



FIRST-HALF 2016 FINANCIAL REPORT

PERIOD ENDED 30 JUNE 2016

FIRST-HALF 2016 REPORT ON OPERATIONS 3

Net asset value 4
Operations and results of main equity investments..... 5
New investments/disposals 6
Analysis of results and financial position..... 8
Main risks and contingencies..... 9
Events since 30 June and outlook..... 10
Related-party transactions 10

**CONDENSED FIRST-HALF 2016 CONSOLIDATED FINANCIAL STATEMENTS
..... 11**

Consolidated income statement..... 13
Other comprehensive income 14
Consolidated balance sheet at 30 June 2016 15
Consolidated statement of cash flows..... 17
Statement of changes in consolidated equity 18
Notes to the first-half 2016 condensed consolidated financial statements 19

AUDITORS' REPORT ON THE HALF-YEAR FINANCIAL STATEMENTS..... 38

**DECLARATION BY THE PERSON RESPONSIBLE FOR THE HALF-YEAR REPORT
..... 42**

FIRST-HALF 2016 REPORT ON OPERATIONS

FIRST-HALF 2016 REPORT ON OPERATIONS

Net asset value (NAV)

Net asset value (NAV) is calculated as the market value of Peugeot SA securities plus the gross value of FFP's Investment Assets, less financial liabilities. Listed companies are valued at market price at the balance sheet date. Details of the valuation methodology used (unchanged from previous publications) are available on the FFP website and in the FFP Registration Document.

At 30 June 2016:

- The market value of Peugeot SA shares was €912 million, down €455 million over the six-month period, driven by a 33.3% fall in the share price.
- The gross value of FFP's Investment Assets was €2,041 million, up from €1,965 million at 31 December 2015.
- FFP's net asset value was €2,660 million (€106.1 per share) as opposed to €3,114 million (€123.8 per share) at 31 December 2015, down 14.6% over the six-month period.

In €m	*	% hold	Valuation	% Gross Asset value
Peugeot SA (A)		10,4%	912	31%
Lisi	a)	5,1%	63	2%
CID (Lisi)	b)	25,2%	174	6%
SEB S.A.	a)	5,0%	275	9%
Zodiac Aerospace	a)	5,2%	317	11%
Orpéa	a)	6,3%	282	10%
LT Participations	b)	10,3%	24	1%
CIEL group	a)	7,6%	18	1%
DKSH	a)	5,9%	225	8%
Non listed holdings	c)		293	10%
Total Holdings (i)			1 670	57%
Private Equity funds	d)		230	8%
IDI	a)	10,1%	19	1%
Total private equity (ii)			250	8%
Immobilière Dassault	a)	19,7%	51	2%
FFP-Les Grésillons	e)	100,0%	16	1%
Other Real Estate	c)		21	1%
Total Real Estate (iii)			88	3%
Other financial assets			28	1%
Cash			6	0%
Total Other Assets (iv)			35	1%
Investment Gross Asset Value (i)+(ii)+(iii)+(iv) = (B)			2 041	69%
Gross Asset Value = (A) + (B)			2 953	100%
Debt (C)			293	
Net Asset Value = (A) + (B) - (C)			2 660	
i.e. per share			106,1 €	

* letters refer to valuation methods. Details on www.groupe-ffp.fr

Activity and results of main equity investments

PSA Group

Group revenue totalled €27.8 billion in the first half of 2016, down 0.9% year-on-year but up 2.4% at constant exchange rates. Group sales were supported by firm markets in Europe, where sales rose 7.4% to 1,056,000 units. Markets in China and Southeast Asia are changing rapidly and that affected group sales, which fell 19.4% to 297,000 units. The Middle East and Africa region suffered from adverse economic conditions, pushing down Group sales by 13.3%. In Latin America, PSA Group strengthened its position with sales totalling 88,800 units, an increase of 16.4% in a market that contracted by 8.2%.

Recurring operating income amounted to €1,830 million, up 32% compared with the first half of 2015 and boosted mainly by the Automotive division, where it rose 34% to €1,303 million due to volume growth and ongoing reductions in fixed costs and production costs. Recurring operating margin was 6.8% in the Automotive division.

Operating free cash flow totalled €1,846 million. Industrial and commercial activities showed a net cash position of €5,972 million at 30 June 2016, €1,412 million more than at 31 December 2015.

Overall, profitability hit record levels in the first half of 2016 due to the good execution of the new "Push to Pass" strategic plan, including efforts to get teams to focus on operational efficiency. PSA Group's product offensive, international expansion and lower fixed costs should enable it to maintain profitable growth.

Investment Assets

Almost all of FFP's investee companies achieved firm organic growth in the first half of 2016, particularly SEB (6.0%) and ORPEA (6.6%). Both of those companies have made major acquisitions in recent quarters, which will drive their future growth. Investee companies with positions in emerging markets, despite difficulties in certain countries, are continuing to achieve strong organic growth, driven by middle-class consumer spending.

New investments / disposals

Equity holdings

Partial disposal of Onet SA:

In 2007, FFP and the Reinier family joined forces to inject fresh momentum into ONET SA. FFP's invested €72 million in Holding Reinier, enabling the Reinier family to strengthen its control over ONET SA, which was delisted.

As part of agreements signed by FFP and the Reinier family in 2007, FFP was granted partial liquidity for its investment, and the two parties signed a memorandum of understanding on 5 November 2015. That resulted in the Reinier family acquiring half of FFP's stake for €45 million on 21 January 2016.

FFP's stake in Holding Reinier, the company that owns almost 100% of ONET SA, was reduced to 11.2%. The shareholder agreement signed in 2007, which mainly concerns governance and liquidity arrangements, has been extended until 2022. FFP will retain a seat on the Boards of Directors of Holding Reinier and ONET SA.

Investment in Tikehau Capital :

FFP invested €70 million in Tikehau Capital, which has over €8 billion of assets under management via its long-term investment vehicle Tikehau Capital Partners, its asset management company Tikehau Investment Manager and Salvepar, a listed investment company focused on minority holdings. The associated capital increase will enable Tikehau Capital to continue its development strategy and step up international expansion through both organic growth and acquisitions.

FFP bought a 5.5% stake in the group's holding company Tikehau Capital Advisors (TCA), which is controlled by its founders Antoine Flamarion and Mathieu Chabran alongside partners and management, and FFP will be represented on TCA's board of directors. FFP also invested in Tikehau Capital Partners (TCP), after which it will own a 5.2% stake in that investment vehicle.

Investment in Lapillus II:

FFP invested €10 million in the OPCI Lapillus II real-estate fund, which has purchased the Tour Marchand in La Défense business district of Paris. The tower has floorspace of almost 16,000 m² and is let to a single tenant. The fund is managed by the real-estate team of LBO France and is governed by a board of directors on which FFP is represented. The tower offers an attractive yield and will be managed by the fund for several years.

Investment alongside ELV :

FFP has joined forces with several families in Europe to support the development of several real-estate projects in the USA, which are being devised and managed by a US team of professionals within ELV Associates, which was founded in 1991. In the first half of 2016, FFP invested €10 million in four new projects. The projects mainly involve residential developments, but also office and retail developments.

Additional investment in LDAP:

In 2013, FFP partnered with Louis Dreyfus Armateurs to order the construction of, and to operate, four new handysize B-Delta 40 vessels, which are innovative and highly fuel efficient, along with a fifth vessel purchased in the first half of 2015. Since freight prices are currently depressed, the company is making losses. A capital increase was carried out in the first half of 2016 in order to convert debt into equity and to finance 2015 and 2016 losses. FFP injected €3 million into the company as part of that transaction.

