors

EXCO PARIS ACE

Ernst & Young and others

Alain Auvray

Franck Sebag



CHAPITRE 17. EMPLOYEES

17.1. STAFF

In 2015, SQLI staff remained stable (1,875 employees at the end of 2015 vs. 1,910 in 2014) and the activity rate significantly increased to reach 85% on the year (87% in the 4th quarter 2015), which is 4 points better than in 2014.

Table 45. Variation of SQLI staff during the last 3 years

	2015	2014	2013
Average staff (trainees ex.)	1,863	1,891	1,791
Staff registered at 1st January (trainees excluded)	1,910	1,784	1,765
Scope variations	-0	+87	-70
Increase (decrease)	-35	39	89
Staff registered at 31 December (trainees excluded)	1,875	1,910	1,784



17.2. PARTICIPATION OF EXECUTIVE OFFICERS AND MANAGING AGENTS IN STOCK OPTION

17.2.1. PARTICIPATION

The number of shares granted to the executive officers at 31 December 2015 are presented in the following table:

Table 46. Shares of Executive officers and head managers

	31/12/2015				31/12/2014			
	Number of shares	% of capital	Number of voting rights	% of voting rights	Number of shares	% of capital	Number of voting rights	% of voting rights
Roland Fitoussi ⁽¹⁾	422,634	11.5%	667,431	15.0%	342,136	9.51%	537,469	12.05%
Hervé de Beublain ⁽²⁾	60,634	1.6%	106,497	2.4%	45,863	1.28%	91,726	2.06%
Didier Fauque	9,385	0.3%	9,385	0.2%	0	0.00%	0	0.00%
Véronique Reille-Soult de Dalmatie	0	0	0	0	0	0.00%	0	0.00%
Bernard Jacon	4,277	0.1%	6,677	0.2%	4,740	0.13%	9,480	0.21%
Nicolas Rebours	53	0.0%	53	0.0%	53	0.00%	106	0.00%
Thierry Chemla	0	0	0	0	0	0.00%	0	0.00%
Total	496,983	13.5%	790,043	17.8%	392,739	10.92%	638,781	14.32%

Notes: ⁽¹⁾ Through Hip Fenelon and Sethi companies. Number of registered shares and bearer shares.

⁽²⁾ Through FD5 company.



17.2.2. FREE SHARES ALLOCATED TO EXECUTIVE OFFICERS AND MANAGERS

In 2014 and 2015, no free share has been granted to Executive Officers and Managers.

17.2.3. STOCK OPTIONS AND BCE GRANTED TO THE COMPANY EXECUTIVE OFFICERS AND MANAGERS

BSA

During years 2013 and 2014, the Executive managers and officers haven't subscribed any stock warrant.

According to the delegation of authority granted by the Combined General Meeting twelfth resolution on 25 June 2014, the Board issued on 16 September 2014 215,784 BSA including 71,928 in the BSA 1 category, 71,928 in the BSA 2 category and 71,928 in the BSA 3 category, divided between holders as follows:

- Thierry Chemla: 23,976 BSA 1 at the unit price of 1.33 €, 23,976 BSA 2 at the unit price of 1.14 € and 23,976 BSA 3 at the unit price of 0.88 €.
- Wadi Investment, a private limited company incorporated under Belgian law (registration number: 0536.878.865), whose majority of capital and voting rights is currently owned by Didier Fauque: 23,976 BSA 1 at the unit price of 1.33 €, 23,976 BSA 2 at the unit price of 1.14 € and 23,976 BSA 3 at the unit price of 0.88 €.

These 215,784 BSA have been subscribed by their holders on 16 September 2014.

The main characteristics of the 215,784 BSA are as follows:

- One BSA gives the right to subscribe one share (under adjustment conditions protecting the BSA holder rights),
- BSA can be exercised during three years from the second anniversary of the date of issue by the Board. At the end of this 3 years period, BSA become purely and simply void,
- By way of derogation, BSA can be immediately exercisable under condition of performance such as detailed here after, in case of public offering.
- BSA can be transferred for a period of two years following the date of issue by the Board.
- By way of derogation, BSA can be immediately transferred in case of public offering.
- BSA exercise is submitted to a performance condition of SQLI share stock market price which will differ according to the BSA category they belong to, in a way allowing that:



- 71,928 BSA ("**BSA 1**" category) can be exercised, partly or as a whole, during the exercise period, provided that, since the date of issue set by the Board, SQLI share stock market price reached 35 € at the closing time of at least one trading day;
- 71,928 BSA ("**BSA 2**" category) can be exercised, partly or as a whole, during the exercise period, provided that, since the date of issue set by the Board, SQLI share stock market price reached 35 € at the closing time of at least one trading day;
- 71,928 BSA ("**BSA 3**" category) can be exercised, partly or as a whole, during the exercise period, provided that, since the date of issue set by the Board, SQLI share stock market price reached 35 € at the closing time of at least one trading day;
- BSA unit price was set to 1.33 € for category BSA 1, 1.14 € for category BSA 2 and 0.88 € for category BSA 3, on the basis of an independent expert report.
- BSA exercise unit price (Exercise price) was set to 19.90 €, which corresponds to 110% of SQLI stock market price average on Euronext Paris S.A, as decided by the General Meeting of 25 June 2014, during the 20 trading days preceding the publication of the independent expert;
- BSA are nominative and their admission on a regulated market is not required by the Company.

Stock purchase warrants

On 5 November 2014, the Executive Board granted 48,000 stock options to employees and executive managers.

The conditions of this allocation are the following:

- the options will have to be exercised before the 6th November 2019 at the latest (5 years);
- No option can be exercised before 31 December 2016;
- Anybody leaving the company before 31 December 2016 will lose his exercise right.
- The share purchase price is set to 16 €.

The allocated stock options fair value has been estimated by an independent expert to 85 K€. This value represents a charge registered in the Group non current result and is distributed on all the acquisition period. After the cancellation of 2,500 options due to departures, this charge amounts to 37 K€ in 2015.



17.3. PARTICIPATION OF EMPLOYEES IN SQLI CAPITAL

17.3.1. FREE SHARES

In 2014 and 2015, no new free shares allocation plan has been made. At 31 December 2015, there was no remaining free share to be allocated.

Group Saving Plan (PEG)

At the the end of the year, through the Group Saving Plan, the employees held 2.3% of SQLI capital and 3.1% of voting rights.

23,035 consolidated share have been registered in 2015 by the employees members of the "PEG

TESORUS" Group Saving plan, such as presented in paragraph 21.1.7. *"Evolution of share capital during the year"*.

Participation of employees to the fruit of expansion

A holding agreement for companies which are part of the Economic and Social Unity has been concluded during the first half of 2009.

At the the end of the year, the participation of employees to the fruits of the group's expansion and those of the companies related according to Article 225-180 of the Commercial Code, amounted to zero.

17.3.2. STOCK OPTIONS AND WARRANTS FOR SUBSCRIPTION TO BUSINESS CREATOR SHARES

Stock options and BSPCE allocated to the Executive Officers, managers, managing agents, and employees

Information related to shares allocations and BSCPE granted to Head managers and Executive Officers are exposed in paragraph 17.2.3. *"Stock options and BCE granted to the company executive officers and managers"*

BSPCE granted to managing agents and employees by the

related companies according to article L. 225-180 of the Commercial Code

There has not been any stock option, security, or credit granted to the employees, managing agents or head managers related to the functions or mandates exercised within the group, neither by companies which are linked to SQLI pursuant to article L.225-180 of the Commercial code, nor by companies controlled by the group pursuant to article L.233-16 of the Commercial Code.



CHAPITRE 18. MAIN SHAREHOLDERS

18.1. DISTRIBUTION OF CAPITAL

18.1.1. SHAREHOLDERS AT 31 DECEMBER 2015

At 31 December 2015, according to the statements related to crossings of thresholds made towards the Financial Market Authority and the company, the main shareholders of the company are the following:

Table 47. SQLI main shareholders at 31 December 2015

	Shares	% of capital	Voting rights	% of voting rights
Nominative shareholders	1,000,020	27.1%	1,695,898	38.2%
Roland Fitoussi (Sethi , HIP)	422,634	11.5%	667,431	15.0%
Didier FAUQUE	9,385	0.3%	9,385	0.2%
Bernard Jacon	4,277	0.1%	6,677	0.2%
FD5 (and family Beublain)	60,634	1.6%	106,497	2.4%
Total of the Executive Board	496,930	13.5%	789,990	17.8%
Laurent de Roover	48,372	1.3%	96,744	2.2%
Thomas Rocmans	48,372	1.3%	96,744	2.2%
X-Chain Holding	48,372	1.3%	96,744	2.2%
JINKGO SPF SARL	41,414	1.1%	82,828	1.9%
Patrick Lacarrière Family	39,240	1.1%	78,480	1.8%
Yahya El Mir	5,000	0.1%	10,000	0.2%
Employed shareholders (PEG)	84,056	2.3%	136,695	3.1%
Other nominative shareholders	188,264	5.1%	307,673	6.9%
Self-control	60,104	1.6%	60,104	1.4%
Other	2,625,792	71.2%	2,680,044	60.4%
Socadif	52,302	1.4%	52,302	1.2%
Alto Invest	47,006	1.3%	47,006	1.1%
Financière Arbevel	272,988	7.4%	272,988	6.2%
Sycomore	206,016	5.6%	206,016	4.6%
Moneta	180,000	4.9%	180,000	4.1%
Total	3,685,916	100.00%	4,436,046	100.00%

The company does not register any other shareholder who would own personally or in unison 5% or more of the capital or the voting rights.



18.1.2. SHAREHOLDERS AT 31 DECEMBER 2014

Table 48. SQLI main shareholders at 31 December 2014

	Shares	% of capital	Voting rights	% of voting rights
Nominative shareholders	1,101,930	30.6%	1,966,677	44.1%
Roland Fitoussi ⁽¹⁾	342,136	9.51%	537,469	12.05%
Hervé de Beublain ⁽²⁾	45,863	1.28%	91,726	2.06%
Bernard Jacon	4,740	0.13%	9,480	0.21%
Aurinvest	153,868	4.28%	307,736	6.90%
Laurent de Roover	48,372	1.34%	96,744	2.17%
Thomas Rocmans	48,372	1.34%	96,744	2.17%
X-Chain Holding	48,372	1.34%	96,744	2.17%
JINKGO SPF SARL	41,414	1.15%	82,828	1.86%
Patrick Lacarrière Family	39,240	1.09%	78,480	1.76%
Yahya El Mir	20,000	0.56%	40,000	0.90%
Employed shareholders (PEG)	74,069	2.06%	111,104	2.49%
Other nominative shareholders	235,484	6.55%	417,623	9.36%
Self-control	61,405	1.71%	61,405	1.38%
Other	2,433,663	67.66%	2,433,663	54.55%
Socadif	150,000	4.17%	150,000	3.36%
Alto Invest	93,614	2.60%	93,614	2.10%
Total	3,596,998	100.00%	4,461,754	100.00%

Notes: ⁽¹⁾ Through Hip Fenelon and Sethi companies.

⁽²⁾ Through FD5 company, in which he is the main managing agent and shareholder



18.1.3. SHAREHOLDERS AT 31 DECEMBER 2013

Table 49. SQLI main shareholders at 31 December 2013

	Shares	% of capital	Voting rights	% of voting rights
Nominative shareholders	1,544,278	42.94%	24,370,216	55.05%
Roland Fitoussi ⁽¹⁾	386,684	10.75%	4,777,610	10.79%
Hervé de Beublain ⁽²⁾	85,405	2.37%	1,312,680	2.97%
Bernard Jacon	14,020	0.39%	187,600	0.42%
Aurinvest	190,600	5.32%	3,812,000	8.65%
Michel de la Tullaye	74,250	2.06%	742,500	1.68%
Laurent de Roover	48,372	1.35%	967,440	2.19%
Thomas Rocmans	48,372	1.35%	967,440	2.19%
X-Chain Holding	48,372	1.35%	967,440	2.19%
JINKGO SPF SARL	41,414	1.15%	828,280	1.87%
Patrick Lacarrière Family	39,240	1.09%	784,800	1.77%
Yahya El Mir	35,000	0.97%	700,000	1.58%
SOVILYX SPRL	16,235	0.45%	324,700	0.73%
Jean Rouveyrol	15,753	0.44%	315,060	0.71%
Fondation de France	12,000	0.33%	120,000	0.27%
Employed shareholders (PEG)	79,483	2.21%	1,321,080	2.98%
Other nominative shareholders	409,078	11.37%	6,241,586	14.10%
Self-control	14,381	0.40%	0	0.00%
Other	2,037,763	56.66%	19,898,251	44.95%
Socadif	150,000	4.17%	1,500,000	3.39%
Alto Invest	102,603	2.85%	1,026,030	2.32%
Total	3,596,422	100.00%	44,268,467	100.00%

Notes: ⁽¹⁾ Through Hip Fenelon and Sethi companies.

⁽²⁾ Through FD5 company, in which he is the main managing agent and shareholder



18.1.4. STATEMENTS ON CROSSING OF THRESHOLDS DURING THE LAST THREE YEARS

During the last three years, the following statements of crossings of thresholds have been made towards the Financial Market Authority and presented to the company:

Table 50. Statements of threshold crossings of SQLI capital during the last three years

Reference	Date of statement	Date of application	Statement of intention	Type	Threshold	Transaction	Related companies or persons	Number of shares	% of capital	Number of voting rights	% of voting rights
216C0428	08/02/2016	22/01/2016	No	Increase	5%	Share acquisition on the market	Moneta AM	228,688	6.23%	228,688	5.18%
216C0152	14/01/2016	12/01/2016	No	Increase	5%	Share acquisition on the market	Moneta AM	187,554	5.11%	187,554	4.24%
215C1798	25/11/2015	23/11/2015	No	Increase	5%	Share acquisition on the market	Sycomore AM	252,673	6.88%	252,673	5.72%
215C1466	21/10/2015	16/10/2015	No	Increase	5%	Share acquisition on the market	Sycomore AM	201,707	5.50%	201,707	4.56%
215C1096	21/07/2015	17/07/2015	No	Decrease	5%	Share acquisition on the market	Aurinvest	100,000	2.77%	200,000	4.49%
215C0504	23/04/2015	22/04/2015	No	Increase	5%	Share acquisition on the market	Financière Arbevel	207,128	5.74%	207,128	4.65%
214C1974	25/09/2014	22/09/2014	No	Decrease	5%	Share acquisition on the market	Aurinvest	178,868	4.97%	357,736	7.95%
214C0127	22/01/2014	28/11/2013	Yes	Increase	10%	Share acquisition on the market	Roland Fitoussi	386,684	10.75%	4,777,610	10.76%
213C0811	02/07/2013	05/06/2013	No	Increase	5%	Share acquisition on the market	Roland Fitoussi	306,408	8.55%	3,064,080	7.00%

18.2. MAIN SHAREHOLDERS VOTING RIGHTS

On 21 March 2000, the Combined General Assembly decided to create double voting rights, recorded in the Company statutes.

Article 26, included in Statutes is exposed below.

Article 26 - QUORUM - VOTE

"1. The quorum is calculated using all of the shares that make up the capital, except in Special Shareholders' Meetings where it is calculated using all of the shares of the particular share category concerned, all of these are calculated less those shares which hold no voting rights according to the dispositions laid out in the law.

In the case of postal voting, only those votes which are duly completed and received by the Company at least three days before the date of the general Meeting will be taken into account in the calculation of the quorum.

2. The voting rights related to capital share or bonus share is proportional to the percentage of capital represented. Each share gives one voting right.

3. Exceptionally, a voting right, accounting for twice the others that were granted according to their capital quote, can be granted:

- To all the totally paid-in shares which will be proved to have been owned by

the same shareholder for at least three (3) years;

- To the registered shares given to a shareholder, in case of capital increase through reserves incorporation, profit or issue premium, for the old shares he benefits from.

The double voting right expires for any share that was subject to a conversion to the holder or a transfer. However the transfers due to inheritance or family donation to a relative do not lead to a termination of the voting rights nor stop the three years deadline.

The possible merger or separation of the company does not have any effect on double voting rights which can be exercised within the purchasing company if allowed by its Articles of association.

4. Voting takes place by a show of hands, or by a nominal call or by a secret ballot according to the decision of the office of the general Meeting or by the shareholders. Shareholders can also make use of postal voting. "

18.3. OWNERSHIP OR CONTROL OF SQLI

As explained in paragraph 18.1.1. *"Shareholders at 31 December 2015"*, the company capital is divided between many shareholders ; None of them owns more than 10% of the capital or voting rights. Therefore,

no shareholder can control the decisions related to the company during the General Assemblies meetings.



18.4. AGREEMENT LIKELY TO ALTER THE CONTROL OF THE COMPANY

18.4.1. SHAREHOLDERS AGREEMENTS AND OTHER

There is not any existing agreement between shareholders or other related to SQLI share capital and likely to lead to changes in the company management.

According to article L. 225-100-3 of the Commercial Code. Following this article, the company guarantees that:

- There is no existing restriction on the exercise of voting rights and share transfer, nor is there any clause in the conventions registered by the company in application of Article L.233-11 ;
- There is no existing holder of any securities having special control rights
- There is no existing control measure in the employees share system when the control rights are not exercised by the employees
- There is no existing agreement between shareholders known by the company which could generate restrictions to the shares transfer and the exercise of voting rights.
- The rules applied to the nomination and substitution of the Executive Board members, and to the modification of the company statutes are those requester by the law.
- The Executive Board has been authorized by the General meeting to make some issues or repurchase of shares. A table presenting the current delegations authorized by the General Assembly to the Executive Board members regarding the capital increases and showing the use of these delegations in 2010 is included in the present report.
- There is no existing agreement contracted by the company which would be modified or would end in case of change in the company management.



The following facts related to the OBSAAR issue are likely to have an impact in case of public offer:

- 1) Anticipated amortization of bonds reimbursable according to the holder's will in case of takeover:

In case of takeover (such as defined below), any bond holder will be able to, as he wishes, ask for the anticipated amortization of his bonds during the anticipated amortization period expressed in the Operation note approved by the Financial Markets Authority on 25 March 2011 (n° 11-085).

A "**takeover**" is defined by one or more entities, one or more natural or legal persons, directly or indirectly, acting alone or together, to take control of the Company. "Taking control" is intended as holding (directly or indirectly, through owned entities) the majority of the company voting rights.

- 2) Possible anticipated exercise of BSAAR and closing by anticipation of BSAAR non-transferability period:

In the case of the Company shares being subject to a public offer (purchase, swap, mixed offer) made by a third party, which would generate an offer deposit notice with the FMA before 21 April 2014, the BSAAR will become exercisable and the non-transferability period

will end by anticipation at the date of the notice publication. On that same day or as soon as possible, the BSAAR will be submitted to an admission request for negotiation on NYSE Euronext Paris market.



CHAPITRE 19. OPERATIONS WITH RELATED FIRMS

19.1. DESCRIPTION OF CONVENTIONS

The information regarding deals with related firms is detailed in the "*Statutory auditors report on regulated agreements*". The company did not record any other regulated convention or deal than those exposed below.

19.2. STATUTORY AUDITORS' REPORT ON REGULATED AGREEMENTS

EXCO PARIS ACE
5, avenue Franklin Roosevelt
75008 Paris
S.A. au capital de € 2.250.400

Commissaire aux Comptes
Membre de la compagnie
régionale de Paris

ERNST & YOUNG et Autres
1/2, place des Saisons
92400 Courbevoie - Paris-La Défense 1
S.A.S. à capital variable

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

SQLI

General meeting générale presiding on year closed on 31 décembre 2015

Statutory auditors' report on regulated agreements et engagements réglementés

Aux Actionnaires,

Being the statutory auditors appointed by your company, we present thereafter our report about authorized agreements.

Our mission is to inform you, on the basis of the information provided to us, of the terms, conditions, specificities, and main characteristics, as well as the reasons for the company's interest, of the conventions and regulated commitments indicated to us or discovered during our mission achievement. It is not our role to comment as to whether they are beneficial or appropriate. It is your responsibility, selon les termes de l'article R. 225-31 du Code de commerce, to evaluate the benefits resulting from these agreements prior to their approval.

Furthermore, it is our mission, when applicable, to give you the information, mentioned in R. 225-31 du Code de commerce, related to the execution during the past year of conventions and commitments already approved by the General Assembly.

We conducted our work in accordance with professional standards applicable in France. Ces diligences ont consisté à vérifier la concordance des informations qui nous ont été données avec les documents de base dont elles sont issues.



Conventions and commitments submitted to the General Meeting approval

We haven't been informed of any convention or commitment authorised to be submitted to the General Assembly approval in compliance with Article L. 225-38 of the Commercial Code.

Conventions and commitments already approved by the General Meeting

En application de l'article R. 225-30 du Code de commerce, we have been informed that the agreements approved des conventions et engagements suivants, déjà approuvés by l'assemblée générale during the previous financial years have been ongoing during the course of the last financial year.

1. 2) With M. Didier Fauque, CEO of your company:

Nature and object:

Commitments regarding layoff compensations, Non competition allowance and health Company schemes.

Conditions:

The company agreed to pay M. Didier Fauque, for his CEO mandate, the following amounts:

- a termination allowance of 430,000 euros (gross) with deduction of the amounts due for the non-competitive obligation, as described above, if the termination is due to a revocation, a requested resignation or a non-renewal of CEO function during a period of 18 months starting from 7 May 2013 until 6 November 2014, and as long as there hasn't been any downgrading of the group main indicators and in compliance with Article L. 225-42-1 of the French Commercial Code.
- On 28 November 2013, the Executive Board added that this allowance will not be granted if SQLI COR, as specified in the consolidated accounts for year closed on 31 December 2013 by SQLI Executive Board ("Consolidated accounts 2013") (or in the semi-annual consolidated accounts of 30 June 2014 if these semi-annual accounts have been closed by the Executive Board at the effective date of termination of the CEO mandate ("Semi-annual consolidated accounts 2014"), is lower than 2.90% of the turnover, as stated in the Consolidated accounts 2013 or in the Semi-annual consolidated accounts 2014 (if the semi-annual accounts have been closed by the Executive Board at the effective date of termination of the CEO mandate); Consequently, point 7 of the document entitled "Mandate of M. Didier Fauque dated 7 May 2013" was added by means of a supplementary agreement;



- If the CEO mandate was to be revoked before 30 April 2014, a monthly compensation will be paid until 30 April 2014, regarding M. Fauque non-competitive obligation, equal to:
 - (i) 100% of his annual fixed wages and
 - (ii) 1/12 of the variable remuneration for the financial year preceding the CEO revocation.
- If the company extends the non-competitive obligation for 12 months after 1st May 2014, a monthly compensation equal to 60% of
 - (iii) his annual fixed wages and
 - (iv) the variable remuneration for the financial year preceding the CEO departure will be paid every month during this period.
- the benefit of pension, health and social security Company schemes for managers and from a life-insurance contract with fixed contributions subscribed by SQLI for the company employees (Article 83 of French Code Général des Impôts).

SQLI didn't implement any of this provisions in 2015.

2. With M. Yahya El Mir, former Chairman and CEO of your company

Nature and object:

The Executive Board authorized on 30 June 2008 the contraction of a non-competition obligation by Monsieur Yahya El Mir in exchange of a compensation given by the company.

Conditions:

This non-competition obligation prevents Monsieur Yahya El Mir for a duration of 5 years starting with the termination of his functions in the group, decided for any possible reason (retirement, dismissal, termination of the mandate...) from:

- I. showing any direct or indirect interest, for himself or a third party, as an employee or managing agent, for the competitors of the company listed in the study made in January 2008 by Pierre Audoin Consultants, or for the companies controlled by or controlling these competitors, according to Article L.233-3 of the Commercial Code.

purchasing, directly or indirectly, holdings in a competitive firm capital for more than 2% in shares or voting rights, except if this acquisition is due to an agreement between SQLI and the company.

This non-competitive obligation is geographically limited to France, Belgium, Switzerland, Luxembourg, Morocco and Canada ; and is limited to SQLI activities.



In exchange this obligation, the company will give him financial compensation paid during five years and equal to 60% of his total gross remuneration (fixed, variable and in-kind benefits), granted for the last twelve months of activity within the group. This compensation amounts then to 300% of his total gross remuneration (fixed, variable and in-kind benefits) granted for the last twelve months of activity within the group. The compensation will be paid as follows:

- 80% will be paid in one time within the 30 days following the termination of his function in the group ;
- 20% will be paid in sixty monthly payments.

In case of violation of the non-competitive obligation by Monsieur Yahya El Mir, the company will be liberated from any obligation to pay the compensations described above. The compensations already paid will be acquired by Monsieur Yahya El Mir, who will have to give back a percentage of the paid compensations, corresponding to the months remaining between the date of the violation and the ending date of the obligation.

SQLI company registered and charge of 30,215 € for the year related to this agreement.

Paris et Paris-La Défense, on 22 avril 2016

The Statutory Auditors

EXCO PARIS ACE

ERNST & YOUNG et Autres

Alain Auvray

Franck Sebag



CHAPITRE 20. FINANCIAL INFORMATION ABOUT THE GROUP ASSETS, ITS FINANCIAL SITUATION AND THE ISSUER RESULTS

20.1. HISTORICAL FINANCIAL STATEMENT - BALANCE SHEET AND SOCIAL ACCOUNTS

20.1.1. BALANCE SHEET

In euros	Net at 31.12.2015	Notes	Net at 31.12.2014
ASSETS			
Intangible fixed assets	23,580,397	1	23,485,367
Tangible fixed assets	2,068,664	2	1,537,344
Financial assets	42,067,143	3	42,265,264
CAPITAL ASSETS	67,716,204		67,287,975
Advances and deposits paid on order	0		0
Customers and related accounts	45,364,302	4	41,405,008
Other receivables	31,332,162	5	24,772,098
Cash position	10,683,560	7	15,469,722
Deferred charges	1,226,401	8	1,119,064
CURRENT ASSETS	88,606,425		82,765,892
Translation differences - Assets	3,762		378
TOTAL OF ASSETS	156,326,391		150,054,246
LIABILITIES			
Capital	2,948,733		2,877,598
Issue, merger and transfer related premium	34,310,995		33,022,265
Legal provision	290,338		287,714
Regulated reserve	272,850		272,850
Retained earnings	14,099,719		14,288,348
Profit (loss) of the year	8,728,178		1,419,624
Regulated provisions	564,231	11	546,063
OWN EQUITY	61,215,044	9	52,714,461
Advances with conditions	43,176		63,926
OTHER OWN FUNDS	43,176	10	63,926
Provisions for risks	302,589		591,991
Provisions for charges	19,075		28,572
PROVISIONS FOR RISKS AND CHARGES	321,664	12	620,563
Other bond loans	3,400,000	13	6,800,000
Loans and debts with credit institutions	13,429,189	14	14,210,305
Other payables and financial loans	14,303,141	15	15,690,460
Debts with suppliers and related accounts	19,335,716		17,674,597
Tax and social debts	35,302,946	16	31,065,804
Debts on fixed assets	2,369	17	25,167
Other payables	3,936,865	18	5,216,587
Unearned revenues	5,036,281	20	5,972,376
DEBTS	94,746,507		96,655,296
Translation differences - liabilities	0		0
TOTAL OF LIABILITIES	156,326,391		150,054,246

The appendix attached is included in the financial statements.



