



MAY 11TH, 2016

ANNUAL GENERAL MEETING OF MERSEN'S SHAREHOLDERS

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- PRESENTATION OF MOTIVES
- DRAFT RESOLUTIONS
- SHORT PRESENTATION OF THE COMPANY AND MERSEN' GROUP FINANCIAL SITUATION
- FIVE-YEAR FINANCIAL SITUATION

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MERSEN SA
Corporation with capital of €41,273,708
Registered Office: Tour EQHO
2, Avenue Gambetta
F-92400 Courbevoie La Défense 5

NOTICE OF SHAREHOLDERS' MEETING

Dear shareholders, you are convened to the Combined General Meeting on Wednesday 11 May 2016 at 10:00 am at Tour EQHO – 2 Avenue Gambetta – F-92400 Courbevoie La Défense 5 in order to deliberate on the agenda and the following draft resolutions:

Agenda for the Combined General Meeting on 11 May 2016

Acting as the Ordinary General Meeting:

1. Approval of the annual accounts for the period ending 31 December 2015
2. Approval of the consolidated accounts for the period ending 31 December 2015
3. Appropriation of the results of the Company and setting of the amount of the dividend
4. Approval of the undertakings with respect to Articles L.225-88 and L.225-90-1 of the Commercial Code with M. Luc Themelin
5. Advisory opinion on the compensation and benefits owed and attributable to M. Luc Themelin, President of the Executive Board for the period ending 31 December 2015
6. Advisory opinion on the compensation and benefits owed and attributable to Messrs Thomas Baumgartner, Christophe Bommier and Didier Muller, members of the Executive Board for the period ending 31 December 2015
7. Renewal of appointment of Deloitte et Associés as Statutory Auditors
8. Renewal of appointment of Beas as supplementary Auditors
9. Appointment of KPMG S.A. as Statutory Auditors
10. Appointment of Salustro Reydel as supplementary Auditors
11. Ratification of the transfer of the registered office of the Company.

Acting as an Extraordinary General Meeting:

12. Change in the methods of administration and direction of the company: adoption of a new governance with board of directors and adoption of new articles of association after a complete redesign.
13. Authorisation to be granted to the Board of Directors for a duration of 18 months for the purpose of reducing the capital through the annulment of shares held by the Company under the program for share buyback.
14. Delegation of powers to be granted to the Board of Directors for a duration of 26 months in order to decide on capital increases, either through the issue of shares and/or securities giving immediate or delayed access to the capital of the company, with preferential right of subscription, or by capitalisation of premiums, reserves, or profits.
15. Delegation of powers to be granted to the Board of Directors in order to increase the number of shares to be issued in the event of the issue of ordinary shares and/or securities giving access to the Company's capital, with a preferential right of subscription.
16. Delegation of powers to be granted to the Board of Directors for a duration of 26 months in order to issue shares and/or securities giving access to the Company's capital by way of remuneration for contributions in kind of a type approved for the Company, and consisting of shares in capital or securities giving access to capital.
17. Delegation of powers to be granted to the Board of Directors for a duration of 38 months in order to proceed with free allocations of shares in the Company without preferential rights of subscription.
18. Delegation of powers to be granted to the Board of Directors for a duration of 38 months in order to proceed with the free allocation of preference shares to be issued by the Company without preferential right of subscription by the shareholders.
19. Approval of the creation of a category of preference shares and the related modification to the articles of association.
20. Delegation of powers to be granted to the Board of Directors for a duration of 26 months in order to decide on the issue, without preferential right of subscription, of shares or securities reserved for salaried employees participating in the Group Savings Plan.
21. Delegation of powers to be granted to the Board of Directors for a duration of 18 months in order to issue free share purchase warrants to shareholders in the event of a public offer concerning the shares of the Company.

Acting as an Ordinary General Meeting

22. Appointment of Mrs Isabelle Azemard as Director
23. Appointment of Bpifrance Investissement as Director
24. Appointment of Mr Yann Chareton as Director
25. Appointment of Mr Hervé Couffin as Director
26. Appointment of Mrs Catherine Delcroix as Director
27. Appointment of Mrs Carolle Foissaud as Director
28. Appointment of Mr Dominique Gaillard as Director
29. Appointment of Mr Jean-Paul Jacamon as Director
30. Appointment of Mr Henri-Dominique Petit as Director
31. Appointment of Mr Marc Speeckaert as Director

32. Appointment of Mrs Ulrike Steinhorst as Director
33. Setting of attendance fees allocated to the Board of Directors
34. Authorisation to be granted to the Board of Directors for a duration of 18 months for the purpose of carrying out transactions with the shares of the Company
35. Powers to carry out formalities.

Preliminary formalities to be completed in order to participate in the General Meeting

The General Meeting consists of all the shareholders, irrespective of the number of their shares.

Any shareholder can be represented at the General Meeting by another shareholder, by his/her spouse or by a partner with whom he/she has concluded a civil solidarity pact. Shareholders may also cause themselves to be represented by another natural or legal person of their choice (Article L.225-106 of the Commercial Code).

In accordance with Article R.225-85 of the Commercial Code, it is legally permissible to participate in a General Meeting by registering the shares in the name of the shareholder or of the intermediary registered on his/her behalf (under application of the seventh paragraph of Article L. 228-1 of the Commercial Code), on the second day preceding the meeting at midnight Paris time, in the registered share account kept by the Company (or its authorised representative) or in the accounts for bearer shares held by an authorised agent.

The registration of the shares in the accounts for bearer shares held by financial agents is determined by a confirmation of attendance issued by the latter (or if applicable, in digital form) under the conditions provided for in Article R.225-85 of the Commercial Code (with reference to Article R.225-61 of the said code), attaching:

- the form for voting by correspondence;
- the absentee ballot form;
- or the request for an admittance card set out in the name of the shareholder or on behalf of the shareholder represented by a registered intermediary.

A confirmation can also be delivered to any shareholder wishing to participate personally in the meeting and who may not have received his/her admission card on the second day preceding the meeting at midnight, Paris time.

Method of participation in the General Meeting

Any shareholders wishing to attend in person in the General Meeting will have to request an admission card in the following manner:

- for a registered shareholder: by going personally on the day of the meeting directly to the registration desk, , with a proof of identity, or by requesting an admission card from BNP Paribas Securities Services, CTS Service Assemblées Générales – Les Grands Moulins de Pantin 9, rue du Débarcadère – 93761 Pantin Cedex.

- for holders of bearer shares: by requesting the record intermediary in charge of the management of his/her share account to send him/her an admission card.

Any shareholders not attending this meeting in person, but who wish to vote by correspondence or to be represented by giving a proxy to the Chairman of the General Meeting, to their spouse or partner with whom they have entered into a civil solidarity pact, or to some other person may:

- in the case of registered shareholders: send the single form for voting by correspondence or by proxy which has been sent to them , to the following address: BNP Paribas Securities Services, CTS Service Assemblées Générales – Les Grands Moulins de Pantin 9, rue du Débarcadère – 93761 Pantin Cedex.

- for holders of bearer shares: request the voting form from the record intermediary who manages their shares, subsequent to the date of the invitation to the meeting. This single form for voting by correspondence or by proxy must be accompanied by a confirmation of attending issued by the financial intermediary and must be sent to the following address: BNP Paribas Securities Services, Service Assemblées Générales – CTS Assemblées Générales – Les Grands Moulins de Pantin 9, rue du Débarcadère – 93761 Pantin Cedex.

In order to be taken into account, the forms for voting by correspondence must have been received by the Company or the Service Assemblées Générales de BNP Paribas Securities Services, at latest three days before the Meeting is held.

The shareholders may, within the legally determined time periods, obtain the documents provided for in Articles R.225-81 and R.225-83 of the Commercial Code by addressing a request to BNP Paribas Securities Services, Service Assemblées Générales – CTS Assemblées Générales – Les Grands Moulins de Pantin 9, rue du Débarcadère – 93761 Pantin Cedex.

In accordance with the provisions of Article R.225-79 of the Commercial Code, the notification of the appointment or revocation of a representative can also be made digitally, in accordance with the following conditions:

- **for shareholders with simple registration**: by sending an email provided with an electronic signature that they have obtained from an authorised third party certification body, from the following email address:

paris.bp2s.france.cts.mandats@bnpparibas.com indicating their surname, given name, address and identification details with BNP Paribas Securities Services, as well as the surname and given name of the nominated or revoked representative.

- **For managed registered shareholders or bearer shareholders:** by sending an email provided with an electronic signature that they have obtained from an authorised third party certifying body from the following electronic address: paris.bp2s.france.cts.mandats@bnpparibas.com giving their surname, given name, address and complete bank details, as well as the surname and given name of their authorised or revoked representative; then, by requesting their authorised agent who ensures the management of their share account to send a written confirmation to BNP PARIBAS Securities Services – CTS - Assemblées Générales – Les Grands Moulins de Pantin 9, rue du Débarcadère – F-93761 Pantin Cedex.

In order that the appointments or revocations of proxies notified electronically may be validly taken into account, confirmations must be received at latest on the day before the Meeting, by 3:00 pm (Paris time). The appointments or revocations of the proxies notified in hard copy must be received at latest 3 calendar days before the date of the Meeting.

Moreover, only notifications concerning appointment or revocation of proxies may be addressed to the above-mentioned email address; any other request or notification concerning another matter may not be taken into account and/or dealt with

Written questions and requests for the registration of drafts for resolutions by the shareholders

The requests for the registration of points or draft resolutions onto the agenda by shareholders fulfilling the conditions provided for in Article R 225-71 of the Commercial Code, must be received at the company's registered address by registered letter with request for notification of receipt to the following address: MERSEN – Tour EQHO – 2 avenue Gambetta – CS 10077 – 92400 Courbevoie La Défense 5 or by digital communication to the following address: dri@mersen.com, within a period of 25 days (calendar days) before the holding of the General Meeting, in accordance with Article R 225-73 of the Commercial Code. The request must be accompanied by a confirmation of registration of an account.

The examination of such resolution is dependent on the submission, by the authors of the request, of a new confirmation, supporting the registration of the shares in the same accounts, on the second day prior to the meeting by midnight, Paris time.

All shareholders have the possibility of addressing any questions they may wish to the Chairman of the Supervisory Board, who will reply during the meeting. Such questions must be sent by registered letter with acknowledgement of receipt to the following address: MERSEN – Tour EQHO – 2 avenue Gambetta – CS 10077 – 92400 Courbevoie La Défense 5 or by email to the following address: dri@mersen.com. Such dispatch must be carried out at the latest on the fourth working day prior to the date of the General Meeting.

Shareholders' right to communications

All the documents and information provided for under Article R.225-73-1 of the Commercial Code may be consulted on the Company's website: www.mersen.com/en from the twenty-first day preceding the Meeting, i.e. 20 April 2016.

The Management Board

PRESENTATION OF MOTIVES

The draft resolutions submitted for your approval by the Management Board call for the following comments on behalf of the Management Board and the Supervisory Board.

We indicate you that the General Meeting will be invited to vote on 3 sets of resolution:

- Resolution of the scope of Ordinary General Meeting (resolutions 1 to 11), for usual topics such as approval of annual accounts, approval of Luc Themelin regulated agreement and advisory opinion on his compensation, appointment and/or renewal of statutory auditors and ratification of the transfer of the headquarters;
- Resolution of the scope of Extraordinary General Meeting (resolutions 12 to 21), for the proposal of change of corporate governance, delegation to be granted to the board of directors to allocate free shares and preference shares, to increase capital under several conditions, issuance of warrants in case of public offer on the shares of the Company;
- Resolution of the scope of Ordinary General Meeting (resolutions 22 to 34), for the appointment of the directors, the allocation of attendance fees and the carrying out of transactions on Company's shares.

Resolution of the Ordinary General Meeting:

2015 Dividend (resolution 3)

After securing the Supervisory Board's approval, the Management Board proposes a dividend payment of €0.50 per share to the shareholders for the 2015 fiscal year, which corresponds to approximately a total amount of €10.3 million euros to be deducted from distributable income.

The amount of the dividend per share is equal to the amount paid for the 2015 fiscal year. It corresponds to a distribution rate of 36% of the Group's net income before non-recurrent expenses.

The dividend payment will be made in cash on July 6, 2016.

Approval of undertakings referred to in articles L225-88 and L225-90-1 of the Commercial Code concerning Luc Themelin (resolution 4)

The Management Board submits once again to your approval the undertakings made by the Company in relation to remuneration, severance and compensation payments due or likely to be due in the event of the termination or change of Luc Themelin's corporate functions.

During 2015, no new regulated undertaking has been submitted to the Supervisory Board. Conformément à la loi, le the Supervisory Board has proceeded to the annual re-examination of the des conventions conclues et autorisées au cours d'exercices antérieurs dont l'exécution a été poursuivie au cours de l'exercice clos au 31 décembre 2015. En mars 2016, le Conseil de Surveillance a décidé du maintien de cette convention règlementée mais de l'amender, à compter de 2016, pour la rendre conforme aux recommandations préconisées par l'AFEP-MEDEF.

By decision of May 16th, 2013, the Supervisory Board, pursuant to the provisions of Articles L. 225-86 and L. 225-90 of the Commercial Code, resolved to commit to pay to Luc Themelin the same severance payments as those that were made during his prior term in office, assuming that his terms in office as Chairman and Member of the Management Board are terminated. Pursuant to provisions of French ordinance dated July 31, 2014, on related transaction, the Supervisory Board reviewed on March 8th, 2016 the commitments made by the Company in relation to remuneration, severance and compensation payments due or likely to be due in the event of the termination or change of Luc Themelin's corporate functions. It unanimously decided that i) such commitments has to be maintained in its entirety in the interest of the Company, and ii) on the basis of the Afep-Medef recommendation, to modify the rules relating to the operative event giving rise to the payment of the severance indemnity to the Chairman of the board, starting from 2016. Consequently, the paragraph "dismissal of the mandate" has been modified as indicated below.

The commitments made by the Company in relation to remuneration, severance and compensation payments due or likely to be due in the event of the termination or change of Luc Themelin's corporate functions are described hereinafter:

Non-compete and non-solicitation clause: Should his term in office as Chairman and Member of the Management Board end, and in return for signing a non-compete and non-solicitation undertaking for a one-year period from the date on which his duties cease, Luc Themelin will receive a monthly payment equivalent to 50% of the gross fixed monthly compensation and benefits that he received immediately prior to termination of his term in office. The Company may decide to forgo this non-compete and non-solicitation clause and thus free itself from its obligation of making this monthly payment, by informing Luc Themelin of its decision within a notice period of two months from the termination of his term in office. The terms of this undertaking are set forth in a letter to Luc Themelin. The non-compete undertaking referred to above will cover all of the Group's business activities and will be applicable in all of the countries in which Mersen is doing business (whether it has a physical presence there or whether it operates from a base in another country). At the Company's discretion, the non-compete and non-solicitation undertaking will be laid down and structured as a non-compete agreement, if necessary.

Termination of his term in office: Should the Mersen group terminate, in any manner and for any reason whatsoever (excluding gross negligence or willful misconduct, retirement, enforced retirement or resignation), Luc Themelin's term in office as President and Member of the Management Board (notably by dismissal, non-renewal of the term in office for any reason whatsoever or the elimination of the duties following the conversion or merger of the company, except for a change in corporate governance leading to his appointment as Chief Executive Officer of a public limited liability company with a Board of Directors), a flat-rate payment will be made to Luc Themelin, calculated as stated here below in the performance conditions applicable (the "Severance Payment"), **as far as the termination is compelled or linked to a change of control or strategy.** The Severance Payment will exclude payment of any other indemnity (of any type whatsoever, including compensation and interest). In the event that Luc Themelin's responsibilities and/or compensation and benefits are altered substantially following a takeover of the Company and that he, consequently, decides to leave the Company, he would receive the same Severance Payment.

The Severance Payment is calculated as follows:

$$I = 0.5 \times R \times P$$

where

- I is the amount of the Severance Payment
- R is the gross total compensation (basic salary and bonus, excluding benefits in kind and other incentives/profit-sharing) paid to Luc Themelin during the thirty-six months prior to termination (including the portion of variable salary due with respect to the year in progress at termination).
- P is Luc Themelin's performance as measured in line with the criteria defined below.

Performance:

Payment of the aforementioned severance indemnity will be dependent upon achievement of the performance targets under the following conditions:

- Performance metric (P):
P = the average performance of Luc Themelin in the three calendar years prior to his departure (as Chairman of the Management Board or employee).

$$P = \frac{\text{performance (N-1)} + \text{performance (N-2)} + \text{performance (N-3)}}{3}$$

Performance in year N is equal to the percentage of achievement of objectives for the target bonus. **P** may vary from 0 to 200%.

The average performance rate **P** will be controlled by the Supervisory Board.

- Performance conditions :
 - If **P** >= 100%, 100% of the payment will be made
 - If **P** >= 90% and < 100%, 80 % of the payment will be made
 - If **P** >= 70% and < 90%, 60 % of the payment will be made
 - If **P** >= 50% and < 70%, 40% of the payment will be made
 - If **P** < 50%, no payment will be made.

Stock options- Performance shares:

The Supervisory Board decides that, should Luc Themelin's term in office as Chairman and Member of the Management Board be terminated in any manner and for any reason whatsoever (excluding termination following the acquisition of control of the Company, retirement or enforced retirement), he will automatically lose his right to all the stock options granted to him prior to the end date of his term in office where the conditions of grant (condition related to continued presence and performance conditions) have not been satisfied by the end date of his term in office. He will also automatically lose his right to all the shares, irrespective of whether they are subject to a performance condition, granted to him, in accordance with the provisions of Article L. 225-197-1 to L. 225-197-5 of the Commercial Code, prior to the end date of his term in office, where the grant of these shares had not been made definitive by the end date of his term in office. Even so, it is stipulated that the Supervisory Board reserves the right to decide, where appropriate, to leave in place some or all of the stock options and bonus shares, subject to satisfaction of the corresponding performance conditions.

Advisory opinion on the compensation due or granted to Luc Themelin, President of the Management Board, for the fiscal year ended December 31st, 2015 (resolution 5)

We propose to shareholders to issue an opinion on the compensation due or granted to Luc Themelin, President of the Management Board, for the fiscal year ended December 31st, 2014. The compensation information is described in detail of the Company's 2015 reference document beginning page 76.

	Amounts or accounting valuation	Observations
Fixed salary	440,000 €	Luc Themelin's 2015 fixed salary was increased by 10% in January 2015, after three years without change.
Annual variable salary (amount due in respect of 2015 and paid in 2016)	117,404 €	<p>The variable portion is between 0% and 100% of the fixed salary. The maximum threshold of 100% may be increased by a multiplying factor of up to 1.4 in the case of outperformance compared with the upper bound set for the calculation of the financial objectives of the variable portion.</p> <p>The variable portion is composed of financial objectives for 70% (35% based on the Group's ROCE, calculated on the basis of current operating income after taxes, and 35% on operational cash flow) and personal objectives for 30%.</p> <p>The 2015 financial objectives were based on the Group's annual budget. The threshold to achieve 100% of the financial objectives was set significantly higher than the budget.</p> <p>The personal and financial objectives evaluated are reviewed every year by the Appointments and Remuneration Committee, based on the Group's strategic priorities. The personal objectives for 2015 focused primarily on the following: achievement of the Transform Plan, the Group's new organization as of January 1, 2016, safety, and corporate communications.</p> <p>Details of the personal objectives are not made public for reasons of confidentiality.</p> <p>The variable salary for 2015 represents 27% of the fixed salary and is broken down as follows: the portion linked to the financial objectives was 43.5% based on the Group's operational cash flow and 0% based on the Group's ROCE. The portion linked to the personal objectives was 82</p>
Deferred variable salary	N/A	There is no deferred variable salary mechanism.
Multi-annual variable salary	N/A	There is no multi-annual variable salary mechanism.
Exceptional salary	N/A	No exceptional salary was paid or is due in respect of 2015.
Incentive payments	17,931 €	
Share options, performance shares or any other long-term element of compensation	<p>Allotments (2015 Plan): 183 preference shares, which may correspond to a maximum of 20,130 ordinary shares</p> <p>Accounting valuation: €122,482</p>	<p>At the May 19, 2015 Combined General Meeting, Mersen shareholders authorized the Management Board to set up Mersen bonus preference share allotment plans for certain employees and corporate officers of the Company and those of affiliated companies.</p> <p>Pursuant to this resolution, at its July 9, 2015 meeting, the Management Board set the conditions for the bonus share allotment and designated the beneficiaries. Luc Themelin received 183 preference shares. These preference shares may be converted into ordinary shares at the end of two years, based at a conversion ratio based on share price trends. The terms and performance criteria required are described in detail on pages 66 to 75 of the reference document.</p>
Attendance fees	N/A	Luc Themelin does not receive attendance fees.
Valuation of benefits of any kind	22,407 €	In-kind benefits include the use of a company car and contributions paid to an external organization in respect of company executives' social guarantee.
Severance payment	0 € received	<p>No amount is due in respect of 2015. At its May 16, 2013 meeting, the Supervisory Board decided, upon the renewal of Luc Themelin's term, to make the same payments to him as those that were made during his prior term in office.</p> <p>On March 8, 2016, the Supervisory Board re-examined the rules regarding the obligating event giving rise to payment of the severance payment granted to the Chairman of the Management Board and decided to limit them to a departure that is both required and related to a change of control or strategy. This new provision is valid as of 2016.</p>

	Amounts or accounting valuation	Observations
No-compete payment	0 € received	No amount is due in respect of 2015. At its May 16, 2013 meeting, the Supervisory Board decided, upon the renewal of Luc Themelin's term, to make the same no-compete payment to him as the one made during his prior term in office.
Supplementary pension scheme	0 € received	No amount is due in respect of 2015. Luc Themelin is eligible for a defined benefit supplementary pension scheme if he is present and ends his career in the Mersen group on the date on which he may claim his base Social Security pension. Under this scheme, Luc Themelin would receive a supplementary pension that would correspond to 20% of the amount of his average fixed salary for the last three years and 50% of his maximum variable salary.

