Tikehau Capital

A French partnership limited by shares with a share capital of €850,659,408 (*société en commandite par actions)*

Registered office: 32, rue de Monceau, 75008 Paris, France

477 599 104 R.C.S. PARIS

REGISTRATION DOCUMENT

SERVING AS ANNUAL FINANCIAL REPORT

Pursuant to its General Regulation, and in particular to Article 212-13, the *Autorité des marchés financiers* (the "AMF") has registered this registration document on 27 April 2017 under number R.17-029. This document can be used to support a financial transaction only if it is accompanied by a securities note approved by the AMF. It has been prepared by the issuer and is binding on its signatories.

Its registration, in accordance with Article L.621.8.1-I of the French Monetary and Financial Code, has been made after verification by the AMF that the document is complete and comprehensible, and that the information it contains is consistent. It does not imply certification by the AMF of the accounting and financial information presented.

Copies of this registration document (the "Registration Document") are available free of charge from Tikehau Capital, 32, rue de Monceau, 75008 Paris, France, as well as on the websites of Tikehau Capital (www.tikehaucapital.com) and the AMF (www.amf-france.org).

TABLE OF CONTENTS

MESSAGE FROM THE MANAGEMENT

I. PRESENTATION OF THE GROUP AND ITS ACTIVITIES 5

1. Profile and history 5
   (a) Profile of Tikehau Capital 5
   (b) History of Tikehau Capital 9
   (c) The Tikehau Capital share 10
2. Key figures 11
3. Competitive advantages and strategy 13
   (a) Competitive advantages 13
   (b) Strategy 19
4. Presentation of the activities of Tikehau Capital 23
   (a) Overview 23
   (b) Private debt activities 40
   (c) Real estate activities 49
   (d) Private equity 53
   (e) Liquid Strategies 63
5. Tikehau Capital and its market 67
   (a) Introduction/summary 67
   (b) General overview of the asset management market since 2008 68
   (c) Alternative assets are attracting constantly-growing demand 69
   (d) Overview of market trends in the different asset classes of Tikehau Capital 74
6. Regulatory Environment 81
   (a) European regulations on asset management activities in the European Union 81
   (b) European regulations on asset management activities in France 86
7. Dividend Policy 86

II. COMMENTS ON THE ACTIVITY, INCOME AND FINANCIAL POSITION 88

1. Overview of activities, income and financial position 88
2. Comments on the activity and consolidated financial statements of 2016 89
   (a) Business during 2016 89
   (b) Analysis of consolidated results for the year 2016 91
   (c) Consolidated fixed assets 92
   (d) Liquidity and Capital Resources 92
   (e) Changes in shareholders' equity 96
3. Comments on *pro forma* balance sheet for the year 2016 96
   (a) Analysis of *pro forma* consolidated results for 2016 97
   (b) *Pro forma* balance sheet data 99
4. Annual results of the Company 100
   (a) Annual Financial Statements for 2016 100
   (b) The Company's Financial results for the last five years 102
5. Significant events occurring since 31 December 2016 102
   (a) Capital Increases 102
   (b) Tikehau Capital IPO 103
   (c) Other material events occurring between 31 December 2016 and the date of the financial statements 103

(d) Other material events since the date of the financial statements 104

III. RISK FACTORS 105

1. Risk Factors 105
   (a) Risks relating to the asset management activities 105
   (b) Risks relating to the balance sheet of Tikehau Capital 110
   (c) General risks associated with Tikehau Capital's business 116
   (d) Regulatory, legal and tax risks 118
   (e) Risks related to the legal form, Articles of Association and organization of Tikehau Capital 120
2. Insurance 121
3. Risk management 122
   (a) Control functions 122
   (b) Definition of the different levels of internal control and reporting 123
   (c) Investment valuation activities 127
   (d) Governance 129
   (e) IT architecture and security 131
   (f) Prevention of insider misconduct and compliance 131
4. Legal and arbitration proceedings 133

IV. CORPORATE GOVERNANCE 134

1. Administrative and management bodies 134
   (a) The Managers 134
   (b) Presentation of the Supervisory Board 137
   (c) Practices of the Supervisory Board 146
   (d) Supervisory Board Committees 146
2. General Shareholders' Meetings 146
   (a) The practices of Shareholders' Meetings 146
   (b) General Shareholders' Meetings of the Company in 2016 and 2017 148
3. Remuneration, allowances and benefits 148
   (a) Remuneration of the Manager-General Partner 148
   (b) Attendance fees and other remuneration received by members of the Supervisory Board 150
   (c) Stock option schemes and bonus share schemes 151
   (d) Amounts set aside or accrued by the Company or its subsidiaries to provide pension, retirement or similar benefits 151
   (e) Exceptional items of remuneration linked to the completion of the Company's listing 151
4. Report of the Chairman of the Supervisory Board 152
   (a) Preparation and organization of the work carried out by the Board 152
   (b) Internal control and risk management procedures 165
5. Statutory Auditors' Report on the Report of the Chairman of the Supervisory Board 172

V. CONSOLIDATED FINANCIAL STATEMENTS AND *PRO FORMA* FINANCIAL INFORMATION AS AT 31 DECEMBER 2016 174

1. Annual consolidated financial statements as at 31 December 2016 174
   (a) Consolidated balance sheet 174
   (b) Consolidated statement of comprehensive income 175
   (c) Consolidated statement of comprehensive income 176

(d) Consolidated statement of changes in equity 176
(e) Consolidated statement of cash flows 177
(f) Notes to the financial statements prepared in accordance with IFRS 178
2. Statutory Auditor's report on the consolidated financial statements 211
3. Unaudited *pro forma* financial information 214
4. Statutory auditors' report on *pro forma* financial information 231

VI. ANNUAL FINANCIAL STATEMENTS AS AT 31 DECEMBER 2016 233

1. Annual financial statements 233
2. General context and rules of preparing the annual accounts 238
3. Accounting principles and methods 243
4. Notes to the annual financial statements 247
5. Statutory Auditor's report on the annual financial statements 266

VII. CORPORATE SOCIAL AND ENVIRONMENTAL RESPONSIBILITY (CSR) 266

1. CSR approach within Tikehau Capital 269
2. Social aspects at the Group level and as reflected in its activities 272
(a) The Group's workforce 272
(b) Incorporation of social aspects in investment transactions 274
3. Environmental footprint and the environmental aspect of the Group's activities 274
4. Community-related, transparency and corporate governance aspects 275
5. Concordance table (Article R.225-105-1 of the French Commercial Code) 276
6. Report of the independent external auditor 280

VIII. INFORMATION ON THE COMPANY, ITS ARTICLES OF ASSOCIATION AND CAPITAL 284

1. Basic information about the Company 284
(a) Company name 284
(b) Place of registration and registration number 284
(c) Date of incorporation and term 284
(d) Registered office, legal form and applicable legislation 284
(e) Financial year 285
2. Main provisions of the Company's Articles of Association 286
(a) Corporate purpose (Article 2 of the Articles of Association) 286
(b) Identification of shareholders and threshold disclosure (Articles 7.2 and 7.3 of the Articles of Association) 286
(c) Managers (*Gérants*) (Article 8 of the Articles of Association) 287
(d) General partners (Articles 9 and 11.2 of the Articles of Association) 288
(e) Supervisory Board (Article 10 of the Company's Articles of Association) 289
(f) Rights, privileges and restrictions attaching to the Company's securities (Articles 7.1, 7.4 and 7.5 of the Articles of Association) 289
(g) Changes in shareholders' rights 289
(h) General Shareholders' Meetings 289
(i) Change-of-control clauses in the Articles of Association 289
(j) Changes in share capital 290
(k) Allocation of profits and distributions (Article 14 of the Articles of Association) 290
3. Reorganization operations 290
(a) In-kind contributions 290

(b) Public exchange offer and cash takeover bid on Salvepar 294
(c) Other transactions 295
4. Related party transactions 295
(a) Description of material historical agreements 295
(b) Description of new or ongoing significant agreements 296
(c) Description of agreements entered into after the end of 2016 297
(d) Special report of the Statutory Auditors on regulated agreements and commitments 298
5. Information on the share capital and major shareholders 302
(a) History of the share capital over the last three years 304
(b) Shareholders of the Company 306
(c) Summary table of delegations 309
(d) Organizational structure and control of the Group 311
6. Tikehau Capital share buy-back programme 313
7. Shares held by corporate officers 314

IX. ANNUAL GENERAL SHAREHOLDERS' MEETING 316

1. Agenda 316
2. Managers' Report 316
3. Report of the Supervisory Board 317
4. Draft resolutions 317

X. ADDITIONAL INFORMATION 319

1. Person responsible for the Registration Document 319
2. The Statutory Auditors 320
3. Financial reporting 322
4. Documents available to the public 322
5. Glossary 323
6. Concordance tables 327
(a) Concordance table - Annex I of Regulation (EC) No 809/2004 327
(b) Concordance table - Annual Financial Report and Management Report 332

IMPORTANT INFORMATION

Defined Terms

In this Registration Document, the term "Company" means the company Tikehau Capital SCA. The expressions "Tikehau Capital" and the "Group" refer to Tikehau Capital SCA, its consolidated subsidiaries, branches and equity interests taken together. A glossary of key defined terms used in this document is provided in Section X.5 (Glossary) of this Registration Document.

This Registration Document is a description of Tikehau Capital based on the Group's structure as at the filing date of this Registration Document.

Accounting and financial information

This Registration Document presents the consolidated financial statements of Tikehau Capital prepared in accordance with IFRS (International Financial Reporting Standards) as adopted by the European Union ("IFRS") for the year ended 31 December 2016. These financial statements may be found in Chapter V (Consolidated financial statements and *pro forma* financial information as at 31 December 2016) of this Registration Document.

Unless otherwise stated, the figures used in this Registration Document are extracted from the consolidated financial statements of the Company.

Some figures (including data expressed in thousands or millions) and percentages presented in this Registration Document have been rounded. If applicable, the totals presented in this Registration Document may differ slightly from what would have been obtained by adding the exact values (not rounded) of these figures.

Forward-looking information

This Registration Document contains statements on the outlook and development goals of Tikehau Capital. These statements are sometimes identified by the use of the future or conditional tense and words with prospective connotations such as "consider", "envisage", "think", "target", "expect", "intend", "should", "aim", "estimate", "believe", "hope", "could" or, where appropriate, the negative form of these terms, or any other variants or similar terms. This information does not constitute historical data and must not be interpreted as a guarantee that the facts and data mentioned will actually occur. This information is based on data, assumptions and estimates considered reasonable by the Company. They may change or be modified due to uncertainties related in particular to the economic, financial, competitive and regulatory environment. They are mentioned in various sections of this Registration Document and contain data relating to Tikehau Capital's intentions, estimates and targets concerning the market, strategy, growth, results, financial position and cash of Tikehau Capital. Forward-looking statements contained in this Registration Document are data only on the filing date of this Registration Document. Barring any applicable legal or regulatory obligation, the Company makes no commitment to publish updates of the forward-looking information contained in this Registration Document to reflect any changes in targets or events, conditions or circumstances on which the forward-looking information contained in this Registration Document is based. Tikehau Capital operates in a competitive and ever-changing environment, so it may not be able to anticipate all risks, uncertainties or other factors that may affect its business, their potential impact on its business or the extent to which a risk or combination of risks might lead to significantly different results from those in any forward-looking information, and it should be noted that such forward-looking statements do not constitute a guarantee of results.

Information about the market and competition

This Registration Document chiefly contains information on the business segments in which Tikehau Capital operates and its competitive position. (See Section I.5 (Tikehau Capital and its market) of this Registration Document). Certain information contained in this Registration Document is information publicly available that the Company believes to be reliable but which has not been verified by an independent expert. The Company cannot guarantee that a third party using different methods to gather, analyse and calculate data on these business segments would get the same results. Given the very rapid changes that characterize Tikehau Capital's business sector, it is possible that these details may be incorrect or no longer up to date. Tikehau Capital's activities could consequently evolve differently from how they are described in this Registration Document. Tikehau Capital makes no undertaking to publish updates on this information, except as part of any legislative or regulatory obligation that may apply to it.

The Group and the Group's investment management companies

This Registration Document is in no circumstances a validation and/or updating of the programmes of activity of each investment management company.

Risk Factors

Investors are urged to consider the risk factors described in Chapter III (Risk Factors) of this Registration Document before making any investment decision. Should all or some of those risks actually occur, they would be likely to have a negative effect on Tikehau Capital's business, financial position, financial results or targets. In addition, other risks not yet identified or considered immaterial by the Company could have the same negative effect and investors may well lose all or part of their investment.

LETTER OF THE MANAGEMENT BOARD

2016 represented a major milestone in Tikehau Capital's history and marks the beginning of a new development phase.

Before outlining the accomplishments achieved over the course of the year and our ambitions for the next few years in more detail, we would like to share our view of market trends.

2016: a market context calling for heightened caution

From our point of view, 2016 was characterised by very high valuations across the board and throughout all listed and unlisted asset classes. We have therefore adopted a resolutely cautious and defensive approach in our investments.

Accommodating monetary policies implemented by the major central banks have clearly led to an inflow of capital which has inflated asset prices, without having any substantial effects on the real economy, particularly given the lack of major structural or tax reforms.

Consequently, a significant proportion of investors have heavily reallocated capital into yields which are potentially too low. From our point of view, certain portfolios are no longer sufficiently remunerating their level of risk.

We believe that current investor positioning is therefore based solely on anticipated returns on investment, which will only be delivered if the following factors all combine:

- an increase in corporate earnings justifying the current valuation multiples (among equities) and debt ratios (in fixed-income markets),
- successful liquidity tapering policies by the central banks, and
- the absence of black swan events.

Although we are of course hoping that all of these conditions will be satisfied, the approach that we have adopted since Tikehau Capital was founded logically leads us to err on the side of caution.

2016: a major turning point in Tikehau Capital's growth

Our cautious stance did not hinder growth however, and 2016 was a decisive year for the future of the group.

Tikehau Capital continued to develop, increasing AUM by almost 57% and significantly strengthening shareholders' equity by opening-up its capital Temasek (a Singaporean investment company), FFP (the investment company controlled by the family group Peugeot) and the Fonds Stratégique de Participations. The arrival of these new shareholders has provided support for the Tikehau Capital business model and confirmed the appeal of the group's profitable growth strategy, while also opening new development channels, particularly internationally.

Meanwhile, Tikehau Capital has pursued its strategy, extending its range of investments and developing its international presence, by broadening its client portfolio and through target acquisitions in the private debt market (notably Lyxor UK's senior European debt business), and also among real estate investment trusts(with the purchase of IREIT Global, which is listed in Singapore).

Lastly, during 2016, Tikehau Capital also streamlined its business model and completed its restructuring on 7 March 2017 with an IPO. Tikehau Capital is the first alternative asset management company to be listed on the Euronext Paris market.

The listing represents a decisive and constructive move for our group, as it provides greater clarity for our business model, which is characterised by its distinctive profile, as a multi-asset class manager, and more particularly our capacity to invest in our different business lines alongside our clients. This arrangement provides a unique alignment of interest, which represents the true hallmark of our business model and constitutes one of the keys to its success.

Tikehau Capital today

As at the end of 2016, Tikehau Capital managed EUR 10 billion of assets backed by EUR 1.5 billion of shareholders' equity, calculated on a pro-forma basis, that we can draw on in order to invest in our business lines, either through our investment platforms or in the funds that we manage. Our teams, comprised of 170 partners and staff, are in permanent contact with our clients, seeking investments providing the best risk-return profile and aiming to create long-term value. Our presence in Europe and Asia optimises our capacity to capture the best investment opportunities.

Further to identifying and investing in the best opportunities, we also apply a rigorous approach, based on a stringent investment process and drawing on the skills of a leading research team, which enables us to remain selective and disciplined. Performance dispersion and volatility (between asset classes, sectors and companies within each sector) is increasing globally and should confirm the relevance of our approach.

For these reasons, against a backdrop of heightened uncertainty, which, as we have already pointed out, calls for greater prudence, we are resolutely optimistic for the coming years for our clients and our shareholders.

Our ambition and our strengths

During the IPO, we announced our strategic objective to become the European leader in alternative investment management, targeting EUR 20 billion of AUM by 2020.

In order to reach this goal, we are continuing to develop this year by raising fresh funds and acquiring new clients, but also through external growth among opportunities which are in line with our profitability objectives and corporate culture. We are also looking into opportunities for new international locations. We consider North America as being particularly promising, as the funds we manage are well suited to the large number of major long-term investors situated in the region.

Our entrepreneurial culture supports these ambitious objectives, confident in our unique approach, which combines cautious investment management with audacious development, based on our cardinal principle of an alignment of interest among all Tikehau Capital stakeholders: clients, shareholders, discretionary mandate investors and the management.

For this reason, our independence is highly important to us, as a guarantee of our strengths. We shall continue to draw on our independence to constantly serve the interests of our partner investors and shareholders.

More than ever, independence fosters value.

On behalf of the Management Board

Antoine Flamarion Mathieu Chabran

I. PRESENTATION OF THE GROUP AND ITS ACTIVITIES

1. Profile and history

(a) Profile of Tikehau Capital

General overview of Tikehau Capital

Tikehau Capital is an asset management and investment company which was set up in Paris in 2004, with shareholders' equity of €4 million, by Antoine Flamarion and Mathieu Chabran. Twelve years later, Tikehau Capital directly or indirectly manages €10 billion[1] in assets, with shareholders' equity of approximately €1.5 billion on a *pro forma* basis. The Group has expanded dynamically through its four business lines: private debt, real estate, private equity investment and liquid strategies (fixed income management/balanced and equities management) The Group provides its investors with alternative investment opportunities targeting long-term value creation.

Tikehau Capital's independent positioning has consolidated its value and reputation within the asset management industry year after year. Its independence has enabled the Group to develop a business model which makes it stand out from its competitors through its flexible approach, allocating capital primarily across all four business lines.

By deploying its shareholders' equity to support the Group's various investment strategies, Tikehau Capital creates the conditions for a clear alignment of interests between the group balance sheet and investments made by its third party investors. This approach is central to building a relationship of trust with its shareholders and investors. The Group is majority owned by its management, alongside leading institutional partners, which ensures that an alignment of interests is instilled in its culture. Since its creation, the group has relentlessly focused on the core entrepreneurial values of dedication, quality and reliability, coupled with its recognized investment skills.

Across all of its strategies, Tikehau Capital's unique approach focuses primarily on fundamental analysis and highly selective investments. Furthermore Tikehau Capital has always focused on tailor-made solutions adapted to the needs of its clients/investors.

Founded in Paris, Tikehau Capital has expanded over recent years, initially in Europe, setting up offices located in London, Milan and Brussels, and then in Asia with an office in Singapore. The Group's workforce totals approximately 170 employees and partners, including Tikehau Capital Advisors.

Tikehau Capital's business lines

The Group operates through four business lines:

- Private debt – Tikehau Capital is one of the pioneers of private debt transactions in Europe and France. The Group's private debt teams are involved in debt financing transactions (senior debt, unitranche, mezzanine, etc.) for a size between €10 million and €300 million, as arranger or financer. This business line also includes securitisation activities dedicated to CLO (collateralized loan obligations), a specialised product consisting of obligations backed by a portfolio of leveraged loans. As at 31 December 2016, assets under management in Tikehau Capital's private debt funds amounted to €4.9 billion, representing 49% of the Group's assets under management. (See Section I.4(b) (Private debt activities) of this Registration Document.)

- Real estate – Tikehau Capital's real estate investment activities mainly focus on commercial property, seeking particularly sale and lease-back transactions in which the Group's vehicles act as purchaser and involving quality counterparties (sellers, and subsequent to the transaction, tenants)

[1] Assets under management as at 31 December 2016. See Section I.4(a)(ii) (Allocation and income from the capital of Tikehau Capital) of this Registration Document.

with a yield-generating potential as well as a potential capital gain on resale. Tikehau Capital's real estate investment activity is undertaken through the establishment of dedicated acquisition vehicles for each transaction. As at 31 December 2016, assets under management in Tikehau Capital's real estate activity amounted to €1.8 billion, representing 18% of assets under Group management. (See I.4(c) (Real estate activities) of this Registration Document.)

– Private equity - As part of this activity, the Group invests in the equity capital (equity and hybrid instruments giving access to equity) of listed and unlisted companies. At the filing date of this Registration Document, the Group's private equity activities are carried out exclusively from the Group's own resources (shareholders' equity and debt). As at 31 December 2016, Tikehau Capital's private equity activity had assets under management amounting to €1.4 billion[2], or 14% of the Group's total assets under management. (See Section I.4(d) (Private equity activities) of this Registration Document.)

– Liquid strategies - This business line comprises two activities: (i) fixed income management and (ii) balanced and equities management, and has the particular characteristic of being carried out through what are known as open-ended funds, that is, from which investors may decide to withdraw at any time by requesting redemption of their units. As part of its debt management activity, Tikehau Capital invests in bonds , including bonds issued by private companies (corporate bonds) and others, as well as investment grade securities (i.e., securities corresponding to companies with a high rating) or high-yield . As part of its balanced and equities management business, Tikehau Capital manages open-ended funds offering access to a flexible balanced management in the equity and credit markets. As at 31 December 2016, assets under management in Tikehau Capital's liquid strategies totalled €1.9 billion, i.e. 19% of the Group's assets under management. (See Section I.4(e) (Liquid strategies) of this Registration Document.)

The performance of each of these business lines in 2016 is described in more detail in Section II.2(a) (Business during 2016) of this Registration Document.

The Group's business lines are summarised in the following diagram:

	PRIVATE DEBT	REAL ESTATE	PRIVATE EQUITY	LIQUID STRATEGIES
AUM (1)	€4.9 BILLION	€1.8 BILLION	€1.4 BILLION	€1.9 BILLION
INVESTMENT TEAM (1)	25 EMPLOYEES	8 EMPLOYEES	10 EMPLOYEES	22 EMPLOYEES (OF WHOM 8 IN RESEARCH)
INVESTMENT UNIVERSE	**At all levels of capital structure** *Senior loans, Stretched senior* Unitranche, mezzanine, *preferred equity* **Target companies** Revenues (€100 m - €2bn) Value (€100 m - €2 bn) All sectors in Europe	**Shopping centres/ commercial real estate** **Offices** **Logistics parks**	**Minority investor** Non-takeover situations **Extensive sectoral and geographical coverage** **Strong origination capacity**	**Credit** High yield, IG corporate and subordinated instruments Mainly European and Asian **Equities** Selection of "Value" stocks Special Situations
KEY DIFFERENTIATORS	- A pioneer in alternative financing - Solid partnerships with banks and private equity funds - Capacity for flexible and innovative structuring	- Flexible and innovative approach - Sound track record - Capacity for customised financing	- An entrepreneurial spirit shared with companies in which we invest - Permanent capital: no liquidity constraints	- Allocation and selection based on a management of conviction - Fundamental Analysis top-down and bottom-up

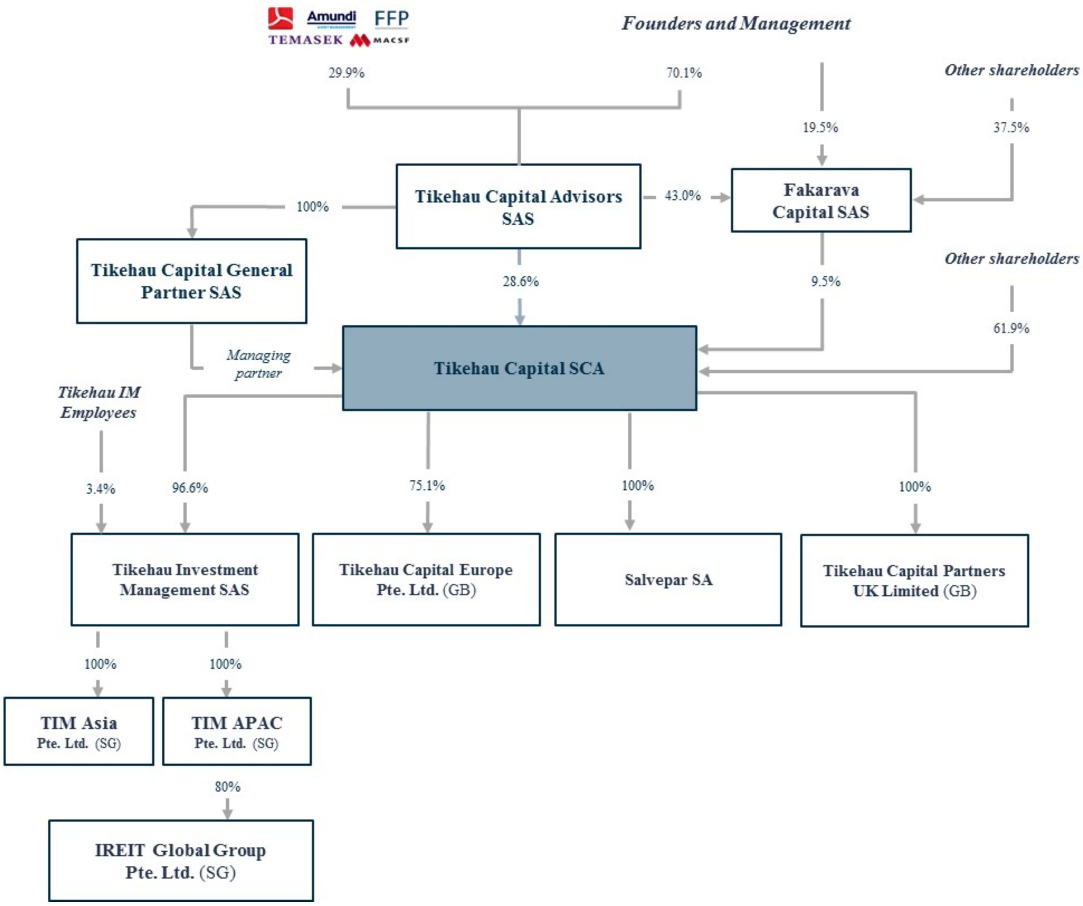
(1) As at 31 December 2016

2 Assets under management at 31 December 2016 including a share of the assets under management of Duke Street LLP for €0.2 billion, which reflects Tikehau Capital's financial holding in Duke Street LLP.

The performance of each of these business lines in 2016 is described in Section II.3(a) (Analysis of *pro forma* consolidated results for 2016) of this Registration Document.

Legal structure of the Group

The organizational chart below presents the Group's legal structure as at the filing date of this Registration Document:



NB: In this organizational chart, shareholding percentages are equivalent to voting rights percentages, unless otherwise stated.

The main entities of the Group, as shown in this chart, are as follows:

– Tikehau Capital SCA is the Group's parent company whose securities are listed on the regulated market of Euronext Paris. The Company's Manager and General Partner is Tikehau Capital General Partner. The purpose of the Company is to invest directly or indirectly in the Group's investment platforms (that is, at the filing date of this Registration Document: Tikehau Investment Management, Salvepar, Tikehau Capital Europe and IREIT Global Group) to support their growth. It is also a major investor in vehicles managed by the Group or as a co-investor in transactions carried out by Group-managed vehicles. Lastly, it may make opportunistic investments outside its platforms and its business lines to seek out the best sources of value creation.

– Tikehau Investment Management ("Tikehau IM") is the main platform of the Group dedicated to asset management. As at 31 December 2016, Tikehau IM was present in three of the four Tikehau Capital business lines: private debt, real estate and liquid strategies (fixed income management/ balanced and equities management). Since the date of listing of the Company's shares on the regulated market of Euronext Paris, Tikehau IM also has included a private equity team from

Tikehau Capital Advisors which, on the date of registration of this Registration Document, advises the Company and its subsidiaries on the management of their investment portfolio. Tikehau IM has been approved by the AMF as a portfolio management company since January 2007. As at 31 December 2016, Tikehau IM managed €7.8 billion, or about 78% of Tikehau Capital's assets under management. (See Section I.4(a)(iv) (The subsidiaries of Tikehau Capital – Tikehau Investment Management (Tikehau IM)) of this Registration Document.)

– Salvepar is an investment holding company which makes mainly minority investments in shares or financial securities giving access to the equity of listed or unlisted companies (including as co-investments). As at 31 December 2016 and up to the date of listing of the Company's shares on the regulated market of Euronext Paris, Salvepar was the Group's main private equity platform. (See Sections I.4(a)(iv) (The subsidiaries of Tikehau Capital – Salvepar) and I.4(d)(iv) (Private equity through Salvepar) of this Registration Document.) At the date of filing of this Registration Document, Salvepar is 100% owned by the Company. Salvepar shares ceased to be listed on 6 March 2017.

– Tikehau Capital Europe is a UK subsidiary of the Group, which manages securitisation vehicles dedicated to CLOs (collateralized loan obligations), a specialized product consisting of debt securities backed by a portfolio of leveraged loans. This activity comes under the Group's private debt activities. Tikehau Capital Europe was approved by the Financial Conduct Authority (the UK financial regulator) in 2015. As at 31 December 2016, Tikehau Capital Europe managed nearly €770 million in assets. (See Section I.4(a)(iv) (The subsidiaries of Tikehau Capital – Tikehau Capital Europe) of this Registration Document.) Tikehau Capital Europe is 75.1% owned by the Company with the remaining capital held by the Amundi Group.

– IREIT Global Group ("IGG") is the Singapore management company of a real estate firm listed in Singapore: IREIT Global. The Group acquired a 80% interest in IGG in November 2016. IGG is approved as a management company by the Monetary Authority of Singapore (MAS, the Singaporean financial regulator). IREIT Global was the first Singapore-listed property company whose strategy is to invest in real estate assets located in Europe. As at 31 December 2016, based on the annual report of IREIT Global, the value of the real estate assets held by IREIT Global was €453 million. (See Section I.4(c)(iii) (Real estate activities conducted through IREIT Global) of this Registration Document.)

The main limited and unlimited liability partnerships in the Group are:

– Tikehau Capital General Partner is a *société par actions simplifiée unipersonnelle* (see Glossary in Section X.5) (whose registered office is located 32, rue de Monceau, 75008 Paris, France, registered with the Trade and Companies Register of Paris under number 800 453 433 on 17 February 2014. Its main business includes any provision of advice and assistance, particularly on financial and strategic matters. The Chairman of Tikehau Capital General Partner is AF&Co and its CEO is MCH. Information on AF&Co and MCH is provided respectively in Section IV.1(a)(i) (Information concerning AF&Co and Mr. Antoine Flamarion) and in Section IV.1(a)(ii) (Information concerning MCH and Mr. Mathieu Chabran) of this Registration Document. The share capital of Tikehau Capital General Partner is 100% owned by Tikehau Capital Advisors. The share capital of Tikehau Capital General Partner amounts to €100,000 at the filing date of this Registration Document. (See Section VIII.1(d) (Registered office, legal form and applicable legislation) of this Registration Document.)

– Tikehau Capital Advisors is a *société par actions simplifiée* (see Glossary in Section X.5) whose registered office is located 32, rue de Monceau, 75008 Paris, France, registered with the Trade and Companies Register of Paris under number 480 622 026 on 28 January 2005. Its main activity is the acquisition, holding and management of any type of equity interests and securities. The Chairman of Tikehau Capital Advisors is AF&Co and its CEO is MCH. The equity capital of Tikehau Capital Advisors is divided between the managers and founders of Tikehau Capital, who together hold 70.1% of the capital and voting rights of Tikehau Capital Advisors, and a group of institutional shareholders: Amundi, Crédit Mutuel Arkéa, FFP, MACSF and Temasek, among which the remaining 29.9% is divided equally. The share capital of Tikehau Capital Advisors amounts to €20,888,488 at the filing date of this Registration Document.

– Fakarava Capital is a *société par actions simplifiée* whose registered office is located 32, rue de Monceau, 75008 Paris, France, registered with the Trade and Companies Register of Paris under number 485 242 150 on 28 November 2005. Its main activities are any services and advice in the financial and real estate fields, the acquisition, holding, and management of all equity interests and securities. The Chairman of Fakarava Capital is Makemo Capital (majority owned by AF&Co and MCH) and its CEOs are AF&Co and MCH. The equity capital of Fakarava Capital is owned 43% by Tikehau Capital Advisors, 19.5% by the founders and management and 37.5% by shareholders external to the Group. The share capital of Fakarava Capital amounts to €66,553,662 at the filing date of this Registration Document.

(b) History of Tikehau Capital

2004 Tikehau Capital is founded by Antoine Flamarion and Mathieu Chabran, through the creation of Tikehau Capital Partners, a diversified investment company subsequently renamed Tikehau Capital, with the aim of developing an equity investment business.

2006 Tikehau Capital creates Tikehau Investment Management ("Tikehau IM"), an independent asset management company.

2008 Tikehau Capital creates Tikehau Asia, a vehicle dedicated to its investments in Asia.

2009 Crédit Mutuel Arkéa joins the Group through its acquisition of an equity interest in the Company.

2010 Tikehau Capital enters into a strategic partnership with Crédit Mutuel Arkéa, which acquires a 15% interest in Tikehau IM.

2011 Tikehau Capital enters into a strategic partnership with UniCredit.

2012 Tikehau IM and Macquarie Lending announce a partnership to offer financing solutions via such channels as unitranche and mezzanine debt or private bonds.

On 26 October 2012, Tikehau Capital acquires control of the listed holding company Salvepar from Société Générale and launches a takeover bid for Salvepar's equity capital. This acquisition allows Tikehau Capital to develop a business dedicated to minority equity investment.

2013 Tikehau Capital continues to strengthen its shareholders' equity, notably with the support of the MACSF. The Group opens an office in London.

Tikehau IM is selected to manage Novo, a fonds de place (Exchange fund), following a tender launched by the Caisse des Dépôts et Consignations (CDC), the French Federation of Insurance Companies (FFSA) and twenty-seven institutional investors.

2014 Amundi takes a stake in Tikehau IM.

Tikehau Capital further strengthens its shareholders' equity and opens its first Asian office in Singapore as part of its international development strategy.

2015 Tikehau Capital continues its strategy of international growth and increases its presence in Europe with the opening of offices in Brussels and Milan.

Tikehau Capital launches Tikehau Direct Lending III (TDL III), which, following its fundraising, totals €610 million in commitments.

Tikehau Capital Europe launches its first Collateralized Loan Obligations ("CLO") for an amount of approximately €355 million.

The Company and Salvepar issue convertible bonds for a total amount of about €325 million.

Tikehau Capital creates Tikehau Real Estate Investment Company ("TREIC"), a permanent capital real estate company dedicated to investments in real estate, whose cumulative commitments amounted to €250 million at the filing date of this Registration Document.

2016 Tikehau Capital carries out a capital increase for an amount of €416 million and includes as its shareholders the Singaporean investment company Temasek, the Luxembourg insurance company La Luxembourgeoise and the listed French investment company FFP.

The Group also signs its first syndicated loan for an amount of €200 million on behalf of theCompany.

Tikehau Capital takes over management of Lyxor UK's European senior debt business (leveraged loans): about €700 million in assets under management).

In November 2016, Tikehau Capital acquires an 80% stake in the management company IREIT Global, a Singapore-listed real estate investment vehicle (approx. €450 million in assets under management).

At the end of 2016, with a view to its IPO, the Company takes the name "Tikehau Capital", becomes a société en commandite par actions (see Glossary in Section X.5) and benefits from the contribution of assets enabling it to become the Group's holding company.

2017 At the beginning of 2017, the Company launches a public exchange offer and cash takeover bid for the securities of its listed subsidiary Salvepar and carries out capital increases for a total amount of €200 million in anticipation of the Company's IPO (for an amount of €150 million) and in connection with the investment of the Fonds Stratégique de Participations in the Company (for €50 million).

On 7 March 2017, Tikehau Capital shares are listed on the regulated market of Euronext Paris.

(c) The Tikehau Capital share

The 70,888,284 shares of the Company are listed on the regulated market of Euronext Paris (compartment A).

ISIN code: FR0013230612 - Name: Tikehau Capital - Ticker: TKO.

The Tikehau Capital share is included in the following indices: CAC All Shares and CAC Financial Financials.

ICB classification of Tikehau Capital - Financial Companies Sector (8000) - Sub-section: 8771 - Asset managers.

The share price may be found on Tikehau Capital's website (www.tikehaucapital.com) and on Euronext's website (www.euronext.com).

2. Key figures

The following tables and charts show the key financial information for the Group. This information is the main financial information that the Company follows in its financial reporting.

Historical financial information

Under IFRS standards (in millions of €)	Annual Results - Items from the income statement		
	31 December 2016	**31 December 2015**	**31 December 2014**
Portfolio revenue[3]	73.9	39.6	12.1
Revenue from investment and management activities after share of net income from equity affiliates	57.4	5.9	(4.3)
Net income (Group's share)	72.4	**9.6**	**(6.1)**

Under IFRS standards (in millions of €)	Balance sheet items		
	31 December 2016	**31 December 2015**	**31 December 2014**
Total shareholders' equity	1,132.4	376.1	378.8
Shareholders' equity (Group's share)	1,129.7	376.1	378.8
Gross cash[4]	129.8	15.6	59 .6
Gross debt[5]	119.2	238.3	107.1

The annual consolidated financial statements, extracts of which are shown above, can be found in Chapter V (Consolidated financial statements and *pro forma* financial information as at 31 December 2016) of this Registration Document.

3 Income from the portfolio consists of the positive or negative change in fair value, supplemented by portfolio revenue such as dividends, interests, commissions, etc.

4 Gross cash consists of cash and cash equivalents (consisting primarily of marketable securities).

5 Gross debt consists of current and fixed borrowings and financial debt (including bank overdrafts).

Pro forma financial information

Unaudited figures	**Pro forma *financial information***	
Income statement data	**31 December 2016**	**31 December 2015**
Portfolio revenue[6]	*90.5*	*99.2*
Asset management companies revenue[7]	*39.4*	*27.9*
Revenue from investment and management activities after share of net income from equity affiliates	1.8	55.6
Net income (Group's share)	3.6	150.2
Balance sheet data		
Shareholders' equity (Group's share)	1,512.0	
Gross cash[8]	495.1	
Gross debt[9]	205.2	

Pro forma financial information extracts of which are shown above are available in Section V.3 (Unaudited *pro forma* financial information as at 31 December 2016) of this Registration Document. They include details of the assumptions used in their preparation.

Non-accounting information

The following table shows the evolution of assets under Group management[10] since 2011 and the resulting net inflows for each financial year:

(in millions of €)	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
Assets under management (as at end of period) [11]	957	1,584	2,973	4,327	6,352	9,979
Net inflows over the year	–	627	1,389	1,354	2,026	3,627

6 Income from the portfolio consists of the positive or negative change in fair value, supplemented by portfolio revenue such as dividends, interests, commissions, etc.

7 Income from the management companies consists of management, arrangement and structuring fees, performance fees and income from carried interest received by the management companies (Tikehau IM and Tikehau Capital Europe).

8 Gross cash consists of cash and cash equivalents (consisting primarily of marketable securities).

9 Gross debt consists of current and fixed borrowings and financial debt (including bank overdrafts).

10 The concept of assets under management is an indicator of operational activity that is not reflected in the consolidated financial statements of Tikehau Capital. Depending on the different strategies, assets under management correspond chiefly:

(a) For liquid strategies: to the net asset value of the funds (the net asset value of each type of unit in the fund is multiplied by the number of units outstanding) or to subscribers' commitment in the case of management mandates ;

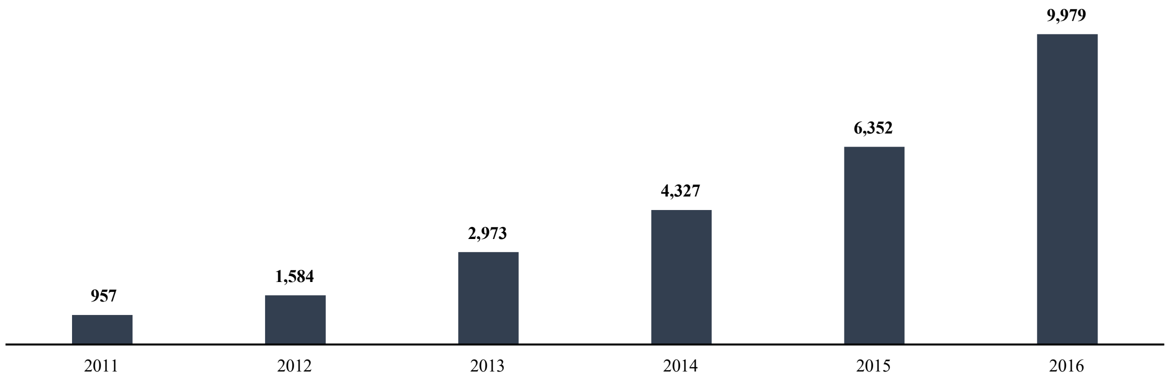
(b) For private debt activities: (i) to the commitments of subscribers during the periods of fundraising and investment, (ii) to the net asset value of the funds, once the investment period has ended, and (iii) to subscribers' commitments for CLO business.

(c) For real estate activities: to the latest available appraisal value of the assets held by the funds (or, failing that, to the historical cost of the assets) plus cash and the fund's other assets, if any;

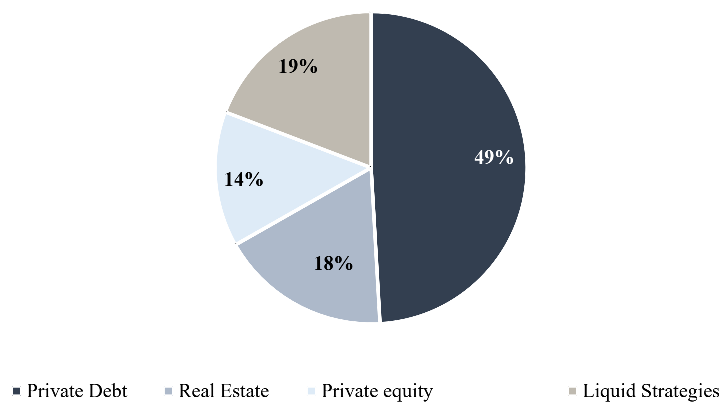
(d) For private equity activities: to the last available valuation of the assets including in particular investments in platforms (including goodwill) and available cash (i.e., net of uncalled commitments).

11 See Section I.4(a)(ii) (Allocation and income from the capital of Tikehau Capital) of this Registration Document.

The following graph charts the evolution of assets under Group management since 2011 (in millions of €)[12]:



The following graph shows the distribution of assets under Group management as at 31 December 2016 (€10 billion) between the Group's different business lines: (i) private debt, (ii) real estate, (iii) private equity and (iv) liquid strategies, which are described in Sections I.4(b) to I.4(e) (Private debt activities), (Real estate activities), (Private equity activities) and (Liquid strategies) of this Registration Document[13]:



A detailed presentation of the main indicators that the Company intends to monitor is provided in Section II.1 (General presentation of activities, results and financial position) of this Registration Document.

3. Competitive advantages and strategy

(a) Competitive advantages

Ever since it was founded in 2004, Tikehau Capital has been distinguished by rapid growth in assets under management (see Section I.2 (Key figures) of this Registration Document). With its European presence through its offices in Paris, London, Milan and Brussels and in Asia, with its Singapore office, the Group has begun a rapid development in international markets.

Tikehau Capital intends to become one of the key alternative players in Europe and throughout the world, with a business model based on its ability to allocate its capital according to different strategies and to offer its clients and investors high added value.

Tikehau Capital asserts its independence through a free, selective investment strategy based on a thorough fundamental analysis, i.e., by keeping firm discipline in its approach and internal processes. This policy has enabled it to grow rapidly while maintaining strong revenues and economic sustainability in the long term.

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12 Source: Company

13 Source: Company

(i) *A business model reconciling growth and resilience*

Capacity for strong growth with leading clients

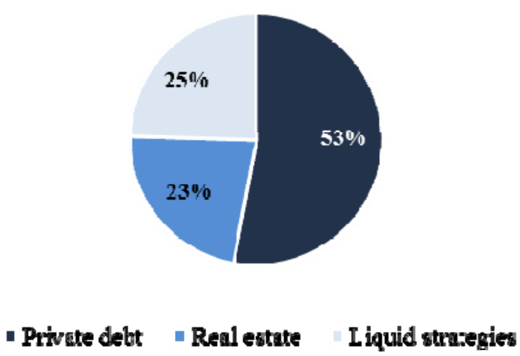
From its beginnings as an investment vehicle, Tikehau Capital has grown exponentially: its assets under management have increased by over 50 times in ten years[14], thanks to a marketing approach based on building close relationships with clients-investors and steady long-term performance, enabling it to position itself as leading player in the field of alternative asset management.

Evolution of the Group's assets under management since 2011[15]:

	2011	2012	2013	2014	2015	2016
AuM[16] (as at end of period, in millions of €)	957	1,584	2,973	4,327	6,352	9,979
Growth rate	–	66%	88%	46%	47%	57%

At first oriented towards opportunistic investment, Tikehau Capital's strategy and performance have enabled it to attract a growing number of investors in all categories (institutions, distributors, private investors and family offices) and to offer various investment vehicles, both by vehicle type (closed-end funds, open-ended funds) and by asset class (private equity, debt, real estate). From the start, this diversification has enabled it to develop business relationships based on trust with all types of clients by meeting their needs in a personalised way.

Breakdown of assets under management of Tikehau IM

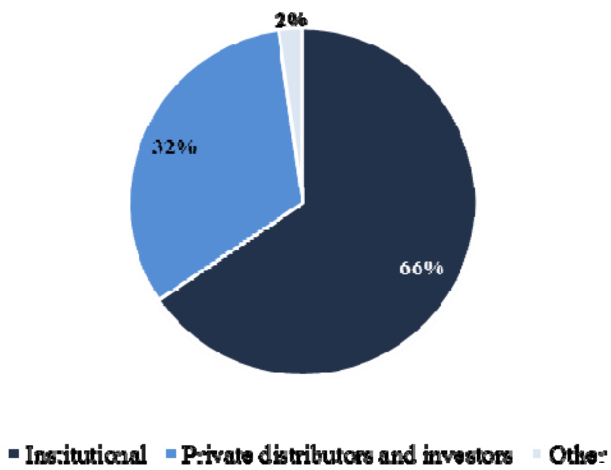


14 Source: Company - See below the chart of the evolution of the Group's assets under management since 2011.

15 Source: Company - Assets under management as at 31 December 2016 estimated on a *pro forma* basis. See also Section I.4(a)(ii) (Allocation and income from the capital of Tikehau Capital) of this Registration Document.

16 See Section I.4(a)(ii) (Allocation and income from the capital of Tikehau Capital) of this Registration Document.

Breakdown of Tikehau IM's investor base as at 31 December 2016



This ability to position itself as an independent, differentiating player is central to Tikehau Capital's strategy. It is able to take advantage of the desire of investors to find alternative investment opportunities with an appropriate risk/return profile while ensuring quality relationship with their asset managers.

The Group's approach is confirmed by the capital-intensive partnerships forged with some of its investors who wished to invest in the equity capital of several of the Group's entities, reflecting their confidence in the future performance of the Group. The Group's ability to attract long-term investors such as Crédit Mutuel Arkéa, MACSF, Temasek, FFP and Amundi demonstrates this ability to win over the confidence of leading players in the investment world and represents an endorsement of the relevance of the Group's business model. In addition, commercial partnerships can also be established in order to access a more extensive distribution network.

Moreover, the Group's growth has been supported by its increased presence abroad through the offices opened in London, Brussels, Milan and Singapore. This strategy responds to the Group's desire to be an international player present alongside its investors and shareholders, and to be closer to the assets in which its funds are invested. For example, the opening of the Singapore office was followed by Temasek's acquisition of a stake in the Company's equity and the purchase of IREIT Global Group, the asset management company of IREIT Global, a Singapore-listed real estate company.

Ability to allocate the Group's capital, central to its strategy

Tikehau Capital's business model is structured around its expertise in capital allocation, enabling it to optimize the profitability of its shareholders' equity. With its investment history, the Group has developed recognized expertise in this field and separates it into three areas of investment. (See Section I.4(a)(ii) (Allocation and income from the capital of Tikehau Capital) of this Registration Document.)

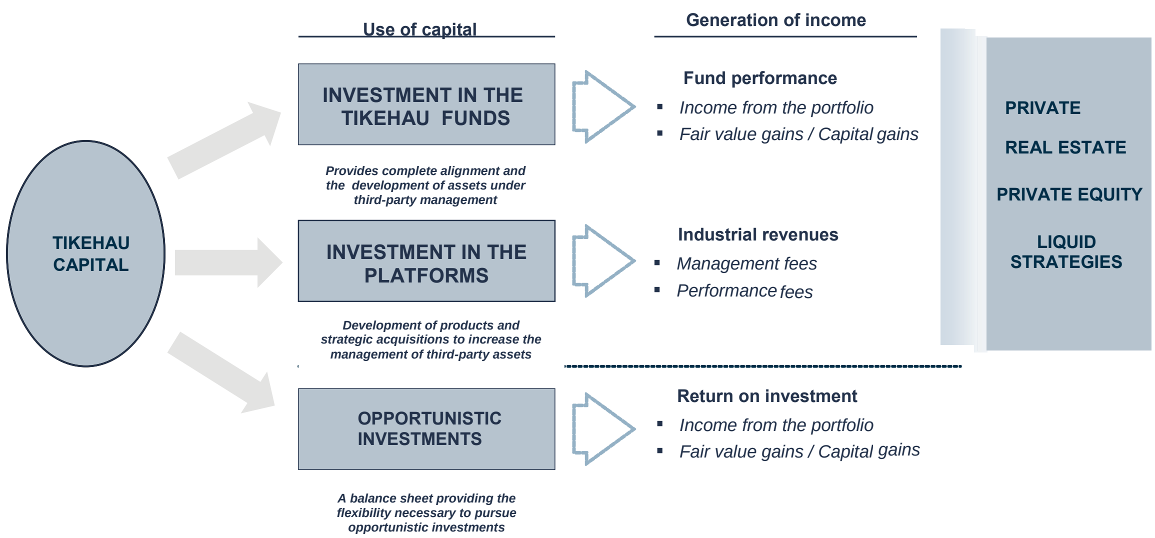
Firstly, Tikehau Capital invests in the industrial resources constituted by its subsidiaries (Tikehau IM nearly 100% owned, Salvepar 100% owned, Tikehau Capital Europe approximately 75% owned, or IREIT Global Group, 80% owned) to speed up their organic growth, acquiring businesses that complement existing platforms or provide new skills. As shareholder and operator of these platforms, the Group benefits from the development of their income base (management, transaction and performance fees) as well as carried interest.

Tikehau Capital is also an investor in the vehicles managed by the Group or co-investor in the transactions that they carry out. Aware of the quality of investment vehicles offered by its subsidiaries, the Group allocates a substantial share of its shareholders' equity to them. It also invests in new vehicles proposed for marketing to demonstrate its faith in the investment proposal and to provide the seed capital customary in launching new vehicles. The Company benefits from reduced management fees on the investments it makes in the Group's vehicles. Thus, Tikehau Capital benefits from the performance of the vehicles managed by its asset management subsidiaries.

Lastly, Tikehau Capital is an opportunistic strategic investor in assets that could be of medium-term strategic interest to the Group or that improve the return on the Group's shareholders' equity, particularly in strategies where the Group is not yet present. These investments, the expertise for which is related to Tikehau Capital's original business, allow it to derive possible benefit from distributions paid out by these investments and from the capital gains on disposal.

The combination of these three areas of investment, plus the flexible policy in capital allocation nurtured by the Group, enables it to benefit from three sources of income whose diversity helps in improving recurrence, and thus the strength of its business model.

The following chart summarises these three areas of capital allocation and the expected associated income:



Permanent shareholders' equity to support the growth strategy

With €1.5 billion in shareholders' equity on a *pro forma* basis as at 31 December 2016, guaranteeing its independence and leeway, the Group has substantial reserves of stable capital coupled with historically low leverage that can be deployed in the three strategic areas described above. Tikehau Capital believes that its shareholders' equity is a substantial component of an accelerated growth strategy, enabling it to rapidly deploy new funds to accelerate investment in the Group's platforms, to make opportunistic acquisitions or, if necessary, to confront adverse market conditions.

Having the advantage of considerable shareholders' equity allows the Group to consider transactions of different types and, where appropriate, of major size. Such improved strategic optionality thus increases potential value creation for the Group's clients. In a climate of increased competition, it therefore plays a role in differentiating the Group's product offering. In this respect, the Group has already completed significant acquisitions such as that of Salvepar, in October 2012, the management of Lyxor's European leveraged loans business announced in October 2016, or even IREIT Global Group conducted in November 2016.

Finally, the amounts available for investment by the Group's funds (i.e., the sum of (i) the amounts of available cash in the funds' accounts and (ii) amounts committed by investors but uncalled at that time), which represents a total of about €2.4 billion as at 31 December 2016, also constitute a substantial growth reserve which Tikehau Capital intends to deploy in a controlled manner to ensure maximum profitability for its investors. These available funds or "dry powder" (including the funds available at the level of the Company and its subsidiaries dedicated to investment) are therefore a major competitive advantage for the Group as part of its growth strategy, whether in the launch of new funds, new products or new strategies.

High growth and resilience of income

The Group's revenue comes mainly from the business of Tikehau IM, the main asset management company of the Group with approximately 78% of the Group's assets under management as at 31 December 2016. The Company expects that its management-related income should see high growth in the years to come due mainly to (i) the increase in assets under management; (ii) the actual investment of funds committed which will generate management fees (to the extent that, in closed-end funds, the management fee rate generally differs between the amounts committed by investors and the amounts actually invested by the funds); and (iii) the realization of carried interest on surperformance of funds at maturity. The latter allow additional remuneration to be received levied on the return generated by some closed-end funds (private debt funds and real estate funds) in excess of a level of IRR (see glossary in Section X.5) laid down in the fund documentation. They should start to come to fruition at the time of the maturity of the main closed-end funds currently managed by the Group. (See Section I.4(a)(ii) (Allocation and income from the capital of Tikehau Capital) of this Registration Document.)

It should be noted that these last two factors are independent of changes in assets under management. They are in addition to the inherent characteristics of the alternative asset management business model, benefiting from greater resistance to economic downturns thanks to their ability to charge higher fees in return for added value management.

Moreover, the Group intends to continue the successive launch of new funds to create a pool of assets under management at different stages of investment, likely to generate performance-related revenues (performance fees and carried interest)). This serial launch will allow, in the medium term, a recurrence of revenues related to management performance. The Group successfully launched its third private debt fund in 2016 (TDL III - See Section I.4(b)(i) (Direct lending activities) of this Registration Document), with the aim of repeatedly launching new funds in this strategy (TDL IV), but also in other strategies (for instance, in private equity or real estate).

Lastly, the Group invests a significant portion of its shareholders' equity in the funds it manages and therefore benefits from their performance. It is thus a source of additional income, of a different type, which increases its diversification and improves its durability.

(ii) <u>A high added value business strategy aligned with the client</u>

Diversification designed to support the Group's marketing strategy

Apart from the benefits that diversification of income sources brings to the Group's business model, it has also established a multi-strategy approach that succeeds in distinguishing itself from the competition by providing investors with products that meet the majority of their needs in alternative asset classes.

The Group has a presence in private debt, real estate and private equity (listed and unlisted) which are the asset classes currently favoured by investors (see Section I.5(c) (Alternative assets are attracting constantly-growing demand) of this Registration Document). Tikehau Capital is able to offer its investors a comprehensive portfolio and knowledge of these sectors capable of providing added value for their allocation choices.

This diversification also broadens the range of types of targeted investors for the Group and creates synergies and cross-selling between the various strategies.

Successful and prudent teams, guaranteeing a high quality client relationship

Since its foundation, Tikehau Capital has built top-level management and asset management teams. Strengthening these teams in recent years has attracted experienced professionals from diverse backgrounds who contribute a complementary perspective on the markets and their structural developments. In particular, the quality of the research team of some ten specialists allows conviction-based, alpha-generating positions to be taken. These teams are all strongly imbued with the entrepreneurial values that have constituted the Group's culture since its creation: commitment, high standards, and reliability. In addition, the excellent access of the management teams to ongoing operations in the private debt and real estate sectors guarantees their ability to make investments with the best risk/return profile. This added value management allows for the application of a better fee scale and the retention of investing clients.

The quality of the investment team has been recognized by investors and observers through numerous prizes and awards, such as a Thomson Reuters Lipper Fund Award for Tikehau Taux Variables in 2017 (Best Fund over Five Years in the Bond Euro - Short Term category), Private Debt Lender of the Year in 2017 and 2016 by Private Equity Magazine, Unitranche Lender of the Year in Europe in 2015 by Private Debt Investor, The Best Financial Provider in the Small-Mid Cap Category in 2015 by Private Equity Magazine, Nominated Lender of the Year in 2014 by Private Debt Investor, etc,

Finally, asset management performance results in client loyalty to the funds and their frequently renewed commitment. The Group has a strong capacity to be entrusted with asset management mandates for private clients and to raise closed-end funds of increasing size over the years; thus the average size of funds managed by the Group has quadrupled in four years.

A growing international presence serving the Group's business model

With its successes and the establishment of a robust network in its main market, the Group has embarked rapidly on an active strategy of expansion abroad. The Group thus opened an office in London in 2013, before opening in Singapore (2014) and Milan and Brussels (2015). This strategic expansion is motivated by the desire to develop a presence in the heart of the markets targeted by the Group and create a closer relationship between the Group and its investors on the one hand, and better access to investment opportunities, on the other. This approach is part of the Group's strategy to build a long-term relationship with its clients and to invest in assets with higher profitability.

This attitude towards international investors and investments is guided by a strong desire to preserve the value of the client relationship and therefore judicious use of distribution networks, whether networks of private banks, wealth management advisors, third party marketers, institutional networks or banks offering to distribute funds external to their group via their networks through distribution agreements. Thus, the added value of the distribution network is regularly assessed (in terms of placement volume and trailer fee rates) to adjust the Group's strategy in this area (selection and remuneration of distribution networks, compatibility of marketing policy with client expectations, recruitment of salespeople to cover specific markets, etc.).

Regarding regulatory impacts related to Brexit, see the risk factor "Regulatory reforms undertaken or foreseeable in the European Union and internationally (including as part of Brexit) expose Tikehau Capital and its clients to growing Regulatory requirements" to be found in Section III.1(d) (Regulatory, legal and tax risks) of this Registration Document.

A managerial and shareholder structure guaranteeing controlled, long-term development

The Group has a management team recognized for its experience and ability to successfully lead a corporate project that has grown and created value in a few years. The founders of Tikehau Capital are therefore today its corporate officers and major shareholders. Moreover, the Group has put in place a structure that provides strong incentives for long-term value creation among its main executives, whose shareholdings in the Group represent a significant part of their own net worth. In contrast to a classic carried interest structure (that is, incentives for teams to achieve the outperformance of managed funds), the value of the shares held by the Group's corporate officers and senior executives fluctuates according to the value of the Group and is distributed across all the business lines within the Group, which creates true solidarity between the Group's management teams. (See Section I.4(a)(i) (Presentation of the activities of Tikehau Capital) of this Registration Document.) It follows that the Group's officers and executives have incentives to achieve high, profitable and prudent growth.

This model of aligning interests is reflected elsewhere among the Group's shareholders by the presence in its equity capital of long-term institutional shareholders, most of whom are also investors in the vehicles managed by the Group or co-investors alongside the Group's vehicles.

This powerful convergence of interests between corporate officers, executives, shareholders and clients consequently creates a virtuous circle for all of those actively involved in the Group.

An in-house culture focused on performance

Tikehau Capital is distinguished by a culture highly focused on performance, resulting from its model that aligns interests between stakeholders. Following the success of its growth strategy, the Group has succeeded in attracting and retaining persons from different backgrounds (banking and holding company executives, bankers and corporate lawyers, etc.) in order to build a team with a high level of expertise and entrepreneurial spirit.

The Group's teams display a strong penchant for innovation and initiative, servicing clients and the Group's strategy. The concern for rigorous fundamental analysis and the practice of critical thinking ensure the independence of mind of our employees. This independent spirit has forged an investment culture of conviction, sometimes going against market trends, in keeping with the desire of Tikehau Capital to provide additional value for its investors.

Among the workforce of the Group and Tikehau Capital Advisors, around thirty senior Group employees (with responsibilities in the Group's management or joint functions) have joined together to invest in a joint company which owns an equity interest in Tikehau Capital Advisors and which receives 20% of the carried interest on the funds managed by the Group. The remaining 80% is split equally between Tikehau Capital, Tikehau IM and Tikehau Capital Advisors. This carried interest relates solely to certain closed-end funds (private debt funds and real estate funds; the outperformance fees on open-ended funds being received in full by Tikehau IM) and enables the collection of a portion of investor returns beyond a level of IRR (see glossary in Section X.5) laid down in the fund documentation. (See Section I.4(a)(ii) (Allocation and income from the capital of Tikehau Capital) of this Registration Document.) This structure incentivises these employees to achieve performance for the Group and creates a solidarity across all business lines, avoiding any silo effect.

(b) Strategy

Since its inception, Tikehau Capital has undergone rapid, steady and sustained growth. Tikehau Capital considers that this growth is based on a business model constituting a major competitive advantage in its industry (see Section I.3(a)(i) (A business model reconciling growth and resilience) of this Registration Document) and which is central to its strategy of rapid, value-creating growth. The Group therefore intends to pursue the strategic initiatives described below.

(i) Pursuing the development of the business model

Tikehau Capital intends to continue its development in order to position itself as a key alternative player with a business model based on its ability to allocate its capital. To this end, the Group's strategy is based on the establishment of a financial structure it considers solid allowing it to deploy its capital flexibly depending on the expected structural or cyclical market developments in order to optimise their profitability while ensuring the regular generation of revenue.

Through the successive capital increases in mid-2016 (for a total amount of €416 million) and the beginning of 2017 (for a total amount of €200 million) the Group has thus obtained substantial own resources enabling it to develop in the strategic areas it defines as follows. (See Section VIII.5(a) (History of share capital over the last three years) of this Registration Document.)

Firstly, the Group intends to continue to invest substantially in the funds it manages, to (i) ensure their launch and marketing, in particular to encourage an alignment of interests with clients, and (ii) to benefit from the returns from these funds, thus forming a source of recurring revenue. The gradual and steady stream of new closed-end funds should strengthen the recurrence of Group revenues, particularly those related to outperformance. Convinced of the quality of the funds it manages, the Group believes that they are a particularly suitable use for its resources.

Moreover, the Group intends to develop its management platforms, the foremost of which is Tikehau IM, by setting up and recruiting talented teams. It also intends to create new funds over the coming years in the strategies it considers create most value (private debt, real estate, equity capital investment and liquid strategies), in particular taking into account investor appetite, the level of fees that can be charged on these products, and macroeconomic conditions and cycles. The organic development of management platforms will be accompanied by targeted external growth initiatives allowing the size of the Group's existing activities to be increased and bringing in new skills to complement the product offer (in the manner of the acquisitions of IREIT Global Group and the management of the Lyxor UK European leveraged loans business at the end of 2016).

The Group will thus have a revenue base consisting of management fees and income related to management outperformance (carried interest and performance fees) significant enough to ensure their recurrence.

The Group, which was formed on the foundation of on an independent and opportunistic approach to markets, intends to uphold the values that have enabled its management and its teams to build the Group since its inception. Tikehau Capital therefore aims to pursue its opportunistic investment strategy, particularly where investment opportunities crop up outside the funds it manages and markets, or to build strategic positions with a view to future development. Tikehau Capital believes that these investments should encourage diversification, build partnerships and prepare a position for future acquisitions, but will also allow advantage to be derived from cyclical or market effects, based on the skills and expertise of the Group's teams in the field of investment.

Tikehau Capital considers that the allocation of capital and its adaptability depending on the market environment should thus enable the continued development of more sources of income which will support the resilience of the Group's business while benefiting from the expertise of its teams, and will improve the profitability of its shareholders' equity.

(ii) *Increasing assets under management and expanding the investment portfolio*

Backed by the business development successes achieved with an extensive institutional client base in France and Europe, the Group intends to continue its expansion by venturing into new geographic areas. It should be noted in this regard that the Group has, to date, made no active approach to North American investors, but has nevertheless succeeded in achieving €10 billion in assets under management as at 31 December 2016[17]. Moreover, at the heart of its strategy Tikehau Capital has placed the scale effect, that is, the use of operating leverage which allows, for a comparable level of resources, a greater volume of business to be handled - including investors, amounts invested and investments. Consequently, and bearing in mind its strategy and its development plans, the Group intends to be managing assets amounting to over €20 billion by 2020. This development strategy will include several initiatives that the Group has already undertaken or which it plans to launch shortly.

Accelerating development abroad – The Group began its expansion abroad by opening an office in London which today includes, among others, part of the team in charge of direct lending and leveraged loans, and the team in charge of the development and marketing of CLOs (see the Glossary in Section X.5). The opening was followed by that of the Singapore office, and subsequently by those in Milan and Brussels. The Group's aim is that this presence should ensure a close business relationship, benefit from greater capacity for deal origination and that in some offices, a centre of business expertise should be set up, all contributing to a greater expansion of the Group in each of its target regions. Thus, the opening of an office in Singapore was followed by the acquisition of an equity interest by the Temasek Group, a Singapore investment company with about €160 billion in assets under management, and by acquiring the IREIT Global Group. These two major operations have given the Group a secure foothold in the region, by adding strong local expertise in the business of real estate investment and the strategic support of a top-rate partner.

The Group's priority is, both through its regional offices and directly, to develop client coverage in North America, Asia Pacific and the Middle East. With this perspective, the Group will continue to explore opportunities for expansion into new countries, especially in Europe and North America. Its business

[17] See Section I.4(a)(ii) (Allocation and income from the capital of Tikehau Capital) of this Registration Document.

strategy is based on the Group's investment history and the success of recent fundraising that generate a virtuous circle. Tikehau Capital intends to leverage its experience and performance to date in order to provide investors in these regions with a differentiated investment offer. The Group also intends to benefit from the growing interest of investors in the European area. This growth will be supported by strengthening the teams in charge of development of each of these markets.

Regularly raising new funds of increasing size - Tikehau Capital has implemented a rapid growth strategy which has enabled it to attain in a few years sufficient size to build the foundations for the sustainable development of all its management platforms. By rapidly increasing the size of its assets, the Group also aims to obtain the resources to explore investments of larger size that would improve the performance of its funds and to benefit from substantial economies of scale in its structural costs.

Thus, in terms of private debt, the Group manages €4.9 billion in assets in direct lending and leveraged loan funds. Recently it completed the fundraising on Tikehau Direct Lending III (TDL III) for an amount of €610 million. Tikehau Capital intends to continue this trend by launching new funds in its various investment strategies (for example TDL IV), to strengthen the regularity of generation of management fees and performance-related income, and to benefit from the ensuing size effect. The acquisition of the management of the European leveraged loan business of Lyxor UK (about €700 million in assets) and the issue of a second CLO (€414 million), both conducted in late 2016, form part of this strategy.

In the field of real estate, the acquisition of IREIT Global Group (see Section I.4(c)(iii) (Real estate activities conducted through IREIT Global) of this Registration Document), whose portfolio at the end of 2016 had a net asset value of €453 million, also allows the Group to significantly increase the size of assets under its management in this strategy, taking advantage of an investment platform in Europe through a vehicle whose Singapore listing gives it particular visibility for Asian investors.

Extending the product offer – At the same time, the Group is constantly monitoring the development of new fund ranges based on needs identified for its clients and their availability to date. This approach is part of the Group's strategy to provide rapid and innovative responses to client needs. Moreover, the Group is boosting its management mandates for specific clients who entrust it with the management of part of their cash, in line with its strategy to provide a high value-added service.

Continuing the development of open-ended funds ("liquid strategies") – The Group considers that open-ended funds are a mainstay of its growth, alongside the development of closed-end funds. Indeed, they allow the inflow of substantial subscriptions when they outperform their benchmark markets and contribute to the diversification of the Group's sources of income.

Continuing to seek new investments – Tikehau Capital also focuses on seeking and identifying new investment targets, particularly those outside the universe usually explored by fund managers. The increasing size of the Group's funds under management allows it to expand the universe of investments that it can consider, which enhances its potential to offer outperformance to its investors.

(iii) Maximising management revenue

Apart from its ability to rapidly grow its assets under management, Tikehau Capital has identified ways to maximise the income arising from them.

Continuing the investment process of the funds raised – The Group intends to increase profitability by increasing its assets under management, but also by the natural process of investment of funds raised. Thus, Tikehau Capital considers that the gradual investment of these funds should result in (i) an automatic increase in the asset base generating management fees (to the extent that, in closed-end funds, the management fee rate generally differs between amounts committed by investors and the amounts actually invested by the fund), and (ii) later, if applicable, by the triggering of performance fees and carried interest, which could provide significant additional revenue for the Group. The deployment of these sources of income should, all things being equal, increase the Group's recurring revenue base. As an illustration, as at 31 December 2016, 69% of assets were subject to management fees, leaving room for growth in revenues solely in light of the future increase of assets earning such management fees.

Capitalising on the added value of management and client relations – Tikehau Capital places the quality of its research and its positioning that prioritises independent mindedness at the centre of its strategy. This enables it to provide alpha, greater added value in its management, consequently ensuring client loyalty and optimising the fees for its services. Tikehau Capital also believes that a strong responsiveness to requests from its investors and prospective clients is a crucial part of the client relationship. Thus, the Group sees the establishment of product marketing and reporting tools as being central to its strategy and is developing a close relationship with clients based on their specific needs through intensive coverage.

Tikehau Capital also aims to develop products allowing it to charge higher management and performance fees (e.g., in the private equity field, focusing on the expertise that it boasts in minority private equity and international co-investments alongside leading external partners, equity capital investment to date being made essentially from the Group's shareholders' equity) by developing recognized expertise, capitalising on the performance of the funds it already manages and on the quality of its client follow-up. The Group's aim is to translate its expertise and the added value of its independence into new strategies developed on the basis of the needs expressed by its clients and its market expectations.

Increasing marketing force – The Group aims to leverage its marketing efforts by an optimised use of distribution networks (private banks, wealth management advisors, third party marketers, and institutional or banking networks). By this means, the Group intends to increase its base of fee-paying assets under management in return for the surrender of a portion of the fees thus charged to its distributor partners. (See Section I.4(a)(iii) (The operational organization of Tikehau Capital - Distribution and marketing) of this Registration Document.) The Group intends that the construction of these partnerships should be accompanied by long-term mutual commitments so that it will be able to benefit from a privileged position in its partners' marketing offer, based in particular on the differentiating expertise of Tikehau IM. These partnerships should thus help to increase the depth of the Group's client coverage in addition to what has already been achieved through the Group's own efforts.

With its rigorous demands regarding the quality of its client coverage and mindful of the added value of each of its strategic initiatives, the Group performs ongoing assessments of the impact of partnerships on the depth of its marketing efforts and, where necessary, may decide to adjust these to reflect their effectiveness.

Supporting the development of its investment funds by investing in them – Pursuing an active policy of developing its new investment funds, the Group is investing and will continue to invest in the funds it manages in order to create a total alignment of interests with its investor-clients, but also to take advantage of the returns of its management. The Group believes that it thus benefits from a recurring revenue base which it considers to be the cornerstone of its growth and its independence-based strategy. This approach allows Tikehau Capital to deploy new products rapidly, flexibly and in response to the needs of its clients, its perception of the market and changes in investment trends.

(iv) Accelerating AUM growth by developing platforms

The Group intends to invest in its investment platforms the foremost of which are Tikehau IM and Tikehau Capital Europe to accompany the growth in its assets under management and further improve the performance of the investment funds it offers its clients and investors, and in which it invests for the benefit of its shareholders.

Pursuing a policy of recruiting and retaining high calibre staff – The rapid growth of Tikehau Capital has attracted profiles from various leading institutions ((banking and holding company executives, bankers and corporate lawyers, etc.) who all demonstrate a high level of expertise, entrepreneurial spirit and stringent standards.) (See Section I.4(a)(iii) (The operational organization of Tikehau Capital) of this Registration Document.) The motivation and commitment of this pool of talent is ensured by a policy of collaboration, shareholding and strong incentivisation that allows each employee to benefit from Tikehau Capital's creation of shareholder value. The Group recruited about forty new employees in 2016. (See also Section VII.2(a) (The Group's workforce) of this Registration Document.) The Group intends to continue recruiting new employees to accompany the growth of its assets.

In parallel, Tikehau Capital emphasizes the cohesion of its teams and cultivates the sense of community that it considers to be at the root of its success. Thus, the "Tikehau 360º" programme was set up, which allows all employees to share their experience, professional or not, all of which enriches Group life. (See VII.2(a) (The Group's workforce) of this Registration Document.) Tikehau Capital considers that the experience of each of its employees, whether or not related to the business, is a substantial factor for motivating teams, nurturing the Group's independence of mind and entrepreneurial spirit.

Finally, to support its development, the Group has a network of advisors and partners, which include many entrepreneurs, some of whom are shareholders in the Company. These advisors and partners provide expertise, ideas and networks to the Group.

<u>Making selective acquisitions to complement the Group's offer</u> – The Group favours the organic growth of its business but may selectively carry out targeted acquisitions of platforms to complement its offer and to accelerate its development.

The objectives pursued by these acquisitions are (i) the strengthening of existing management platforms (for instance, through the acquisition of the management of the Lyxor UK leveraged loans business); (ii) the acquisition of new tools and platforms (such as IREIT Global Group, to complement our real estate investment activities by adding a permanent listed vehicle targeting Asian investors); or (iii) rapid value creation enabled by specific situations (such as the acquisition of a 35% stake in Duke Street, a British asset management company specialising in private equity). Tikehau Capital will also give priority to targets allowing it to reap swift benefit from the effects of scale which the Group considers a major tool for accelerating its growth.

The approach employed in regard to acquisitions is one of flexibility depending on the opportunities received or detected and according to the strategy defined by the Managers. In each of its acquisitions, the Group is mindful of their potential for value creation in the medium term and especially of risk control in execution and integration: fully aware of the importance of the human factor in its successful development, Tikehau Capital focuses on the integration of the teams into the culture of the Group organization.

<u>Continuing deployment of the Tikehau Capital brand</u> – The Group brand is already well established in France and renowned for its corporate record ever since its foundation. It reflects a strong image of independence, excellence and capacity for innovation, and is a key asset in the Group's future development. Tikehau Capital intends to continue focusing its communication strategy on its brand to improve its renown and how it is perceived in the international markets which will drive the Group's growth in the coming years.

<u>Controlling development costs</u> – The Group believes that its growth and investment objectives must be undertaken without losing control of development costs and intends to monitor carefully the evolution of its cost/income ratio, so that this remains in line with the development of profitable growth. First and foremost, the scale effect discussed above (see paragraph (ii) above) resulting in a reduction of operating costs per unit under management and an increase in the asset base supporting the fee structure, should control the evolution of costs. Secondly, the Group aims to continue its efforts to streamline costs (especially overheads), as reflected in the reorganization undertaken with a view to the Company's listing on Euronext Paris, which have simplified the legal and operational structure of the Group (see Section VIII.3 (Reorganization operations) of this Registration Document). These initiatives are complemented by a constant search for productivity gains.

4. Presentation of the activities of Tikehau Capital

(a) Overview

(i) <u>Introduction</u>

At its inception in 2004, the Company was formed with a view to being an independent investment company whose purpose would be to invest in all types of asset class or financial instrument without restrictions in terms of geographical region or holding period, and with no predefined investment policy. Thus, over the years the Company has built up a diversified portfolio of investments prioritising a broad range of sources of income and, since its inception, the Company has generated for its shareholders a gross IRR (see the Glossary in Section X.5)[18] of 9% with a leverage that has never exceeded 30%.[19]

At the same time, the Company has developed or acquired specialist investment platforms in specific business sectors allowing it to create additional value and generate performance-linked revenue, from which the Company also benefits as sponsor. These platforms are accommodated within its subsidiaries, principally: Tikehau IM, Salvepar, Tikehau Capital Europe and IREIT Global Group. (See Section I.4(a)(iv) (The subsidiaries of Tikehau Capital) of this Registration Document.)

Although at the time of its inception the Company had an extremely broad investment mandate, this mandate has become progressively more restricted as these specialist platforms have been set up in order to protect the Group against conflict of interest risks between its different investment strategies and/or the various stakeholders.

By funding the development of these platforms and acting as a sponsor for their strategies (either by investing in vehicles created by these platforms or by co-investing with these vehicles), the Company benefits from (i) the results produced by the Group's management and research teams (through income from its management activities: management fees, performance fees, carried interest, etc.) and (ii) the performance of its investments in the underlying asset classes (in the form of distributions, interest and capital gains).

With €10 billion in assets under management at 31 December 2016[20], Tikehau Capital's activities are organized into four business lines, aimed mainly at institutional and corporate clients :

(1) Private debt (see Section I.4(b) (Private debt activities) of this Registration Document);

(2) Real estate (see Section I.4(c) (Real estate activities) of this Registration Document);

(3) Private equity (see Section I.4(d) (Private equity activities) of this Registration Document); and

(4) Liquid strategies (fixed income management / balanced and equities management) (see Section I.4(e) (Liquid strategies) of this Registration Document).

18 That is, before any possible taxation imposed on the holder.

19 Leverage is calculated as the ratio of gross financial debt to shareholders' equity.

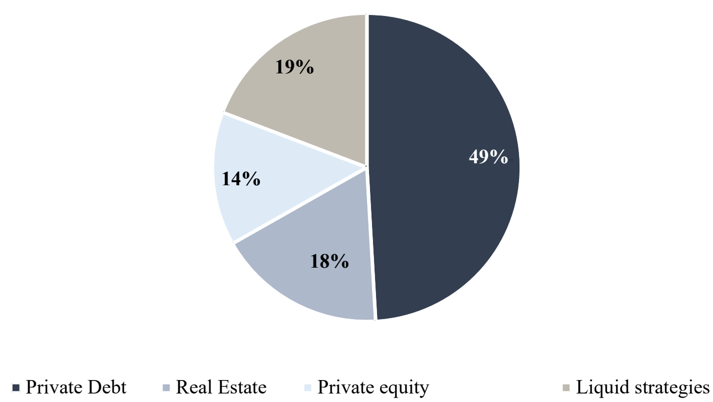
20 See Section I.4(a)(ii) (Allocation and income from the capital of Tikehau Capital) of this Registration Document.

These business lines of the Group are summarised in the following diagram:

	PRIVATE DEBT	REAL ESTATE	PRIVATE EQUITY	LIQUID STRATEGIES
AUM (1)	€4.9 BILLION	€1.8 BILLION	€1.4 BILLION	€1.9 BILLION
INVESTMENT TEAM (1)	25 EMPLOYEES	8 EMPLOYEES	10 EMPLOYEES	22 EMPLOYEES (OF WHOM 8 IN RESEARCH)
INVESTMENT UNIVERSE	**At all levels of capital structure** *Senior loans, Stretched senior* Unitranche, mezzanine, *preferred equity* **Target companies** Revenues (€100 m - €2 bn) Value (€100 m - €2 bn) All sectors in Europe	**Shopping centres/ commercial real estate** **Offices** **Logistics parks**	**Minority investor** Non-takeover situations **Extensive sectoral and geographical coverage** **Strong origination capacity**	**Credit** High yield, IG corporate and subordinated instruments Mainly European and Asian **Equities** Selection of "Value" stocks Special Situations
KEY DIFFERENTIATORS	- A pioneer in alternative financing - Solid partnerships with banks and private equity funds - Capacity for flexible and innovative structuring	- Flexible and innovative approach - Sound track record - Capacity for customised financing	- An entrepreneurial spirit shared with companies in which we invest - Permanent capital: no liquidity constraints	- Allocation and selection based on a management of conviction

(1) As at 31 December 2016

The distribution of assets under management between these different business lines was as follows as at 31 December 2016[21]:



The following table shows the evolution of assets under management of the Group between 31 December 2015 and 31 December 2016:

(in millions of €)	31 December 2016	31 December 2015
Private Debt	4,885	2,861
Real Estate	1,760	693
Private equity	1,425	798
Liquid Strategies	1,910	2,001
Total	**9,979**	6,353

21 Source: Company. See also Section I.4(a)(ii) (Allocation and income from the capital of Tikehau Capital) of this Registration Document.

The amounts available for investment by the Group's funds (i.e., the amounts of cash in the funds' accounts and amounts in uncalled commitments, also known as "dry powder") represented an amount of approximately €2.4 billion as at 31 December 2016.

In the implementation of part of the Group's strategy (see Section I.3(b) (Strategy) of this Registration Document), new business lines could be gradually added to those in which the Group currently has a presence, or could complement them.

(ii) *Allocation and income from the capital of Tikehau Capital*

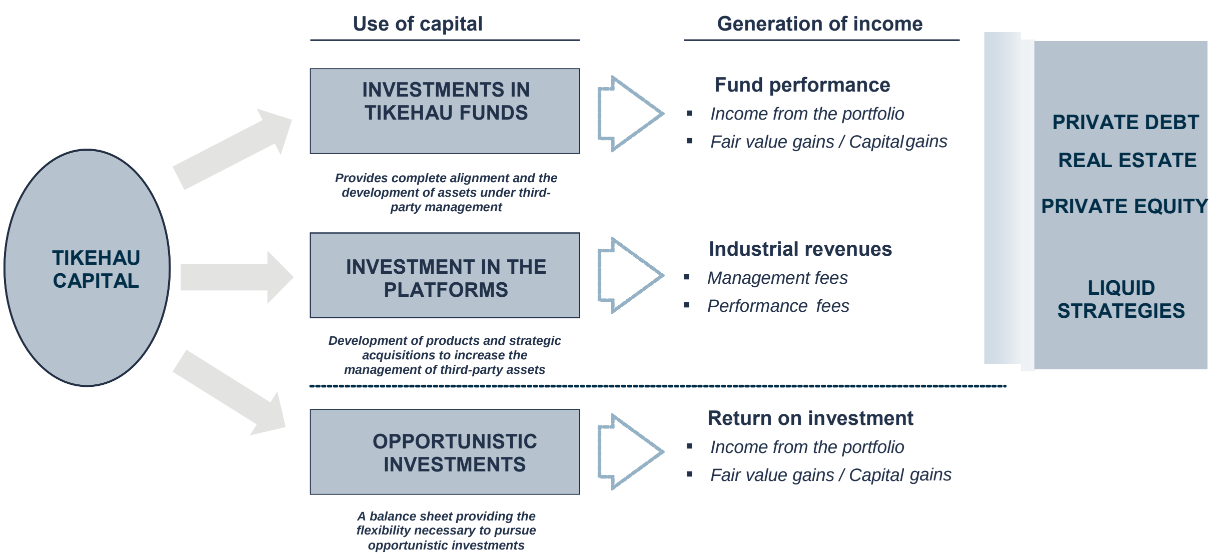
The Tikehau Capital model is based on a strong balance sheet, supported by €1.5 billion of shareholders' equity (on a *pro forma* basis as at 31 December 2016); this represents its competitive advantage in asset management, enabling the Group:

(1) to finance the development of its investment platforms through organic or external growth, either through the development of existing platforms or by creating new platforms;

(2) to invest in vehicles managed by Group platforms or to co-invest alongside them, which meets the double aim of sponsoring the Group's strategies and generating recurring revenue for the Company; and

(3) to make opportunistic investments outside its platforms and its business lines to seek out the best sources of value creation.

The following chart summarises these three areas of capital allocation and the expected associated income:



As Manager of the Company, Tikehau Capital General Partner is able to allocate between these three areas the Company's capital flexibly and optimally so as to seek diversification and recurring income. (See Section I.3(b)(i) (Pursuing the development of the business model) of this Registration Document.)

The following table shows the distribution of Tikehau Capital's assets under management between the four business lines as at 31 December 2016:

(in millions of €)	AuM Total	Assets from Tikehau Capital under management (3)	%	Third-party assets under management	%
Date	**31/12/2016**	**31/12/2016**		**31/12/2016**	
Private Debt	4,885	198	*4%*	4,687	*97%*
Real Estate	1,760	235	*13%*	1,525	*87%*
Liquid Strategies	1,910	53	*3%*	1,857	*97%*
Total Asset Management	**8,555**	**486**	***6%***	**8,069**	***94%***
Private equity & cash	**1,425**				
Of which investments in platforms(1)	358				
Of which private equity investments (direct or via Salvepar)	717				
Of which cash(2)	350				
Total Group	**9,979**				

(1) including goodwill
(2) Cash net of uncalled commitments on the funds managed by Tikehau IM and Tikehau Capital Europe.
(3) Corresponding to the investment commitments undertaken by the Group in its strategies. The value of these investments (on the basis of called amounts) is set out below under "Investments and co-investments in and with Group vehicles"

The breakdown of Tikehau Capital's investments in the Group's various strategies is presented below in the paragraph "Investments and co-investments in and with Group vehicles".

Investments in the development of platforms

Since its inception, Tikehau Capital has established and developed specialist platforms for investment and asset management. The shareholders' equity of the Group has made it possible to make the necessary investments in costs and expenses to develop these platforms in France or abroad, illustrated by the organic growth experienced by Tikehau IM or Tikehau Capital Europe (see Section I.4(a)(iv) (The subsidiaries of Tikehau Capital) of this Registration Document).

The shareholders' equity of the Company has also helped finance acquisitions, the most significant being that of Salvepar in 2012 (see Section I.4(a)(iv) (The subsidiaries of Tikehau Capital) of this Registration Document), the acquisition of the management of the Lyxor European leveraged loans business in 2016 (see Section I.4(a)(iv) (Private debt activities) of this Registration Document) and the acquisition of IREIT Global Group in 2016 (see Section I.4(c)(iii) (Real estate activities conducted through IREIT Global) of this Registration Document).

Tikehau Capital intends to continue to employ its balance sheet for the development of its activities as part of its strategy in France and abroad, within and outside its current lines of business. (See Section I.3(b) (Strategy) of this Registration Document.)

Investments and co-investments in and with Group vehicles

Historically, the Group's shareholders' equity has helped initiate and/or sponsor certain strategies launched by the platforms through investments in such strategies, i.e., by investing directly in vehicles dedicated to these strategies. In the future, the Group intends to complete this approach by co-investing more frequently with its strategies, i.e., by giving preference to direct balance sheet investments, alongside the vehicles managed directly by the Group, in underlying assets. This practice allows a direct exposure to a particular transaction that a vehicle does not wish to make in full and which it therefore offers to its investors or other third parties to make up in the form of co-investments. At the date of filing of this Registration Document, co-investment opportunities are arising mainly in direct lending activities. However, in the future, co-investment is intended to develop in real estate activities and in private equity (in the latter case, when dedicated funds have been launched).

These approaches allow an alignment of interest to be created between the investment strategies on behalf of third parties and the Company's balance sheet. They are also an attractive token of confidence for investors interested in Tikehau Capital's strategies. In this respect, the Company is managed in such a way as to preserve the desired alignment of interests and to prevent conflict of interest situations.

Thus, the Company's policy is to invest almost systematically in the new investment strategies launched by the Group. At the filing date of this Registration Document, this means primarily (i) underwriting commitments in new funds launched by Tikehau IM, such as the commitments made by the Company in the funds TDL III, TSS II and TSO, or (ii) the financing of the retention piece in the various CLOs launched by Tikehau Capital Europe (that is, the retention rate of 5% of the securitised assets that is applied by law to the originating entities; see Section I.6(a)(viii) (Capital requirements) of this Registration Document). In return, barring exceptions (particularly in liquid strategies), the Company receives a percentage of the carried interest in the relevant vehicles. The allocation policy for this outperformance-related carried interest, which applies throughout the Group, allows the Group to typically collect about 53% of this amount (i.e., two-thirds of 80%), the balance being distributed between Tikehau Capital Advisors and a company grouping about thirty senior employees working for the Group. (See paragraph below "Tikehau Capital's sources of revenue".)

This investment policy supports the revenue base of the Company in the business lines along with teams with whom it is perfectly familiar, at the same time promoting an alignment of interests which serves as a vector of confidence. These factors are considered attractive for Tikehau Capital's investor-clients and seem to have contributed positively to the rapid growth of the Group's assets under management in the past. The Group also plans to make more frequent co-investments, enabling it to increase the scope of its opportunities, and the quality and diversification of its investment portfolio.

As at 31 December 2016, the value of investments and co-investments in the Group's strategies (excluding uncalled commitments) amounted to €366.8 million on a *pro forma basis* (i.e. 25% of the value of Tikehau Capital's investment portfolio and cash on a *pro forma* basis) and €322.4 million on a consolidated basis.

The following table presents, as at 31 December 2016 and on a *pro forma* basis, the major investments and co-investments made by Tikehau Capital in the Group's strategies (vehicles managed by Tikehau IM and Tikehau Capital Europe), which are described in the sections below:

(in millions of €)	Investment value as at 31 December 2016
CLO I	34.0
Tikehau Preferred Capital	26.8
Tikehau Direct Lending III	20.8
CLO II	19.4
Other funds	27.2
Total Private Debt	128.2
TRE II	45.6
TRP III	34.5
TRP I	31.5
TREIC	17.8
TRP II	16.5
Other funds	32.3
Total Real Estate	178.2
Tikehau Inca	23.0
TSF	22.4
Other funds	15.0
Total Liquid Strategies	60.4
TOTAL	366.8

Opportunistic investments

Apart from the Group strategies, Tikehau Capital intends to continue its opportunistic investments in search of returns in line with its objectives, to create diversification, build partnerships, to position itself for future acquisitions, but also to benefit from cyclical or market effects, all of this capitalising on the expertise and know-how of its teams in the field of investment. (See Section I.3(b)(i) (Pursuing the development of the business model) of this Registration Document.)

Tikehau Capital's sources of revenue

As a group dedicated to asset management and investment, the Group recognizes four kinds of revenue (in the consolidated financial statements according to IFRS):

- recurring revenue related to its asset management business, which takes the form of management fees (see below) and arrangement and structuring fees (see below);

- non-recurring revenue related to its asset management business, which takes the form of performance fees and income associated with its carried interest (see below);

- recurring revenue related to balance sheet investments, corresponding, firstly, to dividends/distributions, coupons and interest received on investments carried on the balance sheet and, secondly, the result of accounting changes in fair value, i.e., the adjustment of the fair value of portfolio investments recorded at each balance sheet date; and

- non-recurring income related to balance sheet investments, corresponding to capital gains and losses on disposals recognized at the time of each divestment of an asset carried on the balance sheet.

Income associated with the asset management business is further described below:

- Management fees - Management fees are levied recurrently by the relevant management company, generating a remuneration for the day-to-day management of the various funds. In general, they are calculated by applying a percentage to the managed assets. For most closed-end funds, the management fee rate is applied to the amounts actually invested by the management company, not the amounts committed by investors. Whereas for open-ended funds, these fees are applied to the net asset value of the fund.

- Arrangement and structuring fees – Arrangement and structuring fees are non-recurring commissions received during the structuring of certain investment deals. They are paid by the entity that benefits from the investment at the time when the latter is made and remunerate the preparatory work done by the management company to set up the deal (auditing, structuring, search for partners, negotiation of financial and legal terms, etc.).

- Performance fees – Performance fees, which relate to open-ended funds (fixed income and equities) are fees charged by the management company on the portion of the fund's performance that exceeds that of the fund's benchmark. 100% of the performance fees associated with open-ended funds is retained by the Group. These commissions encourage the teams to generate better performance in their management of funds.

- Carried interest – Carried interest is the income received as a share of the outperformance of the funds. This mechanism, which is associated with closed-end funds (primarily, to date, private debt and real estate funds), usually takes the form of securities (shares) subscribed for by the beneficiaries when the fund is set up, and confers the right to a remuneration should certain performance thresholds be exceeded when the fund is liquidated. The regulations of such funds lay down the conditions under which the remuneration is payable. It usually corresponds to a levy (a fixed percentage) on the distributions to investors when the return on their investment exceeds a level of IRR (see the Glossary in Section X.5) laid down in the fund documentation. These revenues are paid by the funds directly to beneficiaries. This mechanism encourages the teams to generate better performance in their management of the funds, and particularly to outperform the agreed level of IRR. The financial parameters of the carried interest depend on the nature of the activity (private debt, real estate, private equity, etc…). The level of IRR (hurdle) is generally between 5% and 8% and the amount levied is usually between 10% and 20% above the IRR level set. The Group has set an internal rule for the distribution of carried interest. The Group (through the Company and Tikehau IM) retains approximately 53% (that is, each entity receives one third of 80%) of the carried interest. The remainder is divided between Tikehau Capital Advisors (approximately 27%) and a shareholder structure of Tikehau Capital Advisors, which groups together some thirty employees (20%). The latter structure, which includes employees with responsibilities in the Group's management or joint functions incentivises these employees to achieve performance for the Group and creates a solidarity across all business lines, avoiding any silo effect. Additional elements are contained in notes 5.26(c) (Related parties - Nature of relationships with related parties since 7 November 2016 - Performance fees) of the annual consolidated financial statements in Section V.1 (Annual consolidated financial statements as at 31 December 2016) of this Registration Document.

(iii) The operational organization of Tikehau Capital

The organization of Tikehau Capital is structured around four business lines dedicated to asset management and investment. Tikehau Capital operates through its own resources (management, research, sales and joint functions) which are accommodated within its main subsidiaries (that is to say mainly Tikehau IM, Salvepar and Tikehau Capital Europe), as well as with the support of the Manager of the Company, Tikehau Capital General Partner, which itself relies on the resources and the teams of its 100% shareholder Tikehau Capital Advisors.

Business lines

Tikehau Capital has organized its activities into four business lines:

- Private debt,

- Real estate,

- Private equity, and

- Liquid strategies.

These business lines are described respectively in Sections I.4(b) (Private debt activities), I.4(c) (Real estate activities), I.4(d) (Private equity activities) and I.4(e) (Liquid strategies) of this Registration Document.

Geographical presence

Over the years, the acceleration of Tikehau Capital's asset management and investment activities has been accompanied by an increase in its international presence with the opening of offices in London, UK (2013) and Singapore (2014) as well as in Brussels, Belgium and Milan, Italy (2015). Thus, at the date of filing of this Registration Document, the Group has offices in five countries, giving it a pan-European and Asian dimension.

All the Tikehau Capital offices, within the regulatory framework applicable, are intended to coordinate the marketing of the Group's products, identify investment opportunities, analyse and carry out investment transactions and monitor them to maturity.

Tikehau Capital is notably present in the United Kingdom, Belgium and Italy through branches of Tikehau IM that have benefited from the passporting of the licences of Tikehau IM, which falls under French regulation. Tikehau Capital also has a presence in Britain through Tikehau Capital Europe which is under UK regulation. Tikehau Capital operates in Singapore through a subsidiary owned 100% by Tikehau IM (Tikehau Investment Management Asia Pte. Ltd.), which was approved by the local financial supervisory authority (Monetary Authority of Singapore, MAS) and, since 11 November 2016, through the asset management company IREIT Global Group in which Tikehau IM has an indirect 80% holding (see Section I.4(c)(iii) (Real estate activities conducted through IREIT Global) of this Registration Document).

The team

At the date of this Registration Document, the staff of the Group and of Tikehau Capital Advisors consists of about 170 people. The key individuals who run the Group, its activities or support the Management (see Section IV.1(a) (The Management) of this Registration Document) in its role include:

Senior Partners

Alongside Messrs. Antoine Flamarion and Mathieu Chabran (see Section IV.1(a) (Management) of this Registration Document), the Group's main senior partners are:

- Christian de Labriffe – Christian de Labriffe joined the Group in 2013 as Chairman and CEO of Salvepar. Since 22 March 2017, he has been Chairman of the Supervisory Board of the Company. Previously, he was Managing Partner of Rothschild & Cie, which he joined in 1994. He started his career at Lazard Frères & Co. in 1972 where he was appointed Managing Partner in 1987. Education: ISC Paris Business School

- Bruno de Pampelonne – Bruno de Pampelonne joined the Group in 2006 to set up Tikehau IM, of which he was appointed CEO. Previously, he was head of Merrill Lynch France, which he joined in 1993. He began his career at Crédit Lyonnais in 1983 before joining Goldman Sachs International in 1985 in London and subsequently Paris, as Director. He then joined Credit Suisse First Boston to launch its Paris office. Education: EDHEC Business School

Main members of the management team

- Debra Anderson – Debra Anderson joined the Group in 2014 to set up and lead the CLO business (see the Glossary in Section X.5). Previously, she was Senior Managing Director at Blackstone/GSO Debt Funds Management where she had been recruited to create and manage the Blackstone's CLO business in Europe. Before joining Blackstone, she worked as a Leveraged Loan Portfolio Manager at Intermediate Capital Group (ICG) where she set up and led the Abbey National Bank leveraged finance and acquisition finance team. Education: York University

- Guillaume Arnaud – Guillaume Arnaud joined Tikehau Capital in 2007 as Managing Director of Tikehau IM. Previously, he had been working at the Caisse Nationale des Caisses d'Epargne since 2000, first as a strategic business analyst and then as Head of Risk Management & Finance in the CNCE Insurance Division. Guillaume began his career in 1997 at Crédit Lyonnais in London, developing convertible bond pricing methodology. He then joined Ardent Software in Boston (USA), then the Vendôme Group in Neuchâtel (Switzerland). Education: École Polytechnique; Ecole Nationale des Ponts et Chaussées; Collège des Ingénieurs

- Guillaume Benhamou – Guillaume Benhamou joined the Group as an Investment Director in 2011. He is now Co-head of Private Equity Activities and is based in London. Before joining the Group, he was Senior Associate at Mubadala Development Company. He began his career at the Boston Consulting Group (BCG) in New York, and then, from 2007 to 2009, worked as a senior analyst at Audax Group in Boston. Education: HEC Paris

- Rodolfo Caceres – Rodolfo Caceres joined the Group in 2008 as Head of Research. Previously, he had been buy-side credit analyst at Fortis Investments in Paris from 2006. He began his career in 2000 in the Colombian Ministry of Finance and Public Credit. He then worked in London between 2001 and 2006, as a buy-side credit analyst at Morgan Stanley and then Lehman Brothers. He qualified as a Financial Risk Manager in 2005. Education: Universidad Externado de Colombia (Bogotá, Colombia); HEC Paris

- Peter Cirenza – Peter Cirenza joined the Group in April 2017 as Director of the London office. He will be responsible for contributing to the development of the Group's private placement strategies (private debt, real estate and private equity). Peter Cirenza spent 20 years at Goldman Sachs in New York, London and Tokyo (since 2000, as a partner). His job included the development and co-directing of proprietary special-situation financing and investment operations in North America, Europe and Asia, as well as mergers and acquisitions and structured finance transactions in North America. He has been a lecturer at the London School of Economics and Political Science since 2009. Education: Brown University, MBA Columbia University, PhD London School of Economics and Political Science.

- Jean-Baptiste Feat – Jean-Baptiste Feat joined the Group in 2008 as head of equity interests and new investments. He developed the mezzanine debt business and then the broader Private Debt division, which he has co-managed since 2013. He began his career in mergers and acquisitions at Citigroup in 2001 and then at Goldman Sachs from 2005 onwards. Education: EDHEC Business School, London School of Economics

- Thomas Friedberger – Thomas Friedberger is Deputy Managing Director of Tikehau IM. He joined the Group in 2014. Previously, he was a Managing Director at Goldman Sachs in charge of France and Benelux since 2008. He began his career in 1996 and has been working in trading ever since. After 4 years in convertible bonds and equity derivatives at Société Générale in Milan and Paris, then one year at JP Morgan in fixed income and debt markets, he worked for 13 years at Goldman Sachs in London, Milan and Paris on currency derivatives, convertible bonds and equity, index and fund derivatives. Education: ESCP Europe

- Etienne Gorgeon – Etienne Gorgeon is Head of liquid strategies. He joined the Group in 2012. Previously, he worked at Edmond de Rothschild Asset Management since 2008 where he held the position of CIO of fixed income management. He began his career in 1997 as a high yield credit analyst at CDC IXIS. He then joined F&C in London as an investment grade and high yield portfolio manager. From 2002 to 2005, Etienne Gorgeon was in charge of the absolute return and investment grade range at AXA IM. He was then appointed CIO of Global Investment Grade Credit at Fortis, a position he held until 2008. Education: Skema Business School

- Thomas Grob – Thomas Grob joined the Group in 2015 as Co-head of the Group's private equity activities. Previously, he was with Equistone for 11 years where he was a partner. He developed skills in private equity and expert knowledge of M&A transactions in France and abroad. Beforehand, he worked for two years at the Royal Bank of Scotland in the Leveraged Finance Department. Thomas began his career in finance in 1998 at CCF (now HSBC) on the Acquisition & Leveraged Finance team. Education: ESSEC Business School

- Frédéric Jariel – Frédéric Jariel joined the Group in 2014 to co-manage the real estate business. He was previously at Archon Group France, a subsidiary of Goldman Sachs, which he joined in 1996. There he held various positions at the European level. His latest appointments were as COO Europe and CEO of the French entity. He began his career with Coopers & Lybrand as an auditor. Education: chartered accountant

- Henri Marcoux – Henri Marcoux joined the Group in 2016 as Deputy Managing Director after 11 years within the EPI Group as CFO, member of the Group's Executive Committee and member of the Strategic Committee for each subsidiary. He began his career as a financial controller within the Bouygues Group in Indonesia (1995-1997) and then worked as a financial auditor at KPMG (1997-2000). He then joined the Alcatel Group, first as internal audit manager (2000-2003) and then as divisional Head of Finance (2003-2005). Education: Paris ESLSCA Business School

- Cécile Mayer-Lévi – Cécile Mayer-Lévi joined the Group in 2013 and co-manages the private debt activity. Previously, she worked at Ardian (previously AXA Private Equity) where she notably broadened the investment scope to include unitranche debt, with a strong focus on forming partnerships. She began her career in 1988 at Merrill Lynch (Corporate Finance and M&A) in Paris and New York. In 1991, she joined Elig, a pioneer private equity fund in France. In 2001, she moved towards mezzanine debt investments, being appointed CIO at Omnes (formerly CAPE - Mezzanis). Education: HEC Paris

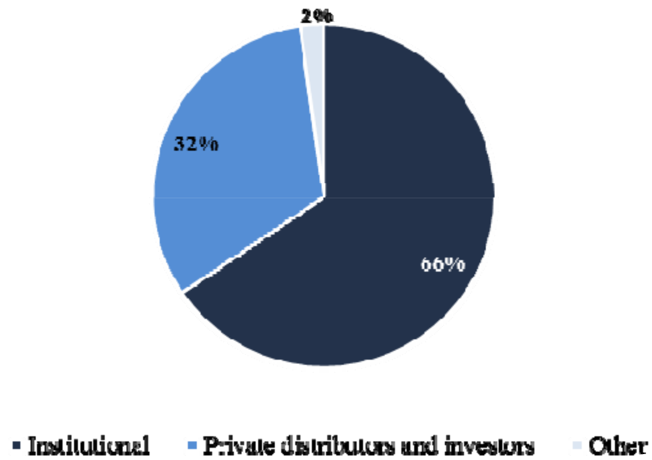
- Geoffroy Renard – Geoffroy Renard is the Group's Company Secretary. He joined Salvepar as Company Secretary in 2013 after the acquisition of Salvepar by Tikehau Capital. Previously, he had worked as a lawyer at Cleary Gottlieb Steen & Hamilton since 2005 in Paris and New York where he specialised in private and public M&A and debt and equity capital markets . Between 2002 and 2003, he worked in the Financial Department of Crédit Lyonnais. Education: HEC Paris, Paris II Panthéon-Assas and CAPA.

Distribution and marketing

The Group's sales teams are housed by Tikehau IM because of its role as an asset management company. At the end of 2016, a total of nineteen people made up the sales, marketing and client services department, to serve investors, to support the growth of assets under management and to broaden the investor base and product portfolio.

Tikehau IM has expanded its coverage of clients significantly over the past two years. At the date of this Registration Document, Tikehau IM has a sales force of eight (which is expected to be increased to eleven people by the end of 2017), based in Paris, Milan, London and Singapore, covering institutional investors and distributors in Europe and Asia in over fifteen countries. As at 31 December 2016, the client base of Tikehau IM was comprised 66% of institutional investors (insurance companies, pension funds and sovereign wealth funds) and 32% of distributors (private banks, networks of wealth management advisors, banking distribution networks, asset managers, etc.), private investors and family offices, the balance being made up of corporate clients. From this client base, Tikehau IM's ten largest clients accounted for about 32% of assets under management as at 31 December 2016.

Distribution of the investor base
of Tikehau IM as at 31 December 2016



The distribution agreements entered into by Tikehau Capital with distributor networks have essentially two aims: (1) to provide access to the Group's products for closed networks (such as private banking or retail banking) for which a distribution partnership with payment of trailer fees is necessary; and (2) to develop the distribution of Tikehau Capital products in certain countries where the Group wishes to test its competitive advantages with a third party marketer before eventually recruiting a dedicated salesperson. The sales team regularly monitors the results of the Group's distribution partnerships and the impact (actual or potential) of trailer fees on profitability. To this end, the Group's revenues are analysed net of trailer fees to distributors.

The sales team is supported by a marketing department numbering half a dozen people in charge of the content of marketing documentation, the organization of client events, competitive intelligence and the process for responding to tenders and due diligence. Added to this are two product specialists giving guidance to the sales team by providing expertise on the asset class in which they are specialists and a three-person "client service" team in charge of dedicated reporting and Know Your Customer ("KYC") processes, as well as the monitoring of the investments of each client in the Group.

Joint functions

Group management and research activities are conducted with the support of joint functions: finance, treasury, tax and legal, compliance, middle office, audit, IT, human resources, communication and general services. These teams are accommodated within Tikehau IM and Tikehau Capital Europe in respect of the teams that are dedicated to specific business lines. As regards central functions, these are accommodated in Tikehau Capital Advisors, which supports the Manager of the Company in fulfilling its duties on behalf of the Company and the Group. The resources provided by Tikehau Capital Advisors are described in more detail in Section VIII.4 (Related party transactions) of this Registration Document. These teams have been heavily reinforced in recent years to support the growth of the Group's assets under management.

(iv) *The subsidiaries of Tikehau Capital*

At the filing date of this Registration Document, Tikehau Capital operates through three main subsidiaries: Tikehau Investment Management (Tikehau IM), Salvepar and Tikehau Capital Europe.

Tikehau Investment Management (Tikehau IM)

Set up by Tikehau Capital in late 2006, Tikehau IM is the main platform of Tikehau Capital dedicated to asset management. As at 31 December 2016, Tikehau IM was present in three of the four Tikehau Capital business lines: private debt, real estate and liquid strategies (fixed income management / balanced and equities management). Since the date of listing of the Company's shares on the regulated market of Euronext Paris, Tikehau IM has also included a private equity team from Tikehau Capital Advisors which, on the date of registration of this Registration Document, advises the Company and its subsidiaries on the management of their investment portfolio. This subsidiary has been approved by the AMF as a portfolio management company since January 2007 (under number GP-07000006).

In France, Tikehau IM has become one of the leading players in specialised investment in the European debt markets, covering all products in this asset class. Thus, Tikehau IM has seen its performance rewarded with various prizes and awards that have validated its expertise and development, including the most recent: a Thomson Reuters Lipper Fund Award for Tikehau Taux Variables in 2017 (best fund over five years in the Bond Euro - Short Term category), Private Debt Lender of the Year in 2017 and 2016 by Private Equity Magazine, Unitranche Lender of the Year in Europe in 2015 by Private Debt Investor, The Best Financial Provider in Small-Mid Cap Category in 2015 by Private Equity Magazine, and Nominated Lender of the year in 2014 by Private Debt Investor.

Gradually, as it grows, Tikehau IM is broadening the scope of its activities to new asset classes such as real estate and equities management. In the future, Tikehau IM, as the Group's main asset management company, aims to continue its development in other asset classes. (See Section I.3(b) (Strategy) of this Registration Document.)

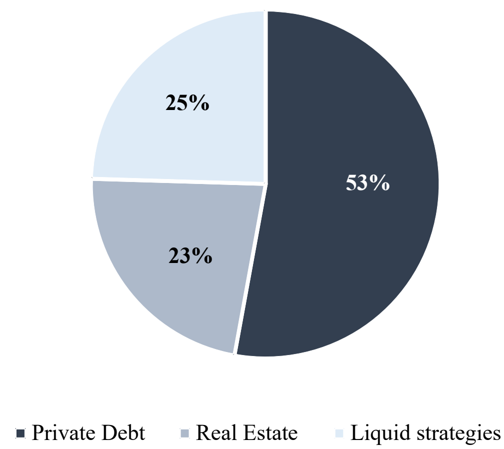
Since the General Shareholders' Meeting of the Company held on 21 December 2016 (see Section VIII.3 (Reorganization operations) of this Registration Document), the Company holds 96.7% of the shares of Tikehau IM, the balance being held by employees who received an allocation of free shares under bonus share schemes (see Section VII.2(a) (The Group's workforce) of this Registration Document).

The authorisation granted to Tikehau IM by the AMF authorises it (i) to manage UCITS in accordance with Directive 2009/65/EC of 13 July 2009; (ii) to manage AIFs in accordance with Directive No. 2011/61/EU of 8 June 2011, regarding types of funds such as OPCI (French Real Estate Investment Vehicles), FCT (French Debt Securitisation Funds), and FCPR (French Venture Capital Funds) (see the Glossary in Section X.5); (iii) to market UCITS/AIFs managed by another asset manager; and (iv) to conduct an investment advisory activity.

Faced with the ever-changing needs of market participants and regulatory constraints, Tikehau IM initially organized its business into two areas giving it a strong expertise in the debt markets and the setting up of corporate financing: fixed income management and private debt. Its goal was to become the preferred provider of a wide range of financing solutions based on the performance of debt securities (in the form of bonds or loans), both on listed and unlisted markets.

As it grew, two new areas of expertise were subsequently added in this platform: balanced and equities management and real estate investment.

Distribution of assets under management of Tikehau IM
by asset class (as at 31 December 2016)



Through its various investment strategies, Tikehau IM intends to be able to offer the best risk/return profile to its clients-investors, presenting a wide range of products in various formats and at every level of the capital structure.

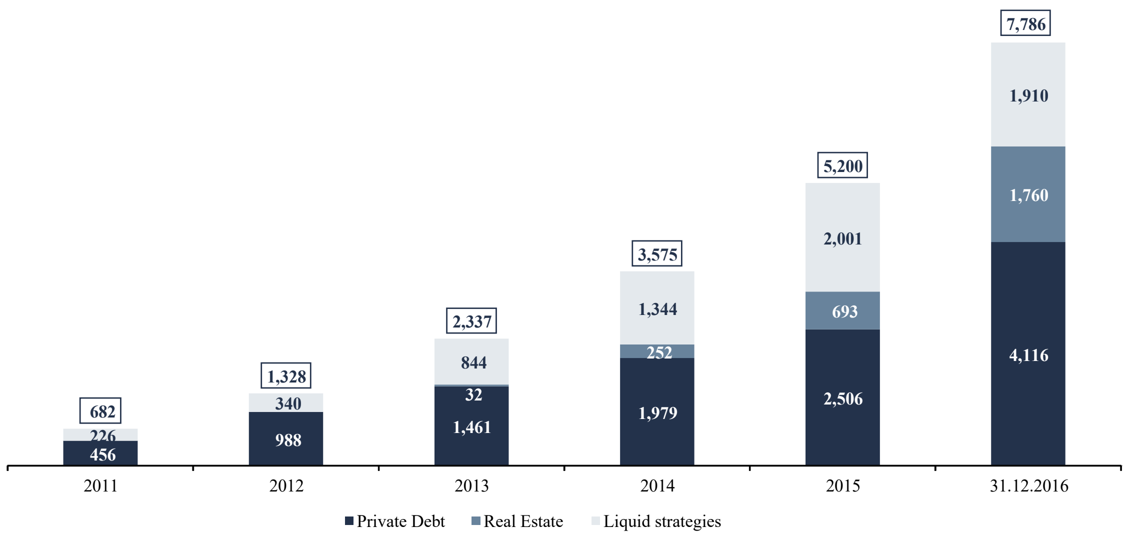
This objective is based primarily on an in-depth and independent analysis of the various issuers and identification of best risk/return profiles in each asset class under consideration. In all its business lines, Tikehau IM relies on a conviction-based management approach (that is, based on strong convictions regarding its investment projects) and seeks to be reactive and opportunistic for its client-investors, ensuring a cross-functional approach in its management through an operational platform and solid, in-house fundamental research. The Tikehau IM teams, staffed by professionals with varied and complementary profiles, aim to promote optimal execution and monitoring of investments, as well as the most efficient access possible to the market. These teams follow an investment universe that is characterized by great diversity in terms of size (including a large number of SMEs and intermediate-sized companies (see the Glossary in Section X.5)), business sector, financial performance (growth, profitability, debt, capital structure), geographic location, underlying market, type of instrument, maturity, legal structure, seniority, covenants, and guarantee or collateral.

In the area of credit, Tikehau IM favours a direct and flexible approach in financing solutions offered to companies, corresponding to the multidisciplinary expertise of its teams, able to initiate, execute and follow up and monitor different types of investment. Tikehau IM seeks to build portfolios and implement suitable financing adaptable to market trends and to the various tax, accounting or regulatory constraints of its investors. Aside from the direct, customised approach generally preferred by Tikehau Capital when investment conditions are appropriate, investments can also be made by Tikehau IM teams through market transactions, bank syndications and brokered private placements.

Over the years, the acceleration of the asset management activities carried out by Tikehau Capital has been accompanied by a significant increase in Tikehau IM staff, who as at 31 December 2016 numbered nearly one hundred employees, and by the increase in its international presence with the opening of offices in London, UK (2013), Singapore (2014), and in Brussels, Belgium and Milan, Italy (2015). At the filing date of this Registration Document, the major part of Tikehau IM's teams are based in France: about three-quarters of its staff. Tikehau IM operates in the UK, Belgium and Italy through branches that have benefited from the passporting of Tikehau IM's authorisations in France. Tikehau IM operates in Singapore through a 100% owned subsidiary (Tikehau Investment Management Asia Pte. Ltd.), which was approved by the local financial supervisory authority (Monetary Authority Singapore, or MAS) and, since early November 2016, through the asset management company IREIT Global Group in which Tikehau IM has an indirect 80% interest. (See Section I.4(c)(iii) (Real estate activities conducted through IREIT Global) of this Registration Document.)

As at 31 December 2016, Tikehau IM managed €7.8 billion, or approximately 78% of the assets under management of Tikehau Capital (€10 billion).[22] Since its inception in 2006, Tikehau IM has enjoyed significant growth in its assets under management. The Tikehau IM investor base continues to develop and become more international in line with the objective that was set at the time the offices in London, Singapore, Brussels and Milan were opened. As part of its goals, Tikehau IM works continuously to adapt its product lines and improve its methods of distribution and its presence in each of its markets.

The following graph shows the change in Tikehau IM assets under management since 2011, by asset class:



Tikehau IM's business model is based on the ability of its teams to raise and manage funds that will generate income through various types of fees, including management fees. The cost base is mainly composed of fixed costs (essentially staff costs). The variable costs relate chiefly to trailer fees paid by Tikehau IM to the distributors that Tikehau IM uses to distribute its funds.

Tikehau IM offers investors a wide variety of funds, and manages both open-ended funds and closed-end funds, which are invested in different asset classes. Open-ended funds allow investors to enter and exit the fund at any time, while units in closed-end funds may only be subscribed to for a limited period of time (called the subscription period) and cannot be redeemed on demand. Therefore, the number of units of open-ended funds constantly changes during the life of the fund, and the volume of assets varies according to subscriptions and redemptions, but also according to fluctuations in the financial markets. Conversely, the liquidity of closed-end funds is lower and the number of units remains stable once the subscription period closes.

Tikehau IM's revenues are of several types:

– Management fees are levied recurrently by the management company and are used to remunerate the day-to-day management of the different funds. In general, they are calculated by applying a percentage to the managed assets. For most closed-end funds, the management fee rate is applied to the amounts actually invested by the management company, not the amounts committed by investors. Whereas for open-ended funds, these fees are applied to the net asset value of the fund.

– Arrangement and structuring fees are non-recurring commissions received during the structuring of certain investment deals. They are paid by the entity that benefits from the investment at the time when the latter is made and remunerate the preparatory work done by the management company to set up the deal (auditing, structuring, search for partners, negotiation of financial and legal terms, etc.).

[22] See Section I.4(a)(ii) (Allocation and income from the capital of Tikehau Capital) of this Registration Document.

– Outperformance fees, which relate to open-ended funds (fixed income and equities) are the fees charged on the part of the fund's performance that exceeds that of the fund's benchmark.

– Income associated with carried interest is exclusively related to the capital gains realized on some closed-end funds. These are fees that allow a portion to be paid back of the capital gain realized on these funds above a level of IRR (see the Glossary in Section X.5) laid down in the original documentation of the fund.

Closed-end funds guarantee income for the Group over the entire lifetime of the fund; this income comes mainly from the management fees for a level set at the time of fundraising. However, these funds have limited lifespans and consequently require regular phases of fundraising. Conversely, income from open-ended funds is more irregular because management fees are based on the NAV of the fund, which is subject to the subscriptions and redemptions of investors and to fluctuations in the financial markets. However, the lifespan of an open-ended fund is not limited and new capital inflows can occur at any time. Finally, it should be noted that the closed-end debt funds allow Tikehau IM to have clearer assessment of the exit horizon and the potential IRR of the fund (see the Glossary in Section X.5). The same is true of the real estate funds since the buildings managed by Tikehau IM are mostly rented out on long-term leases. Once the funds are invested, the prospects of profitability and realization of carried interest in these fund categories are fairly predictable.

Salvepar

Salvepar is an investment holding company which makes mainly minority investments in shares or financial securities giving access to the equity of listed or unlisted companies (including as co-investments with leading external partners). Until it was taken over 100% on 6 March 2017, it was the Group's main autonomous private equity platform.

Salvepar primarily derives its income from interest and dividends earned on its portfolio investments that generate a certain recurrence, as well as capital gains on exit at the time of its divestments which by their nature are less predictable and depend on opportunities for disposal.

As at 31 December 2016, Salvepar employed five people and operated with the support of the teams of Tikehau Capital Advisors under service level agreements. Additional information regarding Salvepar, its portfolio, activities and key figures are contained in Section I.4(d)(iv) (Private equity activities through Salvepar) of this Registration Document. At the filing date of this Registration Document, Salvepar no longer has any own employees and operates essentially through the services of the Tikehau IM teams.

The Company took control of Salvepar on 26 October 2012 through the purchase of the majority shareholding from Société Générale, following which the Company launched a mandatory public tender offer on the equity of Salvepar. After this takeover, Salvepar restructured its governance, announced a new investment strategy and undertook a refocusing of its portfolio. To strengthen its capacity to put its strategy into effect, Salvepar carried out a capital increase of €128.8 million in 2013 followed by a capital increase of €132.6 million in 2014, and finally an issue of "ORNANE" bonds redeemable in cash and/or new or existing shares for a nominal amount of approximately €150 million, in 2015.

As at 31 December 2016, the Company held 58.8% of the share capital and 59.8% of the voting rights of Salvepar. The Company also held the Salvepar ORNANE bonds for a nominal amount of €64.1 million (approximately 43% of the issue of ORNANE bonds outstanding). In addition, as part of the Joint General Shareholders' Meeting of the Company held on 21 December 2016, the half of Salvepar preferred shares not owned by the Company was contributed to it by Tikehau Capital Advisors. The reorganization of the Group and the restructuring of its business lines leading to the Company's listing were completed by a public exchange offer and a cash takeover bid for the ordinary shares and the ORNANE bonds issued by Salvepar and not yet held by the Company. Following the completion of this public exchange offer and cash takeover bid and mandatory delisting, since 6 March 2017 the Company has held 100% of the Salvepar shares and Salvepar has been delisted. (See Section VIII.3 (Reorganization operations) of this Registration Document.)

Tikehau Capital Europe

Since 2007, Tikehau Capital has invested in the credit markets, in particular high-yield credit, as part of its liquid strategies and its private debt business, through its asset management company Tikehau IM. On the strength of its expertise in these markets and against the background of renewed interest in this segment and a recovery of LBOs (see the Glossary in Section X.5) in Europe since 2013. In 2015, the Group entered the debt securitisation market by setting up securitisation vehicles dedicated to CLOs, a specialised product consisting of obligations collateralized by a portfolio of leveraged loans.

Tikehau Capital's CLO vehicles are structured by Tikehau Capital Europe and placed under its management. In the second half of 2016, the Company entered into a partnership agreement with the Amundi group under which the Amundi group has held a 24.9% equity interest in Tikehau Capital Europe since March 2017, the balance (75.1%) being held by the Company.

In 2015, Tikehau Capital Europe was approved by the Financial Conduct Authority ("FCA") in Great Britain, mainly for advice on investments, arrangement of investment transactions and investment management. The objective of Tikehau Capital is to become established permanently in the CLO market through Tikehau Capital Europe and to carry out one or two CLO transactions per year for approx. €300 to €400 million.

To support the diversification of the Group's credit platform into this debt securitisation business, Tikehau Capital has built a dedicated team of experienced staff which benefits from the complementary skills of the management, credit research and risk management teams and all of the Group's support services, including administration and compliance.

Following approval by the FCA, Tikehau Capital Europe has structured the first securitisation vehicle ("Tikehau CLO I") closed in July 2015 for an amount of approximately €355 million. In October 2016, Tikehau Capital Europe structured a second CLO vehicle ("Tikehau CLO II"), which closed for an amount of approximately €414 million.

The obligations issued by Tikehau CLO I and Tikehau CLO II are backed by a dynamic and diversified portfolio of syndicated loans and bond financing to all business sectors, principally located in Europe, in order to finance their growth or development projects abroad. The various bond issues offered in Tikehau CLO I and Tikehau CLO II, which are rated by Moody's and Fitch, have different levels of risk and therefore rating, allowing investors to target their investment to a specific bond issue, depending on their risk/return objectives. Thus, in practice, the greater the risk associated with a bond issue, the higher its coupon.

In more concrete terms, the banks, who want to lighten their balance sheet to meet certain capital requirements imposed by the regulators or to free more cash to finance other business, may sell these debts on the market to securitisation vehicles. These vehicles finance the purchase of these debts by issuing new securities, divided into different tranches (senior, mezzanine, equity, etc.) according to the risk profile and yield. The tranche with the highest level of risk will be the subordinated or equity tranche. The vehicle receives the interest on its debt portfolio (asset side) then redistributes it to its investors (holding its liabilities), beginning with paying the most senior tranches, i.e., those with the highest security and least risk. The most subordinated tranche (equity) thus receives the balance of coupons once the other tranches have received all of the coupons owing to them and is the tranche most at risk of corporate default.

A company managing CLOs, such as Tikehau Capital Europe, has two types of income:

- It receives management fees like any asset management company;
- It has the obligation to invest up to 5% (called the retention rate) in the CLO funds under applicable law (the principle of the retention piece); this investment must generally be made in the highest risk tranche (subordinated or equity tranche). The management company collects the coupons related to this tranche, if the other tranches have received the coupons they are owed.

As at 31 December 2016, Tikehau Capital Europe's assets under management amounted to approximately €768.9 million.

More information about CLO operations conducted by Tikehau Capital Europe can be found in Section I.4(b)(ii) (Senior Debt (leveraged loans) activities) of this Registration Document.

IREIT Global Group

See Section I.4(c)(iii) (Real estate activities conducted through IREIT Global) of this Registration Document.

(b) Private debt activities

Tikehau Capital is one of the pioneers of private debt transactions in Europe and France. The Group's private debt teams are involved in debt financing deals of a size between €10 million and €300 million as arranger or funder.

In general, private debt refers to asset classes in the credit market that are usually in the form of loans, bonds and private placements. These financings are generally unlisted and not actively traded on organized exchanges. They are rather financing held to maturity ("buy and hold"), carried out under structured investment vehicles and consequently as long-term liabilities. On the syndicated loans market (i.e., the most liquid segment of private debt), trades take place on over-the-counter markets characterised by high volumes and led by investment banks and other market players (market-makers and broker-dealers). Insofar as these funds are private, the documentation (prospectus, loan agreement, etc.) is not public and can only be accessed by lenders or potential investors after signing a confidentiality agreement.

In a context of bank disintermediation, private lending activity has complemented conventional bank lending and has witnessed considerable growth in Europe generally and France in particular, which represents the second largest market in Europe (25%), after the United Kingdom (41%).[23] (See Section I.5 (Tikehau Capital and its market) of this Registration Document). Indeed, observing the reduction in the volume of bank loans, asset management companies and institutional investors have seen an opportunity to offer a substitute to lending by banks, especially for intermediate-sized companies. With this in mind, some asset managers have developed mechanisms and structured funds to be able to lend directly to companies without going through a banking circuit. In addition to investing in "syndicated" loan funds arranged by banks, institutional investors are investing more and more in these loan funds arranged by "direct" (or "alternative") lenders such as Tikehau Capital, in order to channel an increasing portion of their savings stock into the real economy. Some of these investors may also make selective investments in specific co-financing deals alongside these lenders to increase the funding capacity and range of opportunities of the latter, as they gradually increase the resources that can be made available to businesses.

As part of this activity, Tikehau Capital offers businesses a range of tailor-made solutions in order to achieve the best possible alignment of the needs of companies, their management teams and shareholders with those of Tikehau Capital's institutional investors (insurance companies, mutual funds, pension funds, sovereign wealth funds, etc.).

The same business can thus be funded by pure debt, debt securities, debt securities convertible into equity (OBSA, OC, ORA, etc., see the Glossary in Section X.5), by equity capital, or a combination of several of these instruments. These instruments can complement the borrower's bank or non-bank financing and can benefit from guarantees equivalent to the latter. Their varied formats (loans and bonds, redeemable or repayable at maturity, at fixed or variable rates) can be employed to best meet the needs of business flexibility in financing. The Tikehau Capital teams have developed a recognized expertise in the industry[24] to arrange, establish or invest in various financing transactions, in particular the following structures:

- Senior Debt, that is, prime financing with collateral, the repayment of which takes priority over the subordinated debt and equity. Senior debt, with an average maturity of 4 to 7 years, is generally

[23] Source: Deloitte Alternative Lender Deal Tracker Q3 2016

[24] See the prices quoted at the end of this subsection

accompanied by covenants (laid down by contract, requiring the borrower to meet certain financial ratios) that enable the lenders to make regular checks on the evolution of the borrower's financial situation. The characteristics of these funds enable the rate of default to be limited and offer creditors favourable prospects of recovery in the event of a breach of ratios. In general, the rates on senior debt are variable, consisting of a reference rate (Euribor or Libor, usually accompanied by a floor typically ranging between 0 and 1%) plus a margin (spread) which depends on the risk assessment of the borrower's credit. Therefore, senior debt offers the holder a natural protection against interest rate risk.

- Stretched Senior Debt, that is, customised senior debt financing with a substantial interest-only component making such funding structurally riskier than senior debt, even though it is still senior debt, with collateral and covenants, which allows any discrepancy against initial projections to be anticipated.

- Unitranche Financing, that is, financing that combines a senior debt component with subordinated/mezzanine debt in a single instrument to simplify the capital structure and its legal documentation, thus providing greater flexibility. This type of financing, which is fully interest-only, is a key element for the Company in pursuing its development, whether organic or through acquisitions, and its investment plans. Such unitranche financing, depending on the geographic jurisdiction, is usually structured as bonds ("unitranche"), that can also be collateralised, senior and bound by a number of covenants.

- Mezzanine Financing, that is, subordinated debt financing coupled with 2nd tier collateral, which ranks between senior debt and equity (hence "mezzanine"), also bound by covenants and governed by an intercreditor agreement of subordination to senior debt lenders.

The financing put in place is based mainly on the assessment of future cashflows generated and the preservation of the ensuing value of the company in question. The Tikehau Capital teams have also developed expertise in arranging customised financing offering a wide range of solutions in a context of business succession, reorganization of shareholding structure or support for a company's organic or external growth. (See Section I.4(b)(i) (Direct lending activities) of this Registration Document.)

In synergy with the rest of the private debt team (combining direct lending activities with those of Senior Debt (leveraged loans)) it is also worth underlining the Tikehau Capital Europe teams' expertise in its CLO business, taking part in the syndications of large European bank loans. (See Section I.4(b)(ii) (Senior debt (leveraged loans) activities - CLO Activities) of this Registration Document.)

In 2006, having identified the development potential of the private debt business, Tikehau Capital specialised in primary and secondary market LBO acquisition financing (see the Glossary in Section X.5). Against the background of the market dislocation between 2007 and 2009, Tikehau was able to seize opportunities that allowed it to accelerate its development and thus take part in the emergence of alternative private debt financing, which in the early days was mainly spurred by the expansion of UK and US asset managers in Europe and particularly in France. In order to follow market developments, particularly the increase in the size of financing, Tikehau Capital entered into a business alliance with among others, the Macquarie banking group in 2012, allowing it to structure significant financings (up to €200 million). Sanctioning Tikehau Capital's expertise and infrastructure in the field of private debt, the industry initiative NOVO (a bond fund dedicated to SME and intermediate-sized companies (see the Glossary in Section X.5)), launched under the aegis of the Caisse des Dépôts et Consignations (CDC), the French Federation of Insurance Companies (FFSA) and twenty-seven European insurance companies as well as the Pension Reserve Fund (FRR), was entrusted in part to Tikehau Capital in October 2013 (see below). In 2015, a second industry initiative, NOVI, was also partly entrusted to Tikehau Capital (see below).

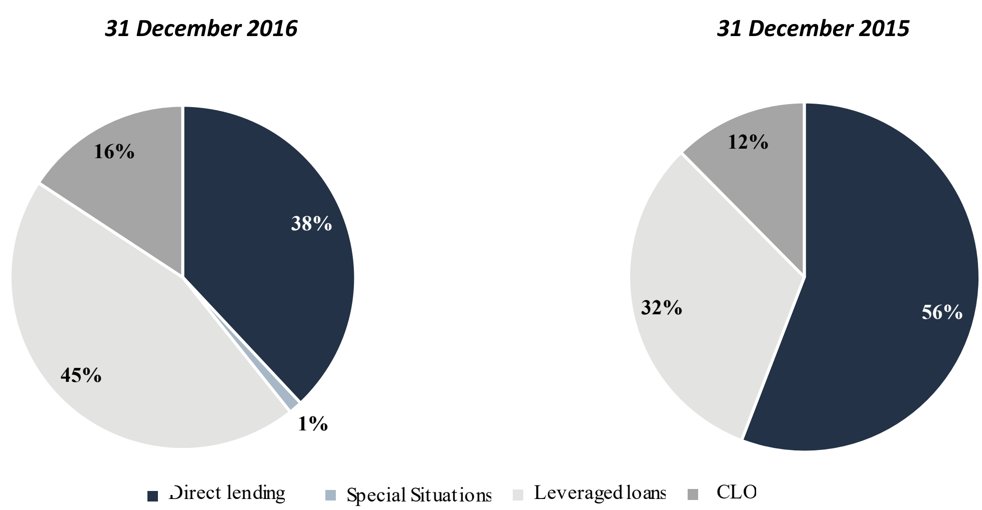
In 2015, Tikehau Capital's Private Debt team won the award "Unitranche Lender of the Year" from Private Debt Investor, and the "Best Financial Provider in Small-Mid Cap Category" award from Private Equity Magazine. In 2016, the Tikehau Capital Private Debt team for the second year running won the award for "Private Debt Lender of the Year" from Private Equity Magazine.

Aside from its private debt activities, Tikehau Capital invests in particular through management mandates, mutual funds (FCP) or mutual securitisation funds (FCT). Dedicated co-investment vehicles can also be set up for specific transactions. The financings in which the Group invests are accommodated within these vehicles managed by Tikehau Capital through its subsidiaries Tikehau IM and Tikehau Capital Europe, which receive management fees, arrangement and structuring fees and income related to carried interest. (See Section I.4(a)(iv) (The subsidiaries of Tikehau Capital) of this Registration Document.)

As at 31 December 2016, Tikehau Capital's assets under management in private debt funds amounted to approximately €4.9 billion, representing 49% of the Group's assets under management, and the amount invested from the beginning by the private debt teams (excluding CLO business) was approximately €2.6 billion.

In October 2016, Tikehau Capital announced a draft agreement to ensure the delegated management of Lyxor UK's European leveraged loans business (asset management company of the Société Générale Group). This operation enables the Group to strengthen its senior debt activity, especially on LBO-type transactions (see the Glossary in Section X.5). Following this operation, Tikehau IM has replaced Lyxor UK to become the manager of four Lyxor European senior debt funds, totalling about €700 million in assets under management. Under this agreement, Lyxor UK's European senior debt operational team, numbering seven employees, joined the Tikehau Capital staff based in London to strengthen Tikehau Capital's resources and to ensure the continuity of operations.

The following graph shows the breakdown of private debt assets under management by asset class as at 31 December 2016 and 31 December 2015 (in %):



The following table shows the distribution of assets under management between the main private debt funds managed by Tikehau Capital:

In millions of €	Assets under management as at 31 December 2016	Assets under management as at 31 December 2015
TIKEHAU DIRECT LENDING III (TDL III)	610	377
NOVO/NOVI	642	645
TSO	61	–
Other funds/mandates	607	575
Total Direct Lending	**1,920**	**1,597**
TSL II	522	195
TCLLF	236	230
Lyxor	747	–
CLO	769	355
Other funds/mandates	691	484
Total Senior Debt (*Leveraged Loans*)	**2,965**	**1,264**
Total Private Debt	**4,885**	**2,861**

Historically, as part of its balance sheet allocation policy, the Group has made investments in vehicles dedicated to private debt and managed by the Group as well as in co-investments in transactions carried out by these vehicles. The portfolio of investments and co-investments on the Group balance sheet in Tikehau Capital strategies dedicated to private debt reflects the history of the vehicles launched by Tikehau IM and Tikehau Capital Europe. This portfolio represented a total amount of €128.2 million on a *pro forma* basis as at 31 December 2016. Revenues generated by this portfolio chiefly take the form of distributions made by vehicles and of interest earned on co-investments.

(i) *Direct lending activities*

The direct lending (or direct financing) activity allows Tikehau Capital to provide businesses with flexible, tailor-made financing solutions which are based on a rigorous and disciplined investment process and coherent risk management process.

The direct lending market is a sub-segment of the private debt market. With this activity, non-bank asset manager lenders, such as Tikehau Capital, have thus compensated for the contraction of bank credit in the wake of the financial crisis. Increasingly, the most important transactions are in the form of "club deals" (i.e., involving several direct lenders, but sometimes banks in a partnership approach as well). The range of instruments used in this business is broad: senior debt, stretched senior debt, unitranche financing and mezzanine financing. (See the definition of these terms in the introduction to this Section.)

The direct lending market is one in which a non-bank lender performs the origination, arrangement (or structuring) and investment in a financing for a business (sometimes in the form of bonds, for regulatory reasons). This means that the lender seeks out potential borrowers willing to carry out a financing transaction, produces a rigorous analysis of the credit quality of these borrowers, and determines the objective factors and conditions necessary so that said borrowers may be financed through a financial instrument in which a vehicle managed by the borrower might invest. In this context, the work done by the non-bank lender (that is, in the case of Tikehau Capital, the management company Tikehau IM) is different from what can usually be produced by a portfolio management company. Several stages in such transactions cannot be categorised as pure management functions but rather as a complementary arranger/structurer functions: (i) the borrower auditing phase (financial, legal, operational, etc.); (ii) research in terms of structuring the transaction; (iii) the definition of the investment structure; (iv) the search for other potential financial partners according to the size and nature of the target and the deal; and (v) the negotiation of the legal and financial terms of the contractual documentation. This additional service is usually paid for by the borrower through the payment of an arrangement or structuring fee in consideration of the work done by the management company which is in addition to the interest paid by the borrower for its financing.

As at 31 December 2016, Tikehau Capital's direct lending business represented total assets under management of €1.9 billion for approximately one hundred investments.

Tikehau Capital's main funds dedicated to direct lending are as follows:

TIKEHAU DIRECT LENDING III

Fund inception date	December 2014
Legal form	Luxembourg SICAV-SIF
Fund size (as at 31 December 2016)	€610 million

Launched by Tikehau IM in December 2014, Tikehau Direct Lending III ("TDL III") is a specialised investment fund under Luxembourg law (SICAV-SIF) approved by the Luxembourg *Commission de Surveillance du Secteur Financier* (CSSF,see the Glossary in Section X.5). TDL III is currently the main fund of the Group's private debt platform, amounting to €610 million. TDL III offers alternative Stretched Senior, Senior Debt, Unitranche and Mezzanine financing in Europe, which are suitable for any situation: corporate finance or LBO acquisition financing (see the Glossary in Section X.5). The fund chiefly targets investments in companies valued at between €50 and €500 million, belonging to various sectors and geographical areas.

As at 31 December 2016, TDL III had invested a total of approximately €407.2 million in a little over twenty companies established in France, Spain, Belgium and Norway. For example, some recent investments include the unitranche financing of the acquisition of the Spanish company Elix Polymers by Sun Capital, Financière Rive Gauche by the Atland Group, and the acquisition of AssurCopro by Eurazeo.

Investors committed alongside Tikehau in this fund are primarily insurance companies, pension funds, private banks and family offices based in France, Spain, Italy, Belgium, Canada, Hong Kong or Finland.

At the filing date of this Registration Document, TDL III is invested in excess of 75%, which enables the launch of a new generation of funds dedicated to direct lending (TDL IV). The fund matures in 2022 with an extension option of two times one year.

TIKEHAU PREFERRED CAPITAL

Fund inception date	June 2012
Legal form	French FCPI
Fund size (as at 31 December 2016)	€124 million

Tikehau Preferred Capital ("TPC") is a French FPCI (professional private equity fund) regulated by the AMF and set up by Tikehau IM in June 2012 to provide investors with exposure to the French and European unitranche, subordinated and mezzanine debt financing market. The fund specialises in transactions where the enterprise value is between €50 million and €500 million targeting LBOs (see the Glossary in Section X.5) or acquisition financing for companies with flexible and innovative structures.

With a flexible investment strategy, the fund makes use of various tools (OBSA, OC, ORA, etc., see the Glossary in Section X.5) to build financing structures tailored to the requirements of each situation and each company and their sponsors/private equity fund shareholders. TPC thus favours the following assets:

- Unitranche financing;
- Mezzanine financing; and
- PIK financing.

The TPC investment period expired on 30 June 2016. TPC has a lifespan set to mature in November 2023 with an extension option of one year.

NOVI 1
Fund inception date June 2015
Legal form French FPS

In 2015, Tikehau IM and Financière de l'Echiquier, in partnership with CroissancePlus, were selected as the result of a tender launched by the Caisse des Dépôts et Consignations (CDC), the French Federation of Insurance Companies (FFSA) and twenty-one French institutional investors, to manage a fund to finance the growth and innovation of SMEs and intermediate-sized companies (see the Glossary in Section X.5). NOVI is a specialised loan fund ("FPS"), a French vehicle structured as a long term SICAV whose purpose is to fund organic, external growth, and the international development of French growth SMEs and intermediate-sized companies. This is the first industry vehicle allowing a joint investment in shareholders' equity and debt, and particularly meets the needs of high-growth French companies. After NOVO in 2013 (see below), this is the second industry mandate obtained by Tikehau Capital.

This specialised loan fund aims to invest in a broad range of assets, especially in equity capital (equity securities or those convertible into equity) and senior debt (bond or loan). 20% of the portfolio must be invested in companies listed on the Euronext B and C markets and Alternext market, and 80% of the portfolio in unlisted companies. The fund has a lifespan of 21 years.

The investment universe of NOVI focuses on growth companies based in France with revenues of between €30 and €200 million, in the industrial and services sectors (excluding financial and real estate firms and companies under LBO (see the Glossary in Section X.5)) for funding amounts of between €3 and €20 million. Investments in unlisted companies must prioritise sectors included in the "New Industrial France" support plan. For listed companies, the portfolio selection should be carried out according to widely qualitative criteria, including corporate social and environmental responsibility (CSR), using a diversified portfolio approach.

NOVO 2
Fund inception date November 2013
Legal form French FCT

In 2013, Tikehau IM was selected as the result of a tender launched by the Caisse des Dépôts et Consignations (CDC), the French Federation of Insurance Companies (FFSA) and twenty-seven institutional investors, to manage an FPE (see glossary in Section X.5) intended for SMEs and intermediate-sized companies. This fund aims to provide loans to French mid-caps and SMEs by channelling available savings into finance for growth companies.

The FPE manages an initial budget of €1.0 billion increased in May 2016 by an additional amount of €390 million, a total of €1.4 billion consisting of two separate compartments, one of which is under the management of Tikehau IM (representing an amount of €0.4 billion at the end of December 2016). It is structured as a French Debt Securitisation Fund (FCT) buying bonds and issuing shares as investments are made during the first three years. The label "FPE" limits the investment period to three years which was thus concluded on 5 November 2016. The lifespan of the fund is 10 years.

The investment universe of the NOVO 2 debt securitisation fund focuses on the financing of French companies pursuing a commercial, industrial or agricultural activity (excluding financial and real estate activities and LBOs (see the Glossary in Section X.5)), of intermediate size. The entirety of a development project can be funded for loan amounts of between €10 and €50 million. The investment philosophy of the NOVO 2 fund is conservative (a maximum of 10% in the same company and a maximum of 20% in the same sector) and focuses on growth companies.

SOFIPROTEOL DETTE PRIVEE
Inception Date July 2016
Legal form FPE (economic development loan fund)
Fund size (as at 31 December 2016) €112 million

Sofiprotéol Dette Privée is an economic development loan fund ("FPE") created in July 2016 by Tikehau IM to finance the development of businesses of all sizes in the agro-industrial and agro-food sectors, by granting interest-only loans repayable on maturity or leveraged acquisition finance.

The FPE was created as part of the partnership between Tikehau IM and Sofiprotéol, a subsidiary of the Groupe Avril which has extensive knowledge in these sectors. The Groupe Avril is a major French industrial and financial group which operates in sectors as diverse as human nutrition, animal feed and animal sciences, renewable energy and chemistry. Funded initially by Sofiprotéol (for €25 million) and Tikehau Capital (for €5 million) with a group of leading investors, the fund has reached a size of €125 million at the first closing (limited to €103 million with the restrictions of investment ratios imposed by some investors) with the aim of attaining €150 million in commitments.

Special situations fund

In anticipation of deteriorating macroeconomic conditions, Tikehau Capital launched a new special situations fund, Tikehau Special Opportunities ("TSO") that follows on several past funds launched by the Group since its inception.

TIKEHAU SPECIAL OPPORTUNITIES	
Inception Date	July 2016
Legal form	Luxembourg SICAV-SIF
Fund size (as at 31 December 2016)	€61 million

TSO is a Luxembourg investment fund created by Tikehau IM in July 2016 to offer various solutions for financing or refinancing to vulnerable borrowers in an environment that encourages banks to undervalue their assets and their debt (a decline in liquidity, increasing regulatory pressure, etc.).

With the support and expertise of all the management teams and the credit-research team of Tikehau IM, TSO is an opportunistic and multi-sector fund which aims to invest in all asset classes (including credit, equity and real estate), mainly in Europe, focusing primarily on undervalued debt (stressed credit), in amounts of between €5 and €50 million, with a diversified portfolio. Applying a conservative approach, the portfolio seeks sector and geographic diversification, with a maximum allocation of 10% of assets in a single company, and a maximum allocation of 20% per sector.

(ii) Senior Debt (leveraged loans) activities

The Senior Debt (leveraged loans) activity includes funds focused on investments in Senior Debt (i.e., TSLII and TCLLF), CLO business and special situations funds (mainly TSO at the filing date of this Registration Document). As at 31 December 2016, this activity represented total assets under management of €2.9 billion.

Loan funds

At the filing date of this Registration Document, the main Tikehau Capital loan funds are:

TIKEHAU SENIOR LOAN II	
Inception Date	October 2015
Legal form	French FCT
Fund size (as at 31 December 2016)	€522 million

Tikehau Senior Loan II ("TSL II") is a vehicle dedicated to the European senior debt strategy which was launched by Tikehau IM in October 2015. The aim of the fund is to build a diversified exposure to the European senior loan market (senior loans and senior secured bonds) in companies with an EBITDA of between €20 and €250 million, an enterprise value of between €100 million and €1.5 billion and a maximum level of leverage set at 5.5x. The investment universe is primarily European companies in the context of acquisition financing transactions (LBOs (see the Glossary in Section X.5) led by private equity funds). The approach combines participation in large European syndications and transactions originated by Tikehau IM.

The end of the marketing period for TSL II is expected to be in 2017. The fund has a maturity fixed for 2025. As at 31 December 2016, TSL II had collected nearly €522 million in commitments.

TIKEHAU CORPORATE LEVERAGED LOANS FUND

Fund inception date	November 2013
Legal form	French FCT
Fund size (as at 31 December 2016)	€236 million

Tikehau Corporate Leveraged Loans Fund ("TCLLF") allows investors to access the market for bank loans in a regulatory framework that has been clarified (notably as part of the reform in summer 2013 of the French Insurance Code that permitted insurers to invest in debt securitisation funds (FCTs)) and benefit from attractive market conditions. The Fund's portfolio consists mainly of primary investments to focus on transactions including the negotiation of key terms, to benefit from new market standards and help improve end returns through customised loans. TCLLF investments in the secondary market have been focused on post-2008 transactions offering higher margins and sanitised capital structures.

The entire portfolio targets instruments with a level of leverage of between 2x and 5x EBITDA. Diversification remains one of the cornerstones of the TCLLF investment strategy with maximum exposure at under 4% of the fund in any sector. The investment period has been completed and TCLLF matures in November 2023, subject to an extension period of one year.

To complete its portfolio in the field of leveraged loans, in late 2016 Tikehau Capital reached an agreement with Lyxor UK, a company in the Lyxor Group (management company of the Société Générale Group) dedicated to European senior debt management, to carry out the delegated management of this business. This operation enables the Group to strengthen its senior debt activity, especially on LBO-type transactions (see the Glossary in Section X.5). Following this operation, Tikehau IM has replaced Lyxor UK to become the manager of four Lyxor European senior debt funds, totaling about € 700 million in assets under management. Under this agreement, Lyxor UK's European senior debt operational team, numbering seven employees, joined the Tikehau Capital staff based in London to strengthen Tikehau Capital's resources and to ensure the continuity of operations.

CLO Activities

Tikehau Capital entered the securitisation market in 2015 through the launch of securitisation vehicles dedicated to CLOs. The objective of Tikehau Capital is to become established permanently in the CLO market through Tikehau Capital Europe and to carry out one or two CLO transactions per year for approx. €300 to €400 million. The role and activities of Tikehau Capital Europe are described in more detail in Section I.4(a)(iv) (The subsidiaries of Tikehau Capital - Tikehau Capital Europe) of this Registration Document.

At the filing date of this Registration Document, Tikehau Capital has launched two CLO vehicles: Tikehau CLO I and Tikehau CLO II (which are described below), and is in the process of launching a third CLO. The obligations issued by Tikehau CLO I and Tikehau CLO II are backed by a dynamic and diversified portfolio of syndicated loans and bond financing to all business sectors, principally located in Europe, in order to finance their growth or development projects abroad. As shown below, the different bond issues made by Tikehau CLO I and Tikehau CLO II are rated by Moody's and Fitch. These ratings reflect different levels of risk, allowing investors to target their investment in a given bond issue based on their risk and return objectives. Thus, in practice, as shown by the presentation of Tikehau CLO I and Tikehau CLO II liabilities below, the higher the risk associated with a bond issue, the higher its coupon.

At the filing date of this Registration Document, Tikehau Capital CLO vehicles include:

TIKEHAU CLO I

Settlement date	July 2015
Vehicle size	€355 million

Tikehau CLO I is the first bond securitisation fund backed by a portfolio of loans (CLO) structured by Tikehau Capital in July 2015 for €354.7 million. The deal was carried out with Goldman Sachs as arranger and placement agent and the settlement date was 16 July 2015.

With repayment on maturity after 13 years, the portfolio of the vehicle is made up of over 90% variable rate senior secured loans granted in the form of leveraged loans or bonds. The bonds issued by Tikehau CLO I were placed with about twenty institutional investors, mainly French and European. The rating agency Fitch has assigned the portfolio an average grade of "B to B-".

Tikehau Capital is exposed for 10.8% of the liabilities of Tikehau I CLO, that is, for a total nominal value of €38.2 million in the subordinated (equity) tranche and the F tranche as described below. This investment includes the retention piece, i.e., the retention rate of 5% of the securitised assets which under the regulations is applied to the originating entity (in this case Tikehau Capital Europe). (See Section I.6(a)(viii) (Capital requirements) of this Registration Document.)

Characteristics of the securities issued by Tikehau CLO I:

Class of bonds issued	**Rating (Moody's/Fitch)**	**Amount (In € thousands)**	**Coupon**	**Final maturity**
A-1	Aaa/AAA	161,000	Euribor3m+1.40%	13 yrs
A-2	Aaa/AAA	40,000	1.88%	13 yrs
B	Aa2/AA+	39,000	Euribor3m+2.00%	13 yrs
C	A2/A	20,000	Euribor3m+2.90%	13 yrs
D	Baa2/BBB	18,000	Euribor3m+3.25%	13 yrs
E	Ba2/BB	25,000	Euribor3m+4.60%	13 yrs
F	B2/B-	10,000	Euribor3m+5.90%	13 yrs
Subordinated	Unrated	41,700	N/A	13 yrs
TOTAL		**354,700**		

<u>TIKEHAU CLO II</u>

Settlement date	November 2016
Vehicle size	€414 million

Tikehau CLO II is a bond securitisation fund backed by a portfolio of loans (CLO) structured by Tikehau Capital in October 2016 for an amount of €414.2 million. The deal was carried out with Citi as arranger and placement agent and the settlement date was 30 November 2016.

With repayment on maturity after 13 years, Tikehau CLO II is also made up of over 90% variable rate senior secured loans. The bonds issued by Tikehau CLO II were placed with twenty institutional investors, mainly French and European.

Tikehau Capital is exposed for 5.4% of the liabilities of Tikehau II CLO, that is, for a total nominal amount of €22.4 million in the subordinated (equity) tranche as described below. This investment includes the retention piece, i.e., the retention rate of 5% of the securitised assets which under the regulations is applied to the originating entity (in this case Tikehau Capital Europe). (See Section I.6(a)(viii) (Capital requirements) of this Registration Document.)

Characteristics of the securities issued by Tikehau CLO II:

Class of bonds issued	Note (provisional) (Moody's/Fitch)	Amount (In € thousands)	Coupon	Final maturity
A	Aaa/AAA	244,000	Euribor3m+1.06%	13 yrs
B	Aa2/AA	46,000	Euribor3m+1.70%	13 yrs
C	A2/A	23,000	Euribor3m+2.57%	13 yrs
D	Baa2/BBB	18,000	Euribor3m+3.60%	13 yrs
E	Ba2/BB	28,000	Euribor3m+6.25%	13 yrs
F	B2/B-	10,500	Euribor3m+7.50%	13 yrs
Subordinated	Unrated	44,700	N/A	13 yrs
TOTAL		**414,200**		

(c) Real estate activities

As at 31 December 2016, assets under management in Tikehau Capital's real estate activity amounted to approximately €1.8 billion, representing 18% of assets under Group management. These assets consist of (i) real estate funds managed by Tikehau IM; (ii) a permanent capital real estate company dedicated to real estate co-investment (TREIC); and (iii) the assets of IREIT Global, a real estate trust listed in Singapore.

(i) Real estate activities conducted through Tikehau IM

Since its creation in 2004, the Company has made direct real estate investments. In 2014, thanks to the recruitment of a dedicated team, a strategy to increase real estate assets under management has been implemented by the Group. Thus, Tikehau Capital has endeavoured to develop a proper real estate platform in order to be able to seize the opportunities offered by a property market, particularly in Western Europe, which is noted for strong investor appetite.

Unlike the funds dedicated to credit, the real estate investment activity is developed through the set up of dedicated acquisition vehicles for each transaction, usually structured in France in the form of undertakings for collective investment in real estate ("OPCI"), rather than through funds dedicated to the management of real estate investments. This structuring "tailored" to each investment transaction carried out by the real estate platform allows Tikehau Capital to maintain the nimbleness and flexibility that characterises its investment strategy. Tikehau Capital manages these vehicles through its subsidiary Tikehau IM, which receives management fees, arrangement and structuring fees and income related to carried interest). (See Section I.4(a)(iv) (The subsidiaries of Tikehau Capital) of this Registration Document.)

Tikehau Capital's real estate investment activities mainly focus on commercial property, seeking particularly sale and lease-back transactions in which the Group's vehicles act as purchaser and involving quality counterparties (sellers and, subsequent to the transaction, tenants) with a yield-generating potential as well as a potential capital gain on resale.

Assets under management, of which the main ones are described below, include commercial assets (stores in commercial areas (52%) and shopping centres (22%)), industrial assets (13%) and logistics parks (12%).

The following table presents the main real estate investment vehicles managed by Tikehau IM as at 31 December 2016:

	Amount of assets under management as at 31 December 2016
Tikehau Real Estate I	€105.7 million
Tikehau Retail Properties I	€140.5 million
Tikehau Retail Properties II	€82.4 million
Tikehau Retail Properties III	€255.9 million
Tikehau Italian Retail Fund I	€95.0 million
Tikehau Logistics Properties I	€95.4 million
Tikehau Real Estate II	€269.2 million
Total	**€1.044 billion**

Historically, as part of its balance sheet allocation policy, the Group has made investments in vehicles dedicated to real estate and managed by the Group. The portfolio of investments recorded on the Group's balance sheet in Tikehau Capital strategies dedicated to real estate reflects the structured real estate transactions conducted by Tikehau IM in recent years. This portfolio represented a total amount of €178.2 million on a *pro forma* basis as at 31 December 2016. Income generated by this portfolio mainly takes the form of distributions made by the vehicles.

The main structured real estate transactions, carried out and managed by Tikehau IM include:

TIKEHAU REAL ESTATE I

Inception date	March 2014
Legal form	SPPICAV
Fund size (as at 31 December 2016)	€106 million

Tikehau Real Estate I ("TRE I") is a vehicle set up by Tikehau IM in early 2014. This transaction initially involved the sale and lease-back of 17 French fully-owned sites mainly used for industrial laundries, leased by the Elis Group, European leader in the rental and cleaning of linen and professional clothing which is listed on Euronext Paris. In late June 2014, TRE I acquired five additional sites in a second transaction, increasing the total sites in its portfolio to twenty-two and the amount of assets in the vehicle to €100 million. The objective is to sell the assets at the end of the period to the Elis Group or to investors with a residual commitment of eight years. The position is secured by the ownership of the assets and 15 years firm net investment leases. The total acquisition amount is €100 million, financed from equity. The unleveraged investment has an estimated term of 5 to 7 years.

TIKEHAU RETAIL PROPERTIES I

Inception date	December 2014
Legal form	SPPICAV
Fund size (as at 31 December 2016)	€141 million

Tikehau Retail Properties I ("TRP I") is a predominantly real estate investment company with variable capital (SPPICAV) set up by Tikehau IM to acquire a property portfolio from ICADE that consists of about forty sites located in France, leased by the Mr Bricolage chain and the Gifi chain (one site). Mr. Bricolage is one of the leading French distributors of building, DIY and interior design materials for individuals. The chain has about 800 stores in 14 countries, mainly in Europe. The total acquisition amount has reached €135 million, financed from unleveraged equity. The unleveraged investment has an estimated term of 6 years.

TIKEHAU RETAIL PROPERTIES II

Inception Date	October 2015
Legal form	SPPICAV
Fund size (as at 31 December 2016)	€82 million

Tikehau Retail Properties II ("TRP II") was set up by Tikehau IM in connection with the purchase from Hammerson of co-ownership units representing almost 60% of the area of the Bercy 2 shopping centre. Other co-owners are Carrefour Property and Darty. The total purchase price including acquisition costs was €70 million, partially funded by bank financing.

Located just outside Paris, Bercy 2, opened in 1990 and designed by Renzo Piano, has 70 stores and a total sales area of approximately 34,000 m². It includes a food anchor store, Carrefour, and a shopping mall with 70 shops including 6 medium-sized stores (Darty, H&M, Fitness Park, Tati, Go Sport, etc.). It also has 2,200 parking spaces. This shopping centre, refurbished in stages between 2011 and 2013, has a catchment area of 675,000 inhabitants. The objective is to dispose of the asset at the end of the period after improving its attractiveness through modernisation and repositioning and a redesigned trading plan.

<u>TIKEHAU RETAIL PROPERTIES III</u>

Inception Date	October 2015
Legal form	SPPICAV
Fund size (as at 31 December 2016)	€256 million

Tikehau Retail Properties III ("<u>TRP III</u>") was set up by Tikehau IM for the purpose of acquiring 35 retail properties representing a hundred rental units distributed all over France. The portfolio is geographically diversified and the assets are leased to over forty different chains that are well established in their area and nationwide. The two main tenants are the chains Babou and Brico-Dépôt. The Babou stores, the French market leaders in the discount textile/dime store sector, represent about 60% of rental income. Babou is also the top dime store chain in sales revenue per outlet. Brico-Dépôt, the leading chain in the DIY market and owned by Kingfisher, also occupies some premises in the portfolio, representing approximately 10% of rental income.

As at 31 December 2016, the portfolio occupancy rate was about 94% for a total area of approximately 200,000 m². The total cost of the acquisition was €250 million, partly financed by bank debt. The strategy is based on optimising the current rent by renegotiating long-term leases with the main tenants. There is also a potential for the leasing of vacant sites and redevelopment of some sites. The investment has an estimated term of 8 to 10 years.

<u>TIKEHAU ITALIAN RETAIL FUND I</u>

Inception Date	February 2016
Legal form	Luxembourg CSCS
Fund size (as at 31 December 2016)	€95 million

Opened in 2007, the shopping centre "I Petali di Reggio Emilia", located in Reggio Emilia in northern Italy, now receives around 4 million visitors a year. The shopping centre covers an area of 27,900 m² distributed on two floors, which includes about sixty national and international brands, a multiplex cinema with eleven screens, a fitness centre and parking for around 1.500 vehicles. The assets were acquired from CBRE Global Investors for an amount of €87.1 million by the fund Tikehau Italian Retail Fund I ("<u>TIRF I</u>"), a vehicle set up and managed by Tikehau IM, whose investors include the Company alongside leading institutionals and private investors.

<u>TIKEHAU LOGISTICS PROPERTIES I</u>

Inception Date	July 2016
Legal form	SPPICAV
Fund size (as at 31 December 2016)	€95 million

Tikehau Logistics Properties ("<u>TLP I</u>") was set up by Tikehau IM in August 2016 to acquire from the Compagnie du Parc de Bercy, a logistics asset located at Porte de Bercy in Charenton-le-Pont. The transaction value amounts to €92.3 million. This logistics asset, located close to the Bercy 2 shopping centre represents a built area of approximately 30,000 m² for a land area of about 44,000 m². It enjoys excellent road access and meets "last mile logistics" criteria. It recently underwent considerable conversion and renovation of the units, thus bringing them up to the latest standards (ICPE standards, BREEAM certification). The strategic location of this asset has attracted well-known tenants such as UPS, Geodis Calberson and Newrest on long-term leases.

<u>TIKEHAU REAL ESTATE II</u>

Inception date	December 2016
Legal form	SPPICAV
Fund size (as at 31 December 2016)	€269 million

Tikehau Real Estate II ("TRE II") was set up by Tikehau IM in December 2016 for the acquisition from the EDF Group of a portfolio of approximately 130 mixed assets consisting of office and business premises located in France. The portfolio is 92% occupied by companies affiliated to the EDF group who, being under the obligation to provide nationwide coverage, require an extensive network of rental property; this offers opportunities for redevelopment on conveniently located sites. The Company has invested chiefly alongside institutional investors and TREIC, the Group's real estate company dedicated to co-investments in real estate transactions (see next section).

(ii) *Real estate activities through TREIC*

TIKEHAU REAL ESTATE INVESTMENT COMPANY	
Inception date	December 2015
Legal form	*Société par actions simplifiée*
Vehicle size	€250 million

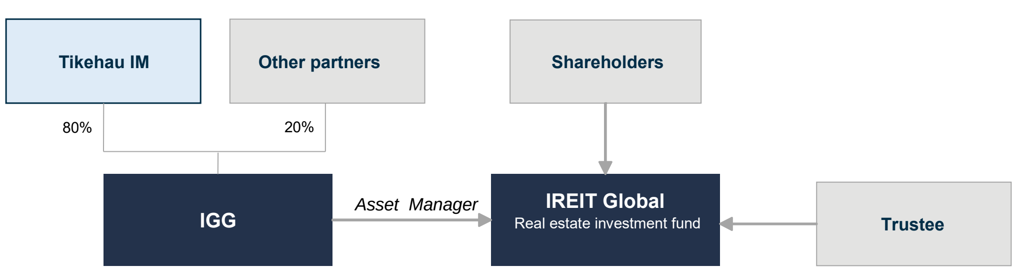
As part of the development of its real estate platform, at the end of 2015 Tikehau Capital set up a real estate vehicle, Tikehau Real Estate Investment Company ("TREIC"), a permanent capital real estate company dedicated to co-investments in real estate transactions carried out and managed by Tikehau IM. TREIC is an opportunistic and multi-sector investment vehicle able to invest in all types of real estate assets (industrial, retail, residential, offices, health facilities, etc.) throughout Europe alongside local partners for investments abroad. This company, whose capital is approximately 30% owned by Tikehau Capital along with leading investors and the Group's historical partners, made two investments in 2016. TREIC, which is destined to continue growing, benefits from the expertise of recognized professionals in the world of real estate and shareholder representatives who are the mainstay of its governance and are members of its investment committee. Lastly, when TREIC invests in vehicles managed by the Group, it is intended that the former will receive 25% of the carried interest from the vehicles concerned. At the filing date of this Registration Document, TREIC has investment commitments for a total amount of €250 million.

(iii) *Real estate activities conducted through IREIT Global*

IREIT Global ("IREIT") is a Singapore real estate company (structured as a trust) whose securities have been listed on the Singapore Stock Exchange (SGX) since 13 August 2014 (SGX ticker: UD1U). IREIT was the first Singapore-listed property company whose strategy is to invest in real estate assets located in Europe.

On 11 November 2016, Tikehau Capital made an indirect acquisition of an 80% equity interest in IREIT Global Group Pte. Ltd. ("IGG"), the management company of IREIT, the balance of IREIT stock being held by two specialists in real estate investment (Shanghai Changfeng Group Co. Ltd, which is based in China, and Dolphin Pte. Ltd, which is based in Singapore) who are also major shareholders of IREIT. On completion of the transaction, Tikehau Capital also acquired a 2% interest in IREIT.

The simplified organization of the IREIT Group following the completion of the acquisition of the 80% stake in IGG is as follows:



The purpose of IREIT will be to invest in an income-generating real estate portfolio in Europe, targeting primarily office buildings and other investments with real estate as the underlying asset. The trust is a fiduciary relationship in which the legal ownership of assets is undertaken by the trustee (in this case DBS Trustee Limited), which is responsible for holding it on behalf of the beneficial owners (in this case the holders of the listed shares in the trust). The trust assets are managed by IGG. The revenues of the trust are mainly the rental income generated by its properties plus any capital gains on disposals. This income is distributed to shareholders to generate a recurring return.

IREIT's portfolio currently consists of five fully-owned office buildings in Germany, strategically located in the business districts of Berlin, Bonn, Darmstadt, Münster and Munich. Most of the premises are leased to the German telecommunications operator Deutsche Telekom. Leasable space within the portfolio on 31 December 2015 totalled over 200,000 m² including approximately 3,400 parking spaces.

As at 31 December 2016, based on the annual financial report of IREIT, the value of the real estate assets held by IREIT was €453 million. As at 31 December 2016, IREIT's market capitalisation was approximately SG $445 million, i.e., approximately €300 million.

Under the takeover of IGG by Tikehau Capital, the Group is now responsible for the management of the IREIT portfolio and the continuity and development of its real estate investment activities, on the strength of the expertise of the operational teams and managers of the Group's real estate activity, whose numbers have been greatly strengthened in recent months owing to the growth in assets under management.

As such, the fund's investment strategy and the IREIT mandate are currently being revised to expand the scope of its investments to industrial and commercial assets and to reinforce its presence in other European countries, notably France and Italy.

More information about the activities, results and prospects of IREIT are included in the IREIT 2016 annual report which is available (in English) on IREIT's website: www.ireitglobal.com.

The acquisition of IGG enables Tikehau Capital to strengthen its positions in Asia from Singapore, where the company has had an office since 2014, and to further increase its real estate investment capacities in Europe.

(d) Private equity

(i) Overview of private equity activities

At its inception in 2004, the Company was formed to be an investment company whose purpose is to invest in all types of asset classes or financial instruments without restrictions in terms of geographical or holding period, and with no predefined investment policy.

Thus, over the years the Company has built a diversified portfolio of equity capital investments (shares and hybrid instruments giving access to equity) in listed and unlisted companies, which has guaranteed it excellent resilience and a diversity of income. Consequently, since its inception, the Company has generated for its shareholders a gross IRR (see the Glossary in Section X.5), calculated as at 30 September 2016, of 9% with a leverage that has never exceeded 30%.

The investment portfolio is now held by the Company directly and through its subsidiary Salvepar, which specialises in minority investment and international co-investments and to which the Group has given priority on all investments within the scope of this strategy since the purchase of Salvepar from the Société Générale Group (see Section I.4(d)(iv) (Private equity activities through Salvepar) of this Registration Document).

At the filing date of this Registration Document, the Group's private equity activities are carried out exclusively from the Group's own resources (shareholders' equity and debt). As at 31 December 2016, private equity investments represented €1.4 billion in assets[25], invested on portfolio for €1.1 billion (€0.7 billion in external investment transactions and €0.4 billion in the Group's platforms) or available in cash for an amount of €0.3 billion. Private equity investments exclude investment in the funds managed by Tikehau IM or Tikehau Capital Europe.

The assets of the Tikehau Capital private equity portfolio can be broken down into two main categories:

- direct investment (mainly listed, unlisted or in funds managed by third parties) made by the Company (28% of the private equity portfolio on a *pro forma* basis as at 31 June 2016); and
- through Salvepar, minority investments and international co-investments (72% of the private equity portfolio on a *pro forma* basis as at 31 December 2016).

On a *pro forma* basis as at 31 December 2016, the Tikehau Capital private equity portfolio consisted of 26% listed instruments and 74% unlisted instruments. The private equity portfolio consists 80% of assets with registered offices in France, 9% in Europe and 11% in the rest of the world.

Following the completion of the takeover bid for Salvepar shares (see Section VIII.3 (Reorganization operations) of this Registration Document), the investment portfolio of Salvepar is intended to be fully integrated with the broader portfolio of Tikehau Capital.

The following table shows the main assets of the Tikehau Capital private equity investment portfolio on a *pro forma* basis as at 31 December 2016:

	Investment Category	**Investment value as at 31 December 2016**
HDL/ASSYSTEM	Direct and through Salvepar	€53.9 billion
SES Imagotag	Direct	€49.7 billion
DRT	Through Salvepar	€40.2 billion
Asten	Through Salvepar	€35.0 billion
Neoness	Through Salvepar	€25.6 billion
Naturex	Through Salvepar	€25.5 billion

This private equity investment portfolio allows the Company to supplement its recurring revenue base and to meet its operating expenses, in addition to occasional income from the disposal of assets (such as capital gains). This portfolio is highly diversified (the largest asset (HDL/Assystem) represents approximately 6% of the investment portfolio on a *pro forma* basis as at 31 December 2016 and is composed of assets with potential for attractive returns or more defensive assets generating recurring revenue.

(ii) *Private equity strategy*

Since its inception, Tikehau Capital has developed an expertise in the field of private equity. This expertise is put into practice by a dedicated team of eight employees based in Paris, London and Brussels, which also benefits from time to time from the support of the teams based in Singapore and Milan.

Before 2013, private equity investments were carried out by the Company. Since control of Salvepar was acquired in October 2012, most direct private equity investments have been conducted through this dedicated vehicle, although the Tikehau Capital Advisors teams are able to propose investments to Salvepar under an investment advisory agreement. (See Section I.4(d)(iv) (Private equity activities through Salvepar) of this Registration Document.) Exceptionally, should Salvepar, for reasons of its own, not wish to make an investment proposed by the team that comes under its investment strategy, this investment could possibly be made by the Company on its own. In addition, the Company and Salvepar have the right to co-invest in the same transaction, such as the investment made by the Group in Assystem (see Section I.4(d)(iii) (Direct private equity activities) of this Registration Document). However, rules exist at Group level to prevent conflicts of interest, in particular situations where several Tikehau Capital vehicles that have invested in the

25 Assets under management at 31 December 2016 including a share of the assets under management of Duke Street LLP for €0.2 billion, which reflects Tikehau Capital's financial holding in Duke Street LLP.

same company have interests that are not aligned (for instance, when they have invested respectively in equity capital and in debt, a situation which is forbidden). In addition, compliance procedures exist to identify conflicts of interest. (See Section III3(f) (Prevention of insider misconduct and compliance) of this Registration Document.)

The investments are generally minority interests and are made in unlisted or listed companies, with a broad investment mandate, usually with a view to a long-term holding, according to a plan of value creation identified from the beginning of the investment. The team maintains regular contact with the management teams of the companies in which it invests, and is often involved on the governance bodies of the companies in the portfolio.

The investment scope is worldwide, given that in the regions where the team has no experience or presence, investments are carried out as co-investments with local investors known to Tikehau Capital.

Unlike its other business lines, at the date of this Registration Document registration, the Group's private equity activities are carried out exclusively from the Group's own resources (shareholders' equity and debt) and not as part of asset management activities on behalf of third party investors. With its aggregate experience in this business and its performance history, Tikehau Capital is planning, through its subsidiary Tikehau IM, to launch vehicles (structured as funds or unlisted permanent capital companies) managed on behalf of third-party investors and dedicated to private equity investments. These vehicles will focus particularly on its existing expertise in minority private equity investment and international co-investments alongside leading partners. With this in view, the employees of Tikehau Capital Advisors and Salvepar dedicated to this activity have been transferred to Tikehau IM with effect from the date of listing of the Company's shares on the regulated market of Euronext Paris, i.e., 7 March 2017.

(iii) *Direct private equity activities*

The direct investment portfolio of Tikehau Capital represented a total amount of €166.5 million on a *pro forma* basis as at 31 December 2016.

The following table summarises the main holdings in Tikehau Capital's direct investment portfolio:

	Investment value as at 31 December 2016
SES Imagotag	€49.7 billion
Foncière Atland	€8.8 billion
Castiglione	€8.6 billion
Nafilyan	€7.9 billion
Angelmar	€7.0 billion

Due to the completion of the takeover bid on Salvepar shares (see Section VIII.3 (Reorganization operations) of this Registration Document), it is intended that the Salvepar investment portfolio will be fully integrated into the larger Tikehau Capital portfolio.

At the date of this Registration Document, the Company's most significant direct investments in terms of value include:

ses imagotag

SES IMAGOTAG (formerly Store Electronic Systems)

Initial investment date	April 2010
Amount invested as at 31 December 2016	€48.7 million
Market capitalisation as at 31 December 2016	€318.9 million
Value of equity interest as at 31 December 2016	€49.7 million
Location of registered offices	France
Percentage held by the Company at 31 December 2016	15.7% of share capital and voting rights

Description of the asset

Store Electronic Systems, renamed SES-imagotag (SES) in 2015, is a company whose shares are listed on Euronext Paris (Compartment C). SES specialises in the design and marketing of complete labelling systems for display shelving. The company is the world leader in a fast-growing market. Competition is mainly limited to a Swedish company with which SES shares the vast majority of the world market. In the past SES achieved the majority of its sales revenue in France and especially among independent retailers, but in recent years has managed to deliver strong international growth. (In 2016, 62% of SES-imagotag's sales were generated outside France).

Investment History

As a reminder, TCP was a co-investor in the LBO (see the Glossary in Section X.5) that preceded SES' initial public offering in February 2006. The Company acquired the shares on Euronext between 2010 and 2015.

Current situation and future outlook

Over financial year 2016, sales revenue amounted to €177 million, i.e. an organic growth of 59% compared to 2015. Revenue in France rose by 58% to €68 million. This performance is due to the development of new market segments in non-food business (Sephora, Darty, Boulanger), the increase in SES-imagotag's market share in the food sector (the first contract for deployment of Casino), the positive momentum of sales to independent retailers, and a sustained policy of innovation that encourages the installed base to renew its technology. Internationally, a new record was also set with sales revenue of €109 million, up 60%; this represents 62% of the total activity of SES-imagotag. This performance was mainly achieved through accelerated deployments in Europe, notably in Germany (Media-Saturn), Scandinavia (Jysk, Spar), Italy and Spain. In 2017, SES-imagotag plans to continue its international development and a sustained innovation policy. Given the portfolio of business opportunities, SES-imagotag confirmed its 2017 objective of achieving the milestone of €200 million in sales revenue.

Breakdown of shareholders as at 31 December 2016

● Others	44.4%
● Chequers	20.2%
● Tikehau Capital	15.6%
● Sycomore Asset Management	7.7%
● Pechel Industries	6.7%
● Phison Capital	5.4%

Detailed information about the group can be found on the SES-imagotag website: www.ses-imagotag.com.

HDL/ASSYSTEM

Initial investment date	December 2013
Amount invested as at 31 December 2016	€40 million[26]
Market capitalisation as at 31 December 2016	€588.1 million
Value of equity interest as at 31 December 2016	€53.9 million
Location of registered offices	France
Percentage of HDL held as at 31 December 2016	27%

Description of the asset

Assystem is a company whose shares are listed on Euronext Paris (compartment B). Assystem is one of the foremost French outsourced engineering and innovation consultancy groups.

The group's activity is divided into four areas:

- Global Product Solutions (60% of sales revenue in 2016)
- Energy & Infrastructure (33% of sales revenue in 2016)
- Staffing (6% of sales revenue in 2016)
- Miscellaneous (1% of sales revenue in 2016)

As at 31 December 2016, Assystem has over 12,500 employees worldwide. The company is active in the following sectors: aerospace, automotive and transportation, the nuclear industry, energy and defence.

Investment History

At the end of 2013, Dominique Louis, founding president and key shareholder of the Assystem Group, announced a takeover bid for the shares of Assystem. Tikehau Capital participated in the financing of the takeover bid for €40 million by investing in the capital of HDL, the personal holding company of Mr. Dominique Louis. As part of this transaction, Salvepar invested €30 million and the Company and the professional private equity fund (FPCI) Tikehau Preferred Capital (managed by Tikehau IM) also contributed to the equity financing of the takeover bid for a total of €10 million.

Tikehau Capital have signed a shareholders' agreement with Dominique Louis, and has the right to appoint two members to the Board of Directors of HDL Development and a representative of Salvepar has a seat on the Assystem Board of Directors.

Current situation and future outlook

In 2016, Assystem achieved consolidated sales revenues of €955.6 million, representing growth of 5.3% and organic growth of 5.4% at current exchange rates. Operating profit on business activity amounted to €66.9 million, or 7% of sales revenue (compared with €57.8 million and 6.4% respectively in 2015). The group's share of net income amounted to €31.5 million in 2016 (vs. €27.2 million in 2015).

In a positive market for the automotive, aerospace and nuclear sectors, Assystem is targeting for 2017:

- organic growth in its sales in constant currency of over 3.5%;
- a further increase in its business operating margin and
- a free cash flow higher than 4% of revenue.

[26] Total amount invested by the Group, including €5 million for the Company, €30 million for Salvepar and €5 million for the FCPI Tikehau Preferred Capital which is managed by Tikehau IM

Breakdown of shareholders of Assystem as at 31 December 2016:

- HDL Development 60.7%
- Treasury shares 3.1%
- Free float[27] 36.2%

Detailed information about the group can be found on the Assystem website: www.assystem.com.

The Company's portfolio is complemented by other indirect investments, the most significant of which include:

- Funds of funds and co-investments - The Company has invested in some twenty private equity and real estate funds. The main holdings are JC Flowers IV (a private equity fund investing in the banking and financial sectors), Alter Equity 3P (a private equity fund investing in France, centred around responsible investment), P2 Brasil Private Infrastructure II (a Brazil-based private equity fund), and CityStar (real estate investment in Cambodia).

- Duke Street - The Company also operates in the field of private equity through the partnership between the Group and Duke Street. Based in London, Duke Street has been a historic European player in private equity for more than twenty years. (See the website of Duke Street: www.dukestreet.com.) In 2013, the Company and Tikehau Capital Advisors acquired a 35% equity interest in the management company Duke Street LLP. This stake was the subject of a transfer agreement to be fully transferred to the Company as part of the reorganization operations (see Section VIII.3 (Reorganization operations) of this Registration Document). Tikehau Capital has a carried interest in the outperformance of the funds and operations conducted by Duke Street and two seats on the investment committee.

- Tikehau Secondary - The Company holds a 67% equity interest in Tikehau Secondary, a platform that invests in secondary transactions. It owns 100% of the capital of Tikefonds, a portfolio of interests in investment funds in France and abroad (venture capital, development capital, and LBOs (see the Glossary in Section X.5)). Tikefonds acquired a portfolio of funds from Fondinvest Capital in December 2006 for the amount of €8.5 million. Two investments were subsequently acquired, including Siparex SPFII. The portfolio of interests is in liquidation phase.

(iv) Private equity activities through Salvepar

As at 31 December 2016, the Company held 58.8% of the capital and 59.8% of the voting rights of Salvepar, a holding company whose shares were listed on the regulated market of Euronext Paris (Compartment B). The reorganization of the Group and the restructuring of its business lines were completed by the public exchange offer and cash takeover bid for the ordinary shares and the ORNANE bonds issued by Salvepar and not yet held by the Company. Following the completion of this public exchange offer and cash bid and mandatory delisting, since 6 March 2017, the Company holds 100% of the Salvepar shares and Salvepar has been delisted. (See Section VIII.3 (Reorganization operations) of this Registration Document.)

Salvepar's Investment Strategy

Salvepar's investment strategy is based on two areas:

(1) minority medium-term investment in listed or unlisted companies (1st area); this investment area primarily targets mid-cap companies with a European or international exposure or seeking to increase their European or international exposure. In this respect, Salvepar's intention is to invest in companies as a minority shareholder with a view to financing their growth or their capital restructuring. Salvepar gives preference to OTC transactions in order to build up a long-term

[27] Including 0.23% owned by HDL

partnership approach, particularly in support of business strategies that centre on growth or development; and

(2) the diversification of its portfolio by investing based on an opportunistic approach, particularly in the form of international co-investments with partners, to seek other opportunities for growth and profitability (especially outside Europe) (2nd area).

Salvepar aims to build a portfolio that is based on sector and geographic diversification, that is solid (and in particular constituted by companies with a low debt ratio) and balanced, focusing on transactions that will promote the development of a partnership approach, either with companies in which it invests as anchor investor (basically 1st area investments), or with partners alongside which it invests (basically 2nd area investments). In the case of companies in which it invests, this approach is based on collaboration with the companies, their management and their shareholders, and in general, on obtaining clear rights as minority shareholders (for example in terms of governance and/or future exit terms).

Salvepar has an essentially asset-based approach to its portfolio and its investments. However, the company does not refrain from seeking more opportunistic investments with a different risk/return profile. Accordingly, Salvepar focuses on opportunities that lie outside the turnaround capital segment (which applies to companies in difficulties) and the venture capital segment (which applies to company startups or recently created businesses).

As part of its two strategic areas of investment, Salvepar invests primarily in equity and quasi-equity securities (convertible bonds, OCEANEs, etc.). The transactions can be conducted both on the primary market (through an issue of securities) or on the secondary market (through the purchase of securities). Depending on circumstances, it may also invest in other forms, particularly in debt securities (bonds in particular). Generally, Salvepar is careful to ensure that its portfolio generates streams of recurring and predictable revenue and that it should not only depend on asset disposals that are by definition random.

Until it was delisted, Salvepar operated with the support of the Tikehau Capital Advisors teams under service level agreements. Since then it has received the same services from the Tikehau IM teams.

Main investments made by Salvepar

At the date of this Registration Document, Salvepar's most significant direct investments in terms of value include:

DRT

Initial investment date	December 2014
Amount invested as at 31 December 2016	€40.2 million
Value of equity interest as at 31 December 2016	€40.2 million
Location of registered offices	France

Description of the asset

Specialised in plant chemistry, since 1932, the DRT group has developed rosin and turpentine extracted from pine resin. The DRT group supplies its range of high value-added products to over twenty leading industries from, among others, perfume, adhesive, rubber, chewing gum and food supplements, etc., more than 250 end-products used daily by consumers around the world. In addition to the raw material extracted from pine resin by tapping, nowadays an important part of supply also comes from the paper industry and the co-products arising from paper production. Almost all of the raw materials used by DRT are renewable and vegetable in origin. DRT, whose headquarters is in the Landes region of France, has four factories in south-west France, and has manufacturing facilities in China, India and the United States. DRT numbers among the French companies with high international standing. DRT has consolidated annual revenues exceeding €370 million of which 80% are generated abroad. Regarding purchases, DRT buys its supplies worldwide, from Scandinavia to South Africa, and including Asia and the Americas.

Investment History

Salvepar made a total investment of €4.9 million in DRT in 2014 and 2015. On 2 November 2016, Salvepar announced an additional investment of €35.5 million in DRT, bringing its total equity investment in the group to €40.5 million. The balance of the DRT share capital is wholly owned by family shareholders and the company's management team.

Current situation and future outlook

In 2015, DRT continued its international development, particularly through the acquisition of land in the United States in Georgia in order to build a turpentine refinery and a unit for the production of turpentine derivatives. DRT envisages that the new unit will be operational by mid-2017. This new production unit strengthens DRT's capacity to distil locally sourced turpentine in the United States.

In 2016, the DRT group made two major strategic transactions: firstly, it secured significant supplies of raw materials given the acquisition of a Scandinavian company specialising in the brokerage of such raw materials. In addition, on 2 November DRT announced the acquisition of the US company Pinova Inc. from the German group Symrise. Pinova Inc., with 195 employees, manufactures derivatives from pine stumps and other natural resources intended for industrial applications for its customers in more than 100 countries. This acquisition is in addition to the investment made by DRT to distil turpentine in the United States.

Detailed information about the group can be found on the DRT website: www.drt.fr.

EREN RENEWABLE ENERGY

Initial investment date	October 2015
Amount invested as at 31 December 2016	€16 million[28]
Value of equity interest as at 31 December 2016	€16 million
Location of registered offices	France

Description of the asset

Founded in 2012 by Messrs. Pâris Mouratoglou and David Corchia, and based in Paris, EREN Renewable Energy (EREN RE) is recognized for its know-how and unique expertise in the renewable energy sector. Together with local partners, the company is positioned in emerging markets with high potential, in geographical areas with significant wind or solar resources and that face growing energy needs. Since it was founded, EREN RE has built up substantial and diversified assets (wind, solar and hydro) representing a net installed capacity of about 350 MW in operation or under construction (to end December 2016), mainly distributed between France, Italy, Greece, Israel and India. EREN RE is also developing several projects in Asia, Africa and Latin America, with the target of achieving a net installed capacity of at least 2 GW by 2020.

Investment History

In October 2015 Salvepar participated for an amount of €32 million in EREN RE's €195 million fundraising. The first tranche (€16 million) has already been subscribed. EREN RE has the option to call down the second tranche for the same amount between 2016 and 2017. Salvepar's investment was made through Zéphyr Investissement, a joint venture with FFP Invest. Zéphyr Investissement is 53% owned by Salvepar and 47% by FFP.

Current situation and future outlook

The management team of EREN RE continues its strategy of deployment in several geographical regions (India, Greece, China, Africa).

More information about the group is available on the EREN RE website: http://eren-groupe.com/les-energies-renouvelables.

[28] Salvepar has committed to invest a second tranche of €16 million in Eren equity capital. This investment will take place in 2017.

LATECOERE

Initial investment date	June 2005
Amount invested as at 31 December 2016	€28.5 million
Value of equity interest as at 31 December	€21.0 million
Market capitalisation of the Company as at 31 December 2016	€394.0 million
Location of registered offices	France
Percentage holding as at 31 December 2016	5.4%

Description of the asset

Latécoère, whose shares are listed on Euronext Paris (compartment B), specialises in the manufacturing, sales and marketing of structures for the aerospace industry. Founded in 1917, the company is now a supplier to Airbus, Embraer, Dassault, Boeing and Bombardier. With its international network of subsidiaries, associates and subcontractors, the Group is now able to provide a comprehensive solution to its clients in a globalised market.

Its activity is divided into two areas:

– Industrial Aerostructures: sections of fuselage and doors (65% of 2016 revenue) and

– Interconnection systems: wiring, electrical furniture and embedded systems (35% of 2016 revenue).

Investment History

Salvepar invested in Latecoère in 2005 (i.e., prior to the acquisition of Salvepar by Tikehau Capital) and chose to increase its equity interest in 2015 under the restructuring of the company's balance sheet.

Breakdown of shareholders as at 31 December 2016:

● Apollo	15.1%
● Monarch	11.6%
● Salvepar	5.4%
● Free float	71.7%

Current situation and future outlook

As at 31 December 2016, the revenue of Groupe Latécoère amounted to €655.2 million, an increase of €33 million (+5.3%) compared to 31 December 2015. Over the period, the Group benefited from a positive currency effect related to the unwinding of €/$ hedges. On a constant currency basis, the Group's revenue was up 0.3%, in line with its forecasts at the start of 2016.

For financial year 2016, recurring operating income amounted to €47.9 million, compared with €18.9 million in 2015, a sharp improvement due to the implementation of the Performance component of the Boost plan initiated at the beginning 2014. The current operating margin thus reached 7.3% of revenue (up 3.3 points).

In 2016, Latécoère announced a plan of cost savings through industrial restructuring and the replacement of the head of the group by Yannick Aswad, who joined the group in November 2016 from the Zodiac Aerospace group. Groupe Latécoère has announced that it has set in motion most of the actions serving as groundwork for its Transformation 2020 plan. In addition to the negotiation and validation of the Employment Protection Plan (PSE) agreements and the implementation of the associated voluntary redundancy scheme, the Group has undertaken a number of key actions within the framework of the transformation of its industrial model.

Taking into account the portfolio of existing contracts, Groupe Latécoère estimates that Aerostructure revenues should decline in 2017 before stabilising over the period 2018-2020 (on a constant currency basis and based on the order schedules envisaged by the clients). Groupe Latécoère also believes that increased competition in the civil aeronautics market should lead some aircraft manufacturers to launch new programmes over the next two years in both business and commercial aviation. Nevertheless, due to the development time for new aircraft, the associated production activity for subcontractors will only be noticeable from 2025 onwards.

Detailed information about the group can be found on the Latécoère website: www.latecoere-group.com.

ASTEN

Initial investment date	January 2013
Amount invested as at 31 December 2016	€28.2 million
Value of equity interest as at 31 December 2016	€35.0 million
Location of registered offices	France
Percentage holding as at 31 December 2016	22.1%

Description of the asset

The Asten Santé group is a leading French multi-regional provider of home healthcare, originated from the voluntary and medical sector, and is located in the Loire Valley (Aliseo), the Midi-Pyrénées (Sadir Assistance), Upper Normandy (Adir Assistance), in Franche-Comté (DDS Assistance), and in Bas-Rhin (Air à Domicile). Several entities complete the group, either to develop business in the Ile-de-France (S2A Santé Ile-de-France) or technologies of the future, especially focused on telemedicine (H2AD). The Asten Santé group provides dependent patients with the services necessary for their home-based care (taking part in the coordination of care, undertaking technical and medical care, optimising adherence to treatment and improving the quality of life at home) especially in the field of respiratory support, treatment of sleep apnoea or PNI (perfusion, nutrition, insulin therapy).

Investment History

Salvepar invested in Asten Santé group in April 2014 by way of a purchase of part of the interest held by the Gemmes Venture group, the majority shareholder of the group, and subscription to an Asten Santé capital increase. This capital increase, which was mainly taken up by the mutual insurance shareholders of Asten Santé, gave the group the means to implement its strategic development plan. In April 2016, Salvepar acquired a second part of the equity interest owned by Gems Venture, raising its share capital to 22.1%.

Breakdown of shareholders as at 31 December 2016:

- Gemmes Venture 24.3%
- Associations 49.2%
- Salvepar 22.1%
- Management 4.4%

Salvepar has a seat on the company's Supervisory Board (with one representative) and has signed a shareholders' agreement.

Current situation and future outlook

Asten Santé has annual *pro forma* sales revenue of over €90 million and has around 680 employees. As at 31 December 2015, its active patient population, that is to say the number of people equipped at that date, was 55,000 patients. In 2015 and 2016, Asten Santé extended its geographical presence by incorporating DDS Assistance and Air à Domicile, both players in home health, located respectively in Franche-Comté and Bas-Rhin.

More information about the group is available on the Asten Santé website: www.asten-sante.com.

NEONESS

Initial investment date	December 2015
Total amount invested as at 31 December 2016	€24.7 million
Value of equity interest as at 31 December 2016	€25.6 million
Location of registered offices	France
Percentage holding as at 31 December 2016	24.6%

Description of the asset
Founded in 2007 by Céline Wisselink and Marie-Anne Teissier, Neoness develops and operates a network of fitness centres mainly located in Paris and the Paris suburbs. The brand has quickly become a leader in fitness in France, offering its members simple and clear packages at attractive prices (from €10 per month) while maintaining a high-quality level of services and infrastructure: spacious and colourful gyms measuring between 1,000 and 2,000 m², Precor machines (one of the most reputable manufacturers in the market), group lessons with Les Mills and Zumba licensed trainers, etc.

Investment History
To support the development of the chain, Salvepar has invested €24.7 million in shares and convertible bonds, alongside the two founders who retain control. Salvepar is a member of the company's Strategic Committee (with one representative) and has signed a shareholders' agreement.

Current situation and future outlook
Thanks to the success of its approach, the Neoness Group opened ten new gyms in 2016 and now has 25.

More information about the group is available on the Neoness website: www.neoness-forme.com.

(e) Liquid Strategies

As at 31 December 2016, assets under management in Tikehau Capital's liquid strategies totalled approximately €1.9 billion, i.e. 19% of the Group's assets under management.

These strategies are called "liquid" in that they are carried out through open-ended funds, from which investors may decide to withdraw at any time by requesting redemption of their fund units.

(i) Fixed income management

Tikehau Capital's fixed income management for third parties is conducted through Tikehau IM and includes various open-ended bond funds, set up as mutual funds ("FCPs") managed by Tikehau IM, as well as management mandates. In remuneration for its management of these vehicles, Tikehau IM charges management fees and performance fees. (See Section I.4(a)(iv) (The subsidiaries of Tikehau Capital) of this Registration Document.)

As at 31 December 2016, fixed income management (including management mandates entrusted to Tikehau IM) accounted overall for nearly €1.6 billion of assets, i.e., approximately 16% of the assets under the management of Tikehau Capital.

As part of its fixed income management activity, Tikehau IM invests in bonds, issued by both public and private companies (corporate bonds), as well as investment grade securities (i.e., corresponding to companies with a high credit rating) or high yield securities; this allows the individual investment strategies to be adapted to investors' risk/return profiles.

The investment grade (i.e., for companies with high rating) and high yield market is made up respectively of about 400 and 180 issuers. A screen is applied on all issuers to reduce their number for further in-depth analysis: (i) issue size, (ii) sector, (iii) rating and (iv) compatibility with the investment strategy. Accordingly, each analyst covers about 40 issuers, or 190 in total, mainly in the high yield universe.

Management is based on an in-depth bottom-up analysis of issuers. At the fortnightly Committee meeting the management team reviews the universe covered by the research team using a proprietary tool enabling research to assign a category to each issuer based on the risk profile and the rate of return; an in-depth analysis is performed based on: (i) a fundamental analysis of issuers and the awarding of a provisional internal rating, and (ii) a relative value analysis using a proprietary model. For this purpose, Tikehau IM teams have a broad base of analytical tools and decision-support aids employed in the due diligence process as the basis for the proper selection of borrowers.

For each investment, the Tikehau IM research and management teams perform an intensive due diligence that focuses on a constant confrontation between their top-down view (directional market analysis leading to a sector screening) and their bottom-up view (fundamental analysis of each issuer leading to a selection of the securities to be held on portfolio). The combination of these two analyses allows a complete due diligence covering both the issuer and its own characteristics (financial factors, positioning and market dynamics, outlook) as well as macroeconomic data and external technical factors.

The expertise of the credit research and fixed income management teams is made available across the entire range of funds managed by Tikehau IM. The fixed income management activity thus enjoys the services of a credit research team distributed between Paris, London and Singapore. In order to pool analyses, this team also works on behalf of Tikehau Capital Europe.

The following table shows the distribution of assets under management between the main fixed income management funds managed by Tikehau IM:

	Assets under management as at 31 December 2016
Tikehau Taux Variables (TTV)	€881 million
Tikehau Credit Plus (TC+)	€343 million
Tikehau Subordonnées Financières (TSF)	€139 million
Tikehau Court Terme (TCT)	€104 million
Others (including mandates)	€143 million
Total assets under management – Fixed Income Management	**€1.61 billion**

The following table shows the past performance of the main funds in this business line:

	01/01/2016 - 31/12/2016	**2015**	**Past three years**	**Since inception**
Tikehau Taux Variables (TTV) A Units	+1.63%	+1.5%	+5.78%	+24.9%
Tikehau Credit Plus (TC+) I Units	+2.22%	+4.8%	+11.0%	+18.2%
Tikehau Subordonnées Financières (TSF) A Units	+2.67%	+2.82%	+12.4%	+49.4%
Tikehau Court Terme (TCT) A Units	+1.07%	+1.07%	+3.4%	+4.3%

As at 31 December 2016, on a *pro forma* basis, the Group balance sheet had invested in Tikehau Capital strategies dedicated to liquid fixed income management for a total amount of €60.4 million. Income relating to investments in the Group's liquid strategies includes distributions (which can be capitalised) and an upward or downward change in the fair value of the shares depending on the net asset value of the fund.

The main funds in the Group's fixed income management activity include:

<u>TIKEHAU TAUX VARIABLES</u>

Inception date	November 2009
Legal form	French FCP
Fund size as at 31 December 2016	€881 million

Created in November 2009, Tikehau Taux Variables ("TTV") is a flexible fixed income fund of the category "bonds and other debt securities denominated in euro" seeking to maximise the return on the short end of the European yield curve while limiting the Non Investment Grade portion to a maximum of 35% and minimising interest rate risk by using floating- and variable-rate bonds and fixed-rate bonds with short maturities.

The investment strategy of TTV is to manage, on an active and discretionary basis, a diversified portfolio composed of bonds and other eligible debt securities issued by private or public entities, located mainly in countries of the euro zone, chiefly of the category known as "investable" (i.e., investment grade and with a rating equal to or above BBB- from Standard and Poor's/Fitch or Baa3 from Moody's) on which the interest rate risk will have been minimised by the use of floating- and variable-rate bonds regardless of maturity, bonds with short maturities, interest rate hedging instruments (interest rate swaps or futures contracts), and inflation-linked bonds. TTV may also invest in high yield or unrated securities to a marginal extent; these securities may not represent more than 45% of the fund's net assets. The high yield securities exposure of TTV must be limited to 35% of the fund's net assets.

The objective of this fund is to achieve an annualised net return higher than 3-month Euribor plus a margin of 150 basis points.

At the beginning of 2017, the TTV fund exceeded €1 billion in assets and also received a Thomson Reuters Lipper Fund Award (Best fund over five years in the Bond Euro - Short Term category).

<u>TIKEHAU CREDIT PLUS</u>

Inception Date	June 2007
Legal form	French FCP
Fund size as at 31 December 2016	€343 million

Set up in June 2007, Tikehau Credit Plus ("TC+") is a fund that invests flexibly, without rating or benchmark constraints, in debt securities issued by private and public sector companies located primarily in Europe. The fund belongs to the "bonds and other international debt securities" category as has an investment horizon of over 3 years. The investment strategy of TC+ is to manage, on an active and discretionary basis, a diversified portfolio composed of bonds and other eligible debt securities issued by private or public entities, mainly of the category known as high yield (with a rating lower than BBB- from the rating agencies Standard and Poor's/Fitch and Baa3 from Moody's) located mainly in countries of the euro zone without restrictions on business sector. These bonds and debt securities are more speculative and incur a greater risk of default, but offer in return a higher yield.

As part of its strategy, TC+ may use financial contracts, in particular futures, options, forward contracts and credit derivatives. TC+ may invest up to 10% of its net assets in UCITS and may also have exposure to the equity markets of up to 10% of its net assets, either directly through shares in companies of all market capitalisations and all geographic areas, or through UCITS and derivatives.

In November 2016, the Tikehau IM management teams won the "Silver Globe Award" in the High Yield Bonds category from Gestion de Fortune magazine for their management of the TC+ fund.

The objective of this fund is to achieve an annualised net return higher than 3-month Euribor plus a margin of 240 basis points.

<u>TIKEHAU SUBORDONNEES FINANCIERES</u>

Inception date	February 2011
Legal form	French FCP
Fund size as at 31 December 2016	€139 million

Tikehau Subordonnées Financières ("<u>TSF</u>") is a French fixed income fund created by Tikehau IM in February 2011. TSF invests primarily in old and new generation subordinated debt securities (Tier 1, Upper or Lower Tier, etc.), issued mostly by European financial institutions (banks and insurance companies). A debt is known as subordinated when its repayment depends on other creditors (senior creditors, unsecured creditors) being repaid first. Thus, the subordinated creditor will be repaid after the ordinary creditors but before shareholders.

TSF favours investments in major financial groups in Western European countries. The TSF portfolio must have a minimum average rating of B+ (rated by Standard and Poor's/Fitch or B1 by Moody's). Nevertheless, Tikehau IM conducts its own analysis on the debt securities independently of the rating issued by the rating agencies.

To achieve its investment or asset hedging objective, the fund may use financial contracts, such as futures, options, forward contracts and credit derivatives. TSS may invest up to 10% of its net assets in UCITS. TSF may have an exposure to the equity markets of up to 10% of its net assets, either directly by means of shares in companies of all market capitalisations and all geographic areas, or through UCITS or derivatives.

The Group's teams specialising in credit have won the award for 3-Year Performance in the Euro Bond category for the TSF fund.

The objective of this fund is to achieve an annualised net return higher than the EuroMTS 3-5Y index plus a margin of 100 basis points.

TIKEHAU COURT TERME

Inception Date	June 2013
Legal form	French FCP
Fund size as at 31 December 2016	€104 million

Set up in June 2013, Tikehau Court Terme ("TCT") belongs the "bonds and other debt securities denominated in euro" fund category, the aim of which is to achieve an annualised performance net of fees higher than EONIA plus 0.3% over an investment horizon of over one year. TCT is invested in bonds issued by private and public issuers located primarily in the euro zone and mainly in the Investment Grade category (i.e., with a rating above or equal to BBB- from S&P and Fitch and Baa3 from Moody's).

(ii) *Balanced and equities management*

Since 2014, Tikehau IM has pursued the diversification of its business with the development of "equities" management, recruiting teams dedicated to this business with the aim of rolling out a range of global, diversified equity funds.

This activity is mainly conducted through the Société d'investissement à capital variable (open-ended investment company with variable capital, or "SICAV") Tikehau Income Cross Assets ("Tikehau InCA"), which is the first fund in this range and is presented below. In consideration for its management of the vehicles dedicated to this strategy, Tikehau IM charges management fees and performance fees. (See Section I.4(a)(iv) (The subsidiaries of Tikehau Capital) of this Registration Document.)

As at 31 December 2016, the entire balanced and equities management business line represented almost €300 million in assets under management (vs. €205 million at end 2015), i.e., 16% of Tikehau IM's assets under management.

TIKEHAU INCOME CROSS ASSETS

Legal form	SICAV
Fund size as at 31 December 2016	€297 million

Tikehau InCA offers investors flexible, diversified management in the equity and credit markets with a view to generating recurring returns regardless of financial markets conditions.

The investment strategy of Tikehau InCA is based on the active and discretionary management of a diversified portfolio of equities, money-market and bond securities from all economic and geographic sectors (including emerging countries). The Tikehau InCA management strategy is based on specialised management of the equity component and the bond component (long-short, global macro) and portfolio diversification (asset class, market capitalisation, issuers) to optimise the risk/return profile.

Tikehau InCA is a concentrated portfolio reflecting convictions on stocks and bonds, based on in-depth fundamental research carried out by the Tikehau Capital analysis teams.

The fund seeks asymmetry between expected returns and the associated risks based on two performance drivers:

– stock and bond picking with a value bias based on criteria including the quality of company management and the capital allocation approach, the quality of governance and strategic positioning; and

– the use of options to limit amounts drawn and enhance the convex profile of the fund.

The portfolio's strategic allocation is primarily in accordance with a precise analysis of the economic cycle based on a multi-factor analysis process (investor sentiment, macro-economic data, monetary policies, market valuations, etc.). The hedging strategies allow fund performance to be optimised in a risk-controlled framework, with hedging that tends to smooth out the fund's volatility.

The objective of this fund is to outperform the composite index[29] over a minimum investment period of five years.

The following table shows the performance of the fund over the recent period:

	01/01/2016 - 31/12/2016	2015	Past three years	Since inception
InCA, I Units	0.07%	+4,48%	N/A	+8,5%

5. Tikehau Capital and its market

(a) Introduction/summary

At the end of 2015, asset management companies worldwide managed assets of $71.4 trillion, an annual average increase of 8% per year since 2008.[30] In Europe, the main investment area of Tikehau Capital, assets under management have grown by about 4% since 2007 to a peak of $19.6 trillion at the end of 2015.[31] It is expected that this trend will continue, with assets even anticipated to reach $101 trillion globally in 2020.

Within the world of asset management, alternative classes are showing strong momentum, accounting for 12% of all assets under management in 2013, against 7% in 2003.[32] Assets under management in the alternative classes could represent 15% of total assets by end 2020: the share of conventional assets is expected to fall as a proportion of total assets, to the benefit of alternative investments.

Investors are favouring alternative asset classes, anticipating higher yields than for conventional instruments. For asset management companies, the attractiveness of alternative investments is also demonstrated, both in terms of margins (with margins on assets significantly higher than other asset classes) and in terms of investment opportunities (in particular in the backdrop of forced withdrawal by banks and insurance companies from a number of asset classes, and in a situation of an abundance of capital to invest).

There are few structures with a similar profile to that of Tikehau Capital; however, despite currently having fewer assets than companies to which it could be directly compared, the Group has distinguished itself by far higher historical growth.[33]

The asset classes in which the Group invests are enjoying strong momentum. Private debt has shown strong growth in a climate of more stringent regulations weighing on the banking sector. This increase is particularly noticeable in Europe. The real estate sector, which can be seen as an anchor for alternative asset managers, is also an asset class in which the Group operates and is undergoing powerful growth. Private equity, the original roots from which Tikehau Capital arose, can be distinguished by its near-constant outperformance of the conventional equity markets. Lastly, liquid strategies, a sector where inflows have decreased recently, are a component that still represents a clear majority in the assets of investment managers.

29 The composite index consists 50% of the EuroStoxx 50 NR, 25% of capitalised EONIA, 25% of the BoA ML Euro HY Constrained Index DNR, and 25% of the BoA ML Euro Corporate Index DNR.

30 Source: BCG, Global Asset Management, 2016

31 Source: BCG, Global Asset Management, 2016

32 Source: BCG, Global Asset Management, 2016

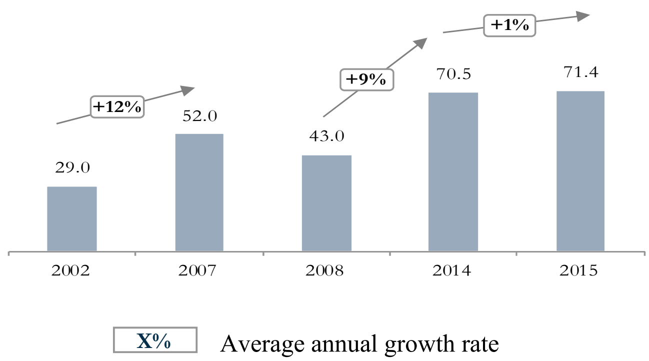
33 On this point, see Section I.5(c)(iii) (Overview of the European competitive landscape in alternative asset management) of this Registration Document.

(b) General overview of the asset management market since 2008

As the following graph shows, since 2008, the asset management market worldwide has experienced significant growth of on average about 8% per year. Assets under management thus reached a record level of $71.4 trillion at the end of 2015. In 2015, the growth of assets under management slowed worldwide (+1% compared to 2014) following an increase of 8% in 2014 and average annual growth of 9% between 2008 and 2014. The increase in assets under management in recent years is due to the combination of the performance of the global financial markets and the increase in net inflows in a low interest rate environment.

A market reaching $71.4 trillion in 2015, an average growth of 8% per year since 2008

Global assets under management
(in trillions of $)

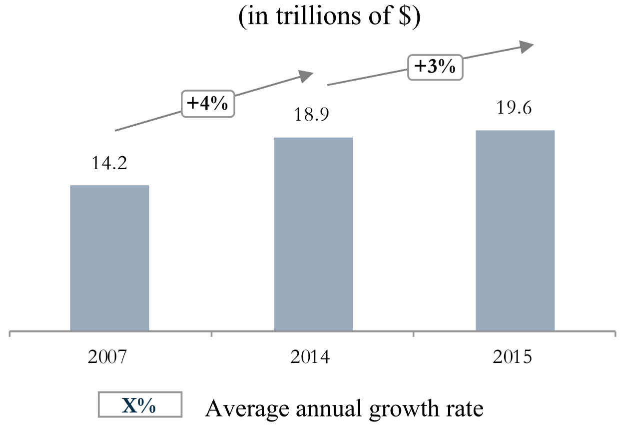


Source: BCG, Global Asset Management, 2016

In this context of slower growth of assets under management globally, the market for asset management in Europe was buoyant in 2015 with growth of over 3% (compared to 2014) and a volume of assets under management reaching $19.6 trillion. The robust performance of the European equity market in 2015, particularly in France, Germany and Italy, mainly contributed to this growth.

3% growth of the European market in 2015

Assets under management - Europe
(in trillions of $)



Source: BCG, Global Asset Management, 2016

In an economic environment marked by low growth, a lasting low interest rate monetary policy in Europe and strong market volatility, France recorded a further rise in assets under management in 2015, with growth of 5% compared with 2014 and volumes reaching €3.458 trillion (funds and mandates, according to AMF data). This increase is explained chiefly by the increase in gross assets in collective investment management

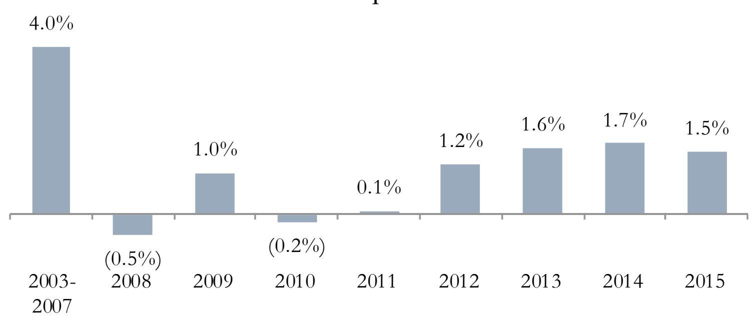
(+7% compared to 2014) and, to a lesser extent, by the increase of gross assets in management under mandate (+2% compared to 2014).

The studies highlight the potential for growth in the asset management sector in the medium term. According to a 2014 study by PwC[34], the worldwide volume of assets under management should reach about $101.7 trillion in 2020, representing an average annual growth of 6% since 2012. This growth momentum should be mainly driven by pension funds, high net worth individuals and sovereign wealth funds.

Net inflows[35] worldwide have seen a real increase since 2010, despite a slight decline in 2015, from -0.2% of assets under management in 2010 to +1.5% in 2015.

A net inflow representing 1.5% of global assets under management in 2015

Average net inflow in % of global assets under management at beginning of each period



Source: BCG, Global Asset Management, 2016

The net inflow has been particularly strong in recent years in Europe, making this continent one of the most dynamic regions, ahead of the United States. Net inflows in Europe accounted for 2.5% of assets under management in 2014 and 1.7% in 2013[36]. This performance reflects the recovery of net inflows in France, Benelux and Eastern Europe and a very high net inflow in Germany, Spain and Italy (over 5% of assets under management). In contrast, the UK has experienced a second year of lower growth with net inflows representing 0.4% of assets under management.

Players in the asset management industry, including traditional investment managers, have in recent years experienced pressure on their profitability due, firstly, to increased regulation, resulting in additional costs and, secondly, to a low interest rate environment that negatively affects their performance. Nevertheless, this context has been conducive to the identification of new opportunities in alternative asset management, as managers and investors seek out products with higher yields.

(c) Alternative assets are attracting constantly-growing demand

(i) A steadily rising proportion of alternative assets in total assets under management

The alternative investment market in which the Group operates, in contrast to conventional asset management, is uncorrelated to financial markets and seeks an objective of absolute performance, not relative to an index. The objective is that the investor should be less exposed to market trends, but directly to the performance of the fund manager. Players active in alternative asset management invest in products such as real estate, private equity, hedge funds, infrastructure, private debt and commodities.

34 PWC: Asset Management 2020 - A Brave New World

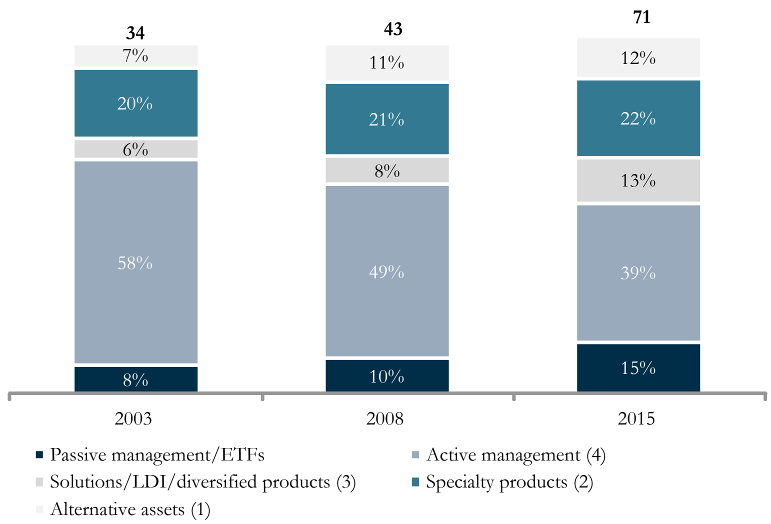
35 Net inflows are the difference between the amounts of subscriptions and redemptions for the period. A positive inflow means that the total amount of inflows (subscriptions) is higher than the outflows (redemptions) recorded.

36 BCG, Global Asset Management, 2016

For several years now, investor demand for conventional active management in equities and bonds has fallen in favour of alternative assets. Thus, the share of alternative assets in total assets under management has increased dramatically worldwide, representing 12% in 2015 against 7% in 2003.

In 2015, alternative assets represented 12% of assets under management worldwide

Global distribution of assets under management
(in trillions of $)



(1) Includes alternative funds, private equity, real estate, infrastructure and commodity funds
(2) Includes specialty equity products (non-domestic, global equities, emerging markets, small and medium capitalizations and sectorals) and specialty fixed income products (credit, emerging markets, global fixed income, high yield and convertible bonds)
(3) Includes absolute return, "target date", asset allocation, flexible, revenue, volatility, LDI products, as well as conventional diversified and balanced products
(4) Includes actively managed domestic large-cap equity, actively managed government bonds, cash management and structured products
Source: BCG, Global Asset Management, 2016

In terms of assets under management, alternative investments experienced an average annual growth twice that of traditional assets (10.7% against 5.4% between 2005 and 2013)[37].

Asset classes such as private equity, private debt and real estate are gaining ground over conventional asset management but also within alternative investment itself, to the detriment of the hedge funds. Indeed, according to Preqin[38], for the first time in 8 years, investors have indicated that they would reduce their exposure to hedge funds after a disappointing year 2015 in terms of performance (according to Preqin, 33% of investors surveyed said their hedge fund investments have not met their expectations). In the longer term, alternative asset classes for which investors plan to increase their allocations the most are private equity (+51% of net additional allocations according to Willis Towers Watson) and private debt (+38%), at the expense of hedge funds (+28%)[39].

[37] According to McKinsey Global Asset Management Growth Cube; Preqin; HFR. Alternative assets used in this study are real assets (such as real estate, infrastructure and commodities), private equity (including mezzanine debt) and hedge funds

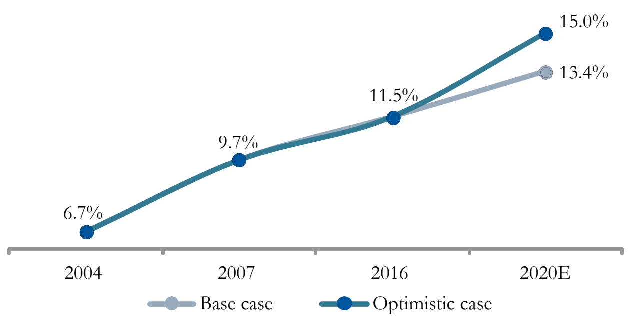
[38] Pregin Investor Outlook: Alternative Assets H1 2016

[39] Willis Towers Watson, Global Alternatives, 2016

This trend will increase as investors continue to seek more diversity, a controlled volatility, a higher long-term return and more stable income. Alternative assets should thus account for between 13.4% and 15.0% of assets under management in 2020.

Alternative assets could represent 15% of global assets under management in 2020

Alternative assets as a proportion of worldwide assets under management



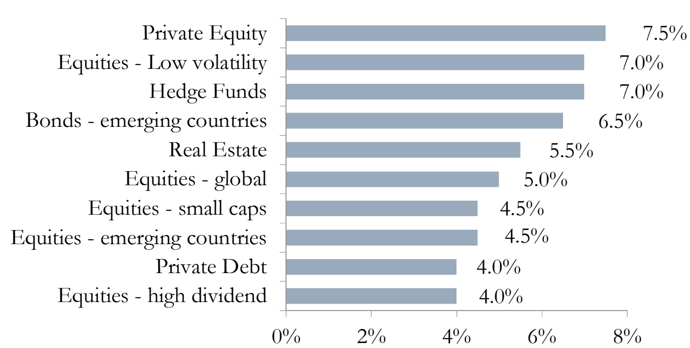
Source: Alternative assets: PwC, Preqin, HRH and Lipper; Global assets under management: BCG, PwC

(ii) *A macroeconomic environment favouring alternative asset classes*

The easing of monetary policy implemented by most central banks in developed countries since the financial crisis has resulted in a considerable drop in interest rates. Thus, the interest rates by major central banks and the 10-year government bond rate in major developed countries are now close to zero or even negative.

Persistently low interest rates haves prompted investors to turn to alternative asset classes providing higher returns. Indeed, in this environment, conventional assets might not be able to provide the levels of performance expected by investors. As detailed below, the private equity and private debt segments have outperformed the stock markets in recent years, confirming the higher performance of these asset classes, and have also demonstrated their resilience. Private equity and private debt should be the assets providing the best returns for the period 2015-2017:

Expected returns between 2015 and 2017

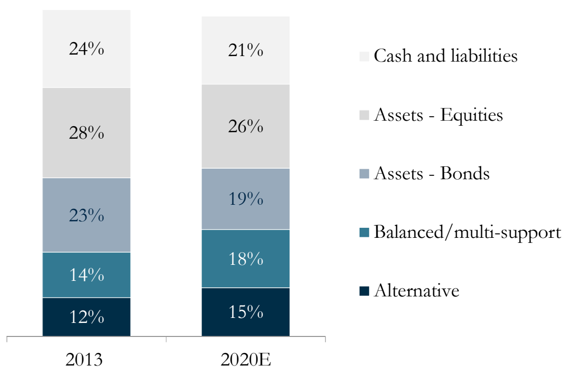


Source: Principal Financial Group, CREATE-Research survey 2015

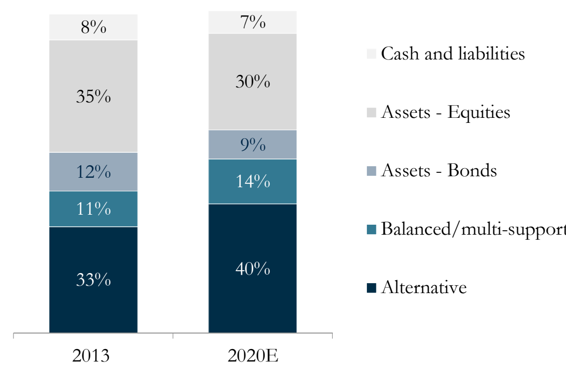
Alongside the low interest rate environment, new regulations have been put in place for greater transparency and control (MiFID II, UCITS V, AIFMD and EMIR - See Section I.6 (Regulations) of this Registration Document) causing players in asset management to diversify into non-conventional assets with higher fees, thus mitigating the rise in regulatory costs.

By 2020, alternative assets will represent approximately 15% of total assets under management and 40% of the income they generate

Proportion of asset classes compared to total assets under management (2013-2020E) and proportion of income by asset class compared to total assets under management (2013-2020E)



Assets Under Management

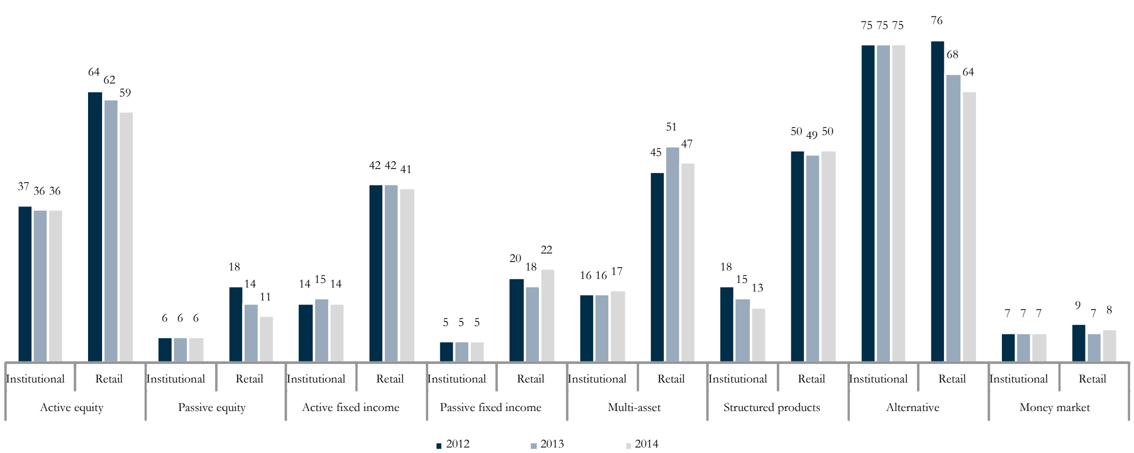


Estimated Revenue Pool

The alternative asset class is expected to average annual growth of about 11% over the period 2013-2020, against about 6% for conventional asset classes, although it is the one that generates the highest management fees as evidenced by the chart below.

The alternative asset class is the one that generates the highest fees among all asset classes

In assets under management points per year (for 2012-2014)



Source: Exane

Moreover, the regulatory burden on banks and insurance companies has had the consequence of making it harder and more expensive to hold risky assets, leaving more room for companies specialising in alternative asset management. This is the case for example in the financing of SMEs and intermediate-sized companies (see the Glossary in Section X.5) being conducted increasingly through the use of private debt and non-conventional players.

The growth of alternative asset management is also driven by the attraction from the pension funds, high net worth individuals and sovereign wealth funds to these asset classes; what is more, these investors are key drivers of asset management.

According to PwC[40], the value of assets managed by pension funds worldwide is expected to grow on average 6.2% per year between 2013 and 2020 to reach $56.6 trillion. Pension funds should continue to turn more towards alternative asset classes over the long term because of their search for diversified strategies and higher yields to meet their financing difficulties. From 1995 to 2014, the pension funds' allocation of investments to alternative assets increased by 20% while it decreased by 7% and 9% for equities and bonds under conventional management.[41]

Moreover, the role of sovereign wealth funds in the capital market continues to grow and, according to PwC, the value of assets managed by these funds worldwide is expected to increase on average 5.8% per year between 2013 and 2020 to reach $15.3 trillion. Like the pension funds, sovereign wealth funds are seeking to diversify their asset classes through more customised solutions, offering the prospect of higher returns. According to PwC and SWF Institute, the proportion of the investments of sovereign wealth funds dedicated to alternative assets will be 14% in 2020.

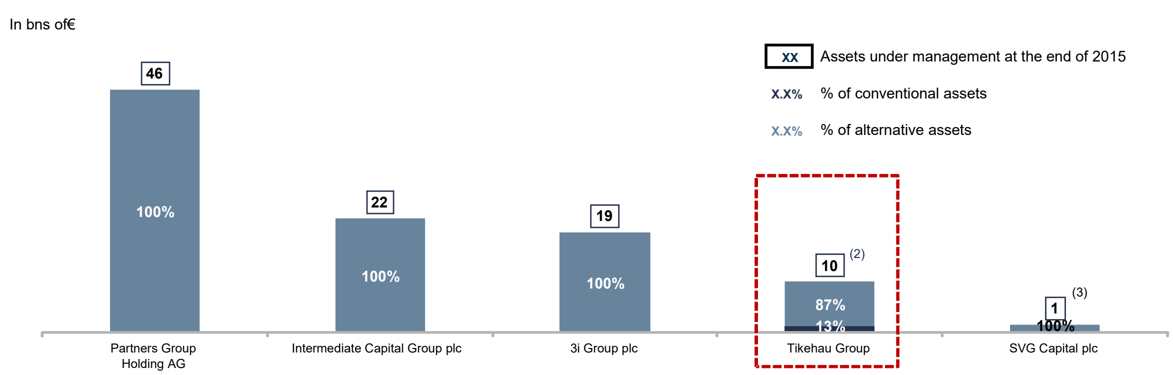
The assets held by high net worth individuals should also increase significantly (+4.9% average annual growth between 2012 and 2020 worldwide, according to PwC).

(iii) *<u>Overview of the European competitive landscape in alternative asset management</u>*

The number of listed independent alternative players in Europe is very limited. The chart below summarizes some of them, especially those whose proportion of alternative assets under management represents a significant part (up to 100%) of their assets.

Overview of assets under management of the leading independent players in alternative management in Europe

Listed independent European players[(1)] –
Ranking by assets under management at the end of 2015 and conventional/alternative breakdown

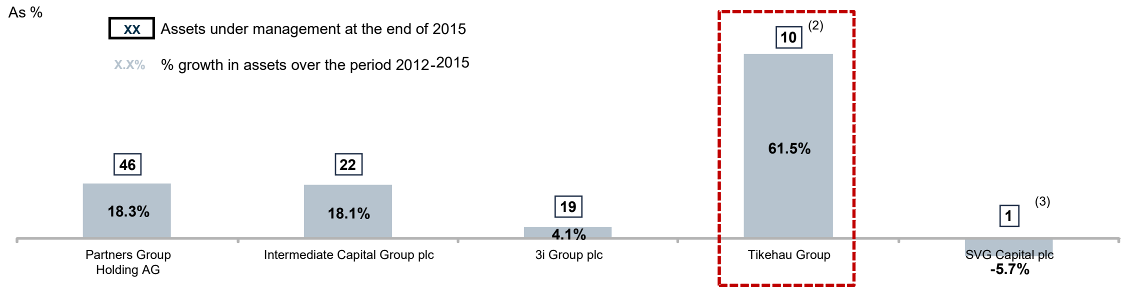


[40] PWC: Asset Management 2020 - A Brave New World

[41] Source: Towers Watson

Historical growth rate in assets under management of leading independent players in alternative management in Europe

Listed independent European players[(1)] –
Average annual growth rate of assets under management (2012-2015)



(1) Institutions not backed by a bank or an insurance company, with a significant proportion of alternative assets under management

(2) Tikehau Capital assets under management are presented as at 31/12/2016

(3) Using the total balance sheet as estimation of assets under management

Source: company information, analysts

Among the players listed above with a significant proportion of their business dedicated to alternative investments, we should note the following information on them:

- Partners Group is a listed Swiss group that invests primarily in private equity, but also in real estate, private debt and infrastructure;
- Intermediate Capital Group (ICG) is a company listed in London that invests mainly in private debt (including mezzanine and CLOs) and real estate;
- 3i manages alternative assets split between private debt, private equity and infrastructure;
- Tikehau Capital has a portfolio of alternative assets split between private equity, private debt and real estate; and
- SVG Capital holds assets invested exclusively in private equity.

It is also important to note that any analysis of the competition must take into account the mix of business specific to each player (private debt, real estate, private equity, infrastructure, etc.). Thus, an overall comparison of Tikehau Capital is difficult and it is also necessary to consider the performance of each player business line by business line.

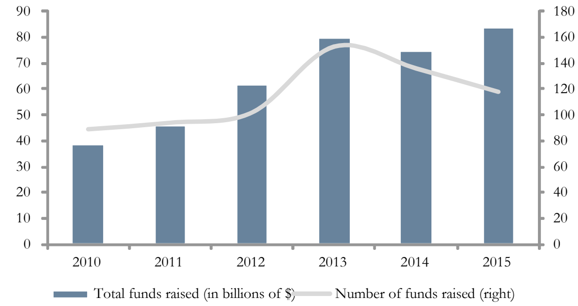
(d) Overview of market trends in the different asset classes of Tikehau Capital

(i) Private Debt

The recent investor appetite for corporate debt can be explained, firstly, by the increased regulation of the banking sector, having thus allowed non-bank stakeholders to emerge and assume a larger role in the financing of the economy and, secondly, by investors' search for yield, in a context of low attractiveness of classic "debt products" in terms of performance or risk profiles, compared with the pre-crisis years (that is, prior to 2008).

Private debt fundraising has risen sharply since 2010 worldwide

Private debt fundraising
(2010-2015, in billions of dollars and number of funds)

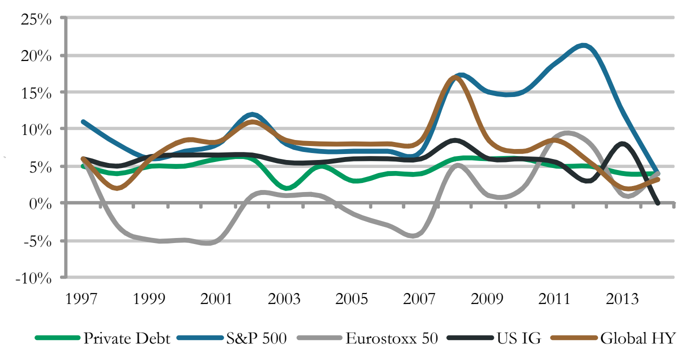


Source: Preqin

This trend is illustrated by the increase in fundraising since 2010 worldwide. Private debt fundraising for 2015 reached a six-year high, for the amount of $85.2 billion (compared to $72.2 billion in 2014). In 2015, of the investors in private debt, 26% were based in Europe and 35% of all private debt funds raised this year were intended to target investment opportunities in Europe.

Private debt generates stable returns

Evolution in yields compared to other asset classes
(For the period 1997-2015)



Source: J.P. J.P. Morgan Cazenove, Preqin, Bloomberg

Since the late 90s, private debt has been distinguished by its relative stability in terms of performance especially compared to equities and debt markets, irrespective of market cycles. In addition, the outlook for this asset class is attractive: according to Preqin[42], of a panel of investors surveyed in late 2016, 57% expressed their desire to increase their long-term allocation in private debt.

In terms of geography, Europe surpasses North America in terms of intention of allocation, with 71% of surveyed investors willing to invest in Europe over the coming year, by comparison to 65% in June 2015.

It should be noted that private debt funds are mainly managed by experienced companies: in 2016, 90% of funds raised were managed by experienced asset managers, and consequently competition is very fierce, especially for newly created structures (which must also overcome the regulatory barriers). On the other hand, funds raised are primarily destined for investment in North America and Europe, which together account for about 96% of the market of the private debt universe.

Funds specialising in direct lending have been able to take advantage of the space left by banks for financing SMEs and mid-cap companies (see the Glossary in Section X.5) notably due to more stringent regulatory requirements.

[42] Preqin Investor Outlook: Alternative Assets H1 2017

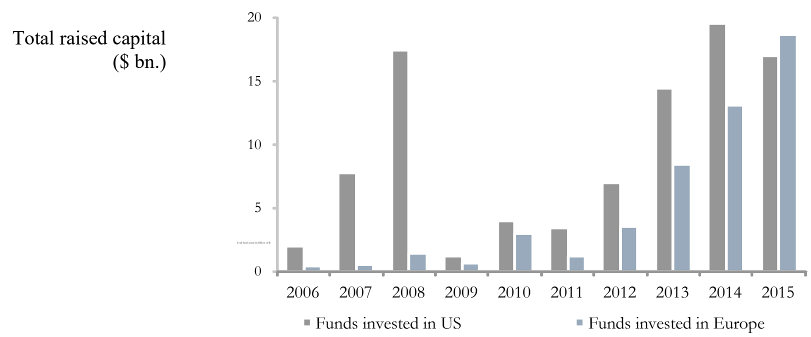
Direct lending, which consists of investing directly in SMEs and intermediate-sized companies or investing in loans or other debt instruments issued by lending platforms, is an attractive alternative available to investors in the asset class "debt products", in an environment of low interest rates and decrease in the size of bank balance sheets.

According to figures from the European Central Bank, loans to non-financial companies declined by 12% from January 2009 to March 2014, thus leading such companies to resort to other means of financing. The means of funding of European SMEs and intermediate-sized companies could well evolve as it has done in the US, where in 2013, according to the European Commission, only 30% of SMEs and intermediate-sized companies were financed by banks (against 85% in Europe for the same year).

In Europe, the main direct lending markets are Britain, followed by France.

Direct lending funds raised for Europe for the first time exceed those destined for the United States

Evolution of fundraising for investments in Europe compared with the US (2006-2015, in billions of $)



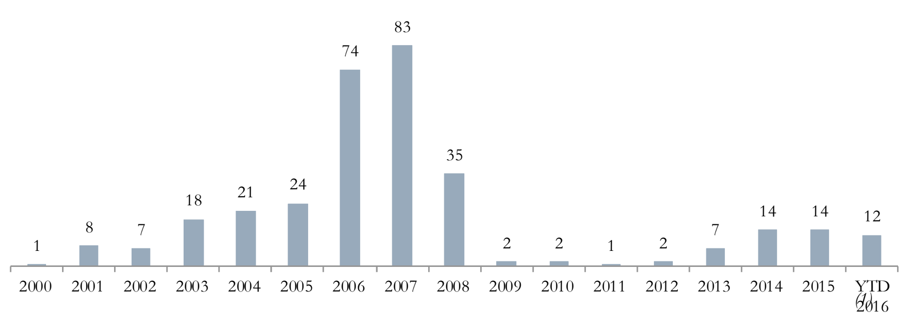
Source: Preqin

The European market is less mature than the US market. Nevertheless, in 2015, capital raised for investment in European direct lending funds increased 42% compared to 2014 and for the first time exceeded that destined for the US market. Direct lending funds raised for the purpose of European opportunities have thus increased by 48% between 2014 and 2015, from $12.7 billion to $18.8 billion.

In the leveraged loans category, issues of European CLOs ("Collateralized Loan Obligations") rose sharply in 2016. In 2016, 40 CLOs were completed for a total of $17 billion (vs. $14 billion for 34 vehicles in 2015).

2016 marks the highest level since 2008, but lags far behind pre-crisis levels (before 2008)

Issues of European CLOs
(For the period 2000-2016, in billions of €)



(1) As at 30/09/2016

Source: Fitch, Overview of US and European CLO markets, 2016

The market for European CLOs is particularly supported by innovations such as "floored" CLOs (i.e., CLOs with a floor limit): in an environment of negative Euribor rates, most CLOs are protected against negative rates by floors (85% of debts in European CLOs have floor levels at 0% or above). Moreover CLOs now have a greater number of counterparties by product.

There has been no slowdown observed in the market for CLO issues in Europe after the referendum on Brexit.

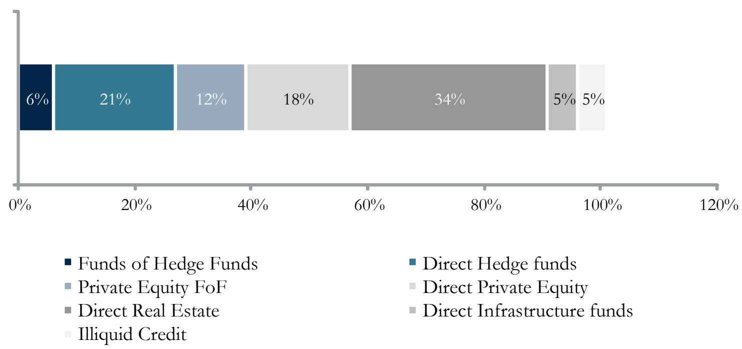
(ii) *Real Estate*

2015 has seen the real estate asset class gain in attractiveness: investors have been drawn by yields more attractive than conventional debt products. In the medium term, its fundamentals should be supported by new housing starts remaining at relatively low levels since 2009, as have debt levels.

Over the past three years, real estate funds have generated an average annualized return of 16%. Moreover, in its study on alternative investments, 76% of investors surveyed by Preqin believe that they will invest at least as much capital in this asset class in 2017 as in 2016, marking a stable appetite for it.

Real estate assets represent the largest proportion of assets managed by managers

Percentage holding of the Top 100 alternative managers by asset class (2016)



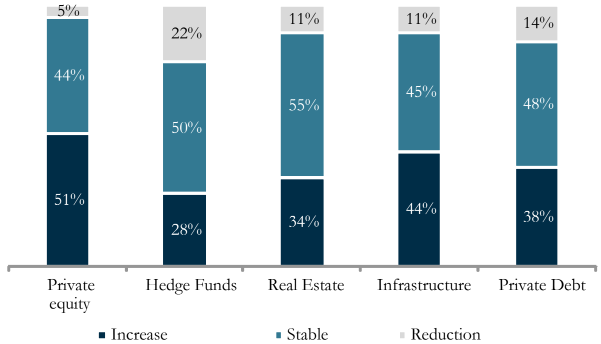
Source: Willis Towers Watson, Global Alternatives, 2016

According to Willis Towers Watson[43], the proportion of real estate assets invested is equally high on both sides of the Atlantic. Thus, 44% of real estate managers are invested in Europe and 48% of their peers are invested in the United States.

43 Global Alternatives Survey 2016

Real estate assets still represent a major proportion of asset allocation

Long-term allocation intentions of institutional investors in comparison with their current allocations (2016)



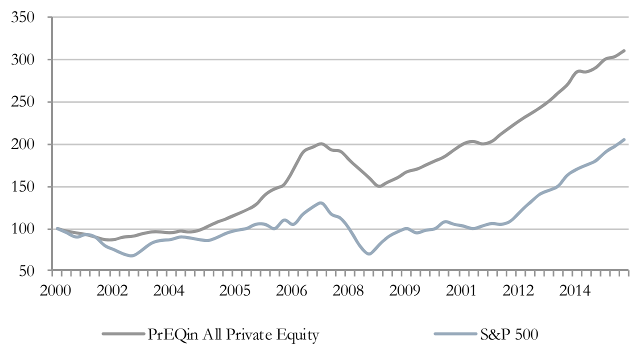
Source: Willis Towers Watson, Global Alternatives, 2016

(iii) <u>*Private Equity*</u>

Worldwide, the performance achieved by private equity was much higher than the equity markets. Thus, Preqin notes a near-constant outperformance of its All Private Equity index relative to the S&P 500 reflecting the performance of the equity markets since 2000, as shown in the graph below.

Private equity has almost constantly outperformed equity markets

Evolution of global indices Preqin PE and S&P 500 (Base 100, for year 2000)



Source: Preqin, June 2015

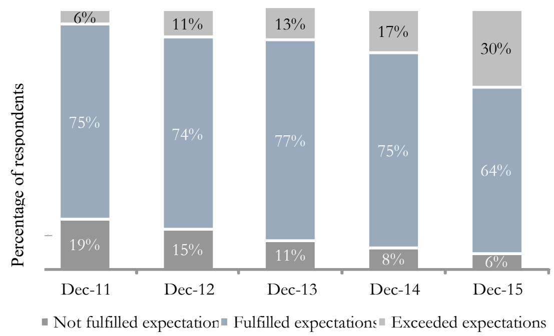
More recently and among alternative investments, private equity has become the asset class that has experienced the largest growth (+15.3% average annual growth rate over the period 2004-2013). In Europe, it has benefited from an improved macroeconomic environment in recent years, as well as the accommodating monetary policies of the ECB, which has meant a high availability of cheap financing.

In 2016, of a panel of investors surveyed by Preqin[44], 95% reported that their investments in the private equity asset class had exceeded or met their initial objectives. It should also be noted that investor satisfaction has risen sharply over the period 2011-2016, increasing from 81% in 2011 to 95% in 2016.

[44] Preqin Investor Outlook: Alternative Assets H1 2017

For most investors, private equity performance has been in line with expectations

Proportion of investors who feel that private equity performances have met expectations
(For the period 2011-2015)



Source: Preqin Investor Interviews, December 2011-2015

For the period 2015-2017, private equity, together with private debt, are among the asset classes whose expected performance is the most attractive in the alternative universe (respectively 7.5% and 7.0% expected returns). In terms of regional attractiveness, the investment area of Europe comes behind the United States. According Preqin[45], 44% of investors surveyed perceive that the European continent holds attractive investment opportunities (compared with 61% for the Unites States).

In the future, alternative assets are expected to grow (from $13.6 to $15.3 trillion in 2020) enjoying continued attractiveness, particularly in a context of the search for diversification by investors and an increase in the capital available to invest.

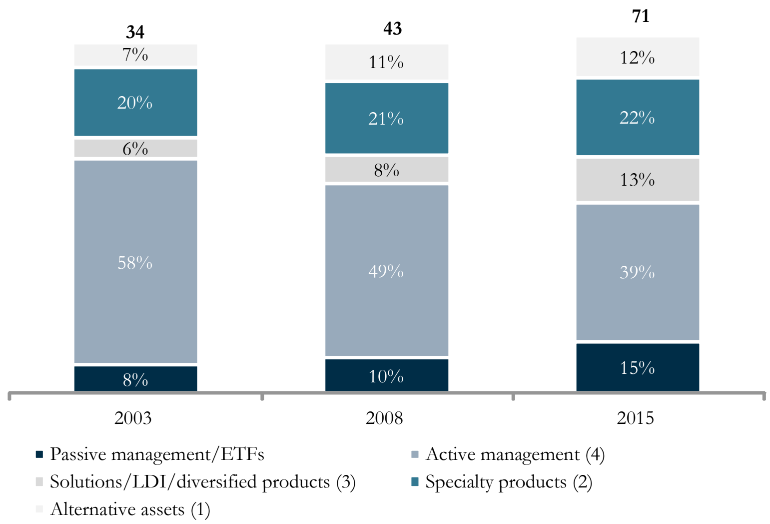
(iv) *Liquid Strategies*

The underlying equity and bond products still represent the largest portion of total assets under management.

[45] Preqin Investor Outlook: Alternative Assets H1 2017

Assets under conventional management account for a smaller proportion of total assets under management, although this is still the majority

Global distribution of assets under management
(in trillions of $)

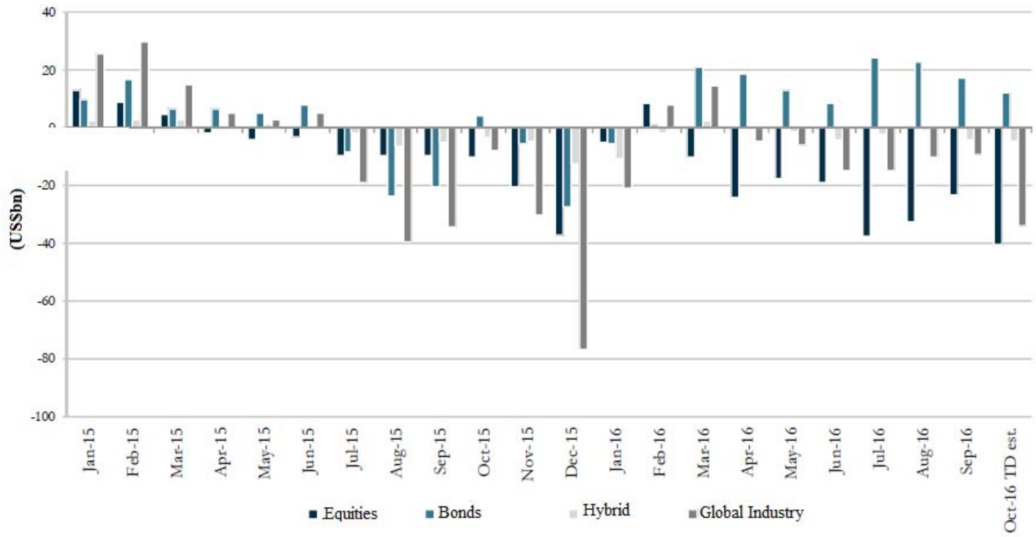


(1) Includes hedge funds, private equity, real estate, infrastructure and commodity funds
(2) Includes specialty equity products (non-domestic, global equities, emerging markets, small and medium capitalizations and sectorals) and specialty fixed income products (credit, emerging markets, global fixed income, high yield and convertible bonds)
(3) Includes absolute return, "target date", asset allocation, flexible, revenue, volatility, LDI products, as well as conventional diversified and balanced products
(4) Includes actively managed domestic large-cap equity, actively managed government bonds, cash management and structured products

Source: BCG, Global Asset Management, 2016

In 2016, the industry faced outflows, mainly for the equity asset class

Net flow of funds for mutual investments in equities, bonds and the industry overall
(For the period 2015-2016 in billions of $)



Source: Investment Company Institute, 2016

6. Regulatory Environment

Tikehau Capital's business is governed by regulations specific to each country in which the Group operates, directly or through subsidiaries (principally Tikehau IM, Tikehau Capital Europe or Tikehau Investment Management Asia Pte. Ltd.), branches or partnerships. Regarding its asset management business, the Group companies concerned are subject to numerous regulations, to prudential supervision and authorisation requirements.

Although the nature and scope of the regulations vary from country to country, Tikehau Capital is subject to laws and regulations governing asset management and distribution activities in most countries in which the Group conducts its business. The governance and internal organization requirements of each subsidiary and branch call for constant monitoring and appropriate readjustment depending on the activities being conducted. The regulations can constantly modify prudential requirements, rules on investment, asset allocation or conflict of interest management, rules of good conduct, rules on the prevention of money laundering or those relating to the identification and knowledge of customers ("KYC" - see the Glossary in Section X.5). These have generally tended to be tightened in recent years.

The regulations applicable to Tikehau Capital are constantly changing, especially in the European Union (EU) and according to their local implementation in the various Member States and their interpretation according to local regulators. Every new regulation or change in the implementation or the application of laws and regulations could have a significant impact on the business and operating income of Tikehau Capital. However, Tikehau Capital's support functions work together to put in place an effective approach to anticipate changes related to regulatory amendments and to limit their impact on the more operational aspects of activities.

(a) European regulations on asset management activities in the European Union

(i) Overview

In recent years, European authorities have paid increased attention to the financial services industry and have adopted directives and regulations governing the asset management sector, which aim to protect investors and preserve the stability of financial markets, including (i) the MiFID on financial services, including investment advice, and (ii) the AIFM Directive which is intended to regulate alternative investment fund managers, that is, managers providing the service of collective management through investment funds other than Undertakings for Collective Investment in Transferable Securities ("UCITS", see the Glossary in Section X.5).

Tikehau Capital's asset management activities can be divided into two main categories:

- the management of funds and other undertakings for collective investment, including UCITS and Alternative Investment Funds ("AIFs", see the Glossary in Section X.5), which are governed respectively by Directive 2009/65/EC of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS), as amended (the "UCITS Directive") and Directive 2011/61/EU of 8 June 2011 on Alternative Investment Fund Managers (the "AIFM Directive"), and
- individualized third-party management (through management mandates), a very limited activity at the filing date of this Registration Document, and investment advice; these activities constitute financial services governed by Directive 2004/39/EC of 21 April 2004 on markets in financial instruments (the "MiFID") and Regulation (EC) No 1287/2006 of 10 August 2006 on markets in financial instruments (the "MiFIR").

In addition to this main regulatory framework, asset management activities are impacted by other regulations and reform projects at European level, such as Regulation (EU) No 648/2012 of 4 July 2012 on OTC derivatives, central counterparties and trade repositories (the "EMIR") that governs compensation, reporting and mitigation techniques for risks on transactions in over-the-counter derivative instruments.

The UCITS V Directive (as defined below) specifically concerns the functions of custodian in terms of duties and responsibility, the remuneration policies of portfolio management companies and the sanctions applicable to them, and has pursued the objective of harmonising the rules with those introduced by the AIFM Directive.

Although laws and regulations vary from country to country, the texts transposing European Union law in each Member State are substantially similar in all countries where the Group operates. Most of these European regulations are recent and some are still being transposed and/or being clarified by delegated acts.

One of the objectives of the EU regulatory framework is to facilitate the cross-border marketing of investment products in Europe.[46] The European passport allows, under certain conditions, a management company (such as Tikehau IM) which has been approved by the regulator of its country of origin to seek to conduct its activities in the European Union or in the States party to the Agreement on the European Economic Area (the "EEA") under the free provision of services or freedom of establishment. Under the freedom to provide services, the management company may conduct certain activities in another Member State of the European Union or a State party to the EEA Agreement other than that in which its registered office is located. Under freedom of establishment, the management company may establish branches in another Member State of the European Union or a State party to the EEA Agreement. This is the case of Tikehau IM which is authorised in France and has offices in the UK, Belgium and Italy.

A management company wishing to conduct certain activities for which it has been authorised in another Member State must inform the competent authorities of its home Member State. In the host Member State, the management company may only conduct the activities covered by the authorisation granted in its home Member State and subject to passporting in view of European legislation.

In terms of asset management, a passport may be granted for three types of activities: (i) the management of UCITS, (ii) the management of AIFs, and (iii) third-party portfolio management. The passporting system allows entities likely to benefit from it to conduct their activities across borders within the European Union. Conversely, the passporting system also allows asset managers of approved outside France to conduct their activities in France and in other markets in the European Union where Tikehau Capital is active.

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[46] It should be clarified that, with regard to the AIFM Directive, the passport allowing the marketing of units or shares in AIFs is only intended for marketing to professional clients within the meaning of the MiFID.

(ii) *Regulations applicable to UCITS*

On 23 July 2014, the EU adopted Directive 2014/91/EU strengthening certain requirements related to the management of UCITS, such as the functions of custodian, remuneration policies and sanctions (the "UCITS V Directive"). The UCITS V Directive introduces new rules for UCITS custodians, such as rules on entities eligible for that function, their duties, delegation agreements and the liability of custodians. More generally, the UCITS V Directive also reinforces certain requirements for management companies and lays down rules on remuneration policies (see the following paragraph "*Regulations applicable to remuneration policies*"). These new requirements are mostly in line with the requirements of the AIFM Directive, which are described below.

The UCITS Directive V was transposed into French law by Order No. 2016-312 of 17 March 2016 amending the legal framework for asset management. The new rules resulting from the transposition thus came into force on 18 March 2016. The delegated regulation was published in the Official Journal of the EU on 24 March 2016 and came into force on 13 October 2016.

Tikehau IM manages and sells UCITS in the European Union and must therefore comply with the organizational requirements and rules of conduct of the UCITS V Directive.

Entities managing UCITS must comply with strict rules in terms of internal organization, including requirements relating to risk management and conflicts of interest and rules of conduct including information to be provided to clients and on the amount of fees and commissions. The assets of a mutual fund or a SICAV must be kept by a custodian which must be a separate entity from the fund and the management company, and it is stipulated that the custodian is to safeguard the assets and maintain the segregation of accounts.

In addition, UCITS are subject to rules on the allocation and diversification of the assets. In particular, a UCITS must not invest more than (i) 5% of its assets in securities or money market instruments issued by the same entity or (ii) 20% of its assets in deposits with the same entity.

For each of the funds it manages the management company must prepare a short document containing key investor information (Key Investor Information Document, or "KIID"). This document must contain information on the essential details of the UCITS in question, including the identification of the UCITS, a short description of its investment objectives and the investment policy, an overview of past performance, the associated costs and fees and the risk/reward profile of the investment. The management company must also publish a prospectus containing the information necessary for investors to be able to make an informed judgement on the investment proposed to them and, in particular, the related risks.

(iii) *Regulations applicable to managers of AIFs*

The activities of Tikehau IM are subject to provisions arising from the transposition of the AIFM Directive, which imposes strict regulatory requirements for AIF managers. AIFs are defined as entities (other than UCITS) which raise capital from a number of investors, with a view to investing for the benefit of those investors in accordance with a defined investment policy. The AIFMD imposes additional requirements in terms of organization, governance, information and asset allocation, and requires that the assets of the AIF are held by custodians independent of the manager and of the AIF.

AIF managers must make frequent reporting to the competent authorities of their home Member State concerning the principal markets and instruments in which they invest on behalf of the AIFs they manage. In particular, AIF managers must provide information on (i) the main instruments in which each AIF invests, (ii) the markets in which each AIF is established or those in which it is active, and on the highest exposures and concentrations for each AIF. Moreover, AIF managers are subject to more stringent obligations on information to investors. For each European Union AIF they manage and for each AIF that they market in the European Union, AIF managers must prepare an annual report, no later than six months after the end of each financial year. AIF managers must also make available to investors before they invest in the AIF, a list of information including a description of the investment strategy and objectives of the AIF, a description of the procedures according to which the AIF may change its investment strategy or its investment policy, a description of the valuation process of the AIF and its assets, a description of the FIA's management of liquidity risk and a description of all fees, charges and costs (including the maximum amounts thereof) that are directly or indirectly borne by investors.

European managers may market to professional clients in the European Union the units or shares of European, or in the future non-EU, AIFs through the system of passporting. Subject to obtaining the necessary authorisations in one of the Member States of the European Union, non-EU managers shall also be authorised to market European and non-European AIFs within the European Union.

(iv) Regulations applicable to the provision of investment services

Current legal framework applicable to the provision of investment services

The regulated entities of the Group are obliged to comply with the framework created by MiFID.

In general terms, MiFID regulates the provision of investment services within the European Union and provides in particular for (i) obligations of proper conduct in the delivery of investment services to clients, (ii) the obligation to execute orders under the most favourable terms for the client, (iii) client order processing rules, and (iv) requirements for transparency and market integrity. The rules applicable then depend on client type, with a high degree of protection for retail clients and conversely greater flexibility permitted in relations with professional investors.

Under the provisions of MiFID, Tikehau Capital has created an entity regulated in the UK by the Financial Conduct Authority ("FCA"). Tikehau Capital Europe Limited holds a passport in Ireland and the Netherlands, which allows it to offer products and financial services including that of investment advisor. Tikehau Capital Europe is authorised to advise on and arrange investment transactions and to manage investments for third parties. The entity is covered by regular reporting obligations to the FCA. An appropriate control plan is subject to regular reporting to the Management of Tikehau Capital.

Additional requirements to be introduced by MiFID II

A new legislative framework, "MiFID II", consisting of the new Regulation (EU) No 600/2014 of 15 May 2014 on markets in financial instruments ("MiFIR"), as amended by Regulation (EU) 2016/1033 of the European Parliament and of the Council of 23 June 2016, and a revised Directive, Directive 2014/65/EU of 15 May 2014 on markets in financial instruments ("MiFID II"), as amended by Directive (EU) 2016/1034 of 23 June 2016, extends the scope of MiFID to include financial products that are not currently covered by MiFID. The aim of MiFID II is to strengthen and expand the rules to which investment service providers are subject.

MiFID II had to be transposed into national law by 3 July 2017 but a Directive and a Regulation adopted on 23 June 2016 postponed the date on which Member States had to transpose MiFID II and also postponed by one year, to 3 January 2018, the entry into force of MiFID II and MiFIR. This proposal covers the entirety of the legislation, both the provisions relating to the markets and those protecting investors. MiFID II is also implemented by means of delegated acts and regulatory technical standards to be prepared by the European Securities and Markets Authority ("ESMA") and adopted by the European Commission.

This new regulation will have a significant impact on investment service providers conducting their activities within the EU, in particular by introducing (i) increased requirements in terms of internal organization, (ii) additional measures to ensure investor protection through more stringent requirements for information, assessment of suitability and appropriateness of clients, order execution under the most favourable terms for the client and rules for processing client orders, (iii) a stronger framework for trailer fees paid as part of the provision of investment advice, (iv) increased transparency requirements pre- and post-trade, and their extension to additional financial instruments, and (v) an increase in the powers of the competent authorities for the purposes of supervision of the financial markets.

(v) Regulation of trailer fees

MiFID II, which should come into force on 2 January 2018, steps up the protection of investors in regard to the types of payments ("trailer fees") that a company may receive or make to third parties during the provision of investment services. In general, it will be forbidden to companies providing investment advisory services independently or conducting portfolio management activities, to collect fees, commission, monetary or non-monetary benefits from third parties. Some minor benefits of a non-monetary nature will nevertheless be possible but the client must be clearly informed of these.

Regarding entities providing investment services other than portfolio management or independent investment advice, trailer fees may be levied provided that these payments are intended to improve the quality of client service provided and do not impede the service provider from compliance with its duty to act honestly, fairly and professionally in the best interests of its clients. The client must be clearly informed of the existence, nature and amount of such trailer fees, in a complete, accurate and understandable way, prior to any provision of the investment service or ancillary service.

(vi) *Regulation applicable to financial derivatives (EMIR)*

Tikehau Capital's activities on derivative instruments are subject to the European regulation EMIR on derivatives traded OTC, central counterparties and trade repositories. This regulatory framework requires (i) centralised clearing of certain categories of standardised OTC derivatives, (ii) reporting requirements for transactions in derivatives, and (iii) the implementation of risk mitigation techniques (such as the furnishing of security) for OTC derivatives that are not subject to central clearing.

(vii) *Regulations applicable to remuneration policies*

The AIFM Directive and MIFID supervise investment service remuneration policies of AIF managers and service providers to ensure that the remuneration policy is consistent with the principles of sound risk management. In addition, Tikehau IM, which manages and markets UCITS, must comply with the requirements of the UCITS V Directive which provides for restrictions on remuneration substantially similar to those contained in the AIFM Directive.

A significant part of the remuneration of employees whose activities could have a material impact on the exposure to risk should be based on performance, and a significant portion of this variable performance-based pay must be paid in the form of financial instruments. A significant portion of the variable remuneration must be deferred over a period of at least three years. Variable remuneration, including the deferred components, can be paid or vested only if this is sustainable in light of the financial position of the company.

Only material risk takers are subject to requirements relating to remuneration policies, that is, senior management, risk takers and those holding a position of control, and any employees who, in view of their total compensation package, are in the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on their risk profile or the risk profile of the institution.

Regulated entities should furthermore include in their annual or management report information relating to their remuneration policy, principles and practices.

(viii) *Capital requirements*

In accordance with the various regulatory regimes for asset management, Tikehau IM is subject to the requirements on minimum capital, generally equal to the greater of: 25% of annual operating costs, or 0.02% of the assets under management plus 0.01% insofar as Tikehau IM is subject to the AIFMD.

These capital requirements are significantly more limited than those applicable to Tikehau Capital under its CLO securitisation business carried out via Tikehau Capital Europe.

Indeed, under Regulation 575/2013/EU on prudential requirements for credit institutions and investment firms (CRR), resulting from the Basel III committee work, a retention rate of 5% of securitised assets is applied by law to the originating entities and therefore to Tikehau Capital Europe in the context of the management of its CLOs (the principle of the "retention piece").

(b) European regulations on asset management activities in France

The French regulatory framework applicable to Tikehau Capital's asset management operations reflects the European framework in force as described above.

(i) Autorité des marchés financiers (AMF)

The AMF is responsible for the regulation and supervision of the French financial markets. It publishes a general regulation which lays down the obligations of traders involved in the financial markets, investment services providers and issuers of financial instruments offered to the public in France. The AMF is also the authority responsible for overseeing asset management companies.

The AMF Corporate Finance Division has a dual mission: (i) the monitoring of financial transactions and information published on this occasion by issuers in the markets, especially for issuers of listed debt securities and (ii) the monitoring of continued reporting and mandatory accounting information released by companies listed on a regulated market.

In France, asset management companies must obtain approval from the AMF to conduct their management activities. The nature of this approval depends on the management activities envisaged and the financial and organizational capacity of the companies seeking this approval. Asset management companies may thus seek approval for three different activities: (i) the management of UCITS, as defined by the UCITS IV Directive, (ii) the management of AIFs, as defined by the AIFM Directive, or (iii) third-party portfolio management, as defined in MiFID. Depending on the authorisation granted, asset management companies may also offer investment services as defined by MIFID, such as portfolio management, investment advice or the reception and transmission of orders.

When authorised to manage both UCITS and AIFs, as is the case of Tikehau IM, asset management companies must comply with the regulations applicable to both of these two activities cumulatively, unless otherwise specified. The remuneration policy is one of the areas where the regulations do not apply cumulatively. Under the AMF General Regulation, asset management companies approved under these two schemes must establish systems of remuneration consistent with the requirements of the AIFM Directive.

The AMF is responsible for supervising French asset management companies. It monitors compliance by management companies with the laws and regulations applicable to them and with the terms of their approval, and has a power of sanction over any person violating these regulations.

(ii) Provisions relating to the fight against money laundering and terrorist financing

Asset management companies and investment service providers are required to report to an anti-money laundering unit under the authority of the French Minister of the Economy, Tracfin (the acronym translates as "Intelligence Processing and Action Against Circuits of Illegal Financing"), any amounts recorded in their accounts that they suspect may derive from drug trafficking or organized crime, any unusual transactions exceeding certain amounts and all amounts and transactions that they suspect to be the result of an offence punishable by a term of imprisonment for one year or which may contribute to the financing of terrorism.

Regulated institutions are under a duty of care, including in particular the obligation to establish KYC procedures for client identification (and the beneficial owner) in all transactions. They must also establish systems for the evaluation and management of the risk of money laundering and terrorist financing suited to the transactions and clients involved.

7. Dividend Policy

The aim of the Company is to continue to maximise value creation for its shareholders over the long term by allocating capital to maximize its revenue stream and the profitability of its shareholders' equity. (See Section I.3(a)(i) (A business model reconciling growth and resilience) of this Registration Document.)

Aware that the distribution of profits is an objective for its shareholders, the Company intends to establish a dividend policy permitting the distribution of a stable or increasing dividend. In addition, and if it seems appropriate, the Company may use share buybacks in an accretion of the Company's earnings per share. (See Section VIII.6 (Tikehau Capital share buy-back programme) of this Registration Document.)

The Company's dividend distribution history is as follows. It should be noted that as a result of the reorganization operations carried out at Group level which are described in Section VIII.3 (Reorganization operations) of this Registration Document, this historical information is not indicative of future dividend distributions:

	2013	**2014**	**2015**
Dividend per share paid out	€0.50	€0.60	€0.70

In the absence of distributable income for 2016, no dividend is proposed for approval at the Annual General Meeting convened for 1 June 2017. (See Chapter IX (Annual General Meeting) of this Registration Document.)

II. COMMENTS ON THE ACTIVITY, INCOME AND FINANCIAL POSITION

1. Overview of activities, income and financial position

The following comments focus mainly on the Group's historical financial information and should be read in the light of the Group's reorganization operations which took place in the course of 2016. These operations, described in detail in Section VIII.3 (Reorganization operations) of this Registration Document, have chiefly resulted in providing the Company with all the asset management activities held by the Company and its affiliates, in order to make the Company the parent company of a Group dedicated to investment and asset management and to enable the Group to implement the strategy described in Section I.3(b) (Strategy) of this Registration Document. Thus, the historical financial information is not necessarily indicative of the future performance of the Group or of the performance indicators that the Group intends to follow in the future in accordance with the segmentation of its activities described in Section I.4 (Presentation of the activities of Tikehau Capital) of this Registration Document.

Due to the recent reorganization of the Group which has had the effect of transforming the Company into the parent company of a group dedicated to asset management and investment (see Section VIII.3 (Reorganization operations) of this Registration Document), the indicators that the Group intends to follow in the future are not necessarily reflected in the Group's historical financial information or in the comments below. This applies all the more so to the business segments presented by the Company and described in Section I.4 (Presentation of the activities of Tikehau Capital) of this Registration Document.

As a result of its reorganization, the indicators that the Company follows (and intends to follow) include:

- <u>Assets under management</u> – The concept of assets under management is an indicator of operational activity which is not reflected in the consolidated financial statements of Tikehau Capital. Depending on the different strategies, assets under management correspond chiefly:

  (a) For liquid strategies: to the net asset value of the funds (the net asset value of each type of unit in the fund is multiplied by the number of units outstanding) or to subscribers' commitment in the case of management mandates;

  (b) For private debt activities: (i) to the commitments of subscribers during the periods of fundraising and investment, (ii) to the net asset value of the funds, once the investment period has ended, and (iii) to subscribers' commitments for CLO business.

  (c) For real estate activities: to the latest available appraisal value of the assets held by the funds (or, failing that, to the historical cost of the assets) plus cash and the fund's other assets, if any;

  (d) For private equity activities: to the last available valuation of the assets including in particular investments in platforms (including goodwill) and available cash (i.e., net of uncalled commitments).

  The change in assets under management from one year to another can be explained by (i) the net inflow effect (see below), (ii) the market effect, which is the sum of the positive and negative changes in the performance of the portfolio during the period, (iii) the distributions made during the period, and (iv) the scope effect, i.e., when management companies are acquired or sold during a financial year but also when the holding rate changes so much that the holding becomes majority or minority, their assets increase the total outstanding assets under management (acquisition, equity interest that becomes a majority holding) or decrease the total outstanding assets under management (disposal, equity interest that becomes a minority holding) of Tikehau Capital, from the date of acquisition, disposal, accretion or dilution.

- Net inflows – Net inflows is an indicator of the operational activity that is not reflected in the consolidated financial statements. It is the difference between the amounts of subscriptions and redemptions over the period. A positive flow means that the total amount of inflows (subscriptions) is higher than the outflows recorded (redemptions). Conversely, a negative flow means that the amount of redemptions is greater than the inflow of subscriptions.

- Portfolio revenue – This corresponds to changes in the fair value of the Company's current and fixed portfolio plus other income generated by the portfolio over the period in question (i.e., including dividends and interest received).

- Asset management companies' revenue – This aggregate is made up of net fees received by the Group management companies plus performance fees and income associated with carried interest. More specifically:

    - Net fees, in large part, consist of net management fees, which are equal to management fees collected net of fees paid out. The management fees collected correspond to management fees paid by the portfolio (whether relating to the management of assets or to arrangement or structuring fees). They are recorded at the time when the service is provided and in general are calculated by applying a percentage to the assets managed. They are collected monthly, quarterly or even over shorter periods (excluding arrangement or structuring fees which are usually paid when the investment is made). The level of management fees depends both on the type of customer and type of products. Fees paid out correspond to (i) trailer fees paid to distributors provided for under contract, generally based on a percentage of the management fees, and (ii) the fees of custodians and valuation agents, when these are paid by Tikehau Capital.

    - Performance fees or income associated with carried interest can be collected when performance thresholds are exceeded during the lifetime of the fund (open-ended funds managed under liquid strategies) or on the liquidation of the fund (open-ended funds especially under private debt and real estate activities). These revenues reward Tikehau Capital when the provisions of the documentation of such funds so provide. They are paid by the funds directly to the beneficiaries and recognized in the income statement when they are definitively allocated. (See Section I.4(a)(ii) (Allocation and income from the capital of Tikehau Capital) of this Registration Document.)

- Net revenues – Net revenues correspond to the income from the portfolio (see above) plus income from the management companies (see above); this aggregate contains elements affecting cash and others recorded in the accounts that have no impact on cash.

- Income from asset management and investment activities – Income from asset management and investment activities (after the share of net income from companies accounted for under the equity method) is the income from the portfolio, (i) plus revenue from fully consolidated management companies, (ii) plus the share of net income from companies accounted for under the equity method, (iii) plus income from the derivatives portfolio and operating expenses, but before taking into account net financial income, taxes and income from companies accounted for under the equity method. Operating expenses consist primarily of personnel expenses and other business costs (including expenses related to fees, IT expenditure, etc.).

- Net income – Net income is income from asset management and investment activities (after the share of net income from companies accounted for under the equity method) plus net financial income (or minus if the latter is negative), less income tax for the amount due for the financial year plus any deferred tax liabilities in respect of fair value accounting. The net income is then divided between the Group share and the share attributable to minority shareholders.

2. Comments on the activity and consolidated financial statements of 2016

(a) Business during 2016

In 2016, with regard to its fixed investment portfolio, the Company undertook investment transactions for €303.5 million (vs. €178.0 million in 2015) and divestments for €82.6 million (vs. €24.1 million in 2015).

During financial year 2016, the Company made the following key investments:

- The Company increased its investment in Salvepar by €9.9 million following its decision to receive its dividend (in respect of its ordinary shares and preferred shares) as new ordinary shares of Salvepar.

- The Company subscribed to Tikehau Italian Retail Fund I (TIRF I) for the amount of €4.4 million. (See Section I.4(c)(i) (Real estate activities conducted through Tikehau IM) of this Registration Document.)

- The Company participated in the capital increase by Tikehau IM in November 2016 for €3.5 million.

- The Company subscribed to Tikehau Real Estate II (TRE II) for the amount of €45.6 million. (See Section I.4(c)(i) (Real estate activities conducted through Tikehau IM) of this Registration Document.)

- The Company subscribed to Tikehau Logistics Properties I (TLP I) for the amount of €8.7 million. (See Section I.4(c)(i) (Real estate activities conducted through Tikehau IM) of this Registration Document.)

- The Company subscribed US$5 million to JC Flowers IV, the latest fund of J.C. Flowers & Co, a private equity firm based in New York, specialising in financial sector private equity.

- The Company increased its commitment in Tikehau Direct Lending III (TDL III) by the amount of €3 million. (See Section I.4(b)(i) (Direct lending activities) of this Registration Document.)

- The Company increased its commitment in Tikehau Special Opportunities (TSO) by €10 million. (See Section I.4(b)(i) (Direct lending activities) of this Registration Document.)

In the 2nd half of 2016, the Company conducted two capital increases: an initial paid-in capital increase in July 2016 and a capital increase through contributions in kind on 21 December 2016 (see Sections VIII.5 (a) (History of the share capital over the past three years) and VIII.3 (Reorganization operations) of this Registration Document):

- A capital increase was carried out on 4 July 2016 for an amount of €415,859,682 (including share premium) resulting in the creation of 19,802,842 new shares. This capital increase was carried out with preferential subscription rights at a price of €21 per new share and was subscribed for in the amount of €239.8 million by cash contribution and €176.1 million by offsetting against debts with bonds convertible into shares issued by the Company in May 2015. All bonds convertible into shares issued by the Company in May 2015 were cancelled as part of this operation (see Section II.2(d)(i) (Liquidity and Capital Resources – Changes in financial debt during 2016) of this Registration Document). The purpose of this capital increase was to allow the Company to shore up its shareholders' equity, fund its ongoing development and accelerate its international expansion.

- As part of the reorganization operations described in Section VIII.3(a) (Reorganization operations completed) of this Registration Document, a capital increase through an in-kind contribution in the amount of €266,324,982 (issue premium included) was completed on 21 December 2016. This capital increase, which was approved by Company shareholders at the General Shareholders' Meeting of 21 December 2016, was conducted at a price of €21 per new share and resulted in the issue of 12,682,142 new shares remunerating in-kind contributions to the Company. These contributions were done for the purpose of reorganising the Group and preparing the listing of the Company's shares on the Euronext Paris regulated market. These contributions include the following assets in particular:

    - Tikehau IM shares amounting to 74.1% of Tikehau IM's shares;
    - ten (10) Salvepar Class 1 preferred shares; and

- all preferred shares issued by Tikehau Capital Europe and held by the Company.

The General Shareholders' Meeting of the Company of 21 December 2016 also authorised the issuance of BSA (see the Glossary in Section X.5) reserved for the companies Tikehau Management, Tikehau Employee Fund 2008 and TCA Partnership. The terms of these BSA, which were issued on 22 December 2016, are described in more detail in Section VIII.5(a) (History of share capital over the last three years) of this Registration Document.

Tikehau Capital made purchases or sales of European derivatives (futures or options) to contend with the fluctuations in the markets. These transactions on the derivatives portfolio, used as a market risk management tool, represented a cost of €62.2 million in 2016. As at 31 December 2016, Tikehau Capital had no exposure to listed derivatives.

(b) Analysis of consolidated results for the year 2016

In the Company's consolidated financial statements under IFRS for the year ended 31 December 2016, the main accounting aggregates relevant to the Company are: (i) portfolio revenue, (ii) asset management companies' revenue after share of net income from equity affiliates (iii) net income.

(i) *Portfolio revenue*

For the 2016 financial year, portfolio revenue of the Company amounted to €73.9 million vs. €39.6 million for 2015.

Portfolio revenue for FY 2016 corresponds essentially to a positive change in fair value of €42.3 million, an increase compared to 2015 (a positive change of €19.8 million) and can be broken down into a positive change in fair value on the non-current portfolio of €41.5 million (vs. a positive change in fair value in 2015 amounting to €11.7 million) and a positive change in fair value on the current portfolio of €0.8 million (vs. a positive change in fair value in 2015 of €8.1 million).

The change in the fair value of the non-current portfolio is primarily attributable to the listed investment portfolio (mainly Salvepar and SES Imagotag) for an amount of €59.1 million, and the investments in the real estate funds managed by Tikehau IM for a total amount of €5.6 million, offset by the loss in value on the investment in Groupe Flo for a negative amount of €21.2 million.

Portfolio revenue is complemented by other portfolio revenue (mainly dividends, interest and fees) for a total amount of €31.6 million in 2016 (vs. €19.8 million in 2015). This increase in other portfolio revenue is mainly due to the income from the real estate funds managed by Tikehau IM launched at the end of 2015 and the income from the first CLO transaction (CLO I) launched by Tikehau Capital Europe in which the Company invested (See Section I.4 (b) (Senior Debt (leveraged loans) activities) of this Registration Document).

(ii) *Asset management companies' revenue after share of net income from equity affiliates*

Revenue from investment and management activities after share of net income from equity affiliates in 2016 amounted to a profit of €57.4 million compared with a profit of €5.9 million in 2015.

The equity interests recognized using the equity method contributed to 2016 net income for €67.4 million (see Note 5.8 (Securities recognized under the equity method) to the consolidated accounts to be found in Section VI.1 (Annual consolidated financial statements as at 31 December 2016) of this Registration Document), compared with a contribution of €0.6 million in 2015.

Operating expenses for the year 2016 amounted to €24.1 million against €12.6 million in 2015. Bearing in mind that the Company has never had any employees, this €11.4 million increase in operating expenses is mainly due to the increase in the Chairman's variable remuneration (in connection with the capital increase carried out in July 2016).

(iii) *Net income*

In 2016, net income from cash equivalents amounted to €0.6 million vs. €0.5 million in 2015.

Financial expenses for 2016 amounted to €7.9 million, up sharply compared with 2015, (€3.0 million), reflecting the increase in the Company's indebtedness.

In 2016, the deferred tax is for income of €24.1 million (compared with €5.6 million in 2015). This can be explained by the recognition of the tax deficit for the year amounting to €26 million.

On this basis, net income for 2016 amounted to a profit of €72.5 million, a significant increase compared to income for financial year 2015 (a profit of €9.6 million).

(c) Consolidated fixed assets

Because of its activities as a holding company owning equity interests prior to the share contribution transactions described in Section VIII.3 (Reorganization operations) of this Registration Document, the fixed assets of the Company consist almost exclusively of its investment portfolio and its securities recognized by the equity method (see Notes 5.3 and 5.9 to 5.12 to the financial statements to be found in Section VI.1 (Annual consolidated financial statements as at 31 December 2016) of this Registration Document); the tangible and intangible fixed assets of the Company are negligible.

In the assets of the Company in its consolidated financial statements, the value of the Company's fixed investment portfolio stood at €762.6 million as at 31 December 2016 against €544.9 million as at 31 December 2015.

In 2016, this increase reflects changes in the fixed portfolio over the year, that is, investments amounting to €303.5 million, positive changes in value amounting to €25.7 million; these positive changes were partially offset by movements on related receivables amounting to €28.8 million and by divestments over the period amounting to €82.6 million. (See Section II.2(a) (Business during 2016) of this Registration Document.)

(d) Liquidity and Capital Resources

(i) *Changes in financial debt during 2016*

In the 2nd half of 2016, the Company completed the review and rationalisation of its financial debt.

- On 4 July 2016, the Company cancelled all bonds convertible into shares issued by the Company in May 2015 for a nominal amount of €176.1 million which were repurchased and then capitalised as part of a capital increase. (See Section VIII.5(a) (History of share capital over the last three years) of this Registration Document.)
- Tikehau Capital concluded its first syndicated loan on 29 July 2016 for an amount of €200 million, with a syndicate of lenders led by BNP Paribas, Crédit Agricole Corporate and Investment Bank and LCL as co-arrangers, and made up of BRED Banque Populaire, Natixis, Standard Chartered, Banco Espirito Santo de la Vénétie and Société Générale (the "Syndicated Loan Agreement").
- In parallel, Tikehau Capital also concluded other bilateral loans for a total amount of €20 million from its customary banks.

At the filing date of this Registration Document, the Company's gross nominal debt (not including accrued interest) amounts to €120 million and the Company also has available €100 million of loans taken out but not drawn down.

Financing under the Syndicated Loan Agreement

The following description presents the terms and conditions of the Syndicated Loan Agreement as they became effective on the date of first admission of the Company's shares to trading on the Euronext Paris regulated market, i.e., 7 March 2017.

Presentation of the Syndicated Loan Agreement

The Syndicated Loan Agreement has a maturity of five years.

The drawdowns are made in euro and bear interest at a contractually fixed and variable rate equal to the sum of a base rate determined by reference to EURIBOR (with a floor set at zero) and a margin that is revised quarterly based on a Total Loan To Value ratio (as defined below).

The Syndicated Loan Agreement provides for a fee for non-use of 40% of the applicable margin.

On 29 July 2016, Tikehau Capital made a drawdown representing 50% of the maximum amount committed under the Syndicated Loan Agreement, i.e., a principal amount of €100 million. The Syndicated Loan Agreement provides for the possibility of other drawdowns, with a minimum amount of €20 million until 30 September 2017.

The Syndicated Loan Agreement is to be repaid as follows: one third of the debt on the third anniversary of the signing of the Syndicated Loan Agreement, one third on the fourth anniversary, and one third on the fifth and final anniversary.

Collateral furnished as security on the Syndicated Loan Agreement

The Company's obligations under the Syndicated Loan Agreement are secured by senior pledges using some of the financial securities in its portfolio of assets, and where applicable, cash. The total value of the assets serving as collateral must represent 175% of the amount of advances still due. Should this coverage ratio fail to be observed, the Borrower is allowed to rectify this during a certain period.

The Group's main restrictive commitments under the Syndicated Loan Agreement

The Syndicated Loan Agreement contains the clauses customary for this type of financing, including the following:

- Financial commitments - Subject to a rectification period:
  - Tikehau Capital's Senior Loan to Value Ratio, tested quarterly, must be less than or equal to 35%.
  - Tikehau Capital's Total Loan to Value Ratio, tested quarterly, must be less than or equal to 50%.
  - Tikehau Capital's "Limit", tested every six months, must be less than or equal to 20%. For the purposes of this commitment, the Limit is defined as the ratio of the total amount of bilateral loans outstanding and the sum of the Group's share of consolidated shareholders' equity (determined in accordance with the applicable IFRS) and the total amount of Tikehau Capital's financial debt.
- Affirmative and negative covenants – These are undertakings on, inter alia, certain restrictions related (but not limited) to the furnishing of security or collateral, to carrying out mergers or restructuring, change of activity, interest rate hedging and dividend distributions. The Company is in particular committed to maintaining interest rate hedging equal to at least 50% of the amounts used under the Syndicated Loan Agreement for the duration of this loan.
- Change of control – The Syndicated Loan Agreement provides for the possibility for each lender not to fund its participation in a drawdown and to terminate its commitment in the event of a change of control of the Company (as change of control is defined in the Syndicated Loan Agreement).
- Early repayment – Under the Syndicated Loan Agreement, the majority of the lenders (i.e., lenders representing more than 2/3 of commitments) can decide to demand the total or partial early repayment of the amounts due under the Syndicated Loan Agreement in certain cases limited to those stipulated, which include non-payment, non-compliance of the commitments described above,

the occurrence of a cross default or the occurrence of events having or reasonably likely to have a material adverse effect on the assets and financial position of Tikehau Capital or the ability of the Company to meet its payment obligations or any of its financial commitments. Some of these cases of default cover not only the Company but also Salvepar, Tikehau IM and Tikehau Capital Europe (including cases of default relating to cases of cross default, bankruptcy procedures and enforcement proceedings).

The BRED Banque Populaire financing

By signing the BRED Banque Populaire contract (the "BRED Financing") the Company sought to partially refinance its investment in TRP III (see Section I.4(c)(i) (Real estate activities conducted through Tikehau IM) of this Registration Document) for an amount of €20 million on a total investment of €35.5 million in TRP III.

The BRED Financing was granted for an initial period expiring on 31 July 2019 which may be extended for three years until 31 July 2022, if the Company so requests of BRED and subject to certain conditions (including financial ratios).

The outstanding debt on the BRED Financing bears interest at a rate determined by contract equal to the sum of a base rate determined by reference to 3-month EURIBOR (with a floor of zero) and a margin agreed between the parties.

Assuming that the contract finalises on the initial maturity date, the debt will be paid off according to the repayment schedule contained in the amortisation table below:

Due Date	Amortisation of principal
31 July 2017	€1,000,000
31 July 2018	€1,500,000
31 July 2019	€17,500,000

Assuming that the BRED Financing is extended until the extended date of maturity, the debt will be paid off according to the repayment schedule contained in the amortisation table below:

Due Date	Amortisation of principal
31 July 2017	€1,000,000
31 July 2018	€1,500,000
31 July 2019	€2,000,000
31 July 2020	€2,500,000
31 July 2021	€3,000,000
31 July 2022	€10,000,000

The obligations of Tikehau Capital under the BRED Financing are primarily secured by a senior pledge on the shares held by the Company in TRP III.

The BRED Financing contains the clauses customary for this type of financing, including the following:

- Financial commitments – The Company must comply with a minimum Loan to Value Ratio tested twice a year as of 30 June 2017 based on the value of the refinanced assets and a level of shareholders' equity, Group share, of at least €300 million.
- Affirmative and negative covenants – These are undertakings on, inter alia, certain restrictions related (but not limited) to the furnishing of collateral on assets which would be pledged under the terms and conditions of the BRED Financing, to the disposal of assets serving as collateral under the BRED Financing, or to a change in the Articles of Association of Tikehau Capital.
- Change of control – The BRED Financing provides for mandatory early repayment in the event of a change of control (as change of control is defined in the contract for the BRED Financing).

Declaration on loans taken out by the Group

The Company has pledged assets to its creditor banks for a total amount of approximately €275 million (valuation factors updated on 31 December 2016 based on the valuation factors available at the filing date of this Registration Document).

At the filing date of this Registration Document, the Company is in compliance with all the covenants contemplated under the bank documents by which it is bound.

(ii) *Capital resources*

The gross debt of Tikehau Capital amounted to €119.2 million as at 31 December 2016, €238.3 million as at 31 December 2015 and €107.1 million as at 31 December 2014.

The table below summarises the distribution of the Company's gross debt:

Under IFRS standards (in millions of €)	**31 December 2016**	**31 December 2015**	**31 December 2014**
Convertible Bonds	–	171.7	–
Principal debt	121.4	60.6	92.1
Bank loans	–	6.3	15.0
Spreading of debt issuance expenses	(2.2)	(0.3)	–
Gross debt	**119.2**	**238.3**	**107.1**

The Company uses loans taken out from banks. These credit lines are generally taken out in the medium term (5-7 years) and, in the case of some, function as revolving lines (possibility of drawing down the debt or not – on condition of paying a fee for non-use – while maintaining the commitment on the remaining maturity as stipulated by contract). These debts have been streamlined in the 2nd half of 2016. (See Section II.2(d)(i) (Changes in financial debt during 2016) of this Registration Document.)

During the years ended 31 December 2016, 2015 and 2014, all the Group's credit lines were contracted in euro.

The Company's debt, its maturity and the proportion that was fixed rate/variable rate as at 31 December 2016, are described in more detail in Note 5.15 (Current borrowings and payables) to the consolidated financial statements to be found in Section VI. 1 (Annual consolidated financial statements as at 31 December 2016) of this Registration Document.

(iii) *Cash*

The following table presents the available liquidity of the Group at each of the balance sheet dates of 31 December 2016, 2015 and 2014, and the calculation of the Company's net debt, in each case calculated as the sum of cash and cash equivalents, plus the current investment portfolio less current borrowings and payables, less non-current borrowings and payables:

Under IFRS standards (in millions of €)	**31 December 2016**	**31 December 2015**	**31 December 2014**
Gross debt	119.2	238.3	107.1
Cash	170.3	47.3	116.7
of which: cash and cash equivalents (*)	129.8	*15.6*	*59.6*
of which: current investment portfolio	40.5	*31.7*	*57.1*
Net debt	**(51.1)**	**191.1**	**(9.6)**
(*) Including margin calls on derivatives	*0.0*	*0.0*	*0.5*

(e) Changes in shareholders' equity

The Company's consolidated shareholders' equity amounted to €1,129.7 million as at 31 December 2016, €376.1 million as at 31 December 2015 and €378.8 million as at 31 December 2014.

As at 31 December 2016, 2015 and 2014, the Company's consolidated shareholders' equity could be broken down as follows:

Under IFRS standards (in millions of €)	**31 December 2016**	**31 December 2015**	**31 December 2014**
Subscribed capital	650.1	260.3	260.3
Merger and share premiums	379.0	84.0	84.0
Reserves	28.2	22.2	40.6
Net income for the year (Group share)	72.4	9.6	(6.1)
Consolidated shareholders' equity (Group's share)	**1,129.7**	**376.1**	**378.8**

3. Comments on *pro forma* balance sheet for the year 2016

In accordance with applicable regulations, the Company presents unaudited *pro forma* financial information which aims to illustrate the impact of the reorganization operations on the presentation of Tikehau Capital's consolidated financial statements, as if all the operations envisaged and described above had been made by 31 December 2016 for the purposes of the *pro forma* statement of financial position and 1 January 2015 for the purposes of the *pro forma* income statements. (See Section VIII.3 (Reorganization operations) of this Registration Document.)

The unaudited *pro* forma financial information takes into account two significant capital increases at the beginning of 2017, the recognition of the completion of the public exchange offer on Salvepar, as well as various operations to streamline the legal organization of the Group (starting at the end of 2016):

1. The share contribution transactions to Tikehau Capital made on 21 December 2016:
   - The contribution of 74.1% of the share capital of Tikehau IM and almost entirely held by the partners of Tikehau IM (except for the employees of Tikehau IM who received bonus shares);
   - The contribution to Tikehau Capital of the Tikehau Capital Europe (TCE) shares held by Tikehau Capital Advisors;
   - The contribution to Tikehau Capital by Tikehau Asia partners of Tikehau Asia shares not yet held by Tikehau Capital;
2. The capital increase carried out on 6 January 2017 for an amount (including premium) of approximately €150 million;
3. The capital increase reserved for the *Fonds Stratégique de Participations* for a total amount of €50 million on 6 March 2017;
4. The consolidation of the entire financial interest in Duke Street LLP under the Company subject to the approval of the FCA (see the Glossary in Section X.5);
5. The contribution to Tikehau Capital of Salvepar shares held by its main minority shareholders, as part of the public exchange offer launched on 9 January 2017 and finalized on 27 February 2017, which, given the success of the bid, led to the mandatory delisting of Salvepar;
6. The capital increase of Tikehau Capital Europe (TCE) following the approval by the FCA (see the Glossary in Section X.5) of the transaction on 2 February 2017, in order to enable Amundi to hold 24.9% of the ordinary shares of TCE.

Regarding these operations, see Section VIII.5 (Information on the share capital and major shareholders) of this Registration Document.

Readers are referred to the notes to the unaudited *pro forma* financial information in Section V.3 (Unaudited *pro forma* financial information as at 31 December 2016) of this Registration Document.

(a) Analysis of *pro forma* consolidated results for 2016

(i) *Net revenues - Overview*

In 2016 on a *pro forma* basis the net revenues of the Company, €129.9 million (vs. €127.0 million in 2015), can be broken down between the income from the portfolio which stood at €90.5 million (vs. €99.2 million in 2015) and income from the management companies which amounted to €39.4 million (vs. €27.9 million 2015).

On a *pro forma* basis, the income from the portfolio for 2016 corresponds essentially to a positive change in fair value of €46.6 million, a decrease from FY 2015 (€80.6 million) and is divided between a positive change in the fair value of the fixed portfolio of €43.7 million (vs. €67.8 million in 2015) and a positive change in the fair value of the current portfolio of €3.0 million (vs. €12.8 million in 2015).

The change in the fair value of the fixed portfolio is primarily attributable to the listed investments portfolio for an amount of €31 million (mainly SES Imagotag), while the change in the fair value of the current portfolio is due notably to short-term bonds.

The income from the portfolio is complemented by other portfolio revenue (chiefly dividends and interest) for a total amount of €43.9 million (vs. €18.6 million in 2015). This sharp increase in other income from the portfolio mainly reflects the strong increase in other income from the fixed portfolio which is related to the gain on the disposal of Vietnamese real estate assets (passed on as a dividend) in which Salvepar had co-invested alongside Crescent Point in October 2014. The sale of these three assets was conducted during the 1st half of 2016. Subject to the expiry of the customary guarantees, the net gain on disposal expected for Salvepar is €6.8 million, and the transaction is expected to generate an overall multiple of 2.2x and an internal rate of return (IRR) of 52.2%.

In 2016, revenues from the management companies (Tikehau IM and Tikehau Capital Europe) amounted to €39.4 million (vs. €27.9 million in 2015). This increase reflects in particular the strong increase in fees over the period. In this income from the management companies, Tikehau IM contributes €37.3 million and Tikehau Capital Europe €2.1 million.

(ii) *Net revenues - information by sector*

The Company's net revenues on a *pro forma* basis as at 31 December 2016 (€129.9 million vs. €127.0 million as at 31 December 2015) are presented according to the four business lines in which the Company operates, namely: private debt, real estate, private equity and liquid strategies. These business lines are presented in more detail in Section I.4 (Presentation of the activities of Tikehau Capital) of this Registration Document.

Private debt activities

As at 31 December 2016, the Group's net revenues attributable to private debt activities totalled €33.8 million (vs. €14.5 million as at 31 December 2015). These revenues correspond to assets managed for an amount of €4.9 billion as at 31 December 2016, vs. €3.5 billion as at 31 December 2015 (an increase of 40% year on year).

As at 31 December 2016, private debt activities generated fees in the amount of €20.2 million, split between management fees for €14.8 million and arrangement and structuring fees for €5.4 million (vs. a total of €13.8 million in fees as at 31 December 2015), i.e. a growth of about 7% in 2016. This increase in fees reflects the increase in the assets under management in this business line (€4.9 billion as at 31 December 2016, vs. €3.5 billion at 31 December 2015), as well as the gradual call and investment of amounts committed by client-investors (+€671 million called in 2016), as the funds called and invested generally generate higher fee rates than funds committed but not yet called.

As at 31 December 2016, on a *pro forma* basis, the portfolio of investments and co-investments made by the Group's in strategies dedicated to private debt represented a total amount of €128.2 million (vs. €83.7 million as at 31 December 2015). Income attributable to this portfolio (investment income and changes in fair value) totalled €13.6 million as at 31 December 2016 (vs. €0.7 million at 31 December 2015).

Real estate activities

As at 31 December 2016, net revenues attributable to the Group's real estate activities amounted to €17.3 million (vs. €6.5 million as at 31 December 2015). These revenues correspond to assets managed for an amount of €1.8 billion as at 31 December 2016, compared with €0.7 billion as at 31 December 2015 (i.e. an increase of 156% year on year).

As at 31 December 2016, real estate activities generated fees for an amount of €7.6 million, split between management fees for €4.0 million and arrangement and structuring fees for €3.6 million (compared with total fees of €4.3 million as at 31 December 2015).

As at 31 December 2016, the main real estate investment made by the Group is the acquisition of a portfolio of approximately 130 office and business assets from the EDF group (see Section I.4(c) (Real estate activities) of this Registration Document.)

As at 31 December 2016 on a *pro forma* basis, the Group's portfolio of investments and co-investments made in strategies dedicated to real estate represented a total amount of €178.2 million (compared with €95.3 million as at 31 December 2015). Income attributable to this portfolio (investment income and changes in fair value) totalled €9.5 million as at 31 December 2016 (vs. €2.2 million as at 31 December 2015).

Private equity

As at 31 December 2016, the Group's net revenues attributable to private equity activities amounted to €67.3 million (vs. €93.3 million as at 31 December 2015). These revenues correspond to a portfolio invested in the amount of €1.2 billion as at 31 December 2016 (excluding the assets under management of Duke Street LLP).

Because of the specific features of the business carried out to date, mainly based on resources on the Group's balance sheet and not from third-party funds, the fees generated by this activity are insignificant (€0.1 million in 2016 and €0.7 million in 2015).

Therefore, revenues from this activity as at 31 December 2016 came largely from investments made in this strategy for an amount of €66.3 million in 2016 (vs. an amount of €92.6 million as at 31 December 2015). This represents €25.9 million of income from balance sheet investments (vs. €14.8 million as at 31 December 2015), which is derived from dividends paid by equity interests (TIAP and FCPR (see the Glossary in Section X.5)) for €17.6 million (including €10.1 million in capital gains on the sale of Vietnamese real estate assets passed on in the form of a dividend), bond coupons (€6.8 million), as well as interest on receivables related to these investments (€1.4 million) and €40.3 million of positive changes in fair value and gains and losses on disposal (compared with €77.7 million as at 31 December 2015), chiefly from the portfolio of listed investments (mainly SES Imagotag).

Liquid Strategies

As at 31 December 2016, the Group's net revenues attributable to liquid strategies amounted to €11.6 million (vs. €12.7 million as at 31 December 2015). These revenues are from assets under management amounting to €1.9 billion as at 31 December 2016, compared with €2.0 billion at 31 December 2015.

As at 31 December 2016, liquid strategies generated fees for €11.6 million (vs. €9.8 million as at 31 December 2015), i.e. an increase of approximately 10%. These fees correspond in full to management fees as this activity does not generate arrangement or structuring fees. The increase in fees over the period reflects the increase in assets under management for this business line.

As at 31 December 2016, on a *pro forma* basis, the Group's portfolio of investments and-co investments made in liquid strategies represented a total amount of €60.4 million (compared with €59.2 million as at 31 December 2015).

(iii) *Income from asset management and investment activities after share of net income from companies accounted for under the equity method*

The income from asset management and investment activities after share of net income from companies accounted for under the equity method for 2016 on a *pro forma* basis amounted to €1.8 million vs. €55.6 million as at 31 December 2015.

The net revenues of the Company as at 31 December 2016, i.e. €129.9 million (vs. €127.0 million at 31 December 2015), can be broken down between the income from the portfolio which stood at €90.5 million (vs. €99.2 million as at 31 December 2015) and income from the management companies which amounted to €39.4 million (vs. €27.9 million as at 31 December 2015).

From these revenues are deducted the income from the derivatives portfolio, a loss of €62.2 million as at 31 December 2016 (vs. a loss of €21.0 million as at 31 December 2015) and operating expenses amounting to €66.2 million as at 31 December 2016 (vs. €50.4 million as at 31 December 2015).

Tikehau Capital made purchases or sales of European derivatives (futures or options) to contend with the fluctuations in the markets. These transactions on the derivatives portfolio, used as a market risk management tool, represented a cost of €62.2 million in 2016. As at 31 December 2016, Tikehau Capital had no exposure to listed derivatives.

The increase in operating expenses in 2016 reflects the increase in other net operating expenses (€24.7 million as at 31 December 2016 vs. €16.8 million as at 31 December 2015) mainly attributable to higher salary costs in connection with the increase in the number of employees and an increase in purchases and external expenses (€41.5 million as at 31 December 2016 compared to €33.5 million as at 31 December 2015), chiefly as a result of the increase in the Chairman's variable remuneration (in connection with the capital increase in July 2016).

Investments accounted for under the equity method contributed €0.3 million to the 2016 results.

(iv) *Net income*

Net income on cash equivalents amounted to €1.1 million as at 31 December 2016 vs. €1.7 million for FY 2015, reflecting the decline in interest rates between the two periods.

Financial expenses for 2016 amounted to €9.0 million, a very significant increase over financial year 2015 (€4.6 million), notably due to the increase in debt servicing costs.

Pre-tax income therefore stood at a loss of €6.2 million in 2016 compared to a profit of €52.7 million in 2015.

After taking tax into account, the Group's net income for 2016 on a *pro forma* basis amounted to a profit of €3.6 million. This result compares with net income Group share of €150.2 million for FY 2015. In the latter, business combinations are accounted for using the acquisition method in accordance with IFRS 3. Excluding the impact of business combinations, the Group's share of net income amounted to €46.5 million in 2015.

(b) ***Pro forma* balance sheet data**

(i) *Pro forma consolidated fixed assets*

The Company's fixed assets are mainly composed of its non-current investment portfolio, that is, investments intended to be held longer term (for an amount of €840.8 million as at 31 December 2016), of tangible and intangible fixed assets consisting of goodwill on Tikehau IM, IREIT Global Group and Tikehau Capital Europe (for €276.5 million, €9.2 million and €11.4 million respectively) and the Tikehau brand valued at €10.7 million (including rights), and for the balance, of securities accounted for under the equity method (for an amount of €6.9 million as at 31 December 2016) and deferred tax assets (for an amount of €25.9 million as at 31 December 2016).

The Company's non-current investment portfolio is divided into a portfolio of listed investments for €129.1 million (primarily SES Imagotag, Latécoère and Naturex), an investment portfolio of unlisted equity interests for €286.5 million, a portfolio of investments in funds for €317.0 million and a portfolio of long-term bond investments for €108.3 million.

(ii) *Liquidity and Capital Resources*

As at 31 December 2016, the Group's consolidated gross debt amounted to €205.2 million on a *pro forma* basis. This represents €119.2 million in bank loans taken out by the Company (see Section II.2(d) (Liquidity and Capital Resources) of this Registration Document) and €86.0 million for the gross debt of Salvepar (that is, mainly the ORNANE convertibles issued by Salvepar in June 2015 for a nominal amount of €150 million of which €64 million were subscribed to by the Company).

As at 31 December 2016 the Group had a high level of financial resources on a *pro forma* basis; its cash and cash equivalents amounted to €495.1 million, while the Group's current investment portfolio stood at €118.5 million.

It showed a net cash position of €408.3 million as at 31 December 2016 on a *pro forma* basis (calculated as the sum of cash and cash equivalents, plus the current investment portfolio less current borrowings and payables, less non-current borrowings and payables). Current investments are generally shorter-term investments, consisting *inter alia* of marketable securities.

(iii) *Pro forma consolidated shareholders' equity*

As at 31 December 2016 on a *pro forma* basis the Company's consolidated shareholders' equity amounted to €1.5 billion (vs. €1.1 billion on a consolidated non-*pro forma* basis as at 31 December 2016).

4. Annual results of the Company

(a) Annual Financial Statements for 2016

(i) *Income Statement*

The analysis of changes in the Company's main accounting aggregates for financial year 2016 is presented below.

Operating result

As at 31 December 2016, operating income amounted to €6.2 million, compared to €1.9 million for financial year 2015. This increase is mainly due to higher transfers of expenses (€5.1 million in 2016 vs. €0.7 million in 2015).

In 2016, the Company recorded €29.8 million in operating expenses, up from 2015 (€13.8 million), mainly due to (i) the increase in the Chairman's variable remuneration (in connection with the capital increase carried out in July 2016), and (ii) fees related to setting up the syndicated loan and to the capital increase. The latter have been recognized as assets by means of a transfer of expense account for an amount of €5.1 million.

Gross operating income for financial year 2016 consequently amounted to a loss of €23.6 million against a loss of €11.9 million in 2015.

Financial income

Financial income for financial year 2016 amounted to a loss of €61.7 million against a profit of €23.9 million in 2015. The transactions on the derivatives portfolio, used as a market risk management tool, represented a charge of €62.2 million in 2016.

Extraordinary result

The extraordinary result for 2016 amounted to €28.6 million (vs. a loss of €7.8 million as at 31 December 2015). This increase reflects the capital gains realized on the Company's investment portfolio, in particular on SES Imagotag (formerly Store Electronics System).

Net income

Total income amounted to €111.1 million as at 31 December 2016, compared with €76.5 million for financial year 2015, mainly as a result of income from capital transactions.

Total expenses for the year 2016 amounted to €167.7 million, i.e. a very significant increase over 2015 (€72.3 million), mainly due to the increase in financial expenses and operating expenses as seen above.

Gross operating income for financial year 2016 amounted to a loss of €56.6 million against a profit of €4.2 million in 2015.

(ii) <u>*Balance sheet*</u>

The Company's balance sheet total as at 31 December 2016 amounted to €1.2 billion, compared with €0.6 billion as at 31 December 2015.

Financial investments amounted to €1,024.6 million as at 31 December 2016 (vs. €588.4 million as at 31 December 2015). This increase is mainly due to (i) the reinforcement of existing investments through capital increases, notably in Tikehau Capital Europe, Tikehau IM, Salvepar and TCP UK for a total of €42 million, (ii) new investments made by the Company during the year, notably in funds managed by Tikehau IM for a total of €68 million, and (iii) in-kind contributions made on 21 December 2016 for €266 million, relating to the following assets:

- Tikehau IM shares amounting to 74.1% of Tikehau IM's shares;
- ten (10) Salvepar Class 1 preferred shares; and
- all the preferred shares issued by Tikehau Capital Europe.

The Company's shareholders' equity amounts to €1,013 million as at 31 December 2016 vs. €384 million as at 31 December 2015. The increase in shareholders' equity is mainly the result of the capital increases carried out during the year for a total of €682 million, a first capital increase in cash in July 2016 (€ 415.9 million) and a capital increase by contributions in kind made on 21 December 2016 (€266.3 million).

Financial debt amounted to €121.8 million as at 31 December 2016 (vs. €236.6 in 2015). This decrease is mainly due to the following transactions:

- On 4 July 2016, the Company cancelled all equity convertible bonds issued by the Company in May 2015 for an amount of €176 million which were repurchased and then capitalised as part of a capital increase;

- Tikehau Capital set up its first syndicated loan on 29 July 2016 for an amount of €200 million, of which €100 million were drawn down as at 31 December 2016 (other loans taken out by the Company as at 31 December 2015 were repaid in the course of the year).

The following information is disclosed pursuant to Article L.441-6-1 of the French Commercial Code. Overdue supplier payables amounted to €1,627,000 as at 31 December 2016 compared with €14,000 as at 31 December 2015. The average payment deadline for suppliers is between 30 days and 60 days.

(b) The Company's Financial results for the last five years

	31/12/2016 12 months	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months	31/12/2012 12 months
I – Financial situation at year end					
Number of shares issued	54,174,822	21,689,838	21,689,838	15,601,719	12,134,671
II – Overall result of operations for the year					
a) Net revenues excl. tax	1,078,279	1,199,361	1,057,469	572,501	712,552
b) Profit before tax, depreciation and provisions	-35,994,881	-10,831,190	38,091,889	90,195,432	-15,372
c) Income tax			5,976,779	2,603,615	1,506,270
d) Profit after tax before depreciation & provisions	-35,994,881	-10,831,190	32,115,110	87,591,817	-1,521,642
e) Profit after tax, depreciation and provisions	-56,601,842	4,190,559	26,368,560	41,991,167	8,270,981
f) Amounts of profits distributed			15,182,887	13,013,903	7,800,860
III – Income from operations per share					
a) Profit after tax before depreciation & provisions	-1.04	-0.50	1.48	5.61	-0.13
b) Profit after tax, depreciation and provisions	-0.66	0.19	1.22	2.69	0.68
c) Dividend per share			0.70	0.60	0.50

5. Significant events occurring since 31 December 2016

(a) Capital Increases

Strengthening of the Company's shareholders' equity and shareholders with a view to its listing

On 6 January 2017 the Company completed a capital increase for an amount of €150,080,763 (share premium included), which resulted in the creation of 7,146,703 new shares. This capital increase was carried out at a price of €21 per share with preferential subscription rights and subscribed to in full by cash contribution. The purpose of this capital increase was to enable the Company to strengthen its capital base and shareholder base prior to the admission of its shares to trading on the Euronext Paris regulated market.

Capital increase reserved for the Fonds Stratégique de Participations

The Company and its major shareholders concluded an agreement for an investment in the Company by the *Fonds Stratégique de Participations* for an amount of €50 million, which was conducted simultaneously with the settlement of the takeover bid initiated on Salvepar

This agreement was accompanied by a commitment to appoint a representative of the *Fonds Stratégique de Participations* on the Company's Supervisory Board. (See Sections IV.1(b) (Presentation of the Supervisory Board) and VIII.5 (Information on capital and major shareholders) of this Registration Document.)

This investment has been made through a reserved capital increase at the same price per share as the Company's capital increase completed on 6 January 2017 (i.e., €21 per share); this share price also served as the basis for determining the exchange ratio in the public exchange offer for the shares of Salvepar. (See Section VIII.3 (Reorganization operations) of this Registration Document.) This reserved capital increase was approved by the Company shareholders at the General Shareholders' Meeting of 28 February 2017 called to decide on the issue of new Company shares to remunerate the Salvepar shares contributed to the public exchange offer for Salvepar shares.

The Fonds Stratégique de Participations is an investment company with variable capital registered with the AMF, designed to promote long-term equity investments by taking interests deemed "strategic" in French companies. The Board of Directors of the *Fonds Stratégique de Participations* has eight members and consists of seven insurance company shareholders (BNP Paribas Cardif, CNP Assurances, Crédit Agricole Assurances, Sogécap, Groupama Natixis Assurances and Suravenir), as well as Groupe Edmond de Rothschild. To date and since its investment in the Company, the *Fonds Stratégique de Participations* has five compartments, four of which have the purpose of investing in shares of Arkema, SEB, Zodiac Aerospace and Eutelsat Communications.

(b) Tikehau Capital IPO

As part of the Group's reorganization and the consolidation of its business lines (see Section VIII.3 (Reorganization operations) of this Registration Document), on 9 January 2017 the Company filed the proposal for a public exchange offer on a primary basis, and a cash takeover bid on an subsidiary basis, on the ordinary shares and ORNANEs of its subsidiary Salvepar not yet held by the Company.

The final results of this bid were announced on 27 February 2017. Under this bid: (i) 2,728,822 Salvepar shares were contributed to the primary simplified public exchange offer; (i) 277,543 Salvepar shares were contributed to the subsidiary simplified public cash takeover bid; (iii) 1,225,326 ORNANE bonds were contributed to the primary simplified public exchange offer ; and iv) 165,277 ORNANE bonds were contributed to the subsidiary simplified public cash takeover bid.

Following the completion of this takeover bid, the Company held a total of 7,393,248 Salvepar shares, representing 99.14% of the share capital and at least 99.19% of the company's voting rights, and 2,430,040 ORNANE bonds representing 99.84% of the outstanding Salvepar ORNANE bonds.

As a result of the takeover bid, a mandatory delisting procedure for the shares and the ORNANE bonds of Salvepar was implemented on 6 March 2017. At the filing date of this Registration Document, The Company therefore holds 100% of the share capital and voting rights of Salvepar.
In connection with the settlement of this takeover bid, the Company's shares and ORNANE bonds (including the new shares and ORNANE bonds issued in exchange for those contributed in the takeover bid) were listed on the regulated market of Euronext Paris on 7 March 2017.

As part of the Company's initial public offering, the initial listing price was set at €21 per share. The Company's market capitalisation on the date of the listing was thus approximately €1.5 billion.

(c) Other material events occurring between 31 December 2016 and the date of the financial statements

Portfolio movements - Divestments

In January 2017, Tikehau Capital (via its subsidiary Salvepar) tendered its Heurtey Petrochem shares to Axens' takeover bid for this company at a price of €25 per share, for an amount of €7.8 million. Heurtey Petrochem is an international oil engineering group founded in 1953. These Heurtey Petrochem shares were acquired by Salvepar prior to the Company's takeover of Salvepar. The multiple on disposal for Salvepar was 0.84 times on the basis of historical cost.

On 6 April 2017, the Group announced the sale of its equity interest in Ecotel Chomette Favor (E.CF) to Naxicap Partners. Tikehau Capital (via its subsidiary Salvepar) generated a capital gain of €18.2 million on this investment, a multiple of 2.8x (after taking into account fees and expenses but before corporate income tax). Salvepar had invested €10 million in E.CF in June 2011 (i.e., prior to the Company's takeover of Salvepar), alongside the majority shareholder Weinberg Capital Partners and its management team led by Thierry Drecq. E.CF is the European leader in the distribution of small equipment items and non-food supplies for professionals in the hotel, restaurant and food industry.

Capital increase of the subsidiary Tikehau Capital Europe

On 10 March 2017, Tikehau Capital Europe undertook a capital increase for an amount of approximately €22 million, subscribed to by the Company and Amundi. Following this transaction approved by the FCA (see the Glossary in Section X.5), the Company held 75.1% of the shares of Tikehau Capital Europe, and

Amundi 24.9%. This capital increase allows Tikehau Capital Europe to finance the preparatory phase of Tikehau CLO III, which is due to be launched mid-2017. (See Section I.4(a)(iv) (Subsidiaries of Tikehau Capital – Tikehau Capital Europe) and Section I.4(b)(ii) (Senior Debt (Leveraged loans) activities) of this Registration Document.)

Change in the equity interest in Groupe Flo

In 2006, the Company acquired a 34% interest in Financière Flo, alongside GIB, a joint venture between Compagnie Nationale à Portefeuille (Albert Frère group) and Ackermans & van Haaren. This equity interest gives it an approximately 24% holding in the listed company Groupe Flo, which was valued at €7.9 million in the consolidated accounts of the Company as at 31 December 2016.

Groupe Flo is the leading commercial themed restaurant group in France. The group has more than 300 restaurants collected under numerous chains (Hippopotamus, Brasseries Flo, Tablapizza and Tavernes de Maître Kanter). (See the website of Groupe Flo: www.groupeflo.com.)

In 2015, the consolidated sales revenue of Groupe Flo was down 6.1%, in a very unfavourable environment for the restaurant industry, suffering under the impact in Paris of the terrorist attacks in November 2015. Consolidated net income for the year 2015, group share, was recorded as a loss of €51.5 million. Net financial debt (corresponding to net financial debt plus shareholder loans) stood at €79.3 million as at 31 December 2015, taking into account a shareholder loan of €27.1 million from Financière Flo.

Due to these financial difficulties, Groupe Flo announced on 1 December 2016 that it had reached an agreement with its financial partners for the suspension of various rights under the existing credit contracts until the end of April 2017, including the repayment of principal amounts due during this period, and the setting up of a new credit line of €6.2 million provided by its key shareholder, Financière Flo, in which the Company holds a 34% interest, involving an additional investment by the Company of €2.1 million. This new credit line is repayable at the latest at the end of April 2017, relying in particular on one of the disposals of non-strategic assets under consideration. The agreement that has thus been reached has allowed Groupe Flo to meet its cash requirements until the end of April 2017.

Following this announcement, Groupe Flo announced in early 2017 that it would continue its process of seeking investors and exploring new strategic options for the group. It indicated that it had received non-binding proposals for stakeholdings and/or acquisition of certain of its assets, in particular from Groupe Bertrand, a major player in the commercial catering sector in France. Groupe Flo also announced its revenues as at 31 December 2016, which amounted to €266.5 million (down 5.5% on a like-for-like basis) and its income from current operations recording a loss of €13.9 million (vs. a loss of €6.9 million in 2015). Net financial debt (corresponding to net financial debt plus shareholder loans) of Groupe Flo stood at €64.7 million at end of 2016, taking into account a shareholder loan of €28.4 million from Financière Flo.

(d) Other material events since the date of the financial statements

Restructuring of Groupe Flo and takeover by Groupe Bertrand

On 25 April 2017 Groupe Bertrand and Groupe Flo announced that it had entered into an agreement with the banks of Groupe Flo and Financière Flo on the restructuring of the bank debt of Groupe Flo and its takeover by Groupe Bertrand. As part of these transactions and subject to the fulfilment of the conditions precedent, Financière Flo will be bought by Groupe Bertrand for a symbolic euro. Tikehau Capital's investment amounted to €7.9 million; under the restructuring operations, Tikehau Capital will retain a receivable of approximately €2.1 million in regard to Groupe Flo.

This transaction gives Groupe Flo the support a renowned industry player with 20 years' experience in the French catering market and which has demonstrated its ability to integrate, manage and develop sometimes ailing groups. Groupe Bertrand also has extensive experience in the management of catering chains in different segments, both in its own right and under franchise, with a recognized ability to position concepts, optimise the management of retail outlet networks and develop a portfolio of brands.

III. RISK FACTORS

1. Risk Factors

Disclaimer

Investors are requested to take into account all information contained in this Registration Document, including the risk factors described in this Section. These risks are, at the filing date of this Registration Document, those which the Group believes, if they were to eventuate, could have a significant negative impact on its business, income, financial position or prospects. The attention of investors is drawn to the fact that other risks, unknown at the date of this Registration Document or the occurrence of which is not considered at that same date as likely to have a significant negative impact on the Group's business, income, financial position, or prospects, may exist or arise.

Structure of this Section

This Section III.1 is organized as follows:

a) Subsection (a) is dedicated to risk factors relating to the asset management activity (that is, at the filing date of this Registration Document, mainly private debt activities, real estate activities and liquid strategies). As part of these business activities, the Group provides management services on behalf of client-investors investing in vehicles managed by the Group. Therefore, the risks associated with this activity that are presented by Tikehau Capital are not investor risks (the latter being assumed by the clients), but essentially sector related risks connected to the asset management market (presented in paragraph (i)) and the risks of management services provider (presented in paragraph (ii)).

b) Subsection (b) is dedicated to risk factors relating to the Group's balance sheet, that is, the own resources that the Group invests in its asset management activities (by investing in vehicles managed by its management companies and dedicated to private debt activities, real estate activities and liquid strategies) or in transactions for its own account other than asset management activities (which to date mainly cover private equity activities, directly or through Salvepar). As part of these activities, the Group assumes investor risks (presented in paragraph (i)), financial risks (presented in paragraph (ii)) and market risks (presented in paragraph (iii)).

c) Subsection (c) deals with the Group's operational risk factors which exist across all of Tikehau Capital's activities.

d) Subsection (d) deals with the Group's regulatory, legal and tax risk factors.

e) Subsection (e) addresses risk factors relating to the legal form, Articles of Association and organization of Tikehau Capital.

(a) Risks relating to the asset management activities

(i) <u>Risks relating to the asset management sector</u>

Demand from Tikehau Capital clients depends on factors beyond its control and affect the asset management market generally.

Several factors beyond the control of Tikehau Capital could significantly impact customer demand for its asset management activities. Unfavourable market conditions may limit net inflows under the combined effect of a reduction of new investments and, for activities carried out through open-ended funds, increased withdrawals of assets from the funds and portfolios managed by Tikehau Capital. These factors include:

- the macroeconomic environment in general, or more specifically in the countries in which Tikehau Capital markets its products, which may affect the ability of investors to invest;
- the level of equity markets in particular in countries where Tikehau Capital sells its products, likely to

impact demand of Tikehau Capital clients and the amount of investment in existing or new strategies;

- the level of interest rates and the performance delivered by products in competition with those of Tikehau Capital in the countries in which Tikehau Capital operates;
- tax arrangements that favour competing products, and any change or proposed change to existing arrangements favourable to Tikehau Capital products; or
- any regulatory changes impacting the financial markets and alternative asset managers, and in particular any regulatory requirement making Tikehau Capital products less attractive.

If demand by Tikehau Capital clients were to be adversely impacted by any of these factors, net inflows and assets of Tikehau Capital would decline accordingly, thus lowering its revenue and earnings.

Tikehau Capital is exposed to significant competition.

The market for asset management is highly competitive with limited barriers to entry. The main competitors of Tikehau Capital are asset management companies, some of which offer similar products to those of Tikehau Capital (see Section I.5(c)(iii) (Overview of the European competitive landscape in alternative asset management) of this Registration Document). This competition is based on a number of key factors: returns generated by investments, amount of fees charged, quality and diversity of the range of products and services, fame and reputation, efficiency of distribution channels, capacity for innovation, etc. Although Tikehau Capital seeks to offer clients ground-breaking solutions, a broad choice of investments remains available to the institutional investors who are mainly targeted by Tikehau Capital. The mandates of institutional clients are usually awarded through competitive bidding. Unless it succeeds in providing differentiating services, Tikehau Capital could be forced to reduce the amount of its fees to deal with competitive pressures, avoid loss of clients and/or launch new funds and strategies, which would lead to a decrease in its assets under management, revenue and earnings. In addition, the entry of new players into the asset management market would increase competition, and could have a material adverse effect on Tikehau Capital's business, operating profit, financial position and prospects. Finally, asset management products compete with other types of investments offered to investors (equity, vanilla and structured bonds, regulated and non-regulated bank deposits, real estate, etc.).

Investor demand for the asset classes managed by Tikehau Capital could decline.

Through its business lines Tikehau Capital offers a wide range of solutions for a predominantly institutional client base. Investor demand for certain asset classes could however vary from one year to another and in different markets, depending in particular on the attractiveness of a particular asset class or changes in the regulations and tax framework. In addition, new asset classes could emerge, some of which would not already be part of the Tikehau Capital offer. A concentration of demand in asset classes other than those managed by Tikehau Capital could affect its competitive position, reducing its assets under management and net revenues from management and earnings.

Changes in the value of equities, bonds and other financial instruments may impact the value of Tikehau Capital's assets under management, net revenues and shareholders' equity.

The net revenues of Tikehau Capital related to its asset management activities is mostly net management fees, calculated on the basis of the assets under its management. In liquid strategies, the amount of assets under Tikehau Capital's management depends mainly on the value of assets held in managed funds, including bonds, equities, currencies and real estate. Fluctuations in financial markets, including changes in interest rates, issuers' credit spread, currencies and equity prices, could thus cause a significant change in the value of Tikehau Capital's assets under management in liquid strategies. A tightening of the monetary policy of the European Central Bank ("ECB"), or any other monetary authority, could thus lead to a decrease in the assets of Tikehau Capital, under the combined effect of rising interest rates (likely reduce the value of assets under management in bond funds) and a possible decline in equity markets (likely to reduce the value of assets under management in equity funds). The value of Tikehau Capital assets could also be impacted by a lack of liquidity in the markets in general or in certain asset classes. A deterioration of the financial markets could further impact net inflows under the double impact of a fall in demand from investors and, in liquid strategies, increased withdrawals of assets from funds managed by Tikehau Capital. Finally, adverse market changes would also affect the value of the investments made by Tikehau Capital through its funds or directly using its own capital, and therefore, its performance track record and net revenues from shareholders' equity. Any material and adverse developments in the financial markets could have a material adverse effect on the operating profit, financial position and prospects of Tikehau Capital.

The failure or poor performance of the products offered by competitors could affect the image of Tikehau Capital and consequently result in a reduction in assets under management on similar products.

The occurrence of events affecting the performance of products competing with those of Tikehau Capital could by contagion impact investor confidence in this product class. Although, to the knowledge of Tikehau Capital, this risk has never actually materialized in the past, this loss of confidence could affect the image of Tikehau Capital's products, even if it is not involved in this event affecting its competitors, and, in its liquid strategies, could expose it to withdrawals, redemption requests and liquidity problems, and in its other businesses, to an inability to successfully launch new funds and strategies, which might cause a decline in its assets under management, revenue and earnings.

Rates of management fees are subject to competitive pressure and market pressure.

Tikehau Capital management fees are usually calculated by applying a percentage to its assets under management, and the fee rate depends in particular on the product category and other factors. They suffer from strong competitive pressure. Generally, fees charged in the asset management market have been subject to strong competitive pressure in recent years (see Section I.5(c)(ii) (A macroeconomic environment favouring alternative asset classes) of this Registration Document). A reduction in the rates of management fees would have a material adverse effect on the revenue and earnings of Tikehau Capital.

(ii) *Risks relating to Tikehau Capital's asset management activities*

Tikehau Capital may lose clients because of low returns on its products, causing a decline in its assets, its revenue and its earnings.

The return generated by Tikehau Capital products and solutions is critical to their commercial success, and determines the ability of Tikehau Capital to attract and retain clients. The performance levels achieved by Tikehau Capital in the past do not guarantee the level of future performance. In addition, Tikehau Capital may not be able to sustain its level of performance over time. Tikehau Capital's results and performance levels for several reasons could differ significantly from those achieved by Tikehau Capital in the past (mainly due to macroeconomic factors, the performance of new funds compared to that of existing funds, market conditions, investments made or investment opportunities). If the funds managed by Tikehau Capital were to record a lower return than that anticipated by its clients or that of similar products, investors could, in liquid strategies, increase their demands for redemption in order to invest their assets in products generating better returns, and in closed-end funds, refuse to participate in new funds launched by Tikehau Capital. In all cases, the reputation of Tikehau Capital and its ability to attract new clients could also be affected.

Tikehau Capital may not be able to develop new products and services or to meet the demand of its clients through the development of new products and services, which are also likely to expose it to an operational risk or additional costs.

The performance of Tikehau Capital depends on its ability to develop, market and manage new services and products, to be able to meet the demand of its clients. The development and introduction of new products and services on the market require continuous efforts in innovation, as well as investment in time and significant resources. The introduction of new products and services is a factor for risk and significant uncertainties, requiring the introduction of new control systems adapted to meet changing demand and markets, to ensure the competitiveness of these products and services and their compliance with regulatory requirements. If Tikehau Capital were no longer able to support its efforts towards innovation, or to successfully launch new products, its assets, its revenue and earnings could be adversely affected.

Tikehau Capital might not be able to sign new institutional mandates or might be compelled to renew existing mandates on unfavourable terms.

Most of the time, Tikehau Capital wins its institutional mandates as a result of a tendering process. Despite the significant time and resources devoted to the preparation of these tenders, unless attractive terms are offered to the clients, Tikehau Capital could lose and fail to win new mandates. To fight against the competitive pressure, Tikehau Capital may have to reduce the amount of its fees, which would impact its profitability. Furthermore, and in order to encourage clients to renew their mandates on expiry or prevent their termination, Tikehau Capital could be forced to revise its fee terms downward. Otherwise, Tikehau Capital could lose its clients to the benefit of its competitors, resulting in a reduction in assets, revenue and earnings.

In liquid strategies, Tikehau Capital's clients may withdraw their assets from its funds at any time.

Management fees represent the majority of the revenue generated by Tikehau Capital's asset management business and are calculated based on its assets under management. A significant number of the funds managed by Tikehau Capital funds are what are known as open-ended, i.e., from which investors may decide to withdraw at any time by requesting the redemption of their shares. If financial markets were to deteriorate, if the return recorded on Tikehau Capital products were not sufficient, or if clients were not satisfied with the quality of the services provided by Tikehau Capital (for example with regard to the performance of products or the format of the reporting), the pace of redemption requests and withdrawals could accelerate. These withdrawals and redemptions would have an immediate impact on its assets, revenue and earnings which could be adversely affected.

The decision by Tikehau Capital of whether or not to give financial support to certain funds could expose it to significant losses.

Although it has no legal or regulatory obligation to compensate the losses suffered by its funds, Tikehau Capital could decide on a voluntary basis to provide financial assistance to its funds suffering significant losses, particularly in order to ensure that its clients do not withdraw quickly their assets quickly. Even though, at the filing date of this Registration Document, the Group has never had to support a fund in difficulty, any support given to these funds could consume capital and force Tikehau Capital to raise cash to meet the needs of the funds concerned. Moreover, the decision by Tikehau Capital not to provide aid to those funds or its inability to do so could damage its reputation and cause a decline in its assets, its revenue and earnings.

Income from the outperformance of the funds may increase the volatility of Tikehau Capital's revenue and earnings.

In addition to management fees, the Group's management companies may receive income related to the outperformance of the funds they manage (performance fees for open-ended funds and outperformance fees for closed-end funds). (See Section I.4(a)(ii) (Allocation and income from the capital of Tikehau Capital) of this Registration Document.) This outperformance-related income is more volatile than Tikehau Capital's management fees. This type of income only rewards Tikehau Capital when the contractual terms of the fund make such provision and the fund performance exceeds specific objectives (on a periodic or cumulative basis). If the objectives laid down in the contract are not met, this outperformance-related income is not payable to Tikehau Capital over a given period or, when the fund is liquidated, if the objectives are based on cumulative returns over the life of the fund. Moreover, to the extent that income related to outperformance is based on objectives that are not revised downwards when market conditions become less favourable, Tikehau Capital may not achieve the objectives in question for reasons beyond its control. All these parameters promote volatility in outperformance-related income, making the amounts difficult to predict, which may well be much lower than expected.

The valuation of some investments may be subject to changes related to the different interpretations to which methodologies, estimates and underlying assumptions are subject.

Some products offered by Tikehau Capital, for which there is no trading market or observable market data, can be valued using models and methodologies based on estimates and assumptions, and to a large extent on the assessment of the asset managers. It is not guaranteed that the valuations used by Tikehau Capital on the basis of these models and methodologies always faithfully reproduce the market value of the assets. In such circumstances, the liquidation of these assets may expose the funds and portfolios managed by Tikehau Capital to losses that would adversely affect its assets, revenue and earnings.

The failure or difficulties suffered by other players involved in the Group's asset management activities could have a material adverse effect on its reputation or its business, likely to cause a decrease in its assets, its revenue and its earnings.

Tikehau Capital is dependent on a number of providers assisting it in its operational and distribution activities (fund administration, accounting, custody of funds distributed through networks, risk analysis, provision of market data and market indices, funds transfer, etc.). The failure of any provider, notably due to financial difficulties, could disrupt the business of Tikehau Capital or impact its ability to comply with regulatory requirements, which could damage its reputation and cause a decline in its assets, of its revenue and its earnings.

In addition, funds and mandates managed by Tikehau Capital involve many other professionals as counterparties (brokers, commercial and investment banks, clearing houses or institutional clients). Any failure of these counterparties would expose the funds managed by Tikehau Capital to credit risk. Although Tikehau Capital regularly assesses the risks associated with its counterparties, they may be impacted by changes occurring unexpectedly in the financial markets, which might hinder their ability to perform their obligations, or may face other circumstances making them unable to meet their engagements. Such a failure or difficulty could affect the assets held by Tikehau Capital, the funds it manages and their performance, which could lead to the alienation of Tikehau Capital's clients and cause a decline in its assets, its revenue and its earnings.

The inability of Tikehau Capital to recruit and retain employees could cause it to lose clients and lead to a decrease in its assets, revenue and earnings.

The success of Tikehau Capital asset management activities depends largely on the talent and efforts of its highly skilled workforce and its ability to contribute to their development in order to support the growth of the business in the long term. Some employees may be assigned in the future to key positions within Tikehau Capital. Portfolio managers, financial analysts, product specialists, sales personnel and other professionals operate in a highly competitive labour market. The reputation of Tikehau Capital, the remuneration and benefits granted to its employees, and its commitment to guaranteeing the renewal of management positions, particularly by contributing to the development and training of qualified people, are all factors affecting the capacity of Tikehau Capital to attract and retain such employees. There is no guarantee that Tikehau Capital will successfully continue its efforts to recruit and retain staff, or that it will effectively manage the career development of its employees. If Tikehau Capital were unable to do so, its competitive strengths and its ability to retain its clients could be substantially affected.

Negligence or mistakes by portfolio managers could harm Tikehau Capital's ability to maintain the quality of its business and incur its liability.

Fund managers and other operational staff make daily decisions on managing Tikehau Capital's funds and conducting its activities. Although Tikehau Capital has implemented controls and processes to prevent and/or mitigate these risks, there is no guarantee against any errors, negligence or infringement of regulations or of the funds' investment policies that these managers or operational staff might commit. Tikehau Capital's reputation could suffer and it could be held accountable to investors, as well as from a regulatory standpoint, should these procedures and risk management systems fail to identify, record and manage such errors, negligence or illegal acts. Such failure could have a material adverse effect on the reputation, business, earnings and financial position of Tikehau Capital.

Any smear on Tikehau Capital's reputation could lead to a decrease in its assets under management, revenue and earnings.

The integrity of the brand and reputation of Tikehau Capital is critical to attracting and retaining clients, business partners and employees. Tikehau Capital's reputation could be tarnished by certain key factors such as a low return on its investments, litigation, regulatory action, misconduct or infringement of applicable laws or regulations by its managers or its distributors. The negative publicity that would result from the occurrence of any of these events could damage the reputation of Tikehau Capital, generating a risk of regulatory sanctions and harm its relations with its current and potential clients, external distributors and other business partners. Any discredit to the "TIKEHAU" brand would adversely affect the Group's position in the sector and could result in a loss of business in the short and long term.

(b) Risks relating to the balance sheet of Tikehau Capital

(i) *Risks related to investments on the balance sheet of Tikehau Capital*

Tikehau Capital is exposed to risks inherent in the activity of investment on the Company's balance sheet.

Although Tikehau Capital uses a team of professionals experienced in investment transactions (including within its own teams and the Tikehau Capital Advisors teams) and the Group has regular recourse to audit or consulting firms, advisory banks or law firms in the course of these transactions, it does incur the risks inherent to the activity of investment on the balance sheet (especially in its private equity business), namely

- risks relating to the assessment of the value of the entities or financial instruments in which it invests and which can be complex to understand (see also paragraph (ii) below, the risk entitled "Tikehau Capital's balance sheet investment presents risks related to the valuation of these investments, which may differ from their realisable value");
- risks relating to the evaluation of investment projects, the assessment of the target company's strengths and weaknesses, its development potential, its markets, the appropriateness of its business plan, and its management's ability to successfully execute that plan, as well as to the structuring and understanding of the investments, which may be complex or relate to complex financial instruments, or not include adequate protection for Tikehau Capital;
- risks arising from the management of the target company prior to the date of the investment, not identified in the audits carried out before making the investment, or not guaranteed by the vendors (for example, the risks in question may not be subject to guarantees in a market acquisition or might be excluded from scope of the assets and liabilities guarantee negotiated by the Company in connection with the acquisition; they may not give rise to effective compensation by the application of thresholds, deductibles and coverage limits that may have been agreed; or the guarantors may be insolvent; legal disputes may arise with the guarantors in regard to the enforcement of the guarantee agreement, etc.);
- specific risks relating to investments outside France (including in countries where the Group does not have any staff) and, especially, understanding the issues, the operators, and local economic factors, structuring the investments in accordance with local rules, and the exposure to country risk, etc.;
- risks related to legal disputes that may arise with the vendors or third parties over the investment itself (for example, with regard to the accuracy of information received during the investment project appraisal phase) or its consequences (e.g., suppliers, customers or banks terminating the contracts that bind them to the enterprise acquired by reason of the investment); and
- risks related to the insolvency or financial difficulties of one or more companies in which Tikehau Capital has invested (e.g., obligation to financially support the company concerned, loss equal to the net book value of the financial asset concerned, and, where applicable, any interest due, being under administration or liquidation and more generally collective proceedings, actions for repayment of liabilities) and the risk of the resulting lawsuits.

The change in value of the assets held by Tikehau Capital could affect its earnings, shareholders' equity and increase the volatility of its revenues.

Tikehau Capital regularly invests its balance sheet resources in the launch of the funds operated by the Group to create an alignment of interests between its balance sheet and its investors, and to provide its funds with sufficient assets to attract investors. For this purpose, Tikehau Capital sometimes makes significant investments to develop new products. Tikehau Capital also holds a portfolio of investments in open-ended funds managed primarily by Tikehau Capital, which correspondingly increases its financial exposure.

Tikehau Capital's investments are recorded at fair value in the consolidated balance sheet. Any changes in interest rates, credit spreads, the foreign exchange market, or the value of listed and unlisted equity securities, or the real estate funds, could reduce the value of investments made by Tikehau Capital and adversely affect its earnings, shareholders' equity and financial position.

Tikehau Capital is exposed to specific risks associated with holding minority stakes.

In its private equity investment activities, although Tikehau Capital endeavours, particularly with regard to its minority holdings in unlisted companies (especially through Salvepar), to enter into agreements, where appropriate, offering greater rights of information, representation on an administrative or supervisory body of the company in question or even veto rights on certain management decisions and on the Company's exit terms, it cannot be guaranteed that Tikehau Capital will have access to all relevant information for the evaluation of its position and its sale or hold strategy, nor that it will be able to have effective influence in important decisions (including the distribution of dividends). In addition, to the extent that Tikehau Capital takes minority equity interests and makes co-investments, it cannot be guaranteed that it will be able to uphold its positions in regard to majority shareholders or the sponsors of its co- investment transactions, which may have divergent interests from those of Tikehau Capital.

Tikehau Capital is exposed to liquidity risk related to certain equity interests, especially unlisted investments.

As part of its private equity activities, Tikehau Capital takes interests in unlisted companies. As at 31 December 2016 on a *pro forma* basis, unlisted investments held by Tikehau Capital (excluding platforms or funds managed by Group management companies) represented 24% of Tikehau Capital's total assets. These securities that are not traded on any market, and certain securities held by Tikehau Capital that are listed but not very liquid, have a liquidity risk. Although investments made by Tikehau Capital can generate income (in the form of distributions in particular), the recovery of sums invested and the eventual realisation of profits and capital gains will generally occur several years after the investment is made (at the time of sale, redemption or liquidation of the investment). It cannot be guaranteed both in the case of unlisted securities and listed but illiquid securities, that Tikehau Capital will be able to find purchasers interested in buying its shares, or that these securities will achieve a stock exchange listing or see their liquidity improved if they are already listed. In these circumstances, and although (i) Tikehau Capital seeks to anticipate the terms of its exit when investing, and (ii) Tikehau Capital regularly assesses the quality of its portfolio, it is possible that Tikehau Capital might experience difficulties in realising all or part of its investments, both in terms of timing and exit terms. This could result in limiting or preventing Tikehau Capital from making new investments (in the Group's strategies or for its own account) and thus hamper the implementation of its strategy.

There can be no assurance that the investments made by Tikehau Capital will generate profits, or that the amounts committed by Tikehau Capital in its investments will be recovered.

Tikehau Capital's investment activity and strategy represent a risk of loss of the sums involved whether in the Group's strategies or direct investments, for example if the fund does not achieve the performance objectives set or if the company in which the investment was made goes bankrupt or faces serious difficulties. While Tikehau Capital protects itself by eliminating high-risk projects, heavily indebted companies, and companies that have started up too recently, there can be no assurance regarding the attainment of profits in the disposal of investments made by Tikehau Capital or even the recovery of sums invested or owed.

Tikehau Capital is exposed to risks related to the economic environment, particularly in France.

As at 31 December 2016, on a *pro forma* basis, Tikehau Capital's private equity portfolio was comprised 80% of securities in funds or businesses operating primarily in France or from France. However, changes in economic conditions, particularly in France, are likely, firstly, to affect the ability of Tikehau Capital to liquidate its investments under satisfactory terms and, secondly, to deteriorate the value or return of its investments. Adverse changes in the economic environment in France or in other countries may also alter investment conditions for Tikehau Capital (for example by reducing the number of opportunities due to an uncertain economic environment, which negatively affects the expected profitability and makes it difficult for the Group to launch new funds or strategies). As part of its strategy (see Section I.3(b) (Strategy) of this Registration Document), Tikehau Capital aims to reduce its exposure to France, but this reduction of the Group's exposure to France might not eventuate for some time.

The Tikehau Capital development model requires the availability of its own resources, and it cannot be guaranteed that Tikehau Capital will be able to find such resources.

The Tikehau Capital development model requires the availability of its own resources. Also, to drive its strategy, Tikehau Capital needs to maintain available investment capacity (particularly for investment in its new funds or strategies or to support the development of its platforms). To this end, and once Tikehau Capital has invested its available resources, it cannot be guaranteed that Tikehau Capital will be able to find new and attractive sources of capital or debt financing (due, for instance, to a contraction of the supply of bank credit or the inability to seek financing from the markets) to enable it to continue to allocate its balance sheet resources in the best possible way in accordance with its strategy. To continue to allocate its resources optimally, the rotation of the investment portfolio at an appropriate rate is one way to make the necessary resources available. However, it is possible that Tikehau Capital may not be able to conduct a rotation of its portfolio, which by nature depends on events beyond its control (for instance, opportunities to sell on favourable terms or maturity date of the funds). Conversely, in a low interest rate environment, excessive amounts of cash not invested could impact the profitability of Tikehau Capital.

Some of Tikehau Capital's portfolio companies are dependent on the presence of one or more key executives, whose departure could have damaging consequences.

In its investment activities, when assessing projects for investment, Tikehau Capital generally takes into account the existence of one or more key executives, and their ability to develop and carry out a strategy and business plan. Some companies in which Tikehau Capital is directly or indirectly invested may be dependent on the presence of one or more key individuals whose departure or unavailability could have adverse consequences for that company and for Tikehau Capital's investment. To limit this risk when it arises, Tikehau Capital endeavours to verify the terms of remuneration, profit sharing and/or investment of executives to ensure that they remain in their position and makes certain of the succession possibilities in the event of the unexpected departure of a key executive.

Tikehau Capital could be exposed to industrial and environmental risks.

In its investment activities, Tikehau Capital is not directly subject to industrial and environmental risks. Nevertheless, the Group regularly uses the inclusion of non-financial criteria, especially environmental and social considerations, as part of its investment activity. The Group focuses in particular on the respect for environmental impact when the activity of the relevant company so requires. However, when taking minority interests, Tikehau Capital generally has no control over the environmental impact of the companies in which it has invested. For some of the portfolio investments of Tikehau Capital if the industrial or environmental risks were actually to take place, it could have a material adverse impact on the value of these investments and therefore the assets and financial position of Tikehau Capital.

(ii) *Financial risks*

Tikehau Capital's balance sheet investment entails risks related to the valuation of these investments, which may differ from their realisable value.

Tikehau Capital conducts analysis for each investment transaction (strategy, competition, financial plan, valuation, financial analysis, exit terms, social and environmental responsibility, etc.), and then on a regular basis during the monitoring of its investments. Tikehau Capital relies on internal resources and takes all external advice when this is deemed necessary or desirable.

Regarding the valuation of financial assets, unless in the case of exceptional events, each portfolio investment is examined twice a year at the time of preparation of the statement of accounts as at 30 June and 31 December and, to a limited extent, as at 31 March and 30 September each year. These valuations are based mainly on the average market price if the holding is listed or on a fair value approach in the case of unlisted holdings (multiple method, discounted cash flow method, or a specific method, e.g., one provided by an asset management company in the case of investments in funds). Regular contacts are also maintained with the managers of the underlying assets (company executives, fund managers, co-shareholders or co-investors, etc.).

Although the valuations prepared by Tikehau Capital are based on the most accurate estimates of the Company to the best of its knowledge, it cannot be guaranteed that they will not be revised later. They can be complex to determine for certain instruments (for example, investments in the Group's CLOs), be subject to significant fluctuations (up to the loss of the entire investment for the most risky or volatile products), be reliant on market data whose observability cannot be guaranteed or which might make their valuation impossible, and in general, the implementation of the valuation methods used by Tikehau Capital does not guarantee that each of Tikehau Capital's holdings is valued entirely in line with its realisable value if such a realisation were to be made.

Tikehau Capital may be exposed to liquidity and debt risks.

As at 31 December 2016, on a *pro forma* basis, Tikehau Capital had current financial assets net of debt (calculated as the sum of the balance sheet value of the current investment portfolio and cash and cash equivalents less borrowings and financial debt less financial liabilities payable to banks) of €408.3 million (other than financial instruments).

The state of indebtedness of Tikehau Capital (including the maturity of its debt) as at 31 December 2016 is described in Note 5.15 (Current borrowings and payables) to the Tikehau Capital consolidated financial statements (see Section V.1 (Annual consolidated financial statements as at 31 December 2016) of this Registration Document). The main terms of this debt are described in Section II.2 (d) (Liquidity and Capital Resources) of this Registration Document.

The Company has conducted a specific review of its consolidated liquidity risk. In view of its debt position and available cash at the filing date of this Registration Document, Tikehau Capital expects to be able to meet future payment dates and have little concern for liquidity and debt risk. At the filing date of this Registration Document, the Company is in compliance with all the covenants contemplated under the bank documents by which it is bound. Conversely, however, too high a level of cash on the Company's balance sheet, especially in an economic environment of low interest rates, could adversely affect the performance and future earnings of the Group.

As regards the funds managed by Tikehau Capital, the Group's policy is to limit the use of debt on investment operations. However, when the funds managed by the Group have had recourse to leverage for their investments, the financing banks generally have a priority right over the income and assets in question, which can be exercised should the underlying investments perform poorly. Thus, in the event of the poor performance of the assets of funds that have employed leverage, the relevant funds and their shareholders or unitholders could see their position adversely affected by the existence of financing and the lending banks' priority rights on the assets and income concerned.

Lastly, open-ended funds managed by Tikehau Capital, that is, those from which investors can at any time withdraw part or all of their investment, could be subject to significant or even mass withdrawal requests from investors and might be unable to honour them. Although this risk has never been materialized within the Group, the Group's "risk" team ensures that the open-ended funds managed by the Group maintain assets sufficiently liquid to meet potential redemptions. For this purpose, the liquidity of the open-ended funds is monitored on a daily basis as regards both assets and liabilities. A detailed report is produced monthly and presented in the Risk Committee. The methodology of risk monitoring is based on various analyses: (i) scoring of the liquidity of the assets in the fund, (ii) evaluation of the time required to liquidate a given proportion of the portfolio or in the event of redemption by the largest holders of the fund, (iii) assessment of the liquidation cost as a percentage of net assets of such liquidation, and (iv) performance of stress tests and the study of their impact on the time and cost of liquidation. The risk of concentration of investors in open-ended funds is also monitored to prevent a situation in which a major investor could generate a liquidity risk in a given fund. Finally, some funds (a limited number in regard to Tikehau

Capital's liquid strategies) have mechanisms known as "gates" that allow managers to limit significant withdrawals during a sensitive period.

Tikehau Capital could be exposed to risk of asset loss or concentration related to the composition of its investment portfolio.

The Group's activity and strategy entails a risk of loss of the amounts incurred in connection with its investments on the balance sheet. For example, in the context of investments in funds (including funds managed by the Group), this is the case if the relevant fund does not achieve its objectives. In direct investments, there exists a risk of loss of the amounts committed if the company in which the investment was made goes bankrupt or faces serious difficulties (related for example to the economic downturn, increased competition, poorly anticipated technological breakthroughs, mistaken strategic decisions by management, loss of customers, adverse regulatory developments, etc.). Even though, in general, the Group's policy is to protect itself by eliminating high-risk projects, heavily indebted companies, and companies that have started up too recently, some investments made on the Group's balance sheet, such as the retention piece which must mandatorily be subscribed to in CLO operations carried out by the Group (i.e., the retention rate of 5% of the securitised assets that is applied to the originating entities, see Section I.4(a)(iv) (The subsidiaries of Tikehau Capital - Tikehau Capital Europe) of this Registration Document), have a high risk of loss due to their ranking. Accordingly, no assurance can be given regarding the realisation of profits related to investments made by the Company or the Group, or that the Company or the Group will not lose the money committed in its balance sheet investments.

Regarding investments on the Company's balance sheet, at the filing date of this Registration Document, Tikehau Capital has a diversified investment portfolio both in number of investments and in asset classes or sectors concerned. As at 31 December 2016, on a *pro forma* basis, Tikehau Capital's largest financial asset represented less than 3% of Tikehau Capital's total assets. Therefore, Tikehau Capital believes that, at the filing date of this Registration Document, the Group is not exposed to a significant concentration risk. In any event, as part of its strategy, Tikehau Capital tends to diversify its portfolio and reduce its concentration risk, although the Group has no fixed investment rules or limits.

Tikehau Capital could be exposed to financial risks if its insurance coverage were to prove insufficient.

Although Tikehau Capital has taken out in particular professional liability insurance and although, in the context of the Company's listing on Euronext Paris (see Section VIII.3 (Reorganization operations) of this Registration Document), the Group has conducted a review and adjustment of the adequacy of its insurance coverage with respect to the nature of its business, its strategy and its balance sheet, liability actions can sometimes result in significant payments, some of which might not be supported by the insurers. Tikehau Capital cannot guarantee that its insurance policies' coverage limits will be adequate to protect the Group from all future claims following accidents or that it will in the future be able to maintain its insurance policies under favourable conditions. The Company's business, income, financial position and prospects could be significantly affected if, in the future, the Group's insurance policies were to prove inadequate or unavailable.

See also Section III.2 (Insurance) of this Registration Document.

(iii) *Market risks*

Tikehau Capital is exposed to rate fluctuations on its borrowings and investments.

As at 31 December 2016, Tikehau Capital was exposed to an interest rate risk on its bank loans for €119.2 million. To manage risks on its variable rates exposure, Tikehau Capital has contracted interest rate SWAPs whose total notional amount represents 143% of the amount of borrowings as at 31 December 2016. On this total debt, a sudden change of 50 basis points in the 3-month Euribor would have had an impact on pre-tax profit as at 31 December 2016 of €596,000 more or less.

As at 31 December 2016 and 2015, the financial assets of the Company exposed to interest rate risk were as follows (based on the Company's consolidated financial statements):

	Fixed rate		Variable rate		Total	
Financial assets exposed to interest rate risk	In millions of €	%	In millions of €	%	In millions of €	%
As at 31 December 2016	141.4	31%	309.8	69%	451.3	100%
As at 31 December 2015	111.3	40%	166.8	60%	278.1	100%

As at 31 December 2016, fixed-rate financial assets included €11.7 million in term accounts with a principal guarantee.

See Note 5.27(a) (Market Risks - Exposure to interest rate risk) to the annual consolidated financial statements of the Company. (See Sections VI.1 (Annual consolidated financial statements as at 31 December 2016) and VI.2 (Statutory Auditor's report on the annual consolidated financial statements as at 31 December 2016) of this Registration Document.)

Tikehau Capital is exposed to currency risks related to its foreign exchange investment transactions.

Tikehau Capital's exposure to currency risk relates to its investments in foreign currencies. As at 31 December 2016, Tikehau Capital was exposed to currency risk on the US dollar, the Singapore dollar, Pound sterling and the Polish zloty. At the filing date of this Registration document, Tikehau Capital had no currency hedging.

See Note 5.27(b) (Market Risks - Exposure to currency risk) to the annual consolidated financial statements of the Company. (See Sections VI.1 (Annual consolidated financial statements as at 31 December 2016) and VI.2 (Statutory Auditor's report on the annual consolidated financial statements as at 31 December 2016) of this Registration Document.)

Tikehau Capital is exposed to equity market risk due to its business.

Due to the nature of its business, Tikehau Capital is exposed directly to equity market risks for the fair value of its listed shares, representing approximately €282.9 million as at 31 December 2016 (including the listed securities in the fixed investment portfolio and the current investment portfolio). The portfolio of listed shares of Tikehau Capital is subject to continuous monitoring and daily assessment for the management of this risk.

Tikehau Capital may be affected by adverse changes in the market price of its publicly traded securities. A decline in the share price over a given period, especially at the end of the financial year, would be reflected in the financial statements as a fall in the net value of the portfolio and the consolidated shareholders' equity and could in particular affect the ability of the Group to pay dividends.

Thus, a 10% decline in the fair value of listed assets as at 31 December 2016 would have resulted respectively in an additional charge of €28 million in the Group's consolidated pre-tax earnings.

A fall in the quoted price is also likely to impact the earnings realized at the time of any sales into the market that might be made by the Company. Furthermore, fluctuations in the equity markets may have an impact on the stock market comparables used as part of the multi-criteria valuation approach for non-listed equity securities. These fluctuations are likely to have a negative effect on the Group's shareholders' equity and net income, without the Group being able to establish an accurate correlation between the occurrence of these fluctuations and the valuation of said securities. As a result, sensitivity to this risk cannot be quantified. Finally, depending on the extent of its funding and the magnitude of any price declines, Tikehau Capital could be required to make temporary payments to support its funding.

Tikehau Capital can also be affected by changes in the value of its non-listed assets; however, their impact on the overall portfolio of the Company is limited. Indeed, investments in unlisted shares represent a total amount of €59.2 million as at 31 December 2016.

Lastly, Tikehau Capital conducts purchase or sale transactions on European derivatives (futures or options) to contend with fluctuations in the markets. While these transactions are intended to cover risks associated with such fluctuations, they may in themselves lead to a significant cost.

As at 31 December 2015 and as at 31 December 2016, Tikehau Capital had no open positions at the closing date.

The earnings from these activities came, respectively, to -€21 million in 2015, and -€62.0 million in 2016.

These activities are highly sensitive to shifts in the equity markets and can have a heavy impact on the Company's results.

Over the past ten years (from 2006 to 2016), these strategies have incurred a total cost of €66 million. In the 2016 financial year, the cost of these strategies amounted to 5.5% of consolidated shareholders' equity, and since 1 January 2013, the average cost has been 3.6% of consolidated shareholders' equity.

Tikehau Capital is exposed to counterparty risk.

To manage its counterparty risk related to cash and marketable securities, Tikehau Capital only works with top tier banks and resorts to investments whose horizon is suited to its projected needs. Cash investments are reviewed on a weekly basis particularly in terms of credit risk. The selection of investment vehicles and counterparties and the volatility of the instruments are also subject to regular review. It is based on prudential rules ensuring the diversification of custodians and account keepers as well as the variety of vehicles and risk/return ratios. In 2015 and 2016, Tikehau Capital did not have to face any counterparty default.

See Note 5.27(d) (Market Risks - Exposure to counterparty risk) to the annual consolidated financial statements of the Company. (See Section V.1 (Annual consolidated financial statements as at 31 December 2016).)

(c) General risks associated with Tikehau Capital's business

The development of Tikehau Capital's international business exposes the Company, inter alia, to operational and regulatory risks.

The growth in the business that Tikehau Capital conducts internationally exposes it to the related operational, regulatory, political, reputational and currency risks, many of which are beyond its control. Although Tikehau Capital has established procedures, the failure of Tikehau Capital's internal control measures to mitigate such risks, or that of its operating infrastructure to support its activities worldwide, could create risks of non-compliance and expose Tikehau Capital to fines or regulatory sanctions, which could lead to a decline in its assets, revenue and earnings.

Fraud or circumvention of control and compliance procedures, and risk management policies, could have an adverse effect on the reputation, performance and financial position of Tikehau Capital.

Although Tikehau Capital has established a risk management platform and is constantly refining the checks, procedures, policies, mechanisms and compliance policies (including the management of conflicts of interest that may arise in connection with Tikehau Capital's conduct of its operations) relating to it (see Section III.3(f) (Prevention of insider misconduct and compliance) of this Registration Document), Tikehau Capital cannot ensure that such controls, procedures, policies and systems will identify and successfully manage the internal and external risks to its operations. Tikehau Capital is exposed to the risk that its employees, counterparties or other third parties may deliberately seek to circumvent the controls established in order to commit fraud or contravene the checks, policies and procedures set up by Tikehau Capital, or any legal or applicable regulations, particularly in relation to money laundering or other sanctions. Persistent or repeated attempts at fraud, conflicts of interest or circumvention of existing policies and controls could have an adverse effect on the Group's reputation and cause regulatory investigations and financial losses.

A failure of Tikehau Capital's operating or infrastructure systems, including business continuity plans, could disrupt operations and damage its reputation.

The infrastructure of Tikehau Capital (including its technology, databases and office space) is vital to the competitiveness of its business. Moreover, a significant part of its business is conducted in a limited number of geographic areas, namely in Paris, London, Brussels, Milan and Singapore. The inability of Tikehau Capital to maintain infrastructure commensurate with the size and scope of its activities, a loss of business or the occurrence of events beyond its control (earthquake, hurricane, fire, act of terrorism, pandemic or other disaster occurring in a geographic area where Tikehau Capital has a strong presence), could substantially affect its operations, disrupting the pursuit of its activities or inhibit its growth. Despite efforts by Tikehau Capital to ensure the continuity of operations during the occurrence of a disruptive event, Tikehau Capital's ability to conduct its operations could be adversely affected, causing a drop in its assets, its revenues and its earnings, or could affect Tikehau Capital's ability to comply with its regulatory obligations, damaging its reputation, and subjecting it to the risk of incurring fines and other sanctions. In addition, a breakdown or failure of the Group's information systems could impact its ability to determine the net asset values of the funds it manages, expose it to claims from its clients, and thus affect its reputation.

The inability of Tikehau Capital to put in place information policies, procedures and systems and effective cyber security could disrupt the pursuit of its business and generate financial losses.

Tikehau Capital is dependent on the effectiveness of information policies, procedures and systems and cyber security introduced to protect its computer and telecommunication systems, as well as the data transiting or stored in it. An incident affecting information security, generated by an external event such as an act of piracy, virus, worm or an internal failure (failure to control access to sensitive systems), might substantially affect Tikehau Capital's activity or lead to the disclosure or modification of competitive, sensitive and confidential information. The occurrence of such events could thus result in substantial financial losses, a loss of competitive position, regulatory penalties, breach of customer contracts, discredit to the reputation of Tikehau Capital or its liability, which could in turn lead to a decline in its assets, its revenues and earnings.

Tikehau Capital may not be able to implement successful acquisitions.

Although Tikehau Capital believes that its organic development constitutes its main source of future growth, the Group is planning to use acquisitions whose objectives are chiefly to strengthen its management platform and expand its geographic presence and product offer. Tikehau Capital might however not be able to identify attractive targets or conclude transactions in a timely manner and/or under satisfactory terms. Moreover, Tikehau Capital might not be able, particularly bearing in mind the competitive environment, to complete the acquisitions that might be envisaged in light of its investment criteria, which could have a significant negative impact on the implementation of its strategy. In addition, in order to obtain the authorisations required for acquisitions from the relevant authorities in one or more countries, it is possible that Tikehau Capital would be forced to accept certain conditions, such as the sale of certain assets or branches of business and/or commitments that would restrict the pursuit of its business.

Acquisitions involve risk, in particular: (i) the assumptions of business plans underlying the valuations may not be realized, particularly as regards synergies, expected savings and the evolution of the markets concerned; (ii) Tikehau Capital may not succeed in integrating the companies acquired, their technologies, their areas of expertise and their employees; (iii) Tikehau Capital may not be able to retain certain key employees or clients of the companies acquired; (iv) distribution partnerships could fail to attract customers and increase the net inflows of Tikehau Capital; (v) Tikehau Capital could increase its debt to fund its acquisitions or pay for acquisitions by issuing new equity; and (vi) Tikehau Capital might make acquisitions at an inopportune time for the market in question. The expected benefits from future or completed acquisitions may not materialize in the timeframe and at levels expected and could affect the financial position and earnings of Tikehau Capital, as well as its prospects.

Tikehau Capital is exposed to a risk of fluctuation in its income.

Tikehau Capital could suffer significant fluctuations in its income due to a number of factors such as variations in its management fees, the timetable for the achievement of outperformance incentive based on surperformance of funds, variations in the value of its assets, variations in dividends or interest received, variations in its operating expenses, the timetable for realizing its unrealized gains and losses, the intensity of competition in its market, change in its level of indebtedness, as well as a change in macroeconomic and market conditions. These fluctuations can cause volatility in the Tikehau Capital share price and the results of Tikehau Capital for a given period are not necessarily indicative of future results.

To enable its shareholders and potential shareholders to monitor its performance, the Company intends to maintain publication every quarter. (See Section X.3 (Financial reporting) of this Registration Document.)

(d) Regulatory, legal and tax risks

Tikehau Capital is subject to significant regulation and supervision.

Various regulatory and supervisory regimes apply to Tikehau Capital in each of the countries in which the Group conducts its business. These regulations strongly influence the way in which Tikehau Capital operates. Indeed, complying with these operational requirements is costly, time consuming and complicated.

In particular, Tikehau Capital is subject to several regulatory regimes related to its asset management activities. In Europe, for its subsidiaries engaged in the asset management business, Tikehau Capital is subject to two separate regulatory regimes governing: the management of funds and other collective investment undertakings (including UCITS and AIFs) as well as portfolio management and investment advisory services. Tikehau Capital is subject to similar regulations in the other countries in which the Group conducts its business.

Although the regulations applicable to Tikehau Capital vary from country to country, the rules governing Tikehau Capital as asset manager are generally the following:

- requirements for obtaining licenses and approvals to provide fund management, investment advisory and portfolio management services;
- minimum capital requirements;
- reporting requirements in particular for fund assets, investment policies, and fees charged by Tikehau Capital;
- obligation to ensure that the fund assets are held by independent custodians, and the value of assets is determined by independent parties;
- limitations applicable to employee remuneration; and
- significant requirements for statements and reports (in particular to investors or regulators).

Section I.6 (Regulations) of this Registration Document contains a more detailed presentation of the laws and regulations governing Tikehau Capital.

Tikehau Capital is subject to regular checks by its supervisory authorities and may be adversely affected by any exposure to non-compliance with existing laws and regulations or changes in the interpretation or implementation of existing laws or regulations. In addition, the applicable regulations could hinder the development of the Group’s business, increase its operating costs or prevent it from implementing its development or reorganization plans. The difficulties of a coherent interpretation worldwide of existing regulations in many countries may increase this risk, especially if the regulators of the various countries have different interpretations or publish only limited guidance. In particular, failure to comply with applicable laws or regulations could result in fines, temporary or permanent prohibition from conducting certain activities, damage to reputation and the attendant loss of clients, the suspension of employees or revocation of their licenses or the licenses or approvals of Tikehau Capital entities, or other sanctions, which could have a material adverse effect on the reputation of Tikehau Capital or its business and have a material adverse effect on the assets, revenues and earnings of Tikehau Capital.

Regulatory reforms undertaken or foreseeable in the European Union and internationally (including as part of Brexit) expose Tikehau Capital and its clients to growing regulatory requirements.

In recent years, many regulatory reforms have been adopted or proposed, and the level of regulatory oversight to which the Group is subject may continue to intensify. Some planned reforms could require the Group to change or re-examine the way it conducts its business, which could be time consuming and costly and affect the Group's future growth, or prevent the Group from being able to implement its future development and reorganization plans. These reforms could also affect some of Tikehau Capital's clients, such as banks, insurance companies or pension funds, which could prompt them to revise their short-term or long-term investment strategies to the detriment of Tikehau Capital. Some of these new measures are still proposals under discussion, subject to change and interpretation, which will have to be adapted in each country by national regulators. The main regulatory reforms that could affect Tikehau Capital include:

- transparency requirements that will limit the possibility for parties providing investment advice to accept payments (including the sharing of fees) and non-monetary benefits from portfolio managers;
- independence requirements which restrict the ability of the parties providing independent investment advisory services to pay for or receive research carried out by third parties; and
- an increase in reporting requirements that will make it necessary for Tikehau Capital to invest in the renewal and improvement of declarative and IT tools which may increase Tikehau Capital's operating costs.

Finally, the decision by the United Kingdom to leave the European Union (Brexit) is expected to have an impact on the regulated activities of the Group in the UK, particularly regarding Tikehau Capital Europe (which is an English company regulated by the FCA), the London branch of Tikehau IM (Tikehau IM's approval having been passported to the UK), or its 35% interest in the management company specialising in private equity, Duke Street LLP. Although the Group has considered and is preparing various scenarios to ensure the continuity of operations in the UK after the United Kingdom leaves the European Union and to minimise the impact of Brexit, these scenarios are inherently uncertain and will depend on the outcome of the negotiations between the UK and the European Union on the terms of this exit and the measures taken by the UK to maintain regulated financial activities on its territory.

Tikehau Capital could be exposed to tax risks.

As an international group with activities in several countries, Tikehau Capital has structured its commercial and financial activities in accordance with various regulatory obligations to which the Group is subject and with its business and financial objectives. To the extent that the tax laws and regulations of the various countries in which Tikehau Capital entities are located or operate, do not always allow for clear or definitive guidelines, the tax regime applied to its business, operations or intra-group reorganizations (past or future) is or may sometimes be based on its interpretations of French and foreign tax laws and regulations. Tikehau Capital cannot guarantee that these interpretations will not be questioned by the competent tax authorities. More generally, any breach of the laws and tax regulations of the countries where Tikehau Capital entities are located or operate may result in adjustments, or late interest payments, fines and penalties. In addition, tax laws and regulations may be amended and the interpretation and application that is made by the courts or the authorities concerned can change, especially in the framework of common initiatives at international or Community level (OECD, G20, European Union). Each of the above is likely to result in an increase in the Tikehau Capital's tax burden and have a material adverse effect on its business, financial position and earnings.

The new requirements regarding tax returns resulting from programmes against tax evasion introduced worldwide will increase administrative costs for Tikehau Capital.

Tikehau Capital is bound to comply with the new requirements regarding declaration obligations, and will be forced to comply in future with the new obligations that are part of the anti-tax evasion system implemented globally. Notably, the FATCA regulations has introduced many new tax declaration and withholding tax rules for investors, designed to ensure that US persons holding financial assets outside the US will pay the taxes for which they are accountable. More generally, the OECD has published a standard on the automatic exchange of tax information (the "Common Standard for Automatic Exchange"), which provides for the automatic annual exchange between States of financial account information, including balances, interest, dividends and proceeds from the disposal of financial assets on accounts held by individuals and entities, including trusts and foundations. A significant number of countries (including France) have already signed an agreement implementing the Common Standard for Automatic Exchange.

These new requirements for tax declarations and, more generally, any mechanism put in place to improve cooperation between tax administrations in the fight against tax evasion, will impact the funds of Tikehau Capital worldwide, and will burden Tikehau Capital with increasing administrative charges and costly reporting requirements.

Failure to comply with threshold reporting requirements could harm the reputation of Tikehau Capital.

Tikehau Capital is subject to the requirements of significant and increasingly stringent regulatory reporting. These reporting requirements call for the monitoring and reporting of thresholds having been crossed in equity interests held by Tikehau Capital and the funds managed by Tikehau Capital. The specific triggers and reporting methods to which these holding thresholds are subject, varies significantly between countries and regulators. Tikehau Capital must invest in technical resources and the training of its employees in order to improve its monitoring functions, as well as the timeliness and accuracy of its reporting. Despite these investments, due to the complexity of the different reporting thresholds associated with the extent of assets managed by the Company, errors or omissions may occur in the future. Such errors could expose Tikehau Capital to fines and/or the loss of voting rights, and could have an adverse effect on the reputation of Tikehau Capital.

(e) Risks related to the legal form, Articles of Association and organization of Tikehau Capital

The main shareholder of the Company (Tikehau Capital Advisors) controls the Company due to the Group's legal structure, and any person who might take control of the capital and voting rights attached to it would, in practice, be unable to control the Company without obtaining the agreement of Tikehau Capital Advisors.

Given the legal structure of the Company as a *société en commandite par actions* (see the Glossary in Section X.5) , a shareholder who might obtain control of the majority of the Company's share capital and attached voting rights, including through a takeover bid, will be unable to control the Company without having received, in application of the legal provisions and the Articles of Association, the agreement of Tikehau Capital General Partner, a company 100% owned by Tikehau Capital Advisors, acting as general partner, which would in particular be necessary for making the following decisions:

- appointment or removal of any Managing Partner;
- amendment of the Company's Articles of Association; and
- appointment of new general partners.

The result is that any possible wish of a shareholder who manages to take control of the capital and attached voting rights, to amend the Articles of Association, appoint new Managing Partners or terminate the office of Managing Partner of Tikehau Capital General Partner against the agreement of Tikehau Capital Advisors will in practice be impossible to implement.

These provisions are thus likely to prevent the change of control of the Company without the agreement of Tikehau Capital Advisors.

Section VIII.5(d) (Organizational structure and control of the Group) of this Registration Document includes an organizational chart of the Group and a presentation of the control of the Company.

The Manager of the Company has extremely broad powers.

The Management of the Company is undertaken by a sole Manager, Tikehau Capital General Partner, also the only general partner of the Company. Tikehau Capital General Partner is 100% owned by Tikehau

Capital Advisors. The Chairman of Tikehau Capital General Partner is AF&Co, and its Managing Director is MCH.

The Manager of the Company has the broadest of powers to act in all circumstances on behalf of the Company. Moreover, it is clear from the legislation applicable to *sociétés en commandite par actions* and the Company's Articles of Association that removal of the Manager can be decided on by unanimous resolution of the general partners, or by the Commercial Court for a legitimate cause at the request of any partner or (pursuant to Article L.226-2 of the French Commercial Code and Article 8.1 of the Company's Articles of Association) at the request of the Company. Because Tikehau Capital General Partner is both sole general partner and Manager of the Company, any possible wish of the limited partners of the Company (even if by a wide majority) to terminate Tikehau Capital General Partner's Manager office will need an application to the courts for such dismissal. Given these conditions, there is no certainty for the shareholders that they will manage to remove the Manager.

Moreover, the powers of the Limited Partners are restricted to a small number of decisions, for example, amendment of the Company's Articles of Association (such an amendment also requires the prior agreement of the general partner), approval of the financial statements and the proposal for the allocation of income, appointment or resignation of the members of the Supervisory Board or the appointment and dismissal of the Statutory Auditors. Consequently, the limited partners (that is, the holders of securities subscribed for or acquired on the market) will be unable to institute effective checks and balances against the Manager. However, it should be noted that the interests of the Manager are aligned with those of the limited partners of the Company particularly with regard to its pay structure in keeping with the Company's performance. (See Section IV.3(a)(i) (Remuneration of the Managers) of this Registration Document.) In addition, in the event that a fault of the Manager could be cited, one or more limited partners could take action *ut singuli* (i.e., on behalf of the Company) against the Manager.

The Supervisory Board and its Committees will exercise permanent control of the management of the Company and, in this framework will in particular be able to ensure that the Manager does not exercise its management authority abusively, within the limits of their duties of supervision. Indeed, the main task of the Supervisory Board is to undertake permanent control of the management of the Company. For this purpose, the Supervisory Board may be assisted, in accordance with Article 10.3.3 of the Articles of Association (see Section IV.1(c) (Practices of the Supervisory Board) of this Registration Document), by experts of its choice, at the Company's expense. Nevertheless, it should be remembered that if the Supervisory Board ensures the proper management of the Company, it may under no circumstances direct the actions of the Manager, or remove it. Information on the sub-committees of the Supervisory Board (namely an Audit and Risk Committee and an Appointments and Pay Committee) is available in Section IV.1(d) (Supervisory Board Committees) of this Registration Document.

Tikehau Capital is dependent on an experienced and stable executive team.

The success of Tikehau Capital is highly dependent on the skills and expertise of its executive and management team, which has extensive knowledge of the sector, its challenges and of the Group's client-investors and since the Group's creation has played and will in the future continue to play a key role in its growth and in the continued development of its business. In addition, to ensure the stability of the management team during the lifetime of the fund, the regulations of the funds managed by the Group may provide for special provisions concerning the maintenance in management positions of key personnel for the duration of the fund. For this reason, the Group is mindful of attracting and retaining quality executives and managers in sufficient numbers to ensure the Group's harmonious development and limit its dependence on key people. The retention mechanisms in force to retain key employees comprise mainly of participation in the performance-based incentive schemes provided by the vehicles managed by the Group. However, the loss of a key member of the Group's executive and management team, especially if an adequate replacement were not found in time, could have a material adverse effect on its reputation, its business, operating profit and financial position.

2. Insurance

Under the proposed admission of the shares to trading on the Euronext Paris regulated market, the Group has reviewed the structure and the extent of its insurance coverage.

Tikehau Capital benefits from insurance policies covering the general and specific risks to which its business exposes it. The implementation of insurance policies is based on determining the necessary level of cover to address the occurrence, reasonably estimated, of liability, damages or similar risks.

Under the proposed listing on the Euronext Paris regulated market, several specific insurance policies have been taken out with leading insurance companies by Tikehau Capital Advisors, benefiting all Group companies.

The main terms of these insurance policies are:

- Business and Professional Liability Insurance - This insurance policy provides worldwide coverage subject to a limit of €30 million per insurance period, for the financial consequences of a claim lodged by a third party involving (i) the individual or joint civil liability of the insured and/or its agents, due to any professional misconduct (error, negligence or omission) committed in the exercise of the activities insured (including the acquisition of equity interests in companies on portfolio, the management of securities and advisory activities), and (ii) the individual or joint civil liability of an executive of a company on portfolio, due to any mismanagement committed by them in the performance of their duties. This Business and Professional Liability policy also includes components covering other specific risk categories, such as risks related to fraud (up to a limit of €10 million per insurance period) and cyber risks (up to a limit of €5 million per insurance period).
- Directors' Liability Insurance - This insurance policy provides worldwide cover up to a limit of €25 million per insurance period, on the financial consequences of a claim involving individual or joint liability of directors who are individuals or legal entities of the insured, in the event of misconduct in the performance of their duties, and the costs of civil and criminal defence related thereto (excluding in particular wilful misconduct, personal benefits or remuneration wrongfully received, compensation for damage or injury).

The terms and conditions of these policies (risks covered, amounts guaranteed and deductibles) are adjusted continuously according to the opinion of an expert specialising in financial sector insurance, so that they are best suited to the risks inherent in Tikehau Capital's business.

To the knowledge of the Company, there is no risk that is uncovered, and no significant claim event that has been reported during the last three years by the Company or by one of the Group entities under its insurance contracts.

3. Risk management

The Group, with the support of its Manager and Tikehau Capital Advisors, closely associates the management of risk with internal control. The Group's risk management and internal control mechanisms are based on a set of resources, procedures and appropriate actions to ensure that the necessary steps are taken to identify, analyse and control:

- risks that may have a significant impact on the assets or the achievement of the Group's objectives, whether operational or financial or in compliance with applicable laws and regulations; and
- activities, the efficiency of operations and the efficient use of resources.

(a) Control functions

Internal control is everyone's business, from management and control bodies to all the employees of the Company and its subsidiaries, including the employees of Tikehau Capital Advisors who support the Company and its subsidiaries.

The internal control and risk management procedure is based on three main actors, independent of the operational teams, who provide first-level controls:

- The risk teams and compliance teams perform second-level controls and direct the permanent control system. At the filing date of this Registration Document, risk management activities are accommodated within Tikehau IM, while compliance activities are conducted from within Tikehau IM, Tikehau Capital Europe and Tikehau Capital Advisors.

- The Internal Audit Department performs periodic inspections in all Group entities. It functions from Tikehau Capital Advisors.

The risk teams of Tikehau IM report to the Deputy Managing Director of Tikehau IM and the compliance and internal control teams report mainly to the Chairman of Tikehau IM or the directors of Tikehau Capital Europe depending on their location.

As at the filing date of this Registration Document, the Tikehau IM risk team is responsible for monitoring the risks taken by Tikehau IM as third-party manager and for monitoring the risks taken by Tikehau Capital Europe as third-party manager.

As such, this team:

- verifies that the Company and its clients are not exposed to financial risks beyond their limits of tolerance; and

- checks that risks are controlled and management constraints are observed.

The Compliance Department constantly ensures firstly compliance with regulatory requirements in third-party management and secondly compliance on money laundering, terrorist financing, fraud, personal or professional ethics, internal and external corruption and circulation of classified or confidential information. It monitors regulatory changes and adapts and organizes internal procedures so that the system is able to match the organizational requirements of the local regulator depending on the country where the regulated activity is conducted.

As at the filing date of this Registration Document, the Compliance Department reports its findings to the Compliance and Internal Control Committees of Tikehau IM and Tikehau Capital Europe.

The Internal Audit Department periodically ensures the regularity, security and efficiency of operations as well as the management of all types of risks across all Group entities. It carries out cross-functional control over all activities and business flows. Its work can be organized around functions such as financial audit (review of financial statements, verification of systems and rules established to ensure the reliability of financial information), operational audit (review of main business cycles and analysis of the organization in place to ensure it can control risks and achieve the objectives set) or specific missions such as diagnostic or organizational assignments.

Each assignment forms the subject of a report and proposals for improvement whose implementations are then monitored. At the filing date of this Registration Document, the Internal Audit Department reports its findings to the various Executive Management teams and the relevant Audit and/or Risk Committees.

Given the recent reorganization operations (see Section VIII.3 (Reorganization operations) of this Registration Document), the various control functions and the aforementioned control programmes may evolve.

(b) Definition of the different levels of internal control and reporting

The Company and its subsidiaries have defined several levels of control whose objective is to ensure compliance with internal policies and procedures and external regulations to which the Group is subject, and the identification and proper management of risks relating to Tikehau Capital's various activities.

(i) <u>First level of internal control - Operational teams</u>

The first level of control is the responsibility of the operational management of the various business lines and is exercised through features such as the front office, the middle office, the back office (which can be outsourced) or other operation support functions. This level of control must ensure that transactions are authorised by the appropriate level of delegation, and observe the risk policies laid down by the Company or its subsidiaries (including investment limits and strategies).

First-level controls carried out on the activities managed by Tikehau IM

First-level controls conducted by the investment teams involve checking:

- order consistency with portfolio management policies (prospectus or mandate) and company policy;
- traded price consistency with the market price; and
- pre-trade and post-trade controls (as applicable) in accordance with the rules implemented in the monitoring tool Sophis® for UCITS, or E-Front® in the case of closed-end funds regulated instead by the AIFM Directive.

First-level controls conducted by middle office teams involve checking:

- the reconciliations of cash positions;
- the valuation of financial products; and
- the validation of the net asset value of the managed funds.

All changes are recorded in the relevant monitoring tool based on the type of fund.

First-level controls conducted by back office teams are outsourced to the custodian of the funds and involve checking:

- the correct reconciliation of assets;
- the valuation of assets;
- fund administration; and
- the monitoring of investment rules and restrictions entered in the monitoring tool.

At Tikehau IM, managers enter into the Sophis® tool their transactions under individual management or collective management.

Sophis® also interfaces with the custodians of the Tikehau IM UCITS and the account keepers under individual management mandates.

Reconciliations between the custodians' and account keepers' "front" and "accounting" positions are facilitated and automated as far as possible. The valuation prices of financial instruments are set in Sophis® in accordance with the valuation procedure implemented by Tikehau IM which is also applied by the custodians and account keepers.

The middle office compares the valuations of portfolios under individual management or UCITS under collective management between those from front office data and those retrieved from the custodians and account keepers. Sophis® facilitates monitoring and control of valuations which is automated to the maximum.

First-level controls carried out on the activities managed by Tikehau Capital Europe

First-level controls are conducted by the person responsible for the transactions and consist in particular of carrying out the following checks:

- review of the correct recording of purchases;

– control of the proper accounting of transactions by the custodian;

– a review, at least on a monthly basis, of the value of all assets invested in by the different CLOs; and

– control of the investment rules and restrictions reported in the trustee's reporting as well as the revenues calculated for each CLO on a quarterly basis.

First-level controls carried out by the private equity teams

First-level controls are conducted through the organization of documented handover meetings and the preparation of investment records.

These operations prior to making the investment (or divestment) enable the investment, legal and financial teams to ensure that preliminary investment authorisation, such as the approval of the relevant Investment Committee, has been obtained and that the procedures have been conducted in compliance with the internal rules of operation.

The investment teams organize a quarterly meeting to review the business of the portfolio companies attended by teams from the Finance Department, Internal Audit and Executive Management. These meetings serve to highlight indicators, if any, for revision of the valuation of portfolio investments.

In addition, Finance Department teams conduct daily monitoring of all portfolios via the Sophis® software. This tool strengthens the transaction processing controls on the Group's various investments, particularly on listed securities. The tool E-front® enables the monitoring of investments in the funds managed by Tikehau IM and Tikehau Capital Europe.

(ii) Second level of internal control – Risk management teams and compliance teams

Second-level control defines the policies and procedures of risk management, ensures the efficiency of the system through the monitoring of a number of key indicators and checks compliance with the laws, regulations and codes of conduct in force. It performs its surveillance role through permanent controls within the different activities.

This level of control, independent of the activities, also covers the operational risk including in particular legal risk, IT risk and the business continuity plan.

Second-level controls carried out by the risk and compliance teams on the activities managed by Tikehau IM

The risk management department:

– controls transactions by portfolio managers and indicators for measuring risks (such as the liquidity profile, exposure and gross commitment of the portfolio);

– checks compliance with internal limits and alert thresholds; and

– reviews the evaluation of portfolios at the AIF Quarterly Review Committee.

The review of financial risks by the risk department is structured by means of the following tools:

- *Financial risk mapping*

  Risk mapping identifies, for each fund, the types of risks associated with the financial risks that are monitored, the level of risk associated, measurement indicators of the risks identified and the corresponding restrictions in order to mitigate risks.

- *Risk indicators*

  For each type of risk identified, qualitative and quantitative indicators are defined by the risk team and monitored constantly. These indicators mainly involve the monitoring of:

  - the overall exposure and leverage, market risks (such as credit risk, equity risk, interest rate risk, derivatives risk, currency risk, etc.);
  - liquidity risk (which is subject to a daily and monthly analysis for all liquid strategy funds and quarterly analysis for private debt funds); and
  - counterparty risk, which is monitored constantly and leads to the production of a daily report.

The risk team is informed of any alerts and breach of thresholds and limits it might have defined in the set-up of its risk monitoring.

In addition to established monitoring indicators, the risk team conducts regular stress testing of portfolios.

The Compliance Department monitors compliance with regulatory and contractual constraints, the consistency of methods and the proper application of procedures.

The results of the work undertaken by the risk and compliance teams are presented to the Risk Committee and Compliance and Internal Control Committee (see below).

Second-level controls carried out by risk teams on activities managed by Tikehau Capital Europe

The controls conducted by the risk team primarily involve:

– control of investment rules and exposures by rating, concentration per issuer and geographic or sector concentration;

– the regular review (at least annually) of credit risk assessment models on the issuers invested in;

– the quarterly review of the credit committees and investment cases, as well as the consistency between the investment cases and positions invested in; and

– the quarterly review, on a sample basis, of the validity of the assessments and the performance of assets relative to the rating rules implemented.

A risk log is also set up and updated if new risks are identified or have changed materially.

The results of the work undertaken are presented to the Risk Committee (see below).

Second-level controls carried out on private equity transactions

Second-level controls mainly consist of the monitoring of valuations of portfolio assets by the teams of the Finance Department, which functions from within Tikehau Capital Advisors.

Given the recent reorganization operations, the various control functions and the monitoring programmes detailed above may evolve during 2017.

(iii) Third level of internal control - Internal audit

The third level of control is exercised by the Internal Audit Department, which conducts periodic independent checks.

Third-level controls carried out on Tikehau IM activities

Periodic monitoring may be commissioned - if necessary - by the Internal Audit Department or external auditors depending in particular on the general assessment of internal control and the findings forwarded by the Compliance Department and the updated risk mapping monitored by the risk and compliance teams.

Third-level controls carried out on the activities of Tikehau Capital Europe

Based on the risk mapping and risk log, the Internal Audit team is required to conduct checks on some processes, where the risks in terms of materiality or occurrence are considered higher. Thus, in financial year 2016, an assignment was conducted on IT risk management procedures and control procedures on anti-money laundering operations.

Third-level controls conducted on private equity activities in Tikehau Capital and Salvepar

The Internal Audit Department has the responsibility of identifying and updating the risk mapping that is submitted to the Audit and Risk Committee.

Internal Audit is a member of the Salvepar Valuation Committee and reviews the investment valuations of Tikehau Capital and Salvepar proposed by the investment teams and validated by the financial teams.

The Internal Audit Department controls the process of preparing financial information and follows the recommendations of the Statutory Auditors. It reports to the members of the Audit and Risk Committee on the progress of its projects and the monitoring of the implementation of any recommendations it might have made or that have been made by the Statutory Auditors or by the regulator.

In light of the Group’s recent reorganization, a work programme will be drawn up for all the Group’s activities based on the risk areas identified and with the objective of covering all activities according to an appropriate frequency.

(c) Investment valuation activities

(i) Valuation systems implemented for Tikehau IM activities

The valuation tools used for valuations are Sophis®, Bloomberg® (as information provider, such as market offers or valuations of instruments) and Markit®, as credit data provider, mainly for liquid loans.

The valuation process involves portfolio managers, middle office teams and risk teams.

The valuation methods are defined by type of asset, mainly:

- Instruments listed on a regulated or organized market are valued at the closing price on the day of the transaction;
- OTC bonds are valued based on the last mid price available on Bloomberg;
- UCITS- or AIF-type instruments (see the Glossary in Section X.5) are valued based on the last net asset value known on the valuation date, adjusted if necessary by events (capital calls, etc.) that might have occurred between the date of net asset value publication and the valuation date;
- Non-listed equity instruments are valued at the purchase price if the transaction is recent and there is no indicator of impairment. A multi-criteria valuation approach is otherwise used;
- Non-listed bonds are valued on the basis of the nominal value plus accrued interest, in the absence of indicators of impairment;
- Real estate assets are assessed every six months on the basis of external appraisal values;

– The valuation of loans is based on the prices reported by Markit® when these are available or other brokers' valuations available. In the absence of observable market data, a valuation on a marked-to-model approach is conducted.

Liquid Strategies

Valuations of the liquid strategy funds are checked according to their liquidity frequency (daily, weekly or even monthly). Custodians and fund administrators are involved in the valuation processes.

Tikehau IM teams control the values of the instruments conveyed by the fund administrator and ensure that the cash positions of each fund are properly reconciled. Work is also conducted on the calculation of management fees and performance fees applied per unit.

The Group has also set up procedures for control and documentation in the event of manual price changes.

Private Debt

The private debt funds mainly consist of non-liquid instruments or loans, for which the valuation principles have been detailed above.

In accordance with the principles of independence required by the AIFM Directive (see the Glossary in Section X.5), a quarterly Valuation Committee has been established to review and monitor the values of illiquid assets that are not subject to expert assessment by an independent third party.

The Committee may meet more frequently as needed. The Valuation Committee is responsible for monitoring and validating valuations of the assets in the private debt funds managed by Tikehau IM. These valuations are prepared by the portfolio managers. The Committee oversees the control of valuations.

The Valuation Committee consists of the Chairman of Tikehau IM, the Head of risk, the Chief Investment Officer (CIO), the Head of Compliance, Executive Managers, the Head of the middle office and the managers of private debt business.

The Head of risk is responsible for the organization of this Committee, and in particular has the role of ensuring (i) the presence and participation of its members, (ii) the quality of the valuation documents presented and the consistency of the methods used, and (iii) that decisions on valuations adopted are written up in Committee reports.

The middle-office teams monitor, whenever the net asset value is published, that the valuation data used by the custodian comply with decisions taken and that all closing elements have been properly integrated.

Real Estate

Valuations of real estate funds are based on independent external valuations received on a half-yearly frequency.

(ii) *Valuation systems implemented on private equity activities*

The private equity portfolio undergoes a quarterly review of activity, during which an analysis is made of performance and the events that might change the appreciation of each holding. This quarterly review is attended by the investment team, representatives of the Finance Department and Internal Audit. If necessary, additional analyses are conducted to identify potential consequences and revaluations or devaluations if significant.

On a half-yearly basis, a valuation process is conducted on all of the holdings.

Depending on the nature of the underlying asset, valuations are based on:

– directly observable market data such as the share price for listed companies or non-listed investments whose main underlying asset is listed;

- valuations of external experts if available;
- the latest net asset values provided by the fund managers in which the Company is invested. This data may be audited or unaudited. These values are adjusted, if necessary, by events (capital calls, etc.) that might have occurred between the date of net asset value publication and the valuation date;
- recent transactions can be analysed as indications of fair value;
- internal valuation models based on multi-criteria approaches which undergo a critical review by the teams of the Finance Department.

The summary of this work is reflected in the presentation of the relevant financial statements.

In the case of Salvepar, in order to take account of the growth in the number of portfolio holdings, a Valuation Committee has been established which convenes during the preparation of the annual and half-yearly close of accounts. This Valuation Committee, which is composed of members of Management and of the investment, finance and internal audit teams, is charged with reviewing the proposed valuations prepared by the teams, the assumptions used, and the relevance, consistency, permanence and uniformity of the methods used. The conclusions of the Valuation Committee are conveyed to the Statutory Auditors and the Audit and Risk Committee.

In view of the Group's reorganization, the procedures established in Salvepar will be applied to all private equity investments and a Valuation Committee will be convened to examine private equity investments.

The Statutory Auditors have access to the analyses and documents supporting valuations, and can have discussions with the investment teams in the course of their work reviewing the financial statements.

(d) Governance

As at the filing date of this Registration Document, the governance of the Group's internal control system is organized through its three principal subsidiaries: Tikehau IM, Salvepar and Tikehau Capital Europe.

(i) *Tikehau IM*

Risk Committee

The Risk Committee is responsible for:

- defining the strategic guidelines for risk management and
- monitoring and checking the exposure of portfolios to the main risk factors (including market risk, liquidity risk, credit risk and counterparty risk).

It supervises and validates the overall monitoring of risk and evaluation. It has a decision-making and implementation role.

As at the date of filing of this Registration Document, the risk team, consisting of four people, regularly presents its work and reports the results of its analyses to the Risk Committee. In particular, it draws the attention of executives to key indicators and their relevance.

The Risk Committee consists of the Chairman of Tikehau IM, the Head of Risk, the Chief Investment Officer (CIO), the Head of Compliance, Executive Managers, the Head of the middle office and portfolio manager.

The Risk Committee meets monthly and may be convened at any time if an exceptional situation justifies it.

Valuation Committee

The Valuation Committee is responsible for monitoring and validating valuations of the assets in the private debt funds managed by Tikehau IM.

These valuations are prepared by the portfolio managers; the Committee oversees the control of valuations.

The Valuation Committee consists of the Chairman of Tikehau IM, the Head of Risk, the Chief Investment Officer (CIO), the Head of Compliance, Executive Managers, the Head of the middle office and the managers of private debt business.

Compliance and Internal Control Committee

The Compliance and Internal Control Committee meets on a quarterly basis and:

- defines the policy on compliance, validates and monitors the action plan of the compliance teams;
- ensures the consistency, efficiency and completeness of the internal control system;
- reviews and monitors the results of the checks carried out in the work of the compliance teams;
- reviews the risk control system, its status and its evolution;
- reviews the synthesis of the risk situation, its evolution, at the level of the main risk limits and their use;
- reviews the production of the annual report on the control of non-compliant risks; and
- records management decisions in the event of regulatory developments or changes which give rise to the commitment of significant resources.

The compliance team, consisting of four persons at the filing date of this Registration Document, presents its work regularly in order to submit the necessary reporting to operational managers.

The Compliance and Internal Control Committee consists of the Chairman of Tikehau IM, the Head of Compliance, the Head of Risk, the Chief Investment Officer (CIO), operational managers, and the Group Head of Internal Audit.

(ii) <u>*Salvepar*</u>

Valuation Committee

To reflect the growth of Salvepar's assets and the increase in the number of holdings, a Valuation Committee has been set up, which is to meet during the preparation of annual and half-yearly close of accounts. This Valuation Committee, which is composed of members of Management and of the investment, finance and internal audit teams, is charged with reviewing the proposed valuations prepared by the teams, the assumptions used, and the relevance, consistency, permanence and uniformity of the methods used. The conclusions of the Valuation Committee are conveyed to the Statutory Auditors and the Audit and Risk Committee.

Investment Committee

During the year 2016 and up until 31 March 2017, under the conditions set out in Salvepar's Internal Rules, it was the task of Salvepar's Investment Committee to review investment and divestment projects in order to reach a complete understanding of the consequences of these projects on Salvepar's strategy and use of assets. For each investment within its remit, the decisions of the Investment Committee were formalised through a report of the meeting. On 31 March 2017, Salvepar became a *société par actions simplifiée* (simplified joint-stock company) and this Investment Committee was abolished.

(iii) Tikehau Capital Europe

Valuation Committee

The Valuation Committee is responsible for overseeing the processes of investment valuation performed by the entities managed by Tikehau Capital Europe; it has the power of decision in case of disagreement, although the Director of Tikehau Capital Europe will retain the ultimate decision in the event of final arbitration.

The Valuation Committee meets on a monthly basis. It consists of a Director of Tikehau Capital Europe, the Head of Risks, the Group Head of Compliance and the Head of Operations, who presents his work.

Risk Committee

The Risk Committee is responsible for overseeing all risk management activities performed and examining the adequacy of the work relating to the company's business and regulation.

The Risk Committee meets on a quarterly basis and submits a half-yearly report to the Board of Directors. It consists of a Director of the company, the Head of Risk, the Chief Operating Officer (COO), and the Group Head of Compliance.

(e) IT architecture and security

The Tikehau Capital IT system is built on the following principles: availability, integrity and security.

- Availability: Several known and proven technologies are used by the Group. First, service virtualisation helps to completely overcome the physical characteristics of a server. It is possible to restart a service from any server, even if a physical server fails. Secondly, clustering services can detect and automatically switch from one node to another in the cluster in the event of physical failure. Finally, all equipment has a guarantee on parts and labour with 4-hour onsite callout 24/7.
- Integrity: All data and system information are consolidated on "SAN"-type equipment (Storage Area Network). This consists of data hard drives, hot-swappable and highly redundant with over 40 Terabytes of storage and archives. If a malfunction occurs on one of the drives, the devices send alerts to the system builder which provides replacement on callout in less than 4 hours, every day of the year. The system is such that the equipment can lose up to six drives without disruption of service. Every day, data backups are made on a separate storage system, thus allowing any information that might have been deleted by accident or malice, to be restored in minutes. Moreover, these devices are twinned in a remote backup data centre.
- Security: Data drives are completely isolated from the computer network. Data replication in the backup data centre is via a "LAN2LAN" operator dedicated link or secure "VPN" tunnel.

If the premises were to be completely destroyed or inaccessible, Tikehau Capital is able to restart its information system and access all of its data in less than a day.

Computer systems tests are spread over the year. These cover different scopes: remote server access through secure channels (should the premises become unavailable), restoration of old backed up data (time, quality, etc.), partial interruption of machines/servers, etc.

In addition, a business continuity plan ("BCP") has been set up. The BCP outlines the procedures to be followed in the event of disaster. Depending on the severity and duration of the disaster, teams are relocated: remote work for functions that do not require access to capital markets, working from a backup site for management and middle office in particular.

(f) Prevention of insider misconduct and compliance

Because of its activities, the Group, especially the regulated entities Tikehau IM and Tikehau Capital Europe, are subject to particularly stringent compliance obligations.

As part of the listing of the Company's shares on the regulated market of Euronext Paris, a Stock Market Code of Conduct was adopted by the Company's Supervisory Board. Its aim is to recall the securities market regulations applicable to corporate executives and persons of a similar level, to permanent insiders as well as occasional insiders. It recaps the laws and regulations in this area, as well as the administrative and/or criminal penalties for failure to comply with such laws and regulations, and provides for the implementation of preventive measures enabling everyone to invest in the Company securities while respecting the rules for market integrity.

At Tikehau IM, a compliance procedure has been drafted and sent to all employees. This procedure aims to specify the obligations of Tikehau IM employees to respect the regulations and to observe the professional ethics pertaining to the area of third-party management. This procedure stems from the regulations governing Tikehau IM's business but also from generally accepted professional rules of conduct, including key professional associations (AFG, AFIC) of which Tikehau IM is a member.

The main compliance rules concern in particular the rules of conduct and the rules applying to every employee of Tikehau IM in regard to transactions for their personal account. The Head of Compliance and Internal Control must conduct missions to ensure that principles of professional ethics intended to prioritise the interests of clients and comply with market rules are properly enforced.

Tikehau IM has a set of compliance rules, mainly articulated in the Procedure Manual and the Internal Rules.

The main topics include:

- confidential information, privileged information and confidentiality;
- conflicts of interest;
- personal transactions;
- rules, invitations and other benefits to employees;
- procedures against money laundering and terrorist financing; and
- the control system relating to market abuse.

In addition, regulatory constraints (and, if applicable, the constraints specific to certain funds/mandates as may be required by the governing documents) require the regulated entities of Tikehau Capital:

- to identify conflict of interest situations;
- to manage conflict of interest situations;
- to record resolutions adopted to achieve conflict management (record of conflicts); and
- to provide the necessary transparency for investors/clients on conflict resolution.

Conflicts of interest may also arise when Group entities or their employees are in situations in which these entities or employees can obtain financial gain or avoid a financial loss at the expense of clients' assets.

The Head of Compliance and Internal Control conveys to all Tikehau Capital companies, including their officers, all information necessary for the prevention of potential conflicts of interest. The Head of Compliance and Internal Control must ensure that his procedure is kept up to date and maintains a record of all cases of conflicts presented that have resulted in a resolution. If necessary, the record will be used to demonstrate that the resolution of the conflict prioritised the clients' interests. Finally, the organization of the Group's regulated activities is carried out according to specific procedures to avoid incurring a situation of conflict of interests.

With particular regard to conflict of interest management, Tikehau IM has implemented a policy to avoid situations where there is a risk of conflict of interest and to manage the various interests involved in the provision of investment services to clients.

Tikehau IM and Tikehau Capital Europe have established an investment allocation process performed on managed or advised investment fund accounts and mandates that have been entrusted to them by third party investors. These allocations are documented to demonstrate that they respect the interests and rules of fair practice towards clients (fund investors and mandates) and these group structures. The application of the allocation policy is validated and monitored by the Head of Compliance and Internal Control.

Where an investment opportunity is eligible for the investment strategy of several funds or mandates, the portfolio manager must prepare a pre-allocation for the various investment vehicles and mandates by applying the following rules:

– the investment capacity of each fund/mandate eligible for the investment;
– the specific management constraints of each fund/mandate (regulatory, contractual or statutory); and
– the maturity of the funds/mandates with regard to the investment period.

4. Legal and arbitration proceedings

Given the activities of Tikehau Capital and the increasing litigiousness prevalent in the business world, Tikehau Capital is exposed to the risk of litigation as defendant and may also be obliged to enforce its rights as plaintiff (for example, in the context of enforcement of guarantees furnished under an investment or divestment transaction).

To the knowledge of the Company, there are no administrative, legal or arbitration proceedings (including any pending or foreseeable procedure) that may have or have had, in the last 12 months from the filing date of this Registration Document, a significant impact on the financial position or profitability of the Company and/or Group.

IV. CORPORATE GOVERNANCE

1. Administrative and management bodies

The Company is a *société en commandite par actions*. An overview of the *société en commandite par actions* and a description of the main provisions of the Company's Articles of Association are contained in Section VIII.2 (Main provisions of the Company's Articles of Association) of this Registration Document.

The Company uses the AFEP-MEDEF Code[47] as its corporate governance code in accordance with Article L.225-68 of the French Commercial Code, with reference to Article L.226-10-1 of the French Commercial Code.

(a) The Managers

The Management of the Company is undertaken by a sole Manager, Tikehau Capital General Partner, also the only general partner of the Company. Tikehau Capital General Partner is 100% owned by Tikehau Capital Advisors.

Name, registered office, legal form and number of shares held of the Company

Tikehau Capital General Partner is a *société par actions simplifiée* (see the Glossary in Section X.5) established on 17 February 2014, whose registered office is located at 32 rue de Monceau, 75008 Paris.

Tikehau Capital General Partner, which is also the only general partner of the Company, holds no shares in the Company.

Tikehau Capital General Partner is a company with €100,000 in share capital. The shareholders' equity of Tikehau Capital General Partner's amounted to €89,000 as at 31 December 2015. Tikehau Capital General Partner has no employees.

Corporate officers

The Chairman of Tikehau Capital General Partner is AF&Co, and its Managing Director is MCH.

Expiry of term of office

The office of Manager of Tikehau Capital General Partner is for an unlimited period.

Main function within the Company and the Group

General Partner and Manager of the Company. The Manager holds no other position within the Group or outside the Group.

Main offices and positions held outside the Company and the Group during the last 5 years

None. The Manager has never conducted other activities before assuming office as Manager of the Company.

(i) *Information concerning AF&Co and Mr. Antoine Flamarion*

The company AF&Co was appointed Chairman of Tikehau Capital General Partner on 7 November 2016 for an unlimited period.

AF&Co is a *société par actions simplifiée* (see the Glossary in Section X.5) with registered office located at 32, rue de Monceau, 75008 Paris France, entered in the Trade and Companies Register of Paris under number 444 427 298 and whose share capital and voting rights are 95% held by Mr. Antoine Flamarion, one of the founders of Tikehau Capital.

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[47] The AFEP-MEDEF Code is available online at www.consultation.codeafepmedef.fr.

Antoine Flamarion, who is Chairman of AF&Co, began his career within the Principal Investments department (proprietary investment) at Merrill Lynch Paris, before joining the Principal Investments department at Goldman Sachs London. Antoine Flamarion cofounded Tikehau Capital in 2004.

Antoine Flamarion is a graduate of the Université Paris Dauphine and the Université Paris Sorbonne.

Name, business address, age and number of shares held of the Company

Antoine Flamarion,
32, rue de Monceau, 75008 Paris,
Born 11 March 1973
As at the filing date of this Registration Document, AF&Co and Antoine Flamarion do not hold any shares in the Company.
Nationality

French

Expiry of term of office

Antoine Flamarion's term of office as Chairman of AF&Co is of indefinite duration.

Main positions held by Mr. Antoine Flamarion within the Company and the Group

Antoine Flamarion is Chairman of the company AF&Co, which is itself Chairman of Tikehau Capital General Partner (which is Manager and General Partner of the Company) and of Tikehau Capital Advisors. Mr. Antoine Flamarion is also Chairman of the Supervisory Board of Tikehau IM.

Offices and positions held

- Chairman of AF&Co (SAS)
- Manager of Takume (SARL)
- Member of the Executive Committee of Heeuricap (SAS)
- Permanent representative of Tryptique on the Supervisory Board of Alma Property (SA)
- Permanent representative of AF&Co on the Board of Directors of Sofidy (SA)
- Permanent Representative of AF&Co on the Supervisory Board of Selectirente (SA - listed company)
- Director of Tikehau Investment Limited (UK company controlled by Tikehau Capital Advisors)
- Director of Tikehau Capital Partners UK Limited (UK company controlled by the Company)
- Director of Tikehau Investment Management Asia Pte Ltd (Singapore company controlled by Tikehau IM)
- Director of Tikehau Capital Europe (UK company controlled by the Company)

Offices and positions held during the last 5 years

- Chairman and Chief Executive Officer and Director of Salvepar (SA - listed company)
- Director of Groupe Flo (SA - listed company)
- Director of Financière Flo (SAS)
- Manager of F2 (SARL)

(ii) *Information concerning MCH and Mr. Mathieu Chabran*

The company MCH was appointed CEO of Tikehau Capital General Partner on 7 November 2016 for an unlimited period.

MCH is a *société par actions simplifiée* (see the Glossary in Section X.5)with registered office located at 32, rue de Monceau, 75008 Paris France, entered in the Trade and Companies Register of Paris under number 480 619 337 and whose share capital and voting rights are 90% held by Mr. Mathieu Chabran.

Mathieu Chabran, who acts as Chairman of MCH, began his career at Merrill Lynch in 1998, firstly in Paris within the High Yield and Real Estate teams, then in London, in the High Yield Capital Market department. In 2000, he joined the European Leveraged Finance team. In 2002, he joined the Real Estate Debt Market & Structured Financing team at Deutsche Bank London as Vice-President and then Director. Mr. Mathieu cofounded Tikehau Capital in 2004.

Mathieu Chabran is a graduate of ESCP Europe and the Institute of Political Studies in Aix-en-Provence.

Name, business address, age and number of shares held of the Company

Mr. Mathieu Chabran,
32, rue de Monceau, 75008 Paris,
Born 11 December 1975

As at the filing date of this Registration Document, MCH and Mathieu Chabran do not hold any shares in the Company.

Nationality

French

Expiry of term of office

Mathieu Chabran's term of office as CEO of MCH is of indefinite duration.

Main positions held by Mr. Mathieu Chabran within the Company and the Group

Mathieu Chabran is Chairman of the company MCH, which is itself CEO of Tikehau Capital General Partner (which is Manager and General Partner of the Company) and of Tikehau Capital Advisors. Mathieu Chabran is CEO of Tikehau IM and oversees all of the Group's investments as Group Chief Investment Officer.

Offices and positions held

- Chief Executive Officer of Tikehau Investment Management (SAS)
- Chairman of MCH (SAS)
- Chairman of MC3 (SAS)
- Director of InCA (SICAV)
- Member of the Executive Committee of Heeuricap (SAS)
- Manager of Le Kiosque (SCI)
- Manager of De Bel Air (*société civile,* see the Glossary in Section X.5)
- Manager VMC3 (SCI)
- Director of Tikehau Investment Limited (UK company controlled by Tikehau Capital Advisors)
- Director of Tikehau Capital Partners UK Limited (UK company controlled by the Company)
- Director of Tikehau Investment Management Asia Pte Ltd (Singapore company controlled by the Company)
- Director of Tikehau Capital Europe (UK company controlled by the Company)

Offices and positions held during the last 5 years

- Director of Salvepar (SA - listed company)
- Member of the Supervisory Board of Hao (SAS)
- Director of Groupe Flo (SA - listed company)
- Director of Financière Flo (SAS)

(b) Presentation of the Supervisory Board

(i) Composition of the Supervisory Board

Current composition of the Supervisory Board

The Company's Supervisory Board was formed following the conversion of the Company into a *société en commandite par actions* and its composition evolved as part of the listing of the Company's shares on the regulated market of Euronext Paris (see Section VIII.3 (Reorganization operations) of this Registration Document).

The following table shows the composition of the Supervisory Board at the filing date of this Registration Document.

	Year of birth	**Date of first appointment**[3]	**End date of office**
Christian de Labriffe (Chairman)	1947	28 February 2017	2022 (General Meeting convened to approve the accounts for FY 2021)
Jean-Louis Charon [1]	1957	7 November 2016	2020 (General Meeting convened to approve the accounts for FY 2019)
Roger Caniard	1967	28 February 2017	2022 (General Meeting convened to approve the accounts for FY 2021)
Jean Charest [1]	1958	21 December 2016	2021 (General Meeting convened to approve the accounts for FY 2020)
Jean-Pierre Denis	1960	21 December 2016[2]	2021 (General Meeting convened to approve the accounts for FY 2020)
Florence Lustman [1] (permanent representative of the Fonds Stratégique de Participations)	1961	28 February 2017	2021 (General Meeting convened to approve the accounts for FY 2020)
Anne-Laure Naveos	1980	7 November 2016	2020 (General Meeting convened to approve the accounts for FY 2019)
Fanny Picard [1]	1968	28 February 2017	2022 (General Meeting convened to approve the accounts for FY 2021)
Constance de Poncins [1]	1969	28 February 2017	2022 (General Meeting convened to approve the accounts for FY 2021)
Léon Seynave [1] (permanent representative of Troismer)	1944	7 November 2016	2020 (General Meeting convened to approve the accounts for FY 2019)
Natacha Valla [1]	1976	21 December 2016	2021 (General Meeting convened to approve the accounts for FY 2020)

[1] Independent member
[2] With effect from 9 January 2017
[3] For members that are corporations this is the date of appointment of the permanent representative.

(ii) *Presentation of the members of the Supervisory Board*

Mr Christian de Labriffe was appointed as Chairman of the Company's Supervisory Board at a meeting of the Board on 22 March 2017. He replaced Jean-Louis Charon who was appointed on 6 December 2016.

The Company's Articles of Association provide that, subject to the initial appointments allowing for renewal to be staggered, the Supervisory Board be made up of members appointed for a period of four (4) years expiring at the end of the annual General Shareholders' Meeting convening to approve the accounts for the previous year and held in the year in which the term of office of that Supervisory Board member expires. The composition of the Supervisory Board at the filing the date of this Registration Document was determined so that it could be renewed by regular and balanced rotation.

Information about members of the Supervisory Board

Mr Christian de Labriffe (Chairman)

Non-independent member

Nationality: French

Year of birth: 1947

Date of first appointment: 28 February 2017

Term of office expires: 2022 (General Meeting convened to approve the accounts for FY 2021)

Business address: 32, rue de Monceau, 75008 Paris, France

Current office: Chairman of the Supervisory Board of the Company

Expertise and past experience in management: Christian de Labriffe is a graduate of ISC Paris Business School. He started his career at Lazard Frères & Cie. in 1972 where he was appointed Managing Partner in 1987. In 1994, he became Managing Partner of Rothschild & Cie. He joined the Group in 2013 as Chairman and CEO of Salvepar.

Positions held:

- Director of Christian Dior (SA - listed company)
- Non-voting advisor and permanent representative of Parc Monceau, on the Supervisory Board of Beneteau (SA - listed company)
- Director and permanent representative of Salvepar on the Board of Directors of HDL Development (SAS)
- Director and permanent representative of Salvepar on the Board of Directors of "Les Dérivés Résiniques et Terpéniques – DRT" (SA)
- Director of Christian Dior Couture (SA)
- Manager of Parc Monceau (SARL)
- Chairman of TCA Partnership (SAS)
- Director of the Fondation Nationale des Arts Graphiques et Plastiques

Other offices held in the past five years and no longer held to date:

- Chairman and Chief Executive Officer and Director of Salvepar (SA - listed company)
- Managing Partner of Transaction R
- Chairman of Financière Rabelais
- Director of Holding Financier Jean Goujon
- Director of Nexity France
- Director of Investec Asset Management Inc.
- Director of Rothschild Conseil International SCS
- Manager of Delahaye Passion SC

- Manager of Rothschild & Compagnie Banque (SCS)
- Manager of RCB Partnaires (SNC)

Mr Roger Caniard
Non-independent member
Member of the Audit and Risk Committee

Nationality: French
Year of birth: 1967
Date of first appointment: 28 February 2017
Term of office expires: 2022 (General Meeting convened to approve the accounts for FY 2021)
Business address: 10, cours du triangle de l'arche, 92919 La Défense, France

Current office: Head of MACSF financial management

Expertise and past experience in management: Roger Caniard is a graduate of IEP Paris, ESCP, Université Paris-Dauphine and of the Société Française des Analystes Financiers (SFAF). He began his career as a financial analyst. After a period at Mondiale (equity management) and KBL (merger and acquisition bank), he joined MACSF in 1995. Since 2014, he has been a member of the Executive Committee and CFO of MACSF.

Positions held:

- Director of Château Lascombes (SA)
- Member of the Supervisory Board of Taittinger
- Permanent representative of MACSF épargne retraite on the Board of Vivalto (SAS)

Other offices held in the past five years and no longer held to date:

- Permanent representative of MACSF épargne retraite on the Board of Directors of Salvepar (SA - listed company)
- Permanent representative of MACSF épargne retraite on the Supervisory Board of Korian (SA - listed company)

Mr Jean-Louis Charon
Independent member
Chairman of the Audit and Risk Committee

Nationality: French
Year of birth: 1957
Date of first appointment: 7 November 2016
Term of office expires: 2020 (General Meeting convened to approve the accounts for FY 2019)
Business address: 11, rue des Pyramides, 75001 Paris, France

Current office: Chairman of City Star Capital

Expertise and past experience in management: Jean-Louis Charon is a former student at the Ecole Polytechnique and the Ecole Nationale des ponts et chaussées. He began his career within the Ministry for Industry, and then held positions at General Electric and Thomson. In 1996, he became Managing Director of the Vivendi Universal real estate subsidiary CGIS group. In July 2000 he organized the LBO (see the Glossary in Section X.5) of Nexity, joining its Board of Directors and then its Supervisory Board. After founding Nexstar Capital, in partnership with LBO France, he founded the City Star group in 2004 where he is the current CEO.

Positions held:

- Permanent Representative of Holdaffine on the Board of Affine (SA - listed company)
- Deputy Chairman of the Supervisory Board of Selectirente (SA - listed company)

- Director of Foncière Atland (SA - listed company)
- Director of Eurosic (SA - listed company)
- Chairman of SOBK (SAS)
- Chairman of Vivapierre (SPPICAV)
- Chairman of Valery (SAS)
- Chairman of SOBK (SAS)
- Director of Fakarava Capital (SAS)
- Manager of City Star Promotion 1 (SARL)
- Manager of Horus Management (SARL)
- Manager of Lavandières (SCI)
- Director of City Star Private Equity Asia Pte. Ltd.
- Director of City Star Phnom Penh Property Management Pte. Ltd.
- Director of City Star Ream Topco Pte. Ltd.
- Director of City Star Ream Holdco Pte. Ltd.
- Director of City Star Phnom Penh Land Holding Pte. Ltd.
- Director of City Star Cambodia Pte. Ltd.
- Director of City Star KRD Pte. Ltd.
- Director of City Star KRH Pte. Ltd.
- Director of EUROSIC Investment Spain SOCIMI SAU.

Other offices held in the past five years and no longer held to date:

- Director of Polypierre (SA)
- Managing Director of GEC-Thomson Airborne Radars (GIE)
- Member of the Board of Nexity (SA - listed company)
- Deputy Chairman of the Supervisory Board of Paref (SA)
- Chairman of City Star Aménagement (SAS)
- Chairman of City Star Capital (SAS)
- Chairman of Medavy Arts et Antiquités (SAS)
- Manager of Sekmet (EURL)
- Manager of 10 FOUR CHARON (SCI)

Mr Jean Charest
Independent member
Member of the Appointments and Pay Committee

Nationality: Canadian
Year of birth: 1958
Date of first appointment: 21 December 2016
Term of office expires: 2021 (General Meeting convened to approve the accounts for FY 2020)
Business address: 1000, rue de la Gauchetière Ouest, bur. 2500, Montreal (Quebec), H3B 0A2 Canada

Current office: Partner at the McCarthy Tétrault law firm (Canada)

Expertise and past experience in management: Jean Charest was elected a member of parliament in the Canadian House of Commons in 1984, and then became the youngest ever member of the Canadian Council of Ministers when he was appointed, at 28 years of age, Minister for State & Youth. He was then appointed Minister for the Environment, Minister for Industry and Vice-Prime Minister of Canada. He held the office of Prime Minister of Quebec from 2003 to 2012. He is a partner of McCarthy Tétrault LLP and, since 1986, member of the Queen’s Privy Council for Canada.

Positions held:

- Member of the Supervisory Board of the Publicis Groupe (SA - listed company)
- Chairman of the Board of Directors of Windiga Energie
- Director of the Asia Pacific Foundation of Canada
- Honorary President of Canada-ASEAN Business Council
- Member of the Canadian Council of the North American Forum

- Member of the Advisory Board of the Canadian Global Affairs Institute
- Member of the Trilateral Commission
- Member of the Advisory Group of Canada's Ecofiscal Commission
- Member of the Africa Forum Advisory Board
- Chairman of the Board of Governors of The Federal Idea
- Member of the Advisory Board of the Woodrow Wilson Institute Canada

Other offices held in the past five years and no longer held to date:

- Prime Minister and Chairman of the Executive Council of the Government of Quebec

Mr Jean-Pierre Denis
Non-independent member

Nationality: French
Year of birth: 1960
Date of first appointment: 21 December 2016 (with effect from 9 January 2017)
Term of office expires: 2021 (General Meeting convened to approve the accounts for FY 2020)
Business address: 118, avenue des Champs-Elysées, 75008 Paris, France

Current office: CEO of Crédit Mutuel Arkéa and President of the Fédération du Crédit Mutuel de Bretagne

Expertise and past experience in management: Jean-Pierre Denis is a qualified Finance Inspector, who graduated from HEC and also attended ENA. He has previously held positions as CEO and Chairman of the Oséo group from 2005 - 2007, and was also a member of the Board of Directors of Vivendi Environnement which became Véolia Environnement (2000 - 2003), CEO of Dalkia (Vivendi group and then Veolia Environnement) (1999-2003), Presidential Advisor at CGE which became Vivendi (1997 - 1999) and Deputy Secretary General to the President of the Republic (1995 - 1997). In 2008, he was appointed CEO of Crédit Mutuel Arkéa and President of the Fédération du Crédit Mutuel de Bretagne.

Positions held:

- Chariman of Crédit Mutuel Arkéa
- Chairman of the Fédération du Crédit Mutuel de Bretagne
- Director of Kering (SA - listed company)
- Director of Nexity (SA - listed company)
- Director of Altrad Investment Authority (SAS)
- Chairman of Château Calon Segur (SAS)
- