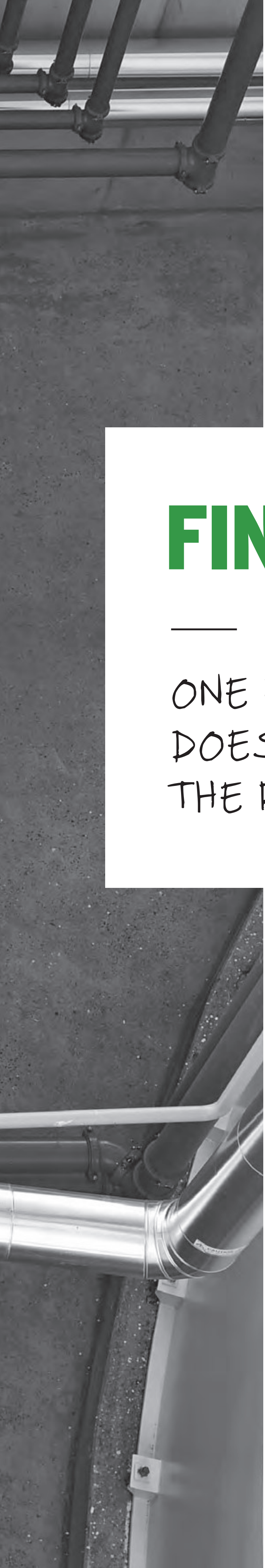

FINANCIAL STATEMENTS

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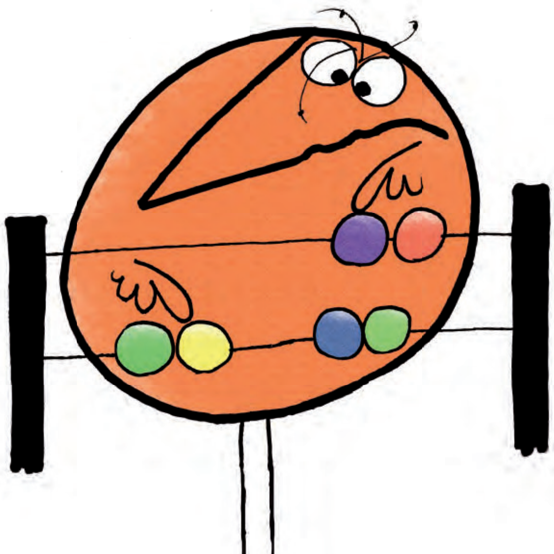


9.1 2017 CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

CONSOLIDATED BALANCE SHEET

ASSETS

(in thousands of euros)	Note	12/31/2017	12/31/2016
Non-current assets			
Intangible assets	4.3	41,131	22,905
Goodwill	4.2	1,095,763	773,013
Property, plant and equipment	4.1	1,475,383	1,192,340
Investments in joint ventures	3; 9	37,747	129,922
Other financial assets	4.5.1	50,015	92,598
Deferred tax assets	4.6	7,029	12,521
Other non-current assets	4.5.3	4,759	322
TOTAL NON-CURRENT ASSETS (I)		**2,711,827**	**2,223,621**
Current assets			
Inventory and work in progress	4.7	286,314	246,615
Trade and other receivables	4.5.4	515,715	381,595
Income tax receivables		39,862	9,870
Other current assets	4.5.2	33,177	19,243
Cash and cash equivalents	4.5.5	825,302	833,652
TOTAL CURRENT ASSETS (II)		**1,700,370**	**1,490,975**
TOTAL GROUP OF ASSETS FOR DISPOSAL (III)			
TOTAL ASSETS (I + II + III)		**4,412,197**	**3,714,596**

EQUITY AND LIABILITIES

(in thousands of euros)	Note	12/31/2017	12/31/2016
Shareholders' equity, Group share			
Share capital		117,336	113,637
Share premium		1,195,964	1,084,251
Retained earnings		630,774	659,503
Total		**1,944,074**	**1,857,391**
Non-controlling interests		**134,356**	**129,044**
SHAREHOLDERS' EQUITY (I)	**4.8**	**2,078,430**	**1,986,435**
Non-current liabilities			
Borrowings and financial debt	4.10.1	1,234,252	798,874
Deposit/consignment		103,991	102,967
Provisions for pensions and other employee benefit obligations	4.12	45,757	47,702
Other provisions	4.11	82,932	77,165
Deferred tax liabilities	4.6	70,938	49,597
Other non-current liabilities	4.10.3	3,461	3,847
TOTAL NON-CURRENT LIABILITIES (II)		**1,541,331**	**1,080,152**
Current liabilities			
Borrowings and bank overdrafts (portion due in less than one year)	4.10.1	277,678	262,464
Trade and other payables	4.10.4	457,873	355,243
Current tax liabilities		17,424	7,343
Other current liabilities	4.10.3	39,461	22,959
TOTAL CURRENT LIABILITIES (III)		**792,436**	**648,009**
TOTAL LIABILITIES RELATED TO A GROUP OF ASSETS FOR DISPOSAL (IV)			
TOTAL LIABILITIES (I + II + III + IV)		**4,412,197**	**3,714,596**

CONSOLIDATED INCOME STATEMENT

(in thousands of euros)	Note	Change	12/31/2017	12/31/2016
Sales of merchandise			2,693,851	1,935,932
Revenue from manufacturing of goods and services			1,238,801	1,067,948
NET REVENUE	**5.1**	**+31%**	**3,932,652**	**3,003,880**
Other operating income			1,976	1,858
Consumed purchases	5.2		(2,695,820)	(2,031,669)
External expenses	5.4		(446,477)	(302,023)
Payroll expenses	5.3		(193,492)	(179,919)
Taxes			(100,802)	(78,774)
Net depreciation and provisions	5.5		(126,420)	(113,215)
Other operating income and expenses	5.6		(3,606)	(463)
EBITDA		**+21%**	**496,061**	**411,495**
EBIT		**+23%**	**368,011**	**299,675**
Other operating income and expenses	5.7		2,185	1,545
OPERATING INCOME BEFORE PROFIT/LOSS FROM JOINT VENTURES		**+23%**	**370,196**	**301,220**
Share of earnings from joint ventures			3,260	6,798
OPERATING INCOME AFTER PROFIT/LOSS FROM JOINT VENTURES		**+21%**	**373,456**	**308,018**
Income from cash and cash equivalents			6,226	4,022
Gross interest expense and cost of debt			(20,557)	(17,181)
COST OF NET FINANCIAL DEBT	**5.8**	**+9%**	**(14,331)**	**(13,159)**
Other financial income and expenses	5.9		3,150	(3,162)
INCOME BEFORE TAX		**+24%**	**362,275**	**291,697**
INCOME TAX	**5.10**		**(79,437)**	**(64,320)**
TOTAL NET INCOME		**+24%**	**282,838**	**227,377**
NET INCOME, GROUP SHARE		**+28%**	**265,583**	**208,022**
NET INCOME, MINORITY INTERESTS		**-11%**	**17,255**	**19,355**
Undiluted earnings per share *(in euros)**	5.11	+22%	2.87	2.35
Diluted earnings per share *(in euros)**	5.11	+22%	2.84	2.32

* *Earnings per share at 12/31/2016 were adjusted following the 2-for-1 share split (see section 4.8).*

STATEMENT OF OTHER COMPREHENSIVE INCOME

(in thousands of euros)	12/31/2017	12/31/2016
TOTAL CONSOLIDATED NET INCOME (I)	**282,838**	**227,377**
Foreign exchange differences	(163,243)	12,253
Hedging instruments	736	2,519
Income tax on hedging instruments	(250)	(836)
Items recyclable in P&L from joint ventures		3,111
Items that will subsequently be recycled in P&L (II)	*(162,757)*	*17,047*
Actuarial gains and losses	45	(1,081)
Income tax on actuarial gains and losses	(198)	459
Items not recyclable in P&L from joint ventures		
Items that will not subsequently be recycled in P&L (III)	*(153)*	*(622)*
COMPREHENSIVE INCOME FOR THE PERIOD (I + II + III)	**119,928**	**243,802**
SHARE ATTRIBUTABLE TO THE OWNERS OF THE GROUP'S PARENT COMPANY	**104,485**	**221,108**
SHARE ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	**15,443**	**22,694**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

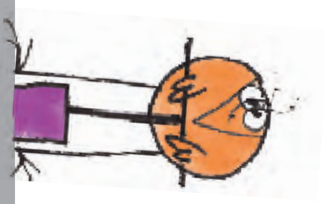
	Shares outstanding	Of which treasury shares	Share capital	Share premium	Treasury shares	Consolidated reserves and earnings	Foreign exchange differences	Shareholders' equity attributable to the owners of the Group's parent company	Non-controlling interests (minority interests)	Total consolidated shareholders' equity
	(number of shares)					*(in thousands of euros)*				
SHAREHOLDERS' EQUITY AS OF DECEMBER 31, 2015	**43,216,952**	**15,762**	**108,042**	**962,398**	**(1,090)**	**387,888**	**100,605**	**1,557,845**	**99,514**	**1,657,359**
COMPREHENSIVE INCOME FOR THE PERIOD						**209,124**	**11,984**	**221,108**	**22,694**	**243,802**
Change in interest						70,929		70,929	18,252	89,182
Share-based payments						4,149		4,149		4,149
Capital increase	2,237,936		5,595	121,853		559		128,007	(334)	127,673
Treasury shares		(1,371)			2	238		240		240
Dividend payment						(124,900)		(124,900)	(11,102)	(136,002)
Other changes						13		13	19	32
SHAREHOLDERS' EQUITY AS OF DECEMBER 31, 2016	**45,454,888**	**14,391**	**113,637**	**1,084,251**	**(1,088)**	**548,002**	**112,589**	**1,857,391**	**129,044**	**1,986,435**
COMPREHENSIVE INCOME FOR THE PERIOD						**265,722**	**(161,236)**	**104,485**	**15,443**	**119,928**
Stock split	46,880,686	2,553								
Change in interest						(7,865)		(7,865)	4,211	(3,654)
Share-based payments						6,681		6,681		6,681
Capital increase	1,532,906		3,699	111,713		369		115,781	210	115,991
Treasury shares		(1,907)			209	403		612		612
Dividend payment						(133,009)		(133,009)	(14,553)	(147,562)
Other changes						(2)		(2)	2	
SHAREHOLDERS' EQUITY AS OF DECEMBER 31, 2017	**93,868,480**	**15,037**	**117,336**	**1,195,964**	**(879)**	**680,303**	**(48,647)**	**1,944,074**	**134,356**	**2,078,430**

CONSOLIDATED STATEMENT OF CASH FLOWS

(in thousands of euros)	Note	12/31/2017	12/31/2016
TOTAL CONSOLIDATED NET INCOME FROM CONTINUING OPERATIONS		**282,838**	**227,377**
NET INCOME FROM DISCONTINUED OPERATIONS			
Adjustments:			
Elimination of income of joint ventures		(3,260)	(6,798)
Elimination of depreciation and provisions		123,105	110,951
Elimination of profit and loss from disposals and dilution		1,807	(3,820)
Elimination of dividend earnings		(271)	(272)
Other income and expenditure with no impact on cash and cash equivalents(1)		(7,154)	(1,286)
CASH FLOW AFTER COST OF NET FINANCIAL DEBT AND TAX		**397,065**	**326,153**
Elimination of tax expenses		79,437	64,320
Elimination of cost of net financial debt		14,331	13,173
CASH FLOW BEFORE COST OF NET FINANCIAL DEBT AND TAX		**490,833**	**403,646**
Impact of change in WCR*		(70,757)	(18,288)
Tax paid		(92,254)	(74,033)
CASH FLOW RELATED TO OPERATIONS		**327,822**	**311,325**
Impact of changes to consolidation scope (cash acquired – cash disposed)		67,932	833
Acquisition of financial assets: Rubis Énergie division(2)		(495,179)	(16,131)
Acquisition of financial assets: Rubis Terminal division(3)		(17,614)	
Disposal of financial assets: Rubis Support and Services division(4)		1,305	
Disposal of financial assets: Rubis Énergie division			15,783
Acquisition of property, plant and equipment and intangible assets		(205,717)	(162,545)
Change in loans and advances granted		28,630	(6,079)
Disposal of property, plant and equipment and intangible assets		5,136	2,800
(Acquisition)/disposal of other financial assets		(26,351)	(203)
Dividends received		271	272
Other cash flow from financing operations			
CASH FLOW RELATED TO INVESTMENT ACTIVITIES		**(641,587)**	**(165,270)**
Capital increase	4.8	116,240	127,967
(Acquisition)/disposal of treasury shares		209	2
Borrowings issued	4.10.1	773,100	237,175
Borrowings repaid	4.10.1	(378,582)	(291631)
Net interest paid		(13,113)	(13,272)
Dividends payable		(133,009)	(124,900)
Dividends payable to non-controlling interests		(15,098)	(11,040)
Acquisition of financial assets: Rubis Énergie division			(38,256)
Disposal of financial assets: Rubis Énergie division			12,392
Acquisition of financial assets: Rubis Terminal division(5)		(10,097)	
Disposal of financial assets: Rubis Terminal division(6)		1,997	
Other cash flows from financing operations		(2)	(585)
CASH FLOWS RELATED TO FINANCING ACTIVITIES		**341,645**	**(102,147)**
Impact of exchange rate changes		(36,230)	3,289
Impact of change in accounting principles			
CHANGE IN CASH AND CASH EQUIVALENTS		**(8,350)**	**47,196**
Cash flow from continuing operations			
Opening cash and cash equivalents(7)	4.5.5	833,652	786,456
Change in cash and cash equivalents		(8,350)	47,196
Closing cash and cash equivalents(7)	4.5.5	825,302	833,652
Financial liabilities	4.10.1	(1,511,930)	(1,061,338)
Cash and cash equivalents net of financial debt		(686,628)	(227,686)
* **Breakdown of the impact of change in working capital:**			
Impact of change in inventories and work in progress	*4.7*	*(11.168)*	
Impact of change in trade and other receivables	*4.5.4*	*(67,060)*	
Impact of change in trade and other payables	*4.10.4*	*7,471*	
Impact of change in working capital		*(70,757)*	

(1) Including change in fair value of financial instruments, goodwill (impairment, badwill), etc. The impacts from changes to the consolidation scope are described in note 3.
(2) Purchase of petroleum products distribution businesses in Haiti and Madagascar.
(3) Purchase of the additional 50% of the storage activities in Turkey.
(4) Disposal of a bitumen division services company.
(5) Purchase of 21.5% of Dépôt Pétrolier de La Corse.
(6) Equity position taken by minority investor in Rubis Terminal Dunkerque.
(7) Cash and cash equivalents net of bank overdrafts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED DECEMBER 31, 2017



NOTE 1. Background

1.1 ANNUAL FINANCIAL INFORMATION

The financial statements for the year ended December 31, 2017 were finalized by the Board of Management on March 13, 2018, and approved by the Supervisory Board on March 15, 2018.

The 2017 consolidated financial statements have been prepared in accordance with the international accounting standards issued by the IASB (International Accounting Standards Board) and adopted by the European Union. These standards include IFRS (International Financial Reporting Standards) and IAS (International Accounting Standards), as well as the interpretations of the IFRS Interpretations Committee.

1.2 OVERVIEW OF ACTIVITIES

Rubis Group operates 3 businesses in the energy sector:

- **Rubis Terminal** (bulk liquid storage) *via* its subsidiary, Rubis Terminal, and the companies owned by the subsidiary in France (including Corsica), the Netherlands, Belgium, and Turkey, specializes in the storage and trading of petroleum products, fertilizers, chemical products and agrifood products;
- **Rubis Énergie**, specializes in the trading and distribution of liquefied petroleum gas (LPG) and petroleum products;
- **Rubis Support and Services**, which houses all infrastructure, transportation, supply and services activities, supporting the development of downstream distribution and marketing activities.

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

NOTE 2. Accounting policies

2.1 BASIS OF PREPARATION

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

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

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

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

The main significant estimates made by the Group's Management pertain in particular to the fair value of business combinations, goodwill impairment tests, property, plant and equipment and intangible assets, provisions and changes in employee benefit obligations.

The consolidated financial statements for the year ended December 31, 2017 include the financial statements for Rubis and its subsidiaries.

The subsidiaries operate in their local currencies, which are used to denominate the majority of their transactions. The exceptions are Rubis Terminal Petrol (formerly Delta Rubis Petrol), located in Turkey, and its holding company Rubis Tankmed BV (formerly Rubis Med Energy BV), located in the Netherlands, both of which operate in US dollars. Balance sheet items are translated into euros at the exchange rate applicable on the closing date, and income statement items are translated using the average exchange rate over the reporting period. Any resulting currency translation differences are recorded as foreign exchange differences and included in consolidated shareholders' equity.

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

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

- foreign exchange differences arising from the elimination of internal transactions are recorded as "foreign exchange differences" in shareholders' equity and as "non-controlling interests" for the portion attributable to third parties, thereby offsetting their impact on consolidated income;
- foreign exchange differences on fund movements for reciprocal financing are classified under a separate heading in the consolidated cash flow table.

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

2.2 ACCOUNTING STANDARDS APPLIED

Standards, interpretations and amendments applicable as of January 1, 2017

The following standards, interpretations and amendments published in the Official Journal of the European Union (unless mentioned below) as of the closing date were applied for the first time in 2017:

Standard/Interpretation		Date of mandatory application subject to adoption by the EU
Amendments to IAS 7	Disclosures on financing activities	January 1, 2017
Amendments to IAS 12	Recognition of deferred tax assets for unrealized losses	January 1, 2017
Annual improvements	Annual IFRS improvements, cycle 2014-2016. Standard concerned: IFRS 12	January 1, 2017*

* *Not adopted by the European Union in 2017.*

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

Standards, interpretations and amendments applicable in advance

The Group has not opted for the early adoption of the following standards, interpretations and amendments, the application of which is not mandatory as of December 31, 2017:

Standard/Interpretation		Date of mandatory application subject to adoption by the EU
IFRS 9 "Financial Instruments"	New standard concerning the recognition and measurement of financial instruments	January 1, 2018
Amendments to IFRS 9	Prepayment features with negative compensation	January 1, 2019
IFRS 15 "Revenue from Contracts with Customers"	New standard concerning revenue recognition	January 1, 2018
Amendments to IFRS 15	Clarifications	January 1, 2018
IFRS 16 "Leases"	New standards concerning the recognition of leases	January 1, 2019
Amendments to IFRS 2	Classification and measurement of share-based payment transactions	January 1, 2018
Amendments to IFRS 4	Interactions between IFRS 4 and IFRS 9	January 1, 2018
Annual improvements	Annual IFRS improvements, cycle 2014-2016. Standards concerned: IFRS 1 and IAS 28.	January 1, 2018
IFRIC 22 "Foreign Currency Transactions and Advance Consideration"	Foreign currency transactions and non-refundable advances paid or received	January 1, 2018
IFRIC 23 "Uncertainty over Income Tax Treatments"	Clarifications regarding the accounting for contingencies in respect of income taxes	January 1, 2019

The Group has not opted for the early adoption of IFRS 16, "Leases", applicable to fiscal years beginning on or after January 1, 2019.

Much preparatory work was carried out in fiscal year 2017. In the first place, the Group conducted a survey of our operating leases and found some 2,000 contracts to reprocess. (This figure might change as a result of the recent changes in scope of consolidation.) The analysis of a number of typical contracts highlighted the major difficulties that will face the Group, such as service components included in lease payments, renewal options and intra-group and inter-segment leasing.

The Group is moving toward a simplified retrospective application. The discount rate will be set Group-wide.

The subsidiaries have been trained in the new standard. The Group's manual of accounting procedures is being rewritten. Finally, the software to adapt the information systems is currently being rolled out.