20.1.2. SOCIAL ACCOUNTS

In euros	Net at 31.12.2015	Notes	Net at 31.12.2014
Turnover	131,906,429	21	123,543,799
Capitalized production	85,126		0
Operating subsidies	719,784		410,867
Recovery on depreciation and provisions	404,908	29	392,592
Transfer of costs	569,613	32	394,100
Other income	5,846,514	22	6,297,342
OPERATING INCOME	139,532,374		131,038,700
Other external purchases and costs	40,507,293	23	42,466,374
Taxes and dues	4,069,514	24	4,115,540
Wages and allowance	61,419,565		56,733,320
Social costs	27,139,701		25,387,179
Allowance for depreciation and provisions:			
on fixed assets: allowance for depreciation	688,243	1 and 2	668,429
on outstanding assets: Allowance to provisions	402,472	29	253,395
For risks and charges: Allowance to provisions	196,723	29	437,307
Other charges	523,764		200,636
OPERATING CHARGES	134,947,275		130,262,180
OPERATING PROFIT (LOSS)	4,585,099		776,520
Financial income	3,284,114		577,234
Financial charges	637,951		816,281
FINANCIAL PROFIT (LOSS)	2,646,163	25	(239,047)
CURRENT PROFIT (LOSS) BEFORE TAXES	7,231,262		537,472
Extraordinary income	1,382,573		896,501
Extraordinary charges	492,724		722,438
EXTRAORDINARY PROFIT (LOSS)	889,849	28	174,063
CORPORATE TAX	607,067	30	708,089
NET PROFIT (LOSS)	8,728,178		1,419,624



20.1.3. FINANCING CHART

In euros	Net at 31.12.2015	Notes	Net at 31.12.2014
Year result	8,728,178		1,419,624
Net depreciations and provisions allowance	85,059	29	350,622
Transferred capital gain and loss	(38,765)		(9,429)
Bonus and malus technical excess and/or liquidation	0		135,751
Subsidies registered in the income statement	0		0
Self financing capacity	8,774,472		1,896,568
Variation of revolving funds	(5,166,181)		(5,034,274)
1. 1. CASH FLOW COMING FROM (USED IN) BUSINESS OPERATION	3,608,291		(3,137,706)
Acquisition of intangible assets	(108,644)	1	(220,566)
Acquisition of tangible assets	(1,228,963)	2	(464,072)
Acquisition of financial assets	(911,847)	3	(9,985,077)
Transfer (decrease) of intangible assets	56,755	1	9,429
Transfer (decrease) of tangible assets	0		450
Transfer (decrease) of financial assets	389,942	3	439,320
Net investment	(1,802,757)		(10,220,516)
Variation of slippage	635,493		1,022,472
2. 2. CASH FLOW COMING FROM (ALLOCATED TO) INVESTMENTS	(1,167,264)		(9,198,044)
Capital increase	71,134	9	461
Other own equity increase	1,288,730	9	240,959
Dividends paid to the shareholders	(1,605,629)		(1,982,247)
Other own equity increase	0	9	(700)
Increase (decrease) of financial debt	(4,147,738)	13	8,607,267
Net variation of group current accounts	(2,800,758)		2,070,550
3. FINANCING FLOW	(7,194,261)		8,936,290
4. CASH FLOW FLUCTUATION	(4,753,234)		(3,399,460)
Cash flow coming from UTAs	0		(199)
5. Cash position at opening date	13,279,134		16,678,793
6. NET CASH POSITION AT CLOSING DATE	8,525,900		13,279,134



20.1.4. ACCOUNTING PROCEDURES AND CRITERIA, APPENDIX AND EXPLANATIONS

A. Activity

Created in 1990, SQLI is the reference partner for companies operating a digital transition of their customer processes and all the internal services related. With a unique positioning covering marketing and technology, SQLI uses a global approach to meet the needs of developing sales and reputation (digital and social marketing, customer experience, e-Commerce, data intelligence), and productivity and internal efficiency goals (digitalization of operations, collaborative activity, mobility and connected devices, CRM...)

The company is at the head of a group operating in France, Belgium, Netherlands, Luxembourg, Switzerland and Morocco.

SQLI is listed on NYSE Euronext Paris, compartment C (ISIN FR0011289040).

B. Important events during the year

In 2015, SQLI continued to implement the "Ambition for 2006" plan. This three years (2014-2016) development strategy plan targets a double digit annual growth (including acquisitions) and a current operating margin rate between 8 and 10% at the end of the period.

According to this plan, SQLI aims to organize its offer in two distinct brands:

- (i) WAX INTERACTIVE, focused on developing its customers sale business in three major fields: digital marketing, connected commerce and data intelligence, in order to improve the company performance on the market;
- (ii) SQLI ENTREPRISE, dealing with the transformation of organizations and systems in order to create new interactions between the company and its partners, suppliers and coworkers, with the objective to improve the performance of the company itself.

SQLI decided to integrate this distinctive positioning within its legal organization by creating in 2014 WAX INTERACTIVE, whose capital is totally owned by SQLI, and by performing targeted external growth operations. During 2014 last quarter, two new acquisitions were integrated to this unit: NAXEO and ECOMMERCE4U.

All the Group digital agencies are now part of WAX INTERACTIVE brand. The operational integration of digital agencies business from SQLI, NAXEO (now WAX INTERACTIVE Lille) and WAX INTERACTIVE has been completed in 2015. They were united under a common management in order to offer a consistent and optimal steering. This strong operational integration and unique approach should generate, after integration of reorganization costs incurred in 2015, an improvement of business performance and profitability.

In 2015, SQLI turnover amounted to 131,9 M€, compared with 123.5 M€ in 2014 (+6.8%), with a growth outperforming the market's by 2.1%. According to the Syntec, the "SMACS" (Social Mobility Analytics) segment is 16.9% higher in 2015 and represents now 12% of the software and computer services market. SQLI is well positioned on various segments of this market but also on the digital market and e-commerce segments, which also had a solid growth in 2015.

The activities controlled by the Innovation Services Centers of Bordeaux and Rabat also significantly participated in the profitable growth, accounting for 28% of the number of days charged in 2015 (2014: 19%). These powerful onshore/offshore industrialization sources generate new developments which combine operational and competitive performance for major accounts such as RTE or Nestlé.

Along with this business performance, the group also performed a continued optimization of operational steering indicators. SQLI staff remained stable (2015: 1,328 employees, 2014: 1,265) and the activity rate was much higher (85% in 2015 and 87% for 2014 last quarter), by 4 points compared with 2014.

Thanks to the sustained organic growth and the progressive improvement of operational steering indicators, the current operational profitability was significantly higher in 2015.



C. Events recorded after the accounts closing

On 20 January 2016 SQLI executed the early repayment of the last portion of the 3.4 M€ bond loan.

D. Accounting rules and procedures

The annual accounts have been drawn up in euro and presented in accordance with the currently accepted accounting rules and principles, applicable on 17 March 2016, date of closure by the Executive Board.

The general accounting agreements were applied respecting with caution and in accordance with the basic assumptions:

- Continuity of operation,
- Consistent accounting methods,
- Independence of each financial year,

and respect of global rules for the elaboration and presentation of annual accounts.

The basic method retained to evaluate the booked elements is the historical costs method.

Changes in the accounting procedures

There hasn't been any change in the accounting procedures during the year.

Changes in accounting estimates

There hasn't been any change in the accounting procedures during the year.

The main procedures are the following:

a. Intangible fixed assets

The intangible fixed assets are registered at their acquisition cost.

From 2014, businesses are recorded at their acquisition cost (excluding incidental expenses who are recorded as charges for the year).

The technical excess coming from the universal transfer of assets of a subsidiary is registered in intangible assets, category “goodwill”. If need be, the excess representing the loss or “real mali” is registered in financial costs.

Businesses and technical excess are submitted to a test of loss of value at least once a year or more frequently if there are existing losses of value.

The company does not tie up its R&D costs and records it as charges. They consist in staff costs of researchers and functioning costs.

b. Tangible fixed assets

Tangible assets are registered at their acquisition cost. In application of the CRC regulation N° 2004-06, the management chooses not to incorporate the costs of loans into the value of the fixed assets.

According to the rules defined by the CRC regulation N° 2002-10, the fixed assets must be broke down into individualized elements with a different duration of use. We did not identify in our capital assets liable to be the object of a breakdown by component.

Thus the depreciation is calculated using the straight-line method (L) in accordance with the expected life cycle of the asset, as follows:

- General premises: L on 8 years
- IT equipment: L on 2 years
- Office equipment: L on 5 years
- Transport equipment: L on 4 years



c. Securities

The securities are registered at their acquisition price. Price supplements of acquisition prices are estimated and represent a part of this acquisition price.

In application of the CRC regulation N° 2004-06, acquisition fees brought before 2006 represent part of the acquisition cost. The costs incurred from 2006 are spread on 5 years by means of an accelerated depreciation which starts with the securities acquisition date.

At the end of each financial year, the historical value of the equity shares is compared to the going value. The going value of a security is proportionally related to net assets increased (adjusted with gains and losses), to the expected trend of results and to the participation economic interest for the group.

The unfavorable variations are the object of provisions for depreciation of securities.

d. Other financial assets

The 20 years loans granted by the company on its obligation to participate to the construction are capitalized according to the OAT 10 year-rate.

The company concludes a liquidity contract in accordance with the AFEI charter in order to promote the liquidity of transactions and the regularity of its securities payments. The transactions carried out in its behalf by the securities dealer that signed the contract are entered in the account under long-term investments. When not available, the funds kept by the financial intermediate represent fixed receivables.

The own shares are evaluated on the basis of their last stock price known at the financial year closing date.

e. Receivables

Receivables are valued at face value. A provision for depreciation is made if there is a risk of non-recovery.

The group outsources the management of its customer claims covering credit-insurance, as well as recovery and refinancing management. The company assigned these claims within the framework of factoring agreements. With the exception of claims for foreign customers or customers living in the DOM TOM, 100% of customers claims are transferred to the factor and registered in the category "Other claims". This heading is totally payable.

The groups expenses for the R&D activity, meeting the criteria requested for eligibility to tax credit, generated a R&D tax credit whose corresponding claim is registered in the Assets of the balance sheet, unless it is partly or totally booked as taxes due for the financial year.

As a precaution, a non-deductible provision was assigned to this asset, which was not definitively earned. This provision will be maintained during a period of 3 years, notwithstanding the repayments registered in the meantime.

In case of assignment to the corporate tax or in case of early repayment of the loan, the provision for depreciation is taken back and a similar provision is booked in liabilities.

Besides, a convention on current accounts has been signed within the group between SQLI and the related companies, which controls the cash flow resulting from the economic and financial relationship between themselves.

In this context, SQLI established a statement of current accounts and calculated the interests due on the basis of the average credit balance during last semesters. Interest scales calculated are capitalized on the last day of the related semester.

The remuneration rate of current accounts is equal to the average of EURIBOR 12 months rate.

f. Short-term investment securities

The short-term investment securities are booked at the purchase price or at the market price for the latest month, if the latter is lower. For the unlisted securities, if the balance sheet value is less than the likely trading value, a provision is set aside for depreciation. The company transfers and sells its portfolio investment tangible securities in the end of the financial year.



g. Cash flow

A convention of centralization of the group cash flow has been signed with la Société Générale on 23 May 2006. It provides a centralization of the cash flow of companies which participate in the convention, on SQLI the controlling company.

In this way, the net day positions of the participating companies accounts, (debt or credit) are leveled on the controlling company accounts. The interest paid and owned are calculated day by day according to the centralized position of the group cash position.

h. Recognition principle of the turnover

Cost plus contracts – the product of cost plus contracts is recognized according to the project advancement. The services already performed but not yet invoiced as booked as pending invoices.

Package contracts - The turnover resulting from package services is entered in the accounting in accordance with the progress method. The current services are valued at the sale price. . If the amount of services performed is greater than the amount invoiced for, the difference appears in invoices to be established. Otherwise, it is recorded as prepaid income.

A provision for losses at termination is recorded once the expected provisional margin for the project becomes negative.

i. Regulated provisions

These provisions do not correspond to normal provisions but are recorded in application of legal measures. They are created following a mechanism similar to the one for other provisions, but their tax system is submitted to this accounting system.

The amortization of securities acquisition cost last five years from the date of acquisition.

j. Note 13:Provisions for risks and charges

The provisions for risks and charges are recorded when the object of the risks and charges is clearly defined but the execution is uncertain but likely to occur because of current events.

k. Transactions in foreign currencies

The charges and income in foreign currencies are entered at their equivalent value on the date of the transaction. The payables, receivables and liquid assets in foreign currencies appear in the balance sheet at their equivalent value as determined by the rate at the end of the financial year. The difference resulting from this valuation of debts and receivables in foreign currencies at this rate is entered in the balance sheet under the heading "translation differences". The differences resulting from the conversion of liquid assets in foreign currencies are registered in the category "exchange loss" of the income statement.

l. Tax situation of the group concerning corporate tax

SQLI is the controlling company of an integrated group for taxation purposes including the following companies in 2015: ABCIAL, CLEAR VALUE SAS, EOZEN France, EOZEN LG, NAGA CONSEIL, ASTON EDUCATION and ASTON INSTITUT.

The tax charges are borne by the integrated companies (subsidiaries and parent), as in the absence of taxation integration. The tax savings made by the group are retained by the parent company.

The company records the payable tax charge. The R&D, family and training tax credit are retreated from the tax charge.

m. Benefits after employment

The advantages after employment covered by provisions are related to commitments for retirement compensations, which are fixed allowances calculated according to the number of years of service and the annual wages at the date of retirement. They don't generate any provision in the accounts.



E. Other information

The information is given in euros

1 FINANCIAL ASSETS

	31/12/2014	UTA	Acquisitions Allowance	Transfers Write-backs	31/12/2015
Settlement costs	38,205			38,205	0
Software	1,873,490		108,644	348,779	1,633,355
Purchased goodwill	23,471,498				23,471,498
Gross value	25,383,193	0	108,644	386,984	25,104,853
Less depreciation	1,897,826		13,614	386,984	1,524,456
Less provisions	0				0
Net Value	23,485,367	0	95,030	0	23,580,397

Purchased companies business is recorded as follows:

	31/12/2014	UTA	Acquisitions Allowance	Transfers Write-backs	31/12/2015
ASTON	8,956,600				8,956,600
ASTON EDUCATION	2,150,492				2,150,492
PROCEA	1,438,183				1,438,183
SYSDEO	5,199,597				5,199,597
<i>Including:</i>					
NAGORA TECHNOLOGIE business	323,844				323,844
OBJECTIVA business	593,340				593,340
SHAFT	198,200				198,200
AMPHAZ	2,122,553				2,122,553
ICONEWEB	1,407,845				1,407,845
URBANYS	1,524,570				1,524,570
ECLAPS	35,268				35,268
NAGA CONSEIL	437,925				437,925
Other	265				265
Net value of businesses	23,471,498	0	0	0	23,471,498

In the last years, SQLI took over SYSDEO, ASTON, PROCEA, SUDISIM, ICONEWEB, URBANYS, ALCYONIX NAGA CONSEIL and ASTON EDUCATION. These companies businesses are from then totally integrated to SQLI's and it is nearly impossible to identify the turnover or margin related to each of these businesses. The two main companies (ASTON et SYSDEO) allowed SQLI to grow to a consistent size (from 44 m€ in 2005 to 74 m€ in 2006) and to keep its referencing contracts with the major accounts despite the decrease of ICT services firms. The justification for the goodwill value of these six companies has been tested with discounted cash flow procedure applied to SQLI.



In order to certify the main elements of SQLI goodwill global valuation approach, the recoverable values are set from the updated net cash flows, with consideration of the terminal value, based on an infinite growth rate for the income of the valued assets. The rate used for the updating of the future cash flows is the weighted average cost of capital before taxes. The considered hypothesis in terms of activity growth and terminal values are reasonable and in compliance with the available market facts. The main factors used for the establishment of this estimated flows are the following:

Duration of estimates: 4 years (same as 31 December 2014)

Capitalization rate (aft. Tax) 9,5% (same as 31 December 2014)

Ad infinitum growth rate: 1,5% (same as 31 December 2014)

According to these tests, there has not been any new depreciation recorded at 31 December 2015.

2 FINANCIAL ASSETS

	31/12/2014	Acquisitions Allowance	Transfers Write-backs	31/12/2015
General facilities and fittings	2,363,179	706,188	41,603	3,027,764
Transport equipment	7,437	0	4,437	3,000
Office & IT equipment	3,082,016	404,311	1,425,851	2,060,476
Furniture	951,724	95,666	288,143	759,247
Works of art	10,790			10,790
Total Gross Value	6,415,147	1,206,165	1,760,035	5,861,278
Less depreciation	4,877,804	674,629	1,759,819	3,792,614
Net Value	1,537,343	531,536	216	2,068,664

3 FINANCIAL ASSETS

	31/12/2014	Increases Allowance	Decreases Write-backs	31/12/2015	At most 1 year	At least 1 year
Securities	36,538,328		635,493	35,902,835		35,902,835
Claims related to participations	5,234,398	112,539		5,346,937		5,346,937
Less provisions	3,362,468	0	1,935	3,360,532	0	3,360,532
Net Value	38 410 258	112,539	633,558	37,889,240	0	37,889,240
Loans	2 517 983	247,740		2,765,723		2,765,723
Deposits and sureties	518,459	82,129	822	599,765	11,382	588,383
Own equity*	1 021 538	411,576	381,290	1,051,824	1,051,824	
Fixed claims ¹⁾	33,764	57,864	7,830	83,797	83,797	
Other fixed securities	40,016			40,016		40,016
Total Gross Value	4 131 760	799,309	389,942	4,541,125	1,147,003	3,394,122
Less provisions	276,753	86,469		363,222		363,222
Net Value	3,855,007	712,840	389,942	4 177 903	1 147 003	3 030 900
Total Gross Value	45,904,486	10,015,078	3,196,714	45,790,898	1,147,003	44,643,895
Less provisions	3,639,221	86,469	1,935	3,723,755	0	3,723,755
Net Value	42,265,265	10,014,707	2,743,021	42,067,143	1,147,003	40,920,140

¹⁾ Unavailable cash of the liquidity contract

Following an agreement made in June 2015 with the sellers of WAX INTERACTIVE Lille and ECOMMERCE4U securities, the earn-out first set at 1,200 K€ has been definitely set at 565 K€ and paid in July 2015. The securities value has been accordingly reduced by 635 K€.





The following depreciations are registered in financial fixed assets:

	31/12/2014	Allowance	Write-backs	31/12/2015
Securities				
ABCIAL	3,019,500		1 935	3,017, 565
ICONEWEB Morocco	17,968			17,968
EOZEN SA (Luxembourg)	325,000			325,000
Total	3,362 468	0	1 935	3 360 533
Loans ⁱ	276,753	86,469		363,222
Total	3 639 221	86,469	1,935	3 723 755

ⁱ Rate used for loans impairment 1%: ten years OAT rate at closing date of the financial year: 1% (in 2014: 0.8%)

Each year, SQLI proceeds to the evaluation of the subsidiaries with the Discounted Cash Flow (DCF) approach. In 2015, SQLI had a 1.5% ad infinitum growth rate and a weighted average cost of capital bef. taxes of 9.5%.

ABCIAL has been valued according to its net situation at 31 December 2015 with a provision recovery of 1,9357 K€.

* Self-owned shares

After the resolutions taken by the Combined General Meeting of 25 June 2015, SQLI started a program for buying back its own shares, with the following objectives (by decreasing priority): i) Market animation or share liquidity, ii) Purchase for keeping and using for exchange or retribution of possible external growth operations, iii) Allocation of shares to the employees, iv) Possible Cancellation of these shares.

At the closing date, the group did not intend to assign the free shares to free shares allocation plans.

This program expired during the General Meeting of 31 December 2015 called to assess the financial statements for the year. It includes a maximum unit purchase price of 45 € and a minimum unit selling price of 7 €. It was organized within a liquidity contract signed with la Financière d'Uzès.

	Number of shares	31/12/2015 Unit price	Value (in €)	Number of shares	31/12/2014 Unit price	Value (in €)
New Self-owned shares at 1st January	61,405	€16.64	1,021,543	13,637	€10.06	137,131
Acquisitions of the year	17,724	€23.22	411,576	59,216	€18.18	1 076 804
Transfers at sale value	(19,025)	€24.32	(462,698)	(12,068)	€18.13	(219,799)
Exchange				620	€8.76	5,431
Transferred capital gain and loss			81,495			81,495
Former Self-owned shares at 31 December	60,104	€17.50	1 051 916	61,405	€16.64	1 021 543

4 CUSTOMERS AND RELATED ACCOUNTS

Customer claims amount to 32,065,395 € and unbilled invoices to 15,104,276 €. Depreciations are registered on customer claims for 1,805,369 €. The deadline for customer claims is less one year.

SQLI uses the services of a factoring company. The business costs of customer claims and their capitalization are as the following:

	2015	2014
Credit insurance and customer management	211,518	182,555
Financial cost of receivables capitalization	19,379	26,933
Total	230,897	209,488

5 OTHER CLAIMS

	Gross amount	Depreciation	Net amount	At most 1 year	At least 1 year
Debts of suppliers	19,954		19,954	19,954	
Customers and related accounts	11,187		11,187	11,187	
Welfare system and other social institutions	177,985		177,985	177,985	
State, public institutions					
R&D tax credit ¹	4,678,321	890,245	3,788,076	1,512,056	2,276,020
CICE	1,986,607		1,986,607		1,986,607
Recovered VAT	1,880,613		1,880,613	1,880,613	
Group and partners ²	5,491,678	107,251	5,384,427	5,384,427	
Various debtors					
Net customer receivables	17,898,040		17,898,040	17,898,040	
Various	158,047		158,047	158,047	
Claims on asset transfers	28,763	1,537	27,226	27,226	
Total	32,331,195	999,033	31,332,162	27,069,535	4,262,627

1 R&D tax credit amounts to 550,442 € in 2015 for an overall credit of 1,467 K€ for 2015 and the cumulative claims for all companies of the tax group amount to 4,678 K€ at 31 December 2015.

A tax investigation regarding R&D tax credit for years 2010 to 2012 (3,759 K€) ended with a recovery of 856 K€ accepted by SQLI and a provision reversal of 1,040 K€.

Following the results of this investigation, the company decided to decrease the uncontrolled R&D tax credit provision rate (2013 to 2015) from 50% to 30%, generating a write back of 303 K€ for years 2013 and 2014 and an allocation of 440 K€ for 2015.

2 The interest income on the year result accounts, calculated at a rate of 0.2%, amount to 121 K €. ICONWEB Morocco current account has been totally depreciated according to the net situation at 31 December 2015; this company is not operating anymore.

6 VARIATION OF THE PROVISIONS FOR DEPRECIATION

	31/12/2014	Allowance	Write-backs	31/12/2015
Securities	3,362,468		1,935,	3,360,533
Loans for building effort	276,753	86,469		363,222
Customers	1,440,433	402,472	37,536	1,805,369
R&D tax credit	1,662,069	440,135	1,211,959	890,245
Other receivables	108,887		99	108,788



Total	6,850,610	929,076	1,251,530	6,528,156
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7 CASH FLOW AND EQUIVALENT

	31/12/2015	31/12/2014
Cash position	6,926,068	15,112,230
Monetary unit trusts and funds (SICAV and FCP)	47,492	47,492
Bank certificates	3,400,000	
OCBSA Loire Développement	310,000	310,000
Cash flow and Cash flow equivalents	10,683,560	15 469 722

The market value of Monetary unit trusts and funds (SICAV and FCP) amounts to 63,460 € at 31 December 2015.

8 CHARGES PAID IN ADVANCE

The charges paid in advance for subcontracts amount to 124,514 €; those related to leasing and other regular external costs amount to 1,101,887€.

9 OWN EQUITY

At 31 December 2015, the capital is made of 3,685,916 shares (31.12.2014: 3,596,998) with a par value of 0.80€ each, paid in full.

	Number of shares	Nominal value	Share capital
Capital at 1st January 2015	3,596,998,	0.8	2,877,598
Exercise of 658,830 BSAR, the equivalent of 65,883 shares, at the unit price of 15 €.	65,883		52,706
11,228 shares have been created by the Delegated Executive Officer on 26 January 2015 for the employees members of the « PEG TESORUS » Group Saving plan, at the exercise price of 14.52 € per share.	11,228		8,983
11,807 shares have been created by the Delegated Executive Officer on 24 December 2015 for the employees members of the « PEG TESORUS » Group Saving plan, at the exercise price of 21 € per share.	11,807		9,446
Capital at 31 December 2015	3,685,916,	0.8	2,948,733

The company net situation before the income appropriation is as follows:

	31/12/2014	Increases	Income appropriation	Annual income	31/12/2015
Capital	2,877,598	71,135			2,948,733
Insurance premiums	33,022,265	1,288,730			34,310,995
Legal provision	287,714		2,624		290,338
Unavailable reserve	272,850				272,850
Retained earnings	14 288 348		(188,629)		14,099,719
Profit (loss)	1,419,624		(1,419,624)	8,728,178	8,728,178
Regulated provisions	546,063	18,168			564,231
Total	52,714,463	1,378,033	(1,605,629)	8,728,178	61,215,044



The company Articles of association give a double vote right for the fully paid shares which have been registered for at least three years, and for the shares granted to shareholders after a capital increase by capitalization of reserves, benefits or issue premiums, at the rate of former shares which gave them the same right.



The capital and voting rights are divided as follows:

	31/12/2015			
	Number of shares	In% of the capital	Number of voting rights	% of voting rights
Roland Fitoussi (Sethi , HIP)	422,634	11.5%	667,431	15.0%
Employed shareholders	84,056	2.3%	136,695	3.1%
Laurent de Roover	48,372	1.3%	96,744	2.2%
Thomas Rocmans	48,372	1.3%	96,744	2.2%
X Chain Holding	48,372	1.3%	96,744	2.2%
FD5 (and family Beublain)	60,634	1.6%	106,497	2.4%
JINKGO SPF sarl	41,414	1.2%	82,828	1.9%
Family of Patrick Lacarrière	39,240	1.1%	78,480	1.8%
Didier Fauque	9,385	0.3%	9,385	0.2%
Yahya El Mir	5,000	0.1%	10,000	0.2%
Bernard Jacon	4,277	0.1%	6,677	0.2%
Other nominative shareholders	188,264	5.1%	307,673	6.9%
Total of nominative shareholders	1,000,020	27.1%	1,695,898	38.2%
Self-control	60,104	1.6%	60,104	1.4%
Public	2,625,792	71.2%	2,680,044	60.4%
<i>Financière Arbevel</i>	272,988	7.4%	272,988	6.2%
<i>Sycomore</i>	206,016	5.6%	206,016	4.6%
<i>Moneta</i>	180,000	4.9%	180,000	4.1%
<i>SOCADIF</i>	52,302	1.4%	52,302	1.2%
<i>ALTO INVEST</i>	47,006	1.3%	47,006	1.1%
Total	3,596,998	100.0%	4,461,745	100.0%

Liquidity tools

	Issue date	31/12/2015		31/12/2014	
		Number of warrants to be exercised	Number of potential shares	Number of warrants to be exercised	Number of potential shares
BSAAR	20/04/2011	6,018,267	601,827	6,677,097	667,710
BSA	16/09/2014	215,784	215,784	215,784	215,784
Stocks options	05/11/2014	45,500	45,500	48,000	48,000
Total		6,279,551	863,111	6,940,881	931,494

BSAAR

The BSAAR issued in April 2011 for the issue of a bond borrowing will last 7 years. In 2015, 658,830 warrants have been exercised with the issue of 65,883 new shares.