Private equity

Advent International VIII:

FFP made a commitment to invest \$15 million in this \$13 billion global buyout fund. The fund will focus on the following five sectors: TMT, financial and business services, healthcare, retail/consumer goods/leisure, and manufacturing. The fund is likely to invest in around 30 companies, mainly in North America (40-50% of the fund), Europe (40-50%) and the rest of the world (up to 20%).

Keensight IV:

FFP made a commitment to invest €10 million in this multi-sector €450 million growth capital fund, which focuses on financing innovative technology SMEs based in France and Europe that are profitable and growing rapidly. The fund is likely to invest in around 15 companies.

Vista Foundation Fund III:

FFP made a commitment to invest \$15 million in this North American buyout fund focusing on the software industry. The fund has a target size of \$2.5 billion and intends to invest in 10-15 companies.

ECP Africa IV:

With its partner IDI Emerging Markets, FFP made a commitment to invest \$10 million in the ECP Africa IV growth capital fund, which aims to raise \$750 million to acquire equity stakes in SMEs in French- and English-speaking Africa. The fund intends to invest in 8-10 companies.

Results and financial position

The consolidated financial statements have been prepared using the same accounting methods and principles as those applied in 2015. New IFRSs mandatorily applicable for accounting periods commencing on or after 1 January 2016 have no impact on FFP's consolidated financial statements. Regarding the new IFRS 9 and IFRS 15 standards applicable from 1 January 2018, and IFRS 16 applicable from 1 January 2019, the company is currently assessing their potential impact on the financial statements.

Changes in the scope of consolidation are as follows: since the stake in Holding Reinier is now only 11.2%, it is no longer accounted for under the equity method and shares in the company have been reclassified under "Available-for-sale securities (investments in non-consolidated companies)". OPCI Lapillus II, in which FFP owns a 23.3% stake, was accounted for under the equity method for the first time at 30 June 2016.

In 2015, FFP sold call options on Peugeot SA shares. Those transactions and their consequences on the financial statements are described in Note 2 to the consolidated financial statements.

Consolidated profit / (loss)

FFP's consolidated net profit attributable to equity holders of the parent was €2.8 million in the first half of 2016, as opposed to €152.0 million in the first half of 2015. That profit breaks down as follows:

- Income from available-for-sale securities totalled €39.8 million as opposed to €150.9 million in the first half of 2015. It mainly comprised:
 - €33.7 million of dividends from non-consolidated companies versus €31.4 million in the year-earlier period;
 - €5.1 million of capital gains on money returned by private equity funds.
 - the remeasurement at fair value of Peugeot SA share warrants, which had a negative impact of €109.6 million, offset by the €110.7 million change in the value of options at 30 June 2016, giving a net gain of €1.1 million. At 30 June 2015, FFP had a larger number of warrants on the asset side of its balance sheet. The remeasurement of those warrants and the option contracts produced a net capital gain of €103.4 million in the first half of 2015. At 30 June 2016, warrants on the asset side of the balance sheet and option contracts on the liabilities side are now evenly balanced. Details of those transactions are provided in note 2 to the consolidated financial statements.
- FFP's share in the net profit of associated companies was €9.6 million, compared with €10.3 million in the first half of 2015. Profit from LISI and Compagnie Industrielle de Delle rose to €11.1 million versus €8.1 million in the first half of 2015. LDAP made a loss, of which FFP's share was €1.6 million in the first half of 2016. In 2015, this item included €2.3 million from FFP's share of Holding Reinier's profit.
- The cost of debt was €5.3 million versus €5.8 million in the first half of 2015.

- General administration costs fell slightly to €9.3 million from €9.9 million in the first half of 2015.
- Tax expense amounted to €33.7 million versus income of €8.4 million in the year-earlier period. The difference was due to changes in deferred tax, mainly because of the adjustment to fair value of warrants and option contracts on Peugeot SA shares.

In terms of consolidated comprehensive income attributable to equity holders of the parent, FFP made a loss of €393.3 million as opposed to a profit of €950.5 million in the first half of 2015. Comprehensive income for the first half of 2016 comprised the profit for the period, the €388.0 million decrease in the value of non-consolidated financial assets (of which €435.7 million was due to the fall in Peugeot SA's share price), a €4.7 million decrease in the fair value of derivatives and a €2.4 million negative impact from changes in the equity of companies consolidated under the equity method.

Balance sheet and cash flows

The main changes affecting the consolidated balance sheet were as follows:

- a €290.2 million reduction in the fair value of non-consolidated equity investments, mainly because of the aforementioned fall in Peugeot SA's share price, partly offset by the rise in SEB's share price (positive impact of €36.1 million) and taking into account changes in scope (partial disposal of Onet resulting in a €42 million negative impact and the investment in the Tikehau group producing a €70 million positive impact);
- a €433.5 million decrease in equity attributable to owners of the parent.

Consolidated net debt rose by €85.7 million relative to 31 December 2015 to €286.5 million. The main cash flows in the first half of 2016 were as follows:

- net cash flow from operating activities: €22 million;
- disposals of long-term investments: €60.8 million;
- purchases of long-term investments: -€116.6 million;
- FFP's drawings on credit facilities: €77.3 million;
- dividends paid to shareholders -€40.1 million.

Main risks and contingencies

The principal risk factors are detailed in the 2015 Registration Document, pages 76 to 79. There were no significant changes in the nature of these risks during the first half of 2016.

Events since 30 June and outlook

On 7 July, FFP's Board of Directors decided to grant up to 20,000 bonus shares, due to vest in 2019 subject to performance conditions. The Chairman and Chief Executive Officer was granted 4,164 shares and the Deputy Chief Executive Officer 2,150 shares under the plan.

In 2016, PSA Group expects the automobile market to grow by around 4% in Europe and 8% in China, and to contract by around 12% in Latin America and 15% in Russia. The "Push to Pass" plan, which was presented on 5 April 2016, aims to achieve recurring operating margin averaging 4% in the Automotive division between 2016 and 2018 and 6% in 2021, along with Group revenue growth of 10% between 2015 and 2018 and a further 15% by 2021.

As regards Investment Assets, most investees operate in buoyant markets that should enable them to maintain their organic growth.

FFP was very busy looking at new investment projects in the first half of 2016. With almost €375 million of undrawn credit facilities, FFP will continue its active efforts to find investee companies that meet its criterias and that operate in growth markets and regions.

Related party transactions

Note 27 to the condensed first-half consolidated financial statements covers related-party transactions.

CONDENSED FIRST-HALF 2016 CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated income statement

Other comprehensive income

Consolidated balance sheet at 30 June 2016

Consolidated statement of cash flows

Statement of changes in consolidated equity

Notes to the consolidated financial statements

General information

- Note 1 Accounting policies
- Note 2 Information on the treatment of Peugeot SA securities
- Note 3 Scope of consolidation

Income statement

- Note 4 Income from available-for-sale securities and other long-term investments
- Note 5 Income from investment properties
- Note 6 Income from other activities
- Note 7 General administrative expenses
- Note 8 Cash management income
- Note 9 Impairment of available-for-sale securities
- Note 10 Cost of debt
- Note 11 Share in the profit or loss of associates
- Note 12 Income tax
- Note 13 Earnings per share

Other comprehensive income

- Note 14 Details of other comprehensive income

Balance sheet - Assets

- Note 15 Property, plant and equipment
- Note 16 Non-current financial assets
- Note 17 Tax receivable and payable
- Note 18 Inventories
- Note 19 Other receivables
- Note 20 Cash and cash equivalents

Balance sheet - Equity and liabilities

- Note 21 Current and non-current financial liabilities
- Note 22 Provisions
- Note 23 Other current and non-current liabilities

Additional information

- Note 24 Change in working capital requirement
- Note 25 Market risk management
- Note 26 Segment reporting
- Note 27 Related party transactions
- Note 28 Off-balance sheet commitments
- Note 29 Post-balance sheet events