The preparatory work on IFRS 15 "Revenue from Contracts with Customers" has been completed. The Group has identified very few issues. The main change concerns the treatment of costs of obtaining contracts, which will be recognized in assets starting January 1, 2018. The impacts are not material.

NOTE 3. Scope of consolidation

ACCOUNTING POLICIES

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

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

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

3.1 SCOPE OF CONSOLIDATION

The consolidated financial statements for the year ended December 31, 2017 include the Rubis financial statements and those of its subsidiaries listed in the table below.

Name	Registered office	12/31/2017 % control	12/31/2016 % control	12/31/2017 % interest	12/31/2016 % interest	Consolidation method
Rubis	105, av. Raymond Poincaré 75116 Paris SIREN: 784 393 530	Parent	Parent	Parent	Parent	
Rubis Patrimoine	46, rue Boissière 75116 Paris SIREN: 319 504 106	100.00%		100.00%		FC
Coparef	105, av. Raymond Poincaré 75116 Paris SIREN: 309 265 965	100.00%	100.00%	100.00%	100.0%	FC
Rubis Terminal	33, av. de Wagram 75017 Paris SIREN: 775 686 405	99.44%	99.44%	99.44%	99.44%	FC
CPA	33, av. de Wagram 75017 Paris SIREN: 789 034 915	100.00%	100.00%	99.44%	99.44%	FC
Rubis Terminal Dunkerque	33, av. de Wagram 75017 Paris SIREN: 801 044 645	90.00%		89.50%		FC
Stockbrest	ZI Portuaire St Marc 29200 Brest SIREN: 394 942 940	100.00%	100.00%	99.44%	99.44%	FC
Société du Dépôt de St Priest	16, rue des Pétroles 69800 Saint Priest SIREN: 399 087 220	100.00%	100.00%	99.44%	99.44%	FC
Société des Pipelines de Strasbourg	33, av. de Wagram 75017 Paris SIREN: 648 501 260	62.50%	62.50%	33.35%	32.60%	FC
Société Européenne de Stockage	28, rue de Rouen 67000 Strasbourg-Robertsau SIREN: 304 575 194	53.66%	52.45%	53.36%	52.16%	FC
Dépôt Pétrolier de La Corse	33, av. de Wagram 75017 Paris SIREN: 652 050 659	75.00%	53.50%	74.61%	53.23%	FC
Wagram Terminal	33, av. de Wagram 75017 Paris SIREN: 509 398 749	78.30%	77.09%	77.86%	76.66%	FC
Rubis Terminal BV	Welplaatweg 26 3197 KS Botlek-Rotterdam The Netherlands	100.00%	100.00%	99.44%	99.44%	FC
ITC Rubis Terminal Antwerp	Blikken, Haven 1662 B-9130 Beveren (Doel) Belgium	50.00%	50.00%	49.72%	49.72%	JV (EM)
Rubis Tankmed BV (formerly Rubis Med Energy BV)	Prins Bernhardplein 200 1097 JB Amsterdam The Netherlands	100.00%	50.00%	99.44%	49.72%	FC
Rubis Terminal Petrol Ticaret ve Sanayi A.Ş. (formerly Delta Rubis Petrol)	Büyükdere Caddesi N° 127 Astoria Kuleleri A Block Kat: 26-27 34394 Esentepe Istanbul Turkey	100.00%	50.00%	99.44%	49.72%	FC

Name	Registered office	12/31/2017 % control	12/31/2016 % control	12/31/2017 % interest	12/31/2016 % interest	Consolidation method
Rubis Énergie	Tour Franklin 100, Terrasse Boieldieu 92800 Puteaux SIREN: 552 048 811	100.00%	100.00%	100.00%	100.00%	FC
Vitogaz France	Tour Franklin 100, Terrasse Boieldieu 92800 Puteaux SIREN: 323 069 112	100.00%	100.00%	100.00%	100.00%	FC
Sicogaz	Tour Franklin 100, Terrasse Boieldieu 92800 Puteaux SIREN: 672 026 523	100.00%	100.00%	100.00%	100.00%	FC
Sigalnor	Route du Hoc 76700 Gonfreville-l'Orcher SIREN: 353 646 250	35.00%	35.00%	35.00%	35.00%	JO
Starogaz	Tour Franklin 100, Terrasse Boieldieu 92800 Puteaux SIREN: 418 358 388	100.00%	100.00%	100.00%	100.00%	FC
Norgal	Route de la Chimie 76700 Gonfreville-l'Orcher SIREN: 777 344 623	20.94%	20.94%	20.94%	20.94%	JO
Frangaz	Tour Franklin 100, Terrasse Boieldieu 92800 Puteaux SIREN: 491 422 127	100.00%	100.00%	100.00%	100.00%	FC
ViTO Corse	Tour Franklin 100, Terrasse Boieldieu 92800 Puteaux SIREN: 518 094 784	100.00%	100.00%	100.00%	100.00%	FC
Rubis Restauration et Services	Tour Franklin 100, Terrasse Boieldieu 92800 Puteaux SIREN: 793 835 430	100.00%	100.00%	100.00%	100.00%	FC
Vitogaz Switzerland	A Bugeon CH – 2087 Cornaux Switzerland	100.00%	100.00%	100.00%	100.00%	FC
Propagaz	Bremblens (VD) Switzerland	100.00%	100.00%	100.00%	100.00%	FC
Rubis Energia Portugal	Lagoas Park Edificio 11, Piso 1 2740 - 270 Porto Salvo Oeiras Portugal	100.00%	100.00%	100.00%	100.00%	FC
Rubis II Distribuição Portugal S.A	Lagoas Park Edificio 11, Piso 1 2740 - 270 Porto Salvo Oeiras Portugal	100.00%	100.00%	100.00%	100.00%	FC
Sodigas	Lagoas Park Edificio 11, Piso 1 2740 - 270 Porto Salvo Oeiras Portugal	100.00%	100.00%	100.00%	100.00%	FC
Vitogas España	Avda. Baix Llobregat 1-3, 2A Poligono Industrial Màs Blau II 08820 El Prat de Llobregat Barcelona Spain	100.00%	100.00%	100.00%	100.00%	FC
Fuel Supplies Channel Islands Ltd	PO Box 85 Bulwer Avenue, St Sampson Guernsey GY1 3EB Channel Islands	100.00%	100.00%	100.00%	100.00%	FC
La Collette Terminal Ltd	La Collette Saint Helier Jersey JE1 0FS Channel Islands	100.00%	100.00%	100.00%	100.00%	FC
St Sampson Terminal Ltd	Bulwer Avenue, St Sampson Guernsey GY1 3EB Channel Islands	100.00%	100.00%	100.00%	100.00%	FC
Vitogaz Maroc	Immeuble n° 7 Ghandi Mall Boulevard Ghandi 20380 Casablanca Morocco	100.00%	100.00%	100.00%	100.00%	FC
Lasfargaz	Immeuble n° 7 Ghandi Mall Boulevard Ghandi 20380 Casablanca Morocco	82.89%	82.89%	82.89%	82.89%	FC
Kelsey Gas Ltd	c/o Interface International Ltd 9th Floor Standard Chartered Tower, 19 Cybercity Ebene Republic of Mauritius	100.00%	100.00%	100.00%	100.00%	FC

Name	Registered office	12/31/2017 % control	12/31/2016 % control	12/31/2017 % interest	12/31/2016 % interest	Consolidation method
Vitogaz Madagascar	122, rue Rainandriamampandry Faravohitra - BP 3984 Antananarivo 101 Madagascar	100.00%	100.00%	100.00%	100.00%	FC
Eccleston Co Ltd	c/o Interface International Ltd 9th Floor Standard Chartered Tower, 19 Cybercity Ebene Republic of Mauritius	100.00%	100.00%	100.00%	100.00%	FC
Vitogaz Comores	Voidjou BP 2562 Moroni Union of the Comoros Islands	100.00%	100.00%	100.00%	100.00%	FC
Gazel	122, rue Rainandriamampandry Faravohitra - BP 3984 Antananarivo 101 Madagascar	49.00%	49.00%	49.00%	49.00%	FC
Rubis Antilles Guyane	Tour Franklin 100, terrasse Boieldieu 92800 Puteaux SIREN: 542 095 591	100.00%	100.00%	100.00%	100.00%	FC
Société Industrielle de Gaz et de Lubrifiants	Voie principale ZI de Jarry 97122 Baie – Mahaut Guadeloupe SIREN: 344 959 937	100.00%	100.00%	100.00%	100.00%	FC
Stocabu	L'avenir du Morne Caruel Route des Abymes 97139 Abymes Guadeloupe SIREN: 388 112 054	50.00%	50.00%	50.00%	50.00%	JO
Société Anonyme de la Raffinerie des Antilles	California 97232 Lamentin Martinique SIREN: 692 014 962	71.00%	71.00%	71.00%	71.00%	FC
Société Antillaise des Pétroles Rubis	Tour Franklin 100, Terrasse Boieldieu 92800 Puteaux SIREN: 303 159 875	100.00%	100.00%	100.00%	100.00%	FC
Rubis Guyane Française	Tour Franklin 100, Terrasse Boieldieu 92800 Puteaux SIREN: 351 571 526	100.00%	100.00%	100.00%	100.00%	FC
Rubis Caraïbes Françaises	Tour Franklin 100, Terrasse Boieldieu 92800 Puteaux SIREN: 428 742 498	100.00%	100.00%	100.00%	100.00%	FC
Société Réunionnaise de Produits Pétroliers	Tour Franklin 100, Terrasse Boieldieu 92800 Puteaux SIREN: 310 837 190	100.00%	100.00%	100.00%	100.00%	FC
Rubis Energy Bermuda Ltd	2, Ferry Road Saint Georges's GE 01 Bermuda	100.00%	100.00%	100.00%	100.00%	FC
Rubis Eastern Caribbean SRL	One Rubis Plaza Welches St James BB 23027 Barbados	100.00%	100.00%	100.00%	100.00%	FC
Rubis Caribbean Holdings Inc.	One Rubis Plaza Welches St James BB 23027 Barbados	100.00%	100.00%	100.00%	100.00%	FC
Rubis West Indies Ltd	10 Finsbury Square London EC2A 1AF United Kingdom	100.00%	100.00%	100.00%	100.00%	FC
Rubis Guyana Inc.	Ramsburg, Providence East Bank Demerara, Guyana	100.00%	100.00%	100.00%	100.00%	FC
Rubis Bahamas Ltd	H&J Corporate Services Ocean center, Montague Foreshore, East Bay Street PO Box SS 19084 Nassau The Bahamas	100.00%	100.00%	100.00%	100.00%	FC
Rubis Cayman Islands Ltd	H&J Corporate Services Cayman Ltd PO Box 866, 5th floor Anderson Square, George Town, Grand Cayman KY1 - 1103 Cayman Islands	100.00%	100.00%	100.00%	100.00%	FC

Name	Registered office	12/31/2017 % control	12/31/2016 % control	12/31/2017 % interest	12/31/2016 % interest	Consolidation method
Rubis Turks & Caicos Ltd	Caribbean Management Services Ltd c/o Misick & Stanbrook PO Box 127, Richmond House Annex, Leeward Highway, Providentiales, Turks and Caicos Islands	100.00%	100.00%	100.00%	100.00%	FC
Rubis Energy Jamaica Ltd	236 Windward Road Rockfort, Kingston 2 in the Parish of Kingston Jamaica	100.00%	100.00%	100.00%	100.00%	FC
Easigas (Pty) Ltd	Gate 5, Hibiscus Road Alrode 1451 Gauteng South Africa	60.00%	60.00%	60.00%	60.00%	FC
Easigas Botswana (Pty) Ltd	Acumen Park, Plot 50370, Fairground Office Park, PO Box 1157, Gaborone Botswana	60.00%	60.00%	60.00%	60.00%	FC
Easigas Swaziland (Pty) Ltd	PO Box 24 Mbabane H100 Swaziland 7441	60.00%	60.00%	60.00%	60.00%	FC
Easigas Lesotho (Pty) Ltd	2nd Floor, Metropolitan Life Building Kingsway PO Box 1176 Maseru Lesotho	60.00%	60.00%	60.00%	60.00%	FC
European Railroad Established Services	Schaliënstraat 5 2000 Antwerpen Belgium	100.00%	100.00%	100.00%	100.00%	FC
Maritec NV	Schaliënstraat 5 2000 Antwerpen Belgium	100.00%	100.00%	100.00%	100.00%	FC
De Rode Beuk NV	Schaliënstraat 5 2000 Antwerpen Belgium		100.00%		100.00%	
Ringardas Nigeria Ltd	49 Mamman Nasir Street Asokoro Abuja Nigeria	100.00%	100.00%	100.00%	100.00%	FC
Marbach Global Company Ltd (Universal Transfer of Assets)	49 Mamman Nasir Street Asokoro Abuja Nigeria		100.00%		100.00%	
Zimrich Trading Company Nigeria Ltd (Universal Transfer of Assets)	49 Mamman Nasir Street Asokoro Abuja Nigeria		100.00%		100.00%	
Startac Global Forwarding Ltd (Universal Transfer of Assets)	49 Mamman Nasir Street Asokoro Abuja Nigeria		100.00%		100.00%	
European Rail Road Established Services (Senegal) SA	Zone des Hydrocarbures Port Autonome de Dakar Mole 8 BP 844 - Dakar Senegal	100.00%	100.00%	100.00%	100.00%	FC
European Rail Road Established Services Togo SA	Zone Industrielle du Port Autonome de Lomé Route C4 BP 9124 Lomé Togo	100.00%	100.00%	100.00%	100.00%	FC
REC Bitumen SRL	One Rubis Plaza Welches St James BB 23027 Barbados	100.00%	100.00%	100.00%	100.00%	FC
Dora Mar NV (liquidated)	Dianastraat 4 Curacao Dutch West Indies		100.00%		100.00%	
Briska Shipping NV (liquidated)	Van Engelenweg 23 Curacao Dutch West Indies		100.00%		100.00%	
Pickett Shipping Corp.	Via España n° 122 Torre Delta Piso 14 Apartado 0823-05658 Panama Republic of Panama	100.00%	100.00%	100.00%	100.00%	FC
Blue Round Shipping Corp.	Via España n° 122 Torre Delta Piso 14 Apartado 0823-05658 Panama Republic of Panama	100.00%	100.00%	100.00%	100.00%	FC

Name	Registered office	12/31/2017 % control	12/31/2016 % control	12/31/2017 % interest	12/31/2016 % interest	Consolidation method
Saunscape International Inc.	Via España n° 122 Torre Delta Piso 14 Apartado 0823-05658 Panama Republic of Panama	100.00%	100.00%	100.00%	100.00%	FC
Maroni Shipping SA	Via España n° 122 Torre Delta Piso 14 Apartado 0823-05658 Panama Republic of Panama	100.00%	100.00%	100.00%	100.00%	FC
Biskra Shipping SA	Via España n° 122 Torre Delta Piso 14 Apartado 0823-05658 Panama Republic of Panama	100.00%	100.00%	100.00%	100.00%	FC
Woodbar CO Ltd	c/o Interface International Ltd 9th Floor Standard Chartered Tower, 19 Cybercity Ebene Republic of Mauritius	85.00%	85.00%	85.00%	85.00%	FC
Rubis Énergie Djibouti	Avenue Georges Pompidou BP 153 Djibouti Republic of Djibouti	85.00%	85.00%	85.00%	85.00%	FC
Sinders Ltd	2, Ferry Road Saint Georges's GE 01 Bermuda	100.00%	100.00%	100.00%	100.00%	FC
Bermuda Gas & Utility Ltd	2, Ferry Road Saint Georges's GE 01 Bermuda	100.00%	100.00%	100.00%	100.00%	FC
Distributeurs Nationaux SA (Dinasa)	2 rue Jean Gilles Route de l'Aéroport Delmas Port au Prince Haiti	100.00%		100.00%		FC
Carribean Diversified Investments Ltd	H&J Corporate Services (Cayman) Limited Willow House 2nd Floor Cricket Square Grand Cayman KY1 -1103 Cayman Islands	100.00%		100.00%		FC
Chevron Haïti Inc.	c/o Coverdale Trust Services Limited 30 De Castro Street PO Box 4519 Road Town Tortola British Virgin Islands VG 1110	100.00%		100.00%		FC
Société de Distribution de Gaz	2, rue Jean Gilles Route de l'Aéroport Delmas Port au Prince Haiti	100.00%		100.00%		FC
RBF Marketing Ltd	236 Windward Road Rockfort, Kingston 2 in the Parish of Kingston Jamaica	100.00%		100.00%		FC
Galana Distribution Pétrolière Ltd	c/o Interface International Ltd 1st Floor, Standard Chartered Tower, 19, Cibercity, Ebene, Republic of Mauritius	100.00%		100.00%		FC
Galana Distribution Pétrolière SA	Immeuble Pradon Trade Centre, Antanimena , 101 Antananarivo Madagascar	90.00%		90.00%		FC
Galana Madagascar Holding	c/o Commonwealth Trust Ltd, Drake Chambers, PO Box 3321, Road Town, Tortola British Virgin Islands	100.00%		100.00%		FC
Galana Raffinerie et Terminal Ltd	c/o Interface International Ltd 1st Floor, Standard Chartered Tower, 19, Cibercity, Ebene, Republic of Mauritius	100.00%		100.00%		FC
Galana Raffinerie et Terminal SA	Immeuble Pradon Trade Centre, Antanimena, 101 Antananarivo Madagascar	90.00%		90.00%		FC

Name	Registered office	12/31/2017 % control	12/31/2016 % control	12/31/2017 % interest	12/31/2016 % interest	Consolidation method
Progal	c/o Commonwealth Trust Ltd, Drake Chambers, PO Box 3321, Road Town, Tortola British Virgin Islands	100.00%		100.00%		FC
Plateforme Terminal Pétrolier SA	Immeuble Pradon Trade Centre, Antanimena, 101 Antananarivo Madagascar	80.00%		80.00%		FC
Rubis Middle East Supply	21-L, Silver Tower (AG Tower), Jumeirah Lake Tower, Dubaï United Arab Emirates	100.00%		100.00%		FC
Sodigas Açores	Lagoas Park, Edificio 11, Piso 1 2740 - 270 Porto Salvo Oeiras Portugal	100.00%		100.00%		FC

FC: full consolidation.
JO: joint operation.
JV: joint venture (equity method).
EM: equity method.

Rubis Antilles Guyane holds a minority stake in 5 EIGs located in the French Antilles; these companies' accounts, which are not significant, are not consolidated.

Likewise, Rubis Energia Portugal held non-material and unconsolidated equity investments in 2017.

3.2 CHANGES IN THE SCOPE OF CONSOLIDATION

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

Only the most significant changes are set out below. Thus the acquisition of new activities in Portugal is not detailed, since the impact in fiscal year 2017 was not material. Likewise, the minority position taken in the Rubis Terminal Dunkerque subsidiary is not detailed.

3.2.1 Acquisition of the leader in the distribution of petroleum products in Haiti

In February 2017, the Group signed an agreement to purchase all of the stock of Dinasa and its subsidiary Sodigaz, the leading distributors of petroleum products in Haiti.

With 600,000 m^3 distributed, Dinasa operates the country's leading network of gas stations (134 units), trading under the National brand. It has operations in all segments of the petroleum products supply market, with leading positions in aviation fuel, LPG, commercial heating oil and lubricants. It has a strategic and autonomous import logistics tool (storage, maritime access).

The new subsidiaries have made a positive contribution to Group earnings since May 1, 2017, when they were fully consolidated.

The fair values of the main items of net assets acquired are summarized below:

Contribution as of the date of inclusion in the scope	*(in thousands of euros)*
Goodwill	217,177
Fixed assets	64,232
Inventories	22,257
Trade and other receivables	27,196
Cash and cash equivalents	12,555
Provisions for dismantling and clean-up	7,509
Deferred tax assets and liabilities	10,723
Trade and other payables	34,786

The fair value of the assets acquired and liabilities assumed is subject to change in the 12 months following the acquisition (May 1, 2017), and some values have been revised since the half-yearly report.