Advisory opinion on the compensation due or granted to Thomas Baumgartner, Christophe Bommier and Didier Muller, members of the Management Board, for the fiscal year ended December 31st, 2015 (resolution 6)

We propose to shareholders to issue an opinion on the compensation due or granted to Thomas Baumgartner, Christophe Bommier and Didier Muller, members of the Management Board, for the fiscal year ended December 31st, 2015. The compensation information is described in detail I the Company's 2014 reference document beginning page 78:

(components overall)	Amounts or accounting valuation	Observations
Fixed salary	696,245 €	The 2015 fixed salary, expressed in euros, is lower compared to 2014 because the term of one member of the Management Board ended in 2014. The fixed salary of three members of the Management Board at December 31, 2015 increased compared to 2014, primarily because of the strengthening of the US dollar compared to the euro. Because two members are based in the United States, they receive their salary in US dollars.
Annual variable salary (amount due in respect of 2015 and paid in 2016)	95,729 €	<p>The variable portion of the members of the Management Board (other than its Chairman) is between 0% and 50% of the fixed salary. The maximum threshold of 50% may be increased by a multiplying factor of up to 1.4 in the case of outperformance, compared with the upper bound set for the calculation of the financial objectives of the variable portion.</p> <p>Thomas Baumgartner's variable portion is composed of financial objectives for 70% (35% based on the Group's ROCE, calculated on the basis of current operating income after taxes and 35% on operational cash flow) and personal objectives for 30%. Christophe Bommier's and Didier Muller's variable portion is based, for 60%, on financial objectives (20% on the Group's current operating margin, 20% on their division's current operating margin, and 20% on their division's operating cash flow), and 40% on personal objectives.</p> <p>The personal and financial objectives evaluated are reviewed every year by the Appointments and Remuneration Committee, based on the Group's strategic priorities.</p> <p>The 2015 financial goals were based on the annual budget. The threshold to achieve 100% of the financial objectives was set significantly higher than the budget.</p> <p>The personal objectives for 2015 focused primarily on the following: achievement of the Transform Plan and actual savings, an operational improvement plan for certain sites, compliance with the safety policy. Details of the personal objectives are not made public for reasons of confidentiality.</p> <p>The average rates of achievement of the objectives linked to the variable salary were as follows:</p> <ul style="list-style-type: none"> - Thomas Baumgartner: 43.5% based on the Group's operational cash flow, 0% on the Group's ROCE, and 80% on the personal objectives;

(components overall)	Amounts or accounting valuation	Observations
		<ul style="list-style-type: none"> - Christophe Bommier: 0% based on the Group's operating margin, 0% on the division's operating margin, 5% on the division's operating cash flow and 77% on the personal objectives; - Didier Muller: 0% based on the Group's operating margin, 29% on the division's operating margin, 50% on the division's operating cash flow, and 81% on the personal objectives.
Deferred variable salary	N/A	There is no deferred variable salary mechanism.
Multi-annual variable salary	N/A	There is no multi-annual variable salary mechanism.
Exceptional salary	N/A	No exceptional salary was paid or is due in respect of 2015.
Incentives/Profit-sharing	€16,278	Didier Muller and Christophe Bommier have U.S. employment contracts and thus do not benefit from incentive or profit-sharing agreements.
Share options, performance shares or any other long-term element of compensation	<p style="text-align: center;">Allotments (2015 Plan): 324 preference shares, which may correspond to a maximum of 35,640 ordinary shares</p> <p style="text-align: center;">Accounting valuation: €223,332</p>	<p>The May 19, 2015 Combined General Meeting of Mersen shareholders authorized the Management Board to set up bonus preference share allotment plans for certain employees and corporate officers of the Company and those of affiliated companies.</p> <p>Pursuant to this resolution, at its July 9, 2015 meeting, the Management Board set the conditions for the bonus share allotment and designated the beneficiaries. Thomas Baumgartner, Christophe Bommier and Didier Muller received 108 preference shares each. These preference shares may be converted into ordinary shares at the end of two years, based at a conversion ratio based on share price trends. The terms and performance criteria required are described in detail on pages 66 to 75 of the reference document.</p>
Attendance fees	N/A	The members of the Management Board do not receive attendance fees.
Valuation of benefits of any kind	€10,285	In-kind benefits include the use of a company car and an annual medical examination.
No-compete payment	N/A	There is no commitment in respect of a no-compete payment.
Supplementary pension scheme	N/A	There are no commitments in respect of a supplementary pension scheme.

Renewal of appointment of Deloitte & Associés as Statutory Auditors and of Cabinet Beas as supplementary auditors (resolutions 7 and 8) and Appointment of KPMG S.A. as Statutory Auditors and of cabinet Salustro Reydel as supplementary auditors (resolution 9 and 10)

The mandate of the Statutory and supplementary Auditors of the Company, terminates at the end of the present meeting, the appointment of Auditors for the next six accounting periods is submitted to you.

After a one-year process piloted by the Audit and Accounts committee and upon recommendation of this latter, we propose to renew Deloitte and of KPMG mandates (for KPMG the appointment concerns a legal entity of their network). The decision to propose the renewal of those auditors relies on services of high quality, recognized since many years, and a good knowledge of Mersen businesses worldwide, under the signature of recently appointed partners. We also propose you to renew or appoint the supplementary auditors, respectively the Cabinets Beas and Salustro Reydel.

The mandates of the Statutory and supplementary auditors will terminate at the end of the General Meeting called to be called to approve the financial statements of the business year ending on 31 December 2021.

The Cabinets Deloitte & Associés, Beas, KPMG SA and Salustro Reydel stated that they accepted these functions.

Ratification of the transfer of the registered office of the Company (resolution 11)

We propose you to ratify the decision taken by the Management board in its meeting of 27 January 2016 to transfer the registered office of MERSEN from the Immeuble La Fayette, 2/3 place des Vosges, 92400 Courbevoie to the following address: Tour EQHO, 2 Avenue Gambetta, 92066 La Défense Cedex.

The previous lease agreement of the headquarters reaching its term, the Group has wished to rent more adequate offices in the same area, in La Défense.

Resolution of the Extraordinary General Meeting:

Change in the methods of administration and management of the company: adoption of a new governance with board of directors and adoption of new articles of association after a complete redesign. (Resolution 12)

On March 24th 2016, the Supervisory Board has decided to propose a change to the corporate governance of the Company.

The change, which is submitted to your approval, consists in replacing the existing two-tier structure of a Supervisory Board and a Management Board with a unitary structure consisting solely of a Board of Directors. This streamlined governance structure will increase Mersen's responsiveness in a consistently more complex economic environment. The switch to a Board of Directors will also enhance oversight of the Group and foster closer cooperation between the Board and Executive Management.

In this frame, we propose you to appoint all the existing members of the Supervisory Board as directors for their remaining term in office.

Subject to your approval, the Board of Directors following the Annual General Meeting will determine the organization of the Group's Executive Management and Board Committees, with reference to best practices in corporate governance. It will also consider the appointment of Hervé Couffin as Chairman of the Board of Directors and Luc Themelin as Chief Executive Officer.

All authorizations and delegation presented in the following resolution will be deemed to be granted to the Management Board in the case the General Meeting would not approve the change of governance that is proposed to you.

Cancellation of shares owned by the Company (resolution 13)

We propose you to authorize the Board of Directors, subject to the adoption of resolution 34 (below) to cancel on one or more occasions, all or part of the shares acquired by the Company, with a maximum of 10% of the share capital and to decrease the share capital accordingly. This authorization is valid for 18 months.

Capital increases, through the issue of shares and/or securities giving immediate or delayed access to the capital of the Company, with preferential right of subscription, or by capitalisation of premiums, reserves or profits (resolution 14); or through issue of shares in compensation for contributions in kind and consisting of shares in capital or securities giving access to capital (resolution 16); through increase of the number of shares to be issued in the event of the issue of ordinary shares and/or securities giving access to the Company's capital, with a preferential right of subscription (resolution 15)

We propose you, at the *fourteen resolution*, to delegate to the Board of Directors to decide one or several increases of capital through issuance, in France or abroad, of Company's ordinary shares or any negotiable securities giving, immediately or in the future rights, access by any means, to Company's ordinary shares, with preferential subscription rights for shareholders.

We propose you to delegate to the Board of Directors, to decide one or several increases by incorporation of reserves, premium, benefits where capitalization is legally or statutory possible. Those increases of capital would be performed by mean of allocation of free shares or increase of the nominal value of existing shares or by the use of both means.

We also propose you, at the *fifteen resolution*, to delegate to the Board of Directors, the decision to increase the number of shares to be issued in the event of an issue with a preferential right of subscription resulting from the Fourteenth resolution, at the same price as that recorded for the initial issue, within periods and limits provided for by the applicable regulations on the date of the issue (currently, within thirty days of the closure of the subscription and within a limit of 15% of the initial issue), in particular in order to grant an option of over-allocation in accordance with market practices. The nominal amount of the increases in the Company's capital decided on by this resolution will be applied on the maximum amount authorized under the fourteenth resolution.

We also propose you, at the *sixteen resolution*, to delegate to the Board of Directors the decision to increase the capital of the Company, by issuing ordinary shares or securities giving, immediately or in the future, to the capital of the Company, in order to remunerate contributions in kind to the Company and consisting of shares in capital or of securities giving access to capital. The global nominal amount of those increase of capital, resulting, immediately and/or in the future, from the sixteen resolution may not exceed 10% of the capital and will applied on the maximum amount authorized under the fourteen resolution.

The nominal amount of those increase of capital, resulting, immediately and/or in the future, from those delegation may not exceed an amount of 15 (fifteen) million euro. The present delegation of powers are granted for a period of twenty-six (26) months, counting from the date of the present meeting, and it is pointed out that the Board of Directors will not be authorised to decide on a capital increase under the present delegation of powers during the any period of public offer regarding the shares of the Company.

Free allocation of shares (resolution 17)

The Management Board and the Supervisory Board feel that it is in the Company's and its shareholders' best interest to motivate and gain the loyalty of certain managers or employees particularly noteworthy and/or who may contribute significantly to the Company's performance. They wish to implement a new loyalty program, after the previous free share allocation plan approved by the shareholders during the General Meeting held May 19, 2015.

We propose to the shareholders to delegate to the new Board of Directors the capacity, for the benefit of the Company's employees or those of affiliated companies or certain categories thereof, to allocate free shares of the Company's shares, new or existing, in accordance with the terms of article L225-197-2 of the Commercial Code.

The members of the Board of Directors, the General Manager and Deputy General Managers, beneficiary of preference shares cannot benefit from the allocation of free shares. Also excluded from the scheme are the Company's corporate officers and employees or those of affiliated companies possessing more than 10% of the Company's share capital or who, upon receiving a free allotment of shares, would possess more than 10% of the Company's share capital.

The total amount of allocated shares, upon application of this delegation, cannot exceed 84 000 shares (approximately same amount as requested in 2015 and representing 0.84% of the capital). They will be subject to performance conditions.

The vesting period at the end of which the share allotment will become final is set at a minimum of 2 years starting on the date of the allotment of shares by the Board of Directors. In accordance with the provisions of paragraph 7 of article L255-197-1, the holding period can be fixed up to 2 years after the vesting period.

The Board of Directors will determine the identity and the categories of the beneficiaries of the share allotment mentioned as well as the share allotment's performance criteria. However it is specified that the performance criteria are based on an improvement in the Company's EBITDA margin between 2014 and 2016. The performance conditions will be determined in relation to a targeted growth and compared to the growth of a panel of similar companies (restated, if necessary, of unusual variations over the period or of significant exceptional operations), whichever is most favorable.

The Board of Directors may for the duration of 38 months from the present shareholders meeting, use, on one or more occasions, the aforementioned authorization.

Free allocation of preference shares which would be converted into ordinary shares after a period of 4 years and which would be subject to conditions of performance. Amendment to the Company's bylaws (resolutions 18 and 19)

We propose that shareholders authorize the Board of Directors to proceed to the free allocation, in one or more transactions, of preference shares ("C Shares") to be issued for the benefit of certain employees and corporate officers. Are excluded from the proposed allotments the Company's corporate officers and employees or those of affiliated companies possessing more than 10% of the Company's share capital or who, upon receiving a free allotment of preference shares, would possess more than 10% of the Company's share capital.

By the free allocation of preference shares which would be convertible into a certain number of ordinary shares (A Shares) at the end of a pre-defined period, the Company's intention is to encourage beneficiary to actively participate to the development of the Company on a long run.

The intention of the Company is (i) to consider an initial Share price that is at a minimum of 17 euros to limit the deadweight effect linked to the current share price between €11 and €13; (ii) to cap the potential gain of the beneficiaries to a corresponding increase of 150% of the share price from the date of the allocation and (iii) to strongly limit the gain of the beneficiaries in case of negative evolution of the Company's share trading price on the same period.

The maximum number of A shares resulting from the conversion of C shares granted pursuant to this authorization may not represent more than 129,000 shares, ie 0.63% of the share capital of the Company as of the date of this Shareholders' Meeting, excluding any adjustments to preserve the rights of holders of securities granting access to share capital in accordance with applicable laws and regulations and, where applicable, relevant contractual provisions.

The allocation of C shares to beneficiaries will be subject to conditions of presence (vesting period), lockup periods (for French residents) and to performance criteria.

The allocation of C shares implies amendments to the Company's Articles of Association in order to include in the Company's bylaws (a) rights and obligations attached to C Shares, and (b) the conversion mechanism of the C Shares into A Shares. Resolutions 18 and 19 are both under the condition that each of them is adopted by the shareholders.

Vesting period and lock-up periods

The allocation of C shares to beneficiaries will be definitive at the end of a vesting period of at least two years and provided that the beneficiary of C Shares is still an employee of Mersen Group at the end of the vesting period. The vesting period can be extended to 4 years for beneficiaries which are not French residents. An additional lock-up period of at least 2 years as from the date of definitive vesting of the shares may be required for beneficiaries who are French residents. During this additional lockup period, the preference shares cannot be converted or transferred.

Performance criteria for the allocation of C Shares

The allocation of C Shares will become definitive at the end of the vesting period if the following performance conditions (as described below) are met.

Hence the percentage of preference shares to be definitely allocated to the beneficiaries will be contingent on growth in the Group's 2015 net profit per share in relation to the average of the Group's net profit per share for 2016 and 2017 (criterion 1) or the growth of the Group's 2014 net profit per share in relation to the average of the Group's net profit per share for 2016 and 2017 - in relation to a panel of comparable companies (criterion 2) whichever is most favorable.

Net profit per share for 2015 is the published net income per share of Mersen Group, adjusted by exceptional charges and will amount to 1.32.

Net income per share for 2015 and 2016 may be adjusted by taking into consideration exceptional charges.

Criterion 1

- 0% if the average of the net profit per share for 2016 and 2017 (subject to potential adjustments) is less than 1.32.
- 30% if the average of net profit per share for 2016 and 2017 (subject to potential adjustments) equals 1.32.
- 100% if the average of net profit per share for 2016 and 2017 (subject to potential adjustments) equals or exceeds 1.50.

The percentage of achievement of performance between 30% and 100% will be calculated by linear interpolation if the average of net income per share for 2016 and 2017 (subject to potential adjustments) is between 1.32 and 1.50.

Criterion 2

- 0% if the growth of the Company's EPS (between Adjusted 2015 EPS and the average of the net profit per share for 2016 and 2017 (subject to potential adjustments) is less than the average growth of the net profit per share of the panel of comparable companies,
- 50% if the growth of the Company's EPS (between Adjusted 2015 EPS and the average of the net profit per share for 2016 and 2017 (subject to potential adjustments) is equal to the average growth of the net profit per share of the panel of comparable companies,
- 100% if the growth of the Company's EPS (between Adjusted 2015 EPS and the average of the net profit per share for 2016 and 2017 (subject to potential adjustments) is 15% points greater than the average growth of the net profit per share of the panel of comparable companies.

The achievement percentage is calculated between 50% and 100% by linear interpolation if the growth of the Company's net profit per share (between Adjusted 2015 EPS and the average of the net profit per share for 2016 and 2017, subject to potential adjustments) exceeds by less than 15 percentage points the average growth of the panel of comparable companies.

Calculation mechanism of the performance conditions: The calculation of the percentages of allocation will be based on the financial statements published by the Company. In the event of abnormal variations during the period or of significant exceptional transactions occurring after the allocations are made, the Management Board may, after obtaining the opinion of the Appointments and Remuneration Committee and the approval of the Supervisory Board, adjust the financial statements for the impacts of such transactions to calculate the C Shares allocation percentage.

For calculation of criterion 2, the panel of comparable companies will include 20 companies among which, Arkema, Imerys, Rexel, Zodiac, SEB, Nexans, Air Liquide, Schneider Electric, Saint Gobain, Legrand. Subject to prior opinion of the Appointments and Remuneration Committee, the Board of Directors may withdraw from the panel of comparable companies, companies that have recorded manifestly excessive or abnormal net profit per share over the period and, as the case may be, to replace them by other comparable companies.

Terms and conditions of the preference shares (C Shares)

Each C Share carries the same rights of information and voting rights as A Shares. Each B share carries the right to a dividend per C share equal to 10% of the dividend allotted to the A shares.

Conversion mechanism of the preference shares (C Shares)

At the end of the retention period, C Shares may be converted into A Shares under the conditions the following conditions:

- The C shares may be converted into A shares during a period of thirty (30) days as of (i) the fourth anniversary of the allotment plan or (ii) four years and 3 months after the Allotment Date (the "**Conversion Period**"), according to a parity (the "**Conversion Parity**") defined by the difference, in percentage, between the initial Share Price and the final Share Price. If the Conversion Periods fall during a restriction period for the sales or purchases of Company shares, the beginning of the Conversion Period will be deferred to the end of said restriction period, with a ninety (90) day limit, it being specified that in the case of a deferral of the initial Conversion Period, the second Conversion Period will be shifted the same number of days.
- The "**Allocation Date**" is defined as the date on which a free shares allocation plan is decided by the Board of Directors.
- The "**Initial Share Price**" refers to the highest amount between (i) 17 (seventeen) euros, and (ii) the average weighted in accordance with the volumes of the opening trading prices quoted for A Shares during a period of twenty (20) stock trading days preceding such Allocation Date.
- The "**Final Share Price**" is equal to the average opening prices of the C shares between the second anniversary of the allotment date (included) and the beginning of the Conversion Period during which the C shareholders will have requested the conversion to A shares (excluded).
- The Conversion Parity will be equal to:
 - If the final Share Price is less than 150% of the Initial Share Price (the "**Maximum Final Share Price**");

$$N = 10 + \frac{300 (CF - CI)}{CF}$$

CF

Where:

"N" is equal to the number of A shares that each B share is entitled to, it being specified that in the case of a fraction, the number of A shares allotted to a B shareholder will be rounded down to the nearest unit;

"CF" is equal to the Final Share Price;

"CI" is equal to the Initial Share Price; and

"CFMax" is equal to the Maximum Final Share Price.

- If the Final Share Price is greater than the Maximum Final Share Price :

$$N = 10 + \frac{(CF_{Max} \times 100)}{CF}$$

- If the Final Share Price is less than the Initial Share Price :
N= 10

Maximum number of A Shares which could be issued on conversion of C Shares

The maximum number of ordinary shares resulting from the conversion of preference shares granted pursuant to this authorization may not represent more than 129,000 shares, ie 0.63% of the share capital of the Company as of the date of this Shareholders' Meeting.

Percentage of allotment to corporate officers

The percentage of free shares being attributable to all of the Company's corporate officers (under free shares allotment plans and free preference shares allotment plans) will not represent more than 20% of the combined total number of such free shares and preference shares allotment plans. The nature of free ordinary shares and free preference shares being different, this percentage will be calculated on the basis of IFRS valuation at the time of allotments.

Amendments to the Company's Articles of association

As a consequence of issuance of C Shares, we propose to shareholders to amend the Company's Articles of association and more specifically the following articles : (i) article 6 for the purpose of distinguishing A Shares and C Shares, (ii) article 11 in order to confirm that titles of fully paid up C shares are registered shares, (iii) article 13 in order to indicate that C shares are fully paid-up and transferable between C Shareholders from the Retention Period Expiry Date and (v) article 26 in order to confirm the authority of C shareholders meeting.