FFP**30 JUNE 2016****Consolidated income statement**

(in thousands of euros)	Notes	30/06/2016	30/06/2015
Income from available-for-sale securities and other long-term investments	4	39 813	150 858
Income from investment properties	5	658	658
Income from other activities	6	1 756	1 402
Income from ordinary activities		42 227	152 918
General administrative expenses	7	(9 298)	(9 896)
Cash management income	8	4	326
Impairment of available-for-sale securities	9	(804)	(4 878)
Cost of debt	10	(5 267)	(5 844)
Pre-tax profit from consolidated companies		26 862	132 626
Share in the net profit or loss of companies at equity	11	9 552	10 341
Consolidated pre-tax profit		36 414	142 967
Income tax (including deferred tax)	12	(33 711)	8 418
CONSOLIDATED NET PROFIT		2 703	151 385
Of which attributable to equity holders of the parent		2 809	151 998
Of which attributable to minority interests		(106)	(613)
Net profit attributable to equity holders of the parent per share (in euros)	13	0,11	6,04
Diluted net profit attributable to equity holders of the parent per share (in euros)	13	0,11	6,06
Number of shares outstanding		25 072 589	25 157 273
Par value per share (in euros)		1,00	1,00

Other comprehensive income

(in thousands of euros)	Notes	30/06/2016	30/06/2015
Consolidated net profit	14	2 703	151 385
Impact of equity-accounted companies on comprehensive income	14	(2 401)	4 580
Net effect of remeasuring available-for-sale financial assets at fair value (1)	14	(387 956)	788 920
Net effect of remeasuring derivative instruments at fair value	14	(4 727)	4 638
Net effect of other remeasurements taken directly to equity	14	(1 075)	315
Total other comprehensive income		(396 159)	798 453
CONSOLIDATED COMPREHENSIVE INCOME		(393 456)	949 838
Of which attributable to equity holders of the parent		(393 350)	950 451
Of which attributable to minority interests		(106)	(613)

(1) Including impact of remeasuring equity securities taken to income.

Details on gross amounts and tax are provided in note 14.

Consolidated balance sheet at 30 June 2016

Assets

(in thousands of euros)	Notes	30/06/2016	31/12/2015
Non-current assets			
Intangible assets			
Concessions, patents and similar items		14	19
Property, plant and equipment			
Investment properties	15	15 613	15 613
Land	15	13 347	13 341
Buildings	15	444	463
Vineyards	15	1 097	1 127
Other assets	15	1 246	1 318
		31 747	31 862
Non-current financial assets			
Investments in companies accounted for under the equity method	16	213 613	285 619
Available-for-sale securities (investments in non-consolidated companies)	16	2 395 574	2 685 762
Available-for-sale securities (Portfolio Investment Securities)	16	412 596	363 219
Other non-current financial assets	16	102 174	205 831
		3 123 957	3 540 431
Deferred tax assets	17	8 669	20 891
TOTAL NON-CURRENT ASSETS		3 164 387	3 593 203
Current assets			
Inventories	18	10 582	11 134
Current tax assets	17	2 677	-
Other receivables	19	1 170	1 275
Cash and cash equivalents	20	6 514	16 320
TOTAL CURRENT ASSETS		20 943	28 729
GRAND TOTAL		3 185 330	3 621 932

Consolidated balance sheet at 30 June 2016

Equity and liabilities

(in thousands of euros)	Notes	30/06/2016	31/12/2015
Equity			
Share capital		25 073	25 157
Share premium		158 410	158 410
Reserves		2 308 552	2 585 594
Profit for the period (attributable to equity holders of the parent)		2 809	159 170
Total capital and reserves (attributable to equity holders of the parent)		2 494 844	2 928 331
Minority interests		(874)	(769)
TOTAL EQUITY		2 493 970	2 927 562
Non-current liabilities			
Non-current financial liabilities	21	503 865	593 194
Deferred tax liabilities	17	85 040	85 011
Provisions	22	398	398
Other non-current liabilities	23	7	325
TOTAL NON-CURRENT LIABILITIES		589 310	678 928
Current liabilities			
Current financial liabilities	21	98 656	4 642
Current tax liabilities	17	-	5 274
Other liabilities	23	3 394	5 526
TOTAL CURRENT LIABILITIES		102 050	15 442
GRAND TOTAL		3 185 330	3 621 932

Consolidated statement of cash flows

(in thousands of euros)	30/06/2016	30/06/2015
Consolidated net profit	2 703	151 385
Net additions to depreciation, amortisation and provisions	1 059	5 359
Gains or losses on disposals of non-current assets	(5 098)	(13 305)
Unrealised gains and losses resulting from changes in fair value	(1 057)	(106 140)
Share of profit or loss of equity-accounted entities, net of dividends received	(5 781)	(6 513)
Net cost of debt	5 267	5 844
Current and deferred tax expense	33 711	(8 418)
CASH FLOW BEFORE COST OF NET DEBT AND TAX (A)	30 804	28 212
Current tax expense (B)	414	(1 442)
Change in the operational working capital requirement (C)	(9 378)	3 232
NET CASH FLOW FROM OPERATING ACTIVITIES (D) =(A+B+C)	21 840	30 002
Purchases of property, plant and equipment and intangible assets	(73)	(847)
Income from disposals of property, plant and equipment and intangible assets	-	-
Purchases and sales of treasury shares	(25)	(30 620)
Purchases of long-term investments (available-for-sale securities)	(116 645)	29 737
Income from disposals of long-term investments (available-for-sale securities)	60 788	(14 955)
Change in other non-current assets	(5 339)	(1 188)
NET CASH FLOW FROM INVESTING ACTIVITIES (E)	(61 294)	(17 873)
Dividends paid during the period	(40 115)	(50 145)
Proceeds from new borrowings	77 274	339
Debt repayments	(1 243)	(119 151)
Change in other non-current financial liabilities	(1 000)	162 643
Net interest paid	(5 267)	(5 844)
NET CASH FLOW FROM FINANCING ACTIVITIES (F)	29 649	(12 158)
Impact of measuring investments in money-market UCITS at fair value (G)	(1)	(1)
CHANGE IN NET CASH AND CASH EQUIVALENTS (D+E+F+G)	(9 806)	(30)
Cash and cash equivalents at beginning of period	16 320	11 119
CASH AND CASH EQUIVALENTS AT END OF PERIOD	6 514	11 089

FFP

30 JUNE 2016

Statement of changes in consolidated equity

(in thousands of euros)	Par value of shares	Share premium	Treasury shares	Consolidated reserves and retained earnings	asset valuation reserve	Total
Equity at 01/01/2015 (attributable to equity holders of the parent)	25 157	158 410	(3 101)	1 264 429	790 859	2 235 754
. Comprehensive income in the first half of 2015				156 893	793 558	950 451
. Dividends paid with respect to 2014				(50 145)		(50 145)
. Treasury shares			(1 213)	24		(1 189)
Equity at 30/06/2015 (attributable to equity holders of the parent)	25 157	158 410	(4 314)	1 371 201	1 584 417	3 134 871
. Comprehensive income in the second half of 2015				3 373	(209 940)	(206 567)
. Treasury shares and other			29	(2)		27
Equity at 31/12/2015 (attributable to equity holders of the parent)	25 157	158 410	(4 285)	1 374 572	1 374 477	2 928 331
. Comprehensive income in the first half of 2016				(1 267)	(392 083)	(393 350)
. Dividends paid with respect to 2015				(40 115)		(40 115)
. Treasury shares	(84)		4 200	(4 138)		(22)
Equity at 30/06/2016 (attributable to equity holders of the parent)	25 073	158 410	(85)	1 329 052	982 394	2 494 844

Dividends paid in 2015 with respect to 2014 amounted to €50,145 thousand, or €2.00 per share.

Dividends paid in 2016 with respect to 2015 amounted to €40,115 thousand, or €1.60 per share.