3.2.2 Acquisition of the residual 50% of the stock in Delta Rubis Petrol

Under an agreement signed in early January 2017, Rubis purchased 50% of the shares of Delta Rubis Petrol from its partners, to own 100% of the share capital. The company now trades as Rubis Terminal Petrol.

The final acquisition of the stock was subject to the approval of the local competition authority, which was obtained in February 2017.

The control of the share capital gives Rubis the full managerial independence necessary to redeploy the facilities, including the construction of an additional 120,000 m^3, intended to optimize the use of the capacity to receive vessels on the new jetty.

The company has been fully consolidated since January 1, 2017. Previously, the Group treated the interest as a joint venture within the meaning of IFRS.

This change in scope (increase in the percentage interest having an impact on the consolidation method) was carried out in accordance with IFRS. First, the legacy interest of 50% was removed from the scope of consolidation as if it had been sold to a third party. Second, the entity was "reconsolidated" in full (before calculation of non-controlling interests), as if the Group had purchased all of its securities in the second transaction.

This change in change in scope generated a gain of €7 million, recognized in other operating income and expenses.

The fair value of the assets acquired and liabilities assumed was fully completed in the second half, with an impact on earnings.

3.2.3 Acquisition of the leading distributor of petroleum products in Madagascar

In July 2017, the Group completed the acquisition of the Galana Group, Madagascar's largest distributor of petroleum products.

With 260,000 m^3 of petroleum products distributed in 2016, Galana operates in each of the main market segments: networks (71 gas stations), commercial (including mining and power generation), LPG and lubricants. In support of its distribution activity, the company has strategic and autonomous import logistics capacity, consisting of the island's only storage terminal for imports of petroleum products (260,000 m^3) with dedicated maritime access, located in Tamatave.

The fair values of the main items of net assets acquired are summarized below:

Contribution as of the date of inclusion in the scope	*(in thousands of euros)*
Goodwill	166,399
Fixed assets	31,515
Inventories	18,870
Trade and other receivables	76,291
Cash and cash equivalents	10,111
Trade and other payables	71,875

The new subsidiaries have made a positive contribution to Group earnings since July 1, 2017, when they were fully consolidated.

The fair value of the assets acquired and liabilities assumed will be finalized in the twelve months following the takeover, which is to say before July 1, 2018.

3.2.4 Adding to our distribution activity in Corsica

In October 2017, the Group bought EG Retail SAS's fuel distribution business in Corsica, together with the associated logistical assets.

The EG group is a specialist in fuel distribution, operating in Europe with nearly 2,700 sites and revenues of €6 billion.

The transaction involves:

- the marketing of fuels in Corsica through a network of 17 authorized distributors currently operating in the BP chain, making Rubis the local No. 1 with a network of 64 stations. The contribution of these assets to 2017 net income was not material;
- the 21.5% investment in the DPLC oil depots in Ajaccio and Bastia, bringing the Group's stake to 75%, the impact on the Group shareholders' equity, and on the non-controlling interests, is not material;
- the Corsican customers carrying a "Go the Easy Way" card.

3.2.5 *Pro forma* financial information

The condensed *pro-forma* financial information for the year ended December 31, 2017 was prepared in accordance with IFRS to reflect the effects of acquisitions made during the year as if they had taken place on January 1, 2017.

The financial information used to prepare the *pro-forma* financial statements is the 2017 financial data of the entities that were the subject of a change in scope of consolidation during the year, restated on the basis of the following assumptions:

- full consolidation over a full year (12 months) of Dinasa in Haiti and Galana in Madagascar (the acquisition from EG Retail SAS of its fuel distribution business in Corsica has not given rise to any restatements as its effects are not considered material);
- restatements related to compliance with the Group's accounting principles applied retroactively as of January 1, 2017;
- elimination of reciprocal transactions;
- translation of financial data into foreign currencies using the average conversion rate for the 2017 financial year;
- restatement of the net financing cost of acqusitions as if they had taken place on January 1, 2017;
- correlated determination of corporate income tax expense by applying the tax rate prevailing in each of the relevant countries/territories to the results of the entities in question.

The *pro-forma* financial information is provided for information purposes only. It represents a hypothetical situation, and as such does not represent the actual situation or results of the Group as they would have been if the acquisitions had taken place on January 1, 2017. The *pro-forma* financial information does not constitute a forecast of changes in the Group's financial position.

(in thousands of euros)	2017 reported	2017 *pro forma*	2016 reported
Net revenue	3,932,652	4,171,744	3,003,880
EBIT	368,011	407,882	299,675
Income before tax	362,275	398,966	291,697
TOTAL NET INCOME	**282,838**	**309,536**	**227,377**

NOTE 4. Notes to the balance sheet

4.1 PROPERTY, PLANT AND EQUIPMENT

ACCOUNTING POLICIES

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

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

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

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

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

Borrowing costs are included in fixed asset costs when significant.

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

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

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

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

Gross value *(in thousands of euros)*	**12/31/2016**	**Changes in consolidation**	**Increases**	**Decreases**	**Reclassifications**	**Foreign exchange differences**	**12/31/2017**
Other property, plant and equipment	237,493	9,726	18,057	(7,403)	9,672	(6,004)	261,541
Prepayments and down payments on property, plant and equipment	252	215	706	(189)	(30)	(71)	883
Assets in progress	166,648	10,379	70,817	(3,121)	(118,535)	(3,888)	122,300
Machinery and equipment and tools	1,745,301	299,069	64,526	(35,518)	76,889	(84,218)	2,066,049
Land and buildings	612,535	143,694	38,390	(5,746)	32,473	(23,005)	798,341
TOTAL	**2,762,229**	**463,083**	**192,496**	**(51,977)**	**469**	**(117,186)**	**3,249,114**

Depreciation *(in thousands of euros)*	**12/31/2016**	**Change in consolidation**	**Increases**	**Decreases**	**Reclassifications**	**Foreign exchange differences**	**12/31/2017**
Other property, plant and equipment	(119,601)	(7,037)	(13,702)	7,048	(4,939)	3,753	(134,478)
Facilities and equipment	(1,151,664)	(130,836)	(90,210)	32,472	7,415	43,755	(1,289,068)
Land and buildings	(298,624)	(39,777)	(19,156)	5,153	(3,541)	5,760	(350,185)
TOTAL	**(1,569,889)**	**(177,650)**	**(123,068)**	**44,673**	**(1,065)**	**53,268**	**(1,773,731)**
NET VALUE	**1,192,340**	**285,433**	**69,428**	**(7,304)**	**(596)**	**(63,918)**	**1,475,383**

The principal changes in scope were as follows:

(in millions of euros)	Gross value	Depreciation
Acquisition of the remaining 50% in Rubis Terminal Petrol (formerly Delta Rubis Petrol)	333.8	(132.1)
Acquisition of the Dinasa activities in Haiti	74.0	(18.6)
Acquisition of the Galana activities in Madagascar	50.9	(22.7)
TOTAL	**458.7**	**(173.4)**

4.2 GOODWILL

ACCOUNTING POLICIES

Business combinations prior to January 1, 2010

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

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

Business combinations subsequent to January 1, 2010

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

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

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

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

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

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

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

- bulk liquid storage business (Europe);
- petroleum products distribution business (Europe);
- petroleum products distribution business (Africa);
- petroleum products distribution business (Caribbean);
- Rubis Support and Services (Caribbean).

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

Impairment of fixed assets

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

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

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

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

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

Impairments recorded in relation to goodwill are irreversible.

(in thousands of euros)	12/31/2016	Changes in consolidation	Foreign exchange differences	Impairment	12/31/2017
Bulk liquid Storage business (Europe)	57,446				57,446
Petroleum products Distribution business (Europe)	241,452		(5,634)		235,818
Petroleum products Distribution business (Africa)	165,580	166,399	(9,832)		322,147
Petroleum products Distribution business (Caribbean)	225,663	217,177	(40,647)		402,193
Support and Services business (Caribbean)	82,872		(4,713)		78,159
GOODWILL	**773,013**	**383,576**	**(60,826)**		**1,095,763**

Changes in scope recognized during the year correspond to:

- the acquisition of Dinasa's distribution operations in Haiti for €217.2 million;
- the acquisition of Galana's operations in Madagascar for €166.4 million.

The material items are described in note 3.2, "Changes in the scope of consolidation".

Impairment tests as of December 31, 2017

As of December 31, 2017, Rubis had systematically tested all goodwill determined definitively on the date the tests were performed using the discounted future cash flow method.

Recoverable amounts are based on the value in use calculation. Value in use calculations are based on cash flow forecasts using the financial budgets approved by Management at year-end, covering a period of 3 years. The primary assumptions used in the calculation relate to trading volumes and market prices.

Cash flows beyond the 3 year period are extrapolated at a growth rate of 1%.

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

The following discount rates are used:

CGU	2017 rate	2016 rate
Bulk liquid Storage business (Europe)	between 5.0 and 8.6%	between 4.9 and 8.5%
Petroleum products Distribution business (Europe)	between 4.0 and 7.3%	between 4.8 and 6.9%
Petroleum products Distribution business (Africa)	between 5.3 and 12.4%	between 5.2 and 11.5%
Petroleum products Distribution business (Caribbean)	between 5.3 and 12.9%	between 5.2 and 11.2%
Support and Services business (Caribbean)	between 5.3 and 12.9%	between 5.2 and 11.2%

These tests revealed no impairment as of December 31, 2017.

Sensitivity of impairment tests

Impairment tests are based on assumptions used to determine the discount and perpetual growth rates, as well as sensitivity testing allowing for a +/-1% variation in the perpetual growth rate and a +/-1% variation in the discount rate.

A 1% increase in the discount rate, or a 1% decrease in the growth rate, would not generate recoverable amounts for capital employed below net book value for the 5 CGUs mentioned above.

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

4.3 INTANGIBLE ASSETS

ACCOUNTING POLICIES

Intangible assets are accounted for at their acquisition cost.

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

Intangible assets mainly include concessions, patents and similar rights, and in particular Rubis Terminal's port lease rights in the amount of €2,319 thousand. Rubis Terminal uses land for its operations under concession from the Independent Ports of Rouen and Dunkirk measuring a surface area of 203,146 m^2. These rights were valued according to existing agreements. This intangible asset with an indefinite useful life is subject to impairment testing in the same way as goodwill, as described in note 4.2.

Gross value *(in thousands of euros)*	12/31/2016	Changes in consolidation	Increases	Decreases	Reclassifications	Foreign exchange differences	12/31/2017
Port lease rights (Rubis Terminal)	2,319						2,319
Other concessions, patents and similar rights	18,008	3,206	1,355	(887)	(290)	(530)	20,862
Lease	412	1,141	144		103	(146)	1,654
Other intangible assets	23,435	9,583	9,015	(682)	467	(587)	41,231
TOTAL	**44,174**	**13,930**	**10,514**	**(1,569)**	**280**	**(1,263)**	**66,066**

Depreciation *(in thousands of euros)*	12/31/2016	Changes in consolidation	Increases	Decreases	Reclassifications	Foreign exchange differences	12/31/2017
Other concessions, patents and similar rights	(4,624)	(2,011)	(1,379)	779		221	(7,014)
Other intangible assets	(16,645)	(605)	(1,496)	682	(56)	199	(17,921)
TOTAL	**(21,269)**	**(2,616)**	**(1,496)**	**1,461**	**(56)**	**420**	**(24,935)**
NET VALUE	**22,905**	**11,314**	**7,639**	**(108)**	**224**	**(843)**	**41,131**

The principal changes in scope were as follows:

(in millions of euros)	Gross value	Depreciation
Dinasa trademark in Haiti	8.8	
Acquisition of the Galana activities in Madagascar	4.6	(2.1)
TOTAL	**13,4**	**(2.1)**

4.4 INTERESTS IN ASSOCIATES

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

4.5 FINANCIAL ASSETS

ACCOUNTING POLICIES

Financial assets are recognized and measured in accordance with IAS 39 "Financial instruments: recognition and measurements".

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

IAS 39 distinguishes between 4 categories of financial assets, which are valued and recognized according to each category:

- financial assets held at fair value through profit and loss are those that are held for the purpose of trading in the short term; this category includes marketable securities that cannot be classified as "Cash and cash equivalents" and derivative instruments not classified as hedging instruments; they are measured at fair value at the closing date and changes in fair value are recognized through profit and loss for the period;
- loans and receivables issued correspond to financial assets with fixed or determinable payments, not listed on an active market; this category includes receivables from investments, other loans, and trade and other receivables. These assets are recognized at amortized cost, applying the effective interest rate method, if applicable;
- held to maturity investments are financial assets with fixed or determinable payments, with a fixed maturity date, and which the entity expressly intends to and has the ability to hold until maturity; this category mainly concerns deposits and guarantees paid against operating leases. These assets are recognized at amortized cost;
- assets available for sale include financial assets not falling into any of the categories listed above, including equity securities in non-consolidated companies. These securities are initially recognized at fair value (usually their acquisition cost plus transaction costs). Changes in fair value of assets available for sale are recognized as items of other comprehensive income. In the event of a significant or prolonged decrease in the fair value below their acquisition price, an impairment is recorded in net income.

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

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

Measurement and recognition of derivative instruments

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

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

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

The Group only applies cash flow hedges.

Hedge accounting is applicable if:

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

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

Breakdown of financial assets by class (IFRS 7) and by category (IAS 39) *(in thousands of euros)*	**Value on balance sheet**		**Fair value**	
	12/31/2017	**12/31/2016**	**12/31/2017**	**12/31/2016**
FINANCIAL ASSETS HELD TO MATURITY	**148**	**279**	**148**	**279**
Bonds and negotiable debt securities	148	279	148	279
LOANS AND RECEIVABLES	**612,737**	**496,862**	**612,737**	**496,862**
Short-term loans				
Long-term loans	13,605	51,066	13,605	51,066
Deposits and guarantees	11,194	39,948	11,194	39,948
Trade and other receivables	515,715	381,595	515,715	381,595
Other	72,223	24,253	72,223	24,253
FINANCIAL ASSETS AVAILABLE FOR SALE	**28,505**	**3,315**	**28,505**	**3,315**
Equity interests	28,505	3,315	28,505	3,315
Other				
FINANCIAL ASSETS AT FAIR VALUE	**2,138**	**3,172**	**2,138**	**3,172**
Derivative instruments	2,138	3,172	2,138	3,172
CASH AND CASH EQUIVALENTS	**825,302**	**833,652**	**825,302**	**833,652**
FINANCIAL ASSETS	**1,468,830**	**1,337,280**	**1,468,830**	**1,337,280**

Fair value of financial instruments by level (IFRS 7)

Equity interests and other available-for-sale financial assets are considered to be level 3 (non-observable data), as the shares are not listed.

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

Cash and cash equivalents are detailed in note 4.5.5. They are classified as level 1, with the exception of term deposits in the amount of €193 million, which are considered as level 2.

4.5.1 Non-current financial assets

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

Gross value *(in thousands of euros)*	12/31/2017	**12/31/2016**
Equity interests	28,530	3,340
Other receivables from investments	13,606	51,066
Long-term securities	1,491	1,602
Loans, deposits and guarantees	7,786	37,968
TOTAL OTHER FINANCIAL ASSETS	**51,413**	**93,976**
Impairment	(1,398)	(1,378)
NET VALUE	**50,015**	**92,598**

Investments in non-controlled entities correspond mainly to:

- shares of the EIG held by Rubis Antilles Guyane;
- non-controlling interests held by Rubis Energia Portugal in 2 entities in Portugal;
- stock in FCG, a subsidiary of Rubis Énergie, fully consolidated in 2018. Since the stock repurchase happened in late December 2017, this new activity was not consolidated in 2017;
- Stock in Zeller & Cie, acquired in late December 2017 by Rubis Terminal and consolidated as a joint venture from January 1, 2018 forward.

Other receivables from investments include the effects of earn-out clauses included in certain transactions undertaken by the Group, as well as advances made to EIGs or joint operations. The change recognized during the period is attributable in the amount of €38 million to the purchase of the additional 50% of Rubis Terminal Petrol (formerly Delta Rubis Petrol), as described in note 3.2. It corresponds to the unwinding of receivables on the former joint venture partner.

The change in loans, deposits and guarantees paid corresponds essentially to the repayment of a deposit of US$32.5 million established in 2014 as collateral for a bank loan in US dollars received by the Rubis Terminal Petrol entity while it was a joint venture. This funding was repaid and the guarantee was removed following the acquisition. The balance as at December 31, 2017 essentially consists of the guarantees granted to petroleum products suppliers.

4.5.2 Other current financial assets

Current financial assets include the short-term portion of the following assets:

- receivables from investments;
- loans and deposits and guarantees;
- advances and deposits paid in order to purchase new operations;
- prepaid expenses;
- marketable securities that cannot be considered as cash or cash equivalents;
- hedging instruments at fair value.

(in thousands of euros)	12/31/2017	**12/31/2016**
Other receivables from investments		
Loans, deposits and guarantees	3,438	2,010
GROSS CURRENT FINANCIAL ASSETS	**3,438**	**2,010**
Impairment		
NET CURRENT FINANCIAL ASSETS	**3,438**	**2,010**
Fair value of financial instruments	2,138	3,172
Other receivables – advances and deposits		
Prepaid expenses	27,601	14,061
CURRENT ASSETS	**29,739**	**17,233**
TOTAL OTHER CURRENT ASSETS	**33,177**	**19,243**

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

4.5.3 Other non-current assets

Gross value *(in thousands of euros)*	**1 to 5 years**	**Over 5 years**
Uncalled share capital	83	
Other receivables (long-term portion)	28	223
Prepaid expenses (long-term portion)	4,425	
TOTAL	**4,536**	**223**

4.5.4 Trade and other receivables (current operating assets)

ACCOUNTING POLICIES

Trade receivables, generally due within a period of one year, are recognized and accounted for at the initial invoice amount less an allowance for impairment recorded as the amount deemed to be unrecoverable. Doubtful receivables are estimated when there is no longer any probability of recovering the entire receivable. Impaired receivables are recorded as losses when they are identified as such.

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

Gross value *(in thousands of euros)*	**12/31/2017**	**12/31/2016**
Trade and other receivables	412,942	271,773
Employee receivables	492	489
Government receivables	43,568	50,735
Other operating receivables	94,166	91,410
Deferred revenue		
TOTAL	**551,168**	**414,407**

Other operating receivables include €64 million (€71 million in 2016) of current accounts for joint ventures.

Impairment *(in thousands of euros)*	**12/31/2016**	**Changes in consolidation**	**Allowances**	**Reversals**	**Reclassifications**	**12/31/2017**
Trade and other receivables	27,873	5,976	3,746	(6,101)	(6)	31,488
Other operating receivables	4,939	1	210	(1,185)		3,965
TOTAL	**32,812**	**5,977**	**3,956**	**(7,286)**	**(6)**	**35,453**

The main changes in scope are as follows:

- the acquisition of the additional 50% of Rubis Terminal Petrol (formerly Delta Rubis Petrol) for €4.7 million;
- the acquisition of Dinasa's operations in Haiti for €0.4 million;
- the acquisition of Galana's operations in Madagascar for €0.9 million.

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

Net carrying amount as of 12/31/2017	**515,715**
Net carrying amount as of 12/31/2016	381,595
CHANGE IN TRADE AND OTHER RECEIVABLES ON THE BALANCE SHEET	**(134,120)**
Impact of change in the scope of consolidation	126,917
Impact of foreign exchange differences	(31,371)
Impact of reclassifications	(13,883)
Impact of change in called but unpaid capital (in financing)	(459)
Impact of change in receivables on disposal of assets (in investment)	(465)
Impact of change in other receivables (long-term portion)	(13,679)
CHANGE IN TRADE AND OTHER RECEIVABLES ON THE STATEMENT OF CASH FLOWS	**(67,060)**

4.5.5 Cash and cash equivalents

ACCOUNTING POLICIES

Cash and cash equivalents include current bank accounts and UCITS units which can be mobilized or sold in the very short term (less than 3 months) and which present no significant risk of change in value, according to the criteria stipulated in IAS 7. These assets are carried at fair value.

(in thousands of euros)	12/31/2017	12/31/2016
OEIC	22,497	21,922
Equities	0	2
Other funds	124,963	117,528
Interest receivable	592	1,484
Cash	677,250	692,716
TOTAL	**825,302**	**833,652**

Rubis holds 92% of the marketable securities.

Equity risk

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

4.5.6 Credit risk

Customer concentration risk

Revenue generated with the Group's largest customer, the top 5 customers and the top 10 customers over the past 2 fiscal years.

	2017	2016
Top customer	9%	11%
Top 5 customers	17%	19%
Top 10 customers	21%	22%

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

	Net book value	
(in thousands of euros)	12/31/2017	12/31/2016
Europe	98,374	91,490
Caribbean	170,881	99,790
Africa	112,199	52,620
TOTAL	**381,454**	**243,900**

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

					Assets due unimpaired		
(in thousands of euros)	Book value	Impairment	Net book value	Assets not yet due	Under 6 months	6 months to 1 year	Over 1 year
Trade and other receivables	551,168	35,453	515,715	408,612	79,802	18,267	9,034
Income tax receivables	39,862		39,862	31,764	1,203	5,584	1,311
Other current assets	33,177		33,177	29,836	130	149	3,062
TOTAL	**624,207**	**35,453**	**588,754**	**470,212**	**81,135**	**24,000**	**13,407**

4.6 DEFERRED TAX ASSETS AND LIABILITIES

ACCOUNTING POLICIES

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

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

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

Deferred tax assets and liabilities are not discounted.

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

(in thousands of euros)	12/31/2017	12/31/2016
Depreciation of fixed assets	(91,928)	(65,950)
Loss carry forwards	3,200	4,718
Temporary differences	7,229	7,171
Provisions for risks	2,205	2,830
Provisions for environmental costs	5,252	3,160
Financial instruments	382	684
Pension commitments	8,367	9,854
Other	1,384	459
NET DEFERRED TAXES	**(63,909)**	**(37,076)**
Deferred tax assets	7,029	12,521
Deferred tax liabilities	(70,938)	(49,597)
NET DEFERRED TAXES	**(63,909)**	**(37,076)**

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

Deferred taxes on fixed assets mainly comprise:

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

With respect to French entities, deferred taxes that will probably be applied between 2019 and 2022 were measured inclusive of the gradual reductions in tax rate provided by the Finance Act of 2018. This rate differential generated income of €1.6 million.

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

4.7 INVENTORIES

ACCOUNTING POLICIES

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

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

Borrowing costs are not included in inventory cost.

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

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

Gross value *(in thousands of euros)*	12/31/2017	**12/31/2016**
Inventories of raw materials and supplies	80,452	76,523
Inventories of finished and semi-finished products	80,019	65,533
Inventories of merchandise	137,859	114,325
TOTAL	**298,330**	**256,381**

Impairment *(in thousands of euros)*	**12/31/2016**	**Changes in consolidation**	**Allowances**	**Reversals**	12/31/2017
Inventories of raw materials and supplies	8,873		9,130	(7,769)	10,233
Inventories of finished and semi-finished products	279		1,209	(279)	1,209
Inventories of merchandise	614	8	228	(276)	573
TOTAL	**9,766**	**8**	**10,567**	**(8,325)**	**12,016**

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

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

Net carrying amount as of 12/31/2017	**286,314**
Net carrying amount as of 12/31/2016	246,615
CHANGE IN INVENTORIES AND WORK IN PROGRESS ON THE BALANCE SHEET	**(39,699)**
Impact of change in the scope of consolidation	41,198
Impact of reclassifications	36
Impact of foreign exchange differences	(12,703)
CHANGE IN INVENTORIES AND WORK IN PROGRESS IN THE STATEMENT OF CASH FLOWS	**(11.168)**

4.8 SHAREHOLDERS' EQUITY

As of December 31, 2017, Rubis' share capital was composed of 93,868,480 fully paid-up shares (including 2,740 preferred shares) with a par value of €1.25 each, *i.e.* a total of €117,336 thousand.

Two-for-one split of the par value of the shares

The Combined Shareholders' Meeting of June 8, 2017 resolved to carry out a two-for-one split of the par value of the Rubis share, delegating all powers to the Board of Management to set the date of the split and to make any necessary adjustments.

As a result, the Board of Management, meeting on July 13, 2017, decided to split the par value of the share from €2.50 to €1.25, with each shareholder receiving 2 new shares for one existing share.

The new shares have the same rights as the existing shares that they replace, and the amount of the share capital remains unchanged.

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

	Number of shares	Share capital *(in thousands of euros)*	Share premium *(in thousands of euros)*
AS OF JANUARY 1, 2017	**45,454,888**	**113,637**	**1,084,251**
Two-for-one split of the par value	45,454,888		
Payment of the dividend in shares	2,284,258	2,856	100,849
Exercise of stock options	371,502	465	6,312
Bonus shares	122,258	153	(153)
Company savings plan	177,946	222	5,241
Equity line			2
Preferred shares	2,740	3	(3)
Capital increase			
Capital increase expenses			(166)
Legal reserve allocation			(369)
AS OF DECEMBER 31, 2017	**93,868,480**	**117,336**	**1,195,964**

As of December 31, 2017, Rubis held 15,037 treasury shares.

Equity line agreement with BNP Paribas and Crédit Agricole CIB of July 2013

In July 2013, the Group signed an equity line agreement with BNP Paribas and Crédit Agricole CIB for a period of 40 months, capped at 2,440,000 shares. The subscription price is based on the weighted average share price (over the 3 days prior to issue) less a 4% discount.

This agreement terminated in July 2017. Since its signing, it has resulted in the issuance of 229,500 new shares.

Equity line agreement with Crédit Agricole CIB and Société Générale of July 2017

Under the delegations granted by the Combined Shareholders' Meeting and the General Partners' Meeting of June 8, 2017, Rubis established 2 equity lines on July 21, 2017, in the form of issues of warrants, split between Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) and Société Générale, enabling it to carry out successive capital increases up to the authorized ceiling of €5,500,000 in par value (corresponding to 4,400,000 shares of €1.25 each), *i.e.* less than 5% of the Company's share capital as of the date of the meeting.

Crédit Agricole CIB and Société Générale each signed an agreement with Rubis on July 21, 2017 enabling them respectively to subscribe 2,200,000 warrants. These warrants may be exercised solely at Rubis' discretion for a period of 40 months, in successive installments, with each bank undertaking to purchase, either directly or through one of its subsidiaries, the Rubis shares resulting from the exercise of the warrants.

The subscription price of the shares issued in respect of these warrants will be the average share price over the 3 trading days prior to its fixing, weighted by trading volumes, less a discount of 5%.

For indicative purposes, on the basis of the share price on the date the agreement was signed, the potential increase in shareholders' equity could be as much as €210 million.

The 2 banks, acting in their capacity as financial intermediaries, do not intend to become long-term shareholders of the Company.

This agreement did not result in the issuance of new shares in fiscal year 2017.

RECONCILIATION OF THE CAPITAL INCREASE WITH THE STATEMENT OF CASH FLOWS

Increase in the share capital	3,699
Increase in issue premiums	111,713
Reintegration of the allocation to the legal reserve	369
Change in receivables related to called but unpaid capital	459
CAPITAL INCREASE IN THE STATEMENT OF CASH FLOWS	**116,240**

4.9 STOCK OPTIONS AND BONUS SHARES

ACCOUNTING POLICIES

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

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

Stock option plans

Stock options are granted to certain members of the Rubis Group personnel.

These options are valued at fair value on the grant date, using a binomial model (Cox Ross Rubinstein). This model takes into account the plan's characteristics (exercise price, exercise period) and market data at the time of attribution (risk-free rate, share price, volatility, expected dividends).

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

Free share awards

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

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

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

Preferred share awards

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

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

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

Company savings plans

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

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

The fair value of each share is then estimated as corresponding to the variance between the share price on the plan grant date and the subscription price. The share price is nonetheless adjusted to take into account the unavailability of the share for 5 years, based on the variance between the risk-free rate on the grant date and the interest rate of an ordinary 5-year consumer loan.

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

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

A €6,681 thousand expense for stock options, free shares, and company savings plans was recognized under "Payroll expenses" in 2017.

The terms of the stock option and free share plans underway as of December 31, 2017 are shown in the tables below.

Stock options - characteristics of the plans

Date of the Board of Management meeting	Outstanding as of 12/31/2016	Rights issued	Rights exercised	Rights canceled	Outstanding as of 12/31/2017
July 09, 2012	185,833		(185,751)	(82)	
TOTAL	**185,833**		**(185,751)**	**(82)**	

Date of the Board of Management meeting	Outstanding options			Options eligible for exercise
	Number of options	Expiration date	Exercise price *(in euros)*	
July 09, 2012		07/08/2017	36.48	
TOTAL				

Bonus shares

Date of the Board of Management meeting	Outstanding as of 12/31/2016	Rights exercised before 2-for-1 split	Outstanding before 2-for-1 split	Data adjusted for the 2-for-1 split	Rights exercised after 2-for-1 split	Rights issued	Rights canceled	Outstanding as of 12/31/2017
July 09, 2012	3,093	(3,093)						
January 03, 2014	5,101	(5,101)						
March 31, 2014	751	(751)						
August 18, 2014	56,558		56,558	56,558	(104,368)			8,748
April 17, 2015	8,811		8,811	8,811				17,622
TOTAL	**74,314**	**(8,945)**	**65,369**	**65,369**	**(104,368)**			**26,370**

The vesting period for beneficiaries' free shares is a minimum of 3 years from the date on which they are granted by the Board of Management. The conditions for granting free shares are set by the Board of Management.

Preferred shares

Date of the Board of Management meeting	Outstanding as of 12/31/2016	Rights issued	Outstanding before 2-for-1 split	Data adjusted for the 2-for-1 split	Rights exercised	Rights canceled	Outstanding as of 12/31/2017	Including preferred shares acquired but not yet converted into ordinary shares
September 02, 2015	1,442		1,442	1,442			2,884	2,740
July 11, 2016	1,932		1,932	1,932			3,864	
March 13, 2017		966	966	966			1,932	
July 19, 2017		374	374				374	
TOTAL	**3,374**	**1,340**	**4,714**	**4,340**			**9,054**	**2,740**

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

Valuation of stock option plans and free shares

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

With respect to the early exercise of the options, the model assumes rational expectations on the part of options holders, who may exercise their options at any time throughout the exercise period. The implied volatility used in the calculation is estimated on the basis of past volatility levels.

The annual dividend rates used in the valuations are shown in the table below.

	Annual dividend rate	
Date of the Board of Management meeting	**Stock options**	**Bonus shares**
July 09, 2012	4.2%	4.2%
January 03, 2014		4.1%
March 31, 2014		4.1%
August 18, 2014		4.1%
April 17, 2015		4.1%
September 02, 2015		3.9%
July 11, 2016		3.7%
March 13, 2017		3.4%
July 19, 2017		3.3%

Company savings plans - Valuation of company savings plans

The lock-up rate was estimated at 0.76% for the 2017 plan (1.05% for the 2016 plan).

The risk-free interest rate used to calculate the value of the company savings plans is the interest rate on Euro zone Government bonds with the same maturity as the instruments valued (source: IBoxx). The discount related to the lock-up was estimated based on the risk-free interest rate and the average borrowing rate over 5 years, *i.e.* respectively 0.43% and 0.76%.

4.10 FINANCIAL LIABILITIES

ACCOUNTING POLICIES

Financial liabilities are recognized and measured in accordance with IAS 39 "Financial instruments: recognition and measurement".

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

IAS 39 distinguishes 2 categories of financial liabilities, each subject to specific accounting treatment:

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

Measurement and recognition of derivative instruments

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

Breakdown of financial liabilities by class (IFRS 7) and by category (IAS 39) *(in thousands of euros)*	Value on balance sheet 12/31/2017	Value on balance sheet 12/31/2016	Fair value 12/31/2017	Fair value 12/31/2016
FINANCIAL LIABILITIES AT FAIR VALUE	**3,249**	**4,597**	**3,249**	**4,597**
Derivative instruments	3,249	4,597	3,249	4,597
FINANCIAL LIABILITIES AT AMORTIZED COST	**2,085,202**	**1,508,502**	**2,085,202**	**1,508,502**
Borrowings and financial debt	1,466,241	1,020,740	1,466,241	1,020,740
Deposit/consignment	103,991	102,967	103,991	102,967
Other non-current liabilities	3,461	3,847	3,461	3,847
Trade and other payables	457,873	355,243	457,873	355,243
Current tax liabilities	17,424	7,343	17,424	7,343
Other current liabilities	36,212	18,362	36,212	18,362
BANKS	**45,689**	**40,598**	**45,689**	**40,598**
FINANCIAL LIABILITIES	**2,134,140**	**1,553,697**	**2,134,140**	**1,553,697**

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

4.10.1 Financial debt

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

Current *(in thousands of euros)*	12/31/2017	12/31/2016
Credit institution loans	228,750	219,704
Interest accrued not yet due on loans and bank overdrafts	3,281	1,893
Bank overdrafts	45,310	40,189
Other loans and similar liabilities	337	678
TOTAL BORROWINGS AND SHORT-TERM BANK BORROWINGS (PORTION DUE IN LESS THAN ONE YEAR)	**277,678**	**262,464**

Non-current *(in thousands of euros)*	12/31/2017	12/31/2016
Credit institution loans	1,217,188	782,463
Customer deposits on tanks	19,263	19,730
Customer deposits on cylinders	84,728	83,237
Other loans and similar liabilities	17,064	16,411
TOTAL BORROWINGS AND FINANCIAL DEBT	**1,338,243**	**901,841**
TOTAL	**1,615,921**	**1,164,305**

Borrowings and financial debt *(in thousands of euros)*	12/31/2017	
	1 to 5 years	More than 5 years
Credit institution loans	1,131,012	86,176
Other loans and similar liabilities	8,245	8,819
TOTAL	**1,139,257**	**94,995**

As of December 31, 2017 *(in thousands of euros)*	**Mortgages**	**Pledged securities**	**Pledged property, plant and equipment**	**Other guarantees**	**Unsecured**	**Total**
Credit institution loans		49,205	2,465	65,462	1,328,806	1,445,938
Bank overdrafts				4,931	40,379	45,310
Other loans and similar liabilities			605		16,796	17,401
TOTAL		**49,205**	**3,070**	**70,393**	**1,385,981**	**1,508,649**

The change in borrowings and other current and non-current financial liabilities between December 31, 2016 and December 31, 2017 breaks down as follows:

(in thousands of euros)	**12/31/2016**	**Changes in consolidation**	**Issue**	**Repayment**	**Translation adjustments**	12/31/2017
Current and non-current borrowings and financial debt	1,061,338	73,716	768,643	(378,140)	(13,627)	1,511,930

The main changes in the scope of consolidation are as follows:

- the acquisition of the additional 50% of Rubis Terminal Petrol (formerly Delta Rubis Petrol) for €61.8 million;
- the acquisition of Dinasa's operations in Haiti for €0.8 million;
- the acquisition of Galana's operations in Madagascar for €11 million.

Issues made during the period are mainly explained by the financing of capital expenditure and changes in the structure of the 3 divisions.

(in thousands of euros)	12/31/2017	
	Fixed rate	Variable rate
Credit institution loans	168,414	1,048,774
Credit institution loans (short-term portion)	76,798	151,952
TOTAL	**245,212**	**1,200,726**

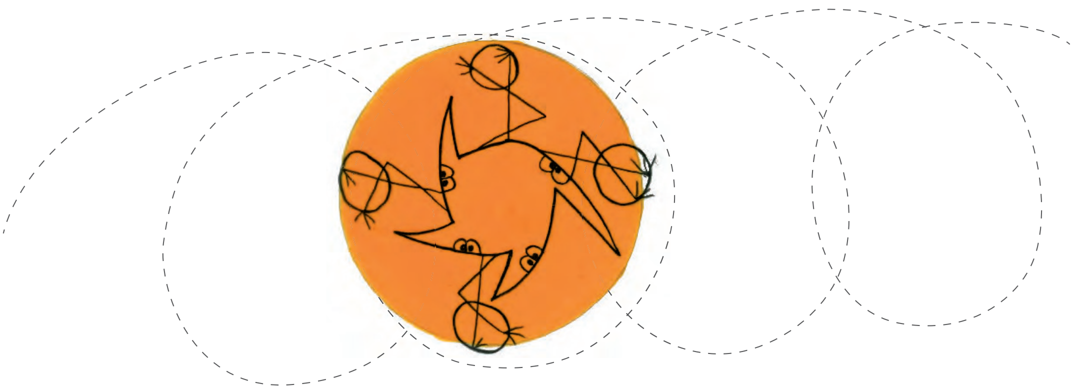
Financial covenants

The Group's consolidated net debt totaled €687 million as of December 31, 2017.

Credit agreements include the commitment by the Group and by each of its operating segments to meet the following financial ratios during the term of the loans:

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

As of December 31, 2017, the Group's ratios show that Rubis can comfortably meet its commitments; likewise, the Group's overall position and its outlook remove any likelihood that events might result in an acceleration of maturities. Failure to comply with these ratios would result in the early repayment of the loans.



IF THE WORLD TURNED THE OTHER WAY ROUND NO ONE WOULD KNOW.

4.10.2 Derivative financial instruments

Hedges/hedging/entity	Item hedged	Nominal amount hedged	Maturity	Type of instrument	Market value as of 12/31/2017
Rate					*(in thousands of euros)*
Rubis Terminal	Loan	€30M	03/2020	*swap*	(252)
	Loan	€25M	09/2020	*swap*	(413)
	Loan	€25M	09/2026	*cap*	373
Rubis Énergie	Loan	€10M	12/2019	*swap*	(88)
	Loan	€8M	12/2019	*swap*	(36)
	Loan	€9M	06/2018	*swap*	(16)
	Loan	€50M	11/2019	*swap*	(423)
	Loan	€37M	01/2022	*swap*	(300)
	Loan	€100M	12/2019	*swap*	(367)
	Loan	€30M	07/2020	*swap*	(116)
	Loan	€66M	05/2022	*swap*	(487)
	Loan	€42M	01/2020	*swap*	(359)
	Loan	€75M	02/2022	*swap*	(73)
	Loan	€100M	02/2023	*swap*	34
	Loan	€75M	03/2024	*swap*	(274)
	Loan	€50M	05/2022	*swap*	(16)
	Loan	€50M	05/2022	*swap*	(11)
Rubis Antilles Guyane	Loan	€1M	07/2018	*swap*	(4)
	Loan	€0M	07/2018	*swap*	(1)
Propane					
Rubis Énergie	Propane purchases	16,905 t	03/2018 to 10/2019	*swap*	1,719
TOTAL FINANCIAL INSTRUMENTS		**€783 MILLION**			**(1,111)**

The fair value of derivative financial instruments carried by the Group includes a "counterparty risk" component for derivative assets and an "own credit risk" component for derivative instrument liabilities. Credit risk is assessed using conventional mathematical models for market participants. Adjustments recorded in respect of counterparty risk and own credit risk as of December 31, 2017 were not material.