At 31 December 2015, 6,018,267 outstanding BSAAR gave right to the subscription of 601,827 new SQLI shares at the exercise price of 15 €.



BSA

On 16 September 2014, the Executive Board granted 215 784 BSA to Didier Fauque, CEO (143 856 BSA) and Thierry Chemla, DEO (71 928 BSA).

The conditions of this allocation are the following:

- Each BSA gives a right to subscribe one new share at the exercise price of 19.90 €;
- BSA can be exercised for a period of three years following the second anniversary of the date of issue by the Board.
- They are divided in 3 categories of 71 928 BSA, submitted to performance conditions regarding SQLI share price which must be higher than 25, 30 and 35 €;
- The unit price is set by an independent expert for each category: 1.33€, 1.14€ and 0.88€ ;

Stocks options

On 5 November 2014, the Executive Board granted 48,000 stock options to employees and executive managers.

The conditions of this allocation are the following:

- the options will have to be exercised before the 6th November 2019 at the latest (5 years);
- No option can be exercised before 31 December 2016;
- Anybody leaving the company before 31 December 2016 will lose his exercise right.
- The share purchase price is set to 16 €.

2,500 options have been canceled during the year due to departures.

10 OTHER OWN FUNDS

	2015	2014
Advances with conditions – OSEO	43,176	63,926
Total	43,176	63,926

11 REGULATED PROVISIONS

	31/12/2014	Increases Allowances	Decreases Releases	31/12/2015
Acquisition costs for fixed assets	657,778			657,778
Overriding depreciation	(546,063)	(18,168)		(564,231)
Remaining costs for depreciation	111,715	(18,168)	0	93,547



12 PROVISIONS FOR RISKS AND CHARGES

	31/12/2014	Allowance	Release of used provisions	Release of unused provisions	31/12/2015
Labour Court conflicts and others ⁱ	455,778	181,410	317,676	21,502	298,010
R&D tax credit ⁱⁱ	136,213			131,633	4,579
Provisions for risks	591,991	181,410	317,676	153,135	302,589
Loss upon completion	28,194	15,313	28,194		15,313
Foreign exchange loss	377	3,762	377		3,762
Provisions for charges	28,571	19,075	28,571	0	19,075
Total	620,562	200,485	346,247	153,135	321,664

ⁱ SQLI has been summoned in front of the Labour Court by four employees and provisioned the risk according to its lawyers' estimations. The URSSAF control on years 2011 to 2013 ended in 2015 with an adjustment of 414 K€ partly covered by a provision release of 306 K€.

ⁱⁱ Release of 129 K€ after the R&D tax credit adjustment for 2012.

13 OTHER BOND LOANS

	31/12/2015	31/12/2014
OBSAAR	3,400,000	6,800,000
Accrued interest not due	0	0
Total of bond loans	3,400,000	6,800,000

SQLI launched on 20 April 2011 a 17,000,000 € bond borrowing with the issue of 85,000 bond warrants or bonds with redeemable warrants attached (OBSAAR) with a face value of 200 € each. This issue was reported in a Prospectus registered by the FMA under n° 11-085 on 25 March 2011.

This bond loan is valid for 5 years and payable in 5 annual payments of 3,400,000 M€ between 20/04/2012 and 20/04/2016. It bears interest at 3 months EURIBOR variable rate minus 0.44 point. Interests are due every quarter on 20/07, 20/10, 20/01 and 20/04, every year.

On 18 December 2015, SQLI announced the early repayment on 20 January 2016 of the last portion of the bond loan. The representative of the bond owners confirmed on 23 December that this announcement caused the early repayment clause to be invalid since the contractual financial ratios had not been respected.



14 LOANS AND DEBTS TOWARDS CREDIT INSTITUTIONS

	31/12/2015	31/12/2014
Loan with Bpifrance Financement	5,000,000	5,000,000
10 M€ loan with the bank pool	6,230,000,	7,000,000,
Prefunding of CICE credit claims	2,139,437	2,139,437
Bank overdrafts	737	175
Accrued interests to be paid	,59,042,,	,70,693,
Total of loans and debts with credit institutions	13,429,189	14,210,305

Loans toward credit institutions

SQLI contracted 3 loans for its investment program:

- **2,500,000 € with Bpifrance Financement:**
 - Available on 13 November 2014;
 - Duration: 7 years
 - Fixed rate: 2.92% / year;
 - The principal repayment will be made in 20 quarterly payments at the end of the month, with the capital being depreciated on a straight-line basis, after a 24 month deferred period during which only interests will be perceived.
 - This loan didn't generate any security right or personal guarantee.
 - This loan is attached to a hold back of 125 K€.
- **2,500,000 € with Bpifrance Financement:**
 - Available on 13 November 2014;
 - Duration: 10 years
 - Fixed rate: 4.51% / year;
 - The principal repayment will be made in 28 quarterly payments at the end of the month, with the capital being depreciated on a straight-line basis, after a 36 month deferred period during which only interests will be perceived.
 - This loan didn't generate any security right or personal guarantee.
- **10,000 K€ with a bank pool** including banque Palatine, BNP Paribas, Société Générale, Caisse d'Epargne et de Prévoyance Bretagne Pays de Loire and Crédit Lyonnais:
 - a first withdrawal of 7,000 K€ was made available to SQLI on 17 December 2014;
 - The credit repayment will start on 30 November 2015 and end on 30 November 2019.

Allocation date	30/11	31/05	30/11	30/05	30/11	30/05	30/11	30/05	30/11
	2015	2016	2016	2017	2017	2018	2018	2019	2019
Depreciation	11%	11%	11%	11%	11%	11%	11%	11%	12%
in %									

Interests are due every quarter based on EURIBOR 3 month rate, increased by a margin of 1.50 to 2.40% maximum, set according to the R2 level ratio (net financial debt / restated EBITDA):

R2 Level ratio	Margin applied to the credit
$R2 \leq 0,75$	1.50%
$0,75 < R2 \leq 1,2$	1.75%
$1,2 < R2 \leq 1,5$	2.00%
$1,5 < R2$	2.40%

- The credit agreement includes several cases of anticipated collectability, regarding, among others, failure to comply with the following financial ratios:
 - R1 = Interest charge coverage ratio = restated EBITDA/Cash net financial costs > 8
 - R2 = Leverage ratio = net financial debt / restated EBITDA < 1,2 in 2014 and then 1
 - R4 = Structure ratio = net financial debt / Own equity < 0,3



These ratios have been respected at 31 December 2015.



- SQLI gave to the banks the following guarantees:
 - a pledge of all social shares of ECOMMERCE4U,
 - a pledge of all social shares of WAX INTERACTIVE Lille,
 - a pledge of all social shares of WAX INTERACTIVE,
 - a transfer of the debt due to SQLI by WAX INTERACTIVE regarding a current account advance agreement and the related accessories.

Prefunding of CICE credit claims

The mobilization of CICE credit claims for 2013 and 2014 (2,139,437 €) bears interests calculated after the EURIBOR 1 month increased by 1.20% a year.

15 LOANS AND FINANCIAL DEBTS

They include the current accounts within the group. The interests for the year amount to 46,565 €.

16 TAX AND SOCIAL DEBTS

	Gross amount	At most 1 year	Between 1 and 5 years	More than 5 years
Customers and related accounts	11,314,059	11,314,059		
Welfare system and other social institutions	10,733,626	10,733,626		
State: value added tax	12,910,744	12,910,744		
Other dues, taxes and similar	344,517	344,517		
Total	35,302,946	35,302,946		

17 DEBTS ON FIXED ASSETS

	31/12/2015	31/12/2014
Fixed assets suppliers	2,369	25,167
Total	2,369	25,167

18 OTHER DEBTS

	31/12/2015	31/12/2014
Earn-out WAX INTERACTIVE Lille (ex-NAXEO)		1,150,000
Earn-out ECOMMERCE4U		50,000
Remittance of customers and credit notes to be issued	3,686,958	3,503,713
Severance pays	136,800	110,242
Surplus from third parties	9,585	293,585
Default interest regarding the URSSAF tax adjustment	33,640	
Final settlement of all accounts and other individual balances	2,349	142
ADESATT contribution	11,732	8,490
Attendance fee	44,650	44,650
Non competition allowance due to M. Yahya El Mir	11,151	55,765
Total	3,936,865	5,216,587

Remittance of customers and credit notes to be issued regard mainly credit notes for GEIE ICE (3,023,112 €), SQLI being a member of this entity.



19 CHARGES TO BE BAID INCLUDED IN DEBTS

	31/12/2014	Variations	31/12/2015
Accrued interest not due	50,976	(33,490)	17,486
Customers and related accounts	2,177,424	30,288	2,207,712
Social debt:			
Provision for paid vacation ⁱ	6,705,629	(383,920)	6,321,709
Reduction for working time and vacation bonus ⁱ	310,360	2,253	312,613
Premium and various commissions ⁱ	2,592,174	1,876,865	4,469,039
Other Staff costs	182,114	(57,609)	124,505
Handicapped person contribution	248,098	(1,150)	246,948
FPC, TA ⁱⁱ	1,151,801	62,681	1,214,482
Tax debt:			
TVTS	22,207	(1,136)	21,071
Solidarity contribution	198,344	(28,074)	170,270
BOT	95,579	57,615	153,194
Property tax	115,000	(115,000)	
Attendance fee	44,650		44,650
Total	13 894 356	1 409 323	15 305 979

i Social charges included

20 PREPAID INCOME

It includes the services invoiced in advance, including 5,036,281 € related to package projects.

21 TURNOVER

	France	European Union	Out of European Union	31/12/2015	31/12/2014
Engineering	114,666,259	562,763	1,570,168	116,799,190	114,299,884
Training	5,503,086			5,503,086	4,874,237
Consulting	9,148,289	296,414	159,450	9,604,153	4,258,402
Maintenance and trading					111,275
Total	129,317,634	859,177	1,729,618	131,906,429	123,543,798

22 OTHER PRODUCTS

It includes the re-invoicing for the subsidiaries in application of the group conventions: transfer price, invoicing of central services, contracts of technology license and brands signed with SQLI Switzerland and SQLI Morocco.



23 OTHER EXTERNAL PURCHASES AND COSTS

	31/12/2015	31/12/2014
Non stored materials	347,474	320,296
Outsourcing	26,634,230	28,809,463
Premises for rent and rental costs	5,188,941	5,583,717
Leasing management	213,425	157,680
Maintenance and repairs	213,425	157,680
Insurance premiums	414,986	396,379
External staff	370,057	(226,366)
Fees	2,454,620	2,249,422
Advertising and external relationship	548,418	457, 153
Business trips, missions and receptions	2, 558,882	2 558, 683
Mailing and telecommunication costs	549,333	624,244
Bank services	183,700	360,915
Others	294,499	472,933
Total	40,507,293	42,466,373

24 TAXES AND DUES

	31/12/2015	31/12/2014
Training tax	429,271	617,896
Corporate tax /BOT	1,095,601	1,064,945
CET	1,692,168	1,585,667
Property tax	284,498	243,356
Taxes on private vehicles	84,287	92,574
Solidarity contribution	170,270	198,344
Handicapped person contribution	246,948	248,098
Others	66,471	64,660
Total	4,069,514	4,115,540



25 FINANCIAL RESULT

	31/12/2015	31/12/2014
Financial income		
Interest on current accounts	121,434	43,433
VMP transfer gain	81,495	31,564
Foreign Exchange gain	359	102
Provision recovery ⁱⁱ	2,412	453,694
Income on securities ⁱⁱⁱ	3,047,091	
Interest on current accounts	25,918	36,041
Other income	5,405	12,400
Total	3,284,114	577,234
Financial charges		
Loan interest	325,200	28,804
Rate swap	119,194	217,998
Interest on current accounts	46,565	71,104
Interest on factor financing	19,379	26,933
Foreign exchange loss	6,913	91
VMP loss of transfer	0	314,031
ICONEWEB confusion malus	0	135,751
Various	30,469	14,788
Allowance for depreciation ⁱ	90,231	6,781
Total	637,951	816,281
Financial result	2,646,163	(239,047)

ⁱ Including a 86 469 € provision for depreciation related to the updating of loans for building investment.

ⁱⁱ Including 1,935 € of provision release for the depreciation of ABCIAL securities.

ⁱⁱⁱ 3.3 MCHF of dividends paid in 12/2015 by SQLI CH.

26 EXPOSURE TO EXCHANGE RISK

SQLI is almost not exposed to exchange risk since its activity is mainly in France and the invoicing is made in euros. Its currency position at the closing date is the following:

	CHF
Assets	-
Liabilities	(64,583)
Net position before administration	(64,583)
Off-Balance sheet commitments	
Net position after administration	(64,583)



27 EXPOSURE TO RATE RISK

HEDGING RULES FOR RATE RISKS

In 2011, SQLI contracted a rate hedge in order to protect the company from the fluctuations during the reimbursement of the 17,000,000 M€ loan. The hedged amount is limited to 13,600,000 €. The company chose a fixed rate.

The group contracted in 2015 a rate hedge in order to cover the fluctuations of variable rates within the repayment duration of the 10,000,000 € loan subscribed in December 2014. The hedged amount is limited to 7,000,000 €. The company chose a fixed rate.

HEDGING DERIVATIVE INSTRUMENTS

The conditions of derivative instruments related to the rate risk control at 31 December 2015 are exposed as follows:

	Bond loan	Bank loan
	13,600,000 €	€7,000,000
Starting date	27/05/2011	27/02/2015
Floating rates payer	Société Générale	LCL
Floating rate	EURIBOR 3 months – 0.44%	EURIBOR 3 months + 1.50%
SQLI Fixed / floating rate	2.425%	0.18%
Notional amounts covered at 31 December:		
2015	3,400,000	6,230,000
2016	-	4,690,000
2017	-	3,150,000
2018	-	1,610,000
2019	-	-

28 EXTRAORDINARY RESULT

	31/12/2015	31/12/2014
Extraordinary income		
Recovery of provision for depreciation ⁱⁱ	1 343 592	886,622
Transfer of intangible, tangible and financial fixed assets	38,981	9,879
Total	1 382 573	896,501
Extraordinary charges		
NCV of transferred fixed assets	216	450
Compensation related to M. Mériaudeau departure		4,155
Allowance for overriding depreciation ⁱ	18,168	14,255
Allowance to provisions for risks ⁱⁱ	440,136	703,363
Various	34,204	215
Total	492,724	722,438
Extraordinary result	174,063	174,063

ⁱ Depreciation of securities fixed acquisition costs

ⁱⁱ Including provision related to R&D tax credit: allowance of 440,136 € and release of 1,343,592 €.



29 ALLOCATION OF ALLOWANCES AND PROVISION RECOVERY

	Allowance	Write-backs
Conflicts in Labour Court and with URSSAF	181,410	339,178
Depreciation of customer claims	402,472	37,536
Loss upon completion	15,313	28,194
Operation	599,195	404,908
Depreciation of securities	3,761	1,935
Depreciation of current accounts		99
Loans for building effort	86,469	
Foreign exchange loss		378
Financial	90,230	2,412
Overriding depreciation	18,168	
R&D tax credit	440,136	1,343,593
Extraordinary	458,304	1,343,593
Total	1 147 729	1 750 913

30 CORPORATE TAX

The tax situation of the companies integrated in the group in 2015 is the following:

	Tax result	R&D tax credit	Other tax credits
SQLI (controlling company)	3 155 347	1 467 118	
ABCIAL	3,551		
CLEAR VALUE SAS	(6,221)		
WAX INTERACTIVE	(1,749,654)	38,431	
EOZEN France	(21,407)		
WAX INTERACTIVE LILLE	(413,790)		
ECOMMERCE4U	(145,008)		
ASTON INSTITUT	261,524		
Total tax group	1 084 342	1 505 549	

The tax allocation between current result and extraordinary result is the following:

	Result (bef. taxes)	Taxes due	Net result (aft. taxes)
Current Result	7,231,262	(1 044 917)	6 186 345
Extraordinary result	889,849	(6,865)	882,984
Impact of unused tax losses		317,639	317,639
Impact of tax integration		778,693	778,693
Tax credit for the year		610,686	610,686
Other taxes		(48,169)	(48,169)
Accounting Result	8,121,111	607,067	8,728,178



31 VARIATION OF DEFERRED TAXES

	31/12/2014		Variations		31/12/2015	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
I Existing or possible gaps						
Overriding depreciation		546,063	18,168			564,231
II. Temporary non deductible costs						
To be deducted the following year:						
Payable costs N	198,344		170,270	198,344	170,270	
Fees	141,416		169,182	141,416	169,182	
Translation differences - Assets	378		3,761	378	3,761	
Total	340,138	546,063	361,381	340,138	343,213	564,231
III. Items to be allocated						
Fiscally carried over deficit (1)	952,916			952,916		
Total	0	0	0	0	0	0

(1) Deferred deficits of Tax integrated group

32 TRANSFER OF COSTS

Nature of transfers	31/12/2015	31/12/2014
In-kind compensations	504,177	238,605
Insurance premium	1,399	7,413
Discount suppliers		9,332
Foresight indemnities	60,453	125,375
Various	3,583	13,375
Total	569,612	394,100

33 AFFILIATED COMPANIES AND JOINT VENTURE

ITEMS	AMOUNT OF COMPANIES	
	Affiliated	Joint Venture
Holdings	35,902,835	
Customers	12,628,944	
Credit notes to be issued	3,023,112	
Customers current account advance	5 491 678	
Suppliers	7 431 479	
Depreciation of current accounts	14 281 941	
Financial income from investments	3 168 525	
Financial charges	46,565	



34 REMUNERATION OF HEAD MANAGERS AND RELATED PARTIES

	Gross remuneration	Social costs	2015	Gross Remuneration	Social costs	2014
Short-term benefits (1)	1,469,489	590,844	2 060 333	1 248 777	484 972	1 733 749
Benefits after employment	45,856	21,323	67,179	30,854	14,347	45,201
Attendance fees	70,000	18,547	88,547	70,000	17,816	87,816
Total	1,585,345	630,714	2,216,059	1,349,631	517,135	1,866,766

(1) "Short-term benefit" must be intended as wages itself, which includes paid vacations, premiums, interest and in kind benefits.

35 OFF-BALANCE SHEET COMMITMENTS

The group has to take a certain number of commitments due to its activity. Some of these commitments generate provisions (like the commitments related to retirement and other advantages granted to the staff, legal disputes...)

The other commitments not included in the balance sheet are listed below.

1) Remaining commitments coming from contract obligations

	Less than 1 year	From 1 to 5 years	More than 5 years	31/12/2015
Premises	2,365,753	7,718,818	408,344	10,492,915
IT equipment	575,862	382,697	-	958,559
Vehicles	630,617	329,916	-	960,533
Operating Leasing contract rents	3,572,232	8,431,431	408,344	12,412,007

2) Commitments received

DIADEMYS gave to SQLI, as a pledge and a guarantee covering the remaining amounts still due, the ICT hosting service activity acquired on 22 June 2012.

DILITRUST gave to SQLI, as a pledge and a guarantee covering the remaining amounts still due, the Dataroom goodwill activity acquired on 16 June 2013.

The former shareholders of WAX INTERACTIVE LILLE granted to SQLI, until the term of the legal deadline set in related social and tax regulations, a guarantee on its assets and liabilities with an exemption of 48 K€ limited to 400 K€, with a possible surplus of 20% of the received earn-out, cross-guaranteed by a bank surety of 200 K€.

This guarantee does not include customer contracts.

The former shareholders of ECOMMERCE4U granted to SQLI, until the term of the legal deadline set in the related social and tax regulations, a guarantee on its assets and liabilities with an exemption of 3 K€ limited to 40 K€, with a possible surplus of 20% of the received earn-out.

This guarantee does not include customer contracts.

SQLI took a pledge on WAX INTERACTIVE as a guarantee of the 5.3 M€ advance granted to this subsidiary.



3) Debts guaranteed by real securities

Some commitments have been given in 2011 by SQLI regarding the issue of OBSAAR, with bond owners benefiting from:

- A 3.1 M€ key-man insurance delegation contracted between SQLI and AGIPI on behalf of the CEO;
- The pledge of EOZEN Belgium, EOZEN SA and CLEAR VALUE SAS securities;
- The pledge of SQLI business up to 1.4 M€.

In July 2012 and February 2013, the bond owners, as a whole, partly released the pledge registered on SQLI business regarding the ICT hosting services and Dataroom activities.

In exchange of the 10 M€ credit line contracted with a bank pool including banque Palatine, BNP Paribas, Société Générale, Caisse d'Epargne et de Prévoyance Bretagne Pays de Loire and Crédit Lyonnais, SQLI gave the banks the following guarantees:

- a pledge of all social shares of ECOMMERCE4U,
- a pledge of all social shares of WAX INTERACTIVE Lille,
- a pledge of all social shares of WAX INTERACTIVE,
- a transfer of the debt due to SQLI by WAX INTERACTIVE regarding a current account advance agreement and the related accessories. The market capitalization amounted to 5.2 M€ at 31 December 2014.

4) Credit lines accepted and still available

The Group has three credit lines of 1 M€ each, with BNP Paribas, Caisse d'Epargne and the Banque Palatine, plus a 13.5 M€ factoring capacity untouched at 31 December 2014.

5) Current conflicts

Various legal actions have been started against the company by former employees or customers. The management team has made provisions based on the estimated risks and on the consultants' recommendations regarding these actions.

The amount of damages estimated regarding the legal conflict opposing a former shareholder of EOZEN Belgium and EOZEN SA companies with the transferor shareholders and the transferred companies has been reduced from 2014 to 1 M€ after the ruling of Brussels Court of Appeal. EOZEN Belgium and EOZEN SA would be protected from the possible impact of this dispute by the guarantees subscribed with the transferors.

36 AVERAGE STAFF

Categories	31/12/2015	31/12/2014
Executives	1,194	1,142
Managing agents, technicians	102	94
Interns	27	23
Trainees	5	6
Total	1,328	1,265

37 CICE

The CICE is equal to 6% of remunerations lower or equal to 2.5 x SMIC (minimum wages) paid in 2015. As soon as an employee annual wages exceed this limit, this remuneration is entirely excluded from the basis for tax credit. This basis for tax credit contains all gross remunerations, including social contributions, paid during the civil year on the basis of legal working hours.

In 2015, SQLI CICE amounts to 1,526,297 €. After tax integration, SQLI has a tax credit of 1, 986,607 € at 31 December 2015. The credits related for years 2013 and 2014 have been assigned with BPI France. CICE is mainly used to finance new market prospection projects.



38 BENEFITS AFTER RETIREMENT

The advantages after employment covered by provisions are related to the retirement indemnities for the staff employed in France, which are fixed allowances calculated according to the number of years of service and the annual wages at the date of retirement. These indemnities are calculated according to the number of worked years and the annual wages of the employee when he retires.

- The calculation is based on a voluntary retirement decision from the employer;
- the retirement age is set at 65 years;
- The life table is the one of 2011-2013;
- The annual salary revaluation rate is calculated according to the age. For each age grouping, the given rate is the average of rates registered by the group in the last three years: from 3.5% (from 20 to 30 years old), to 2.4% (from 31 to 40 years old), 1.8% (from 41 to 50 years old), 1.0% (from 51 to 60 years old) then constant;
- The discounting rate is 1.80%; (OAT rate 20 years);
- The turnover rate include all departures, decided by the employee or by the company. For each age grouping, the given rate is the average of rates registered by the group in the last three years: 7,1% (20-24 years old), 25,5% (25-29 years old), 23,7% (30-34 years old), 20,0% (35-39 years old), 17,5% (40-44 years old) ; then: 16,5% (45-49 years old), 11,6% (50-54 years old), 3% (55 years old), 2% (56-58 years old), 1% (59-60 years old), 0% (61 years old and more);
- The group's commitment to its employees is increased in 45.8% by the social charges.

The commitments amount to 1,253 K€ (social costs included) at the closing date.



39 SUBSIDIARIES AND AFFILIATED COMPANIES

Companies	%	Capital	Own equity other than share equity	Accounting value of held securities		Granted loans and advances	Granted sureties and guarantees	Cashed dividends	Result of the previous year	Notes
				Gross	Net					
France										
ABCIAL	99.63	37,000	4,183,385	7,237,949	4,220,385				1,935	Owned by SQLI Luxembourg
ASTON INSTITUT	100	30,000	3,511,714	30,000	30,000				200,039	
EOZEN FRANCE SAS	100	38,120	1,775,240						157,332	
CLEAR VALUE SAS	100	85,928	3,666,991	7,405,608	7,405,608	243,665			-6,481	
WAX INTERACTIVE	100	50000	-1,921,986	50,000	50,000	6,831,862			-1,662,985	
WAX INTERACTIVE Lille	100	30,000	-181,911	2,388,287	2,388,287	4,593			-379,794	
ECOMMERCE4U	100	6,000	-99,106	234,712	234,712				-143,440	
Total I		277,048	10,934,327	17,346,555	14,328,991	7,080,120,	0	0	-1 833 393	
Abroad										
SQLI SWITZERLAND (CHF)	100	92,293	4,022,251	62,871	62,871			3,047,091	167,763	Owned by CV SAS
SQLI MOROCCO (DH)	99.92	46,395	1,687,887	70,576	70,576	30/06/444			399,460	
SQLI Luxembourg (€)	100	93,000	592,246			0			-146,981	
ICONEWEB MOROCCO (DH)	100	18,235	-125,809	17,968		368,018			2,002	
EOZEN BELGIUM (€)	100	62,500	5,126,549	8,464,226	8,464,226				372,769	
EOZEN SA (€)	100	124,000	2,908,625	9,169,578	8,844,578				18,447	
WAX DESIGN (€)	100	20,000	902,849	771,062	771,062				159,381	
Total II		456,746	15,114,599	18,556,281	18,213,313	3,674,463		3,047,091	972,841	
Total		733,794	26,048,926	35,902,836	32,542,303	10,754,583		3 047 091	-860,552	

20.1.5. SQLI RESULT OVER THE LAST FIVE YEARS

<i>Data in thousands of euros</i>	31/12/2015	31/12/2014	31/12/2013	31/12/2012	31/12/2011
Duration of financial year (month)	12	12	12	12	12
Capital end of year					
Share capital	2,948,733	2,877,598	2,877,138	2,866,758	1,832,928
Number of shares					
Ordinary	3,685,916	3,596,998	3,596,422	3,583,448	36,658,549
Preferred dividend					
Maximum number of shares to be issued					
Per bond conversion					
Per subscription right	863,111	931,494	729,500	909,500	9,095,000
Operations and result					
Turnover (tax. ex.)	131,906,429	123,543,799	117,639,551	116,724,471	119,169,646
Result after taxes, participation, all. depreciations & provisions	8,206,170	1,062,157	3,044,804	2,640,804	-164,906
Taxes on profit	607,067	708,089	-1,178,546	-1,283,541	-1,973,183
Participation of employees					
All. Depreciations and provisions	85,059	350,622	-4,020,002	-155,530	-263,352
Net result	8,728,178	1,149,624	8,243,352	4,079,874	2,071,629
Distributed result	1,605,629	1,982,247	1,286,894		
Result per share					
Result after taxes, participation, all. depreciations & provisions	2.39	0.49	1.17	1.10	0.05
Result after taxes, participation, all. depreciations & provisions	2.36	0.39	2.29	1.14	0.06
Allocated dividends	0.45	0.55	0.36	0.36	
Staff					
Average number of employees	1,328	1,265	1,214	1,266	1,322
Wage bill	61,419,565	56,733,320	53,418,130	55,407,409	57,684,582
Amounts of social benefits (social insurance, community social projects...)	27,139,701	25,387,179	23,880,924	25,634,348	26,831,729

20.2. PROFORMA FINANCIAL INFORMATION

None.



