



Chargeurs

Société Anonyme with share capital of €1,660,335.52

Head office: 29-31, rue Washington, 75008 Paris

RCS Paris 390 474 898

ADDITIONAL REPORT OF THE BOARD OF DIRECTORS (ARTICLE R. 225-116 OF THE FRENCH COMMERCIAL CODE)

To the shareholders

The Board of Directors decided to use the authorization granted by the sixth resolution of the Shareholders' Meeting of February 8, 2010 to carry out a subordinated convertible bond issue with pre-emptive subscription rights for existing shareholders.

In application of Article R.225-116 of the French Commercial Code (*Code de Commerce*), we have prepared this additional report describing the general terms and conditions of the bond issue.

1 Terms and conditions

1.1 Shareholders' Meeting of February 8, 2010

In the sixth resolution of the Shareholders' Meeting on February 8, 2010, the Board of Directors was given a 26-month authorization to issue on one or more occasions, shares of the Company and/or securities carrying immediate and/or deferred rights to the Company's shares or to debt securities, with pre-emptive rights for existing shareholders.

The aggregate par value of the shares to be issued under this authorization, directly and/or on conversion, exchange, redemption or exercise of other securities, was capped at €30 million, and the maximum amount of the related capital increase(s) was set at €30 million including issue premiums, plus the par value of any additional shares to be issued to protect the rights of holders of securities carrying rights to shares.

The maximum aggregate nominal value of debt securities to be issued under this authorization, either immediately or in the future, was capped at €30 million.

1.2 Board of Directors meeting of March 11, 2010

On March 11, 2010, the Board of Directors decided to use the authorization granted by the sixth resolution of the Shareholders' Meeting of February 8, 2010 to issue (i) up to €23 million worth of subordinated convertible bonds (the Bonds) with pre-emptive subscription rights for existing shareholders and (ii) up to €30 million worth of shares on conversion of the Bonds, plus the number of additional shares needed to protect the rights of convertible bondholders, in accordance with the law and the terms and conditions of the Bond issue.

The Board of Directors also gave full powers to the Chairman and Chief Executive Officer to implement the capital increase by launching the Bond issue, in accordance with the terms and conditions specified in the sixth resolution of the Shareholders' Meeting of February 8, 2010 and the Board of Directors' decision.

1.3 Chairman and Chief Executive Officer's decision of March 11, 2010

Acting on the authority vested in him by the Board of Directors at its meeting of March 11, 2010, the Chairman and Chief Executive Officer decided on the same day to launch a €22.8 million subordinated convertible Bond issue with pre-emptive subscription rights for existing shareholders. The main terms of the issue are as follows:

Principal Terms of the Bond Issue

Purpose of the issue and use of the proceeds	The Bond issue is a prerequisite step in finalizing the debt restructuring agreed with the Group's banks on January 7, 2010. The net proceeds will be used to strengthen the capital base of (i) Chargeurs S.A. (€6 million) and (ii) Chargeurs Entoilage, the Interlining business's holding company (€16 million).
Issue amount and gross proceeds	€22,829,565
Estimated net proceeds	Approximately €22.3 million
Number of Bonds	415,083 subordinated Bonds convertible into new ordinary shares
Nominal value of the Bonds	€55
Issue date, cum interest date and settlement date	Planned issue date: April 15, 2010
Listing date	Scheduled for listing on NYSE Euronext Paris on April 15, 2010 (ISIN FR0010870931)
Ranking of the Bonds	The Bonds constitute direct, subordinated, unconditional and unsecured debt.
Fixed ranking	Only if a lien is granted to holders of other subordinated debt issued by the Company.