The allotment of C Shares would be decided by the Board of Directors on the basis of a report issued by an independent accounting firm which would be in charge in confirming the proposed allotments.

A supplementary report of the Board of Directors and the Statutory Auditors on the conversion of C shares into A shares will be presented to the shareholders, no later than 15 days prior to each Shareholders' Meeting.

Resolutions 18 and 19 are both under the condition that each of them is adopted by the shareholders.

Capital increase reserved for employees participating in the Group Investment Plan (resolution 20)

With a view to increase the employee share ownership of the Company's share capital and enabling employees to share in the Group's success, we propose to delegate powers to the Management Board to carry out one or more increases in the share capital by issuing shares subscribed in cash reserved for employees participating in the Group Investment Plan. The maximum aggregate amount of the capital increases would be restricted to €300,000, i.e. approximately 0.7% of the share capital.

This delegation would be valid for 26 months. Should it be approved, this delegation will cancel the previous authorization granted at the Combined General Meeting of May 14th, 2014 up to the total unused portion and will entail the explicit waiver by shareholders of their preferential subscription right in favor of the beneficiaries.

Issuance of stock subscription warrants to be granted at no cost to shareholders in the event of a public offer for the Company's shares (resolutions 21)

The Combined General Meeting dated May 19, 2015 authorized the Management Board to issue, in the interest of the Company and of its shareholders, stock subscription warrants in the event of a public offer.

The Company is proposing to reiterate this authorization and to authorize the Board of Directors, under the same terms and conditions as during the Combined General Meeting dated May 19, 2015, to allot stock subscription warrants to shareholders at no cost in the event of a public offer for the Company's shares where this offer is launched by an entity not subject to the same constraints on its behavior with respect to a public offer as those applicable to MERSEN (i.e. where there is a lack of reciprocity). In practical terms, this covers unlisted companies and also foreign listed companies for which the applicable law permits their board to intervene during an offer period (in particular in the United States, Germany, India and in certain instances Japan). For all other offers, the Annual General Meeting will be the only body allowed to make the decision to issue stock subscription warrants.

In this respect, the Company believes that the option of issuing stock subscription warrants in the event of a public offer for the Company is perfectly in line with the Company's and its shareholders' interests since it aims to secure the best possible valuation

for shareholders' assets. Stock subscription warrants represent a genuine bargaining tool. They enable companies receiving a hostile bid to encourage the bidder to negotiate, if the price being offered is deemed insufficient.

The Company's goal is to equip itself with the means to act in the Company's and its shareholders' best interests and not to prevent any takeover bid whatsoever. Shareholders will note that the Company has not put in place (nor does it plan to put in place) any such measure (double voting rights, different classes of shares, etc.). The Company does not currently possess any means of maximizing its value.

This mechanism complies strictly with French law and the General Regulation of the Autorité de Marchés Financiers (AMF). The proposal is also in line with the framework of the *loi Breton* of March 31st, 2006, which transposed the European directive of April 21st, 2004 on public tender offers into French law.

The Board of Directors will be able to go forth with the issuance of stock subscription warrants only after receiving approval from a reduced committee comprising three independent members of the Board of Directors. The committee's opinion will in turn be issued based on the opinion of a financial advisor designated by the Board of Directors, who will weigh the merits and the financial terms and conditions of the offer. With these terms, conditions and limitations, the Board of Directors will have the requisite power to set the price (and the method of determining this price) and conditions for the exercise of these stock subscription warrants according to the terms of the presented offer.

The total nominal amount of the increase in capital resulting from the exercise of these stock subscription warrants may not exceed 25% of the share capital.

This authorization may be used by the Board of Directors in the event of an offer being tendered within 18 months of this resolution being passed. Its renewal will require a new vote by the shareholders.

Should it be approved, this authorization will cancel the previous authorization granted at the Combined General Meeting of May 19, 2015.

Resolution of the Ordinary General Meeting

Appointment of the 11 supervisory board members for the period of time remaining of their offices (resolutions 22 to 33).

Resolutions 22 to 33 are subject to the vote of the general meeting subject to approval of the resolution 12

You are invited to appoint the entire current members of the Supervisory Board: Mme Isabelle Azemard, Bpifrance Investissement, Mr Yann Chareton, Mr Hervé Couffin, Mme Catherine Delcroix, Mme Carolle Foissaud, Mr Dominique Gaillard, Mr Jean-Paul Jacamon, Mr Henri-Dominique Petit, Mr Marc Speeckaert, and Mme Ulrike Steinhorst.

You may appoint all members for the remaining period of time of their respective office, in order to avoid a block renewal of the Board of Directors.

You will find hereafter a presentation of all members showing their current status as independent member or not.

Appointment of Mrs Isabelle Azemard: Isabelle Azemard has been appointed by the General Meeting of May 15th 2014. Ms. Azemard is a graduate of the Institut Supérieur d'Electronique de Paris (ISEP) and the Institut des Hautes Etudes de la Défense Nationale. She spent her career in the Thales Group, including 20 years in sales and marketing management positions, primarily at the international level. Since 2013, she has been a consultant to business executives. Since she is a representative of Bpifrance Investissement, a shareholder in Mersen, Ms. Azemard may not be regarded as an independent member of the Supervisory Board, in the opinion of the Appointments and Remuneration Committee. The remaining period of Isabelle Azemard's mandate is two years.

Appointment of Bpifrance Investissement: Bpifrance Investissement has been coopted as supervisory board member 30 October 30th 2013. Bpifrance Investissement has appointed **M. Thierry Sommelet** as his permanent representative. Thierry Sommelet is graduate of the Ecole Nationale des Ponts et Chaussées French engineering school, with an MBA from INSEAD, and began his career in the capital markets at Crédit Commercial de France in 1992 in Paris and, subsequently, in New York. After holding management positions in London and Paris, he joined the Caisse des Dépôts & Consignations in 2002 as Manager of Financial Arrangements in the Digital Investments and Holdings department. He moved to the Strategic Investment Fund when it was established in 2008 and has been, since 2015, Director, member of the executive committee at Bpifrance Investissement Mid & Large Cap. Since Bpifrance Investissement is a shareholder in Mersen, Thierry Sommelet cannot be regarded as an independent member of the Supervisory Board in the opinion of the Appointments and Remuneration Committee. The remaining period of Bpifrance Investissement's mandate is three years.

Appointment of Mr Yann Chareton: Yann Chareton has been appointed member of the supervisory board in 2009 for a 4-year period. His office as member has been renewed by the General Meeting of May 13th 2013. Graduate of the IEP in Paris and of the business school ESSEC, Yann Chareton also studied at the London School of Economics and the University Commerciale Luigi Bocconi in Milan. In Italy, he was involved in transactions with the KOS, Lima, Bruni, Italmatch and Irca groups. In October 2005, he joined AXA Private Equity's Mid Cap LBO team (which became Ardian in 2013), where he is Director at the Milan office. Since Ardian is a shareholder in Mersen, Yann Chareton cannot be regarded as an independent member of the Supervisory Board in the opinion of the Appointments and Remuneration Committee. The remaining period of Yann Chareton's mandate is one year.

Appointment of Mr Hervé Couffin: Hervé Couffin has been appointed as member of the supervisory board in 2009 for a 4-year period. His office as member has been renewed by the General Meeting of May 16th 2013. Hervé Couffin is graduate of

the École Polytechnique and a qualified Corps des Mines engineer, and started his career working for the French industry ministry. He joined the Paribas group in 1983 as director responsible for principal investments. He became a member of the Executive Committee of Paribas Affaires Industrielles in 1993, then senior partner and member of the Executive Committee of PAI Partners until 2004. In 2005, he founded Callisto, a financial consulting firm that advises management teams in leveraged buy-outs. He is Callisto's Chairman and CEO. In addition, he is an independent director of several companies. In accordance with the opinion of the Appointments and Remuneration Committee, Hervé Couffin is considered as an independent member of the Supervisory Board. The remaining period of Hervé Couffin's mandate is one year. The remaining period of Hervé Couffin's mandate is one year.

Appointment of Mrs Catherine Delcroix: Catherine Delcroix has been coopted on March 10th 2015. She is member of the Audit and Accounts committee since March 10th 2015. Catherine Delcroix has a degree in marine engineering from the École Nationale Supérieure des Techniques Avancées, and has spent her career in engineering and industrial maintenance, primarily in the energy sector. She served as Managing Director for Energy of the CNIM group from 2002 to 2014 and was appointed Board member and corporate secretary of the Group in 2009. In accordance with the opinion of the Appointments and Remuneration Committee, Catherine Delcroix is considered as an independent member of the Supervisory Board. The remaining period of Catherine Delcroix's mandate is three years.

Appointment of Mrs Carolle Foissaud: Carolle Foissaud has been appointed by the General Meeting of May 16th 2013. Carolle Foissaud is a graduate of the École Polytechnique and the École Nationale Supérieure des Télécommunications. She has spent the bulk of her career with the Areva Group, primarily in operational positions within the Connectors, Fuel, Reactors and Cleanup units. She has been a member of the Executive Management Board (EMB) of the Areva Group and Senior Vice President for Safety, Security and Operations Support. On March 1, 2014 she was appointed Chairman and CEO of Areva TA and Director of the Propulsion and Research Reactors Business Division. In accordance with the opinion of the Appointments and Remuneration Committee, Carolle Foissaud is considered as an independent member of the Supervisory Board. The remaining period of Carolle Foissaud's mandate is one year.

Appointment of Mr Dominique Gaillard: Dominique Gaillard has been appointed as member of the supervisory board in 2009 for a 4-year period. His office as member has been renewed by the General Meeting of May 16th 2013. A graduate of the Ecole Polytechnique, Ecole Nationale des Ponts et Chaussées, the IAE in Paris and the University of Berkeley, California (MSc), Dominique Gaillard began his career working for a Pechiney subsidiary as R&D director, then sales and marketing director (1988-1990). From 1990 to 1997, he worked at Charterhouse, during which time he arranged numerous development capital and LBO transactions. He joined AXA Private Equity (which became Ardian in 2013) in 1997 as head of LBOs. He is now Managing Director in charge of Direct Funds (development capital, small & mid cap LBOs, co-investment, and infrastructure). As a representative of Ardian France and advisor to the AXA Capital Fund LP, which is a Mersen shareholder, Dominique Gaillard cannot be regarded, in the opinion of the Appointments and Remuneration Committee, as an independent member of the Supervisory Board. The remaining period of Dominique Gaillard's mandate is one year.

Appointment of Mr Jean-Paul Jacamon: Jean-Paul Jacamon has been member of supervisory board in 2009 for a 2-year period. His office as member has been renewed by the General Meeting of May 19th 2015 for the second time. He is member and President of the Appointment and Remuneration Committee. Jean-Paul Jacamon is a graduate of the École polytechnique and of the École des Mines. After starting his career at the French Ministry of Industry and Datar, he joined Schneider Electric in 1981. He became Chairman and CEO of Spie-Trindel and Spie Enertrans and, in 1993, Senior Executive Vice-President of Spie Batignolles. In 1995, he was appointed CEO of the European Division and, in 1996, CEO. He served as Vice Chairman and Managing Director of Schneider Electric from 1999 to 2002. Since that time, he has served as a company director. In accordance with the opinion of the Appointments and Remuneration Committee, Jean-Paul Jacamon is considered as an independent member of the Supervisory Board. The remaining period of Jean-Paul Jacamon's mandate is three years.

Appointment of Mr Henri-Dominique Petit: Henri-Dominique Petit has been appointed member of the supervisory board on May 19th 2009 for a 2-year period. His office as member has been renewed by the general meeting of May 19th 2015 for the second time. He is Vice-President of the supervisory board and member of the Appointment and Remuneration Committee and member of the Audit and Accounts Committee. After high-level scientific training (Ecole Supérieure de Physique et de Chimie in Paris, followed by a postgraduate degree in nuclear physics and a PhD in particle electronics at Orsay University), Henri-Dominique Petit joined Kodak, a group with which he spent the bulk of his career. He held a wide variety of positions in France and in the rest of the world. He was appointed Group Vice-President in 1992 and Senior Vice-President in 2003. He served as Chairman of Sperian Protection (formerly, Bacou-Dalloz) in 2004 and consolidated the group's merger and international development. He served as CEO until 2009 and Chairman until 2010. In April 2011, Mr. Petit was appointed Senior Advisor to the European corporate finance house, DC Advisory. In accordance with the opinion of the Appointments and Remuneration Committee, Henri-Dominique Petit is considered as an independent member of the Supervisory Board. The remaining period of Henri-Dominique Petit mandate is three years.

Appointment of Mr Marc Speeckaert: Marc Speeckaert has been appointed member of the supervisory board of May 19th 2009 for a 2-year period. His office as member has been renewed by the General Meeting of May 19th 2015 for the second time. He is member of the Strategy Committee. After graduating in applied economics and obtaining an MBA from the Catholic University of Louvain (Belgium), Marc Speeckaert also attended an Advanced Management Program at Wharton (University of Pennsylvania, US). He began his career with Touche Ross & Cie, before spending ten years with ITT Corporation where he held several financial positions. During 1986, he joined the Glaverbel group in Belgium where he went on to become chief financial officer, after taking responsibility for management control. From 1991 to 1994, he held the same position with the Lhoist group. From 1994 to 2004, he was chief financial officer, then chief strategy officer of Belgacom in Belgium. Since 2004, he has been managing director of Sofina. Since Sofina is a shareholder in Mersen, Marc Speeckaert is not an independent member of the Supervisory Board in the opinion of the Appointments and Remuneration Committee. The remaining period of Marc Speeckaert mandate's is three years.

Appointment of Mrs Ulrike Steinhorst: Ulrike Steinhorst has been appointed by the General Meeting of May 16th2013. Ulrike Steinhorst began her career in France at the Ministry of European Affairs. She joined EDF's International Division in 1990 before returning to Germany, where she joined the Degussa group in 1999. She held several positions there, first in Germany and later in France, where she directed Degussa's French subsidiary. In 2007, she moved to EADS as Chief of Staff to the CEO. In 2012, she joined the Research Directorate of the Airbus Group, where she became Head of Strategy, Planning and Finance. Ulrike Steinhorst is a German lawyer and a graduate of Paris II – Panthéon University, HEC (EMBA) and the French Ecole Nationale d'Administration (International Cycle). Since 2011, she has been an independent director of Valeo. In accordance with the opinion of the Appointments and Remuneration Committee. Ulrike Steinhorst is considered as an independent member of the Supervisory Board. The remaining period of Ulrike Steinhorst mandate's is one year.

Allocation of attendance fees of the Board of Directors (resolution 33)

We propose to set up the annual amount of attendance fees to be allocated to the Board of Directors to 264 000 euros. This amount is equal to the current amount allocated to the Supervisory board. The current allocation is made as follows:

- Two-thirds are allocated based on membership on the Supervisory Board; it being specified that of this two-thirds, 45% is reserved for membership, strictly speaking, of the Board and is divided equally among the members, and 55% is reserved, on a pro rata basis, for actual participation of the members at Board meetings.

- One-third is allocated based on membership of a specialized committee; it being specified that one-third shall be distributed based on the same breakdown between membership and actual presence, and that this one-third shall be distributed as follows: 13.3% for the Audit and Accounts Committee, 10% for the Appointments and Remuneration Committee, and 10% for the Strategy Committee.

- Last, the compensation of each Committee Chairman is equal to 1.5 times a member's compensation, both for membership and actual attendance.

We precise that the Board Meeting taking place at the issue of the present Meeting, will have to decide about the conditions of allocation of such attendance fees.

Carrying out transactions on the shares of the Company (resolution 34)

The thirty-fourth resolution aimed to renew the authorization granted to the company, for a period of 18 months, to carry out transactions on its shares, among others to proceed to purchase of its shares, including in the frame of a liquidity agreement. The maximum purchase price is set at 30 euros and the maximum number of shares is limited to 10% of total number of shares ie 20,063,685 shares. In view of the maximum purchase price set hereby, the aggregate amount of share purchases may not exceed an amount of 61,910,550 euros.

The Board of Directors may purchase Company's shares in order to:

- enhance trading in and the liquidity of the Company's shares by engaging the services of an investment service provider, acting independently, under a liquidity agreement in accordance with the AMAFI charter;
- allocate or transfer shares to employees under the employee profit-sharing plan or the implementation of any employee savings plan under the conditions provided by law, specifically Article L.3332-1 et seq. of the French Labor Code, by transfer of shares previously acquired by the Company under this resolution or providing a free grant of these shares by way of Company contribution and/or in replacement of the discount;
- allot shares under the conditions set forth in Articles L225-197-1 to L225-197-3;
- implement any share purchase option plan of the Company pursuant to the provisions of Article L.225-177 et seq. of the French Commercial Code or any similar plan;
- allot shares in connection with the conversion or exchange of securities (including debt securities) conferring rights to the Company's share capital;
- purchase them for holding purposes and subsequently remit them as part of an exchange offer or in consideration for any acquisitions;
- cancel shares through a reduction in the share capital in accordance with the French Commercial Code (subject to authorization of resolution 13).

In 2015, the company makes use of this authorization under the liquidity agreement signed with EXANE BNP Paribas (Independent Service Provider). Since February 21, 2005, the Company has entrusted Exane-BNP Paribas with implementing a liquidity agreement in accordance with the AMAFI's charter approved by the Autorité des Marchés Financiers for an automatically renewable period of one year. The funds and shares made available pursuant to this agreement and credited to the liquidity account on February 25, 2005 comprised €2,200,000 and no shares.

At December 31, 2015, the following funds and shares appeared in the liquidity account: 49,453 equities and 552,324 euros.

Besides buyback performed in the frame of the liquidity agreement, the Company has purchased in 2015, 57 800 shares for their future allocation to employees in the frame of existing free allocation plan de plans and 55 200 shares in order to cancel them, which has been done, by Decision of the Management Board of January 27th 2016.

Full details of the stock repurchase program are provided in the General information about the share capital - Stock buyback program section of the annual report.

The Management Board

The Supervisory Board

DRAFT OF RESOLUTIONS

ACTING AS THE ORDINARY GENERAL MEETING

First resolution – Approval of the Annual accounts for the period ending 31 December 2015

The General Meeting, deliberating in accordance with the quorum and majority conditions required for Ordinary General Meetings, after having reviewed the management report from the Management board and having heard the reports from the President of the Supervisory Board and the Auditors regarding the balance sheet and the accounts of the Company for the period 2015, approved the accounts as they were presented to it, all the operations reflected in the accounts, the valuations given therein, as well as the allocations to the accounts for depreciation and provisions.

As a result, it resolves to fix the profit balance on the Profit and Loss account at 14 296 398.52 €.

Second resolution – Approval of the consolidated accounts for the period ending 31 December 2015

The General Meeting, deliberating in accordance with the quorum and majority conditions required for Ordinary General Meetings, after having reviewed the management report from the Management board and having heard the reports from the Chairman of the Supervisory Board and the Auditors regarding the balance sheet and the accounts of the Company for the period 2015, approved the accounts as they were presented to it, all the operations reflected in the accounts, the valuations given therein, as well as the allocations to the accounts for depreciation and provisions.

As a result, it resolves to fix the profit balance on the consolidated Profit and Loss account at 2 595 000 €.

Third resolution – Appropriation of the results of the Company and setting of the amount of the dividend

The General Meeting, deliberating in accordance with the quorum and majority conditions required for Ordinary General Meetings, at a proposal of the Management board decides to allocate the profit from the period amounting to 14 296 398,52 € as follows:

Profit for the period	14,296,398.52 €
Increased by an amount carried forward	34,906.75 €
Forming a distributable profit of	14,331,305.27 €
As dividends	10,317,976.00 €
As an amount carried forward	4,013,000.00 €

Consequently, the General Meeting sets the dividend for the period at 0.50 € for A shares, B shares being not eligible for the payment of a dividend, while it is pointed out that in the event of a variation in the number of A shares giving right to a dividend in comparison with the 20 635 952 A shares making up the Company's capital on 27 January 2016, the overall amount of the dividends would be adjusted as a result, and the amount allocated to the account for amounts carried forward would be determined on the basis of the dividends effectively paid out.

The dividend will be detached from the share on 4 July 2016 and made available for payment on 6 July 2016.

In accordance with Article 243a of the General Tax Code, it is noted that this dividend, when paid to natural persons domiciled in France for tax purposes, is subject to an allowance of 40% provided for in the second item in point 3 of Article 158 of the said Code.

In accordance with the law, it should be noted that during the three previous business years, the following dividends were distributed:

Business year	Dividend in €	Amount eligible for the allowance provided for in Article 158-3-2° CGI [General tax code]	Amount not eligible for the allowance provided for in Article 158-3-2° CGI
2013	0.45	0.45	0
2014	0.45	0.45	0
2015	0.50	0.50	0

Fourth resolution – Approval of the undertakings with respect to Articles L.225-88 and L.225-90-1 of the Commercial Code concerning M. Luc Themelin

The General Meeting, deliberating in accordance with the quorum and majority conditions required for Ordinary General Meetings, after having taken note of the report drawn up by the Auditors under application of the provisions of Article L225-88 of the Commercial Code, approves the undertakings that have been entered into with respect to the compensation and benefits,

indemnities or advantages due or capable of becoming due by virtue of the cessation or change to the functions of M. Luc Themelin.

Fifth resolution – Advisory opinion on the compensation and benefits owed and attributable to M. Luc Themelin, President of the executive board for the period ending 31 December 2015

The General Meeting, deliberating in accordance with the quorum and majority conditions required for Ordinary General Meetings, having been consulted in application of the AFEP-MEDEF Code for corporate governance of quoted companies (paragraph 24.3), acting under conditions of the quorum and the majority required for ordinary general meetings, issues a favourable opinion regarding the compensation and benefits owed and attributable for the period ending on 31 December 2015 to Luc Themelin, Chairman of the Management board, shown in the annual management report in Chapter 3 (page 76) in the Reference Document referred to.

Sixth resolution – Advisory opinion on the compensation and benefits owed and attributable to Messrs Thomas Baumgartner, Christophe Bommier and Didier Muller, members of the Executive Board, for the period ending 31 December 2015

The General Meeting, deliberating in accordance with the quorum and majority conditions required for Ordinary General Meetings, having been consulted in application of the AFEP-MEDEF Code for corporate governance of quoted companies (paragraph 24.3), acting under conditions of the quorum and the majority required for ordinary general meetings, issues a favourable opinion regarding the compensation and benefits owed and attributable for the period ending on 31 December 2015 to Messrs. Thomas Baumgartner, Christophe Bommier and Didier Muller, members of the executive board, shown in the annual management report in Chapter 3 (page 78) in the Reference Document referred to.

Seventh resolution – Renewal of appointment of Deloitte & Associés as Statutory Auditors

On proposal from the Supervisory Board the General Meeting, deliberating in accordance with the quorum and majority conditions required for Ordinary General Meetings, reappoints Deloitte et Associés, whose mandate expires at the present shareholders' meeting, in their functions as Statutory Auditors for a duration of six accounting periods, i.e. until the end of the Ordinary Annual General Meeting to be held in year 2022, to approve the financial statements of the business year ending on 31 December 2021.

Deloitte & Associés stated that it accepted these functions.

Eighth resolution – Renewal of appointment of Beas as Supplementary Auditors

On proposal from the Supervisory Board the General Meeting, deliberating in accordance with the quorum and majority conditions required for Ordinary General Meetings, reappoints Beas, whose mandate expires at the present shareholders' meeting, in their functions as Supplementary Auditors for a duration of six accounting periods, i.e. until the end of the Ordinary Annual General Meeting to be held in the year 2022, to be called to approve the financial statements of the business year ending on 31 December 2021.

Beas stated that it accepted these functions.

Ninth resolution – Appointment of KPMG S.A. as Statutory Auditors

On proposal from the Supervisory Board the General Meeting, deliberating in accordance with the quorum and majority conditions required for Ordinary General Meetings, appoints KPMG S.A. as a replacement for KPMG Audit I.D. whose mandate terminates at the end of the present meeting, to carry out the functions of Statutory Auditors for a duration of six accounting periods, i.e. until the end of the Ordinary Annual General Meeting to be held in the year 2022, to be called to approve the financial statements of the business year ending on 31 December 2021.

KPMG S.A. stated that it accepted these functions.

Tenth resolution - appointment of Salustro Reydel as Supplementary Auditors

On proposal from the Supervisory Board the General Meeting, deliberating in accordance with the quorum and majority conditions required for Ordinary General Meetings, appoints Salustro Reydel as a replacement for KPMG Audit IS whose mandate terminates at the end of the present meeting, to carry out the functions of Supplementary Auditors for a duration of six accounting periods, i.e. until the end of the Ordinary Annual General Meeting to be held in the year 2022, to be called to approve the financial statements of the business year ending on 31 December 2021.

Salustro Reydel stated that it accepted these functions.

Eleventh resolution – Ratification of the transfer of the registered office of the Company

The General Meeting, deliberating under the quorum and the majority conditions required for ordinary general meetings, ratifies the decision taken by the Management board in its meeting of 27 January 2016 to transfer the registered office of MERSEN from the Immeuble La Fayette, 2/3 place des Vosges, 92400 Courbevoie to the following address: Tour EQHO, 2 Avenue Gambetta, 92066 La Défense Cedex, and to modify Article 4 of the articles of association accordingly.

ACTING AS AN EXTRAORDINARY GENERAL MEETING

Twelfth resolution – Change in the methods of administration and management of the company: adoption of a new governance with board of directors and adoption of new articles of association after a complete redesign.

The General Meeting, deliberating under the quorum and the majority conditions required for extraordinary general meetings, after having reviewed the report from the Management board and the text of the new articles of association attached hereto,

decides to change the method of administration and direction of the Company by adopting a structure of corporate governance with a Board of Directors governed in particular by the provisions of Articles L.225-17 to L.225-56 of the Commercial Code.

This decision will take effect at the end of the present General Meeting.

Consequently, the general meeting:

- States that the functions of the members of the Supervisory Board and of the members of the Management board terminate at the end of the present meeting;
- Decides that the accounts for the period commencing on 1 January 2016 will be established and presented in accordance with the legal and statutory regulations applicable to limited companies with a Board of Directors;
- Approves the overall redesign of the articles of association of the Company shown in the Appendix, including, apart from statutory modifications related to the adoption of a corporate governance structure with a Board of directors, the principle changes listed below:
 - Extension of the duration of the Company to 31 December 2114 (Article 5) ;
 - Modification of the rules concerning the crossing of thresholds (Article 11 ter) ;
 - Setting of an age limit for directors, the Chairman of the Board of Directors and the Deputy President to 72 years (Articles 17 and 18);
 - Setting of the duration of their offices for the directors and the introduction of a phased renewal of the said offices (Article 17);
 - Setting of an age limit for the Managing Director and the Deputy Managing Directors at 65 years (Articles 21 and 23).

Consequently, the General Meeting decides to adopt each article simultaneously as well as the totality of the new articles of association which will govern the Company in the form of a limited company with a Board of Directors at the end of the present meeting, the text of which will be appended to the minutes of the present meeting.

Thirteenth resolution – Authorisation to be granted to the Board of Directors for a duration of 18 months for the purpose of reducing the capital through the cancellation of shares held by the Company under the program for share buyback

The General Meeting, deliberating in accordance with the quorum and majority conditions required for Extraordinary General Meetings, after having reviewed the report from the Management board and the Supervisory Board and of the special report of the Auditors, authorises the Board of Directors for a duration of eighteen months in accordance with Article L.225-209 of the Commercial Code, to reduce the share capital in one or more phases, in such proportions and such periods as it deems fit, in order to cancel any quantity of the Company-held shares, as it shall decide within the limits authorised by the law.

On the date of each cancellation, the maximum number of shares cancelled by the Company during the period of twenty-four months preceding such annulment, including the shares that are the subject of such cancellation, may not exceed ten per cent (10%) of the shares making up the Company's capital at such date, i.e. by way of indication, a maximum of 2,063,685 shares as at 27 January 2016.

For this purpose, the General meeting confers upon the all powers to the Board of Directors, with the option of sub-delegation under conditions fixed by the law and the articles of association, in order to define the definitive amount of the capital reduction, to fix the methods for such reduction and to confirm that it has been carried out, and consequently to modify the articles of association of the Company, to enter the difference between the accounting value for the cancelled shares and their nominal value on all the accounts for reserves or premiums, and to carry out all the resulting acts or formalities, particularly all declarations to the l'Autorité des Marchés Financiers, and generally to do what is needful.

The Generals' meeting decides that the authorisations and delegations granted to the Board of Directors under the terms of this present delegation of powers will benefit the Management board in the event of the rejection of the twelfth resolution of the present General Meeting.

Fourteenth Resolution – Delegation of powers to be granted to the Board of Directors for a duration of 26 months in order to decide on capital increases, with through the issue of shares and/or securities giving immediate or delayed access to the capital of the Company, with preferential right of subscription, or by capitalisation of premiums, reserves or profits.

The General meeting, deliberating in accordance with the quorum and majority conditions required for extraordinary general meetings, after having reviewed the report from the Management board, in accordance with the provisions of Articles L.225-129, L. 225-129-2, L.225-130, L225-132 and L.228-91 and L.228-92 of the Commercial Code:

1. Delegates to the Board of Directors, with the option of sub-delegation under the conditions fixed by law and the articles of association, the powers to:
 - a. Decide on the issue, with preferential right of subscription, in one or several phases, in such proportion and periods as it shall deem fit, except in periods of public offers regarding the shares of the Company, in France or abroad, whether in euros or in any other currency or monetary unit established by reference to several currencies, issue of (i) ordinary shares in the Company and/or (ii) securities governed by Articles L.228-91 et seq. of the Commercial Code, being equity securities of the Company giving access to other equity securities of the Company, and/or giving right to the allocation of debt securities of the Company, (iii) of securities representing a debt claim, whether governed or not by Articles L.228-91 et seq. of the Commercial Code, giving access or capable of giving access to equity securities to be issued by the Company, such securities being also capable, where applicable, of giving access to existing equity securities and/or to debt securities of the Company, issued in return for payment or free-of-charge, and it being specified that the subscription for such shares and other securities may be carried out for cash or by means of the offsetting of claims;

- b. Decide of the increase of the share capital in one or more phases, in such proportions and periods as it shall deem fit, except in periods of public offers on the shares of the Company by capitalisation of reserve capital, profits or premiums, the capitalisation of which is possible by law and the articles of association, in the form of allocation of free shares or by increasing the nominal value of existing shares or by the joint employment of these two procedures.
2. Decides to set, as follows, the limits to the amounts for increases in the authorised share capital in the event of the use of the present delegation of powers:
- a. the maximum nominal amount for the increases in capital capable of being carried out immediately and/or in the longer term by virtue of the present delegation of powers granted to the Board of Directors is fixed at fifteen million (15 000 000) euros or the equivalent in any other currency or monetary unit established by reference to several currencies; where applicable, this limit can be increased by the nominal amount of the shares which may possibly be issued additionally, in accordance with the legislative and regulatory provisions applying and. Where necessary, in accordance with contractual stipulations, in the event of new financial operations, in order to preserve the rights of the bearers of securities giving access to capital, of options or of free share allocation rights;
- b. if debt securities are issued under the present delegation of powers, the maximum nominal amount of the debt securities that can be issued, giving immediate or future access to capital as a result of the present delegation, may not exceed two hundred million (200 000 000) euros or the equivalent in any other currency or monetary established by reference to several currencies on the date of issue, and where necessary, this amount may be increased by any above par;
3. Decides that the issue or issues will be reserved by preference to shareholders who can subscribe as of right proportionally to the number of shares they possess at the time;
4. Acknowledges the fact that the Board of Directors is entitled to establish a revocable right of subscription, which, if the irrevocable subscriptions and where applicable, the revocable subscriptions have not absorbed the whole of the capital increase, the Board of Directors may, under conditions provided for in law and in such order as it shall determine, use one or other of the options below:
- To limit the issue to the amount of the subscriptions on condition that reaches at least three quarters of the issue that was decided;
 - To distribute as it wishes all or part of the shares or, in the case of securities giving access to the capital, such securities as it was decided to issue, but which had not been subscribed;
 - To offer to the public, by means of a formal public offering, all or part of the shares or, in the case of securities giving access to capital, of the securities not subscribed ;
5. Decides that issues of warrants for shares in the Company may be made either by a subscription offer or by free allocation to the owners of the old shares;
6. Decides that in case of the free allocation of independent share subscription warrants, the Board of Directors will be entitled to decide that the rights of allocation forming odd lots will not be negotiable, and that the corresponding shares will be sold on the market;
7. Acknowledges that because the present delegation of powers applies unconditionally for the benefit of the bearers of issued securities giving access to shares in the capital or capable of giving access to shares in the capital of the Company, there is a waiver by the shareholders to their preferential right of subscription to the shares to which these securities give entitlement;
8. Decides that the Board of Directors will have all the powers, with an option of sub-delegation under the conditions fixed by law and the articles of association to implement the present delegation of powers, for the purpose in particular of: (a) decide on the issue and determine the securities to be issued, (b) in the case of an issue, to decide immediately or in the short-term the shares, the amount of the capital increase, the issue price and the amount of the premium which could, if required, be asked at the issue, (c) determine the dates and the methods for the issue, the nature, number and characteristics of the securities to be created, (d) moreover, to decide, in the case of debt securities (including securities giving the right to the allocation of debt securities, as provided for in Article L.228-91 of the Commercial Code), whether their character should be subordinated or not, fix their interest rate and, as required, to provide for mandatory or optional cases for the suspension or non-payment of interest, to provide for their duration (fixed or unlimited), the possibility of reducing or increasing the nominal value of the shares and the other terms; (e) to determine the method of paying for the shares or the securities to be issued immediately or in future; (f) to fix the methods for exercising the rights attaching to the shares or to the securities to be issued and, in particular, to fix the date of entitlement to dividends, even retrospectively, for the shares and all other conditions and terms for implementing the capital increase, (g) to establish the methods by which the Company will, if necessary, have the possibility for purchasing or exchanging on the market the securities issued, or to be issued immediately or in future in order to annul them or not, taking into account the legal requirements, (h) to provide for the possibility of suspending the exercise of the rights attaching to these securities in accordance with the legal and regulatory provisions, (i) to allocate the charges, dues and fees for any issue with respect to the amount of the premiums applicable to them and to levy from this amount the sums necessary to carry the legal reserve to one tenth of the new capital after each issue, (j) to establish and to carry out all adjustments for the purposes of taking into account the effects of operations on the capital of the Company and to set the methods according to which it will be, if necessary, ensured that the rights of the owners of the securities giving access to capital will be preserved in accordance with the legal and regulatory provisions and, if required, contractual stipulations, (k) in general to take all the necessary measures and to conclude all agreements, in particular to successfully carry out the issues envisaged and, if necessary, to proceed with the admittance for negotiation on the regulated market for the shares or securities to be issued, and to ascertain the increase or increases in capital resulting from each issue carried out under the present delegation of powers and to modify the articles of association accordingly;

9. Decides that the authorisations and delegations granted to the Board of Directors, under the terms of the present delegation of powers, will benefit the Executive board in the event of the rejection of the twelfth resolution of the present General Meeting;
10. Sets at twenty-six months, counting from the date of the present meeting, the period of validity of the delegation of powers, the subject of the present resolution, and decides that the present delegation renders null and void the unused amounts of all previous delegations of the same kind.

Fifteenth resolution – Delegation of powers to be granted to the Board of Directors in order to increase the number of shares to be issued in the event of the issue of ordinary shares and/or securities giving access to the Company's capital, with a preferential right of subscription

The General Meeting, deliberating in accordance with the quorum and majority conditions required for extraordinary general meetings, after having reviewed the report from the Management board, in accordance with the provisions of Articles L. 225-135-1 and L. 225-129-2 of the Commercial Code:

1. Delegates to the Board of Directors its powers, with the option of sub-delegation under conditions fixed by law or the articles of association, to decide to increase the number of shares to be issued in the event of an issue with a preferential right of subscription resulting from the Fourteenth resolution, at the same price as that recorded for the initial issue, within periods and limits provided for by the applicable regulations on the date of the issue (currently, within thirty days of the closure of the subscription and within a limit of 15% of the initial issue), in particular in order to grant an option of over-allocation in accordance with market practices;
2. Decides that in the case of an issue, immediately and/or in the future, of ordinary shares, the nominal amount of the increases in the Company's capital decided on by the present resolution will be applied to the amount for the maximum stipulated in the Fourteenth resolution of the present meeting or, if applicable, on the amount of the maximum provided for in resolutions of the same type, which may possibly follow the present resolution during the period of validity of the present delegation of powers;
3. Decides that in the case of the issue of securities representing debt securities of the Company, the amount of the issue will be added to the amount for the maximum of the issues of securities representing debt securities provided for in the Fourteenth resolution of the present meeting or, if applicable, to the amount of the maximum which may be provided for by a resolution of the same type which may follow the said resolution during the period of validity of the present delegation of powers;
4. Acknowledges the fact that, if the Board of Directors uses the delegation of powers conferred upon it in the present resolution, the Board of Directors will report to the following ordinary general shareholders' meeting, in accordance with the law and the regulations concerning the use made of the authorisations conferred in the present resolution ;
5. Decides that the authorisations and delegations granted to the Board of Directors, under the terms of the present delegation of powers, will benefit the Management board in the event of the rejection of the twelfth resolution of the present General Meeting.

The present delegation of powers is granted for a period of twenty-six (26) months, counting from the date of the present meeting, and it is pointed out that the Board of Directors will not be authorised to decide on a capital increase under the present delegation of powers during the any period of public offer regarding the shares of the Company.

Sixteenth resolution – Delegation of powers to be granted to the Board of Directors for a duration of 26 months in order to issue shares and/or securities giving access to the Company's capital in compensation for contributions in kind to the Company and consisting of shares in capital or securities giving access to capital

The General Meeting, deliberating in accordance with the quorum and majority conditions required for extraordinary general meetings, after having taken note of the report from the Management Board, and in accordance with the provisions of the last paragraph of Article L.225-147 of the Commercial Code:

1. Delegates to the Board of Directors, with the option of sub-delegation under conditions fixed by the law and the articles of association such powers as are necessary to proceed with the issue, in one or more phases, and in such proportions and periods as it shall deem necessary, except during a period of public offer for the shares of the Company, (i) ordinary shares in the Company and/or (ii) securities, whether or not subject to Articles L.228-91 et seq. of the Commercial Code, which are shares in the capital of the Company giving access to other shares in the capital of the Company, and/or giving the right to the allocation of debt securities of the Company, and/or (iii) of securities representing a debt security whether or not covered by Articles L.228-91 et seq. of the Commercial Code, giving access of capable of giving access to capital shares to be issued by the Company, such securities also being able, where applicable, to give access to existing capital shares and/or to debt securities of the Company, in order to remunerate contributions in kind to the Company and consisting of shares in capital or of securities giving access to capital, when the provisions of Article L.225-148 of the Commercial Code do not apply;
2. Decides that the maximum nominal amount for the increases in capital capable of being thus realised immediately and/or in the future as a result of the present delegation of powers may not exceed the maximum of 10% of the share capital of the Company, and will be applied to the upper limit of fifteen million (15 000 000) euros provided for in paragraph 2 of the Fourteenth resolution or, if applicable, to the amount of the upper limits provided for by resolutions of the same type which may possibly follow this resolution during the validity period of the present delegation;
3. Decides that, if debt securities are issued as a result of the present delegation of powers, the maximum nominal amount of such debt securities which may be issued giving access immediately and/or in future to capital as a result of the present delegation will be added to the maximum of two hundred million (200 000 000) euros provided for in paragraph 2 of the

Fourteenth resolution or, if applicable, to the amount of the maximum values provided for by resolutions of the same type which may possibly follow the present resolution during the period of validity of the present delegation;

4. Decides, to the extent necessary, to cancel, for the benefit of bearers of shares in capital or securities, being the object of services in kind, the right of preferential subscription of the shareholders with respect to shares and securities to be issued;
5. Acknowledges that because the present delegation of powers applies unconditionally for the benefit of the bearers of issued securities giving access to shares in the capital or capable of giving access to shares in the capital of the Company, there is a waiver by the shareholders of their preferential right of subscription to the shares to which these securities give entitlement under application of the provisions of Article L.225-132 of the Commercial Code;
6. Decides that the Board of Directors will have all powers, with the option of sub-delegation under the conditions fixed by law and the articles of association to implement the present delegation of powers and in particular in order to: (a) rule on the report of the share auditor or share auditors, (b) to set the methods and conditions for operations authorised in conditions provided for in Article L.225-147 of the Commercial Code, (c) to fix the number of shares or securities to be issued as a remuneration of services in kind, (d) to fix the methods for exercising the rights attaching to the shares or securities to be issued and, in particular, to set the date for entitlement to dividends for the shares, as well as all other conditions and methods for carrying out the capital increase, (e) to allocate the charges, dues and fees for any issue against the amount of the premiums applicable to them and to levy from this amount the sums necessary to carry the legal reserve to one tenth of the new capital after each issue, (f) to establish and to carry out all adjustments for the purpose of taking into account the effects of operations on the capital of the Company and to set the methods according to which it will, if necessary, be ensured that the rights of the owners of the securities giving access to capital will be preserved in accordance with the legal and regulatory provisions and, if applicable, with any contractual stipulations, (g) in general to take all the necessary measures and to conclude all agreements, in particular to successfully carry out the issues envisaged and, if necessary, to proceed with the admittance for negotiation on the regulated market for the shares or securities to be issued, and to ascertain the increase or increases in capital resulting from each issue carried out under the present delegation of powers and to modify the articles of association accordingly;
7. Decides that the authorisations and delegations granted to the Board of Directors, under the terms of the present delegation of powers, will benefit the Management board in the event of the rejection of the twelfth resolution of the present General Meeting;
8. Sets at twenty-six months, counting from the date of the present meeting, the period of validity of the delegation of powers, the subject of the present resolution, and decides that the present delegation renders null and void the unused amounts of all previous delegations of the same kind.