Interest rate risk

Characteristics of loans contracted	Rate	Total amount of lines *(in thousands of euros)*	Maturity: Less than 1 year	Maturity: Between 1 and 5 years	Maturity: More than 5 years	Existence or not of a hedge
Euros	Fixed rate	197,724	70,339	123,709	3,676	
	Variable rate	1,177,469	139,684	955,285	82,500	YES
Pula	Fixed rate					
	Variable rate	906	477	429		
Swiss francs	Fixed rate	2,464	108	2,356		
	Variable rate	14,100	5,925	8,175		
Rands	Fixed rate	3,377	675	2,702		
	Variable rate					
US dollars	Fixed rate	32,131	3,561	28,570		
	Variable rate	8,251	5,866	2,385		
Jamaican dollars	Fixed rate	9,516	2,115	7,401		
	Variable rate					
TOTAL		**1,445,938**	**228,750**	**1,131,012**	**86,176**	

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

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

The Group had established interest rate hedging agreements (swaps) in the amount of €783 million on a total of €1,200.7 million of variable rate debt as of December 31, 2017, representing 65% of this amount (see "Off-balance sheet items" line in table below).

(in thousands of euros)	Overnight to 1 year[4]	More than 5 years	Beyond
Borrowings and financial debt excluding consignments[1]	277,678	1,139,257	94,995
Financial assets[2]	825,302		
Position before management transactions	(547,624)	1,139,257	94,995
Off-balance sheet items[3]	(10,000)	(573,000)	(200,000)
NET POSITION AFTER MANAGEMENT	**(557,624)**	**566,257**	**(105,005)**

(1) Loans from credit institutions, bank overdrafts, accrued interest not yet due and other borrowings and debt.
(2) Cash and cash equivalents.
(3) Derivative financial instruments.
(4) Including variable rate assets and liabilities.

Interest rate sensitivity

€420.7 million of the Group's net debt has a variable interest rate. Confirmed variable rate loans (€1,200.7 million) plus short-term bank borrowings (€45.3 million), minus cash on hand (€825.3 million).

In light of the hedging put in place, a 1% variation in short-term interest rates would not have a significant impact, on the cost of net financial debt for 2017 (impact of less than €100 thousand before tax).

Foreign exchange risk

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

With regard to storage business, CPA (trading business) remains marginally exposed (virtually no position) to foreign exchange risk as its purchases in US dollars are financed by daily exchanges of euros for US dollars, corresponding to the sales made. A positive US dollar position may occasionally occur when inventory is low, and in that case corresponds to the value of the base stock to be replenished.

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

As of December 31, 2017 the Rubis Énergie and Rubis Support and Services divisions showed a net positive position of USD 94 million consisting of debts, receivables and, more marginally, cash and cash equivalents.

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

(in millions of US dollars)	12/31/2017
Assets	49
Liabilities	(143)
NET POSITION BEFORE MANAGEMENT	**(94)**
Off-balance sheet position	
NET POSITION AFTER MANAGEMENT	**(94)**

Risk of fluctuations in petroleum product prices

The following 2 factors must be considered when analyzing the risk related to fluctuations in petroleum product prices:

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

4.10.3 Other liabilities

Current *(in thousands of euros)*	12/31/2017	12/31/2016
Prepaid income and other accruals	36,212	18,362
Fair value of financial instruments	3,249	4,597
TOTAL	**39,461**	**22,959**

Non-current *(in thousands of euros)*	12/31/2017	12/31/2016
Debt on the acquisition of fixed assets (long-term portion)	11	
Other liabilities (long-term portion)	1,665	1,564
Prepaid income (long-term portion)	1,785	2,283
TOTAL	**3,461**	**3,847**

4.10.4 Trade and other payables (current operating liabilities)

(in thousands of euros)	12/31/2017	12/31/2016
Trade payables	296,601	204,567
Debt on the acquisition of fixed assets (long-term portion)	8,231	11,516
Liabilities related to payroll	36,774	34,021
Taxes payable	74,426	73,574
Expenses payable	152	121
Current accounts (to non-controlling interests)	90	993
Miscellaneous operating liabilities	41,599	30,451
TOTAL	**457,873**	**355,243**

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

Net carrying amount as of 12/31/2017	**457,873**
Net carrying amount as of 12/31/2016	355,243
CHANGE IN TRADE AND OTHER PAYABLES ON THE BALANCE SHEET	**102,630**
Impact of change in the scope of consolidation	(160,750)
Impact of foreign exchange differences	28,229
Impact of reclassifications	17,909
Impact of change in payables on acquisition of assets (in investment)	3,285
Impact of the change in dividends payable and accrued interest on liabilities or debts (in financing)	(10)
Impact of change in other liabilities (long-term portion)	16,178
CHANGE IN TRADE AND OTHER PAYABLES ON THE STATEMENT OF CASH FLOWS	**7,471**

4.10.5 Liquidity risk

Risk related to supplier and subcontractor dependence

Group purchases made with the largest supplier, the top 5 suppliers and the top 10 suppliers over the past 2 fiscal years:

	2017	2016
Top supplier	8%	9%
Top 5 suppliers	32%	34%
Top 10 suppliers	47%	43%

Liquidity risk

In the year ended December 31, 2017, the Group used confirmed credit facilities totaling €1,061.9 million. Given the Group's net debt to shareholders' equity ratio (33%) as of December 31, 2017 and its cash flow, the ability to draw down these lines is not likely to be put at risk due to a breach of covenants.

(in € million)	Less than 1 year	1 to 5 years	More than 5 years
Repayment schedule	229	1,131	86

At the same time, the Group has €825 million in immediately available cash on the assets side of its balance sheet.

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

Financial liabilities *(in thousands of euros)*	Book value	Contractual cash flows	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
Borrowings and financial debt	1,234,252	1,265,908				1,169,869	96,039	1,265,908
Deposit/consignment	103,991	103,991	46	77	721	66,625	36,522	103,991
Other non-current liabilities	3,461	3,461				3,461		3,461
Borrowings and bank overdrafts	277,678	292,711	82,978	8,185	201,548			292,711
Trade and other payables	457,873	457,873	340,569	60,964	37,317	18,654	368	457,873
Other current liabilities	39,461	39,461	5,415	4,018	29,543	472	13	39,461
TOTAL	**2,116,716**	**2,163,404**	**429,008**	**73,245**	**269,128**	**1,259,081**	**132,942**	**2,163,404**

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

4.11 OTHER PROVISIONS (EXCLUDING EMPLOYEE BENEFITS)

ACCOUNTING POLICIES

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

Dismantling and clean-up

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

Litigation and claims

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

Restructuring

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

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

Non-current *(in thousands of euros)*	12/31/2017	12/31/2016
Provisions for contingencies and expenses	46,828	43,027
Provisions for clean-up and asset renovation	36,104	34,138
TOTAL	**82,932**	**77,165**

Provisions for contingencies and expenses include:

- a provision relating to the Rubis Group's obligation to customize some of the assets obtained from its acquisitions, recorded as of December 31, 2017 in the amount of €9 million;
- provisions relating to risks or disputes that could potentially lead to action being taken against the Rubis Group.

Provisions for the replacement of fixed assets are compliant with IAS 16. The Group has estimated its clean-up and dismantling costs largely based on the findings of outside consultants. In compliance with IAS 16, the present value of these expenses was incorporated into the cost of the corresponding facilities.

(in thousands of euros)	12/31/2016	Changes in consolidation	Allowances	Reversals*	Reclassifications	Foreign exchange differences	12/31/2017
Provisions for contingencies and expenses	43,027	2,548	15,628	(13,557)	88	(906)	46,828
Provisions for clean-up and asset renovation	34,138	7,509	1,100	(5,141)	(13)	(1,489)	36,104
TOTAL	**77,165**	**10,057**	**16,728**	**(18,698)**	**75**	**(2,395)**	**82,932**

* *Of which €5.3 million reversed and unused.*

The changes in scope are as follows:

- the acquisition of Dinasa's operations in Haiti for €9.2 million;
- the acquisition of the additional 50% of Rubis Terminal Petrol (formerly Delta Rubis Petrol) for €0.8 million.

Change in provisions for contingencies and expenses mainly reflects:

- expenses incurred in customizing the assets;
- the €2.5 million reversal of provisions for clean-up previously recognized and relating to the Petroplus Reichstett site (see note 3.2.3 of the 2013 Registration Document);
- the Group's obligations in terms of collecting energy savings certificates;
- payments in legal disputes between the Group and third parties;
- the Group's assessment of the risks for which it could be held liable.

Provisions created or reversed during the period are not material when taken individually.

4.12 EMPLOYEE BENEFITS

ACCOUNTING POLICIES

The Group's employees are entitled to:

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

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

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

These valuations are performed twice a year.

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

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

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

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

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

(in thousands of euros)	12/31/2017	12/31/2016
Provision for pensions	33,893	34,598
Provision for health and mutual insurance coverage	9,562	11,084
Provision for long-service awards	2,302	2,020
TOTAL	**45,757**	**47,702**

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

(in thousands of euros)	2017	2016
PROVISIONS AS OF JANUARY 1	**47,702**	**44,227**
Newly consolidated/de-consolidated companies	943	4,188
Interest expense for the period	1,844	2,174
Service cost for the period	5,359	2,950
Expected return on fund assets for the period	(1,760)	(5,425)
Benefits paid for the period	(7,055)	(4,675)
Actuarial losses/(gains) and limitation of assets	139	3,497
Foreign exchange differences	(1,415)	765
PROVISIONS AS OF DECEMBER 31	**45,757**	**47,702**

Post-employment benefits

Post-employment benefits as of December 31, 2016 and 2017 were assessed by an independent actuary, using the following assumptions:

Assumptions (within a range depending on the entity)	**2017**	**2016**
Discount rate	0 to 15.90%	0 to 16.5%
Rate of inflation	0 to 8.90%	0 to 3.20%
Rate of wage increases	0 to 15%	0 to 25%
Age when voluntary retirement taken	60 to 66 years	60 to 66 years

Actuarial differences are offset against shareholders' equity.

The discount rates used were determined by reference to the yields on high-quality corporate bonds (minimum rating of AA) with terms equivalent to those of the commitments on the date of assessment.

The calculation of the sensitivity of the provision for commitments to a change of one-quarter of a percentage point in the discount rate shows that the total obligation and the components of earnings would not be significantly affected, in view of the total sum recognized in the Group's accounts under employee benefits.

Sensitivity assumptions *(in thousands of euros)*	**Provision for commitments**
Measurement of the provision as of 12/31/2017	45,757
Measurement of the provision - assuming discount rate cut by 0.25%	47,466
Measurement of the provision - assuming discount rate raised by 0.25%	41,122

DETAIL OF COMMITMENTS

(in thousands of euros)	**12/31/2017**	**12/31/2016**
Actuarial liabilities for commitments not covered by assets	38,148	41,051
Actuarial liabilities for commitments covered by assets	31,011	37,739
Market value of hedging assets	(31,011)	(37,739)
Deficit	**38,148**	**41,051**
Limitation of assets (overfunded plans)	5,308	4,631
PROVISION RECOGNIZED AS OF DECEMBER 31	**43,456**	**45,682**

CHANGE IN ACTUARIAL LIABILITIES

(in thousands of euros)	**2017**	**2016**
ACTUARIAL LIABILITIES AS OF JANUARY 1	**78,790**	**73,253**
Service cost for the period	4,997	2,617
Interest expense for the period	1,827	2,034
Benefits paid for the period	(13,566)	(4,416)
Actuarial losses/(gains) and limitation of assets	355	3,193
Newly consolidated companies and change in percentage of interest*	779	4,269
Foreign exchange differences	(4,023)	(2,160)
ACTUARIAL LIABILITIES AS OF DECEMBER 31	**69,159**	**78,790**

* *Made up largely of the actuarial liabilities of Galana Raffinerie et Terminal SA (newly consolidated) and Rubis Terminal Petrol (newly consolidated).*

CHANGE IN HEDGING ASSET

(in thousands of euros)	**2017**	**2016**
Hedging assets as of January 1	**37,739**	**33,985**
Newly consolidated		
Foreign exchange difference	(2,652)	(2,945)
Expected return on fund assets	2,650	7,160
Benefits paid	(6,725)	(469)
Actuarial differences		8
Hedging assets as of December 31	**31,011**	**37,739**
Limitation of assets	(5,308)	(4,631)
ASSETS RECOGNIZED AS OF DECEMBER 31	**25,703**	**33,107**

GEOGRAPHIC BREAKDOWN OF EMPLOYEE BENEFITS

(in thousands of euros)	Europe	Caribbean	Africa
Actuarial assumptions	0 to 12.30%	0.85 to 4%	9.09 to 15.9%
Provision for pensions and health insurance coverage	7,081	34,334	2,040
Provision for long-service awards	796	1,188	318

NOTE 5. Notes to the income statement

ACCOUNTING POLICIES

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

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

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

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

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

5.1 REVENUE

ACCOUNTING POLICIES

Revenue from the Group's activities is recognized:

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

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

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

(in thousands of euros)	12/31/2017 Amount	%	12/31/2016 Amount	%
SALES OF MERCHANDISE	**2,693,851**	**100%**	**1,935,932**	**100%**
Rubis Terminal	154,899	5.8%	156,091	8.1%
Rubis Énergie Europe	235,368	8.7%	206,439	10.7%
Rubis Énergie Caribbean	1,441,982	53.5%	1,117,439	57.7%
Rubis Énergie Africa	523,297	19.4%	354,733	18.3%
Rubis Support and Services	338,306	12.6%	101,230	5.2%
Parent company				
REVENUE FROM MANUFACTURING OF GOODS AND SERVICES	**1,238,801**	**100%**	**1,067,948**	**100%**
Rubis Terminal	174,023	14.0%	132,125	12.4%
Rubis Énergie Europe	320,099	25.8%	308,425	28.9%
Rubis Énergie Caribbean	29,605	2.4%	25,292	2.4%
Rubis Énergie Africa	158,253	12.8%	140,728	13.2%
Rubis Support and Services	547,712	44.2%	461,378	43.2%
Rubis Support and Services Africa	9,054	0.7%		
Parent company	55	0.0%		
TOTAL	**3,932,652**		**3,003,880**	

5.2 PURCHASES CONSUMED

(in thousands of euros)	12/31/2017	12/31/2016
Purchase of raw materials, supplies and other materials	295,295	255,279
Change in inventories of raw materials, supplies and other materials	(4,575)	(25,002)
Goods-in-process inventory	(16,697)	5,055
Other purchases	19,073	20,952
Merchandise purchases	2,399,331	1,794,917
Change in merchandise inventories	991	(19,166)
Provisions net of reversals of impairment for raw materials and merchandise	2,402	(366)
TOTAL	**2,695,820**	**2,031,669**

5.3 PERSONNEL COSTS

The Group's personnel costs break down as follows:

(in thousands of euros)	12/31/2017	12/31/2016
Salaries and wages	131,025	122,275
Top Management compensation	3,281	3,327
Social security contributions	59,186	54,317
TOTAL	**193,492**	**179,919**

The Group's average headcount breaks down as follows:

Average headcount of fully consolidated companies by category	12/31/2017
Executives	560
Employees and workers	2,112
Supervisors and technicians	739
TOTAL	**3,411**

Average headcount of fully consolidated companies	12/31/2016	New hires*	Departures	12/31/2017
TOTAL	**2,709**	**1,143**	**(441)**	**3,411**

* *Including 637 for the new consolidation of Dinasa (Haiti) and Galana (Madagascar).*

Share of average headcount of proportionately consolidated companies	12/31/2017
TOTAL	**13**

5.4 EXTERNAL EXPENSES

ACCOUNTING POLICIES

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

(in thousands of euros)	12/31/2017	12/31/2016
Leases and rental expenses	24,433	21,346
Compensation of intermediaries and professional fees	23,651	22,355
Other external services	398,393	258,322
TOTAL	**446,477**	**302,023**

5.5 NET DEPRECIATION AND PROVISIONS

(in thousands of euros)	12/31/2017	12/31/2016
Intangible assets	2,489	1,771
Property, plant and equipment	123,325	111,804
Current assets	(1,203)	(2,170)
Operating contingencies and expenses	1,809	1,811
TOTAL	**126,420**	**113,215**

5.6 OTHER OPERATING CONTINGENCIES AND EXPENSES

(in thousands of euros)	12/31/2017	12/31/2016
Operating subsidies	76	5
Other miscellaneous income	4,692	4,728
OTHER OPERATING INCOME	**4,768**	**4,733**
Other miscellaneous expenses	8,374	5,196
OTHER OPERATING EXPENSES	**8,374**	**5,196**
TOTAL	**(3,606)**	**(463)**

5.7 OTHER OPERATING INCOME AND EXPENSES

ACCOUNTING POLICIES

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

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

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

(in thousands of euros)	12/31/2017	12/31/2016
Income from disposal of tangible and intangible assets	(1,353)	(771)
Strategic acquisition expenses	(4,037)	(344)
Other expenses, income and provisions		(289)
Impact of business combinations and disposals	7,575	2,949
TOTAL	**2,185**	**1,545**

The gain recognized following the acquisition of Rubis Terminal Petrol (formerly Delta Rubis Petrol) is recorded in the impact of business combinations and business disposals (see note 3 "Changes in the scope of consolidation").

In 2016, the impact of the business combinations primarily included the capital gain on the disposal of Multigas operations (see note 3.2.4 "Change in scope of consolidation – Disposal of Multigas" in the 2016 Registration Document).

5.8 COST OF NET FINANCIAL DEBT

(in thousands of euros)	12/31/2017	12/31/2016
Income from cash and cash equivalents	4,125	3,589
Net proceeds from disposal of marketable securities	2,101	433
Interest on borrowings and other financial debt	(20,557)	(17,181)
TOTAL	**(14,331)**	**(13,159)**

5.9 OTHER FINANCIAL INCOME AND EXPENSES

ACCOUNTING POLICIES

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

(in thousands of euros)	12/31/2017	12/31/2016
Foreign exchange losses	(14,223)	(9,910)
Foreign exchange gains	18,389	6,104
Other financial income and expenses	(1,016)	644
TOTAL	**3,150**	**(3,162)**

5.10 INCOME TAX

5.10.1 Income Tax On French Tax Group Companies

Current income tax expense

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

The base tax rate in France is 33.33%.

The Social Security Finance Act No. 99-1140 of December 29, 1999 established an additional tax of 3.3% of the base tax payable; the legal tax rate for French companies was thus increased by 1.1%.

The amending Finance Act of 2017 established an exceptional contribution for enterprises liable for corporate income tax, for periods ended from December 31, 2017 to December 30, 2018.

The exceptional contribution is due from entities or tax groups with sales revenue greater than €1 billion. The contribution is equal to 15% of the corporate income tax due. The tax consolidation Group in France exceeds the first threshold, and consequently the net income of the French tax consolidation is taxed at the rate of 39.43%.

Deferred tax assets and liabilities

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

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

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

The 2017 consolidated financial statements include income of €1.6 million due to this future rate reduction. The IFRS provide that deferred tax assets and liabilities must be measured using the tax rate in effect at the time of their probable use. This measurement will be updated at each balance sheet date.