Coupon	<p>Holders of Bonds redeemed at maturity on January 1, 2016 will receive a stock-based remuneration equal to 6.06 Chargeurs shares per Bond (before giving effect to any adjustments that may be necessary as a result of any corporate actions).</p> <p>In the case of voluntary or mandatory early redemption, or conversion, the stock-based remuneration will be calculated ratably based on the period that has elapsed since the issue date as explained in section 4.1.7 of the prospectus.</p>
Life of the Bonds	5 years and 261 days
Redemption at maturity	The Bonds are redeemable at maturity on January 1, 2016 (or the next business day if January 1, 2016 is not a business day) at par.
Buyback and retirement of the Bonds by the Company	The Company may, at any time, buy back and retire all or some of the Bonds, subject to the unanimous agreement of the banks that are parties to the debt restructuring agreement. Said Bonds may be purchased by means of on or off-market transactions or through public purchase or exchange offers, without any limits as to the buyback price or the number of Bonds purchased and retired.
Retirement of the Bond issue at the option of the Company	<p>Subject to the unanimous agreement of the banks that are parties to the debt restructuring agreement, the Company may, at any time between January 1, 2012 and the Bonds' maturity date, provided it gives at least 30 days' notice, redeem all outstanding Bonds at par if the arithmetical average of the opening prices quoted for the Company's shares on NYSE Euronext Paris over ten consecutive trading days within the 20-day period preceding the publication of the retirement notice exceeds €6.</p> <p>Likewise, subject to the unanimous agreement of the banks that are parties to the debt restructuring agreement, the Company may, at any time, provided it gives at least 30 days' notice, redeem all outstanding Bonds at par if the number of Bonds outstanding represents less than 10% of the total number of Bonds originally issued.</p>
Acceleration clause	The Bonds will become redeemable at par immediately following the occurrence of certain events (including payment default or breach of the Bond conditions).

Conversion of Bonds into shares	Bondholders may convert their Bonds into Chargeurs shares at any time between the issue date and the seventh business day preceding the normal or early redemption date, according to a ratio of 27 new shares for 1 Bond (before giving effect to any adjustments that may be necessary as a result of any corporate actions).
Cum-rights and listing date of new shares issued on conversion	The new shares will be issued cum rights from the first day of the fiscal year during which the Bonds are converted.
Applicable law	French law

The terms and conditions of the Bonds are presented in the prospectus approved by the Autorité des Marchés Financiers on March 11, 2010 (No. 10-044).

2 Impact of the Bond issue and of the conversion of all the Bonds on the situation of holders of shares and share equivalents

The issue of the Bonds, their conversion into new shares and the payment of the coupon in new shares (in the event that all the Bonds are converted on the seventh business day preceding the maturity date) will have the following impact on consolidated net assets per share:

Calculation based on consolidated net assets excluding minority interests at December 31, 2009—as reported in the 2009 consolidated financial statements—and the number of Chargeurs shares outstanding on this date less treasury shares.

	Net assets per share (in €)
Prior to the issue of 415,083 Bonds	12.69
Following the issue of 415,083 Bonds and their conversion into shares	7.10
Following the issue of 415,083 Bonds and their conversion into new shares and payment of the coupon in new shares (in the event that all the Bonds are converted on the seventh business day preceding the maturity date)	6.48

The issue of the Bonds, their conversion into new shares and the payment of the coupon in new shares (in the event that all the Bonds are converted on the seventh business day preceding the maturity date) will have the following impact on a shareholder who owns 1% of the Company's capital prior to the issue and who does not participate in the issue:

Calculation based on the number of Chargeurs shares outstanding at December 31, 2009.

	Shareholder's interest (in %)
Prior to the issue of 415,083 Bonds	1%
Following the issue of 415,083 Bonds and their conversion into shares	0.48%
Following the issue of 415,083 Bonds and their conversion into new shares and payment of the coupon in new shares (in the event that all the Bonds are converted on the seventh business day preceding the maturity date)	0.44%

3 Impact of the Bond issue, the conversion of all the Bonds and the payment of the coupon in new shares on Chargeurs' share price

The following table shows the theoretical impact on the Chargeurs' share price of €4.71 (corresponding to the average of the closing prices quoted for Chargeurs shares over the twenty trading days preceding March 11, 2010) of the Bond issue, the conversion of all the Bonds into new shares and the payment of the coupon in new shares (in the event that all the Bonds are converted on the seventh business day preceding the maturity date):

	Chargeurs share price (in €)
Prior to the issue of 415,083 Bonds	4.71
Following the issue of 415,083 Bonds and their conversion into shares	3.30
Following the issue of 415,083 Bonds and their conversion into new shares and payment of the coupon in new shares (in the event that all the Bonds are converted on the seventh business day preceding the maturity date)	3.01

In accordance with applicable rules and regulations, this report will be made available to shareholders at the Company's head office and will be read out at the next shareholders' meeting.

The Board of Directors