Seventeenth resolution – Delegation of powers to be granted to the Board of Directors for a duration of 38 months in order to proceed with free allocations of shares in the Company without preferential rights of subscription

The General Meeting, deliberating in accordance with the quorum and majority conditions required for extraordinary general meetings, after having reviewed the report from the Management board and the special reports of the statutory auditors, in application of the provisions of Articles L225-197-1 to L225-197-5 of the Commercial Code:

1. Authorises the Board of Directors to proceed, for the benefit of employees of the Company, or of certain categories of them, and for the benefit of those in companies associated with it, subject to the conditions provided for in Article L225-197-2 of the Commercial Code, to make free allocation of shares of the Company, whether already existing or to be issued, in one or more phases, in proportions and periods that it deems fit, except in periods of a public offer on the shares of the Company;
2. Decides that the members of the Board of Directors, as well as the Managing Director and the Deputy Managing Directors, are excluded from the benefit of allocations of free shares. Exclusion is also made of the employees of the Company and of companies associated with it, who held more than 10% of the capital of the Company or who, due to the free allocation of shares, would then hold more than 10% of the capital of the Company;
3. Decides that the total number of shares existing or to be issued which can be definitively be allocated under the scope of the present authorisation may not exceed the number of 84 000 shares representing approximately 0.4% of the share capital at the date of the present meeting;
4. Decides that the allocation of shares to their beneficiaries will become definitive at the end of an acquisition period of minimally 2 (two) years counting from the date of allocation of the shares by the Board of Directors, whereby it is understood that the allocation of the said shares to their beneficiaries will become definitive before the expiry of the above-mentioned acquisition period in the case of invalidity* [Translator :i.e. illness in accordance with French legislation] of the beneficiary corresponding to a classification in the second or third category provided for in Article L. 341-4 of the Social Security Code or an equivalent category abroad, and that the said shares will be freely transferable in the case of invalidity of the beneficiary corresponding to the classification in the above-mentioned categories of the Social Security Code or the equivalent category abroad;
5. Decides that the Company may, if applicable, proceed to adjustments to the number of free shares allocated and necessary for the purpose of preserving the rights of the beneficiaries, as a result of possible operations affecting the Company's capital in circumstances provided for in Article L. 225-181 of the Commercial Code. It should be noted that the shares allocated under application of these adjustments will be considered to be allocated on the same date as the shares initially allocated;
6. States that in the case of free-of-charge allocation of new shares, the present authorisation will bring about, in step with the definitive allocation of the said shares, an increase in capital by means of capitalisation of reserves, profits or issue premiums in favour of the beneficiary of the said shares and to the corresponding waiver by the shareholders to their preferential right of subscription on the said shares, for the benefit of the beneficiaries of the said shares;

7. Acknowledges the fact that, if the Board of Directors makes use of the present authorisation it will inform each year the ordinary general s' meeting concerning the operations carried out by provisions specified in Articles L. 225-197-1 to L. 225-197-3 of the Commercial Code, under conditions provided for by Article L. 225-197-4 of the said Code;
8. Confers to the Board of Directors all powers, with the option of sub-delegation in the conditions established by the law and the articles of association, so that it can implement the present authorisation and in particular (i) determine if the free shares allocated are shares to be issued or existing shares, (ii) to determine the identity and the categories of the beneficiaries of the above-mentioned, as well as the conditions, in particular, the acquisition period and the minimum retention period, and the criteria for performance and allocation of the shares, (iii) to make provisions for the possibility of provisionally suspending the rights to allocation in the event of financial operations, (iv) to determine the date of definitive allocation and the dates from which the shares may be freely transferred, bearing in mind the legal restrictions and (v) in case of the issue of new shares, and where necessary, to apply to the reserves, profits or issue premiums such sums as are necessary for the payment of the said shares, to determine the completion of the capital increases implemented under application of the present authorisation, proceed with making the related modifications to the articles of association, and generally to carry out all the necessary acts and formalities;
9. Decides that the authorisations and delegations granted to the Board of Directors, under the terms of the present delegation of powers, will benefit the Management board in the event of the rejection of the twelfth resolution of the present meeting;
10. Sets at thirty eight months, counting from the date of the present meeting, the period of validity of the delegation of powers, the subject of the present resolution, and decides that the present delegation renders null and void the unused amounts of all previous delegations of the same kind.

Eighteenth resolution – Delegation of powers to be granted to the Board of Directors for a duration of 38 months in order to proceed with the free allocation of preference shares to be issued by the Company, without preferential right of subscription by the shareholders

The General Meeting, deliberating in accordance with the quorum and majority conditions required for extraordinary general meetings, after having reviewed of the report from the Management board and the special reports from the Auditors, in accordance with Articles L. 225-197-1 et seq. of the Commercial Code:

1. Authorises the Board of Directors, subject to the adoption of the nineteenth resolution, to proceed in one or more phases and in the proportions and periods it deems fit, except during a period of public offer for the shares of the Company, to make allocation of free preference shares to be issued by the Company giving the right of conversion into ordinary shares issued or to be issued by the Company for the benefit of employees or officers, or to certain of them, of the Company and/or of companies associated with it in accordance with Article L.225-197-2 of the Commercial Code, while it is pointed out that the rights attaching to the preference shares are established in the articles of association of the Company;
2. Decides that the maximum total number of ordinary shares capable of resulting from the conversion of preference shares allocated under the present authorisation may not exceed 129 000 shares, i.e. 0.63% of the share capital of the Company at the date of the present Meeting, such number not taking into account possible adjustments carried out in order to preserve, in accordance with the legal and regulatory provisions and, if applicable, any contractual stipulations, the rights of the beneficiaries of preference shares;
3. Decides that the new preference shares allocated by virtue of the present authorisation may, subject to the provisions of Article L.225-197-6 of the Commercial Code, may benefit the Managing Director and the Deputy Managing Directors of the Company;
4. Decides that in accordance with the law, the allocation of the shares to their beneficiaries will become definitive either at the end of a minimum vesting period of two (2) years, the minimum duration for the obligation for the retention of the shares by the beneficiaries which is fixed at two (2) years counting from the definitive allocation of the shares, i.e. for all or part of the shares allocated, at the end of a minimum acquisition period of four (4) years, and in this case, without a minimum retention period, it being understood that the Board of Directors shall be entitled to choose between these two possibilities and to use them alternatively and concurrently, and in either case may extend the period of acquisition and also, in the first case, extend the retention period and, in the second case establish a retention period;
5. Decides that the Board of Directors will determine the criteria and conditions for allocation of preference shares, in particular the identity of the beneficiaries and the number of preference shares allocated to each beneficiary, and will proceed to make such allocations;
6. States that the Board of Directors will make the allocation of the preference shares subject to performance criteria and that it must set, for the officers of the Company the number of ordinary shares resulting from the conversion of preference shares that they shall be obliged to retain at their nominal value until the cessations of their functions;
7. And furthermore, decides, in the event of the invalidity of a beneficiary corresponding to classification in the second or third of the categories provided for in Article L. 341-4 of the Social Security Code, the preference shares will definitively be allocated to them before the end of the remaining term of the acquisition period;
8. Acknowledges that the present authorisation implies as of right, to the benefit of the beneficiaries, the waiver by the shareholders of their preferential right of subscription to the preference shares which may be issued as a result of the present resolution, and with respect to ordinary shares which may be issued when the preference shares are converted;
9. Confers all powers to the Board of Directors, with the option of sub-delegation under conditions provided for by the law and the articles of association, to implement the present authorisation, and in particular to:
 - Fix the number of preference shares to be issued and the date on which they become eligible for the payment of dividends;
 - Fix within the legal limits, the conditions for issuing preference shares;
 - Fix the methods by which it will be ensured, where applicable, that the rights of the bearers of securities giving access to capital will be preserved, and that this will be in accordance with the legal and regulatory provisions and where, if necessary, to any contractual stipulations which may apply;
 - Ascertain the implementation of the preference share issued and to proceed with the corresponding modifications to the articles of association;

- Ascertain the conversion of preference into ordinary shares in accordance with the articles of association, and ascertain, where applicable, the implementation of any increase (s) in capital associated therewith, through capitalisation of reserves and to proceed with the corresponding changes to the articles of association;
 - To proceed with all operations and formalities made necessary by the implementation of the capital increase(s).
10. Decides that the authorisations and delegations granted to the Board of Directors, under the terms of the present delegation of powers, will benefit the Management board in the event of the rejection of the twelfth resolution of the present General Meeting;
11. Sets at thirty eight months, counting from the date of the repent meeting, the period of validity of the delegation of powers, the subject of the present resolution, and decide that the present delegation renders null and void the unused amounts of all previous delegations of the same kind.

The Board of Directors will report each year to the General Meeting, in accordance with the legal and regulatory conditions, and in particular Article L. 225-197-4 of the Commercial Code, concerning the operations carried out under the present resolution.

Nineteenth Resolution – Approval of the creation of a category of preference shares and the related modification to the articles of association.

The General Meeting, deliberating in accordance with the quorum and majority conditions required for extraordinary general meetings, after having reviewed the report from the Management board and the special reports of the statutory auditors, and subject to the adoption by the General Meeting of the eighteen resolution

1. *resolves to modify article 6 of the articles of association of the Company as follows :*

<i>(old version)</i>	<i>(new version)</i>
<p>The share capital is fixed at a total of 41,273,708 euros, divided into 20 636 854 (twenty million, six hundred and thirty six thousand, eight hundred and fifty four) shares, of which 20,635,952 (twenty million, six hundred and thirty five thousand, nine hundred and fifty-two) shares are in category A and 902 (nine hundred and two) shares are in category B, each with a nominal value of 2 euros.</p> <p>The shares are divided into two categories:</p> <ul style="list-style-type: none"> - 20 635 952 (twenty million, six hundred and thirty five thousand, nine hundred and fifty two) category A shares (the "A Shares") which are ordinary shares. <p>902 (nine hundred and two) category B shares ((the "B Shares") which are preference shares issued under application of Articles L.228-11 et seq. of the Commercial Code</p> <p>In the present articles of association A Shares, and B Shares are defined collectively as the "shares", and the bearers of A Shares as "A Shareholders", the bearers of B Shares as "B shareholders", the A Shareholders, and B Shareholders are defined as the "shareholders".</p>	<p>The share capital is fixed at a total of 41,273,708 (forty-one million, two hundred and seventy three thousand, seven hundred and eight) euros, divided into 20 636 854 (twenty million, six hundred and thirty six thousand, eight hundred and fifty four) shares, of which 20,635,952 (twenty million, six hundred and thirty five thousand, nine hundred and fifty-two) shares are in category A and 902 (nine hundred and two) shares are in category B, each with a nominal value of 2 euros.</p> <p>The shares are divided into three categories:</p> <ul style="list-style-type: none"> - 20 635 952 (twenty million, six hundred and thirty five thousand, nine hundred and fifty two) category A shares (the "A Shares") which are ordinary shares. - 902 (nine hundred and two) category B shares ((the "B Shares") which are preference shares issued under application of Articles L.228-11 et seq. of the Commercial Code. - [•] ([•]) category C shares (the "C Shares") which are preference shares issued under application of Articles L.228-11 et seq. of the Commercial Code. <p>In the present articles of association A Shares, B Shares and C Shares are defined collectively as the "shares", and the bearers of A Shares as "A Shareholders", the bearers of B Shares as "B shareholders", the bearers of C Shares as "C shareholders", the A Shareholders, B Shareholders and C Shareholders are defined as the "shareholders".</p>

2. resolves to modify article 11 of the articles of association of the Company as follows :

(old version)	(new version)
<p>The fully paid-up A shares are registered shares or bearer shares, at the option of the shareholders. Fully paid-up B shares and C shares are registered shares.</p> <p>These shares give rise to a registration into the accounts under the conditions and in accordance with the methods provided for by the legislative and regulatory provisions in force.</p> <p>When shares have not been fully paid-up on subscription, the first remittance and subsequent remittances will be entered into the shareholders' account.</p>	<p>The fully paid-up A shares are registered shares or bearer shares, at the option of the shareholders. Fully paid-up B and C shares are registered shares.</p> <p style="text-align: center;"><i>(Unchanged)</i></p> <p style="text-align: center;"><i>(Unchanged)</i></p>

3. resolves to modify article 13 of the articles of association of the Company as follows :

(old version)	(new version)
<p>A Shares are freely negotiable. B Shares can be transferred under the conditions set out in Article 15.</p>	<p>A Shares are freely negotiable. B and C Shares can be transferred under the conditions set out in Article 15.</p>

4. resolves to modify article 6 of the articles of association of the Company as follows :

(old version)	(new version)
<p>I. Rights attaching to shares</p> <p>1. The rights and obligations attached to each share are those defined under the law, the regulations and the present articles of association, and in particular those concerning the right of participating in General Meetings and voting on resolutions, the rights of communication, the rights of subscription and allocation in case of capital increases.</p> <p>2. Each A Share gives the right, through the ownership of assets in the Company, for participation in profits and liquidation bonuses, for a portion which is proportionate to the number of A Shares existing, taking into consideration where necessary any capital that is depreciated or not depreciated or fully paid-up, and the nominal amount of the A Shares.</p> <p>Each A Share gives the right during the life of the Company or during liquidation to an amount equal to the nominal value and, apart from taking into account when applicable, the date of eligibility to dividends, to payment of the same net sum for any distribution or reimbursement, so that, when applicable, all the A Shares shall be considered together, irrespective of any exemptions or reductions in taxation, and of all taxation that may be taken over by the Company and which could be occasioned by such distribution or reimbursement.</p> <p>II. Rights and restrictions specific to B Shares</p> <p>1. Each B Share gives the right, through the ownership of assets in the Company, for participation</p>	<p>I. Rights attaching to shares</p> <p>1. The rights and obligations attached to each share are those defined under the law, the regulations and the present articles of association, and in particular those concerning the right of participating in General Meetings and voting on resolutions, the rights of communication, the rights of subscription and allocation in case of capital increases.</p> <p>2. Each A Share gives the right, through the ownership of assets in the Company, for participation in profits and liquidation bonuses, for a portion which is proportionate to the number of A Shares existing, taking into consideration where necessary any capital that is depreciated or not depreciated or fully paid-up, and the nominal amount of the A Shares.</p> <p>Each A Share gives the right during the life of the Company or during liquidation to an amount equal to the nominal value and, apart from taking into account when applicable, the date of eligibility to dividends, to payment of the same net sum for any distribution or reimbursement, so that, when applicable, all the A Shares shall be considered together, irrespective of any exemptions or reductions in taxation, and of all taxation that may be taken over by the Company and which could be occasioned by such distribution or reimbursement.</p> <p>II. Rights and restrictions specific to B Shares</p> <p>1. Each B Share gives the right, through the ownership of assets in the Company, for participation</p>

in profits and liquidation bonuses, to a dividend per B Share equal to 10% of the dividend per share allocated to A Shares.

Each B Share gives the right during the life of the Company or during liquidation to an amount equal to the nominal value and, apart from taking into account when applicable, the date of eligibility to dividends, to the payment of same net sum for any distribution or reimbursement, equal to 10% of any sum paid out to each A Share for any distribution or reimbursement, under application of the provisions of paragraph 1.

2. At the end of the retention period for B Shares (the "**Retention Period**") (the "**Date of Expiry of the Retention Period**"), as established in the plan for the free-of-charge allocation of B Shares, that decides on their allocation, each B shareholder has the right to convert into A Shares all or part of the B Shares he holds, under the conditions provided for in paragraphs 4 to 6.

For the requirements of the present Article 15, the "**Allocation Date**" is defined as the date on which a plan for the allocation of free shares is adopted by the Board of Directors.

3. Counting from the Date of Expiry of the Retention Period, the B Shares are freely transferable between B Shareholders.

4. The B Shares may be converted into A Shares during a period of thirty (30) days from (i) the fourth anniversary of the Allocation Date, or (ii) the date falling four years and three months after the Allocation Date (the "**Conversion Periods**"), in accordance with a parity (the "**Conversion Parity**") determined on the basis of the difference, as a percentage, between the Initial Stock Price and the Final Stock Price. If the Conversion Periods fall during a period of restricted intervention regarding the securities of the Company, the commencement of the Conversion Period will be moved until the expiry of the said period for the restriction of intervention for the securities of the Company, within the limit of a period of ninety (90) days, and it should be noted that in the event of a rescheduling of the first Conversion Period, the second Conversion Period will be moved by an identical number of days.

The "**Initial Stock Price**" refers to the average, weighted by the volumes of the opening trading prices quoted for A Shares during the last 20 trading sessions prior to the Allocation Date.

The "**Final Stock Price**" refers to the average of the opening trading prices quoted for A Shares between the date of the second anniversary from the Allocation Date (inclusive) and the date of commencement of the Conversion Period during which the owners of B Shares shall have requested their conversion into A Shares (exclusive).

5. The Conversion Parity will be equal to:

- If the Final Stock Price is lower than 150% of the Initial Stock Price (the "**Maximum Final Stock Price**"):

$$N = 10 + \frac{300(CF - CI)}{CF}$$

Where:

"N" is the number of A Shares to which each B Share gives an entitlement, and it is pointed out that in the

in profits and liquidation bonuses, to a dividend per B Share equal to 10% of the dividend per share allocated to A Shares.

Each B Share gives the right during the life of the Company or during liquidation to an amount equal to the nominal value and, apart from taking into account when applicable, the date of eligibility to dividends, to the payment of same net sum for any distribution or reimbursement, equal to 10% of any sum paid out to each A Share for any distribution or reimbursement, under application of the provisions of paragraph 1.

2. At the end of the retention period for B Shares (the "**Retention Period**") (the "**Date of Expiry of the Retention Period**"), as established in the plan for the free-of-charge allocation of B Shares, that decides on their allocation, each B shareholder has the right to convert into A Shares all or part of the B Shares he holds, under the conditions provided for in paragraphs 4 to 6.

For the requirements of the present Article 15, the "**Allocation Date**" is defined as the date on which a plan for the allocation of free shares is adopted by the Board of Directors.

3. Counting from the Date of Expiry of the Retention Period, the B Shares are freely transferable between B Shareholders.

4. The B Shares may be converted into A Shares during a period of thirty (30) days from (i) the fourth anniversary of the Allocation Date, or (ii) the date falling four years and three months after the Allocation Date (the "**Conversion Periods**"), in accordance with a parity (the "**Conversion Parity**") determined on the basis of the difference, as a percentage, between the Initial Stock Price and the Final Stock Price. If the Conversion Periods fall during a period of restricted intervention regarding the securities of the Company, the commencement of the Conversion Period will be moved until the expiry of the said period for the restriction of intervention for the securities of the Company, within the limit of a period of ninety (90) days, and it should be noted that in the event of a rescheduling of the first Conversion Period, the second Conversion Period will be moved by an identical number of days.

The "**Initial Stock Price**" refers to the average, weighted by the volumes of the opening trading prices quoted for A Shares during the last 20 trading sessions prior to the Allocation Date.

The "**Final Stock Price**" refers to the average of the opening trading prices quoted for A Shares between the date of the second anniversary from the Allocation Date (inclusive) and the date of commencement of the Conversion Period during which the owners of B Shares shall have requested their conversion into A Shares (exclusive).

5. The Conversion Parity will be equal to:

- If the Final Stock Price is lower than 150% of the Initial Stock Price (the "**Maximum Final Stock Price**"):

$$N = 10 + \frac{300(CF - CI)}{CF}$$

Where:

"N" is the number of A Shares to which each B Share gives an entitlement, and it is pointed out that in the

event of a fractional number, the numbers of A Shares allocated to an owner of B Shares will be rounded to the lowest whole number;

"CF" is the Final Stock Price;

"CI" is the Initial Stock Price; and

"CFMax" is the Final Maximum Stock Price.

- If the Final Stock Price is above the Maximum Final Stock Price:

$$N = 10 + \frac{(CFMax \times 100)}{CF}$$

CF

- If the Final Stock Price is lower than the Initial Stock Price:

$$N = 10$$

6. In the absence of conversion during the Conversion Periods, the B Shares will be automatically converted into A Shares on expiry of the second Conversion Period at the Conversion Parity applicable during the second Conversion Period.

7. The maximum total number of A Shares that can result from the conversion of B Shares may not exceed 99 220 shares, although this figure does not take account any possible adjustments carried out in order to preserve the rights of the beneficiaries of B shares in accordance with the legal and regulatory provisions and, where applicable, any contractual stipulations.

8. At latest 15 days before each General Meeting, there will be placed at the disposal of the shareholders a supplementary report from the executive board and a supplementary report from the Auditors, concerning the conversions of B Shares into A Shares.

event of a fractional number, the numbers of A Shares allocated to an owner of B Shares will be rounded to the lowest whole number;

"CF" is the Final Stock Price;

"CI" is the Initial Stock Price; and

"CFMax" is the Final Maximum Stock Price.

- If the Final Stock Price is above the Maximum Final Stock Price:

$$N = 10 + \frac{(CFMax \times 100)}{CF}$$

CF

- If the Final Stock Price is lower than the Initial Stock Price:

$$N = 10$$

6. In the absence of conversion during the Conversion Periods, the B Shares will be automatically converted into A Shares on expiry of the second Conversion Period at the Conversion Parity applicable during the second Conversion Period.

7. The maximum total number of A Shares that can result from the conversion of B Shares may not exceed 99 220 shares, although this figure does not take account any possible adjustments carried out in order to preserve the rights of the beneficiaries of B shares in accordance with the legal and regulatory provisions and, where applicable, any contractual stipulations.

8. At latest 15 days before each General Meeting, there will be placed at the disposal of the shareholders a supplementary report from the Board of Directors and a supplementary report from the Auditors, concerning the conversions of B Shares into A Shares.

III. Rights attached to C Shares

The C Shares will have the same rights and obligations as those provided for in paragraph II of the present article referring to B Shares, which apply *mutatis mutandis*, subject to the following modifications:

- The "**Allocation Date**" is defined as the date on which an allocation plan for free-of-charge shares is adopted by the Board of Directors.
- The "**Initial Stock Price**" refers to the highest amount between (i) 17 (seventeen) euros, and (ii) the average weighted in accordance with the volumes of the opening trading prices quoted for A Shares during a period of twenty (20) stock trading days preceding such Allocation Date .
- The total maximum number of A Shares capable of resulting from the conversion of C Shares may not exceed 129 000 shares, which number does not take into account possible adjustments carried out in order to preserve the rights of the beneficiaries of C shares in accordance with the legal and regulatory provisions and, where applicable, any contractual stipulations.

5. Resolves to insert into the articles of association of the Company a new article 26 be drawn up as follows :

Article 26 Special Meeting	Article 26 Special Meeting
1. The B Shareholders shall be consulted under the conditions provided for in Article 25 (applicable mutatis mutandis to special meetings for B Shareholders B) regarding questions referring specifically to their areas of interest in accordance with the law.	1. The B Shareholders and the C Shareholders shall respectively be consulted under the conditions provided for in Article 25 (applicable mutatis mutandis to special meetings for B Shareholders and special meetings for C Shareholders) regarding questions referring specifically to their areas of interest in accordance with the law.
2. Only B Shareholders registered in the accounts of the Company may participate in these special meetings and take part in the voting.	2. Only B Shareholders and C Shareholders registered in the accounts of the Company may participate in these special meetings and take part in the voting.
3. Special meeting of B Shareholders and special meeting of C Shareholders shall exercise their powers under conditions provided for by the regulation in force.	3. Special meeting of B Shareholders and special meeting of C Shareholders shall exercise their powers under conditions provided for by the regulation in force.
4. The decisions of the Company, taken by a General Meeting of the shareholders, shall only become final after approval by the Special meeting of B Shareholders when they modify the rights relating to B Shares.	4. The decisions of the Company, taken by a General Meeting of the shareholders, shall only become final after approval by the Special meeting of B Shareholders when they modify the rights relating to B Shares and by the Special meeting of C Shareholders when they modify the rights relating to C Shares.

6. Resolves that this modification to the articles of association shall not enter into force until the end of the acquisition period applicable to the first allocation of C shares carried out by virtue of the authorisation granted in the eighteenth resolution ;
7. Resolves that in the event of the rejection of the twelfth resolution of the present General Meeting, the references to the Board of Directors appearing in article 15 of the modified articles shall be replaced by references to the Management Board.

Twentieth resolution – Delegation of powers to be granted to the Board of Directors for the duration of 26 months in order to decide on the issue, without preferential right of subscription of shares or securities reserved for employees participating in the Group Savings Plan

The General Meeting, deliberating under the conditions for quorums and majorities required for extraordinary general meetings, and deliberating within the framework of the provisions of Articles L3332-18 to L3332-24 et seq. of the Labour Code, of Article L225-129-6 and Article L225-138-1 of the Commercial Code after having reviewed the report from the Management Board and the special report from the Auditors:

1. Authorises the Board of Directors, with the option of sub-delegation under the conditions fixed by law and the articles of association, its powers for deciding to increase the share capital in one or more phases, and at its sole discretion, except during periods of public offers for the shares in the Company, through issues of ordinary shares or securities giving access to capital subscribed in cash and reserved for salaried employees belonging to one or more salary savings plans (or any other plan for which the adherence referred to in Articles L.3332-1 et seq. of the Labour Code or any similar law or regulation permits the reservation of a capital increase under equivalent conditions) that has been set up within a company or group of companies, whether French or foreign, that enters within the scope of consolidation or combination of accounts of the Company under application of Article L.3344-1 of the Labour Code;
2. Decides that the nominal amount of the increases in capital that are able to be carried out as a result of the present delegation of powers may not exceed a maximum amount of 300 000 euros or the equivalent in any other currency or currency unit established by reference to several currencies, or approximately 0.7 % of the capital of the Company;
3. Decides that the subscription price for the new shares in the Company that will be issued by the Board of Directors as a result of the present delegation of powers, must be determined in accordance with the provisions of Articles L3332-18 to L3332-24 et seq. of the Labour Code;
4. Authorises the Board of Directors to allocate, free-of-charge, to the above-mentioned beneficiaries in addition to shares or securities giving access to capital that are still to be issued or which have already been issued, by way of substitution of all or part of the possible discount in relation to the reference price, as determined in Article L.3332-19 para 4 of the Labour Code, and/or by way of a contribution, while it is understood that the advantage resulting from this allocation may not exceed the legal or regulatory limits applicable under the terms of Articles L.3332-10 et seq. of the Labour Code;
5. Decides to cancel the preferential right of subscription of shareholders to the new shares and securities giving access to capital that will be issued for the benefit of the beneficiaries indicated above, and moreover the said shareholders , in case of free-of-charge allocation to the beneficiaries indicated above of ordinary shares and securities giving access to capital, will waive any right to the said ordinary shares or securities giving access to capital, including that part of the reserves,

profits or premiums incorporated into the capital, due to the free-of-charge allocation of the said shares implemented on the basis of the present resolution;

6. Authorises the Board of Directors, under the conditions of the present delegation of powers, to proceed with the sale of shares to the members of a salary savings plan as provided for in Article L.3332-24 of the Labour Code, while it should be noted that the sale of shares carried out with a discount in favour of the members of a salary savings plan referred to in the present resolution, will count towards the nominal amount of the shares thus sold with respect to the maximum amount to in paragraph 1 above;
7. Gives all powers to the Board of Directors, with a option of sub-delegation on conditions fixed by the law and the articles of association to implement in one or more phases the present delegation of powers, in particular in order to (i) determine if the issues will take place directly for the profit of the above-mentioned beneficiaries or through the intermediary of collective investment undertakings for securities, through fonds communs de placement d'entreprise ["employee share-holding funds"] or through other structures or entities permitted in accordance with the applicable legal or regulatory provisions, (ii) to determine the conditions, particularly the seniority, which the beneficiaries of the capital increases must fulfil, (iii) to fix the amounts to be issued, to determine the dates of the issues, the dates of opening and closure of subscriptions, to fix the price of issue for the new shares to be created within the limits of the legislative and regulatory texts in force, the date when they become eligible for dividends, the methods of payment for the shares, whereby it is noted that the period for payment may not be greater than three years, (iv) in the case of the issue of new shares, and where applicable to charge against reserves, profits or premiums such sums as are necessary for the payment of the shares, (v) to determine the implementation of the capital increase to count towards the amount for the shares effectively subscribed, (vi) if applicable to charge the costs of the capital increases against the amount of the premiums which apply to them and to charge against such amount any sums necessary to take the legal reserve to a tenth part of the new capital resulting from the said capital increases, (vi) to request admission to trading on a regulated market for the shares created, (vii) to add to the articles of association such modifications as are rendered necessary by the use of the present delegation of powers and, more generally, (viii) to determine the conditions and methods for the operations carried out within the framework of the present resolution, to proceed to make all adjustment required in accordance with the regulatory and legal provisions, and to take all necessary measures and to conclude all agreements or arrangements to reach a successful conclusion;
8. Decides that the authorisations and delegations granted to the Board of Directors, under the terms of the present delegation of powers, will benefit the Management board in the event of the rejection of the twelfth resolution of the present Meeting;
9. Sets at twenty-six months, counting from the date of the present meeting, the period of validity of the delegation of powers that is the subject of the present resolution and decides that the present delegation renders null and void up to the totals of the unused amounts of any previous delegation of the same type.

Twenty-first resolution – Delegation of powers to be granted to the Board of Directors for a duration of 18 months in order to issue share purchase warrants to be allocated free of charge to shareholders in the event of a public offer concerning the shares of the Company.

The General Meeting, acting in the form of an extraordinary meeting, but to the conditions for quorums and majorities required under Article L.225-98 of the Commercial Code for ordinary general meetings, after having reviewed the report of the Management board and the special report from the Auditors, in accordance with the provisions of Articles L.233-32 II and L. 233-33 of the Commercial Code, and on the assumption that there would be a public offer for shares in the Company:

1. Delegates to the Board of Directors the powers to decide on the issue in one or more phases of warrants enabling subscription under preferential conditions to shares in the Company, and their free-of-charge allocation to all shareholders of the Company in this category before the expiry of the public offer. These share subscription warrants will become null and void as of right as soon as the offer and any possible competing offer fails, become null and void or are withdrawn. It is pointed out that the warrants that become null and void by operation of the law will not be taken into account for calculating the maximum number of warrants that may be issued, as indicated above;
 2. Decides:
 - a) That the maximum number of share subscription warrants that can be issued will be equal to the number of shares making up the share capital at the time of issue of the warrants; and
 - b) That the total nominal amount of the capital increase that may result from the exercise of these subscription warrants may not exceed 25% of the nominal amount of capital at the date of their issue.
- This limit will be increased by the amount corresponding to the nominal value of the shares necessary for carrying out the adjustments which may need to be made in accordance with the applicable legislative and regulatory provisions and, where required, with contractual stipulations that provide for other cases for adjustment, in order to preserve the rights of the bearers of these bonds;
3. Decides that the present delegation of powers may not be implemented without the prior approval of the Board of Directors ruling on a prior positive opinion and in accordance with a committee composed of three (3) independent members of the Board of Directors specially designated by the Board of Directors for this purpose. Such opinion shall be given by this committee, after consideration of the opinion of a financial advisor whom it had previously nominated.

Within the framework of this prior approval by the Board of Directors, and on the basis of the opinion of the financial advisor and of the positive opinion of the committee of the Board of Directors, the Board of Directors must take into account, at the time of issue, any circumstances or reasons for which it considers that the offer is not in the interest of the shareholders and which justifies that it is proceeded with the issue of the warrants, as well as the financial and legal terms for the warrants.

The General Meeting decides that, in the event of the rejection of the twelfth resolution of the present General Meeting, the present delegation of powers cannot be implemented without the prior approval of the Supervisory Board, giving its

- ruling with the prior positive opinion and in agreement with a committee composed of three (3) independent members of the Supervisory Board, specially designated by the Supervisory Board for such purpose.
4. Acknowledges that the present resolution involves the waiver by the shareholders of their preferential right of subscription to ordinary shares in the Company to which the subscription warrants, issued as a result of the present resolution, might give entitlement;
 5. Grants all powers to the Board of Directors, with the option of sub-delegation under conditions fixed by the law and the articles of association, in order to implement the present delegation of powers, and in particular:
 - a) To determine the conditions regarding the issue and free-of-charge allocation of these share subscription warrants, with the possibility of delaying them or renouncing them, and the number of warrants to be issued;
 - b) To fix the conditions for exercising these warrants, which must bear relation to the terms of the offer and all possible competing offers, and the other characteristics of the share subscription warrants, including the exercise price or the methods for determining such price;
 - c) To fix the conditions of the capital increase resulting from the exercise of these warrants;
 - d) To fix the date of entitlement to dividends, even retroactively, for the shares to be issued, and if it deems it appropriate, to charge the costs, dues and fees arising from the capital increases against the amount of the corresponding premiums, and to deduct from such amount the sums necessary in order to take the legal reserve up to a tenth of the new capital after each capital increase and to proceed with the listing of the securities to be issued;
 - e) To define the methods by which it will be ensured, where appropriate, that the rights of the owners of warrants are retained, in accordance with the legal and regulatory provisions and, where appropriate, with the applicable contractual stipulations; and
 - f) In general, to determine all the other characteristics and methods for any operation decided, based on the present delegation of powers, to take all measures, enter into all agreements and carry out all formalities in order to arrive at the successful conclusion of these operations and, where applicable, to ascertain the implementation of each capital increase resulting from the exercise of these warrants and to proceed with the related modifications to the articles of association;
 6. Decides that the authorisations and delegations granted the Board of Directors, under the terms of the present delegation of powers, will benefit the Management board in the event of the rejection of the twelfth resolution of the present General Meeting;
 7. Sets at eighteen months, counting from the date of the present meeting, the period of validity of the delegation of powers that is the subject of the present resolution, and decides that the present delegation of powers renders null and void the totals of the unused amounts from any previous delegation of the same type.

ACTING AS AN EXTRAORDINARY GENERAL MEETING

Resolutions 22 to 33 are submitted to vote by the General Meeting, subject to the approval of the twelfth resolution

Twenty-second resolution - Appointment of Mrs Isabelle Azemard as Director

The General Meeting, deliberating in accordance with the quorum and majority conditions for Ordinary General Meetings, and after having taken cognizance of the report of the Management Board, appoints Mrs Isabelle Azemard as a director for a period of 2 years which will terminate at the end of the General Meeting called to approve the accounts for the period 2017.

Twenty-third resolution – Appointment of Bpifrance Investissement as Director

The General Meeting, deliberating in accordance with the quorum and majority conditions required for Ordinary General Meetings, and after having reviewed the report of the Management board, appoints Bpifrance Investissement as a director for a period of 3 years which will terminate at the end of the General Meeting called to approve the accounts for the period 2018.

Twenty-fourth resolution – Appointment of Mr Yann Chareton as Director

The General Meeting, deliberating in accordance with the quorum and majority conditions required for Ordinary General Meetings, and after having reviewed the report of the Management board, appoints Mr Yann Chareton as a director for a period of one year which will terminate at the end of the General Meeting called to approve the accounts for the period 2016.

Twenty-fifth resolution – Appointment of Mr Hervé Couffin as Director

The General Meeting, deliberating in accordance with the quorum and majority conditions required for Ordinary General Meetings, and after having reviewed the report of the Management board, appoints Mr Hervé Couffin as a director for a period of one year which will terminate at the end of the General Meeting called to approve the accounts for the period 2016.

Twenty-sixth resolution – Appointment of Mrs Catherine Delcroix as Director

The General Meeting, deliberating in accordance with the quorum and majority conditions required for Ordinary General Meetings, and after having taken cognizance of the report of the Management board, appoints Mrs Catherine Delcroix as a director for a period of 3 years which will terminate at the end of the General Meeting called to approve the accounts for the period 2018.

Twenty-seventh resolution – Appointment of Mrs Carole Foissaud as Director

The General Meeting, deliberating in accordance with the quorum and majority conditions required for Ordinary General Meetings, and after having taken cognizance of the report of the Management board, appoints Mrs Carole Foissaud as a director for a period of one year which will terminate at the end of the General Meeting called to approve the accounts for the period 2016.

Twenty-eighth resolution – Appointment of Mr Dominique Gaillard as Director

The General Meeting, deliberating in accordance with the quorum and majority conditions required for Ordinary General Meetings, and after having reviewed the report of the Management board, appoints Mr Dominique Gaillard as a director for a period of one year which will terminate at the end of the General Meeting called to approve the accounts for the period 2016.

Twenty-ninth resolution – Appointment of Mr Jean-Paul Jacamon as Director

The General Meeting, deliberating in accordance with the quorum and majority conditions required for Ordinary General Meetings, and after having reviewed the report of the Management board, appoints Mr Jean-Paul Jacamon as a director for a period of 3 years which will terminate at the end of the General Meeting called to approve the accounts for the period 2018.

Thirtieth resolution – Appointment of Mr Henri-Dominique Petit as Director

The General Meeting, deliberating in accordance with the quorum and majority conditions required for Ordinary General Meetings, and after having taken cognizance of the report of the Management board, appoints Mr Henri-Dominique Petit as a director for a period of 3 years which will terminate at the end of the General Meeting called to approve the accounts for the period 2018.

Thirty-first resolution – Appointment of Mr Marc Speeckaert as Director

The General Meeting, deliberating in accordance with the quorum and majority conditions required for Ordinary General Meetings, and after having reviewed the report of the Management board, appoints Mr Marc Speeckaert as a director for a period of 3 years which will terminate at the end of the General Meeting called to approve the accounts for the period 2018.

Thirty-second resolution – Appointment of Mrs Ulrike Steinhorst as Director

The General Meeting, deliberating in accordance with the quorum and majority conditions required for Ordinary General Meetings, and after having reviewed the report of the Management board, appoints Mrs Ulrike Steinhorst as a director for a period of one year which will terminate at the end of the General Meeting called to approve the accounts for the period 2016.

Thirty-third Resolution - Setting of attendance fees allocated to the Board of Directors

The General Meeting, deliberating in accordance with the quorum and majority conditions required for Ordinary General Meetings, and after having reviewed the report of the Board of Directors sets, until any decision to the contrary, the annual amount of the attendance fees allocated to the Board of Directors at 264,000 Euros.

Thirty-fourth resolution - Authorisation to be granted to the Board of Directors for a duration of 18 months for the purpose of carrying out transactions on the shares of the Company

The General Meeting, deliberating in accordance with the quorum and majority conditions required for Ordinary General Meetings, authorizes the Board of Directors, with the option to sub-delegate under the conditions set forth in the law and the Articles of Association, under the conditions set forth in Article L225-209 et seq. of the French Commercial Code and with EC Regulation 2273/2003 of December 22, 2003, to acquire, on one or more occasions and by any means, a number of the Company's shares representing up to 10% of the Company's share capital, for information purposes, on the date of this General Meeting, a maximum of 2,063,685 shares, it being specified that (i) the number of shares acquired by the Company to be held and used subsequently in payment or exchange in connection with an acquisition may not exceed 5% of the share capital, and (ii) that when the shares are redeemed to encourage liquidity under the conditions defined by the general regulation of the AMF, the number of shares taken into account to calculate the 10% limit set forth above corresponds to the number of shares purchased, minus the number of shares resold during the duration of the authorization.

The General Meeting resolves that purchases of the Company's shares may be made to:

- enhance trading in and the liquidity of the Company's shares by engaging the services of an investment service provider, acting independently, under a liquidity agreement in accordance with the AMAFI charter;
- allocate or transfer shares to employees under the employee profit-sharing plan or the implementation of any employee savings plan under the conditions provided by law, specifically Article L.3332-1 et seq. of the French Labor Code, by transfer of shares previously acquired by the Company under this resolution or providing a free grant of these shares by way of Company contribution and/or in replacement of the discount;
- allot shares under the conditions set forth in Articles L225-197-1 to L225-197-3;
- implement any share purchase option plan of the Company pursuant to the provisions of Article L.225-177 et seq. of the French Commercial Code or any similar plan;
- allot shares in connection with the conversion or exchange of securities (including debt securities) conferring rights to the Company's share capital;
- purchase them for holding purposes and subsequently remit them as part of an exchange offer or in consideration for any acquisitions;
- cancel shares through a reduction in the share capital in accordance with the French Commercial Code.

This program is also intended to allow the implementation of any market practice that may, in the future, be allowed by the AMF and, more generally, any transaction permitted by applicable law. In this scenario, the Company will notify its shareholders by press release.

The maximum purchase price is set at €30 per share, excluding acquisition expenses. This price is set subject to adjustments related to any transactions affecting the Company's share capital. In view of the maximum purchase price set, the aggregate amount of share purchases may not exceed €61,910,550.

These shares may be purchased, allotted or transferred at any time (except during a public offer for the shares of the Company) and paid by any means, on and off the market, including by acquisition or transfer of blocks of shares, and specifically pursuant to a liquidity agreement entered into by the Company with an investment service provider.

The General Meeting grants full powers to the Board of Directors, with the option of sub-delegating them under the conditions provided by the law and the Articles of Association, to decide and implement this authorization, to set, if necessary, the terms and determine the procedures for carrying out this purchase program and, specifically, to place all stock market orders, enter into any agreements, allocate or reallocate the shares acquired to the objectives pursued in accordance with applicable law and regulations, set the terms and conditions for safeguarding, where appropriate, the rights of holders of securities or options, in accordance with law and regulations and, where necessary, the contractual stipulations, make all disclosures to the AMF and any other authority with jurisdiction and all other formalities and, in general, take all steps necessary to apply this authorization.

The general meeting decides that the authorizations and delegations agreed for the Board of Directors, under the terms of the present delegation of powers, will benefit the Executive board in the event of the rejection of the twelfth resolution of the present General Meeting;

This authorization cancels, as of this date, where necessary, the unused portion of any delegation granted previously to the Executive board by the Combined General Meeting of May 19, 2015.

Thirty-fifth resolution - Powers to carry out formalities.

The General meeting grants all powers to the bearer of an original, a copy or an extract of the present minutes for the purpose of fulfilling all formalities.

APPENDIX: DRAFT OF THE MODIFIED ARTICLES OF ASSOCIATION,

IN WHICH ARTICLES 6, 11, 13, 15 AND 26 HAVE BEEN CHANGED SUBJECT TO THE ADOPTION OF THE 19TH RESOLUTION

ARTICLES OF ASSOCIATION

PART I

FORM-NAME-OBJECT-REGISTERED OFFICE-DURATION

ARTICLE 1

FORM

The present Company is stock joint company "Société anonyme". It is governed by the laws in force and by the present articles of association.

ARTICLE 2

NAME

The name of the Company is:

MERSEN

ARTICLE 3

PURPOSE

The purpose of the Company in France and in all other countries is:

The carrying out of all operations concerning the research, manufacture, processing, use and sale relating to:

1. products, objects or equipment based on carbon, whether or not associated with other materials;
2. metallic powders, objects obtained from such powders, special alloys and objects obtained from such alloys;
3. electro-mechanical and electronic products;
4. all industrial products and in particular metallurgical or mechanical products made of plastics or elastomers;
5. all other products, objects or equipment that may be connected with the above:
 - . either through the use of the above in their construction,
 - . or through the development of research activities,
 - . or through manufacturing procedures, industrial applications or marketing networks.

The company, within the field of activity as defined above, may in particular undertake activities of all kinds concerning:

- raw materials, pre-processed materials, components and elements, spare parts and semi-finished products, finished products and equipment, combinations of equipment, assemblies of all types and all dimensions involving the combination of items of equipment,
- all works,
- all techniques.

The Company may also carry out operations indirectly relating to its technical, industrial or commercial activities. It may, for this purpose, create all companies and groupings, take up all participations in any capital companies or partnerships, make all contributions or subscriptions, proceed to make all purchases or sales of shares, interests or company rights.

And in general, it may carry out all industrial, commercial, financial, security or real estate activities which may be connected principally or secondarily with such activities.

Moreover, the Company may take up an interest in any other form whatsoever, in any enterprise or organisation, whether French or foreign.

ARTICLE 4

REGISTERED OFFICE

The registered office of the Company is situated at Tour EQHO, 2 Avenue Gambetta – 92066 La Défense Cedex.

It may be transferred to any place within the same "département" or any adjoining "département" through a decision by the Board of Directors, subject to ratification of such decision by the next Ordinary General Meeting.

The registered address can be transferred anywhere else through a decision by an extraordinary general meeting.

ARTICLE 5

DURATION

The Company commenced its existence on 1 January 1937 and shall terminate on 31 December 2114, unless extended or dissolved in advance, through a decision of an Extraordinary General Meeting.

PART I I

SHARE CAPITAL - SHARES – BONDS

CHAPTER I

CAPITAL

ARTICLE 6

THE AMOUNT AND COMPOSITION OF THE CAPITAL

The share capital is fixed at a total of 41,273,708 (forty-one million, two hundred and seventy three thousand, seven hundred and eight) euros, divided into 20 636 854 (twenty million, six hundred and thirty six, eight hundred and fifty four) shares, of which 20,635,952 (twenty million, six hundred and thirty five thousand, nine hundred and fifty-two) shares are in category A and 902 (nine hundred and two) shares are in category B, each with a nominal value of 2 euros.

The shares are divided into three categories:

- 20,635,952 (twenty million, six hundred and thirty five thousand, nine hundred and fifty two) category A shares (the "**A Shares**") which are ordinary shares.
- 902 (nine hundred and two) category B shares ((the "**B Shares**") which are preference shares issued under application of Articles L.228-11 et seq. of the Commercial Code.
- [•] ([•]) category C shares (the "**C Shares**") which are preference shares issued under application of Articles L.228-11 et seq. of the Commercial Code.

In the present articles of association A Shares, B Shares and C Shares are defined collectively as the "shares", and the bearers of A Shares as "A Shareholders", the bearers of B Shares as "B shareholders", the bearers of C Shares as "C shareholders", the A Shareholders, B Shareholders and C Shareholders are defined as the "shareholders".

CHAPTER II

CAPITAL INCREASE

ARTICLE 7

PRINCIPLES

The share capital can be increased either by the issue of new shares or by the increase in the nominal amount for the existing shares.

The old capital must be totally paid-up before any issue of new shares to be paid for in cash, on pain of invalidity of the capital increase. This provision is not applicable to capital increases carried out by means of contributions in kind.

The General Meeting, under the conditions established in Article 25 of the present articles, has the sole competency to decide on a capital increase. It will rule on the basis of a report from the Board of Directors, which must contain all the required information on the reasons for the proposed capital increase, as well as regarding the progress of the Company's business since the commencement of the current accounting period.

The General Meeting may delegate to the Board of Directors the necessary powers for carrying out a capital increase through the issue of new shares to be paid for in cash, or via a compensation for debts or through capitalisation of reserves, and to establish its methods, ascertain its implementation and proceed with the corresponding change to the articles of association.

A capital increase may be carried out by the Board of Directors in one or more phases within time periods provided for in the current legislative and regulatory texts.

ARTICLE 8

PREFERENTIAL SUBSCRIPTION RIGHTS

In proportion to the amount of their shares, the shareholders have a preferential right to the subscription of shares for cash issued in order to carry out a capital increase.

This preferential subscription right will be exercised subject to the conditions, methods and time periods provided for by the legislation in force.

The shareholders may, on an individual basis, renounce their preferential right.

The General Meeting that decides on the capital increase may cancel the preferential subscription right. For this purpose, and on pain of annulment of the decision, it may rule on the report from the Board of Directors and on that from the Auditors, as established in accordance with the legal provisions.

ARTICLE 9

CAPITAL REDUCTION

Any capital reduction shall be authorised or decided on by an Extraordinary General Meeting which may delegate to the Board of Directors all powers required for implementing it. It may not, at any event, infringe the equality of the rights of the shareholders.

CHAPTER III

SHARES – BONDS

ARTICLE 10

TYPES OF SHARES

The shares issued by the Company are either shares issued for cash or shares granted in return for a contribution.

The shares issued for cash are those for which the value is fully paid-up, either through cash transfers or by means of offsetting against current and liquid debts against the Company, and those which are issued as the result of a capitalisation of reserve capital, profits or issue premiums. The shares issued for cash may be paid for partially via a capitalisation of the reserve capital, profits or issue premiums, and with the remainder in cash.

All other shares are shares granted in return for a contribution.

ARTICLE 11

FORM OF SHARES

The fully paid-up A shares are registered shares or bearer shares, at the option of the shareholders. Fully paid-up B shares and C shares are registered shares.

These shares give rise to a registration into the accounts under the conditions and in accordance with the methods provided for by the legislative and regulatory provisions in force.

When shares have not been fully paid-up on subscription, the first remittance and subsequent remittances will be entered into the shareholders' account.

ARTICLE 11a

IDENTIFICATION OF THE BEARERS OF SHARES

The Company has the right, at its own cost and at any time, and subject to the conditions under the law, to request from the organisation responsible for the clearance of securities, the name or the designation, the nationality and the address of the holders of the Company's shares conferring either immediately or in future the right to vote in shareholders' meetings, as well as the quantity of shares held by each of them and, where applicable, any restrictions by which the shares may be affected.

ARTICLE 11 ter

NOTIFICATION OF CROSSING OF THRESHOLD

Any person, acting alone or in concert, who acquires, in any manner whatsoever within the meaning of Articles L.233-7 et seq. of the Commercial Code, whether directly or indirectly, via companies that it controls within the meaning of Article L233-3 of the Commercial Code, a fraction of the capital or voting rights equal to or greater than 1% must, within five trading days of the deal with respect to such securities, independently of their delivery, and which enables him to reach or exceed such threshold, notify the Company by registered letter with acknowledgement of receipt, the total number of shares or securities giving future access to capital and the number of voting rights. The crossing of any reduction in this 1% threshold must be declared in the same form and within the same time periods. This obligation applies on each occasion that the proportion of the capital or of the voting rights held increases or diminishes by at least 1%.

In the event no notification is reported as per the above conditions, any shares in excess of the fraction which should have been declared will be deprived of voting rights for any shareholders' meeting held until the expiry of a period of two years following the date of regularisation of such notification unless one or more shareholders holding at least 1% of the capital or of the voting rights so request at the time of the Meeting.

The above-mentioned information obligation is accompanied by an obligation to provide information concerning the crossing of thresholds provided for under the law.

ARTICLE 12

PAID-UP SHARES

The amount for the shares issued for a capital increase will be payable in accordance with a decision taken by the General Meeting or by the Board of Directors acting by delegation of the Meeting, in accordance with the legal and regulatory requirements in force.

ARTICLE 13

TRANSFER OF SHARES

A Shares are freely negotiable. B and C Shares can be transferred under the conditions set out in Article 15.

ARTICLE 14

INDIVISIBILITY OF SHARES

The shares are indivisible with respect to the Company.

Joint owners must be represented toward the Company by a single one of them or by a common proxy, subject to the legal and regulatory provision applicable to the exercise of communication rights.

ARTICLE 15

RIGHTS AND OBLIGATIONS ATTACHED TO SHARES

I. Common Rights attached to shares

1. The rights and obligations attached to each share are those defined under the law, the regulations and the present articles of association, and in particular those applicable to the right of participating in General Meetings and voting on resolutions, the rights of communication, the rights of subscription and allocation in case of capital increases.

2. Each A Share gives the right, through the ownership of assets in the Company, for participation in profits and liquidation bonuses, for a portion which is proportionate to the number of A Shares existing, taking into consideration where necessary any capital that is depreciated or not depreciated or fully paid-up, and the nominal amount of the A Shares.

Each A Share gives the right during the life of the Company or during its liquidation to equality of nominal value and, apart from taking into account when applicable, the date of eligibility to dividends, to payment of the same net sum for any distribution or reimbursement, so that, when applicable, all A Shares shall be considered together, irrespective of any exemptions or reductions in taxation, and of all taxation that may be taken over by the Company and which could be occasioned by such distribution or reimbursement.

II. Rights and restrictions specific to B Shares

1. Each B Share gives the right, through the ownership of assets in the Company, for participation in profits and liquidation bonuses, to a dividend per B Share equal to 10% of the dividend per share allocated to A Shares.

Each B Share gives the right during the life of the Company or during liquidation to an amount equal to the nominal value and, apart from taking into account when applicable, the date of eligibility to dividends, to the payment of same net sum for any distribution or reimbursement, equal to 10% of any sum paid out to each A Share for any distribution or reimbursement, under application of the provisions of paragraph 1.

2. At the end of the retention period for B Shares (the "**Retention Period**") (the "**Date of Expiry of the Retention Period**"), as established in the plan for the free-of-charge allocation of B Shares, that decides on their allocation, each B shareholder has the right to convert into A Shares all or part of the B Shares he holds, under the conditions provided for in paragraphs 4 to 6.

For the requirements of the present Article 15, the "**Allocation Date**" is defined as the date on which a plan for the allocation of free-of-charge shares is adopted by the Board of Directors.

3. Counting from the Date of Expiry of the Retention Period, the B Shares are freely transferable between B Shareholders.

4. The B Shares may be converted into A Shares during a period of thirty (30) days from (i) the fourth anniversary of the Allocation Date, or (ii) the date falling four years and three months after the Allocation Date (the "**Conversion Periods**"), in accordance with a parity (the "**Conversion Parity**") determined on the basis of the difference as a percentage between the Initial Stock Price and the Final Stock Price. If the Conversion Periods fall during a period of restricted intervention regarding the securities of the Company, the commencement of the Conversion Period will be postponed until the expiry of the said period for the restriction of intervention for the securities of the Company, within the limit of a period of ninety (90) days, and it should be noted that in the event of a rescheduling of the first Conversion Period, the second Conversion Period will be postponed by an identical number of days.

The "**Initial Stock Price**" refers to the average, weighted by the volumes of the opening trading prices quoted for A Shares during the last 20 trading sessions prior to the Allocation Date.

The "**Final Stock Price**" refers to the average of the opening trading prices quoted for A Shares between the date of the second anniversary from the Allocation Date (inclusive) and the date of commencement of the Conversion Period during which the owners of B Shares shall have requested their conversion into A Shares (exclusive).

5. The Conversion Ratio will be equal to:

- If the Final Stock Price is lower than 150% of the Initial Stock Price (the "**Maximum Final Stock Price**"):

$$N = 10 + \frac{300 (CF - CI)}{CF}$$

Where:

"**N**" is the number of A Shares to which each B Share gives an entitlement, and it is pointed out that in the event of a fractional number, the numbers of A Shares allocated to an owner of B Shares will be rounded to the lowest whole number;

"**CF**" is the Final Stock Price;

"**CI**" is the Initial Stock Price; and

"**CFMax**" is the Final Maximum Stock Price.

- If the Final Stock Price is above the Maximum Final Stock Price:

$$N = 10 + \frac{(CFMax \times 100)}{CF}$$

- If the Final Stock Price is lower than the Initial Stock Price:

$$N = 10$$

6. In the absence of conversion during the Conversion Periods, the B Shares will be automatically converted into A Shares on expiry of the second Conversion Period at the Conversion Ratio applicable during the second Conversion Period.

7. The maximum total number of A Shares that can result from the conversion of B Shares may not exceed 99 220 shares, although this figure does not take into account any possible adjustments carried out in order to preserve the rights of the beneficiaries of A shares in accordance with the legal and regulatory provisions and, where applicable, any contractual stipulations.

8. At latest 15 days before each General Meeting, a complementary report from the Board of Directors and a complementary report from the Auditors, relating the conversions of B Shares into A Shares, will be put at the shareholders' disposal.

III. Rights attaching to C Shares

The C Shares will have the same rights and obligations as those provided for in paragraph II of the present article referring to B Shares, which apply *mutatis mutandis*, subject to the following modifications:

- The "**Allocation Date**" is defined as the date on which an allocation plan for free shares is adopted by the Board of Directors.
- The "**Initial Stock Price**" refers to the highest amount between (i) 17 (seventeen) euros, and (ii) the average weighted in accordance with the volumes of the opening trading prices quoted for A Shares during a period of twenty (20) stock trading days preceding such Allocation Date.
- The total maximum number of A Shares capable of resulting from the conversion of C Shares may not exceed 129,000 shares, which number does not take into account possible adjustments carried out in order to preserve the rights of

the beneficiaries of C shares in accordance with the legal and regulatory provisions and, where applicable, any contractual stipulations.

ARTICLE 16

PLAN FOR MANAGEMENT OF BONDS

The Company may enter into contracts for bond issues in accordance with its requirements by issuing short or long-term bonds or debentures.

The Board of Directors will be entitled to decide on or authorise the issue of bonds in one or more phases, subject to conditions and methods provided for under legal and regulatory applicable provisions.

PART I I I

CORPORATE GOVERNANCE OF THE COMPANY

CHAPTER I

BOARD OF DIRECTORS

ARTICLE 17

COMPOSITION – APPOINTMENT – DISMISSAL

The Company is managed by a Board of Directors composed of at least three members and a maximum of eighteen members, appointed by the Ordinary General Meeting of the shareholders, subject to the exceptions provided for by law in the event of a merger.

The Board members may be:

- Natural persons, or
- Legal persons. In this case they must, at the time of their appointment, designate a permanent representative subject to the same conditions and obligations and who undertakes the same responsibilities as if he were a director in his own name, without prejudice to the joint and several liability of the legal person which he represents.

The duration of the office of the Board members is four years, renewable. In any event, the first Board members who were members of the Supervisory Board of the Company up to the Combined General Meeting of 11 May 2016, appointed by the Combined General Meeting of 11 May 2016, will continue to be so for the remaining duration of their office as members of the Supervisory Board of the Company.

Any member of the Board of Directors may be re-elected.

The members of the Board of Directors may be dismissed at any time by the Ordinary General Meeting without indemnity nor prior notification.

The age limit applicable to the exercise of such functions by any member of the Board of Directors who is a natural person is set at seventy-two (72) years. Furthermore, no natural person having passed the age of 70 years may be appointed as a member of the Board of Directors if his nomination has the effect of causing over one third of the number of members of the Board of Directors to have exceeded that age. The provisions regarding age limits will be applicable to the permanent representatives of the legal persons' members of the Board of Directors.

In the event of a vacancy due to death or resignation of one or more director offices, the Board of Directors may carry out appointments on a provisional basis which will be submitted for ratification by the next ordinary general meeting, within the limits and conditions provided for under the law.

ARTICLE 18

FUNCTIONING OF THE BOARD OF DIRECTORS – COMPENSATION OF THE MEMBERS OF THE BOARD

18.1 Chairman of the Board of Directors

The Board of Directors shall elect a Chairman from among its members, being a natural person, who will be responsible for convening the Board and directing its proceedings. He will exercise his functions for the duration of his office as a director. He may be re-elected.

He is subject to the same age limit as the members of the Board of Directors.

The Chairman may, at any time, be dismissed by the Board of Directors.

18.2 Vice-Chairman and Secretary of the Board of Directors

The Board of Directors may elect, from among its members, a Vice- Chairman, being a natural person. He will exercise his functions for the duration of his office as a director. He may be re-elected.

He is subject to the same age limit as the members of the Board of Directors.

The Vice-Chairman has the duty of replacing the Chairman if he is temporarily prevented from attending, or in the event of his death. This substitution applies:

- in the event of temporary inability to attend, for the duration of such inability;
- in the case of death, until the election of the new President.

The Vice-Chairman may, at any time, be dismissed by the Board of Directors.

The Board of Directors will nominate a secretary chosen from among the members of the Board of Directors or from the outside.

18.3 Special committees of the Board of Directors

The Board of Directors may set up one or more special committees for which it will determine the composition and the duties, and who will carry out their activities under the responsibility of the Board. The composition, the methods of operation and the assignments of these committees will be established within the internal procedures of the Board of Directors.

18.4 Convening of the Board of Directors

The Board of Directors shall meet as often as the interests of the Company require.

The members of the Board of Directors will be convened to the Board's meeting by the Chairman by any written means with at least five (5) days' notice, and without a notice period in the event of unanimous agreement by the directors. The invitation will give the agenda. At least two (2) days before the date of the meeting provided for in the invitation, at least one third of the members of the Board of Directors are entitled to propose in writing additional points to the agenda, without this calling into question the convening or holding of the Board meeting on the scheduled date.

The General Manager may also request the Chairman to convene the Board of Directors for a specific agenda. The Chairman of the Board of Directors is obliged to convene such Board meeting within a period that may not be longer than fifteen days, when the General Manager or at least one third of the members of the Board present him with a request to this effect. If the request remains unfulfilled, the authors may themselves proceed with convening the meeting, indicating the agenda for the meeting.

18.5 The holding of the meetings of the Board of Directors

The Board of Directors meets at the registered address of the Company or at such other place as is indicated in the invitation.

The Board of Directors can only validly deliberate if at least half of its members are present. Decisions are taken by a majority of the members present or represented. While observing the legal and regulatory provisions, internal procedures can make provision that members of the Board of Directors are considered to be present for calculating the quorum or the majority if they participate in the meeting by means of video conferencing or telecommunications that enable their identification and guarantee that they can effectively participate, in accordance with the regulatory requirements.

Any director may, using any written means, give a proxy to another director to represent him at a meeting of the Board of Directors; each director may only represent a single director.

The vote of the Chairman of the meeting does not act as the casting vote in the event of a tie.

An attendance register will be kept, which will be signed by the members of the Board of Directors attending in a meeting of the Board, whether in their own name or through a proxy to represent another director.

The deliberations of the Board of Directors shall be recorded in minutes set up and retained in accordance with the law.

18.6 Compensation

The members of the Board of Directors shall receive attendance fees, the value of which is determined by the General Meeting, in accordance with applicable legal provisions.

Subject to possible regulatory and legal provisions, and in proportions that it deems appropriate in view particularly of the effective participation in the meetings of the Board and its Committees as appropriate, the Board shall distribute among its members the sums that are allocated to it for this purpose.

Furthermore, the Board may allocate exceptional compensation for missions or mandates conferred upon members of the board under conditions established by applicable legal provisions.

The Board of Directors shall determine the remuneration of the Chairman and, as applicable, the Vice-Chairman, which will be added to their share of the total amount of the attendance fees.

ARTICLE 19

POWERS OF THE BOARD OF DIRECTORS

The Board of Directors determines the orientation of the activities of the Company and ensures that they are implemented. Subject to powers expressly attributed to meetings of shareholders, and within the limits of the Company's purpose, the Board shall take up all questions concerning the smooth running of the Company and through its deliberations shall control all matters concerning it.

Moreover, certain operations, a list of which is provided in the internal ruling of the Board of Directors must, within the framework of the internal organisation of the Company, be subject to prior express approval by the Board of Directors before being taken up by the General Manager of the Company or, if applicable, by a Deputy General Manager.

The Board of Directors shall proceed with such controls and verifications as it deems appropriate. The Board shall receive all information necessary for the fulfilment of its mission and may, within these limits, obtain all documents or information required for this purpose.

The Board of Directors may confer upon one or more of its members, or third parties, whether shareholders or not, special missions with one or more specific objects.

ARTICLE 20

REGULATED AGREEMENTS

All regulated agreements within the meaning of Article L.225-38 of the Commercial Code, with the exception of those provided for in Article L.225-39 of the Commercial Code, must be submitted for prior authorisation by the Board of Directors and then for approval of the General Shareholders' Meeting subject to legal conditions.

CHAPTER II

GENERAL MANAGEMENT

ARTICLE 21

GENERAL MANAGEMENT OF THE COMPANY

21.1 Choice of the method for the General Management of the Company

The General Management of the Company is fulfilled under its own responsibility:

- Either by the Chairman of the Board of Directors,
- Or by another natural person nominated by the Board of Directors from among its members or from outside and bearing the title of General Manager.

The Board of Directors, deliberating under conditions for quorums and majorities provided for in Article 18 of the present articles of association, shall choose between the two methods for implementing the General Management stated above. Such method of management will remain in force until any decision to the contrary. This choice falls under the exclusive competence of the Board of Directors.

When the General Management of the Company is assumed by the Chairman of the Board of Directors, the provisions below concerning the Managing Director shall apply to him. He then takes the title of Chief Executive Officer.

21.2 General Manager

The General Manager is a natural person who, at the time of his appointment, is aged less than 65 years. When the General Manager reaches this age limit, he is expected to resign from his office at the end of the Ordinary General Meeting which has deliberated on the accounts for the period during which he reached such age limit.

The duration of the functions of the General Manager shall be fixed by the Board of Directors in the appointment decision. However, if the General Management of the Company is assumed by a director, the latter is expected to resign from his functions as General Manager on the expiry of his office as a director.

He can, at any time, be dismissed by the Board of Directors.

The compensation of the General Manager and, where applicable, of the Deputy General Manager(s) shall be set by the Board of Directors.

ARTICLE 22

POWERS OF THE GENERAL MANAGER

The General Manager is vested with the broadest powers to act in all cases on behalf of the Company, within the limits of the Company's purpose and subject to the following:

- The powers that the legislative and regulatory provisions in force expressly attribute to the shareholders' meetings and to the Board of Directors; and
- The powers reserved and the prior approvals conferred upon the Board of Directors in accordance with the provisions of the present articles of association and of the internal ruling of the Board of Directors.

The General Manager represents the Company in its dealings with third parties.

The Company is committed even by any acts of the General Manager that do not ensue from the object of the Company unless it can prove that such third party knew that such act was outside the said object, or that the third party could not be unaware of this in the light of the circumstances.

The stipulations in the articles of association or the decisions by the Board of Directors limiting the powers of the General Manager are not binding on third parties.

When the Chairman of the Board of Directors and the General Manager are two different people, the General Manager may request the Chairman of the Board of Directors to call a meeting of the Board of Directors under a specific agenda.

ARTICLE 23

THE ROLE OF DEPUTY GENERAL MANAGER

At the suggestion of the General Manager, the Board of Directors may appoint, from among its members or from outside, one or more natural persons responsible for assisting the General Manager, and bearing the title Deputy General Manager.

The Deputy General Managers can be re-elected and are subject to the same age limit as the General Manager. They can be dismissed under the same conditions as the General Manager.

When the General Manager ceases to exercise his functions or is prevented from doing so, unless there is a decision to the contrary by the Board of Directors, the Deputy General Managers keep their functions and their duties until the appointment of the new General Manager.

On the occasion of the appointment of the new General Manager, the Board of Directors shall pronounce on the keeping or not of Deputy General Manager(s), on proposal from the new General Manager.

In agreement with the General Manager, the Board of Directors shall determine the extent and duration of the powers conferred upon each of the Deputy General Managers, which may not exceed the powers of the General Manager nor the duration of the General Manager's functions.

With respect to third parties, the Deputy General Managers possess the same powers as the General Manager himself.

CHAPTER III

STATUTORY AUDITORS

ARTICLE 24

APPOINTMENT - DUTIES

One or more Statutory Auditors are appointed by the General Meeting of the shareholders on a proposal from the Board of Directors, and shall carry out their controlling function in accordance with the law.

One or more Supplementary Statutory Auditors may be designated by the Ordinary General Meeting intended to replace the principal Statutory Auditors in the event of death, inability to carry out their duties or refusal to do so.

PART I V

SHAREHOLDERS' MEETINGS

ARTICLE 25

CONVENING - COMPOSITION

Shareholder' meetings are convened subject to the conditions provided for by law and deliberate under the conditions for quorums and majorities determined by law.

The meetings shall be carried out either at the registered office, or in some other place indicated in the notice calling the meeting.

The owners of registered shares have the right to attend the General Meeting if their shares were registered in the account five days before the date of the meeting.

In order to obtain the right to attend a meeting, the owners of bearer shares must give evidence of the lodging of their shares three days before the date fixed for the meeting.

The Board of Directors has always have the possibility of reducing such notice periods.

Moreover, any shareholder, if the Board of Directors so decides at the time of convening the General Meeting, may participate and vote at the general meetings by video conference or by any means of telecommunication permitting their identification, under the conditions and in accordance with the methods provided for by law.

The meetings shall be chaired by the Chairman of the Board of Directors or, in his absence, by the Vice-Chairman of the Board of Directors and, if this is not possible, by a member of the Board of Directors specially delegated for the purpose by the Board of Directors. Failing this, the Meeting will itself elect its President.

Minutes of the meetings shall be taken and copies thereof shall be certified by the Chairman of the Board of Directors, the Vice-Chairman of the Board of Directors, the secretary of the Board of Directors or by a signing officer authorised for the purpose.

ARTICLE 26

SPECIAL MEETING

1. The B Shareholders and the C Shareholders shall respectively be consulted under the conditions provided for in Article 25 (applicable mutatis mutandis to special meetings for B Shareholders B and special meetings for C Shareholders) regarding questions referring specifically to their areas of interest in accordance with the law.

2. Only B Shareholders and C Shareholders registered in the accounts of the Company may participate in these special meetings and take part in the voting.

3. A special meeting of B Shareholders and a special meeting of C Shareholders shall exercise their powers under conditions provided for by the legislation in force.

4. The decisions of the Company, taken by a General Meeting of the shareholders, shall only become definitive after approval by a special meeting of B Shareholders when they modify the rights relating to B Shares and by a special meeting of C Shareholders when they modify the rights relating to C Shares.

PART V

COMPANY RESULTS

ARTICLE 27

ANNUAL ACCOUNTS - PAYMENT OF DIVIDENDS - RESERVE FUNDS

Each accounting period of the company commences on first of January and expires on the thirty-first of December.

At the closure of each period, the Board of Directors shall set up the inventory and the annual accounts in accordance with the provisions of Title II of Book 1 of the Commercial Code.

The profit for the period, as it appears in the profit and loss account, consists of the difference between the incomes and expenses for the period, after deduction of depreciation and provisions.

The profit for the period, reduced if necessary by previous losses, is subject to a deduction of at least one twentieth destined to form a reserve fund called the "legal reserve".

When the said reserve reaches one tenth of the capital, this deduction will cease to be obligatory; but if for any reason the reserve reduces to below one tenth of the capital, such deduction will be reinstated.

The distributable profit consists of the profit for the period, reduced by previous losses and by any sums to be carried over to reserves in accordance with the law, and is increased by any profits carried forward.

Such profit shall first be subject to deduction of a first dividend equal to 5% of the nominal value of the shares paid-up and not reimbursed, although, if the profit for a particular year after the deduction stipulated above does not permit such payment, the shareholders may require it to be paid out of the profits of subsequent years. Then, the General Meeting, on a proposal from the Board of Directors, shall have the right of deciding the deduction of such sums as it deems appropriate, either to be carried forward or for the formation of reserves, of which the Board of Directors shall determine the use.

The balance shall be shared among the shareholders without distinction.

The General Meeting deliberating on the accounts for the year shall have the possibility of granting to each shareholder for all or part of the dividend placed for distribution, or for dividends allocated on account, an option between payment in cash of the dividend or dividends on account, or in shares under the conditions and methods provided for in the legislative and regulatory provisions in force.

Moreover, the General Meeting may decide to distribute sums taken from the reserves that it has at its disposal; in this case the decision shall indicate specifically the reserve items from which the deductions will be taken.

In any event, the dividends shall in the first place be taken from the distributable profits for the period.

PART V I

DISSOLUTION - LIQUIDATION

ARTICLE 28

On the dissolution of the Company, one or more liquidators shall be named by the General Meeting of shareholders, under the conditions regarding quorums and majorities applying to Ordinary General Meetings.

The liquidator represents the Company. He is provided with the broadest powers to realise the assets, even by way of amicable arrangements. He is authorised to pay the creditors and to distribute the available balance.

The General Meeting of shareholders may authorise a continuation of business in progress or the entry into new business for the purposes of the liquidation.

The sharing out of the net assets remaining after the reimbursement for the nominal price of shares shall be carried out amongst the shareholders in the same proportions as their participation in the capital.

PART V I I

DISPUTES - ELECTION OF DOMICILE

ARTICLE 29

Any disputes that may arise during the life of the Company or during its liquidation, whether between the shareholders or between the Company and the shareholders themselves with regard to the interpretation or execution of the present articles of association or generally with regard to the affairs of the Company, are subject to the jurisdiction of the courts competent at the place of the registered office.

For this purpose, in the event of a dispute, all shareholders must elect a domicile within the jurisdiction of the court competent for the place of the registered office, and all summonses and notices shall be duly served to such domicile.

In the absence of the election of a domicile, the summonses and notices shall be validly served at the Office of the Public Prosecutor at the Tribunal de Grande Instance ["District Court"] at the place of the registered office.

SHORT PRESENTATION OF THE COMPANY'S AND MERSEN GROUP'S FINANCIAL SITUATION

INTRODUCTION

The year 2015 was characterized by a sluggish economic environment, particularly with regard to industry and especially with regard to industrial investment. For Mersen, this situation was reflected in sales of €772 million, down 2.2% compared to the prior year on a like-for-like basis, but up by nearly 1% excluding chemicals, a sector that was particularly hard hit by the sharp decline in investment. However, the year confirmed the solid performance of our expanding markets – renewable energy, electronics and aeronautics.

Despite the business contraction, the Group delivered an EBITDA margin of 12.7% under challenging conditions, thanks to the benefits of the operational excellence plans and in particular the Transform plan. The latter was completed at the end of December 2015, in line with the schedule, costs, and gains projected initially.

In this context, Mersen maintained a solid structure in terms of its balance sheet, with a net debt/EBITDA ratio of 2.4 and a net debt/equity ratio of 47%, after payment of exceptional flows¹ of €30 million.

In addition, we made changes to our internal organization at the beginning of 2016 and reorganized our two segments to take our strategic priorities into account and thus accelerate our development. The report below is based on the organization in effect during 2015; that is, before the change was implemented.

In 2015, the Group decided to sell a non-core business in welding technologies. The 2015 financial statements thus show this business on a separate line of the Group's consolidated income statement and balance sheet - "asset held for sale" - in line with IFRS 5.

SALES

Mersen's 2015 consolidated sales totaled €772 million, a 6.4% increase compared to the prior year (adjusted²) with a currency effect of €63.5 million. On a like-for-like basis, sales contracted by 2.2% compared to the prior year. Excluding the chemicals market, organic growth was close to 1%.

Materials segment sales amounted to €283 million, an organic contraction of 6.4% for the period. This decline was related primarily to the situation in the chemicals market. Excluding this market, organic growth was positive for this segment, at more than 1%, thanks to the solid performance of the aeronautics and electronics markets, which offset the decline in sales in process industries.

Sales for the **Electrical segment** totaled €489 million for the year, up 0.4% on a like-for-like basis. The energy market was strong, particularly in wind and solar. Sales in rail transportation and process industries remained stable, while electronics posted a slight decline because of a limited number of new projects.

In **Europe**, the fall in sales compared to 2014 is attributable primarily to the unfavorable situation in the chemicals market, with lower investments and the non-renewal of the Sabc contract. However, the Group posted significant growth in aeronautics and solar.

In **Asia**, the situation improved gradually in China over the year. India, Korea, and Taiwan showed strong growth.

The **American** electronic and wind markets performed well. However, the chemicals and electrical distribution markets contracted, similar to the oil industry in the United States and Canada.

EBITDA AND OPERATING INCOME BEFORE NON-RECURRING ITEMS

Ebitda³ totaled €98 million, up 2.4% compared to the 2014 adjusted², representing 12.7% of sales.

Group operating income before non-recurring items⁴ totaled €58.1 million in 2015, for an operating margin of 7.5% of sales, compared to 8.2% in 2014. The difference is attributable to negative volume and mix effects and unfavorable price effects in the Materials segment, offset in part by the benefits of the Transform plan. Increased depreciation in 2015 is related to a currency effect.

The operating margin for the Electrical segment (ECT) was in line with last year's (12.3%). This is attributable primarily to a positive volume effect and the benefits of the Transform plans and other savings plans, which are offset by a negative product mix.

The operating margin before non-recurring items for the Materials segment (AMT) declined compared to the prior year (4% vs 6.5%) based on a combination of factors: the significant decline in anticorrosion system volumes, price pressures on graphite and, on the other hand, the beneficial effects of the Transform plan.

FINANCIAL INCOME

Mersen's net finance cost stood at €10 million in 2015, in line with 2014. Excluding currency effects, average 2015 debt was close to that of 2014 (€232 million compared to an average 2014 debt of €226 million).

¹ Transform plan, restructurings and ASP acquisition.

² IFRS 5

³ Operating income before non-recurring items + depreciation and amortization

⁴ Based on the definition laid down in CNC regulation 2009.R.03.

NET INCOME

Net income totaled €2.6 million, compared with the adjusted¹ 2014 figure of €2.8 million. This income figure includes, in 2014 as in 2015, the non-recurring charges related primarily to the Transform plan and to impairments.

Non-recurring income and expense showed a loss of €21.6 million. This includes:

- €16.8 million in impairment of tangible and intangible assets, related primarily to the low level of activity in the chemicals market, the underuse of certain graphite production equipment, and abandoned projects.
- €5.6 million in restructuring costs, of which €3 million for the Transform plan.

In 2014, those costs totaled €37 million, related primarily to the Transform plan and the final settlement of the civil lawsuit in the United Kingdom.

The tax expense totaled €19.1 million and includes €4.5 million in impairments of deferred tax assets. The effective tax rate, calculated based on income restated to take into account nondeductible and non-activated expenses and impairment of deferred tax assets, was 33%, equivalent to that of prior years.

Income from assets held for sale stood at a loss of €3.7 million and includes income from the welding technologies business, which is being disposed of, and an estimate of the capital loss on disposal.

The change in minority interests' results is related primarily to Cirprotec. Mersen has held a 51% stake in the company since February 2014.

CASH AND DEBT

The Group generated net cash from continuing operating activities of €48.2 million. This figure is €73 million excluding the year's exceptional flows (restructurings, including the Transform plan), i.e. a decline of approximately €6 million compared to 2014. This change is attributable to an increase in WCR related to unfavorable seasonal fluctuations in accounts payable and to early tax payments made in 2015 in the United States.

Capital expenditure totaled €34.2 million, nearly €3 million of which is related to the Transform plan. Sixty percent is for the Materials segment.

Overall, the 2015 Transform plan cash flows totaled €19.3 million, including €3 million in investments, €20 million in restructuring expenses, and €4 million in proceeds from real estate disposals.

The changes in scope involve the ASP acquisition. In 2014, they involved the acquisition of a majority interest in Cirprotec and the final earn-out payment related to the 2011 purchase of the Mingrong Electrical Protection minority interests.

Net cash for 2015 thus stood at -€12.6 million, compared to €3.3 million in 2014.

Net debt at year-end 2015 stood at €236.5 million, compared to €216 million at year-end 2014. On a like-for-like basis, the debt would be €226.6. This takes into account nearly €30 million in exceptional outlays associated with acquisitions and the Transform plan.

The Group maintained a strong financial structure, with ratios close to the prior year: the net debt/EBITDA ratio (leverage) was 2.39² and the net debt/equity ratio (gearing) was 47%².

PARENT COMPANY RESULTS

The sales and other revenues recorded by the parent company, Mersen SA, amounted to €10.8 million. These revenues derived from Mersen SA's activities as a holding company, namely the management of investments in subsidiaries and affiliates, Group financing and invoicing for various services, plus fees for the use of the trademark and other associated intangibles.

The parent company's operating loss, which reflects the holding company's operating costs and trademark royalties, stood at -€4.2 million.

Financial income amounted to at €16.7 million, compared to €30.7 million in 2014. This takes into account, in 2015, €20.1 million in impairment on investments (primarily in China). In 2014, the result did not include any substantial impairment on investments.

The parent company's income before tax and non-recurring items came to €12.5 million. The exceptional loss stood at -€0.4 million, compared to net income of €3.5 million in 2014, related to an indemnity and re-invoicing of the cost of class actions to various Group entities.

The parent company recorded a tax benefit of €2.2 million. This was the result of the tax paid by the French subsidiaries consolidated for tax purposes.

Taking all these items into account, the parent company posted net income of €14.3 million, compared to €30.6 million in 2014.

INTERNATIONAL OPERATIONS OUTSIDE FRANCE

The Group is present on all continents. The international positioning of the Group's manufacturing facilities keeps it in close contact

¹ IFRS 5

² Ratio calculated using the method specified for confirmed lines (syndicated loan and USPP).

with its customers and allows them to be highly responsive on their markets. In addition, it protects Mersen from the impact of currency fluctuations on its competitiveness.

In 2015, around 58% of the Group's capital expenditures were devoted to international markets. This concerned primarily the replacement and modernization of industrial equipment.

In 2015, the Group derived 91% of its sales from outside France (i.e. sales generated by foreign companies excluding those realized in France and exports by French companies).

The sales contributed by the Group's subsidiaries outside France came to €645 million, down 0.7% compared with 2014 on a like-for-like basis.

Sales in the Asia-Pacific region totaled 23% of Group consolidated sales in 2015, 34.5% in Europe, 37.5% in North America and 5% in the rest of the world (South America, Africa and the Middle East).

OUTLOOK

The economic environment is likely to remain sluggish in 2016, especially in process industries and chemicals. Even so, the Group's sales should continue to expand in its growth markets—renewable energies, aerospace and electronics. Amid these mixed conditions, Mersen intends to further enhance its competitiveness by launching a new operational excellence plan to deliver €30 million in savings over the next two to three years. The initial benefits are expected from 2016. The impact of these measures may be curbed to some extent in 2016 by a persistently unfavorable pricing environment in the Materials segment. Taking all these factors into account, 2016 sales on a like-for-like basis are likely to be of the same order of magnitude as in 2015 and operating margin before non-recurring items around 7.5% of sales. Operating cash flow is expected to be well above that recorded in 2015, when it was reduced by the cash costs associated with the Transform plan.

FIVE-YEAR FINANCIAL SUMMARY

MERSEN S.A.

	2015	2014	2013	2012	2011
1. SHARE CAPITAL AT YEAR-END					
Capital (€ 000s)	41,384	41,234	41,633	40,702	40,577
Number of shares outstanding	20,692,054	20,616,834	20,816,364	20,350,969	20,288,354
Par value of shares (€)	2	2	2	2	2
2. OVERALL RESULT OF OPERATIONS (€ 000s)					
Income before tax, depreciation, amortization, charges to provisions and employee profit-sharing ^{(a)(b)}	32,395	29,191	9,801	21,739	(61,808)
Income tax	(2,168)	(1,608)	(1,500)	(1,724)	(1,887)
Employee profit-sharing	0	0	0	0	0
Net income after tax, depreciation, amortization and charges to provisions	14,296	30,604	1,762	10,649	29,810
Total earnings paid out ^(b)	10,317	10,308	9,259	9,136	20,234
3. OVERALL RESULT OF OPERATIONS PER SHARE (€)					
Net income after tax and employee profit-sharing, but before depreciation, amortization and charges to provisions ^{(a)(b)}	1.67	1.49	0.54	1.15	(2.95)
Net income after tax, depreciation, amortization and provisions	0.69	1.48	0.08	0.52	1.47
Dividend paid on each share	0.50	0.50	0.45	0.45	1.00
4. EMPLOYEES					
Average headcount	5	5	5	5	5
Total payroll costs (€ 000s)	1,077	1,078	954	1,040	2,072
Amount paid for welfare benefits (€ 000s)	358	404	371	334	627

(a) In 2011, income before tax, employee profit-sharing, depreciation, amortization and charges to provisions was negative because it reflected a non-recurring charge of €83,666 thousand for internal corporate restructuring. This charge was offset by the reversal of a provision for an equivalent amount, which is not included in the calculation of this income or earnings per share.

(b) In January 2016 reduction in the number of securities for 55,200 shares.



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