Note 1. Accounting policies

The accounting principles used to prepare the financial statements for the six months ended 30 June 2016 are identical to those used for the year ended 31 December 2015. FFP's consolidated financial statements for full-year 2015 and the first half of 2016 were prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

All texts (standards, interpretations and amendments) published by the IASB, as adopted by the European Union and mandatorily applicable for financial statements for periods ending 30 June 2016, were applied. No text was applied early.

FFP's consolidated financial statements for the six months ended 30 June 2016 were prepared in accordance with IAS 34 "Interim financial reporting", which permits the presentation of a selection of notes. These financial statements must be read in conjunction with the full-year 2015 consolidated financial statements. Note 1 below covers only consolidation principles and principles applied to financial assets and liabilities (unchanged relative to 31/12/2015). For other information, please refer to the consolidated financial statements for the year ended 31/12/2015.

The first-half 2016 consolidated financial statements and the related notes were approved by FFP's Board of Directors on 9 September 2016.

SCOPE OF CONSOLIDATION

A. Parent company

FFP
Société anonyme (public limited company)
66 Avenue du Général de Gaulle
92200 Neuilly sur Seine
Business activity: investment management
Listing market: Euronext Paris (compartment A)

B. Subsidiaries

Subsidiaries are entities over which FFP has sole control. Subsidiaries are fully consolidated from the date on which control is transferred to FFP.

They are recognised at acquisition cost, which corresponds to the fair value of assets acquired and liabilities assumed, plus costs directly attributable to the acquisition. The surplus of the acquisition cost over the fair value of the acquired company's identifiable assets and liabilities is recognised as goodwill under intangible assets.

Intra-group transactions and balances on transactions between group companies are eliminated. The accounting policies of subsidiaries have been aligned with those of FFP.

C. Associates

Associates are all entities over which the group does not have control, but over which it has significant influence, which is generally the case if the group holds 20-50% of its voting rights. Investments in associates are accounted for under the equity method, on the basis of the associates' consolidated financial statements, and initially recognised at cost.

The ownership percentage used for consolidation purposes is calculated by dividing the number of shares held in the associate by the associate's total number of shares in issue minus treasury shares that are destined to be cancelled.

FINANCIAL ASSETS AND LIABILITIES

The group classifies its financial assets (excluding investments in associates) in the following categories:

- Available-for-sale securities, divided between investments in non-consolidated companies and Portfolio Investment Securities;
- Loans and receivables;
- Assets measured at fair value through profit and loss, mainly warrants, cash and cash equivalents.

The classification depends on the reasons for which the financial assets were acquired. That classification is determined at initial recognition.

A. Non-current financial assets

a. Investments in associates

This item includes investments in associates accounted for under the equity method.

Measurement

The group's share in the net profit of associates after the acquisition is recognised under consolidated profit, and the group's share of changes in equity (with no impact on profit) after the acquisition is recognised directly in equity. The carrying amount of the investment is adjusted to reflect cumulative changes after the acquisition.

Impairment

At each balance sheet date, FFP examines whether there is an objective indication of non-temporary and substantial impairment in each of its investments in associates, such as a material change that has a negative effect on the technological, market, economic or legal environment in which each company operates. If such an indication is found, an impairment test is performed. Where the recoverable amount is lower than the carrying amount, the investment in the associate is written down. The recoverable amount of the investment is the higher of its fair value less costs to sell and value in use. Value in use may be calculated in several ways: peer-group comparison, discounted estimated future cash flows where FFP has reliable medium-term cash flow projections, and the company's net worth.

b. Available-for-sale securities

b1. Investments in non-consolidated companies

This item includes securities in companies over which FFP has neither sole control, joint control nor significant influence. The securities are held for an indeterminate period. They are recognised at purchase cost including material related costs.

Measurement

At each balance sheet date, securities are measured at fair value. Changes in fair value are taken to equity, net of deferred tax.

The fair value of listed companies is based on the period-end market share price.

The fair value of unlisted companies is determined as follows:

- Assets acquired recently, generally in the last year, are measured at cost, except where the company's economic variables (e.g. operations, balance sheet and liquidity) have deteriorated materially;
- Other companies are valued on the basis of:
 - discounted cash flows where possible,
 - various multiples, particularly market multiples, transaction multiples or, where applicable, multiples stated in shareholder agreements signed by FFP,
 - with reference to Net Asset Value,
 - otherwise and where fair value cannot be measured in a reliable and appropriate manner, at historic cost, except where the company's economic variables have deteriorated materially.

Impairment

At each balance sheet date, FFP examines whether there is an objective indication of non-temporary or substantial impairment of financial assets. The following objective indications of impairment are used:

- material changes, with a negative effect on the technological, market, economic or legal environment in which the company operates;
- a material or prolonged decline in the fair value of the shares their purchase cost. FFP takes the view that a decline is material if the price or valuation has fallen by 30% relative to purchase cost; the decline is prolonged if the price or valuation has been below purchase cost for more than one year.

Securities in companies that are similar to private equity funds are written down using the same criteria as those used for private equity funds (see section b2).

Where a decline in the value of a security is established, the cumulative fair value adjustments recognised in equity are taken to income.

If fair value subsequently increases, the unrealised gain is recognised in equity until the final disposal of the securities.

b2. Portfolio Investment Securities

This portfolio consists mainly of units in private equity funds and diversified UCITS, which represent investments over varying timeframes, with the aim of generating a satisfactory return from them.

These securities fall into the "available-for-sale securities" category.

Subscription commitments are also reported in this item, with a balancing entry in the "non-current financial liabilities" item for their nominal value (see sub-section C below).

Measurement

At each balance sheet date, fair value is measured on the basis of the closing market price for listed securities, the last reported net asset value for asset management companies, or any other information that is representative of a transaction value (see above "Measurement of unlisted securities"). Changes in fair value are taken to equity, net of deferred tax.

Impairment

Impairment may be recorded where fair value declines in a material or prolonged manner below the securities' purchase cost:

- for listed securities, the same criteria are used as for equity securities;
- for private equity funds more than 90% invested, impairment is recognised if net asset value remains below the purchase price in a material (at least 30%) or prolonged (more than one year) manner.

Impairment is treated in the same way as with equity securities.

b3. Accounting treatment of income linked to available-for-sale securities

Where available-for-sale securities are sold, cumulative fair value adjustments recognised in equity are taken to income under "income from available-for-sale securities".

Dividends received from these securities are recognised in the income statement under "Income from available-for-sale securities" following the dividend payment decisions taken in the companies' AGMs.

c. Other non-current financial assets

This item mainly includes the warrants granted to Peugeot SA shareholders in advance of the capital increases carried out in 2014. They are recognised as assets and designated as at fair value. They were initially measured in proportion to their value with respect to the Peugeot SA share price the day before they were detached. The change in value relative to the previous period is taken to income.

B. Current financial assets

a. Other receivables

These are initially recorded at fair value then measured at amortised cost less impairment provisions. An impairment provision is set aside where there is an objective indication that it will be difficult to recover all amounts due under the initial terms of the transaction. Any loss of value is taken to income.

b. Cash and cash equivalents

Cash and cash equivalents include demand deposits held with banks, units in money-market funds and negotiable debt instruments that are readily convertible into known amounts of cash and are subject to a non-material risk of changes in value in the event of an increase in interest rates. All these components are measured at fair value.

Interest income is recognised on a *pro rata temporis* basis using the effective interest-rate method.

C. Non-current financial liabilities

Non-current financial liabilities mainly include long-term borrowings and firm commitments to subscribe to private equity funds.

Borrowings are initially recognised at fair value, net of transaction costs. They are subsequently recognised at amortised cost. They are not discounted.

Commitments to subscribe to private equity funds are recorded under assets and liabilities at their nominal value without discounting, since discounting has no material impact.