20.3. CONSOLIDATED FINANCIAL STATEMENT

20.3.1. CONSOLIDATED BALANCE SHEET

A. Consolidated financial situation

ASSETS (in thousands of euros)	Notes	31/12/2015	31/12/2014
Goodwill	1	51,125	52,742
Intangible fixed assets	2)	673	42
Tangible fixed assets	3)	4,133	3,373
Financial assets	4)	3,914	3,768
Other non current assets	7)	6,630	4,938
Deferred taxes - assets	18)	578	870
NON CURRENT ASSETS		67,053	65,733
Customer receivables	5	53,124	51,695
Other claims and regularization accounts	6	24,305	21,347
Tax outstanding assets	7	1,549	190
Cash flow and cash flow equivalents	8	18,199	23,290
CURRENT ASSETS		97,177	96,522
TOTAL OF ASSETS		164,230	162,255



LIABILITIES (in thousands of euros)	Notes	31/12/2015	31/12/2014
Capital	9)	2,949	2,878
Premium		37,309	36,013
Consolidated reserves		28,828	27,275
Consolidated result		3,555	2,555
OWN EQUITY (GROUP SHARE)	C	72,641	68,721
Minority interests		0	0
CONSOLIDATED OWN EQUITY	C	72,641	68,721
Long term financial debt	12)	9,704	5,123
Long term provisions	16	2,427	2,169
Deferred taxes - liabilities		0	0
Other non current liabilities	19)	0	1,211
NON CURRENT LIABILITIES		12,131	8,503
Short term financial debt	12	7,263	15,897
Long term provisions	16	23	47
Debts with suppliers and related accounts	20)	16,723	16,567
Other payables	21	55,308	52,151
Tax outstanding liabilities	22)	141	369
CURRENT LIABILITIES		79,458	85,031
TOTAL OF LIABILITIES		164,230	162,255



20.3.2. CONSOLIDATED ACCOUNTS

Consolidated Result account

Data in thousands of euros	Notes	2015	2014
TURNOVER	V.	178,981	161,633
Other earnings	24)	5,698	4,013
Used purchases		-5,432	-2,829
Staff costs	25)	-117,870	-113,628
External costs	28	-45,821	-39,970
Taxes and dues		-3,047	-3,291
Net allowance to depreciation and provisions		-1,667	-917
Other operating costs and income		1	11
CURRENT OPERATING RESULT	V.	10,843	5,022
Goodwill depreciation		0	0
Other non current operating incomes and expenses	29)	-4,123	-811
OPERATING RESULT		6,720	4,211
Cash and cash equivalent income (charges)		116	118
Total of gross financial debt		-709	-524
Total of net financial debt	30	-593	-406
Other financial income and charges	30	-100	495
RESULT (bef. taxes)		6,027	4,300
Tax liability	31	-2,472	-1,745
NET RESULT (before result of activities transfered or being transfered)		3,555	2,555
Result of activity being stopped or transferred		0	0
CONSOLIDATED NET RESULT		3,555	2,555
Group share		3,555	2,555
Minority interests		0	0
Net result for the group group per share (euro)		0.99	0.72
Average number of outstanding shares	32)	3 573 880	3 544 458
Net diluted result, part of the group per share (euro)		0.93	0.69
Average number of outstanding BSAAR and shares	32)	3 822 487	3 680 776

Comprehensive income

Data in thousands of euros	2015	2014
NET RESULT	3,555	2,555
Actuarial difference on defined benefit scheme after tax	-120	-285
Items that will not be reclassified to profit or loss	-120	-285
Translation differences	724	163
Items that will not be reclassified to profit or loss	724	163
Items booked as own equity:	604	-122
OVERALL RESULT	4,159	2,433
Allocated to minority shareholders	0	0
Allocated to the group	4,159	2,433



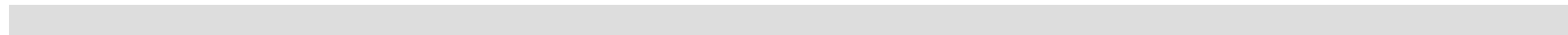


20.3.3. VARIATION OF CONSOLIDATED SHAREHOLDERS EQUITY

Variation of consolidated own equity

Data in thousands of euros	Number of shares	Capital	Premium	Reserves	Year result	Translation & actuarial differences	Own Equity		
							Group share	Minority interests	Total
Situation at 31/12/13	3,596,422	2,877	36,645	22,023	6,466	1,093	69,104		69,104
Allocation of result				4,484	-4,484				
Distribution of dividends					-1,982		-1,982		-1,982
Exercise of BSAAR	576	1	-1						
Cancellation of BSAAR				-127			-127		-127
Treasury shares			-800				-800		-800
Overall results H1					560				
<i>Other items of comprehensive income</i>						54			
Comprehensive income H1 2013					560	54	614		614
Situation at 30/06/2014	3,596,998	2,878	35,844	26,380	560	1,147	66,809		66,809
Issue of BSA			241				241		241
Cancellation of BSAAR				-76			-76		-76
Treasury shares			-72				-72		-72
Results H2					1,995				
<i>Other items of comprehensive income</i>						-176			
Comprehensive income H2					1,995	-176	1,819		1,819
Situation at 31/12/14	3,596,998	2,878	36,013	26,304	2,555	971	68,721		68,721
Income appropriation				949	-949				
Distribution of dividends					-1,606		-1,606		-1,606
Exercise of BSAAR	21,259	17	293				310		310
Group Saving Plan	11,228	9	144				153		153
Allocation of stock options			19				19		19
Treasury shares			-28				-28		-28
Total income H1					1,199				
<i>Other items of comprehensive income</i>						1,036			
Comprehensive income H1 2013					1,199	1,036	2,235		2,235
Situation at 30/06/15	3,629,485	2,904	36,441	27,253	1,199	2,007	69,804		69,804
Exercise of BSAAR	44,624	36	619				655		655
Group Saving Plan	11,807	9	233				242		242
Allocation of stock options			18				18		18
Treasury shares			-2				-2		-2
Total income H2					2,356				
<i>Other items of comprehensive income</i>						-432			

<i>Comprehensive income H2</i>					2,356	-432	1,924	1,924
Situation at 31/12/15	3,685,916	2,949	37,309	27,253	3,555	1,575	72,641	72,641



20.3.4. VARIATION OF CASH FLOW

D. Variation of cash flow

Data in thousands of euros		2015	2014
CONSOLIDATED NET INCOME		3,555	2,555
Net allowance to depreciation and provisions	(1)	1,359	140
Other calculated charges (revenues)		-48	-147
Transferred capital gain and loss		-2	-15
SELF FINANCING CAPACITY AFTER TAX AND FINANCING COST TO REVENUE		4,864	2,533
Tax liability (deferred taxes included)		2,472	1,745
Cost of financial debt		709	524
SELF FINANCING CAPACITY BEFORE TAX AND FINANCING COST TO REVENUE		8,045	4,802
Variation of customers		-3,641	-6,037
Variation of suppliers		89	3,319
Variation of other current assets and liabilities		-607	-1,722
(paid) reimbursed Corporate Tax	(2)	-2,292	-1,797
CASH FLOW RELATED TO OPERATING ACTIVITIES		1,594	-1,435
Acquisition of fixed assets		-2,425	-6,325
Transfer of fixed assets		54	378
Scope variation		0	-2,560
CASH FLOW DUE TO INVESTMENT ACTIVITIES		-2,371	-8,507
Capital Increase		1,360	241
Cancellation of BSAAR		0	-305
Dividends paid to the shareholders of the controlling company		-1,606	-1,982
Loan issue		0	13,967
Acquisition (transfer) of treasury shares		-30	-878
Loan repayment		-4,246	-3,478
Paid interests		-476	-211
CASH FLOW RELATED TO FINANCING ACTIVITIES		-4,998	7,354
CASH FLOW FLUCTUATION		-5,775	-2,588
Cash flow and equivalent at 1st January		21,071	23,572
Reclassification of cash position		310	0
Effect of currency rates fluctuation		425	87
CASH FLOW AND EQUIVALENT			
AU 31 DECEMBER	(3)	16,031	21,071

(1) Excluding provisions related to current assets.

(2) Including 1.524 K€ of CVAE.

(3) Cf. note E.V.9) supra.



20.3.5. ACCOUNTING PROCEDURES AND CRITERIA, APPENDIX AND EXPLANATIONS

E. Appendix to the consolidated accounts

I. ACTIVITY

Created in 1990, SQLI is the reference partner for companies operating a digital transition of their customer processes and all the internal services related. With a unique positioning covering marketing and technology, SQLI uses a global approach to meet the needs of developing sales and reputation (digital and social marketing, customer experience, e-Commerce, data intelligence), and productivity and internal efficiency goals (digitalization of operations, collaborative activity, mobility and connected devices, CRM...)

The group operates in France, Belgium, Netherlands, Luxembourg, Switzerland and Morocco.

SQLI is listed on NYSE Euronext Paris, compartiment C (ISIN FR0011289040).

In 2015, SQLI continued to implement the "Ambition for 2006" plan. This three years (2014-2016) development strategy plan targets a double digit annual growth (including acquisitions) and a current operating margin rate between 8 and 10% at the end of the period.

According to this plan, SQLI aims to organize its offer in two distinct brands:

- (iii) **WAX INTERACTIVE**, focused on developing its customers sale business in three major fields: digital marketing, connected commerce and data intelligence, in order to improve the company performance on the market;
- (iv) **SQLI ENTREPRISE**, dealing with the transformation of organizations and systems in order to create new interactions between the company and its partners, suppliers and coworkers, with the objective to improve the performance of the company itself.

SQLI decided to integrate this distinctive positioning within its legal organization in 2014 with the creation of WAX INTERACTIVE, whose capital is totally owned by SQLI, and by performing targeted external growth operations. During 2014 last quarter, two new acquisitions were integrated to this unit: NAXEO and ECOMMERCE4U.

All the Group digital agencies are now part of WAX INTERACTIVE brand. The operational integration of digital agencies business from SQLI, NAXEO (now WAX INTERACTIVE Lille) and WAX INTERACTIVE has been completed in 2015. They were united under a common management in order to offer a consistent and optimal steering. This strong operational integration and common management should help to improve business efficiency and profitability, after deduction of extraordinary reorganization costs incurred in 2015.

In 2015, SQLI turnover amounted to 179,0 M€, compared with 161.6 M€ in 2014 (+11%). The Group organic growth was solid and stable during the whole year (+7% compared with 2.1% for the market). According to the Syntec, the "SMACS" (Social Mobility Analytics) segment is 16.9% higher in 2015 and represents now 12% of the software and computer services market. SQLI is well positioned on various segments of this market but also on the digital market and e-commerce segments, which also had a solid growth in 2015.

During the year, all activities integrated under WAX (Digital Commerce) brand represented 31% of the group turnover, despite the accelerated withdrawal of media buying within the digital agency activity (non strategical and low added value).

The activities controlled by the Innovation Services Centers of Bordeaux and Rabat also significantly participated in the profitable growth, accounting for 28% of the number of days charged in 2015 (2014: 19%). These powerful onshore/offshore industrialization platforms offer developments which combine operational excellency and competitiveness for major accounts such as RTE or Nestlé.

Along with this business performance, the group also performed a continued optimization of operational steering indicators. SQLI staff remained stable (2015: 1,875 employees, 2014: 1910) and the activity rate was much higher (85% in 2015 and 87% for 2014 last quarter), by 4 points compared with 2014.



Thanks to the sustained organic growth and the progressive improvement of operational steering indicators, the current operational profitability was significantly higher in 2015.

II. ACCOUNTING RULES AND PROCEDURES

1. General framework

In application of the European regulation n°1606/2002 of 19 July 2002, the 2015 consolidated accounts are presented in compliance with the international accounting rules (IAS/IFRS) of the EU. They are applicable on 17 March 2016, closing date of the accounts chosen by the Executive Board. These rules are available on the EU Commission website:

http://ec.europa.eu/internal_market/accounting/ias_fr.htm#adopted-commission.

The accounting rules applied for the year ended 31 December 2015 are the same as those applied for the year ended 31 December 2014, except for the few changes described below.

2. Evolution of accounting rules in 2015

a) New standards and compulsory interpretations

The other standards and interpretations applicable from 1st January 2015 relate mainly to the interpretation of IFRIC 21 "Duties and taxes".

This standard changed the allocation criteria regarding solidarity contributions within the profit and loss account. This change didn't have any significant impact on the Group annual accounts. As a consequence, the balance sheet at 31 December 2014 has not been restated.

The other standards and interpretations applicable from 1st January 2015 don't have any impact on the group consolidated accounts at 31 December 2015. These are:

- Annual improvements, IFRS 2011-2013.
- IFRS 3 "Scope exception for joint ventures"
- IFRS 13 "scope of paragraph 52"

b) Anticipatory applied rules and interpretations

The group didn't anticipate any of the new standards and interpretations exposed below which are not compulsory at 1st January 2015:

- IFRS 15 "revenue from contracts with customers";
- IFRS 9 "Financial instruments";
- IAS 16 and IAS 38 amended: "Acceptable methods of depreciation and amortization"
- IFRS 11 amended: "acquisitions of interests in joint operations"
- IAS 1 amended: "Disclosure initiative - alleged material"
- IAS 19 amended: "Employee contributions to defined benefit plans"
- Annual improvements, 2010-2012 and 2012-2014.

SQLI is currently analyzing the impact and practical consequences of the application of these standards and interpretations.



3. Valuations and judgments

In order to establish the financial position in compliance with IFRS standards, the group has to carry out valuations and make hypotheses that affect the accounting value of some elements of the assets and liabilities, incomes and costs, as well as the data given in some footnotes of the appendix.

The company management continuously assesses these valuations and estimations on the basis of its past experience and of other sensible factors that make the core of these valuations. The future results are likely to noticeably differ in function of different hypotheses or conditions.

These estimations are focused on the revenue recognition for package contracts, the recognition of deferred taxes on the assets, the testing of the value of assets, the calculation of retirement benefits and other long-term benefits and the current and non-current provisions.

SQLI thinks there is an existing risk on R&D tax credits calculated according to R&D programs and considers the assets to be definitely acquired after a period of 3 years. The Group is taking this risk into account by recording a provision for depreciation or for risk when the tax credits are booked or repaid. This provision accounts for 30% of the generated tax credit amount.

The group remains cautious regarding the computer services market mid and long term growth perspectives, and is relying on limited estimates of business and operating margins, especially regarding the calculation of intangible assets value.

4. Consolidation principles

The mother company exercises an exclusive control over all the companies in the Group and all of the companies are fully consolidated. All transactions between consolidated companies as well as profits made within the Group have been canceled out.

The Income statement consolidate the accounts of the companies acquired during the financial year from the date that they were acquired and the accounts of the companies transferred before their transfer date.

The company securities that are not consolidated but still meet the criteria mentioned above, are registered in "equity securities". It is the case of companies which, whether individually or globally, are not important enough on any of the consolidated accounts aggregates.

5. Consolidation of subsidiaries

The companies mergers are counted according to the acquisition procedure. With this method, the gained assets and taken liabilities as well as possible assumed liabilities, are fairly counted at the purchasing date.

a) Identified assets and liabilities

At the time of the first consolidation of an entity, the revaluation of assets and liabilities whose net accounting worth noticeably differs from their true worth is made.

The differences in value (goodwill) are put onto the balance sheet on the appropriate lines and must follow their own accounting rules. The Group has one year following the acquisition to finalize the valuations.

b) Goodwill

The difference, noted when a participation is made, between the shares purchase price of the consolidated company and the group share retired from the own equity at the date of integration in the scope is considered as a difference of value likely to be allocated to the identifiable assets and liabilities. The Residual part not affected is booked in "Goodwill" item in the balance sheet assets.

Incidental expenses related to the acquisition are recorded in non current operating charges.





6. Conversion procedures for foreign currencies

a) Foreign currencies transactions

Foreign currencies transactions are converted in euro in application of the average exchange rate of the transaction date. The monetary assets and liabilities denominated in foreign currencies at the closing date are converted to the current rate. The conversion adjustments are counted in incomes or costs. The non-monetary assets and liabilities denominated in foreign currencies and counted at historical cost, are converted to the exchange rate of the transaction date.

b) Financial state of foreign entities

All the assets and liabilities of consolidated entities that are not denominated in euro, are converted to the closing rate. Incomes and costs are converted to the average exchange rate of the ended financial year. The exchange differences resulting from this treatment and those resulting from the conversion of the subsidiaries' shareholder's equity at the beginning of the financial year in function of the closing rates are included in the section "Conversion rate adjustments" in "Other reserves" of consolidated shareholder's equity. The exchange rate differences coming from the conversion of net investments in subsidiaries and foreign associated companies are counted in the shareholders equity.

7. Operational sectors

Sectoral information to give according to IFRS 8 is based on internal reporting as used by the main operating decision-makers of the group, i.e. SQLI CEO, DEOs and Operational Managers.

The Group created two operational sectors: "Digital Commerce" and "Digital Technologies".

- "Digital commerce" covers all activities under WAX Interactive brand;
- "Digital Technologies" covers all activities under SQLI Enterprise brand.

The turnover and the current operating income of each sector are regularly controlled as performance indicators.

8. Intangible fixed assets

The intangible fixed assets are mainly made of software and package software entered at their acquisition cost.

In compliance with IAS 38, research costs are booked in the accounts of the financial year during which they have been used. In the same way, development costs have been kept in liabilities because they don't match the criteria given in the standard.

9. Tangible fixed assets

Tangible assets are registered at their acquisition cost. The borrowing costs are not incorporated in the fixed assets.

Depreciations are calculated on a straight-line basis according to the acquisition cost of the assets, in function of the utilization periods, generally established as follows:

Fixtures..... 8 to 10 years

Office Equipment and furniture..... 3 to 5 years

IT equipment.....2 years

The differences resulting from the various depreciation rates applied in the various group companies to fixed assets of the same nature are not significant and have not been subjected to restatement in the consolidated income statement.



10. Leasing contracts

The goods that are under lease contract are registered as fixed assets purchased on credit. The fixed asset is depreciated over the duration of its economic life for the group. The debt is amortized over the duration of the leasing contract.

Only significant items have been restated.

11. Rental contracts

Rental contracts on fixed assets for which the group bears almost all the benefits and risks inherent in the ownership, are considered as leasing financing contracts and are thus subject to a restatement. The qualification of a contract is defined by the IAS 17 standard.

The assets purchased in leasing financing are entered in the balance sheet as fixed assets at the lowest of their fair value and of the present value of minimal payments for the lease, minus the amortizations accumulated and the losses of value. These assets are depreciated on the basis of their expected utilization period (the compensation of restated contracts is registered in the section financial debts of liabilities).

Ordinary rents are registered in liabilities not appearing in the balance-sheet

The goods taken on lease by SQLI are ordinary leasing contracts for computer equipment, concluded for a 3 years period at the most. These contracts do not give to the group the main benefits and risks related to the assets ownership according to IAS 17 standard.

In practice, the equipment is changed every two years; no penalty was paid for these renewals made in advance.

12. Depreciation of fixed assets

Goodwill are subject to a test for loss of value, in compliance with the measures of IAS 36 standard, at least once a year or more often if there are indications of loss of value.

The other fixed assets mainly related to computer and office equipment are not subject to a test for value because of their nature and their amortization period.

13. Financial assets

This section consists in non consolidated equity securities, deposits and guarantees paid and loans. Non quoted securities are put in category « Securities available for sale ». They are registered at their acquisition cost (purchasing price plus acquisitions charges) or at their intake value.

When the inventory value at the closing date is lower than the accounted value, a provision for depreciation is made for the amount of the difference. The securities inventory value is counted on the basis of criteria such as the quota of the net position, the evolution of the turnover and the long-term profitability.

The 20-year loans constituting the company's participation in the construction effort are entered at their present value in the balance sheet.

The company concluded a liquidity contract pursuant to the AFEI charter in order to promote the liquidity of transactions and the regularity of trading in its securities. The transactions carried out in its name by the securities dealer who signed the contract are recorded in the long-term investments. The treasury shares under that contract are deducted from the consolidated shareholders' equity.



14. Valuation of payables and receivables

Payables and receivables are valued at nominal value. A provision for the depreciation of receivables has been added to take into account the risk of them not being recovered.

Transactions that were executed in foreign currencies are translating using the exchange rate that prevailed at the time of the transactions. Losses and profits resulting from this translation of balances at the closing date are carried into the Income Statement.

15. Administration of the turnover

Cost plus contracts – the product of cost plus contracts is recognized according to the project advancement. The services already performed but not yet invoiced as booked as pending invoices.

Package contracts - Turnover resulting from package services is entered in the accounting in accordance with the progress method. The current services are valued at the sale price. . If the amount of services performed is greater than the amount invoiced for, the difference appears in invoices to be established. Otherwise, it is recorded as prepaid income.

A provision for losses at termination is recorded once the expected provisional margin for the project becomes negative.

When the group is acting as an agent, only the generated margin is booked in the income.

16. Financial instruments

Financial assets are registered in the balance sheet when the group becomes a party of the contract dispositions.

a) Loans

On the day of their creation, the loans are registered at the fair-value of the given compensation, that is the net cash flow without the issue costs. The loans are then evaluated at the depreciated cost according to the effective rate of interest. The issue costs are then taken in on an actuarial basis through the effective rate of interest procedure.

b) Cash Flow

The « Cash flow » category includes the float, the bank balance and the short- term investments in monetary instruments. These investments are available at any moment for their nominal value and the risk of value change is insignificant. The cash flow equivalents are evaluated at their market value at closing date. The difference of fair value coming from this revaluation is entered in the income statement of the current period, in section “Cash Incomes and equivalent”.

17. Derivative Instruments

a) Exposure to currency risk

The group is generally weakly exposed to the exchange rate on current commercial operations. These operations are made in countries where the risk of currency fluctuations is low. Therefore, there has not been any currency hedging contracted for commercial operations.

b) Exposure to rate risk

The groups financial result is affected by the interest rate change. Indeed, part of the debt has a variable rate. The group Income statement can be affected by a fluctuation of interest rates in the Eur area. The group is contracting rate hedges in order to limit its exposure.

c) Common principles related to coverage financial instruments

The instruments used are limited to interest rate swaps, future rate agreements, purchase of caps and “tunnels” for the exchange rate coverage.



These instruments

- are used only for hedging,
- are used only with French banks or foreign prime names,
- do not have any illiquidity risk in case of possible reversal.

The use of these financial instruments, the choice of compensations and more broadly, the management of the exposure to the exchange risk, are subject to specific states of reporting for the companies' management and administrative boards.

d) Accounting procedures

The accounting rule for rate hedging operations is the accounting of the variation of the hedging instruments fair value and the variation of the element that is symmetrically covered in the income statement.

The hedging financial instruments used by the group as booked as "Financial liabilities at fair value through the income statement".

18. Provisions

In compliance with the IAS 37 standard "Provisions, possible liabilities and assets", the provisions consist in the liabilities matching the following criteria:

- the amount or the deadline have not been precisely set;
- the economic impact is negative for the group, since these liabilities represent an obligation of the group towards a third party, and are likely to create a capital outflow in aid of this third party, without any compensation expected from the third party.

The non current provisions are not related to the normal operating cycle of the firms. They mainly include:

- the provisions for end-of-career indemnities granted to employees on their retirement day. The evaluation of the obligations towards the end-of-career indemnities are in compliance with IAS 19.

Regarding the defined benefit scheme about post-work benefits and costs of services are estimated according to the projected credit unit method.

This method is based on the compensations paid to the employees at the probable date of their retirement, taking into account the age pyramid, the staff age, and the survival rate set according to official tables per age group. The amounts are raised according to the inflation and promotion hypotheses, and updated in order to take into account the date at which the compensations will actually be paid.

The provisions are updated if the time factor is significant.

For the first time in 2009, the group also registered a commitment related to provision contracts of SQLI Switzerland employees. Because of the minimum interest rate legal guarantee to pay to employees and of the conversion rate, the Swiss pension funds are considered as having defined services plan according to IAS 19. The commitments are thus calculated in compliance with IAS 19 on an actuarial basis with information such as staff structure, turnover expectations and wages growth.

- The provisions aimed at covering the conflicts, possible unexpected events of the groups activity in more than one year.

Current provisions are related to the normal operating cycle of the groups activity. They mainly include:

- Provisions for losses on with end-of-contract terminations: they concern operations in progress, and are assessed case-by-case without compensation.
- The provisions aimed at covering the conflicts, possible unexpected events of the groups activity in more than one year.



19. Risk factors

The risks are described in section I c) of the management report. After the company analyzed these risks, it considered there was not any significant risk except for the following elements:

Fluctuation of SQLI stock market price

SQLI share price has been very volatile since the company was listed on the stock market in 2000, following the example of technology companies.

Every event related to the stock market, the economic situation, the IT sector and its growth, the competitors and/or the group result variations is likely to have a significant impact on the stock market price.

Extraordinary events and conflicts:

The conflicts likely to create any expenditure are provisioned according to IAS 37 rule. There is no existing conflict, arbitration or extraordinary event which had, could have or will have a significant impact on the financial situation, results, activity and capital of the company.

20. Group Saving Plan

Throughout a Group Saving Plan, the company offers to its employees the possibility to subscribe to a capital increase, for a share value lower than the stock exchange one. These shares are submitted to a non-assignability clause for 5 years.

According to IFRS 2, the difference between the subscription price paid by the employee and the fair value of the shares represents a privilege registered in staff costs.

21. Other non recurrent incomes and costs

Included in the current operating result, they represent the operating incomes and costs considered as non recurrent compared with the company current operation.

22. Taxes on profit

Taxation on the result consists in the payable charge of each consolidated fiscal entity, minus the differed taxations. These taxations are calculated on all the temporary differences coming from the difference between the fiscal basis and the consolidated basis of assets and liabilities, according to a balance sheet approach with application of the variable report and in function of a reliable payment schedule. The taxation rate and the fiscal rules used are those of fiscal texts in force that will be implemented during the outcome of the operations concerned.

Deferred taxes are registered in the balance sheet because it's more likely that they will be given back during the following years. The deferred taxes on assets and liabilities are not updated.

23. Self-owned shares

All the self-owned shares of the group are registered at their acquisition cost by decrease of the own equity. The income resulting from the possible sale of these shares is registered in increase of own equity, so that the capital gain or loss does not affect the years net result.

24. Profit per share

Profit per share is calculated by dividing the profit by the average number of outstanding shares during the course of the financial year, excluding self-owned shares. The diluted profit per share is arrived at by dividing the average number of outstanding shares during the course of the financial year as well as the average number of shares which would be issued following a conversation of convertible instruments into shares, share subscription options and BSC warrants granted at the end of the financial year.



III. CONSOLIDATED PERIMETER

Name	Headquarters	31/12/2015		31/12/2014	
		Control%	Interest%	Control%	Interest%
SQLI SA	La Plaine Saint-Denis (93)	Consolidating Company			
SQLI SWITZERLAND SA	Renens (Switzerland)	100%	100%	100%	100%
ABCIAL SAS	La Plaine Saint-Denis (93)	100%	100%	100%	100%
SQLI MOROCCO SA	Rabat (Morocco)	100%	100%	100%	100%
CLEAR VALUE SAS	La Plaine Saint-Denis (93)	100%	100%	100%	100%
SQLI LUXEMBOURG SA	Luxembourg (Lux)	100%	100%	100%	100%
EOZEN FRANCE SAS	La Plaine Saint-Denis (93)	100%	100%	100%	100%
ICONEWEB MOROCCO SARL	MULTIMEDIA Rabat (Morocco)	100%	100%	100%	100%
SQLI BELGIUM SA	Diegem (Belgium)	100%	100%	100%	100%
SQLI SA	Strassen (Luxembourg)	100%	100%	100%	100%
ASTON INSTITUT SARL	Boulogne-Billancourt (92)	100%	100%	100%	100%
WAX DESIGN	Laethem-Saint-Martin (Belgium)	100%	100%	100%	100%
GEIE ICE	Blagnac (31)	25%	100% (1)	25%	100% (1)
WAX INTERACTIVE	La Plaine Saint-Denis (93)	100%	100%	100%	100%
LSF LOYALTY	Paris (75)	UTA end 01/2015		100%	100%
WAX INTERACTIVE LILLE (2)	Roubaix (59)	100%	100%	100%	100%
ECOMMERCE4U	Roubaix (59)	100%	100%	100%	100%

(1) For business made by SQLI

(2) Formerly NAXEO

LSF LOYALTY was liquidated and transferred to SAS WAX INTERACTIVE on 1st January 2015.



IV. VI OTHER INFORMATION ON THE BALANCE SHEET AND THE INCOME STATEMENT

Unless otherwise indicated, the information is given in euro.

1. Goodwill

	31/12/2014	Acquisition Transfer	Correction of value	Depreciation of the year	31/12/2015
Digital Commerce	32,328		-1,617		30,711
Digital Technologies	20,414				20,414
TOTAL	52,742		-1,617		51,125

The amount of earn-outs related to the acquisitions of WAX INTERACTIVE LILLE and ECOMMERCE4U has been reduced by 1,200 K€, following an agreement made in June 2015 with the seller.

The client portfolios of the activities integrated in the end of 2014 have been estimated at 408 K€ for WAX INTERACTIVE and 218 K€ for WAX INTERACTIVE Lille. They have been restated as intangible assets at 31 December 2015 and are depreciated on 8 years.

Goodwill is submitted to impairment tests at least once a year on 31 December and as soon as they show signs of value loss. The signs of impairment followed by the group include in particular the turnover trend, the operating profitability shown by the operating result and/or the employment rate of partners.

The group studies goodwill values regarding the new Digital Commerce and Digital Technologies CGU which match the new operating segments as defined in note 7) Operating sectors.

The test is based on the following criteria:

- Duration of estimates: 4 years
- Duration of estimates: 2016: budget base
- 2017-2019: consistent turnover growth rate of 4% a year for Digital Technologies and 6% a year for Digital Commerce ;
- EBIT rate: regular progress to reach a normative rate in 2018.
- Capitalization rate (aft. Tax) 9.5% (same at 31 December 2014)
- Ad infinitum growth rate: 1.5% (same at 31 December 2014)

According to these tests, there has not been any new depreciation recorded.

Sensitiveness tests

The tests are not impacted by a reasonable variation of the actualization rate or the infinite growth rate.

These tests have also been performed in the following cases:

- 1 point decrease of turnover growth estimates for 2016-2018;
- 1 point decrease of normative EBIT assumptions;
- 1 point combined decrease of turnover growth estimates for 2016-2018 and normative EBIT assumptions.

No additional depreciation was recorded in any of this cases.



2. Intangible fixed assets

	31/12/2014	Impact of exchange rate fluctuations	Scope variations	Acquisition s Allowance	Transfers Write- backs	31/12/2015
Software	2,147	1		24	-349	1,823
Client portfolios			626			626
Fixed assets under construction				85		85
Gross value	2,147	1	626	109	-349	2,534
Software depreciation	-2,105	1		-28	349	-1,783
Depreciation of client portfolios				-78		-78
Net value	42	2	626	3	0	673

3. Tangible fixed assets

	31/12/2014	Impact of exchange rate fluctuations	Scope variations	Acquisition s Allowance	Transfers Write-backs	31/12/2015
Constructions	1,127	20				1,147
Other tangible assets	10,506	101		1,845	-1,879	10,573
Part of leasing:	1,170	7		93		1,270
Gross value	11,633	121		1,845	-1,879	11,720
Depreciation of constructions	-165	-3		-46		-214
Depreciation of other tangible fixed assets	-8,095	-84		-1,072	1,878	-7,373
Part of leasing:	-1,067	-5		-77		-1,149
Net value	3,373	34		727	-1	4,133
Part of leasing:	103	2		16		121

4. Financial assets

	Available assets		Loans and receivables		Total
	for sale		Depreciated		
	Quoted Securities	Non Quoted Securities	Loans and receivables	Other financial assets	
Gross value		41	2,649	1,370	4,060
Total of impairments			-292		-292
Net value at 31.12.2014	-	41	2,357	1,370	3,768
Scope variations					
Investments			253	297	550
Transfers at sale value				-343	-343
Impact of exchange rate fluctuations				28	28
Increase (decrease) due to fair value fluctuations			-89		-89
Gross value		41	2,902	1,352	4,295
Total of impairments			-381		-381
Net value at 31.12.2015	-	41	2,521	1,352	3,914

SQLI holds 4% of non listed Loire Développement shares (40 K€) following the transfer of Health activities in 2013. The loans and claims are related to the price granted for the building effort. They are updated on the basis of the fungible Treasury bond rate at 10 year (31.12.2015: 1% (in 2014: 0.80%)

The other financial assets represent the deposit and surety given for the groups real estate renting as well as for the liquidity contract signed with la Financière d'Uzès. They also include bonds convertible into shares of Loire Développement (310 K€).



5. Receivables for customers and related accounts

	31/12/2015	31/12/2014
Customer receivables	38,327	38,025
Production in progress	16,954	15,501
Gross value	55,281	53,526
Provisions at opening date	-1,831	-1,728
Impact of exchange rate fluctuations	-12	-5
Scope variations		-97
Allowance	-430	-293
Recovery	116	292
Provision at closing date	-2,157	-1,831
<i>Including: Provisions on customer receivables</i>	<i>-2,150</i>	<i>-1,824</i>
<i>Provisions on production in progress</i>	<i>-7</i>	<i>-7</i>
Net Value	53,124	51,695

As mentioned in note 15) *Recording method of turnover*, the production in progress corresponds to the services given but not invoiced yet for long-term contracts.

The customer receivables current value doesn't differ from their accounting value. All customer receivables have deadlines less than 12 months.

The group outsources the management of its customer claims covering credit-insurance, as well as recovery and refinancing management. The company assigned these claims within the framework of factoring agreements. 100% of the customer receivables are given in to the Factor and registered in the category "Other claims" (cf note 6 infra). This heading is totally payable.

The distribution of incurred costs is as follows:

	2015	2014
Credit insurance and customer management	233	209
Financial cost of receivables capitalization	21	32
Total	254	241

The cost of credit insurance and client portfolio management activities appear in the current operational income.

6. Autres créances

	31/12/2015			31/12/2014		
	Total	-1 year	+ 1 year	Total	-1 year	+ 1 year
Social receivables	273	273		390	390	
Tax claims excluding corporate tax	5,895	5,895		5,990	5,990	
Transferred claims (Provisions in the factor)	16,349	16,349		13,352	13,352	
Deferred charges	1,492	1,492		1,336	1,336	
Other receivables	298	298		281	281	
Gross value	24,307	24,307		21,349	21,349	-
Provisions at opening date	-2	-2		-2	-2	
Allowance						
Recovery						
Provision at closing date	-2	-2		-2	-2	-
<i>Provisions on other receivables</i>	<i>-2</i>	<i>-2</i>		<i>-2</i>	<i>-2</i>	
Net Value	24,305	24,305		21,347	21,347	-

7. Tax assets

	31/12/2015			31/12/2014		
	Total	-1 year	+ 1 year	Total	-1 year	+ 1 year
State, R&D tax credit	4,678	1,512	3,166	4,029		4,029
State, CICE	4,414		4,414	2,770		2,770
State, corporate tax and other tax credit deposit	37	37		190	190	
Gross value	9,129	1,549	7,580	6,989	190	6,799
Provisions at opening date	-1,861		-1,861	-1,134	-8	-1,126
Allowance	-451		-451	-735		-735



Recovery	1,362		1,362	8	8	
Provision at closing date	-950	-	-950	-1,861	-	-1,861
Net Value	8,179	1,549	6,630	5,128	190	4,938



The groups expenses in 2015 for the R&D activity in compliance with the R&D tax credit criteria, generated a R&D tax claim of 1,506 K€ registered in the Assets of the balance sheet.

As a precaution, a non-deductible provision was assigned to this asset, which was not definitively earned. The provision for 2015 accounts for 30% of the tax claim and is registered in the income statement together with the tax credit. This provision will be maintained during a period of 3 years, notwithstanding the repayments registered in the meantime.

A tax investigation regarding R&D tax credit for years 2010 to 2012 (3,759 K€) ended with a recovery of 856 K€ accepted by SQLI and a provision reversal of 1,040 K€.

Following the results of this investigation, the company decided to decrease the uncontrolled R&D tax credit provision rate (2013 to 2015) from 50% to 30%, generating a write back of 335 K€ for years 2013 and 2014 and an allocation of 452 K€ for 2015.

CICE credit claims for 2013 (962 K€) and 2014 (1,397 K€) have been transferred to Bpifrance Financement in 2014 against a prefunding amount of 2,139 K€. CICE credit claims non assigned at 31 December 2015 amount to 1,723 K€.

8. Trésorerie et équivalents trésorerie

	31/12/2015	31/12/2014
Cash position	14,177	23,228
Monetary unit trusts and funds (SICAV and FCP), term accounts	4,022	62
Cash flow and Cash flow equivalents	18,199	23,290

The comparison between the net cash position and equivalents exposed in the balance sheet, and the amount of net cash flow exposed in the cash flow variation chart is presented below:

	31/12/2015	31/12/2014
Cash flow and equivalents	18,199	23,290
Overdrafts	-2,168	-2,219
Overdraft Cash flow less the variation chart	16,031	21,071

9. Capital

At 31 December 2015, the capital is made of 3,685,916 shares (31.12.2014: 3 596 998) with a par value of 0.80€ each, paid in full.

	Number of shares	Nominal value	Share capital
Capital at 1st January 2015	3 596 998	0.8	2,878
New shares created during the year after the exercise of 658,830 BSAAR.	65,883	0.8	53
Shares issued by the Delegated Executive Officer on 26 January 2015 for the employees members of the « PEG TESORUS » Group Saving plan, at the exercise price of 14.52 € per share.	11,228	0.8	9
Shares issued by the Delegated Executive Officer on 26 January 2015 for the employees members of the « PEG TESORUS » Group Saving plan, at the exercise price of 14.52 € per share.	11,807	0.8	9
Capital at 31 December 2015	3 685 916	0.8	2,949

The company's Articles of association give a double vote right for the fully paid shares which have been registered for at least three years, and for the shares granted to shareholders after a capital increase by capitalization of reserves, benefits or issue premiums, at the rate of former shares which gave them the same right.



The capital and voting rights are divided as follows:

	31/12/2015			
	Number of shares	in %	Number of voting rights	% of voting rights
		of capital		
Roland Fitoussi (Sethi , HIP)	422,634	11.5%	667,431	15.0%
FD5 (and family Beublain)	60,634	1.6%	106,497	2.4%
Bernard Jacon	4,277	0.1%	6,677	0.2%
Didier Fauque	9,385	0.3%	9,385	0.2%
Executive Board	496,930	13.5%	789,990	17.8%
Laurent de Roover	48,372	1.3%	96,744	2.2%
Thomas Rocmans	48,372	1.3%	96,744	2.2%
X Chain Holding	48,372	1.3%	96,744	2.2%
Jingko Spf Sarl	41,414	1.1%	82,828	1.9%
Family of Patrick Lacarrière	39,240	1.1%	78,480	1.8%
Yayha El Mir	5,000	0.1%	10,000	0.2%
Employed shareholders (GSP)	84,056	2.3%	136,695	3.1%
Other nominative shareholders	188,264	5.1%	307,673	6.9%
Total nominative shareholders	1,000,020	27.1%	1,695,898	38.2%
SQLI (own shares)	60,104	1.6%	60,104	1.4%
Public	2,625,792	71.2%	2,680,044	60.4%
Financière Arbevel	272,988	7.4%	272,988	6.2%
Sycomore	206,016	5.6%	206,016	4.6%
Moneta	180,000	4.9%	180,000	4.1%
SOCADIF	52,302	1.4%	52,302	1.2%
ALTO INVEST	47,006	1.3%	47,006	1.1%
TOTAL	3,685,916	100.0%	4,436,046	100.0%

10. Liquidity tools

Issue date	31/12/2015		31/12/2014	
	Number of warrants/options to be exercised	Number of potential shares	Number of warrants/options to be exercised	Number of potential shares
BSAAR	20/04/2011	6 018 267	601,827	6 677 097
BSA	16,09,2014	215,784	215,784	215,784
Stocks options	05/11/2014	45,500	45,500	48,000
Total		6 279 551	863,111	6 940 881

BSAAR

The BSAAR issued in April 2011 for the issue of a bond borrowing will last 7 years. In 2015, 658,830 warrants have been exercised with the issue of 65,883 new shares.

At 31 December 2015, 6,018,267 outstanding BSAAR gave right to the subscription of 601,827 new SQLI shares at the exercise price of 15 €.

BSA

On 16 September 2014, the Executive Board granted 215 784 BSA to Didier Fauque, CEO (143 856 BSA) and Thierry Chemla, DEO (71 928 BSA).

The conditions of this allocation are the following:

- Each BSA gives a right to subscribe one new share at the exercise price of 19.90 €;
- BSA can be exercised for a period of three years following the second anniversary of the date of issue by the Board.
- They are divided in 3 categories of 71 928 BSA, submitted to performance conditions regarding SQLI share price which must be higher than 25, 30 and 35 €;
- The unit price is set by an independent expert for each category: 1.33€, 1.14€ and 0.88€ ;



Stocks options

On 5 November 2014, the Executive Board granted 48,000 stock options to employees and executive managers.

The conditions of this allocation are the following:

- the options will have to be exercised before the 6th November 2019 at the latest (5 years);
- No option can be exercised before 31 December 2016;
- Anybody leaving the company before 31 December 2016 will lose his exercise right.
- The share purchase price is set to 16 €.

The allocated stock options fair value has been estimated by an independent expert to 85 K€. This value represents a charge registered in the Group non current result and is distributed on all the acquisition period. After the cancellation of 2,500 options due to departures, this charge amounts to 37 K€ in 2015.

11. SQLI Treasury shares

After the resolutions taken by the Combined General Meeting of 25 June 2015, SQLI started a program for buying back its own shares, with the following objectives (by decreasing priority): i) Market animation or share liquidity, ii) Purchase for keeping and using for exchange or retribution of possible external growth operations, iii) Allocation of shares to the employees, iv) Possible Cancellation of these shares.

At the closing date, the group did not intend to assign the free shares to free shares allocation plans.

This program expired during the General Meeting of 31 December 2015 called to assess the financial statements for the year. It includes a maximum unit purchase price of 45 € and a minimum unit selling price of 7 €. It was organized within a liquidity contract signed with la Financière d'Uzès.

	31/12/2015			31/12/2014		
	Number of shares	Unit price	Value	Number of shares	Unit price	Value
Self-owned shares at 1st January	61,405	16.636	1,021	13,637	10.056	137
Acquisitions of the year	17,724	23.221	412	59,216	18.184	1,077
Transfers at sale value	-19,025	24.325	-462	-12,068	18.131	-219
Exchange				620	8.76	5
Transferred capital gain and loss			81			21
Self-owned shares at 31 December	60,104	€17.500	1,052	61,405	€16.636	1,021

12. Endettement financier

	31/12/2015	31/12/2014
Repayable advances	43	64
Loans toward credit institutions	9,570	5,000
Restatement of lease contracts	66	59
Valuation of rate hedging instruments	25	-
Other non current liabilities	9,704	5,123
Bond loan	1,738	5,138
Loans toward credit institutions	1,500	6,840
Restatement of lease contracts	73	60
Received security deposits	21	-
Bank overdrafts	2,168	2,219
Accrued interest not due	1,711	1,477
Valuation of rate hedging instruments	52	163
Current liabilities	7,263	15,897
Total of gross financial debt	16,967	21,020
Less:		
Cash flow and equivalents	-18,199	-23,290



Net financial debt (cash position net of debt)	-1,232	-2,270
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The loans and financial debts contracted with credit institutions have been exclusively made in euros:

Loans toward credit institutions

In 2014, SQLI contracted 3 loans for its investment program:

- 2,500,000 € with Bpifrance Financement:
 - Available on 13 November 2014;
 - Duration: 7 years
 - Fixed rate: 2.92% / year;
 - The principal repayment will be made in 20 quarterly payments at the end of the month, with the capital being depreciated on a straight-line basis, after a 24 month deferred period during which only interests will be perceived.
 - This loan didn't generate any security right or personal guarantee.
 - This loan is attached to a hold back of 125 K€.
- 2,500,000 € with Bpifrance Financement:
 - Available on 13 November 2014;
 - Duration: 10 years
 - Fixed rate: 4.51% / year;
 - The principal repayment will be made in 28 quarterly payments at the end of the month, with the capital being depreciated on a straight-line basis, after a 36 month deferred period during which only interests will be perceived.
 - This loan didn't generate any security right or personal guarantee.
- 10,000 K€ with a bank pool including banque Palatine, BNP Paribas, Société Générale, Caisse d'Epargne et de Prévoyance Bretagne Pays de Loire and Crédit Lyonnais
 - a first withdrawal of 7,000 K€ was made available to SQLI on 17 December 2014;
 - The credit repayment will start on 30 November 2015 and end on 30 November 2019.

Allocation date	30/11	31/05	30/11	30/05	30/11	30/05	30/11	30/05	30/11
	2015	2016	2016	2017	2017	2018	2018	2019	2019
Depreciation									
in %	11%	11%	11%	11%	11%	11%	11%	11%	12%

- Interests are due every quarter based on EURIBOR 3 month rate, increased by a margin of 1.50 to 2.40% maximum, set according to the R2 level ratio (net financial debt / restated EBITDA):

R2 Level ratio	Margin applied to the credit
$R2 \leq 0,75$	1.50%
$0,75 < R2 \leq 1,2$	1.75%
$1,2 < R2 \leq 1,5$	2.00%
$1,5 < R2$	2.40%

- The credit agreement includes several cases of anticipated collectability, regarding, among others, failure to comply with the following financial ratios:

R1 = Interest charge coverage ratio = restated EBITDA/Cash net financial costs > 8

R2 = Leverage ratio = net financial debt / restated EBITDA < 1,2 in 2014 and then 1

R4 = Structure ratio = net financial debt / Own equity < 0,3

These ratios have been respected at 31 December 2015.



- SQLI gave to the banks the following guarantees:
 - a pledge of all social shares of ECOMMERCE4U,
 - a pledge of WAX INTERACTIVE LILLE all social shares,
 - a pledge of all social shares of WAX INTERACTIVE,
 - a transfer of the debt due to SQLI by WAX INTERACTIVE regarding a current account advance agreement and the related accessories.

OBSAAR

On 18 December 2015, SQLI announced the early repayment on 20 January 2016 of the last portion of the bond loan. The representative of the bond owners confirmed on 23 December that this announcement caused the early repayment clause to be invalid since the contractual financial ratios had not been respected.

Prefunding of CICE credit claims

The mobilization of CICE credit claims for 2013 and 2014 (2 139 K€) bears interests calculated after the EURIBOR 1 month increased by 1.20% a year.

13. Debts on capitalized rents

The value of future rents included in the other loans item and related to financing rental contracts is the following:

	31/12/2015	31/12/2014
2015	-	60
2016	68	37
2017	49	16
2018	22	6
Discounted value of future rents	139	119

At 31 December 2015, the loans related to the reprocessing of leasing contracts are only related to SQLI Morocco.

14. Gross financial debt per deadline

	31/12/2015	31/12/2014
Due within one year	7,263	15,897
Due between 1 and 5 years	7,774	2,123
Due in more than 5 years	1,930	3,000
Total	16,967	21,020

15. Derivative instruments related to the interest rate risk control

- a) Hedging rules for rate risks

In 2011, SQLI contracted a rate hedge in order to protect the company from the fluctuations during the reimbursement of the 17 M€ loan. The hedged amount is limited to 13.6 M€. The company chose a fixed rate.

The group contracted in 2015 a rate hedge in order to cover the fluctuations of variable rates within the repayment duration of the 10,000,000 € loan subscribed in December 2014. The hedged amount is limited to 7 M€. The company chose a fixed rate.



b) Hedging derivative instruments

The conditions of derivative instruments related to the rate risk control at 31 December 2015 are exposed as follows:

	Bond loan of 13.6 M€	Bank loan of 7 M€
Starting date	27/05/2011	27/02/2015
Floating rates payer	Société Générale	LCL
Floating rate	EURIBOR 3 months – 0.44%	EURIBOR 3 months + 1.50%
SQLI Fixed / floating rate	2.425%	0.18%
Notional amounts covered at 31 December:		
2015	3,400	6,230
2016	-	4,690
2017	-	3,150
2018	-	1,610
2019	-	-
Fair value of instruments at 31/12/2015	-43	-34

In 2015, the variation of instruments fair value generated a charge of 85 K€ (2014: 154 K€).

16. Provisions

	2014	Integration into SQLI scope	Impact of exchange rate fluctuations	Impact of actuarial differences	Allowance	Used recoveries	Non used recoveries	2015
R&D tax credit	137					-132		5
Retirement compensation	1,110			-65	208			1,253
Swiss guarantee contracts	253		25	213	25			516
Conflicts in Labour Court and with URSSAF	656		12		221	-543	-21	325
Trade conflicts	13				160			173
Other	-				155			155
Long term provisions	2,169		37	148	769	-675	-21	2,427
Loss upon completion	47				23	-47		23
Long term provisions	47				23	-47		23
Total	2,216		37	148	792	-722	-21	2,450

The other provisions for risks and charges correspond to the estimation of the risks effect on the assets and liabilities, and to the possible conflicts resulting from the groups activity. The most significant are exposed thereafter:

The provisions for retirement indemnities are exposed in note 0.

The commitment related to the Swiss provision contracts, considered as defined services contracts under IAS 19 standard, has been provisioned for 516 K€. This commitment has been valued with the credit units method by referring to the following hypothesis:

- Mortality rate: BVG 2010:
- Turnover rate: 20%
- Wages upgrading rate: 3%
- Updating rate: 0,75% (1,25% in 2014) ;
- Interest rate for beneficiaries: 1.25%

The legal conflicts with employees are mainly related to SQLI (285 K€) and WAX INTERACTIVE (40 K€), assigned in front of the French Labour Court by 5 employees as of 31 December 2015. The risk was provisioned according to the company's lawyers estimates.

The URSSAF investigation (SQLI and EOZEN France) on years 2011 to 2013 which took place in 2014 ended with a tax adjustment of 505 K€ accepted by the Group (generating a provision release of 363 K€). The net impact of this controls is recorded in the non current result.





17. Benefits after employment

The advantages after employment covered by provisions are related to the retirement indemnities for the staff employed in France, which are fixed allowances calculated according to the number of years of service and the annual wages at the date of retirement. These indemnities are calculated according to the number of worked years and the annual wages of the employee when he retires.

- The calculation is based on a voluntary retirement decision from the employer;
- the retirement age is set at 65 years;
- The life table is the one of 2011-2013;
- The annual salary revaluation rate is calculated according to the age. For each age grouping, the given rate is the average of rates registered by the group in the last three years: from 3.5% (from 20 to 30 years old), to 2.4% (from 31 to 40 years old), 1.8% (from 41 to 50 years old), 1.0% (from 51 to 60 years old) then constant;
- The discounting rate is 1.80%; (OAT rate 20 years);
- The turnover rate include all departures, decided by the employee or by the company. For each age grouping, the given rate is the average of rates registered by the group in the last three years: 7,1% (20-24 years old), 25,5% (25-29 years old), 23,7% (30-34 years old), 20,0% (35-39 years old), 17,5% (40-44 years old) ; then: 16,5% (45-49 years old), 11,6% (50-54 years old), 3% (55 years old), 2% (56-58 years old), 1% (59-60 years old), 0% (61 years old and more);
- The group's commitment to its employees is increased in 45.8% by the social charges.

The provisions for the retirement indemnities are registered as follows:

Amounts recorded in the balance sheet

	31/12/2015	31/12/2014
Due charges (net liabilities in the balance sheet)	-1,253	-1,110
Deferred charges (net assets in the balance sheet)	-	-
Net amount in balance sheet	-1,253	-1,110

Evolution of commitments during the year (liabilities)

	31/12/2015	31/12/2014
Commitments at 1st January	1,110	460
Scope variation	-	27
Variation due to estimates changes generating actuarial differences	-65	498
Fluctuation of items booked in the income statement	208	125
Commitment at 31 December	1,253	1,110



18. Deferred taxes

	31/12/2015		31/12/2014	
	Basis	Deferred taxes	Basis	Deferred taxes
Employees benefits	1,768	540	1,363	430
Tax deficit	400	133	1,353	451
Hedging instruments	77	26	162	54
Overriding depreciation	-564	-187	-546	-181
Loan issue cost	846	282	635	212
BSAAR	-497	-166	-497	-166
Temporary differences	170	57	233	78
Distribution of rent-free periods	228	76	-	-
Depreciation of client portfolios	-548	-183	-	-
Other	-	-	-24	-8
Net deferred taxes Assets (liabilities)		578		870
Deferred taxes - assets		578		870
Deferred taxes - liabilities		0		0

19. Other non current liabilities

	31/12/2015	31/12/2014
Part of WAX INTERACTIVE LILLE earn-out at more than 1 year	-	1,150
Part of Ecommerce4U earn-out at more than 1 year	-	50
Part of M. EL MIR non competition compensation at more than 1 year	-	11
Other non current liabilities	0	1,211

Following an agreement made in June 2015, there is no remaining earn-out due to the sellers of WAX INTERACTIVE LILLE (1 150 K€) and ECOMMERCE4U (50 K€).

20. Debts with suppliers and related accounts

	31/12/2015	31/12/2014
Debts with suppliers	16,723	16,567
Debts with suppliers and related accounts	16,723	16,567

21. Other payables

	31/12/2015	31/12/2014
Paid advances and accruals	1,027	639
Staff and social institutions	25,493	23,587
Tax claims excluding corporate tax	18,713	15,884
Other various payables	320	1,320
Unearned revenues	9,755	10,721
Other payables and regularization accounts	55,308	52,151

As mentioned in note 15) the deferred income corresponds to the services invoiced within long-term contracts which exceed services given and valued according to their progress.

The other various payables are related to:

	31/12/2015	31/12/2014
Debts on fixed assets acquisition	11	25
Compensations due to the staff	184	110
Various overcharge third parties	-	294
Part of M. EL MIR non competition compensation (less than 1 year)	11	45
Attendance fees	45	45
Advance given by the seller on WAX INTERACTIVE cut off payment	-	760
Various other debts	69	41
Total	320	1,320

The market value of the other payables does not differ from their accounting value.



22. Tax outstanding assets and liabilities

The group situation regarding taxes is as follows:

In the assets, the group receivables amount to 1,549 K€, coming from tax advances paid by the companies for the year (37 K€) and R&D tax credits which became payables (1 512 K€). In the liabilities, the taxes due amount to 141 K€.

23. Currency rate and exposure to exchange risk

The currencies and rates used for the conversion of financial statements of consolidated subsidiaries are exposed below:

Currencies	Used medium rate	Rate at 31.12.2015	Used medium rate	Rate at 31.12.2014
	in 2015		in 2014	
CHF	1.0676	1.0835	1.2146	1.2024
MAD	10.8167	10.7771	11.1686	10.9681

For the group activity abroad, the exchange risks are the following:

Data in thousands of euros		CHF	MAD	31/12/2015
Goodwill		-	-	-
Intangible fixed assets		-	1	1
Tangible fixed assets		139	1,614	1,753
Financial assets		265	253	518
Deferred taxes - assets		122	-	122
Non current assets	A	526	1,868	2,394
Customer receivables		4,483	3,848	8,331
Other receivables		80	2,330	2,410
Tax outstanding assets		8	-	8
Cash flow and cash flow equivalents		3,575	166	3,741
Current assets	B	8,146	6,344	14,490
Long term financial debt		-	66	66
Long term provisions		516	155	671
Deferred taxes - liabilities		-	-	-
Non current liabilities	C	516	221	737
Short term financial debt		-	70	70
Long term provisions		8	-	8
Debts with suppliers		336	653	989
Other payables		1,757	3,485	5,242
Tax outstanding liabilities		-	-	-
Current liabilities	D	2,101	4,208	6,309
Net position	A+B-C-D	6,055	3,783	9,838

The group does not have any exchange risk control policy.

24. Other income

	31/12/2015	31/12/2014
R&D tax credit	1,691	590
CICE	1,643	1,480
Operating subsidies	838	619
Reinvoicing of fees and other income	662	667
Transfer of costs	864	657
Total	5,698	4,013

Tax credits for competitiveness and employment (CICE) have been booked in the income statement with R&D tax credits on line "Other earnings".

The total of R&D tax credits (1,691 K€) include the amount of the current period, its depreciation, the impact of the most recent tax control and the reduction from 50% to 30% of the provision rate of former R&D tax credits.



25. Charges de personnel et effectif

	2015	2014
Wages and allowance	84,015	80,947
Social costs	33,855	32,681
Staff costs	117,870	113,628
Provision for retirement compensations and other benefits	233	148
Total	118,103	113,776
Average staff (trainees ex.)	1,863	1,891
Staff registered at 1st January (trainees excluded)	1,910	1,784
Scope variations	-	87
Increase (decrease)	-35	39
Staff registered at 31 December (trainees excluded)	1,875	1,910

26. Wages allocated to the Executive and Governing Boards members

The remuneration conditions for the group executive officers are set by the Executive Board. All the wages and advantages granted to the Boards members and head managers are divided as follows:

	Gross Remuneration	Social costs	2015	Gross Remuneration	Social costs	2014
Short-term benefits (1)	1,070	417	€	900	330	€
Benefits after employment	46	21	67	31	14	45
Attendance fees	70	19	89	70	18	88
Total	1,186	457	€	1,001	362	€

(1) "short-term benefit" must be intended as wages itself, which includes paid vacations, premiums, interest and in kind benefits.

27. Other transactions with related parties

There hasn't been any new transaction with related parties concluded during the year.

28. Charges externes

	2015	2014
Global outsourcing	26,495	21,331
Leasing and related costs	7,287	7,305
Maintenance and repairs	980	844
Insurance premiums	470	443
Various materials	259	399
Fees and staff outside the company	4,193	3,175
Advertising and external relationship	723	572
Goods transportation	151	69
Business trips, missions and receptions	3,653	3,905
Mailing and telecommunication costs	990	1,037
Bank services	238	403
Other external services	382	487
Total	45,821	39,970

29. Other non current operating incomes and expenses

	-2015	2014
Restructuring costs	-3,172	-
Acquisition costs related to companies mergers	-90	-438
Other transactions related to agreements and conflicts	-824	-373
Stocks options and free shares	-37	-
Total	-4,123	-811

The restructuring costs include the reorganization of Digital Commerce after the acquisitions of WAX INTERACTIVE and WAX INTERACTIVE LILLE and those generated by a few departures in the management team. No other similar restructuring cost has been identified in 2014.



The other transactions include a 565 K€ allowance to the sellers of WAX INTERACTIVE LILLE and ECOMMERCE4U equal to the balance of due earn-outs. These earn-outs have been recorded as charges, in application of IFRS 3, as amended.

30. Coût de l'endettement financier net

	2015	2014
Revenues from loans and receivables	35	81
Net earnings from VMP sales	81	37
Cash and cash equivalent income	116	118
Interest charges	-773	-646
Factoring financing commission	-21	-32
Hedging instruments for loans rates	85	154
Total of gross financial debt	-709	-524
Total of net financial debt	-593	-406

The other financial income and expenses are the following:

	2015	2014
Exchange rate differences	-11	46
Discounting of long term loans and debts	-89	449
Other financial income and charges	-100	495

31. Tax liability

The tax cost or credit is analyzed as follows:

	2015	2014
Deferred taxes	119	-475
Due taxes	2,353	2,220
Inc. CVAE	1,664	1,570
Tax (credit) charge	2,472	1,745

c) Tax integration

SQLI is the controlling company of a tax integrated group including the following subsidiaries as of 31 December 2015: ABCIAL, CLEAR VALUE, EOZEN France, ASTON INSTITUT, WAX INTERACTIVE, WAX INTERACTIVE LILLE and ECOMMERCE4U

d) Tax evidence

	2015	2014
Consolidated Result (bef. taxes)	6,027	4,300
Notional taxation rate	33.1/3%	33.1/3%
Notional tax expense	2,009	1,433
Effect of permanent differences	-576	-409
Effect of consolidation adjustments without effect on taxes	201	-80
Effect of differences in mother-daughter rates and variable report	-158	-100
Effect of deferred deficits	37	4
Effect of taxes without base and tax credits	-150	-150
Effect of CVAE integration in taxes	1,109	1,047
Effective tax expense	2,472	1,745
Effective taxation rate	41.02%	40.57%

32. Result per share

The numerator used to calculate the basis result and the result diluted per share is the year net result part of the group: 3,555 K€.



The weighted average number used as denominator is 3,573,880 shares for the result per share and 3,822,487 for the diluted result per share. The difference is due to the potential impact of the exercise of the BSAAR attached to the bonds issued in April 2011 and of the stock options and BSA:

	31/12/2014	Variation during the year	31/12/2015
Number of issued shares	3 596 998	88,918	3 685 916
Number of treasury shares	-61,405	1,301	-60,104
Number of shares issued (treasury shares excluded)	3,535,593	90,219	3,625,812
Number of shares issued (treasury shares excluded)	3,544,458		3,573,880
Dilutive effects:			
BSAAR	129,582	94,788	224,370
Stocks options	6,736	7,537	14,273
BSA (1)	-	9,964	9,964
Average number of outstanding shares	3,680,776		3,822,487

(2) Only 1/3 of the BSA have been kept considering the performance conditions required for their exercise (price of SQLI share higher than 25 €)

V. SEGMENT INFORMATION

Operating segment determination principles are exposed before.

Financial information related to operating segments is established with the same rules and accounting methods used for the consolidated accounts.

	31/12/2015			31/12/2014		
	Digital Commerce	Digital Technologies	Total	Digital Commerce	Digital Technologies	Total
Turnover	55,555	123,426	178,981	51,726	109,907	161,633
Current Operating result	3,870	6,973	10,843	1,728	3,294	5,022

VI. OFF-BALANCE SHEET COMMITMENTS

The group has to take a certain number of commitments due to its activity. Some of these commitments generate provisions (like the commitments related to retirement and other advantages granted to the staff, legal disputes...) The other commitments not included in the balance sheet are listed below.

1) Remaining commitments coming from contract obligations

	Less than 1 year	From 1 to 5 years	More than 5 years	31/12/2015	31/12/2014
Premises	3,277	10,039	408	13,724	11,321
IT equipment	644	391	-	1,035	1,619
Vehicles	1132	786	-	1,918	2,883
Operating Leasing contract rents	5,053	11,216	408	16,677	15,823

2) Commitments received

DIADEMYS gave to SQLI, as a pledge and a guarantee covering the remaining amounts still due, the ICT hosting service activity acquired on 22 June 2012.

DILITRUST gave to SQLI, as a pledge and a guarantee covering the remaining amounts still due, the Dataroom goodwill activity acquired on 16 June 2013.

The former shareholders of WAX INTERACTIVE LILLE granted to SQLI, until the term of the legal deadline set in the related social and tax regulations, a guarantee on its assets and liabilities with an exemption of 48 K€ limited to 400 K€, with a possible surplus of 20% of the received earn-out, cross-guaranteed by a bank surety of 200 K€.

This guarantee does not include customer contracts.





The former shareholders of ECOMMERCE4U granted to SQLI, until the term of the legal deadline set in the related social and tax regulations, a guarantee on its assets and liabilities with an exemption of 3 K€ limited to 40 K€, with a possible surplus of 20% of the received earn-out.

This guarantee does not include customer contracts.

The former shareholders of LSF LOYALTY have granted WAX INTERACTIVE a guarantee on its assets and liabilities until 30 April 2016 for all damages exceeding in total 20 K€, without any deductible amount. This guarantee is limited to 85 K€.

3) Debts guaranteed by real securities

Some commitments have been given in 2011 by SQLI regarding the issue of OBSAAR, with bond owners benefiting from:

- A 3.1 M€ key-man insurance delegation contracted between SQLI and AGIPI on behalf of the CEO;
- The pledge of EOZEN Belgium, EOZEN SA and CLEAR VALUE SAS securities;
- The pledge of SQLI business up to 1.4 M€.

In July 2012 and February 2013, the bond owners, as a whole, partly released the pledge registered on SQLI business regarding the ICT hosting services and Dataroom activities.

In exchange of the 10 M€ credit line contracted with a bank pool including banque Palatine, BNP Paribas, Société Générale, Caisse d'Epargne et de Prévoyance Bretagne Pays de Loire and Crédit Lyonnais, SQLI gave the banks the following guarantees:

- a pledge of all social shares of ECOMMERCE4U,
- a pledge of WAX INTERACTIVE LILLE all social shares,
- a pledge of all social shares of WAX INTERACTIVE,
- a transfer of the debt due to SQLI by WAX INTERACTIVE regarding a current account advance agreement and the related accessories. The market capitalization amounts to 5.3 M€ on 31 December 2015.

4) Credit lines accepted and still available

The Group has three credit lines of 1 M€ each, with BNP Paribas, Caisse d'Epargne and the Banque Palatine, plus a 14.3 M€ factoring capacity untouched at 31 December 2015.

5) Current conflicts

Various legal actions have been made against the group companies from former employees or customers. SQLI made reserves according to the level of risk calculated by the management team and based on the recommendations of legal counseling. Two former employees started a legal action against SQLI, requesting 1.2 M€ of damages, for which a reserve of 0.13 M€ was created. Two customers started a legal action against SQLI, requesting 6.7 M€ of damages. SQLI considered this claim as unfounded and didn't make any reserve therefore.

The amount of damages estimated regarding the legal conflict opposing a former shareholder of EOZEN Belgium and EOZEN SA companies with the transferor shareholders and the transferred companies has been reduced from 2014 to 1 M€ after the ruling of Brussels Court of Appeal. EOZEN Belgium and EOZEN SA would be protected from the possible impact of this dispute by the guarantees subscribed with the transferors.

VII. EVENTS RECORDED AFTER THE ACCOUNTS CLOSING

On 20 January 2016, SQLI executed the early repayment of the last portion of the 3.4 M€ bond loan.

VIII. STATUTORY AUDITORS FEES

Information given in 2015 Reference Document.



20.4. ASSESSMENT OF ANNUAL HISTORICAL FINANCIAL DATA

20.4.1. ANNUAL ACCOUNTS

EXCO PARIS ACE

5, avenue Franklin Roosevelt
75008 Paris
S.A. au capital de € 2.250.400

Commissaire aux Comptes
Membre de la compagnie
régionale de Paris

ERNST & YOUNG et Autres

1/2, place des Saisons
92400 Courbevoie - Paris-La Défense 1
S.A.S. à capital variable

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

SQLI

Financial year ended 31 December 2015

Report of the statutory auditors on the annual accounts

To the shareholders,

As a result of the mission that was given to us by your General meeting, you will find hereafter our reports regarding the financial year ended 31 December 2015:

- The control of SQLI annual social accounts, as included to the report,
- the justification of our evaluation ;
- The assessments and specific information required by the law.

The consolidated accounts have been closed by the Executive Board. It is our responsibility, on the basis of our audit, to express an opinion on these accounts.



I. Opinion on the annual accounts

We conducted our audit in accordance with the professional standards applied in France; these standards require that we plan and perform the audit to obtain the reasonable certainty about whether the consolidated accounts are free of material mis-statements. An audit consists of examining, by opinion polls, the convincing elements which justify the data contained in these consolidated accounts. It also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for the opinion expressed hereafter.

We certify that the annual consolidated accounts of the financial year, which have been established according to the IFRS reference document as adopted in the European Union, are in order and give a true picture of the asset base, the financial situation, as well as the result of the group composed of the persons and the entities included in the consolidation.

II. Justification of the evaluation

In application of article L.823-9 of the Commercial Code related to the assessment justification, we wish to inform you of the following facts:

Intangible and financial fixed assets

Notes D.a and E.1 "Intangible fixed assets", D.C "Securities" and E.3 "Financial fixed assets" of the appendix explain the valuation rules and methods in connection with business and securities assessment. Our work consisted in valuating the reasonableness of data and hypotheses on which are based the updated net cash flows estimates and the calculations made by your company. Within the framework of our estimation, we checked the appropriate nature of these estimates.

Turnover

Note D.h "Administration of the turnover" of the appendix presents the turnover and provisions for losses accountability methods. Within the framework of our judgments of the accounting rules and principles followed by your company, we assessed the appropriate nature of the applied accounting methods and the information supplied in the notes of the appendix, and we made sure of their proper application.

The judgments made in this way fall within the framework of our auditing approach to the annual financial statements, taken as a whole, and hence contributed to the development of our opinion expressed in the first part of this report.



III. Specific verification and information

We also carried out the specific verifications stipulated by law, in accordance with the professional standards applicable in France.

We don't have any remark regarding the accuracy and the concordance with the annual financial statements of the information provided in the Executive Board's management report and in the documents sent to the shareholders concerning the financial situation and the annual financial statements.

We checked the consistency of information given in compliance with article L.225-102-1 of the French commercial code about the remunerations and advantages paid to executive officers as well as the commitments made in their benefit with the accounts or with the data used for the preparation of these accounts and, when necessary, with the information given by subsidiaries or controlling companies of your group. On the basis of this work, we confirm the accuracy and relevance of this information.

In pursuance of the law, we made sure that the various information relating to the affiliates and controlling interests and to the capital holders' identity have been passed on to you in the management report.

Paris and Paris-La Défense, on 22 April 2016

The Statutory Auditors

EXCO PARIS ACE

ERNST & YOUNG et Autres

Alain Auvray

Franck Sebag



20.4.2. CONSOLIDATED ACCOUNTS

EXCO PARIS ACE

5, avenue Franklin Roosevelt
75008 Paris
S.A. au capital de € 2.250.400

Commissaire aux Comptes
Membre de la compagnie
régionale de Paris

ERNST & YOUNG et Autres

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92400 Courbevoie - Paris-La Défense 1
S.A.S. à capital variable

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

SQLI

Financial year ended 31 December 2015

Statutory auditors Report on the consolidated accounts

To the shareholders,

As a result of the mission that was given to us by your General meeting, you will find hereafter our reports regarding Financial year ended 31 December 2015:

The control of SQLI consolidated accounts as included in the present report,

- The justification of our evaluation;
- The assessments and specific information required by the law.

The consolidated accounts have been closed by the Executive Board. It is our responsibility, on the basis of our audit, to express an opinion on these accounts.

I. Opinion on the consolidated accounts

We conducted our audit in accordance with the professional standards applied in France; these standards require that we plan and perform the audit to obtain the reasonable certainty about whether the consolidated accounts are free of material mis-statements. An audit consists of examining, by opinion polls, the convincing elements which justify the data contained in these consolidated accounts. It also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for the opinion expressed hereafter.



We certify that the consolidated accounts of the financial year, which have been established according to the IFRS reference document as adopted in the European Union, are in order and give a true picture of the asset base, the financial situation, as well as the result of the group composed of the persons and the entities included in the consolidation.

II. Justification of the evaluation

In application of article L.823-9 of the Commercial Code related to the assessment justification, we wish to inform you of the following facts:

Goodwill

The notes II.12 and IV.1 of the appendix explain the consolidation rules and methods relating to the impairment of goodwill. Our work consisted in studying the implementation of this impairment test, in valuating the data and the assumptions on which are based the updated net cash flows estimates and the calculations made by your company. Within the framework of our estimation, we assessed the consistency of these estimates and the accuracy of information given in the appendix notes.

Turnover

Note II.15 "Administration of the turnover" of the appendix presents the turnover and provisions for losses accountability methods. Within the framework of our judgments of the accounting rules and principles followed by your company, we assessed the appropriate nature of the applied accounting methods and the information supplied in the notes of the appendix, and we made sure of their proper application.

The judgments made in this way fall within the framework of our auditing approach to the annual financial statements, taken as a whole, and hence contributed to the development of our opinion expressed in the first part of this report.

III. Specific checking

We also carried out the specific verifications regarding the information related to the group and provided in the management report, as requested by the law, in accordance with the professional standards applicable in France.

We have no remarks to make concerning their accuracy and their concordance with the consolidated accounts.

Paris and Paris-La Défense, on 22 April 2016

The Statutory Auditors

EXCO PARIS ACE

ERNST & YOUNG et Autres

Alain Auvray

Franck Sebag





20.5. LATEST FINANCIAL DATA

The last financial data are dated from 31 December 2015 and are included in the present reference document.

20.6. INTERMEDIATE FINANCIAL DATA AND OTHERS

None.

20.7. DIVIDEND PAYMENT POLICY

Proposition of approval and income appropriation

SQLI Executive Board decided to set the income appropriation of the year ended 31 December 2015 as follows:

- Dividend of 60 cents per share for a distributed total amount of 2,211,549.60 euros, based on the number of outstanding shares at 31 December 2015 (3,685,916).
- Allocation to the legal reserve 4,535.28 euros
- Balance affected to retained earnings 6,512,093.12, based on a dividend amount of 2,211,549.60 euros.

- 1,633,148.10 euros for year ended 31 December 2014 ;
- 2,013,996.32 Euros for year ended 31 December 2013 ;
- 1,290,041.28 Euros for year ended 31 December 2012 ;

In application of Article R.225-102 of the Commercial Code, the present report include an attachment presenting SQLI results for each of the last five years.

SQLI has distributed dividends as follows:

20.8. LEGAL AND ARBITRATION PROCEDURES

At the date of the present Reference Document, as far as the company is aware of, there is no current judicial, administrative or arbitration procedure in process or threatening the

company and likely to have a significant impact on the company financial situation, its activity and its capital, except for the dispute described in paragraph 4.3.3. "*Current conflicts*".

20.9. SIGNIFICANT CHANGE OF THE FINANCIAL OR COMMERCIAL SITUATION

No significant change of the financial or commercial situation occurred since the end of the previous financial year.



CHAPITRE 21. FURTHER INFORMATION

21.1. SHARE CAPITAL

21.1.1. AMOUNT OF SUBSCRIBED CAPITAL (ARTICLE 6 OF THE ARTICLES OF ASSOCIATION)

The share capital amounts to two millions nine hundred forty-eight thousand seven hundred thirty-two euros and eighty cents (2,948,732.80 €) divided into 3,685,916 shares with a par value of 0.80€, in a single class and each of them paid up in full.

21.1.2. UNREPRESENTATIVE SECURITIES

There are not any existing securities not representing capital.

21.1.3. SELF OWNED SHARES AND BUYBACK PROGRAMS

After the resolutions taken by the Combined General Meeting of 25 June 2015, SQLI started a program for buying back its own shares, with the following objectives (by decreasing priority): i) Market animation or share liquidity, ii) Purchase for keeping and using for exchange or retribution of possible external growth operations, iii) Allocation of shares to the employees, iv) Possible Cancellation of these shares.

At the closing date, the group did not intend to assign the free shares to free shares allocation plans.

This program expired during the General Meeting of 31 December 2015 called to assess the financial statements for the year. It includes a maximum unit purchase price of 45 € and a minimum unit selling price of 7 €. It was organized within a liquidity contract signed with la Financière d'Uzès.

A SQLI shares buyback program similar to this one will be submitted during the next General Assembly meeting for 2015 accounts closure.

As of 31 December 2015, SQLI owns 60,104 treasury shares and the shares value at purchase price is 1,052 K€.

Table 51. Variation of SQLI treasury shares

Shares	31/12/2015			31/12/2014		
	Number of shares	Unit price	Value	Number of shares	Unit price	Value
Self-owned shares at 1st January	61,405	16.636	1,021	13,637	10.056	137
Acquisitions of the year	17,724	23.221	412	59,216	18.184	1,070
Transfers at sale value	-19,025	24.325	-462	-12,068	18.131	-219
Exchange				620	8.76	5
Transferred capital gain and loss			8			21
Self-owned shares at 31 December	60,104	€17.500	1,052	61,405	€16.636	1,021



Distribution and use of the self-owned shares according to the various objectives set by the General Assembly

We wish to remind you that the Executive Board concluded a new liquidity contract with Financière d'Uzes after authorization of the General Meeting on 25 June 2014 for a duration of one year renewable by tacit consent.

The distribution and the use of treasury shares in 2015, according to various objectives set by the General Assembly, are the following:

Table 52. Animation of the market or liquidity of SQLI share as part of a liquidity contract

	Shares held at 1st January 2015	Shares bought between 1st January and 31 December 2015	Shares sold between 1st January and 31 December 2015	Shares Reallocated to other objectives between 1st January and 31 December 2015	Shares held at 31 December 2015
Number of shares	6,711	16,974	19,025		4,660
Total cost	115,248	396,910	381,290		130,869
Weight average price per share (€ / action)	17.17	23.38	20.04		28.10

Table 53. Holding and delivery as exchange or as payment of SQLI shares following external growth operations

	Retained at 1st January 2015	Number of redeemed shares between 1st January and 31 December 2015	Number of canceled shares between 1st January and 31 December 2015	Number of shares reallocated to other objectives between 1st January and 31 December 2015	Balance or Number of held shares at 31 December 2015
Number of shares	54,694	750			55,444
Total cost (€)	906,295	14,666			920,960
Weight average price per share (€)	16.57	19.55			16.61



Table 54. Allocation to employees and head managers of SQLI and affiliated companies

	Retained at 1st January 2015	Number of redeemed shares between 1st January and 31 December 2015	Number of sold shares between 1st January and 31 December 2015	Number of shares reallocated to other objectives between 1st January and 31 December 2015	Balance or Number of held shares at 31 December 2015
Number of shares	0	0	0	0	0
Total cost (€)	0	0	0	0	0
Weight average price per share (€)	0	0	0	0	0

Table 55. Cancellation of shares

	Retained at 1st January 2015	Number of redeemed shares between 1st January and 31 December 2015	Number of sold shares between 1st January and 31 December 2015	Number of shares reallocated to other objectives between 1st January and 31 December 2015	Balance or Number of held shares at 31 December 2015
Number of shares	0	0	0	0	0
Total cost (€)	0	0	0	0	0
Weight average price per share (€)	0	0	0	0	0



Description of the Buyback program to be submitted to the next General Meeting

The shares buyback programs submitted to the next General Assembly will be as follows:

- Identical objectives;
 - Market animation or share liquidity within a liquidity contract with an investment service firm;
 - Holding and use of SQLI shares to pay for external growth operations;
 - Allocation of shares to the employees and head managers of the company and affiliated companies, in compliance with the law,
 - Their cancellation, depending on the acceptance of the resolution authorizing capital decrease, by the Extraordinary General Assembly.
- Adapted conditions;
 - The maximum number of shares the company can buy according to the present resolution cant exceed 10% of the share capital;
 - Their maximum price of purchase and minimum price of sale are the following:
 - Maximum price of purchase per share: €70.0
 - Minimum price of sale per share: €10.0

The program has an expected maximum duration of 18 months and is due to expire during the General Assembly called to assess the financial statements for the financial year ending 31 December 2016.

21.1.4. LIQUIDITY TOOLS

The allocation of free shares, stock options; BCE, warrants for subscription to business creator shares and bonds with redeemable warrants attached allocated to Executive officers, managers and employees are detailed in Chapter 17. *"Employees"*.

Free shares

At 31 December 2015, there was no remaining free share to be allocated.

In 2015, there has not been any allocation of free shares.

Earn-outs paid with new shares

Regarding the potential shares which can be created to pay an earn-out following an acquisition made in the previous year, the company doesn't have any earn-out still due and

related to former acquisitions since 31 December 2011.

BSAAR

The BSAAR issued in April 2011 for the issue of a bond borrowing will last 7 years. In 2015, 658,830 warrants have been exercised with the issue of 65,883 new shares.

At 31 December 2015, 6,018,267 outstanding BSAAR gave right to the subscription of 601,827 new SQLI shares at the exercise price of 15 €.

BSA

On 16 September 2014, the Executive Board granted 215 784 BSA to Didier Fauque, CEO (143 856 BSA) and Thierry Chemla, DEO (71 928 BSA).



The potential dilution related to the BSAAR on 31 December 2015 is 4.74%.

Stock purchase warrants

On 5 November 2014, the Executive Board granted 48,000 stock options to employees and executive managers.

2,500 options have been canceled during the year due to departures.

In Brief

At 31 December 2015, the total of potential dilution is related to the potential issue of 863,111 new shares, or 18.97%.

A shareholder owning 1.0% of SQLI capital would own 0.81% of the capital after issue of the shares coming from dilutive instruments, if he doesn't hold any such share.

		31/12/2015		31/12/2014	
	Issue date	Number of warrants/options to be exercised	Number of potential shares	Number of warrants/options to be exercised	Number of potential shares
BSAAR	20/04/2011	6,018,267	601,827	6,677,097	667,710
BSA	16/09/2014	215,784	215,784	215,784	215,784
Stock options	05/11/2014	45,500	45,500	48,000	48,000
Total		SO	863,111		931,494



21.1.5. RULES FOR PURCHASE AND OBLIGATION RIGHTS AIMED AT INCREASING THE CAPITAL

Table 56. Currently valid delegations during the year (Article. L.225-100 of the Commercial Code).

Date of General Meeting	N°	Purpose of the delegation	Duration of the delegation	Global ceiling (nominal)	Use in 2015/2016
25 June 2015	8	increasing the social capital by issuing ordinary shares, with a subscription preferential right, in one or more issues.	26 months	912,000 Euros.	No
25 June 2015	9	Capital reduction with a cancellation of shares	18 months	10% limit of the company capital for every 24 months period	No
25 June 2015	10	Increasing the share capital with the issue of new shares in compliance with articles L.3332-18 and followings of the French Labour Code.	12 month, until 25 June 2016	Within a 0.49% limit of the capital.	11,807 new shares of 0.80€ each have been issued at the unity price of 21.00 €, representing a capital increase of 9,455.60€ registered by the Delegated Executive Officer on 24 December 2015.
25 June 2014	11	Increasing the share capital with the issue of new shares in compliance with articles L.3332-18 and followings of the French Labour Code.	12 month, until 25 June 2015	Within a 0.49% limit of the capital.	11,228 new shares of 0.80€ each have been issued at the unity price of 14.52 €, representing a capital increase of 8,982.40€ registered by the Delegated Executive Officer on 26 January 2015.
25 June 2014	12	Issue of BSA with cancellation of the shareholders subscription preferential right at the benefit of designated persons.	18 month, until 25 June 2015	Capital increase amounting to 215 784 shares maximum, if the 215 784 BSA were to be exercised.	Use of this delegation by the Executive Board on 16 September 2014 for the issue of 215 784 BSA.

21.1.6. CAPITAL SUBJECTED TO OPTIONS, OR CONDITIONAL OR UNCONDITIONAL AGREEMENTS PREPARING FOR OPTIONS

SQLI capital, which is detailed in Chapter 7. "*Organization chart*" is not subject to any option, or conditional and unconditional agreements preparing for options.

21.1.7. EVOLUTION OF SHARE CAPITAL DURING THE YEAR

The significant changes in SQLI share capital which happened in the last three years are detailed hereafter:

Table 57. Evolution of share capital during the last 3 years

Date of operation	Nature of operation	Number of created shares	Nominal value	Fluctuation of share capital	Amount of share capital (after operations)	Total number of shares
2015	Exercise of 658,830 BSAAR	65,883	€0.80	€52,706.40	€2,948,732.80	3,685,916
24/12/2015	11,807 shares subscribed for the PEG TESORUS plan	11,807	€0.80	€9,445.60	2,896,026.40 €	3,620,033
26/01/2015	11,228 shares subscribed for the PEG TESORUS plan	11,228	€0.80	€8,982.40	€2,886,580.80	3,608,226
16/06/2014	Exercise of 5,760 BSAAR	576	€0.80	€460.80	€2,877,598.40	3,596,998
09/12/2013	Capital increase only for employees members of the Group Saving plan	12,974	€0.80	10 379.20 €	€2,877,137.60	3,596,422

In 2015, 658,830 warrants have been exercised with the issue of 65,883 new shares for a unit price of 15.00 €.

On 24 December 2015, the Delegated Executive Officer registered the subscription of 11,807 shares by the employees members of the "PEG TESORUS" Group Saving plan.

On 26 January 2015, the Delegated Executive Officer registered the subscription of 11,228 shares (unit price: 14.52 €) by the employees members of the "PEG TESORUS" Group Saving plan.

21.2. DEED OF FOUNDATION AND ARTICLES OF ASSOCIATION

21.2.1. SQLI SOCIAL PURPOSE - (ARTICLE 3 OF ARTICLES OF ASSOCIATION)

"The Company's purpose, both directly and indirectly, in France and in all other countries is as follows:

- Communications and web marketing consulting,
- Design and ergonomics of websites,
- Consulting regarding the choice of IT systems architecture and IT systems,
- Integration and implementation of information technology systems
- Design and development of IT software,
- Distribution of IT software,
- IT training, and
- All industrial and commercial operations pertaining to:
 - Creation, purchasing, hiring, and management leases of any businesses, taking of leases, installation and exploitation of any establishments, businesses, factories, workshops, pertaining to one or other of the Company activities;
 - Acquisition, purchasing, exploitation or disposal of any procedure or patent concerning the Company activities;
 - The direct or indirect participation of the Company in any finance, property or asset operations or industrial or commercial companies which are associated with the Company purpose or a similar or connected purpose;
 - All operations that contribute to the achievement of the Company purpose. "

21.2.2. MEASURES RELATED TO THE GOVERNING, EXECUTIVE AND SUPERVISORY BOARDS

Statutory procedures

The articles below, related to the members of the Executive Board and Head managers, are part of the Company statutes.

Article 14 EXECUTIVE BOARD

"1 – Appointment

The company is run by an Executive Board, made up of three to eighteen members.

The Executive Board can include one or more members elected by the company staff, or by the subsidiaries staff in compliance with articles L.225-27 and L.225-28 of the Commercial Code and with paragraph 4 exposed below. These members elected by the employees are

not included in the minimum and maximum amount of members set by the present statutes.

The members can be natural persons or corporate bodies.



When appointed, the corporate bodies have to choose a permanent representative who is submitted to the same conditions and obligations and who has the same civil and criminal liabilities as a natural person, without prejudice of the joint and several responsibility of the body represented.

The members are appointed by the Extraordinary General Assembly meeting.

In case of vacancy for death or resignation of one or more members, the Executive Board can provisionally appoint new members in order to reach the required number of Board members, up to the next General Assembly meeting. These appointments must be done within three months following the vacancy, when the number of members is below the required minimum number, without being below the legal number. The appointments made by the Board must be confirmed in the next Extraordinary General Assembly meeting.

When the number of members is below the legal number, the remaining members must immediately call for an Extraordinary Assembly meeting in order to complete the Executive Board. The members appointed to replace a former member hold the position during the remaining time of the former member mandate.

The number of members working within the company cannot exceed one third of the Board members, except in a few cases defined by law, regarding for instance the case of members elected by shareholders employees.

2 – Duration of the mandates

The Executive Board members are appointed for six years.

The mandates end at the end of the Ordinary General Assembly meeting presiding over the past year accounts and held within the same year of the member mandate expiry date.

Any member of the Directory is re-eligible.

3 – Age limit

Nobody can be appointed member of the Executive Board if, having exceeded the age of seventy years old, her/his appointment has the effect of leading to more than the third of the members of the Executive Board the number of members of the Executive Board having exceeded this age. If the age limit is overcome, the oldest member is automatically considered as outgoing at the end of the Ordinary General Assembly presiding over the same year accounts.

4 –Members appointed by employees

If the report presented by the Executive Board during the General Assembly stipulates, in compliance with article L.225-102 of the French Commercial Code, that the shares held by the employees of the Company and its affiliates, according to Article L.225-180, account for more than 3% of the share capital, one or more Executive managers have to be elected by the General Assembly after the suggestion of shareholder workers.



At least two months before the General Assembly, the Executive Board asks the employees to choose candidates. The Executive Board chairman receives the written suggestions of the staff in order to choose a candidate. To be receivable, the candidates have to represent at least 5% of shareholder workers. This procedure is recorded in a minute containing the number of votes for each candidate. The list of all chosen candidates is made and communicated to the Executive Board.

5 – Dismissal

Every member of the Executive board is revocable by the General meeting or by the Supervisory board, without notice. The revocation of a member of the Executive board does not bring about the dismissal of this one, if (s)he is also employee of the company.

6 – Resignation

The Executive Board members can resign freely, provided that this resignation is not made at the wrong moment or with the intention to prejudice the company. "

Article 15 - ORGANIZATION OF THE EXECUTIVE BOARD

"1 – The Executive Board Chairman

The Executive Board elects by simple majority within its members a Chairman, who has to be a natural person.

The Executive Board decides of the Chairman remuneration and of the duration of his mandate, which can not exceed the duration of his Board member mandate. The Chairman can be reelected.

The Chairman must be less than 70 years old. If the current chairman exceeds this age, he is automatically considered as outgoing.

In case of temporary vacancy or death, the Executive Board can provisionally give the function of chairman to a member.

The Chairman represents the Executive Board. He organizes and runs its missions, which he presents to the General Assembly. He checks the good functioning of the company organs and the ability of the members to fulfill their mission.

The Executive Board appoints a secretary who helps toe Chairman in preparing and recording the Board meetings. He can be appointed among the members or outside the Board. He is dismissed by decision of th Board.

The Chairman can resign freely.

He can, at any moment, be dismissed by the Executive Board. In this case, he remains a member of the Board.

2 – Meetings and deliberations of the Executive Board

The Executive Board meets as often as needed, when the Chairman requests it, in the headquarters or in any other place chosen by the Chairman.

If the Executive Board has not met in more than two months, a third of the Board members can ask the Chairman to call for a meeting.



The CEO can also ask the Chairman to call for an Executive Board meeting. If the meeting has not been called within 20 days, the CEO can call the meeting.

The convening must be called at least 3 days before the meeting date. They must give the agenda of the meeting. The convening can be verbal and immediate, if the members agree.

The convening must contain all the projects and documents needed to inform the members.

An attendance register is kept and signed by the members who participate to the meeting. It must include the name of attending and represented members, according to article L.225-37 of the Commercial Code, as well as the names of members who attended through videoconference and telecommunication.

The Board meetings can be organized through videoconference in the conditions given by the law, and the company statutes. They can be organized through telecommunication allowing the identification of the members and their effective participation, in the conditions given by the law, and the company Articles of association.

The Executive Board can make decisions only if at least half of the members are present.

The decisions are made by majority of the present of represented members. A member can

represent only one other member, with a justification of his agreement.

The participation of members through videoconference and telecommunication is included for the calculation of the quorum and the majority, except for the participation related to the following decisions:

- Drafting of the annual accounts and of the management report
- Drafting of the consolidated accounts and of the group management report if not included in the annual report.

The vote of the presiding officer is predominant.

The Executive Board decisions are recorded in minutes drafted on a specific quoted register, in compliance with the regulatory procedures.

The minute of every meeting must include the name of the present, represented, exempted, and absent members. The presence or absence of the people summoned are recorded in compliance with the law. Every technical incident related to videoconference is recorded, if it disturbed the meeting.

The minutes are signed by the presiding officer and by one or two members.

Copies and extracts of the minutes are certified by the Chairman, the CEO, the delegated executive officers, the delegated chairman, and the persons appointed by the members listed above. "

Article 16 – POWERS OF THE EXECUTIVE BOARD

"1 - Power

The Executive Board defines the orientations of the company activity and looks after their implementation.

In compliance with the powers given by law to the shareholders assemblies, and in the limit of the social purpose of the company, the Board deals with any issue regarding the good functioning of the company.

Every member must receive all the information needed to the achievement of his mission and can request from the Board Chairman or the Governing Board all the documents he needs.

The Executive Board can decide to create study committees in charge of dealing with the subjects submitted by the Board.

2 – Governance system

The General management of the company is run by the Executive Board Chairman, or by another person, called the CEO and appointed by the Executive Board.

The conditions of exercise of the Head management are defined by the Executive Board in the meeting during which the Chairman is appointed. This decision is taken by majority of the present or represented members.

The shareholders and third parties are informed in compliance with the regulatory conditions.

The conditions of exercise of the Head management can be changed at any time.

Head Managers

In compliance with the function defined by the Executive Board, the Chairman or CEO is responsible of the company head management.

The CEO is appointed by the Executive Board which set the duration of his mandate, his remuneration and limits his powers.

The CEO must be younger than 65 years old. If the current CEO exceeds this age, he is

automatically considered as outgoing and a new CEO must be appointed.

The CEO can be dismissed by the Executive Board at any moment. The revocation can lead to damage compensations if it is decided for unfair reasons.

Powers of the CEO

The CEO has the power to take action in the name of the company. His powers are limited by the social purpose and in compliance with the powers given by law to the General Assemblies and the Executive Board.

He represents the company in its relationship with third parties. The company is bound by the CEO actions, even those which are not related to the social purpose, unless it can prove that the third party was aware that the act was not part of the company social purpose and that he could not ignore it given the circumstances. The publication of statutes can not be the only proof.

Delegated Executive Officers

After recommendation of the CEO, the Executive Board can appoint one or more natural persons, members or not, to be delegated Executive Officers and assist the CEO.



The maximum number of Delegated Executive Officers is five.

The Delegated Executive Officer must be younger than 65 years old. If the current delegated Executive Officer exceeds this age, he is automatically considered as outgoing and a new delegated Executive Officer must be appointed.

The Executive Board defines the duration and the object of the powers granted to the DEO with the CEO. The Board also decides of his remuneration.

The DEO has the same powers as the CEO regarding the relationship with third parties.

In case of termination of function or vacancy of the CEO, the DEOs keep their function and attributions until the appointment of a new CEO, except if the Executive Board disagrees.

The DEOs can be dismissed after request of the CEO at any moment. The revocation can lead to damage contributions if it due to unfair reasons. "

Article 18 - REMUNERATION OF THE EXECUTIVE BOARD MEMBERS

"The Executive Board members are remunerated with Attendance fees whose amount is set by the Ordinary General Assembly meetings.

Extraordinary compensations can be allocated to the Executive Board members in compliance with the law. "

Article 19 – REGULATED CONVENTIONS

« 1 – The Executive Board members other than corporate bodies, the CEO and the DEOs are not allowed to subscribe loans with the company, to have an overdraft on a current account or other within the company and to ask for the company guarantee above commitments with third parties. This measure applies also to representatives of corporate bodies members of the Board, and to the relatives of the persons mentioned above.

2 – Any direct or indirect convention between the company, its CEO or DEO, one of his Board members, one of the shareholders with voting rights exceeding 10%, or one of the participating companies, must be submitted to the agreement of the Executive Board, in compliance with article L 233-3 of the Commercial Code. It is also the case for conventions in which one of the persons described above is indirectly interested.

The conventions between SQLI and another company are also submitted to the Board agreement, if the CEO, DEO or one of the Board members is the owner, a partner, a Board

member, a head manager or a member of the Supervisory Board of this other company.

These conventions must be authorized and approved in compliance with article L 225-40 of the Commercial Code.

The prior approval of the Executive Board has been granted considering the interest of the Convention for the Company, with a specification of the financial conditions attached.

3 - The conventions related to current deals concluded in normal conditions, as well as the conventions concluded between two companies when one of the two directly or indirectly owns the entire capital of the other, with deduction of the minimum number of shares required to satisfy to the provisions of Article 1832 of the Civil Code or articles L.225-1 and L.226-1 of the Commercial Code, are not submitted to the authorization and approval given in articles L 225-38 and followings of the Commercial Code.



The conventions concluded and approved during previous financial years which are still exercised in the current year are being revised every year by the Executive Board and

communicated to the Statutory Auditors as part of the special report of Statutory Auditors regarding regulated conventions.

Measures related to the Executive Board members and Head Managers included in the Executive Board rules of procedure

The new rules of procedure of the Executive Board voted on 22 September 2011 are exposed below.

The Executive Board of SQLI « the *company* » decided to establish the following measures, which represent its rules of procedure « *Work regulations* ».

The work regulations aim at:

- Identifying the formation, the organization, the role and powers of the Executive Board towards the General Assembly by completing the existing legal procedures and statutes;
- Improving the efficiency of meetings, debates, and being a reference for the periodic valuation of the Executive Board functioning;

- Integrating the management of the Company in the rules guaranteeing the respect of corporate governance principles.

Every member of the Executive Board is personally responsible of the Rules of Procedure application.

The Executive Board met on 13 November 2008, decided to refer to the AFEP/MEDEF corporate rules in its consolidated version of December 2008.

As decided by the Executive Board on 21 March 2013, the Company chose to comply with MiddleNext Corporate rules for listed companies in replacement of the AFEP-MEDEF from 1st July 2013.



The Rules of Procedure are for internal use. They do not replace the company statutes but put them into application. They can't be challenged by a third party. Their existence will be presented to the shareholders in the annual report.

ROLE AND POWER OF THE EXECUTIVE BOARD

Missions and powers

The Executive Board defines the orientations of the company activity and looks after their implementation.

In compliance with the powers given by law to the shareholders assemblies, and in the limit of the social purpose of the company, the Board deals with any issue regarding the good functioning of the company.

Every member must receive all the information needed to the achievement of his mission and can request from the Board Chairman or the Governing Board all the documents he needs.

The Executive Board can decide to create study committees in charge of dealing with the subjects submitted by the Board.

Choice of the governance system

The Executive Board decides of the governance system for the company. The General management of the company is run by the Executive Board Chairman, or by another person, member or not of the EB, called the CEO and appointed by the Executive Board.

The conditions of exercise of the Head management are defined by the Executive Board in the meeting during which the Chairman is appointed. This decision is taken by majority of the present or represented members.

The shareholders and third parties are informed in compliance with the regulatory conditions.

The conditions of exercise of the Head management can be changed at any time.

DELEGATED EXECUTIVE OFFICER

Appointment

After recommendation of the CEO, the Executive Board can appoint one or more natural persons, members or not, to be delegated Executive Officers and assist the CEO.

The maximum number of Delegated Executive Officers is five.

The Delegated Executive Officer must be younger than 65 years old. If the current delegated Executive Officer exceeds this age, he is automatically considered as outgoing and a new delegated Executive Officer must be appointed.



Powers

The Executive Board, after agreement with the CEO, defines the duration and the object of the powers granted to the DEO with the CEO. The Board also decides of his remuneration.

The DEO has the same powers as the CEO regarding the relationship with third parties.

In case of termination of function or vacancy of the CEO, the DEOs keep their function and attributions until the appointment of a new CEO, except if the Executive Board disagrees.

INFORMATION AND COMMUNICATION TO THE EXECUTIVE BOARD

At any time of the year, the Executive Board makes the assessments and controls considered as necessary. The Chairman or CEO has to communicate to any member all the documents and information requested.

The Executive Board members receive before the meeting of the Board the documents needed to examine the items which will be debated during the meeting.

DECISIONS AND COMMITMENTS TO BE SUBMITTED TO THE BOARD

The following actions and decisions must be submitted to the Board:

- External growth operations;
- Approval and modification of annual budget;
- Any investment not included in the annual budget (*) which exceeds a global amount of 500,000 euros and any expense not included in the annual budget which exceeds a global amount of 500,000 euros (excluding recruitment operations);
- Any subsidiary creation or joint venture agreement;
- Any agreement or disposal or transfer act, with or without charge, of assets which are essential to the Company and/or its subsidiaries;
- Contracting a loan or any bond issue which would not be included in the annual budget and concluding an off-balance sheet commitment whose amount would exceed 1,000,000 euros (including liability guarantees);
- The grant of any security affecting the company and/or subsidiaries assets outside of their normal business and exceeding the annual allocation;
- Any decision leading to a modification of the Company statutes including but not limited to a change in the social form, the governance procedures, the social purpose and the nature of business;
- Any capital increase or decrease, securities issue in any category, merger, separation or partial contribution of assets regarding a company in the group;
- Any decision affecting SQLI brand by extension or restriction of its use;
- The implementation or modification of any participation, interest, stock option plan, of free shares allocation plan or of carry BSAAR.
- Any decision related to a change in the place of quotation for the company securities, including the withdrawal.
- Any change in accounting procedures;



The following items will have to be regularly reported to the Board:

- Cash position;
- Any change in high management positions (agency managers) and any change in the terms of agreement with one of these members (including in the work contract).
- For subsidiaries managers, any change regarding:
 - Their appointment and dismissal;
 - The appointment of subsidiaries Executive Board members;
 - The powers of subsidiaries Executive Boards.
- Any decision leading to a modification of a subsidiary statutes including but not limited to a change in the social form, the governance procedures, the social purpose and the nature of business;

(*): "the budget will include an "investments" section from 2012".

PARTICIPATION TO THE MEETINGS VIA VISIOCONFERENCE AND TELECOMMUNICATION

For the calculation of the quorum and the majority, the presence of the Supervisory Board members is requested who can participate to the meeting by videoconference or telecommunications in compliance with the legal conditions. The voice of the participants must be transmitted and the technical tools must allow the continuous retransmission of the debates. Consequently, in compliance with article R 225-21 of the Commercial Code, the members can participate in the meetings through videoconference and phone calls.

However the participation to the Executive Board meetings by videoconference or telecommunication is not accepted for the deals defined by articles L.232-1 et L.233-16, that is for the annual accounts and Management report drafting as well as for the consolidated accounts and group management report drafting.



21.2.3. RIGHTS, PRIVILEGES AND RESTRICTIONS TIED TO THE COMPANY SHARES

The articles below, related to the rights, privileges and restrictions for each category of shares, are extracted from the company statutes.

Article 10 – FORM OF SHARES – IDENTIFICATION OF SHAREHOLDERS

"1. The shares can be nominal or bearer, according to the shareholders choice, in compliance with the legal statutes related to the form of shares held by some people. They must be recorded in the accounts according to the conditions and procedures given by the law.

The ownership of nominal shares depends on their recording in the nominative account. The ownership of bearer shares depends on their recording by an authorized financial intermediate.

2. The company has the right, in compliance with the legal rules and regulations, at any moment and in exchange of a compensation whose amount is set by the Ministry of Economics, to ask the institutions in charge of the securities compensation the name or for a corporate body the corporate name, the nationality, the birth date and the constitution date and the mailing address of the securities holders who have voting rights in the company assemblies along with the number of securities held by each of them and the restrictions on the securities. "

Article 11 – INDIVISIBILITY OF SHARES

« As regards the Company, shares are indivisible. Shares that are co-owned are represented at Shareholders meetings by one of the owners or by a mutually agreed proxy. Failing agreement between them on the choice of a proxy, a proxy is designated by the order of the Chairman of the Commercial Court ruling in summary procedure at the request of the most diligent co-owner.

The voting right that is tied to the share belongs to the usufructuary in the Ordinary General meetings and to the bare owner in the Extraordinary General meetings. However,

shareholders can agree amongst themselves on any other sharing out of the use of votes in General meetings. In this case they will have to let the Company know about what they have agreed by a registered letter sent to the Company headquarters. The Company is under the obligation to respect this agreement for all General meetings that meet following a time frame of one month pursuant to the sending off of the registered letter; the post mark on the letter will act as the proof of the sending date. Each of the co-owner of indivisible shares, the usufructuary and the bare owner of shares also have the right to consult the social reports." "

Article 12 – SALE AND TRANSFER OF SHARES

"1. The shares registered in the account are transmitted through bank transfer.

2. Apart from respecting the applicable legal and regulatory obligations concerning the crossing of thresholds, every corporate body or natural person, acting alone or in concert, who has come to own, directly or indirectly, by the

means of one or several corporate bodies, controlled according to the meaning of article L. 233-3 of the French Commercial Law, a number of shares or voting rights representing five percent of the capital or of the voting rights in the Company or any multiple of this same percentage, and this even if this multiple exceeds the legal threshold of five percent, must



notify the Company the total number of shares or rights s/he/it owns, by the means of a registered letter with a acknowledgment of receipt sent to the Company headquarters within fifteen days as from the crossing one of these thresholds.

This obligation to inform the Company applies, in conformance with the same aforementioned conditions, every time that the fraction of the capital or held voting rights falls below one of the thresholds mentioned in the preceding paragraph.

If any of these provisions are not respected, the shares exceeding the threshold will be deprived of their voting rights for all General meetings which will take place over the following two year period counting from the moment that the notification has been regularized, as long as the request to deprive these rights is made by one or several shareholders holding individually, or in concert, a fraction of capital or voting rights at least equal to the smallest fraction of capital which needs to be declared when held. This request is registered in the minutes of the Shareholders meeting. "

Article 13 – RIGHTS AND OBLIGATIONS ATTACHED TO THE SHARES

"1. 1. Every share entitle, in the profits and the corporate capital, to a proportional share in the capital quota which it represents and gives right to vote and, to the representation in the General meetings, within the legal conditions set by the law and the article of incorporation.

Any shareholder is entitled to be informed about the running of the Company and to get communication of some corporate documents in the times and in conditions planned by the law and the articles of incorporation.

2. The shareholders bear the debts only in competition of their contributions.

Subject to the legal and regulatory capacities, no majority can impose them an increase in their commitments. The rights and the obligations tied to the share follow the security everywhere it goes.

The possession of a share consists by right of memberships to the decisions of the General meeting and to the present articles of incorporation. The transfer includes all the due and not paid dividends and dividends to be

fallen due, thus possibly that the share in the reserve funds, except opposing measures notified to the Company.

The heirs, the creditors, the eligible persons or other representatives of a shareholder cannot, on no account whatever it is, demand the installation of seals on the assets and on corporate documents, ask for the division or sale by auction of these assets, nor interfere in the management of the Company. To exercise their rights, they have to, rely on the corporate inventories and on the decisions of the General Meeting.

3. Every time it is necessary to own some number of shares to exercise some right, in case of exchange, of bulking, of allocation of securities, or during capital increase or reduction, during a fusion or during any other operation, the shareholders who own a number of shares lower than the required one, can exercise these rights only if they personally commit themselves to obtain the required number of shares. "



21.2.4. PROCEDURES NEEDED TO ALTER THE SHAREHOLDERS RIGHTS

The articles below, related to the procedures needed to alter the shareholders rights are extracted from the company statutes.

Article 21 - NATURE OF ASSEMBLIES

"The decisions of the shareholders are made during the General Assembly meetings.

The Ordinary General Assemblies make all the decisions which do not modify the company statutes.

The Extraordinary General Assemblies make the decisions and give the authorizations related to the statutes.

The Special Assemblies consist in a meeting between the shareholders of a particular category in order to make decisions for this category members rights.

All the shareholders, even the absent, dissident and incapable ones must respect the deliberations of the General Assemblies. "

Article 23 - AGENDA

"1. The General meeting agenda is drawn up by the author of the convocation.

2. One or several shareholders, who together hold the required quota of capital and acting in accordance with the time frame and conditions set out in the law, can request, by registered letter with acknowledgment of receipt, the inclusion in the agenda for the General meeting of resolution projects.

3. The General meeting cannot deliberate on a question that has not been entered in the agenda, which cannot be modified by a second convening. The Meeting can however, in every circumstance, revoke one or several members of the Supervisory Board and carry out their replacement. "

Article 25 - ASSEMBLY MEETING - OFFICE - MINUTES

"1. An attendance register must be signed by all attending shareholders and proxies, kept together with all proxy forms and postal voting forms. This register accuracy must be confirmed by the General Assembly office.

2. General Meetings are presided by the Chairman of the Executive Board or in her/his absence by a member of the Executive Board who has been specially assigned this task by the Executive Board.

If the Meeting has been convened by the Statutory Auditors or by a legal proxy, the Shareholders' Meeting is chaired by the author of the convocation.

Failing that, the General Assembly elects a Chairman.

The two shareholders, present and willing, representing by themselves and by proxy the biggest amount of votes, carry out the function of tellers.

The holders of this office then appoint a secretary who cannot be a member of the General Assembly.

3. The General Meetings deliberations are written in minutes signed by the meeting members and registered in a special register in compliance with legal standards. Copies and Extracts of these minutes can be certified in compliance with legal standards. "





Article 26 - QUORUM - VOTE

"1. The quorum is calculated using all of the shares that make up the capital, except in Special Shareholders' Meetings where it is calculated using all of the shares of the particular share category concerned, all of these are calculated less those shares which hold no voting rights according to the dispositions laid out in the law.

In the case of postal voting, only those votes which are duly completed and received by the Company at least three days before the date of the general Meeting will be taken into account in the calculation of the quorum.

2. The voting rights related to capital share or bonus share is proportional to the percentage of capital represented. Each share gives one voting right.

3. Exceptionally, a voting right, accounting for twice the others that were granted according to their capital quote, can be granted:

- To all the totally paid-in shares which will be proved to have been owned by

the same shareholder for at least three (3) years;

- To the registered shares given to a shareholder, in case of capital increase through reserves incorporation, profit or issue premium, for the old shares he benefits from.

The double voting right expires for any share that was subject to a conversion to the holder or a transfer. However the transfers due to inheritance or family donation to a relative do not lead to a termination of the voting rights nor stop the three years deadline.

The possible merger or separation of the company does not have any effect on double voting rights which can be exercised within the purchasing company if allowed by its Articles of association.

4. Voting takes place by a show of hands, or by a nominal call or by a secret ballot according to the decision of the office of the general Meeting or by the shareholders. Shareholders can also make use of postal voting. "

Article 27 - ORDINARY GENERAL ASSEMBLY

« The Ordinary General Meeting can take all decisions that go beyond the powers of the Board of Directors and which do not include the changing of the Company's articles of incorporation. The Ordinary General Meeting meets at least once a year within six months of the close of the financial year in order to rule on the financial statements of that year unless that period is prolonged by a legal ruling.

The Meeting can only act legally when it is first convened if the number of shareholders present or represented, or having sent postal votes, adds up to a quarter of those shares holding the right to vote. No quorum is required if the Meeting is convened for a second time.

The Assembly can rule with the majority of the votes of the shareholders present, represented or having voted by post. "



Article 28 – EXTRAORDINARY GENERAL ASSEMBLY

« The Extraordinary General Meeting can alter any of the Company's articles of incorporation and decide upon the transformation of the Company in another form of company, civil or commercial. This Meeting cannot, however, increase the commitments of the shareholders, subject to the operations that result from regular stock consolidation.

The Extraordinary General meeting can only legally make decisions if the number of shareholders present or represented, or having voted by post adds up to, on the first convening of the Meeting, the third, and on the second convening of the Meeting, the quarter of shares which have voting rights. If this quorum is not

reached, the second Meeting can be adjourned to a later date that must take place within the two months following the second convocation.

The Extraordinary General Meeting rules with the majority of the two-thirds of the votes that have the shareholders present, represented or having voted by post, unless there have been legal infringements with those votes.

In the Extraordinary General Meetings with a constitutive form, i.e. those called to deliberate on the approval of a contribution in kind or on the granting of a particular benefit, the contributor or the recipient is not entitled to vote either for himself or as a proxy.» "

Article 29 – SPECIAL GENERAL ASSEMBLY

"If there are several classes of shares, no modification can be made to the rights of the shares of those classes, without a vote in conformance with an Extraordinary General Assembly that is open to all shareholders and, additionally, without a vote in conformance with a Special General Assembly just for those shareholders of the particular class of shares concerned.

Special General Assemblies can only make valid decisions if the number of shareholders present or represented adds up to at least, on the

first convocation of the Assembly, the half, and on the second convocation of the Assembly, the quarter of the outstanding shares of the concerned share class.

As for the rest, Special General Assemblies are convened and deliberate according to the same conditions as Extraordinary General Assemblies, subject to the particular provisions applicable to the meetings of holders of preferred dividend stock that do not have voting rights. "



21.2.5. CONDITIONS REGULATING CALLS OF AND ADMISSION TO A GENERAL ASSEMBLY

The articles below, related to calls of and admission to the General Assembly meetings are extracted from the company statutes.

Article 22 - CALL AND MEETING OF GENERAL ASSEMBLIES

« The general meetings are convened by the Executive Board or, failing that, by one or several Auditors. They can be also convened by a representative appointed by the President of the Commercial court ruling in summary procedure, either at the request of one or several shareholders gathering at least 10% of the capital.

The General Assemblies can also be convened by the liquidators, in case of liquidation.

During a time of liquidation, the general meetings are convened by the liquidators. General meetings are held at the Company's headquarters or at any other place indicated in the notice. A notice concerning the meeting containing the information required under Article R 225-73 of the Commercial Code is published in the Bulletin of mandatory legal announcements at least thirty five (35) days before the date of the general meeting.

The convening is made at least fifteen (15) days before the date of the general meeting by a notice published in the legal announcements newspaper of the department in which the Company has its headquarters and, by a notice published in the Bulletin of mandatory legal announcements and by an ordinary letter sent to every shareholder who hold registered Company shares. (...) If they request it, the shareholders holding registered Company shares can be summoned by registered letter with a form of acknowledgment of receipt.

When a General Assembly can not deliberate because the required quorum is not complete; the second General Assembly or the second adjourned General Assembly if need be, are convened in the same conditions than the former with a similar notice and a similar agenda. "

Article 24 - ACCESS TO ASSEMBLIES - POWERS

"1. Any shareholder is allowed to participate in General Meetings and in the deliberations either personally or by proxy, regardless the amount of shares (s)he holds, upon proof of identity as soon as her/his shares are fully paid up and registered in her/his name or in the name of its agent registered in his/her name, in compliance with Article L.228-1 of the Commercial Code, alinea 7, at least two days before the date of the Meeting, at the zero hour, Paris time, either in the securities accounts held by the company, or in the securities accounts held by the agent, as mentioned in Article L.211-3 of the Monetary and Financial Code.

2. Every shareholder is allowed to vote by using a postal vote by means of a form that s/he can obtain according to the conditions laid out in the notices of meeting and convening for the General meeting.

3. A shareholder can only be represented by his wife/her husband, his partner in a PACS union (registered domestic partnership) or by another shareholder and any other natural or legal person given proxy rights, in compliance with the laws and regulations. "



21.2.6. CONDITIONS THAT CAN DELAY, POSTPONE OR PREVENT A CHANGE OF CONTROL

The company statutes do not include any procedure allowing to delay, postpone or prevent a change of control.

21.2.7. CALCULATION OF THE MINIMUM ATTENDANCE FOR COMPULSORY ANNOUNCED PARTICIPATION

The articles below, related to the attendance threshold above which any participation must be declared are extracted from the company statutes. The summary of crossing of threshold

statements made in the last three years is available in paragraph 18.1.2. *"Statements on crossing of thresholds during the last three years"*.

Article 12 – SALE AND TRANSFER OF SHARES

"1. The shares registered in the account are transmitted through bank transfer.

2. Apart from respecting the applicable legal and regulatory obligations concerning the crossing of thresholds, every corporate body or natural person, acting alone or in concert, who has come to own, directly or indirectly, by the means of one or several corporate bodies, controlled according to the meaning of article L. 233-3 of the French Commercial Law, a number of shares or voting rights representing five percent of the capital or of the voting rights in the Company or any multiple of this same percentage, and this even if this multiple exceeds the legal threshold of five percent, must notify the Company the total number of shares or rights s/he/it owns, by the means of a registered letter with a acknowledgment of receipt sent to the Company headquarters within fifteen days as from the crossing one of these thresholds.

This obligation to inform the Company applies, in conformance with the same aforementioned conditions, every time that the fraction of the capital or held voting rights falls below one of the thresholds mentioned in the preceding paragraph.

If any of these provisions are not respected, the shares exceeding the threshold will be deprived of their voting rights for all General meetings which will take place over the following two year period counting from the moment that the notification has been regularized, as long as the request to deprive these rights is made by one or several shareholders holding individually, or in concert, a fraction of capital or voting rights at least equal to the smallest fraction of capital which needs to be declared when held. This request is registered in the minutes of the Shareholders meeting. "



21.2.8. CONDITIONS DEFINING CHANGES IN CAPITAL

The articles below, related to the conditions defining the changes in capital are extracted from the company statutes.

Article 7 - INCREASE OF THE SHARE CAPITAL

"The share capital is increased by any means and according to any terms set by the Law.

The Extraordinary General Meeting, on Executive boards report, is the only competent to decide the increase in capital. Its powers and its competence can be delegated to the Executive Board, according to the conditions fixed by the law.

The shareholders have, proportionally to their amount of shares, a preferential subscription

right to share issued for cash issued in order to make a capital increase. The shareholders can give up individually their preferential rights.

The right to the allocation of new shares to shareholders, following the incorporation of reserves, profits or share premiums to the capital, belongs to the bare owner, subject to the usufructuary rights." "

Article 8 - PAYMENT OF SHARES

"The shares subscribed in cash must be paid-in for at least 25% of their nominal value at the subscription date, and for 100% of the issue premium.

The payment of the surplus must be made in one or more time after decision of the Executive Board within the five years following the capital increase date.

The calls for funds are sent to the share holders by registered letter with advice of delivery sent

at least 15 days before the date set for every payment. The payments must be done at the headquarters or in any other place chosen.

Any delay in the payment of the unpaid shares leads by rights and automatically to the payment of a interest of legal rate, from the maturity date and without prejudice of the actions exercised by the company against the no show shareholder and of the measures taken by law. "

Article 9 - REDUCTION - REDEMPTION OF SHARE CAPITAL

"The reduction of capital is authorized or decided by the Extraordinary General meeting which can delegate to the Executive board any powers to carry it out. On no account, the Meeting can undermine the equality of the shareholders.

The reduction of the share capital to an amount lower than the legal minimum can be decided only under the condition precedent of a capital increase, intended to bring this one to an amount at the least equal to this minimum amount,

except transformation of the Company in a company of another form.

In these capacities are not respected, any interested person can make a legal claim to ask for the dissolution of the Company.

However, the court cannot pronounce the dissolution, if when it pronounces judgment on the merits, the regularization took place. The capital can be depreciated according to the capacities of the law. "

Article 33 - ALLOCATION AND DISTRIBUTION OF EARNINGS



"Out of the year earnings, less the previous losses, are first deducted the amounts put into the reserve, pursuant to law. 5% of the profit is kept for the legal reserve. This deduction is not compulsory anymore when the reserve amounts to 10% of the share capital, and becomes compulsory again if the reserve amount decreases to reach less than 10%.

The net earnings consist in the year earnings less the previous losses and the amounts allocated to the reserve pursuant to the law and the company statutes, and more the beneficiary report.

Out of these earnings, the General Assembly deduces the amounts allocated to other reserve funds, ordinary or extraordinary.

The balance is divided between all the shares proportionally to their paid-in and non depreciated amount.

However, except in case of capital decrease, no distribution is made when the own equity is or becomes lower than the amount of capital and reserves that the law and statutes prevent from distributing.

The General Assembly can decide to distribute the amounts deducted of the reserves, either to complete a dividend or as an extraordinary distribution. The dividends are distributed by priority on the year net earnings.

The losses, if there are, are recorded in a special account in order to be allocated to the previous years earnings before extinction. "

Article 35 - OWN EQUITY ACCOUNTING FOR LES THAN HALF OF SHARE CAPITAL

"If, following the recording of losses within the accounting reports, the company own equity decreases to reach less than half of the share capital, the Executive Board has to call a General Meeting within four month after the publication of the accounts recording the loss, in order to decide if the company must be early dissolved.

If the dissolution is not made, the capital must be, in compliance with the legal procedures and before the deadline set by the law, reduced by an amount corresponding to the losses which could not be allocated to the reserves, if in the meantime, the own equity has not been rebuilt to reach at least half of the share capital.

In any case, the General Assembly decision must be subject to advertising procedures as required by the applicable regulations.

In these capacities are not respected, any interested person can make a legal claim to ask for the dissolution of the Company. This is also applicable whenever the shareholders could not legally discuss the decision.

However the Court can not decide to dissolve the company if the regularization has been made before the judgment date. "



CHAPITRE 22. MAJOR ACCOUNTS

The group strategy and its new positioning aim at increasing the size of projects and the added value by favoring the Council and Integration services which offer a quick return on investment to the customers.

The group can now answer to big-scale tender offers which helped to increase the average amount invoiced for a contract.

In 2015, SQLI didn't conclude any major contract outside of the contracts concluded for usual business.



CHAPITRE 23. INFORMATION COMING FROM OUTSIDERS, EXPERT STATEMENTS OR INTEREST STATEMENTS

The group management did not record any information coming from outsiders, experts statements, or declarations of interest that should be mentioned in the present reference document.



CHAPITRE 24. DOCUMENTS OPEN TO PUBLIC INSPECTION

During the period of validity of the present report, the documents listed below can be consulted in SQLI headquarters:

- The constitutive act and statutes of SQLI ;
- All the reports, mailing and other documents, historical financial information, evaluations and statements made by experts on request of SQLI, part of which is included or quoted in the present reference document ;
- The historical financial information of SQLI and its subsidiaries for the two years ending with the publication of the present document.

The quotation of SQLI securities is published in many general, economic and financial newspapers, in which the company publishes its press releases when needed.

The information related to the company is distributed by ActusNewsWire network via Euronext.

The publication in the French BALO and the Financial Market Authority is made in compliance with the regulations in force (Decree n° 2008-258 of 13 March 2008 related to the publication of the regulated financial information and the general rules of the FMA).

All regulated information is also available on the company website: www.sqli.com.

Along with all these regular information canals, the company tries to communicate any major new deal or evolution of its activity and policy.

Person in charge of financial information:

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Delegated Executive Officer
SQLI
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93210 La Plaine Saint-Denis
Tel: 01 55 93 26 00 - Fax: 01 55 93 26 01

24.1. FINANCIAL AGENDA

Table 58. Financial agenda for 2016

Date	Information
10 February 2016	Annual turnover 2015
22 March 2016	Annual results 2015
12 May 2016	Turnover Q1 2016
28 July 2016	Turnover H1 2016
22 September 2016	Results of H1 2016
9 November 2016	Turnover Q3 2016

All the publications will be shares after Euronext Paris closing time.



CHAPITRE 25. INFORMATIONS ON PARTICIPATIONS

The consolidated scope is detailed in Chapter 7 "*Organization chart*" of the present document.

The company does not hold any minor or major participation on 31 December 2015 other than those exposed above on Chapter 7. "*Organization chart*".



Annexe 1. INDEX OF CHARTS, GRAPHS AND OTHER TABLES WITHIN THE REFERENCE DOCUMENT

TABLE 1.	FEEs OF STATUTORY AUDITORS AND THEIR NETWORK MEMBERS.....	11
TABLE 2.	INCOME STATEMENT - KEY FIGURES.....	13
TABLE 3.	SUMMARIZED BALANCE SHEET.....	14
TABLE 4.	SQLI – STOCK PRICE TREND.....	16
TABLE 5.	EVOLUTION OF SQLI TREND COMPARED WITH CAC SMALL.....	16
TABLE 6.	STAFF TURNOVER RATE PER AGE GROUP.....	18
TABLE 7.	BALANCE OF TRADE ACCOUNTS PAYABLE TO SQLI SA SUPPLIERS BY DUE DATE AT THE END OF YEAR 21	
TABLE 8.	SQLI NET FINANCIAL DEBT DURING THE LAST TWO YEARS.....	22
TABLE 9.	EVOLUTION OF THE OPERATING WORKING CAPITAL (EXCL. SCOPE VARIATIONS).....	22
TABLE 10.	HEDGING INSTRUMENTS.....	23
TABLE 11.	SQLI GROUP EXPOSURE TO THE RATE RISK.....	24
TABLE 12.	ANALYSIS OF THE IMPACT OF INTEREST RATES VARIATION.....	24
TABLE 13.	EXCHANGE RISKS – NET POSITION AFTER MANAGEMENT.....	25
TABLE 14.	CALCULATION OF THE RISK OF LOSS ON CURRENCY GLOBAL NET POSITION.....	25
TABLE 15.	OPERATING LEASING CONTRACT RENTS.....	26
TABLE 16.	SUMMARY OF THE MAIN EFFECTIVE INSURANCE POLICIES (FRANCE).....	30
TABLE 17.	CASH FLOW ON INVESTMENT ACTIVITIES.....	36
TABLE 18.	GROWTH OF THE SOFTWARE AND COMPUTER SERVICES MARKET PER CATEGORY (SOURCE: SYNTEC NUMÉRIQUE).	45
TABLE 19.	DIVISION OF THE MARKET IN 2015 (50.6 BILLIONS OF EUROS) PER ACTOR TYPE (SOURCE: SYNTEC NUMÉRIQUE).....	45
TABLE 20.	DIVISION OF THE MARKET IN 2012 (49.5 BILLIONS OF EUROS) PER ACTOR TYPE (SOURCE: SYNTEC NUMÉRIQUE).....	45
TABLE 21.	SQLI HOLDINGS.....	51
TABLE 22.	SQLI ORGANIZATION CHART AT 31 DECEMBER 2015.....	52
TABLE 23.	CONTRIBUTION OF THE GROUP MAIN SUBSIDIARIES.....	53
TABLE 24.	MAIN EXISTING LEASES (NON AUDITED DATA).....	55
TABLE 25.	SQLI CONSOLIDATED RESULT ACCOUNT.....	56
TABLE 26.	TOTAL OF SQLI CONSOLIDATED NET FINANCIAL DEBT.....	58
TABLE 27.	OTHER FINANCIAL INCOME AND CHARGES.....	59
TABLE 28.	EVOLUTION OF STAFF AND STAFF COSTS.....	60
TABLE 29.	EVOLUTION OF EXTERNAL COSTS.....	60
TABLE 30.	VARIATION OF SHAREHOLDERS' EQUITY IN THE LAST THREE YEARS.....	63
TABLE 31.	SQLI CONSOLIDATED CASH FLOW.....	64
TABLE 32.	CONSOLIDATED OPERATING CASH FLOW.....	65
TABLE 33.	CASH FLOW ON INVESTMENT ACTIVITIES.....	66
TABLE 34.	CONSOLIDATED FINANCING CASH FLOW.....	66
TABLE 35.	SQLI GROSS FINANCIAL DEBT DURING THE LAST TWO YEARS.....	68
TABLE 36.	GROSS FINANCIAL DEBT PER DEADLINE.....	69
TABLE 37.	SQLI NET FINANCIAL DEBT DURING THE LAST TWO YEARS.....	70
TABLE 38.	REMUNERATION AND BENEFITS OF THE BOARD MEMBERS.....	79
TABLE 39.	MANDATES AND FUNCTIONS OF HEAD MANAGERS DURING THE YEAR.....	82
TABLE 40.	OPTIONS ALLOCATED TO HEAD MANAGERS AND EXECUTIVE OFFICERS.....	87
TABLE 41.	REMUNERATION, OPTIONS AND SHARES ALLOCATED TO EVERY HEAD MANAGER.....	88



TABLE 42.	REMUNERATION OF EVERY HEAD MANAGER FOR YEARS 2014 AND 2015	89
TABLE 43.	DISTRIBUTION OF ATTENDANCE FEES AND OTHER REMUNERATIONS OF THE EXECUTIVE BOARD MEMBERS (HEAD MANAGERS EXCLUDED)	91
TABLE 44.	SECONDARY INFORMATION	92
TABLE 45.	VARIATION OF SQLI STAFF DURING THE LAST 3 YEARS.....	124
TABLE 46.	SHARES OF EXECUTIVE OFFICERS AND HEAD MANAGERS.....	125
TABLE 47.	SQLI MAIN SHAREHOLDERS AT 31 DECEMBER 2015.....	129
TABLE 48.	SQLI MAIN SHAREHOLDERS AT 31 DECEMBER 2014.....	130
TABLE 49.	SQLI MAIN SHAREHOLDERS AT 31 DECEMBER 2013.....	131
TABLE 50.	STATEMENTS OF THRESHOLD CROSSINGS OF SQLI CAPITAL DURING THE LAST THREE YEARS....	132
TABLE 51.	VARIATION OF SQLI TREASURY SHARES	216
TABLE 52.	ANIMATION OF THE MARKET OR LIQUIDITY OF SQLI SHARE AS PART OF A LIQUIDITY CONTRACT 217	
TABLE 53.	HOLDING AND DELIVERY AS EXCHANGE OR AS PAYMENT OF SQLI SHARES FOLLOWING EXTERNAL GROWTH OPERATIONS	217
TABLE 54.	ALLOCATION TO EMPLOYEES AND HEAD MANAGERS OF SQLI AND AFFILIATED COMPANIES.....	218
TABLE 55.	CANCELLATION OF SHARES	218
TABLE 56.	CURRENTLY VALID DELEGATIONS DURING THE YEAR (ARTICLE. L.225-100 OF THE COMMERCIAL CODE). 221	
TABLE 57.	EVOLUTION OF SHARE CAPITAL DURING THE LAST 3 YEARS	222
TABLE 58.	FINANCIAL AGENDA FOR 2016.....	245



Annexe 2. TABLE OF CONCORDANCE WITH THE ANNUAL FINANCIAL REPORT

The following table helps to understand which information is required by the FMA, with regards to the annual financial report, in compliance with Article 212-13 VI of the FMA rule.

Information to be included in the annual financial report	Related chapters or paragraphs in the present Reference Document
Certification of the person in charge of the Document	1.2.
Management report	
- Analysis of results, financial situation and risks related to the controlling company and the consolidated group (art. L.225-100 and L.225-100-2 of the Commercial Code)	3.1. – 3.2. – 4.1.1. – 4.1.3. – 4.1.4. – 4.2.1. – 4.2.2. – 4.2.4. – 4.3.4. – 4.6. -9 - 10
- Information related to capital structure and to the factors which could have an impact in case of public offer (Article L.225-100-3 of the Commercial Code)	18.1. – 18.4.2.
- Information related to share buyback program (art. L.225-211, al.2 of the Commercial Code)	18.1.4. – 21.1.3.
Chairman Report (Article L.225-37 of the Commercial Code)	16.5.1.
Report of the statutory auditors on the Chairman's report	16.5.2.
Financial statements and reports	
- Annual accounts	20.1.
- Report of the statutory auditors on the annual accounts	20.4.1.
- Consolidated accounts	20.3.
- Report of the statutory auditors on the consolidated accounts	20.4.2.
- Statutory auditors fees	2.3.



Annexe 3. TABLE OF CONCORDANCE WITH THE ANNUAL FINANCIAL REPORT

N°	Information	Reference
I	Management report	
1	Situation and activity of the Company, its subsidiaries and the other companies under control during the year	Chapter 3 & 6
2	Modifications brought to the presentation of the accounts and the evaluation procedures applied in the past years	Chapter 20 (paragraphs 20.1.4. et 20.3.5.)
3	Activity results of the company, its subsidiaries and the companies under control	Chapter 9
4	Key indicators of financial results	Chapter 3 (paragraph 3.1.)
5	Analysis of the business, results and financial situation evolution	Chapter 9 & 10
6	Progress made and problems encountered	Chapters 3, 4 & 6
7	Description of the main risks and questions faced by the company (included the exposure to financial risks)	Chapter 4
8	Indications on the use of financial instruments, objectives and policy of the company regarding the financial risks control	Chapter 4 & 10
9	Main events occurred since the accounts closing date	Chapter 12
10	Expected evolution of the company and perspectives	Chapter 13
11	Activities in R&D	Chapter 11
12	List of mandates and functions exercised in every company by every managing agent during the year	Chapter 14
13	Total remuneration and advantages given to every managing agent during the year	Chapter 15
14	All the commitments taken by the company for its managing agents, consisting in remuneration, compensations or advantages due or likely to be due after the intake, the ending or the change of these functions	Chapter 15 & 17
15	Transactions related to the company securities made by the head managers	Chapter 17
16	Key indicators related to the Environment and the social context	Chapter 4 & 17
17	Social information:	Chapter 17
18	Participation of employees to the share capital	Chapter 17 (paragraph 17.3.)
19	Information on the Environment:	Chapter 4 (paragraph 4.3.2.)
20	Information on the technological risks prevention policy, the ability of the SO company to protect its responsibility with goods and persons related to	



N°	Information	Reference
	classified installations, and the predicted means to ensure the management of the victims in case of technological incident for which the company is responsible	
21	Participation in companies established in France and in which SQLI owns more than 1/20, 1/10, 1/5, 1/3, ½ or 2/3 of the capital or voting rights	Chapters 5 & 7
22	Alienations of shares occurred in order to regularize the crossed participations	SO
23	Natural persons and corporate bodies holding directly or indirectly more than 1/20, 1/10, 1/5, 1/3, ½ or 2/3 of the capital or voting rights of the company in the General Assemblies	Chapter 18
24	Warnings or fines for antitrust practices	SO
25	Elements likely to have an impact in case of public offer	Chapter 18 (paragraph 18.4.1.)
26	Governance system of the company (only in case of change)	Chapter 16
27	Calculation criteria and results of the adjustment of conversion or exercise basis of financial securities giving access to the capital and stock options	Chapter 21
28	Information on buy-back programs	Chapter 21 (paragraph 21.1.3.)
29	Table of current delegations regarding capital increases	Chapter 21 (paragraph 21.1.5.)
30	Table of the Company results in the last 5 years	Chapter 20 (paragraph 20.1.5.)
31	Amount of dividends distributed in the last 3 years	Chapter 20 (paragraph 20.7.)



Annexe 4. TABLE OF CONCORDANCE REGARDING SOCIAL, CORPORATE AND ENVIRONMENT-RELATED INFORMATION

Articles L.225-102-1, R225-104 et R225-105-1 of the Commercial Code, as amended by Decree n° 2012-557 of 24 April 2012

Social information	Ref. RSE
Employment	
Total number and distribution of employees and gender, age and location	p11
Recruitment (fixed-term and permanent contracts, recruitment issues)	P 21
Lay-offs (reasons, regrading attempts, re-employment, assistance measures)	p22
Remuneration and evolution (social charges, interests, participation and group saving program)	p28
Work organization	
Work time organization (duration of work time for full time and part time jobs, extra time, external workforce)	p26
Absenteeism	P 40
Social relations	
Social dialog (information rules and procedures, consultation and negotiation with employees)	p31
Result of collective agreements	p32
Health and Safety	
Health and Safety at work	p39
Overview of agreements signed with trade unions and staff representatives regarding Health and Safety measures at work	P43
Accidents at work, frequency and seriousness, work-related diseases	p41
Training	
Total number of training hours	p47
Training policy	p50
Equality of treatment	
Steps taken in terms of equality between men and women	p52
Steps taken in favor of recruitment and integration of handicapped people	p 55
Anti-discrimination policy	p56
Promotion and respect of fundamental conventions of the International Labour Organization	
Respect of freedom of association and of the right to collective bargaining	p15, 32, 43
Elimination of discrimination in respect of employment and occupation	p56



Elimination of forced or compulsory labor	P43
Effective abolition of child labor	P43
Information on the Environment:	
Environment-related policy	
Company policy regarding environmental issues and assessment and certification procedures related to the environment	p59
Training and information measures for employees regarding environment protection procedures	p61
Measures taken to prevent environment risk and pollution	p62
Amount and provisions and risk guarantees regarding the environment	p62
Pollution and waste management	
Prevention, reduction or recovery measures regarding emissions into the atmosphere, soil and water which may severely affect the environment	p74
Procedures regarding the prevention, recycling and processing of waste	p65
Procedures regarding noise pollution	p74
Procedures regarding other pollution types for specific activities	p74
Sustainable use of resources	
Water consumption and supply according to local conditions	p76
Consumption raw materials and measures taken to improve their efficiency	p76
Energy consumption and measures taken to improve energy efficiency and renewable energies use	p74
Use of soils	p77
Climate change	
Greenhouse gas emissions	p77
Adaptation to the impacts of climate change	p79
Biodiversity protection	
Procedures regarding biodiversity preservation or development	p79
Social information	
Territorial, economic and social impact	
Impact regarding employment and regional development	p81
Impact on local or neighboring populations	p81
Relationship with people or organizations interested in the Company activity, including associations for inclusion, educational establishments, associations for the defense of the environment, consumer associations and associations representing neighboring populations	
Conditions of dialog with these people or organizations	p81
Partnership or sponsoring actions	p82



Outsourcing and suppliers	
Integration in the social and environmental policy	p85
Importance of outsourcing	p85
Social and environmental responsibility regarding suppliers and subcontractors	p85
Fairness of commercial practices	
Actions taken to prevent any form of corruption / Other actions taken in favor of Human rights	p86
Actions taken to promote health and safety of consumers	p87





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