5.10.2 Reconciliation between theoretical income tax applicable in France and actual income tax expense

	12/31/2017		
(in thousands of euros)	Income	Tax	Rate
INCOME AT THE NORMAL RATE	**359,015**	**(123,609)**	**34.43%**
Geographic impact		46,926	-13.1%
Distribution tax (share of cost and expenses, withholding tax)		(4,100)	1.1%
Special 3% tax on dividends		(1,482)	0.4%
Repayment of special 3% tax on dividends		5,201	-1.4%
Additional contribution in France		(2,089)	0.6%
Permanent differences		777	-0.2%
Tax adjustments and risks		(13)	0.0%
Impact of operations taxed at a reduced rate		1,981	-0.6%
Effect of changes in rate		(1,411)	0.4%
Other		(1,620)	0.5%
INCOME BEFORE TAX AND SHARE OF NET INCOME FROM JOINT VENTURES	**359,015**	**(79,437)**	**22.1%**
Share of net income from joint ventures	3,260		
INCOME BEFORE TAX	**362,275**	**(79,437)**	**21.9%**

5.11 EARNINGS PER SHARE

ACCOUNTING POLICIES

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

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

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

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

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

Earnings per share *(in thousands of euros)*	12/31/2017	12/31/2016*
Consolidated net income, Group share	265,583	208,022
Impact of stock options on income		257
Consolidated net income after recognition of the impact of stock options on income	265,583	208,279
Number of shares at the beginning of the period	45,454,888	43,216,952
Two-for-one split of the par value of the share	45,454,888	
Company savings plan	111,155	39,141
Equity line		77,897
Preferential subscription rights	308,087	142,843
Dividend in shares	1,151,516	793,073
Preferred shares	443	
Bonus shares	942,636	316,080
Average number of stock options	116,288	336,062
Average number of shares (including stock options)	93,539,902	44,922,048
DILUTED EARNINGS PER SHARE *(in euros)*	**2.84**	**4.64**
UNDILUTED EARNINGS PER SHARE *(in euros)*	**2.87**	**4.70**

* *The 2016 data have not been restated for the 2-for-1 split in the par value of the share in 2017.*

5.12 DIVIDENDS

5.12.1 Dividends declared

Rubis has always pursued an active dividend payment policy for its shareholders, as illustrated by the dividend payout ratio over the past 5 years, which has represented an average of 61% of net income, Group share.

Date of distribution	Fiscal year on which paid	Number of shares affected	Net dividend distributed *(in euros)*	Total net sums distributed *(in euros)*
OGM 06/14/2007	2006	8,727,872	2.14	18,677,646
OGM 06/12/2008	2007	9,931,546	2.45	24,332,287
O&EGM 06/10/2009	2008	10,295,269	2.65	27,282,463
OGM 06/10/2010	2009	11,042,591	2.85	31,471,384
O&EGM 06/09/2011	2010	14,534,985	3.05	44,331,704
O&EGM 06/07/2012	2011	30,431,861	1.67	50,821,208
O&EGM 06/07/2013	2012	33,326,488	1.84	61,320,738
O&EGM 06/05/2014	2013	37,516,780	1.95	73,157,721
O&EGM 06/05/2015	2014	38,889,996	2.05	79,724,492
O&EGM 06/09/2016	2015	43,324,068	2.42	104,844,245
O&EGM 06/08/2017	2016	45,605,599	2.68	122,223,005

Note that the par value of each share was halved in July 2011.

5.12.2 Dividend per by-laws

General Partners' dividends are governed by Article 56 of the by-laws. For each fiscal period, the General Partners receive a dividend, which is calculated according to the overall stock market performance of Rubis stock. This dividend is capped at a percentage of net income, Group share for the year.

In respect of 2017, the dividend amount was €26,690 thousand (€10,786 thousand allocated for 2016). It will be distributed at the same time as the dividend paid to shareholders in respect of the year 2017 (after the 2018 Shareholders' Meeting).

NOTE 6. Summary segment information

ACCOUNTING POLICIES

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

Apart from the Rubis holding company, the Group is managed in 3 main divisions:

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

Furthermore, the Group has defined 3 geographic segments:

- Europe;
- Africa;
- the Caribbean.

Creation of the Rubis Support and Services division

As explained in note 3.2 "Changes in the scope of consolidation" of the 2015 Registration Document, the acquisition of the Eres group in early June 2015 was a major investment in the supply, transportation, services and infrastructure business lines. Group Management wished to create a third business line, Rubis Support and Services, which houses all infrastructure, transportation, supply and services activities, supporting the development of downstream distribution and marketing activities. SARA and existing supply activities in the Caribbean have joined this new division, in which some Eres entities (vessels and support entities) are included.

6.1 INFORMATION BY BUSINESS SEGMENT

6.1.1 Elements in the income statement by business segment

The following table presents, for each business segment, information on income from ordinary business activities and the results for 2017 and 2016. Each column in the table below contains figures specific to each segment as an independent entity; the "Intra-group" column groups together transactions and accounts between the different segments, which have been eliminated.

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

	12/31/2016*					
(in thousands of euros)	**Rubis Terminal**	**Rubis Énergie**	**Rubis Support and Services**	**Parent company**	**Intra-group eliminations**	**Total**
Sales revenue	288,216	2,153,056	562,608			3,003,880
Intersegment sales revenue				5,504	(5,504)	
SALES REVENUE	**288,216**	**2,153,056**	**562,608**	**5,504**	**(5,504)**	**3,003,880**
EBITDA	**74,766**	**256,521**	**95,387**	**(15,179)**		**411,495**
EBIT	**53,587**	**199,161**	**62,236**	**(15,309)**		**299,675**
Share of net income from joint ventures	6,798					6,798
OPERATING INCOME AFTER PROFIT/LOSS FROM JOINT VENTURES	**58,180**	**203,020**	**62,143**	**(15,325)**		**308,018**
Cost of net financial debt	(33,779)	(12,667)	322	2,485	480	(13,159)
Income tax expense	(15,671)	(35,760)	(11,089)	(1,800)		(64,320)
TOTAL NET INCOME	**41,164**	**148,493**	**51,874**	**(14,154)**		**227,377**

* *The allocation of costs between the Rubis Énergie and Rubis Support and Services segments was changed for financial year 2016.*

6.1.2 Balance sheet items by business segment

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

	12/31/2016					
(in thousands of euros)	**Rubis Terminal**	**Rubis Énergie**	**Rubis Support and Services**	**Parent company**	**Intra-group eliminations**	**Total**
Fixed assets	518,811	1,391,790	166,764	803	(305)	2,077,863
Equity interests	4	176,376		784,535	(957,600)	3,315
Investments in joint ventures	129,922					129,922
Deferred tax assets	80	7,430	5,011			12,521
Segment assets	144,265	639,075	344,697	700,777	(337,839)	1,490,975
TOTAL ASSETS	**793,082**	**2,214,671**	**516,472**	**1,486,115**	**(1,295,744)**	**3,714,596**
Consolidated shareholders' equity	412,910	775,847	313,377	1,446,425	(962,124)	1,986,435
Financial liabilities	273,737	737,655	48,743	1,511	(308)	1,061,338
Deferred tax liabilities	10,881	12,664		26,052		49,597
Segment liabilities	95,554	688,505	154,352	12,127	(333,312)	617,226
TOTAL LIABILITIES	**793,082**	**2,214,671**	**516,472**	**1,486,115**	**(1,295,744)**	**3,714,596**
Borrowings and financial debt	273,737	737,655	48,743	1,511	(308)	1,061,338
Cash and cash equivalents	16,833	269,481	141,882	405,456		833,652
NET FINANCIAL DEBT	**256,904**	**468,174**	**(93,139)**	**(403,945)**	**(308)**	**227,686**
CAPITAL EXPENDITURE	**66,715**	**73,623**	**22,040**	**167**		**162,545**

6.2 INFORMATION BY GEOGRAPHIC ZONE (AFTER NEUTRALIZATION OF INTERSEGMENT TRANSACTIONS)

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

	12/31/2016			
(in thousands of euros)	**Europe**	**Caribbean**	**Africa**	**Total**
Sales revenue	803,080	1,705,339	495,461	3,003,880
EBITDA	151,275	177,013	83,207	411,495
EBIT	106,003	126,451	67,221	299,675
Operating income after profit/loss from joint ventures	115,681	124,867	67,470	308,018
Capital expenditure	92,385	53,205	16,955	162,545

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

	12/31/2016			
(in thousands of euros)	**Europe**	**Caribbean**	**Africa**	**Total**
Fixed assets	1,383,231	603,272	91,360	2,077,863
Equity interests	385	2,915	15	3,315
Investments in joint ventures	129,922			129,922
Deferred tax assets	813	7,385	4,323	12,521
Segment assets	726,244	623,089	141,642	1,490,975
TOTAL ASSETS	**2,240,595**	**1,236,661**	**237,340**	**3,714,596**

NOTE 7. Non-controlling interests

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

SARA

Since June 1, 2015, the Group has consolidated the 71%-owned SARA using the full consolidation method; the 29% non-controlling interests are held by Sol Petroleum Antilles SAS.

Easigas entities

The Group has consolidated the Easigas entities using the full consolidation method, with a Group ownership rate of 60%, since January 1, 2016.

Entities of the Rubis Terminal division

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

Galana group

Since July 1, 2017, the financial statements include the activities of the Galana group in Madagascar. Some entities are 80% and 90% owned.

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

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

(in thousands of euros)	12/31/2017	12/31/2016
Fixed assets	126,667	128,879
Net financial debt (cash and cash equivalents – liabilities)	50,340	49,261
Current liabilities (including loans due in less than 1 year and short-term bank borrowings)	112,806	102,769

(in thousands of euros)	12/31/2017	12/31/2016
NET REVENUE	**741,150**	**659,654**
TOTAL NET INCOME	**18,388**	**19,072**
Group share	12,226	12,868
Share attributable to non-controlling interests	6,162	6,204
OTHER COMPREHENSIVE INCOME	**541**	**(120)**
Group share	384	(85)
Share attributable to non-controlling interests	157	(35)
COMPREHENSIVE INCOME FOR THE PERIOD	**18,929**	**18,952**
Group share	12,610	12,783
Share attributable to non-controlling interests	6,319	6,169
Dividends paid to non-controlling interests	6,061	4,154
Cash flows related to operations	40,575	52,242
Cash flows related to investment activities	(18,243)	(17,144)
Cash flows related to financing activities	(40,397)	(11,679)
Change in cash and cash equivalents	(18,065)	23,419

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

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

(in thousands of euros)	12/31/2017	12/31/2016
Fixed assets	58,948	56,130
Net financial debt (cash and cash equivalents – liabilities)	192	1,638
Current liabilities (including loans due in less than 1 year and short-term bank borrowings)	12,875	12,010

(in thousands of euros)	12/31/2017	12/31/2016
NET REVENUE	**125,253**	**112,783**
TOTAL NET INCOME	**10,815**	**11,096**
Group share	6,226	6,432
Share attributable to non-controlling interests	4,589	4,664
OTHER COMPREHENSIVE INCOME	**78**	**7**
Group share	47	4
Share attributable to non-controlling interests	31	3
COMPREHENSIVE INCOME FOR THE PERIOD	**10,893**	**11,103**
Group share	6,273	6,436
Share attributable to non-controlling interests	4,620	4,667
Dividends paid to non-controlling interests	4,444	
Cash flows related to operations	15,512	10,619
Cash flows related to investment activities	(7,549)	(5,141)
Cash flows related to financing activities	(7,952)	(6,733)
Impact of exchange rate changes	(1,125)	2,034
Change in cash and cash equivalents	(1,114)	779

NOTE 8. Interests in joint operations

Group interests in joint operations refer only to Rubis Énergie. These entities are not material as of December 31, 2017.

NOTE 9. Investments in joint ventures

ACCOUNTING POLICIES

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

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

Following the acquisition of storage operations held in Turkey (see note 3.2 "Changes in the scope of consolidation"), the Group has only one joint venture within the meaning of IFRS.

CONDENSED FINANCIAL INFORMATION – ITC RUBIS TERMINAL ANTWERP JOINT VENTURE

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

Company statement of financial position *(in thousands of euros)*	12/31/2017	12/31/2016
Current assets	5,351	3,248
Non-current assets	222,134	202,476
TOTAL ASSETS	**227,485**	**205,724**
Current liabilities	137,690	133,955
Non-current liabilities	14,301	2,800
TOTAL LIABILITIES	**151,991**	**136,755**

Current liabilities mainly include current account financing by the 2 joint venturers.

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

(in thousands of euros)	12/31/2017	12/31/2016
Cash and cash equivalents	1,077	654
Current financial liabilities (excl. trade payables and provisions)	2,500	802
Non-current financial liabilities (excl. trade payables and provisions)	14,300	2,800

(in thousands of euros)	12/31/2017	12/31/2016
Net revenue	25,586	18,811
Total net income	6,520	3,162
Other comprehensive income		
Comprehensive income for the period	6,520	3,162

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

(in thousands of euros)	12/31/2017	12/31/2016
Depreciation expense	(5,734)	(4,384)
Interest income and expense	(652)	(553)
Income tax	(1,338)	(1,434)

(in thousands of euros)	12/31/2017	12/31/2016
Net assets in the joint venture	75,494	68,969
Rubis percentage held in the joint venture	50%	50%
Goodwill		
Other adjustments		
NET BOOK VALUE OF THE GROUP'S INTEREST IN THE JOINT VENTURE	**37,747**	**34,485**

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

NOTE 10. Other information

10.1 FINANCIAL COMMITMENTS

Commitments given and received

(in thousands of euros)	12/31/2017	12/31/2016
Liabilities secured	**122,668**	**157,066**
Commitments given	**289,310**	**170,630**
Guarantees and securities	289,310	170,630
Commitments received	**526,696**	**368,809**
Confirmed credit facilities	489,900	331,663
Guarantees and securities	36,796	36,720
Other		426

The guarantees and securities given mainly concern:

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

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

The Group established interest rate hedging agreements (swaps) in the amount of €783 million on a total €1,200.7 million of variable rate debt as of December 31, 2017, representing 65% of that debt.

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

Pledged assets as of December 31, 2017

On financial assets *(in thousands of euros)*	**Start date of pledge**	**Maturity date of pledge**	**Liabilities secured**	**Amount of assets pledged (a)**	**Asset item total in gross value (b)**	**% a/b**
Name of shareholder registered (directly registered shares)						
Rubis Antilles Guyane[1]	12/12/2011	7/25/2018	1,080	6,742		
TOTAL RUBIS ANTILLES GUYANE			**1,080**	**6,742**	**11,712**	**58%**
Rubis Terminal[2]	04/01/2015	03/31/2021	48,125	45,072		
TOTAL RUBIS TERMINAL			**48,125**	**45,072**	**257,065**	**18%**
TOTAL SECURED DEBT			**49,205**			

Subsidiaries whose assets are pledged	**Number of shares pledged**	**% of share capital pledged**	**Beneficiary**	**Condition for exercise of pledge**
(1) Société Antillaise des Pétroles Rubis	*35,000*	*100%*	*Bred Banque Populaire LCL*	*Repayment of the loan in full*
(2) Rubis Terminal BV	*328,000*	*100%*	*ABN AMRO*	*Repayment of the loan in full*

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

The pledged assets represent less than 2% of Rubis' consolidated balance sheet as of December 31, 2017.

10.2 CONTRACTUAL AND TRADE COMMITMENTS

Contractual commitments as of 12/31/2017 *(in thousands of euros)*	**Total**	**Payments due by period** Less than 1 year	Between 1 and 5 years	More than 5 years
Credit institution loans	1,445,938	228,750	1,131,012	86,176
Finance lease commitments	3,693	1,441	2,165	87
Operating leases	294,919	28,296	54,607	212,016
Other long-term commitments	3,904	479	1,237	2,187
TOTAL	**1,748,454**	**258,966**	**1,189,021**	**300,466**

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

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

10.3 TRANSACTIONS WITH RELATED PARTIES

Senior Managers' compensation

Top Management compensation is governed by Article 54 of the by-laws. It totaled €2,590 thousand for the fiscal year, including compensation due to the Top Management of the parent company (€2,281 thousand, for which the corresponding social security contributions are entirely borne by the Top Managers) and compensation due to management functions in the subsidiaries (*i.e.* €309 thousand gross).

The 10th resolution approved at the Annual Shareholders' and General Partners' Meetings on June 5, 2015 introduced variable compensation, the terms and conditions of which are described in chapter 6, note 6.5.1.2. of the 2017 Registration Document. Variable compensation recorded during fiscal year 2017 was €999 thousand.

Attendance fees paid to members of the parent company's Supervisory Board totaled €122 thousand in fiscal year 2017.

10.4 FEES PAID TO THE STATUTORY AUDITORS

Fees paid to the Statutory Auditors and members of their networks in respect of 2017 and 2016 break down as follows:

	Mazars				SCP Monnot & Guibourt				Other			
	Amount (excl. tax)		%		Amount (excl. tax)		%		Amount (excl. tax)		%	
(in thousands of euros)	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Certification of financial statements												
Audit, certification and examination of the separate and consolidated financial statements:												
• Issuer	340	338	27%	24%	165	158	51%	61%				
• Fully consolidated subsidiaries	818	995	64%	72%	160	94	49%	36%	1,143	769	98%	99%
SUB-TOTAL	**1,158**	**1,333**	**91%**	**96%**	**325**	**252**	**100%**	**97%**	**1,143**	**769**	**98%**	**99%**
Services other than the certification of financial statements												
• Issuer	41	24	3%	2%		7		3%		6		1%
• Fully consolidated subsidiaries	77	32	6%	2%					23		2%	
SUB-TOTAL	**118**	**56**	**9%**	**4%**		**7**		**3%**	**23**	**6**	**2%**	**1%**
TOTAL	**1,276**	**1,389**	**100%**	**100%**	**325**	**259**	**100%**	**100%**	**1,166**	**775**	**100%**	**100%**

NOTE 11. Post-balance sheet events

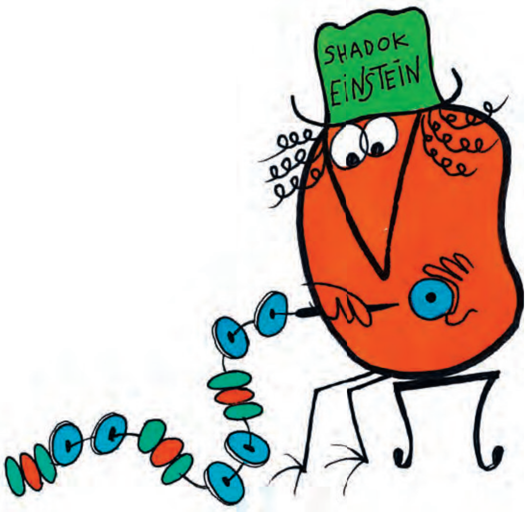
ISSUANCE OF NEW SHARES (EQUITY LINE)

As part of the equity line established with Crédit Agricole CIB and Société Générale on July 21, 2017, Rubis issued:

- 400,000 new shares on January 19, 2018 representing approximately 0.43% of the existing share capital. The issue price of €55.89 represents a discount of 5% to the average volume-weighted price over the previous 3 trading days;
- 250,000 new shares on February 19, 2018 representing approximately 0.27% of existing share capital. The issue price of €55 represents a discount of 5% to the average volume-weighted price over the previous 3 trading days.

The new shares are freely tradable and fungible with existing shares listed on Euronext Paris.

The funds raised will be used to finance the Group's investments.



9.2 2017 SEPARATE FINANCIAL STATEMENTS, NOTES AND OTHER INFORMATION

BALANCE SHEET

ASSETS

(in thousands of euros)	Note	Gross	Depreciation and impairment	Net 12/31/2017	Net 12/31/2016
Fixed assets					
Property, plant and equipment and intangible assets		1,685	897	788	729
Equity interests under long-term capital gains regime	3.1	1,010,087		1,010,087	784,578
Other financial assets	3.2	964		964	2,559
TOTAL (I)		**1,012,736**	**897**	**1,011,839**	**787,866**
Current assets					
Other receivables	3.4	217,746		217,746	293,816
Investment securities	3.3	134,447	3	134,444	132,748
Cash		244,761		244,761	272,240
Prepaid expenses		354		354	175
TOTAL (II)		**597,308**	**3**	**597,305**	**698,979**
GRAND TOTAL (I + II)		**1,610,044**	**900**	**1,609,144**	**1,486,845**

EQUITY AND LIABILITIES

(in thousands of euros)	Note	12/31/2017	12/31/2016
Shareholders' equity			
Share capital		117,336	113,637
Share premium		1,195,964	1,084,251
Legal reserve		11,733	11,364
Restricted reserve		1,763	1,763
Other reserves		94,626	94,626
Retained earnings		41,422	8,146
Net earnings for the period		140,448	166,285
Regulated provisions		49	0
TOTAL (I)	**3.5**	**1,603,341**	**1,480,072**
PROVISIONS FOR CONTINGENCIES AND EXPENSES (II)		**97**	**23**
Liabilities			
Bank loans		226	176
Trade and other payables		415	453
Taxes and social security payables		1,676	3,645
Other liabilities		3,389	2,476
TOTAL (III)	**3.6**	**5,706**	**6,750**
GRAND TOTAL (I + II + III)		**1,609,144**	**1,486,845**

INCOME STATEMENT

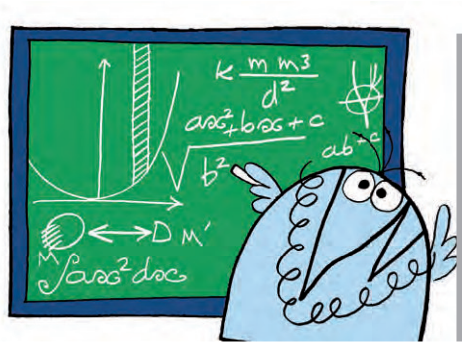
(in thousands of euros)	Note	12/31/2017	12/31/2016
Operating income			
Sales of services		4,901	5,134
Other income			
Net revenue		**4,901**	**5,134**
Other purchases and external expenses		(4,918)	(4,036)
Taxes, duties and similar payments		(240)	(267)
Personnel costs		(3,527)	(3,388)
Depreciation of fixed assets		(88)	(78)
Allowances and reversals of impairment of current assets			
Additions to and reversals of provisions for contingencies and expenses		(75)	(23)
Other expenses		(3,403)	(3,454)
EBITDA		**(3,784)**	**(2,557)**
Operating profit		**(7,350)**	**(6,112)**
Financial income from equity investments		135,011	164,828
Financial income from other securities		1,115	1,479
Other interest income		1,110	1,936
Net proceeds from disposal of marketable securities		403	236
Financial provisions		(3)	(8)
Reversals of financial provisions		8	
Interest and similar expenses		(942)	(859)
Financial income and expense		**136,702**	**167,612**
Net income before tax		**129,352**	**161,500**
Extraordinary items		**3**	**82**
Tax income/(expense)	**4**	**11,093**	**4,703**
NET INCOME		**140,448**	**166,285**

STATEMENT OF CASH FLOWS

(in thousands of euros)	12/31/2017	12/31/2016
Operating activity		
Net income for the year	140,448	166,285
Depreciation and provisions	208	109
Capital gains or losses on disposals of fixed assets		17
CASH FLOW (A)	**140,656**	**166,412**
Decrease/(increase) in working capital requirements (B):	74,800	(119,866)
• operating receivables	75,893	(120,670)
• trade payables	(1,093)	804
OPERATING CASH FLOWS (A + B) (I)	**215,456**	**46,546**
Investments		
Acquisitions of interests during the current year:		
• Rubis Terminal division		(52,635)
• Rubis Énergie division*	(203,000)	
• Rubis Patrimoine	(22,509)	
Other	1,447	(1,134)
CASH FLOW ALLOCATED TO INVESTMENTS (II)	**(224,062)**	**(53,769)**
CASH FLOW GENERATED BY THE BUSINESS (I + II)	**(8,606)**	**(7,223)**
Financing		
Increase/(decrease) in financial liabilities	50	(71)
Increase in shareholders' equity	115,778	128,007
Dividend paid	(133,009)	(124,900)
CASH FLOW FROM FINANCING ACTIVITIES (III)	**(17,181)**	**3,036**
OVERALL CHANGE IN CASH FLOW (I + II + III)	**(25,787)**	**(4,187)**
Opening cash and cash equivalents	404,996	409,183
Overall change in cash and cash equivalents	(25,787)	(4,187)
Closing cash and cash equivalents	379,209	404,996
Financial liabilities	(226)	(176)
Closing cash and cash equivalents net of financial debt	378,983	404,820

* *Rubis Énergie capital increase.*

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2017



NOTE 1. Presentation of the Company

Rubis Group operates 3 businesses in the energy sector:

- **Rubis Terminal** (bulk liquid storage), which *via* its subsidiary, Rubis Terminal, and the companies owned by the subsidiary in France (including Corsica), the Netherlands, Belgium, and Turkey, specializes in the storage and trading of petroleum products, fertilizers, chemical products and agrifood products;
- **Rubis Énergie**, which specializes in the trading and distribution of liquefied petroleum gas (LPG) and petroleum products;
- **Rubis Support and Services** houses all infrastructure, transportation, supply and services activities, supporting the development of downstream distribution and marketing activities.

Rubis Énergie and Rubis Support and Services, which have a presence on 3 continents (Europe, Africa and the Caribbean).

NOTE 2. Accounting rules and methods

The financial statements for the year ended December 31, 2017 are presented in accordance with legal and regulatory provisions applicable in France.

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

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

2.1 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

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

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

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

2.2 FINANCIAL ASSETS

Equity interests are recognized at their acquisition cost. A provision for impairment is recognized if their value in use falls below their book value. The value in use is determined on the basis of discounted future cash flows.

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

2.3 INVESTMENT SECURITIES

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

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

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

2.4 PENSION COMMITMENTS

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

2.5 SALES REVENUE

Revenue comprises management fees received from subsidiaries.

2.6 TAX CALCULATION

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

NOTE 3. Notes relating to selected balance sheet items

3.1 FINANCIAL ASSETS

(in thousands of euros)	Net value as of 12/31/2017	Net value as of 12/31/2016
Equity interests	1,010,087	784,578
Impairment of securities		
TOTAL	**1,010,087**	**784,578**

On October 19, 2017, for €22,509 thousand, Rubis SCA acquired all the shares of SARL Rubis Patrimoine, whose corporate purpose is the ownership and operation of a real estate complex.

On December 13, 2017, Rubis SCA subscribed the full amount of Rubis Énergie's capital increase by way of the offset of debt in the amount of €203,000 thousand.

3.2 OTHER FINANCIAL ASSETS

Other financial assets mainly comprise treasury shares.

The Combined Shareholders' Meeting of June 14, 2007 authorized the Board of Management, with the option to delegate such powers, to buy back the Company's own shares in order to increase the liquidity or market activity of Rubis shares as part of a liquidity contract, in compliance with the Association Française des Entreprises d'Investissement (French Association of Investment Companies) Code of Ethics.

As of December 31, 2017, Rubis held 15,037 Rubis shares for a purchase price of €879 thousand. No impairment has been recognized.

Changes during the year were as follows:

(in thousands of euros)	Gross value as of 12/31/2016	Acquisitions	Disposal	Gross value as of 12/31/2017
Treasury shares	1,088	13,404	(13,613)	879
TOTAL	**1,088**	**13,404**	**(13,613)**	**879**

3.3 INVESTMENT SECURITIES PORTFOLIO

As of December 31, 2017, the investment securities portfolio had a gross value of €134,447 thousand, and a net value of €134,444 thousand:

(in thousands of euros)	Gross value as of 12/31/2017	Impairment	Net value as of 12/31/2017	Market value as of 12/31/2017*	Net value as of 12/31/2016
OEIC	22,464		22,464	22,840	21,886
Equities					2
Other funds	111,397	(3)	111,394	112,905	109,381
Interest receivable on other funds	586		586	586	1,479
TOTAL	**134,447**	**(3)**	**134,444**	**136,331**	**132,748**

* *Definitive market value as of December 31, 2017.*

3.4 RECEIVABLES

Other receivables, amounting to €217,746 thousand, are all due in less than one year and break down as follows:

- €202,893 thousand in intra-group receivables;
- €14,804 thousand in receivables from the French Treasury. This item notably includes a tax payment of €5,161 thousand, which Rubis SCA expects to be refunded by the tax authorities, €5,961 thousand in receivables related to the tax consolidation and €2,568 thousand relating to the refund of the additional corporate tax contribution of 3% on income paid out in dividends;
- €49 thousand in miscellaneous receivables.

3.5 SHAREHOLDERS' EQUITY

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY:

(in thousands of euros)	12/31/2017	12/31/2016
SHAREHOLDERS' EQUITY AT THE BEGINNING OF THE YEAR	**1,480,072**	**1,310,679**
Capital increase	3,698	5,595
Increase in the share premium	111,713	121,853
Legal reserve allocation from share premium	370	560
Dividend distribution	(133,009)	(124,900)
Results for the year	140,448	166,285
SHAREHOLDERS' EQUITY AT THE END OF THE YEAR*	**1,603,292**	**1,480,072**

* *Excluding regulated provisions.*

As of December 31, 2017, the share capital consisted of 93,868,480 shares (of which 2,740 preferred shares), fully paid up, with a par value of €1.25 each, *i.e.* a total amount of €117,336 thousand.

The Combined Shareholders' Meeting of June 8, 2017 resolved to perform a 2-for-1 split in the value the Rubis share, delegating all powers to the Board of Management to set the date of the split and to make any necessary adjustments.

As a result, the Board of Management, meeting on July 13, 2017, decided to split the par value of the share from €2.50 to €1.25, with each shareholder receiving 2 new shares for one existing share.

As of December 31, 2017, Rubis held 15,037 treasury shares.

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

	Number of shares	Share capital *(in thousands of euros)*	Share premium *(in thousands of euros)*
AS OF JANUARY 1, 2017	**45,454,888**	**113,637**	**1,084,251**
2-for-1 share split	45,454,888		
Payment of the dividend in shares	2,284,258	2,856	100,849
Exercise of stock options	371,502	465	6,312
Bonus shares	122,258	153	(153)
Company savings plan	177,946	222	5,241
Equity line			2
Preferred shares	2,740	3	(3)
Capital increase			
Capital increase expenses			(166)
Legal reserve allocation			(369)
AS OF DECEMBER 31, 2017	**93,868,480**	**117,336**	**1,195,964**

July 2017 equity line agreement with Crédit Agricole CIB and Société Générale

In July 2017, the Group signed an equity line agreement with Crédit Agricole CIB and Société Générale for a period of 40 months, capped at 4,400,000 shares. This agreement did not give rise to the issue of any new shares in 2017.

The terms of the stock option and free share plans underway as of December 31, 2017 are shown in the tables below.

STOCK OPTIONS AS OF DECEMBER 31, 2017:

Date of the Board of Management meeting	Outstanding as of 12/31/2016	Rights issued	Rights exercised	Rights canceled	Outstanding as of 12/31/2017
July 9, 2012	185,833		(185,751)	(82)	
TOTAL	**185,833**		**(185,751)**	**(82)**	

Date of the Board of Management meeting	Outstanding options			Options eligible for exercise
	Number of options	Expiration date	Exercise price *(in euros)*	
July 9, 2012		7/8/2017	36.48	
TOTAL				

BONUS SHARES

Date of the Board of Management meeting	Outstanding as of 12/31/2016	Rights exercised before 2-for-1 share split	Outstanding before 2-for-1 share split	Rights adjusted following 2-for-1 share split	Rights exercised after 2-for-1 share split	Rights issued	Rights canceled	Outstanding as of 12/31/2017
July 9, 2012	3,093	(3,093)						
January 3, 2014	5,101	(5,101)						
March 31, 2014	751	(751)						
August 18, 2014	56,558		56,558	56,558	(104,368)			8,748
April 17, 2015	8,811		8,811	8,811				17,622
TOTAL	**74,314**	**(8,945)**	**65,369**	**65,369**	**(104,368)**			**26,370**

The vesting period for beneficiaries' free shares is a minimum of 3 years from the date on which they are granted by the Board of Management. The conditions for granting free shares are set by the Board of Management.

PREFERRED SHARES

Date of the Board of Management meeting	Outstanding as of 12/31/2016	Rights issued	Outstanding before 2-for-1 share split	Rights adjusted following 2-for-1 share split	Rights exercised	Rights canceled	Outstanding as of 12/31/2017	Of which preferred shares acquired but not yet converted into ordinary shares
September 2, 2015	1,442		1,442	1,442			2,884	2,740
July 11, 2016	1,932		1,932	1,932			3,864	
March 13, 2017		966	966	966			1,932	
July 19, 2017		374	374				374	
TOTAL	**3,374**	**1,340**	**4,714**	**4,340**			**9,054**	**2,740**

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

3.6 EXPENSES PAYABLE

Accrued expenses totaled €2,750 thousand, breaking down as €174 thousand relating to suppliers, €226 thousand to accrued interest, €1,220 thousand to tax and social security liabilities and €1,130 thousand to Top Management's variable compensation. These expenses payable are operating expenses and financial expenses.

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

As in 2016, trade payables recognized on the balance sheet, in a total amount of €222 thousand, all mature in less than 3 months.

3.7 ITEMS CONCERNING RELATED COMPANIES

(in thousands of euros)	12/31/2017
Receivables	202,893
Liabilities	2,258
Income from investments	135,011
Net financial income	532

NOTE 4. Notes relating to selected income statement items

INCOME TAX

(in thousands of euros)	Tax base	Rate	Gross tax	Credit	Net tax
Corporation tax on net income at standard rate		34.43%		(428)	(428)
Corporation tax calculated on expenses related to capital increases allocated to share premiums	254	34.43%	87		87
Tax on income distributed			909		909
Request for the refund of tax on income paid out in dividends			(2,568)		(2,568)
Expense/(benefit) relating to tax consolidation			(9,093)		(9,093)
TOTAL			**(10,665)**	**(428)**	**(11,093)**

Rubis is taxed under the system for parent companies and subsidiaries. Until 2015, dividends paid by subsidiaries that were part of the tax group were exonerated in full from income tax. From 2016, these dividends are subject to taxation on a share of costs and expenses amounting to 1%.

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

Date of inclusion of companies into the tax consolidation group at the reporting date	
January 1, 2001	Rubis
	Rubis Terminal
January 1, 2006	Rubis Énergie
	Rubis Antilles Guyane
	SIGL
	Sicogaz
	Starogaz
January 1, 2011	Frangaz
	ViTO Corse
January 1, 2012	Société Antillaise des Pétroles Rubis (SAPR)
	Rubis Guyane Française (RGF)
	Rubis Caraïbes Françaises (RCF)
January 1, 2013	Coparef
	Vitogaz France
January 1, 2014	Rubis Restauration et Services (RRS)
January 1, 2016	Société Réunionnaise de Produits Pétroliers (SRPP)

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

Rubis is the parent company of the tax consolidation group.

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

- tax expenses are borne by the companies as if there were no tax consolidation, with the exception of the exceptional contribution of 15% in 2017;
- tax savings made by the Group are recognized in the income statement by the parent company;
- tax savings are not reallocated to subsidiaries, except in the event of an exit from the Group.

NOTE 5. Other information

5.1 WORKFORCE

The headcount as of December 31, 2017 included 16 people.

5.2 OFF-BALANCE SHEET COMMITMENTS

5.2.1 Pension commitments

Retirement benefits for Rubis employees totaled €174 thousand, including social security contributions. The evaluation method is described in note 2.4.

5.2.2 Commitments given and received

Commitments given *(in thousands of euros)*	12/31/2017	12/31/2016
Letter of intent*	463	463
Operating leases	248	605
TOTAL	**711**	**1,068**

* *For the subsidiary Rubis Terminal SA.*

Commitments received *(in thousands of euros)*	12/31/2017	12/31/2016
Confirmed and unused lines of credit	345,000	235,250
TOTAL	**345,000**	**235,250**

Top Management compensation is governed by Article 54 of the by-laws. For the 2017 fiscal year, it totaled €2,281 thousand.

The 10th resolution approved at the Annual Shareholders' and General Partners' Meetings on June 5, 2015 introduced variable compensation, the terms and conditions of which are described in chapter 6, section 6.5.1.2 of the 2017 Registration Document. Variable compensation recorded during 2017 was €999 thousand.

Attendance fees paid to members of the Supervisory Board totaled €122 thousand.

5.3 SUBSIDIARIES AND EQUITY INTERESTS

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

(in thousands of euros)	Rubis Énergie SAS	Rubis Terminal SA	Kelsey*	Coparef SA	Rubis Patrimoine SARL
Share capital	335,000	8,578	1	40	471
Shareholders' equity other than share capital	388,462	255,518	19	(9)	(335)
Government grants and regulated provisions	9,389	3,481			
Share of capital held	100.00%	99.44%	100.00%	100.00%	100.00%
Gross book value of the shares held	685,503	302,037	4	34	22,509
Net book value of the shares held	685,503	302,037	4	34	22,509
Loans and advances from Rubis not repaid	147,400	50,158			740
Amounts of guarantees and securities given by the Company		463			
Revenue for the last period ended	255,431	52,531	633		293
Net income for the last period ended	123,610	21,020	(64)	(5)	(38)
Dividends received by Rubis during fiscal year 2017	110,400	24,611			

* *The Company's accounts are kept in US dollars. The following exchange rates were used:*
- *shareholders' equity: closing rate (€1 = $1.199300);*
- *revenue and net income: average rate (€1 = $1.129283).*

5.4 PROPERTY, PLANT AND EQUIPMENT

The Rubis Group owns its industrial establishments (buildings, tanks, equipment) except for certain land in ports, granted as concessions by the port authorities of Rouen, Dunkirk, Strasbourg and Brest to the Rubis Terminal division.

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

Information concerning these properties is supplied in the tables below.

Rubis Terminal

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

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

Rubis Énergie

Geographic zone	Site	Business
FRANCE	**Vitogaz France** *Sainte-Florence* *Gambsheim* *Bourgbarré* *Montereau* *Sorèze* *Gémozac* *Massiac*	Trading and LPG distribution (cylinders, bulk and autogas) • *7 relay LPG depots (leased land)*
	Frangaz *Port-la-Nouvelle* *Sillery*	LPG distribution (cylinders) • *2 depots and 1 cylinder filling plant*
	Sicogaz *Quéven* *Brûlon*	LPG storage depots • *2 depots, of which 1 freehold*
	Sigalnor (JV) *Le Havre* *Hauconcourt* *Saint-Marcel*	Storage depots and an LPG filling plant • *1 cylinder filling plant on port authority land* • *1 depot on freehold land* • *1 depot on leased land*
	ViTO Corse *Bastia (20)*	Distribution of petroleum products • *64 gas stations, 4 of which on freehold land*
	Rubis Antilles Guyane *Abymes (Guadeloupe)* *Kourou (French Guiana)* *Fort-de-France (Martinique)* *Saint-Barthélemy*	Distribution of petroleum products and LPG: • *60 gas stations, 38 of which on freehold land* • *2 bitumen depots, of which 1 on freehold land* • *2 white product depots, of which 1 on freehold land* • *3 aviation depots held under joint ventures*
	Société Antillaise des Pétroles Rubis *Fort-de-France (Martinique)*	Distribution of petroleum products • *19 gas stations, 18 of which on freehold land*
	Rubis Guyane Française *Cayenne (French Guiana)*	Distribution of petroleum products • *6 gas stations, of which 4 on freehold land*
	Stocabu (Guadeloupe)	LPG storage depot (port authority land)
	SIGL (Guadeloupe)	LPG filling plant (port authority land)

Geographic zone	Site	Business
EUROPE	**Vitogas España** *Barcelona – Tarragona – Totana – Sober – Puig Reig*	LPG distribution (bulk and autogas) • *4 LPG depots, of which 3 on leased land*
	Rubis Energia Portugal *Lisbon – Sines – Aveiras – Faro – Viseu – Perafita*	LPG distribution (cylinders, bulk and autogas) • *2 LPG depots, of which 1 on freehold land and 3 cylinder filling plants, of which 1 freehold*
	Vitogaz Switzerland *Cornaux – Niederhasli – Wintherthur – Rancate*	LPG distribution (cylinders, bulk and autogas) • *4 LPG depots and 3 cylinder filling plants*
	Fuel Supplies C. I. *Guernsey* *Jersey*	Distribution of petroleum products • *26 gas stations* • *2 white product depots* • *1 aviation depot*
AFRICA – INDIAN OCEAN	**Easigas South Africa (Pty)** *Johannesburg – Durban – Port Elisabeth – Cape Town – Nigel – East-London – Bloemfontein – Kimberley – Nelspruit – Chamdor – Germiston – Hammersdale – Blackheath*	LPG distribution (cylinder and bulk) • *7 LPG depots and 12 cylinder filling plants*
	Easigas Botswana (Pty) *Phakalane – Serule*	LPG distribution (cylinder and bulk) • *2 LPG depots and 2 cylinder filling plants*
	Vitogaz Maroc Casablanca	Bulk LPG distribution
	Lasfargaz Jorf Lasfar (Morocco)	LPG import terminal on freehold land
	Galana Madagascar *Antananarivo* *Toamasin*	Distribution of petroleum products, including LPG • *1 import depot for white and black products* • *71 gas stations, of which 27 freehold*
	Vitogaz Madagascar *Antananarivo* *Mahajanga*	LPG distribution (cylinder and bulk) • *1 LPG import terminal with cylinder filling plant* • *1 further depot with cylinder filling plant*
	Société Réunionnaise de Produits Pétroliers (SRPP) *Le Port*	Distribution of petroleum products, including LPG • *51 gas stations, of which 27 on freehold land* • *1 storage depot for white products and LPG* • *1 cylinder filling plant*
	Rubis Énergie Djibouti *Djibouti*	Distribution of petroleum products • *7 gas stations, of which 3 on freehold land* • *1 aviation fuel depot on airport land*
	Eres Senegal *Dakar*	Distribution of bitumen and emulsions • *1 bitumen depot on port authority land*
	Eres Togo *Lomé*	Distribution of bitumen and emulsions • *1 bitumen depot on port authority land*
	Ringardas Nigeria Ltd *Abuja – Sapele – Port-Harcourt – Epe – Kaduna – Kano*	Distribution of bitumen, modified bitumen and emulsions • *3 bitumen depots, of which 2 on freehold land and 1 on port authority land* • *3 secondary depots for bitumen*
BERMUDA	**Rubis Energy Bermuda** *Saint-George's*	Distribution of petroleum products and import of LPG • *12 gas stations, 2 of which on freehold land* • *2 white product depots, of which 1 with LPG depot and cylinder filling plant*
	Bermuda Gas *Hamilton – Saint-George's*	LPG distribution • *1 cylinder filling plant*
CARRIBBEAN	**Rubis West Indies** *Antigua – Barbados – Dominica – Grenada – St Lucia – St Vincent*	Distribution of petroleum products, including LPG • *64 gas stations, 22 of which on freehold land* • *4 white product storage depots, of which 1 with LPG depot and 3 with LPG depots and cylinder filling plants* • *1 LPG depot with cylinder filling plant* • *5 aviation depots, of which 2 freehold and 3 as joint ventures*
	Rubis Guyana *Ramsburg*	Distribution of petroleum products and import of LPG • *10 gas stations, of which 4 freehold* • *1 white product storage depot* • *1 LPG storage deposit* • *1 fully-owned aviation depot*
	Rubis Bahamas *Nassau* *Clifton*	Distribution of petroleum products • *21 gas stations, 7 of which on freehold land* • *2 white product storage depots* • *1 aviation depot held under a joint venture*

Geographic zone	Site	Business
CARRIBBEAN	**Rubis Cayman Islands** *Grand Cayman* *Cayman Brac*	Distribution of petroleum products • *11 gas stations, of which 2 freehold* • *2 white product storage depots* • *1 fully-owned aviation depot*
	Rubis Turks & Caicos Ltd *Providenciales* *Grand Turks*	Distribution of petroleum products • *10 gas stations, of which 1 freehold* • *2 white product storage depots* • *1 fully-owned aviation depot*
	Rubis Energy Jamaica *Kingston*	Distribution of petroleum products • *49 gas stations, 45 of which on freehold land* • *1 white product storage depot*
	Dinasa Haiti *Port-au-Prince*	Distribution of petroleum products • *1 co-owned storage depot for white and black products* • *134 gas stations, of which 32 freehold* • *2 fully-owned aviation depots* • *2 LPG storage depots and 1 cylinder filling plant*
	Sodigas Haiti Port au Prince	LPG distribution

Rubis Support and Services

Geographic zone	Site	Business
FRANCE	**Société Anonyme de la Raffinerie des Antilles (SARA)** *Le Lamentin (Martinique)* *Jarry (Guadeloupe)* *Dégrad des Cannes (French Guiana)* *Kourou (French Guiana)*	Oil refinery and 3 petroleum product depots

Rubis Patrimoine

Geographic zone	Site	Business
FRANCE	**Rubis Patrimoine** *Paris (75116)*	Ownership and operation of a real estate complex

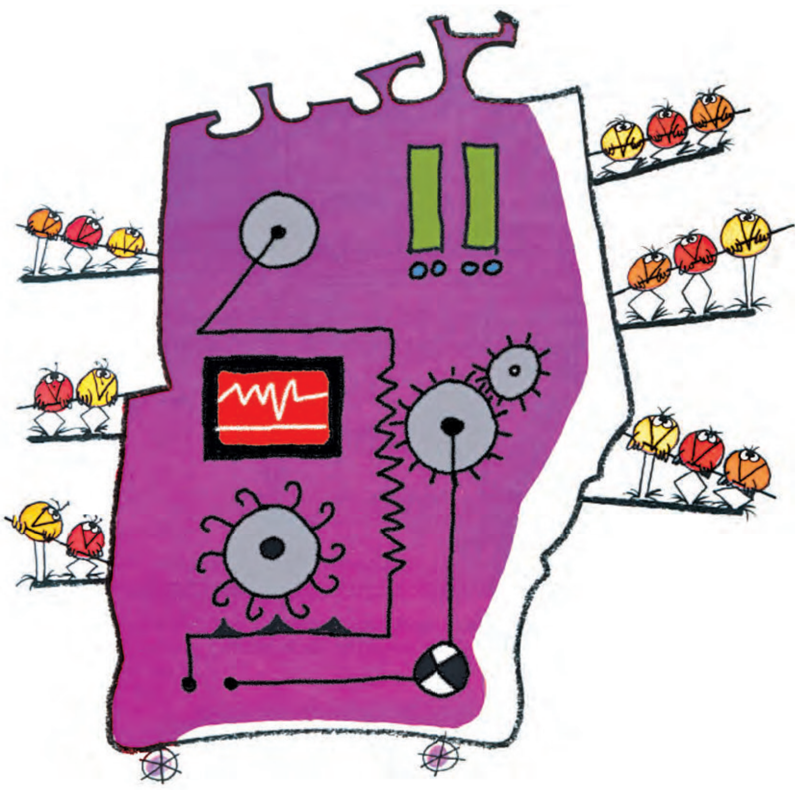
5.5 INVENTORY OF INVESTMENT SECURITIES

	Number of units or shares	Net value as of 12/31/2017 *(in thousands of euros)*
I - Shares and investment		
French equity interests:		
Coparef	2,500	34
Rubis Terminal	559,339	302,037
Rubis Énergie	13,400,000	685,503
Rubis Patrimoine	249,398	22,509
Foreign equity interests:		
Kelsey	1,000	4
TOTAL EQUITY INTERESTS		**1,010,087**
II - UCITS		
Sicav BNP SUS BD	196	19,951
Sicav BNP Par Money 3M	108	2,512
Other:		
CMC-CIC Equival Cash C fund		3,587
Agipi fund		18,651
Open Capital fund		27,496
HR Patrimoine Capitalisation fund		41,930
Open Perspectives Capitalisation fund		20,318
TOTAL UCITS AND SIMILAR		**134,445**

5.6 RUBIS' FINANCIAL INCOME AND EXPENSES OVER THE LAST 5 FISCAL YEARS

(in thousands of euros)	2013	2014	2015	2016	2017
Financial position at the end of the year					
Share capital	93,228	97,173	108,042	113,637	117,336
Number of shares issued	37,291,099	38,869,079	43,216,952	45,454,888	93,868,480 (2)
Comprehensive income from transactions carried out					
Revenue excluding tax	4,255	4,130	3,333	5,134	4,901
Earnings before tax, depreciation and provisions	65,939	74,951	118,048	161,691	129,521
Income tax	5,150	4,161	3,351	4,703	11,093
Earnings after tax, depreciation and provisions	72,366	78,971	121,280	166,285	140,448
Earnings distributed to associates	73,158	83,933	124,900	133,009	168,466 (1)
Earnings from operations reduced to a single share *(in euros)*					
Earnings after tax but before depreciation and provisions	1.91	2.04	2.81	3.66	1.50 (2)
Earnings after tax, depreciation and provisions	1.94	2.03	2.81	3.66	1.50 (2)
Dividend awarded to each share	1.95	2.05	2.42	2.68	1.50 (1)
Personnel					
Number of employees	14	14	15	14	16
Total payroll	1,468	1,582	1,839	1,916	2,208
Amount paid in respect of employee benefits	750	825	1,081	973	1,117

(1) Amount proposed to the O&EGM of June 7, 2018.
(2) On July 28, 2017, Rubis conducted a 2-for-1 share split (see note 3.5 to the separate financial statements).



WITH COMPUTERS, THE MORE YOU USE THEM LESS, THE LESS CHANCE THERE IS THEY WON'T WORK.

9.3 STATUTORY AUDITORS' REPORTS

9.3.1 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the Rubis Shareholders' Meeting,

I. OPINION

Pursuant to the engagement entrusted to us by your Shareholders' Meeting, we have audited Rubis' accompanying consolidated financial statements for the year ended December 31, 2017.

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

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

II. BASIS FOR OPINION

Audit framework

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

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

Independence

We conducted our audit, in compliance with the independence rules applicable to us, over the period from January 1, 2017 to the date of our report, and have not provided any of the prohibited services mentioned in Article 5 (1) of Regulation (EU) No. 537/2014 or the French Code of ethics for Statutory Auditors.

III. JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

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

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

First consolidation of Dinasa and Galana
(Note 3.2 "Changes in the scope of consolidation" to the consolidated financial statements)

Risk identified	*Our response*
In 2017, Rubis made 2 significant acquisitions: the Dinasa and Galana groups, the leading distributors of petroleum products in Haiti and Madagascar respectively. The acquisitions of Dinasa and Galana resulted in the recognition in the consolidated financial statements as of the date of inclusion in the scope of goodwill in the amount of €217 million and €166 million respectively, after allocation of the purchase price to assets acquired and liabilities assumed. The purchase price allocation will be finalized within 12 months of the date of takeover. Moreover, as the acquisitions made during the year had an impact of more than 25% on Rubis' main aggregates, *pro-forma* financial information is presented in the Notes in application of AMF recommendation No. 2013-08, in addition to the information provided pursuant to IFRS 3. The first consolidation of Dinasa and Galana is considered a key audit matter in view of the materiality of these acquisitions and the significant degree of judgment exercised by management in identifying the assets acquired and liabilities assumed, and in assessing their fair value.	Our work consisted notably in: • reviewing the acquisition contracts; • assessing the appropriateness of the assumptions and methods used to measure the assets acquired and liabilities assumed in view of the criteria imposed by the relevant accounting standards; • verifying the appropriateness of the *pro-forma* financial information provided in the Notes to the consolidated financial statements.

Measurement of goodwill
(Note 4.2 "Goodwill" to the consolidated financial statements)

Risk identified	*Our response*
Rubis' business development is based in large part on external growth. Acquisitions have resulted in the recognition of significant goodwill in the consolidated balance sheet. As of December 31, 2017, net goodwill in the consolidated balance sheet amounted to €1,096 million. Rubis performs impairment testing of goodwill at least once a year and whenever management identifies an indication of loss of value. Impairment is recognized if the recoverable value falls below the net book value, the recoverable amount being the greater of the value in use and fair value less costs to sell. The measurement of the recoverable value requires Rubis' management to make numerous estimates and judgments, including the preparation of forecasts and the selection of discount and long-term growth rates. The measurement of goodwill is considered a key audit matter in view of the significant amount of goodwill in the financial statements and its sensitivity to the assumptions made by management.	We examined Rubis' implementation of impairment testing in accordance with the prevailing accounting standards, and assessed the reasonableness of the key estimates used by management. In particular, we assessed the reasonableness of cash-flow projections, as validated by management, in view of the economic and financial environment, as well as the consistency of such forecasts with historical performance. With respect to the models used to determine recoverable values, we called on our valuation experts to: • test the mathematical reliability of the models and recalculate the resulting values; • assess the consistency of the perpetual growth rates used by management in comparison with our own analyses; • evaluate the methodologies used to determine discount rates and compare them with market data or external sources. In addition, we obtained and reviewed the sensitivity analyses performed by management. We subsequently performed our own sensitivity calculations on key assumptions so as to assess their potential impact on the conclusions of impairment testing. We also assessed the appropriateness of the information presented in note 4.2 to the consolidated financial statements.

Other provisions (excluding employee benefits)
(Note 4.11 "Other provisions (excluding employee benefits)" to the consolidated financial statements)

Risk identified	*Our response*

Rubis operates in France and internationally, in complex legal and constantly changing regulatory environments. It is therefore exposed to environmental, legal and commercial litigation. Moreover, some of the Group's subsidiaries are obliged to clean up and replace assets. This obligation is covered by provisions in the balance sheet.
Management's assessment of the related risks has led the Group to recognize provisions (excluding employee benefits) in the amount of €82.9 million as of December 31, 2017.
Management's estimate of other provisions (excluding employee benefits) is considered a key audit matter due to the high degree of judgment involved, particularly in assessing the outcome of ongoing litigation and the potentially significant impact on the consolidated financial statements.
	Our work consisted notably in:
	• reviewing the procedures implemented by management to identify and list risks and litigation;
	• assessing the reasonableness of the estimated costs related to such risks:
	  ◦ by taking note of the risk analysis performed by Rubis,
	  ◦ by discussing each dispute or significant risk with management,
	  ◦ by questioning Rubis' external counsel to confirm the identification of disputes and to assess the nature of the associated risks and liabilities and the adequacy of the amount of provisions recognized;
	• gauging the appropriateness of information relating to other provisions, as presented in the Notes to the consolidated financial statements.

IV. VERIFICATION OF INFORMATION ON THE GROUP GIVEN IN THE MANAGEMENT REPORT

In accordance with professional standards applicable in France, we also performed the specific verification required by law of information relating to the Group given in the management report of the Board of Management.

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

V. INFORMATION RESULTING FROM OTHER LEGAL AND REGULATORY REQUIREMENTS

Appointment of the Statutory Auditors

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

As of December 31, 2017, Mazars and SCP Monnot & Guibourt were in the 26th consecutive year of their engagement.

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

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

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

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

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

VII. STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Objective and audit approach

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

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

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

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

Report to the Accounts and Risk Monitoring Committee

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

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

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

Courbevoie and Meudon, April 24, 2018,

MAZARS	SCP MONNOT & GUIBOURT
Ariane Mignon	Laurent Guibourt

9.3.2 STATUTORY AUDITORS' REPORT ON THE ANNUAL FINANCIAL STATEMENTS

To the Rubis Shareholders' Meeting,

I. OPINION

Pursuant to the engagement entrusted to us by your Shareholders' Meeting, we have audited Rubis' accompanying annual financial statements for the year ended December 31, 2017.

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

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

II. BASIS FOR OPINION

Audit framework

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

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

Independence

We conducted our audit, in compliance with the independence rules applicable to us, over the period from January 1, 2017 to the date of our report, and have not provided any of the prohibited services mentioned in Article 5 (1) of Regulation (EU) No. 537/2014 or the French Code of ethics for Statutory Auditors.

III. JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

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

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

Measurement of equity securities
(Note 3.1 "Financial assets" to the separate financial statements)

Risk identified	*Our response*

Equity securities, which appear among assets in the balance sheet in the net amount of €1,010.1 million as of December 31, 2017, represent 62.8% of total assets.
Equity securities are recognized at their acquisition cost. As indicated in note 2.2, they are impaired when their value in use is less than their net book value. Value in use is generally determined using discounted future cash flows.
We consider the value of equity securities to be a key audit matter in that the materiality of such assets in Rubis SCA's assets and the determination of their value in use, based on discounted future cash flows, implies a large degree of judgment of the part of management and relies on economic and other assumptions relating to projected business trends.
	As part of our assessment of the accounting rules and policies used by your Company, we verified the appropriateness of the accounting methods used and the reasonableness of the estimates made. Our work consisted mainly in taking note of the Company's valuation, the methods used and the underlying assumptions.
	• For measurements based on historical data:
	  • we ascertained that shareholders' equity used in measuring equity investments is consistent with the financial statements of the audited entities or with analytical procedures. We also verified the arithmetic calculation.
	• For measurements based on forecast data:
	  • we assessed the reasonableness of the assumptions used by management to determine the present value of future cash flows and, in particular, the consistency of cash-flow forecasts with the market outlook and with the subsidiary's past performance, both commercially and as regards its profitability;
	  • we verified with the support of our valuation experts the reasonableness of the financial parameters used in impairment testing and in particular the consistency of discount and long-term growth rates with market analyses and consensus forecasts.

IV. AUDIT OF THE MANAGEMENT REPORT AND OTHER DOCUMENTS ADDRESSED TO SHAREHOLDERS

We also performed, in accordance with the professional standards applicable in France, the specific verifications required by French law.

Information given in the management report and other documents sent to shareholders on the financial position and the annual financial statements

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

Report on corporate governance

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

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

Other information

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

V. INFORMATION RESULTING FROM OTHER LEGAL AND REGULATORY REQUIREMENTS

Appointment of the Statutory Auditors

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

As of December 31, 2017, Mazars and SCP Monnot & Guibourt were in the 26th consecutive year of their engagement.

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

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

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

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

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

VII. STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS

Objective and audit approach

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

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

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

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

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

Report to the Accounts and Risk Monitoring Committee

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

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

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

Courbevoie and Meudon, April 24, 2018,

MAZARS	SCP MONNOT & GUIBOURT
Ariane Mignon	Laurent Guibourt

TRUST ME I'LL DO THE REST.

9.3.3 STATUTORY AUDITORS' REPORT ON REGULATED AGREEMENTS AND COMMITMENTS

To the Rubis Shareholders' Meeting,

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

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

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

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

AGREEMENTS AND COMMITMENTS SUBMITTED FOR APPROVAL BY THE SHAREHOLDERS' MEETING

We hereby inform you that we were not given notice of any agreements or commitments authorized and concluded during the last fiscal year requiring submission to the approval of the Shareholders' Meeting in application of the provisions of Article L. 226-10 of the French Commercial Code.

AGREEMENTS AND COMMITMENTS ALREADY APPROVED BY THE SHAREHOLDERS' MEETING

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

Assistance agreement between Rubis, Rubis Énergie and Rubis Terminal dated September 30, 2014

Person concerned

Jacques Riou, Manager of Agena, co-managing company of Rubis, Chairman of Rubis Énergie, Chairman of the Board of Directors of Rubis Terminal.

Nature and purpose

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

This agreement was concluded for a period of 12 months backdated to January 1, 2014, *i.e.* from January 1, to December 31, 2014. It is renewable by tacit agreement for periods of one year, and has been renewed for the period from January 1, 2017 to December 31, 2017.

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

For the fiscal year ended December 31, 2017, the Company received, under the terms of this agreement, fees amounting to €4,207,000 excluding tax from Rubis Énergie and €691,000 excluding tax from Rubis Terminal.

Courbevoie and Meudon, April 24, 2018

The Statutory Auditors

MAZARS	SCP MONNOT & GUIBOURT
Ariane Mignon	Laurent Guibourt