D. Derivative instruments – Hedging instruments

FFP has hedged the risk of interest-rate movements on part of its borrowings with interest-rate swaps.

The effective portion of the change in fair value of these swaps, which meet the criteria for cash flow hedging, is taken directly to equity. The gain or loss resulting from the ineffective portion is taken immediately to income for the year.

Changes in the fair value of financial instruments that do not qualify as hedges are taken to income.

To measure the fair value of hedging instruments, CVA-DVA impacts are deemed to be non-material and so are not recognised.

Note 2. Information on Peugeot SA securities

Following the reorganisation of Peugeot SA's ownership structure in 2014, FFP now owns 84,323,161 Peugeot SA shares and 59,246,340 warrants.

The shares are now recognised as available-for-sale securities under "Investments in non-consolidated companies". They were valued at the market share price on 30 June 2016, i.e. €10.82. The change in fair value of these AFS securities relative to their consolidated carrying amount is €127 million, which is taken directly to equity net of deferred taxes.

The warrants are recognised as financial assets at fair value through profit or loss under "Other non-current assets". They are measured at the closing market price of €1.59, giving a total amount of €94.2 million. The €109.6 million decline in value relative to 1 January 2016 is taken to income for the first half of 2016.

In addition, in the first half of 2015, FFP sold 20,736,221 call options on Peugeot SA shares, expiring on 31 March 2017 and with a strike price of €6.428 per share, the same as the warrant strike price. If the banks exercise their options, FFP will have to deliver Peugeot SA shares and will then exercise its warrants to bring the number of Peugeot SA shares it holds back up to the level prior to the sale of those options.

FFP received total premiums of €163.5 million from selling the call options. The fair value of these instruments at 30 June 2016 is recognised under non-current financial liabilities in an amount of €94 million. The difference with respect to the fair value at the end of the previous period (€204.6 million) represents a gain of €110.6 million, which is taken to income for the first half of 2016 net of tax.

Overall, the warrant transactions affected profits for the first half of 2016 as follows:

Warrant revaluation effect:	-€109.6 million;
Measurement of options:	<u>+€110.6 million</u>
Gross total:	+€1.0 million
Deferred tax:	<u>-€33.6 million</u>
Net impact on the income statement:	-€32.6 million

Note 3 **Scope of consolidation**

3.1 Scope of consolidation at 30/06/2016

The scope of consolidation consists of:

Fully consolidated companies:	% control	% interest
The parent company FFP		
- FFP Invest	100,00%	100,00%
- FFP Investment UK	100,00%	100,00%
- FFP US-1	100,00%	100,00%
- FFP US-CC	100,00%	100,00%
- FFP-Les Grésillons (private partnership)	100,00%	100,00%
- Financière Guiraud (SAS)	71,62%	71,62%
- Château Guiraud (private farming partnership)	100,00%	71,62%
Companies accounted for under the equity method:		
- Zéphyr Investissements		46,67%
- LDAP		45,00%
- OPCI Lapillus		23,26%
- Compagnie Industrielle de Delle (CID)		25,25%
- LISI		5,09%

3.2 Changes in scope and ownership percentages

FFP US-1 and FFP US-CC

FFP US-1 and FFP US-CC were set up in early 2016 and are wholly owned by FFP Invest. Their purpose is to carry out investments in US real-estate projects.

OPCI Lapillus II

Via its FFP Invest subsidiary, FFP has acquired 23.26% of OPCI Lapillus II. The company's purposes is to invest in buildings that it lets out to tenants.

Holding Reinier

After the disposal of 1,697,579 shares in Holding Reinier to the Reinier family group in January 2016, the ownership percentage fell from 23.48% to 11.18%. After that transaction, Holding Reinier shares were reclassified from shares in companies accounted for under the equity method to available-for-sale securities in non-consolidated companies.

LISI

Unchanged relative to 31 December 2015. The ownership percentage does not in itself require FFP to consolidate this company. However, FFP has significant influence over LISI, particularly because two of its directors sit on LISI's Board of Directors, one as a permanent representative of Compagnie Industrielle de Delle, which owns a 54.9% stake in LISI and in which FFP owns a 25.25% stake.

Zéphyr Investissements

Unchanged relative to 31 December 2015. On 5 October 2015, FFP (via its FFP Invest subsidiary) acquired 14,000,000 shares in Zéphyr Investissements, representing a 46.67% stake, for €14,000 thousand. Zéphyr Investissements owns a 6.47% stake in Eren Renewable Energy.

LDAP

Unchanged relative to 31 December 2015. FFP (via its FFP Invest subsidiary) owns a 45% stake in LDAP. This company, which was set up in conjunction with Louis Dreyfus Armateurs, began operating in 2015.

Compagnie Industrielle de Delle

Unchanged relative to 31 December 2015.

FFP

30 JUNE 2016

Note 4	Income from available-for-sale securities and other long-term investments	
(in thousands of euros)	30/06/2016	30/06/2015
Income		
Dividends	33 657	31 412
Disposal gains	5 098	13 305
Total	38 755	44 717
Expenses		
Disposal losses	-	-
Total	-	-
GROSS INCOME STATEMENT IMPACT	38 755	44 717
Remeasurement at fair value	1 058	106 141
INCOME STATEMENT IMPACT	39 813	150 858

Disposal gains correspond to capital gains realised on money returned by private equity funds.

The "remeasurement at fair value" item includes a negative impact of €109,605 thousand relating to the Peugeot SA warrants, and a positive impact of €110,663 thousand relating to the calls on Peugeot SA shares.

Note 5	Income from investment properties	
(in thousands of euros)	30/06/2016	30/06/2015
Income		
Rent and other revenue	659	658
Expenses invoiced to tenants	117	122
Total	776	780
Expenses		
Rental and building management expenses	(118)	(122)
Total	(118)	(122)
GROSS INCOME STATEMENT IMPACT	658	658
Remeasurement at fair value	-	-
INCOME STATEMENT IMPACT	658	658

Note 6	Income from other activities	
(in thousands of euros)	30/06/2016	30/06/2015
Income		
Sales of merchandise	2 238	820
Other revenue	94	88
Change in inventories	(576)	494
INCOME STATEMENT IMPACT	1 756	1 402

FFP

30 JUNE 2016

Note 7 General administrative expenses

(in thousands of euros)	30/06/2016	30/06/2015
Administrative expenses		
Staff	(3 486)	(2 942)
External expenses	(2 966)	(5 103)
Other expenses	(2 669)	(1 690)
GROSS INCOME STATEMENT IMPACT	(9 121)	(9 735)
Depreciation and amortisation of non-current assets (excluding investment properties)	(177)	(161)
INCOME STATEMENT IMPACT	(9 298)	(9 896)

Note 8 Cash management income

(in thousands of euros)	30/06/2016	30/06/2015
Income		
Cash investments		
- Disposal gains	5	13
- Other income	-	314
GROSS INCOME STATEMENT IMPACT	5	327
Remeasurement at fair value	(1)	(1)
INCOME STATEMENT IMPACT	4	326

Note 9 Impairment of available-for-sale securities

(in thousands of euros)	30/06/2016	30/06/2015
Portfolio Investment Securities	(804)	(4 878)
INCOME STATEMENT IMPACT	(804)	(4 878)

Note 10 Cost of debt

(in thousands of euros)	30/06/2016	30/06/2015
Interest on FFP borrowings	(5 173)	(5 737)
Other	(94)	(107)
INCOME STATEMENT IMPACT	(5 267)	(5 844)

Cost of debt includes the impact of interest-rate hedges.

FFP

30 JUNE 2016

Note 11 Share in the profit or loss of associates

(in thousands of euros)	30/06/2016	30/06/2015
Share in the profit or loss of associates		
Holding Reinier	-	2 267
Compagnie Industrielle de Delle (CID)	8 075	5 877
LISI	3 008	2 197
LDAP	(1 591)	-
OPCI Lapillus	-	-
Zéphyr investment	60	-
INCOME STATEMENT IMPACT	9 552	10 341

Note 12 Income tax expense

Note 12.1 Income tax expense

(in thousands of euros)	30/06/2016	30/06/2015
Current tax expense	414	(1 442)
Deferred tax	(34 125)	9 860
INCOME STATEMENT IMPACT	(33 711)	8 418

FFP and FFP Invest have elected to adopt the tax consolidation regime since 1 January 2012.

12.2. Reconciliation between the statutory tax rate in France and the effective tax rate in the consolidated financial statements

(in thousands of euros)	30/06/2016	30/06/2015
Statutory tax rate in France	(34,4)	(34,4)
Effect of companies accounted for under the equity method	8,9	2,3
Income taxable at reduced rates	(60,6)	40,5
Other permanent differences	(6,5)	(2,5)
Effective tax rate in the consolidated financial statements	(92,6)	5,9

Permanent differences arise mainly from unrealised capital gains in the securities portfolio.

The current tax expense corresponds to income tax payable to the French tax authorities in respect of the financial year.

The basic rate of income tax is 34.433%, since FFP is subject to the 3.3% social contribution.

Disposal gains on equity securities eligible for long-term capital gains taxation are taxed at 4.132%.

Capital gains on the securities of mostly property-related companies are taxed at 19%.

Deferred tax assets and liabilities have been calculated accordingly.

Note 13 Earnings per share

Earnings per share are shown at the bottom of the consolidated income statement.

They were calculated on the basis of all shares making up the share capital, i.e. 25,072,589 shares.

There are no financial instruments giving eventual access to the capital.

Note 14 Details of other comprehensive income

(in thousands of euros)	30/06/2016			30/06/2015		
	Before tax	Tax	After tax	Before tax	Tax	After tax
Impact of equity-accounted companies on comprehensive income	(2 401)	-	(2 401)	4 580	-	4 580
Remeasurements of available-for-sale securities at fair value	(406 945)	18 989	(387 956)	827 582	(38 662)	788 920
Remeasurements of derivative instruments at fair value	(7 210)	2 483	(4 727)	7 075	(2 437)	4 638
Other remeasurements taken directly to equity	(1 475)	400	(1 075)	315	-	315
Total	(418 031)	21 872	(396 159)	839 552	(41 099)	798 453

FFP

30 JUNE 2016

Note 15 Property, plant and equipment

Changes in 2016, depreciation and impact of fair value measurement

(in thousands of euros)	Land	Buildings	Investment properties	Vineyards	Other	Total
Gross						
At beginning of period	13 341	1 505	15 613	2 575	3 743	36 777
Purchases/additions	6	-	-	-	67	73
Disposals	-	-	-	-	(17)	(17)
Fair value remeasurement	-	-	-	-	-	-
At end of period	13 347	1 505	15 613	2 575	3 793	36 833
Depreciation						
At beginning of period	-	1 042	-	1 448	2 425	4 915
Purchases/additions	-	19	-	30	122	171
Disposals	-	-	-	-	-	-
At end of period	-	1 061	-	1 478	2 547	5 086
Net amount at beginning of period	13 341	463	15 613	1 127	1 318	31 862
Net amount at end of period	13 347	444	15 613	1 097	1 246	31 747

The investment property was externally appraised in December 2015.

Note 16 Non-current financial assets

16.1. Position at 30/06/2016

(in thousands of euros)	% control	Cost	Prior impairment on remaining securities	Cost net of prior impairment	Measurement at 30 June		Impact of equity-accounted companies or fair value measurement taken to equity	Amount on the balance sheet 30/06/2016	Amount on the balance sheet 31/12/2015	
					Per unit (in euros) (3) €	Overall				
Securities										
I - Securities in associates (accounted for under the equity method)										
Holding Reinier										
									90 000	
Compagnie Industrielle de Delle (CID)	25,25	7 101	-	7 101		115 011	-	107 910	115 011	111 296
LDAP	45,00	19 403	-	19 403		18 860	-	(543)	18 860	15 994
LISI	5,09	14 889	-	14 889		41 682	-	26 793	41 682	40 329
OPCI Lapillus	23,26	10 000	-	10 000		10 000	-	-	10 000	-
Zephyr Investissement	46,67	14 000	-	14 000		14 060	-	60	14 060	14 000
Subscription commitments		14 000	-	14 000		14 000	-	-	14 000	14 000
TOTAL		79 393	-	79 393		213 613	-	134 220	213 613	285 619
II - Available-for-sale assets - Investments in non-consolidated companies										
Peugeot SA	10,41	784 696	-	784 696	10,82	911 955	-	127 259	911 955	1 366 457
Zodiac Aerospace	5,17	183 899	(51 235)	132 664	21,11	316 569	-	183 905	316 569	329 540
DKSH	5,87	49 387	-	49 387	58,62	223 921	-	174 534	223 921	223 348
SEB SA	5,03	80 088	(25 976)	54 112	108,90	274 594	-	220 482	274 594	238 536
ORPEA	6,32	114 854	-	114 854	73,18	278 915	-	164 061	278 915	281 202
Immobilière Dassault	19,70	25 764	(4 142)	21 622	40,99	50 621	-	28 999	50 621	43 023
IDI	10,06	25 714	(15 838)	9 876	25,14	18 255	-	8 379	18 255	17 987
CIEL	7,55	16 355	-	16 355	0,15	17 454	-	1 099	17 454	19 238
Other securities		270 431	-	270 431		303 290	-	32 859	303 290	166 431
TOTAL		1 551 188	(97 191)	1 453 997		2 395 574	-	941 577	2 395 574	2 685 762
III - Available-for-sale assets - Portfolio Investment Securities										
Private equity funds										
French LBO funds		30 064	(10 515)	19 549		47 428	-	27 879	47 428	48 817
Co-investments		65 150	(7 586)	57 564		92 238	-	34 674	92 238	81 955
Emerging-market funds		32 539	(2 104)	30 435		48 260	(291)	18 116	48 260	50 999
Other funds		30 531	(4 511)	26 020		33 150	-	7 130	33 150	16 108
Subscription commitments		162 896	-	162 896		162 896	-	-	162 896	131 850
Total private equity funds		321 180	(24 716)	296 464		383 972	(291)	87 799	383 972	329 729
Other investments										
Equities		42 451	(7 537)	34 914		28 624	(513)	(5 777)	28 624	33 490
Other		8	(8)	-		-	-	-	-	-
Total other investments		42 459	(7 545)	34 914		28 624	(513)	(5 777)	28 624	33 490
TOTAL (1)		363 639	(32 261)	331 378		412 596	(804)	82 022	412 596	363 219
IV - Other non-current assets										
Peugeot SA (warrants) (2)		87 210	-	87 210		94 202	-	6 992	94 202	203 807
Other		7 972	-	7 972		7 972	-	-	7 972	2 024
TOTAL		95 182	-	95 182		102 174	-	6 992	102 174	205 831
GRAND TOTAL		2 089 402	(129 452)	1 959 950		3 123 957	(804)	1 164 811	3 123 957	3 540 431

(1) The remeasurement of Portfolio Investment Securities at fair value, with changes taken to equity, totalled €82,022 thousand, consisting of an unrealised gain of €88,572 thousand and an unrealised loss of €6,550 thousand.

(2) Including a negative fair value adjustment of €109,605 thousand taken to income in relation to Peugeot SA warrants.

(3) Net of dividends receivable.

FFP

30 JUNE 2016

Note 16 Non-current financial assets

16.2. Changes during 2015

(in thousands of euros) Securities	At 1 January 2016		Additions		Disposals		At 30 June 2016	
	Number	Cost	Number	Cost	Number	Cost	Number	Cost
I - Securities in associates (accounted for under the equity method)								
Holding Reinier	3 395 158	72 079		-	3 395 158	(72 079)	-	-
Compagnie Industrielle de Delle (CID)	40 265	7 101		-		-	40 265	7 101
LDAP	15 035 301	14 788	4 732 344	4 615		-	19 767 645	19 403
LISI	2 750 000	14 889		-		-	2 750 000	14 889
OPCI Lapillus			100 000	10 000		-	100 000	10 000
Zephyr Investissement	14 000 000	14 000		-		-	14 000 000	14 000
Subscription commitments		14 000		-		-		14 000
TOTAL		136 857		14 615		(72 079)		79 393
II - Available-for-sale assets - Investments in non-consolidated companies								
Peugeot SA	84 323 161	784 696		-		-	84 323 161	784 696
Zodiac	14 996 135	183 899		-		-	14 996 135	183 899
DKSH	3 820 000	49 387		-		-	3 820 000	49 387
SEB	2 521 522	80 088		-		-	2 521 522	80 088
ORPEA	3 811 353	114 854		-		-	3 811 353	114 854
Immobilière Dassault	1 210 209	24 917	24 748	847		-	1 234 957	25 764
IDI	726 146	25 714		-		-	726 146	25 714
CIEL	114 887 172	16 355		-		-	114 887 172	16 355
Other securities		144 992		125 439		-		270 431
TOTAL		1 424 902		126 286		-		1 551 188
III - Available-for-sale assets - Portfolio Investment Securities								
Private equity funds								
French LBO funds		30 284		125		(345)		30 064
Co-investments		66 465		-		(1 315)		65 150
Emerging-market funds		31 704		4 324		(3 489)		32 539
Other funds		20 916		17 146		(7 531)		30 531
Subscription commitments		131 850		54 427		(23 381)		162 896
Total private equity funds		281 219		76 022		(36 061)		321 180
Other investments								
Equities		42 436		15		-		42 451
Other		8		-		-		8
Total other investments		42 444		15		-		42 459
TOTAL		323 663		76 037		(36 061)		363 639
IV - Other non-current assets								
Peugeot SA (warrants)	59 246 340	87 210		-		-	59 246 340	87 210
Other		2 024		7 768		(1 820)		7 972
TOTAL		89 234		7 768		(1 820)		95 182
GRAND TOTAL		1 974 656		224 706		(109 960)		2 089 402

FFP

30 JUNE 2016

Note 17 Tax receivable and payable

(in thousands of euros)	Start of period	Goodwill	Profit/loss	Equity	Payments	End of period
Current tax liabilities	(5 274)	-	-	-	5 274	-
Current tax assets	-	-	414	-	2 263	2 677
Sub-total	(5 274)	-	414	-	7 537	2 677
Deferred tax assets	20 891	-	(14 705)	2 483	-	8 669
Deferred tax liabilities	(85 011)	-	(19 420)	19 391	-	(85 040)
Sub-total	(64 120)	-	(34 125)	21 874	-	(76 371)
Total	(69 394)	-	(33 711)	21 874	7 537	(73 694)

Note 18 Inventories

(in thousands of euros)	30/06/2016			31/12/2015		
	Gross	Provision	Net	Gross	Provision	Net
Wine	10 419	1 016	9 403	11 900	937	10 963
Other	1 179	-	1 179	171	-	171
Total	11 598	1 016	10 582	12 071	937	11 134

Note 19 Other receivables

(in thousands of euros)	30/06/2016			31/12/2015		
	Gross	Provision	Net	Gross	Provision	Net
Trade receivables	276	-	276	331	-	331
Government tax receivables (exclud	286	-	286	297	-	297
Other receivables	608	-	608	647	-	647
Total	1 170	-	1 170	1 275	-	1 275

FFP

30 JUNE 2016

Note 20 Cash and cash equivalents

Cash and cash equivalents

(in thousands of euros)	30/06/2016	31/12/2015
Money-market UCITS	4 210	6 153
Cash	2 304	10 167
Total cash and cash equivalents	6 514	16 320

The "Money-market UCITS" item consists of units in regular money-market SICAV funds expressed in euros.

Note 21 Current and non-current financial liabilities

21.1. Position

(in thousands of euros)	30/06/2016	31/12/2015
Bank borrowings		
- FFP	292 000	216 000
- Château Guiraud	7 314	7 519
Subscription commitments and shares not paid-up	188 632	156 336
Derivative instruments	15 819	213 240
Other	100	99
Total non-current financial liabilities	503 865	593 194
Bank borrowings		
- Château Guiraud	3 374	3 398
Derivative instruments (1)	93 968	-
Accrued interest on borrowings	1 314	1 244
Total current financial liabilities	98 656	4 642
Total financial liabilities	602 521	597 836

(1) FFP has sold 20,736,221 call options relating to the same number of Peugeot SA shares. The fair value of those instruments at 30 June 2016 came to €93,968 thousand.

FFP has hedged its credit facilities against interest-rate risk by taking out fixed-for-floating interest-rate swaps in an amount of €280,000 thousand. The fair value of those instruments at 30 June 2016 was €15,819 thousand.

Subscription commitments and shares not paid-up comprised US-dollar commitments of €103,268 thousand at 30 June 2016 and €71,257 thousand at 31 December 2015.

All other commitments are stated in euros.

FFP

30 JUNE 2016

Note 21 Current and non-current financial liabilities

21.2. Maturity schedule at 30/06/2016

Amounts due (in thousands of euros)	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Bank borrowings				
- FFP borrowings	-	292 000	-	292 000
- Château Guiraud borrowings	3 374	1 596	5 718	10 688
Derivative instruments	93 968	15 819	-	109 787
Subscription commitments and shares not paid-up (1)	-	188 632	-	188 632
Accrued interest on borrowings and other	1 314	100	-	1 414
Total (2)	98 656	498 147	5 718	602 521

(1) Since calls are made by funds depending on their respective investments, and generally within 5 years from the subscription of units, their timing cannot be determined accurately, and so they have been included in the "between 1 and 5 years" category. These calls correspond to commitments at their nominal value, without any discounting effect.

(2) The portion due in less than 1 year breaks down as follows: €4,396 thousand in less than 3 months and €94,260 thousand in between 3 and 12 months.

A new €50 million credit facility due to expire in 2019 has been taken out.

21.3. Subscription commitments and shares not paid-up

(in thousands of euros)	30/06/2016	31/12/2015
Investments in associates		
Unlisted company	15 535	14 000
Available-for-sale securities		
Equity securities		
Unlisted securities	2 263	2 263
Portfolio Investment Securities		
French LBO funds	26 963	27 373
Co-investments	901	919
Emerging-market funds	43 918	35 514
Other funds	99 052	76 267
Total	188 632	156 336

FFP

30 JUNE 2016

Note 22 Provisions

(in thousands of euros)	01/01/2016	Provisions for business combinations	Additions	Releases		30/06/2016
				Amounts used	Amounts unused	
Employee benefits	398	-	-	-	-	398
Total	398	-	-	-	-	398

Note 23 Other current and non-current liabilities

(in thousands of euros)	30/06/2016	31/12/2015
Customer advances due in more than 1 year	7	325
Total other non-current liabilities	7	325
Customer advances	550	952
Tax and social security liabilities (excluding income tax)	2 019	2 714
Other liabilities	825	1 860
Total other current liabilities	3 394	5 526
Total other liabilities	3 401	5 851

Note 24 Change in working capital requirement

(in thousands of euros)	30/06/2016	31/12/2015
(Increase)/decrease in inventories	530	(713)
(Increase)/decrease in receivables	105	(163)
Change in tax	(7 951)	6 417
Increase/(decrease) in debt	(2 062)	2 146
Total change in working capital requirement	(9 378)	7 687

Note 25 Market risk management

There was no material change in methods used to manage market risks relative to those described in the 2015 consolidated financial statements.

FFP

30 JUNE 2016

Note 26 Segment reporting

FFP is one of the three largest shareholders in Peugeot SA and is a long-term shareholder in other companies. Its business activities also involve financial investments and cash management, as well as real-estate and winemaking activities, which remain marginal in terms of their contribution to revenue, profits and risks. The information presented below is based on figures in each of FFP's business areas, with "Other segments" covering the real-estate and winemaking businesses. The "Reconciliation" column shows the unallocated amounts in each segment that allow segment figures to be reconciled with the financial statements.

Segment reporting at 30 June 2016

(in thousands of euros)	PSA Peugeot Citroën group	Investments	Net cash/ (debt)	Other segments	Reconciliation	Total
Dividends	-	33 657	-	-	-	33 657
Net disposal gains	-	5 098	-	-	-	5 098
Unrealised gains and losses	1 058	-	-	-	-	1 058
Business revenue	-	-	-	2 414	-	2 414
Income from ordinary activities	1 058	38 755	-	2 414	-	42 227
General administrative expenses	-	139	-	(1 963)	(7 474)	(9 298)
Cash management income	-	-	4	-	-	4
Impairment of available-for-sale securities	-	(804)	-	-	-	(804)
Cost of debt	-	-	(5 173)	(94)	-	(5 267)
Pre-tax profit from consolidated companies	1 058	38 090	(5 169)	357	(7 474)	26 862
Share in profit of associates	-	9 552	-	-	-	9 552
Consolidated pre-tax profit	1 058	47 642	(5 169)	357	(7 474)	36 414
Income tax	-	-	-	-	(33 711)	(33 711)
Consolidated net profit	1 058	47 642	(5 169)	357	(41 185)	2 703
Segment assets						
Intangible assets and property, plant and equipment	-	-	-	30 850	911	31 761
Non-current financial assets	1 006 157	2 117 589	-	31	180	3 123 957
Of which investments in companies accounted for under the equity	-	213 613	-	-	-	213 613
Deferred tax assets	-	9	5 447	-	3 213	8 669
Current assets	-	-	6 485	11 204	3 254	20 943
Total assets	1 006 157	2 117 598	11 932	42 085	7 558	3 185 330
Segment equity and liabilities						
Non-current financial liabilities	47 000	188 634	260 819	7 412	-	503 865
Current financial liabilities	93 974	-	1 254	3 428	-	98 656
Equity including minority interests	-	-	-	-	2 493 970	2 493 970
Other liabilities	44 619	34 086	-	7 858	2 276	88 839
Total equity and liabilities	185 593	222 720	262 073	18 698	2 496 246	3 185 330
Net investment	-	68 145	-	14	36	68 195

FFP

30 JUNE 2016

Note 27 Related party transactions

27.1. Associates

At 30 June 2016, the balance of the current-account advance granted by FFP to OPCI Lapillus II was €1,537 thousand. The advance bears interest at an annual rate of 1%.

27.2. Related parties that have significant influence over the group

No transactions are carried out with any directors or officers or any shareholder owning more than 5% of FFP's capital.

Note 28 Off-balance sheet commitments

(in thousands of euros)	30/06/2015	31/12/2015
Reciprocal commitments		
Undrawn credit facilities	375 000	401 000
Pre-orders of wine on an "en primeur" basis	1 197	1 482
Commitments given	-	-
Collateral given for borrowings	53 715	58 253

Other commitments

At 30 June 2016:

- borrowings amounting to €7,000 thousand were secured by a first mortgage on real estate owned by Château Guiraud;
- borrowings amounting to €2,500 thousand were secured by wine inventories (2015: €1,500 thousand).

Securities pledged as collateral for borrowings from financial institutions:

- 5,683,192 Peugeot SA shares pledged to BNP Paribas as security for a €47,000 thousand loan taken out by FFP.

In February and March 2015, FFP sold to two banks 20,736,221 call options on Peugeot SA shares, expiring on 31 March 2017 and with a strike price of €6.428 per share, the same as the strike price of the Peugeot SA warrants obtained at the time of the reorganisation of Peugeot SA's ownership structure in the spring of 2014.

Note 29 Post-balance sheet events

None.

AUDITORS' REPORT ON THE HALF-YEAR FINANCIAL STATEMENTS

FFP

Société anonyme au capital de 25 157 273 €

Siège social : 66 avenue Charles de Gaulle 92522 Neuilly sur
Seine

RCS : Nanterre 562 075 390

Rapport des commissaires aux comptes sur l'information financière semestrielle

Période du 1^{er} janvier 2016 au 30 juin 2016

SEC3

MAZARS

FFP

*Information
financière
semestrielle
Période du 1^{er}
janvier 2016 au 30
juin 2016*

Rapport des commissaires aux comptes sur l'information financière semestrielle

Aux Actionnaires,

En exécution de la mission qui nous a été confiée par votre assemblée générale, et en application de l'article L. 451-1-2 III du code monétaire et financier, nous avons procédé à :

- l'examen limité des comptes consolidés semestriels condensés de la société FFP, relatifs à la période du 1^{er} janvier 2016 au 30 juin 2016, tels qu'ils sont joints au présent rapport ;
- la vérification des informations données dans le rapport semestriel d'activité.

Ces comptes semestriels condensés ont été établis sous la responsabilité du conseil d'administration. Il nous appartient, sur la base de notre examen limité, d'exprimer notre conclusion sur ces comptes.

I - Conclusion sur les comptes

Nous avons effectué notre examen limité selon les normes d'exercice professionnel applicables en France.

Un examen limité consiste essentiellement à s'entretenir avec les membres de la direction en charge des aspects comptables et financiers et à mettre en œuvre des procédures analytiques. Ces travaux sont moins étendus que ceux requis pour un audit effectué selon les normes d'exercice professionnel applicables en France. En conséquence, l'assurance que les comptes, pris dans leur ensemble, ne comportent pas d'anomalies significatives obtenue dans le cadre d'un examen limité est une assurance modérée, moins élevée que celle obtenue dans le cadre d'un audit.

Sur la base de notre examen limité, nous n'avons pas relevé d'anomalies significatives de nature à remettre en cause la conformité des comptes consolidés semestriels condensés avec la norme IAS 34 – norme du

référentiel IFRS tel qu'adopté dans l'Union européenne relative à l'information financière intermédiaire.

II - Vérification spécifique

Nous avons également procédé à la vérification des informations données dans le rapport semestriel d'activité commentant les comptes consolidés semestriels condensés sur lesquels a porté notre examen limité.

Nous n'avons pas d'observation à formuler sur leur sincérité et leur concordance avec les comptes consolidés semestriels condensés.

Fait à Paris et à Paris la Défense, le 9 septembre 2016

Les Commissaires aux comptes

SEC 3

MAZARS

Philippe SPANDONIS

Jean LATORZEFF

**DECLARATION BY THE PERSON RESPONSIBLE FOR THE HALF-YEAR
FINANCIAL REPORT**

DECLARATION BY THE PERSON RESPONSIBLE FOR THE HALF-YEAR FINANCIAL REPORT

Person responsible for the half-year financial report

Robert Peugeot, Chairman and Chief Executive Officer

Declaration by the person responsible for the half-year financial report

I hereby declare that, to the best of my knowledge, the condensed financial statements for first half of 2016 have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets and liabilities, the financial position and results of the company and all the companies included in the scope of consolidation, and that the half-year report on operations provides an accurate description of the significant events during the first six months of the financial year, their impact on the financial statements, the main transactions between related parties and a description of the main risks and contingencies for the remaining six months of the financial year.

Paris, 12 September 2016

Robert Peugeot
Chairman and Chief Executive
Officer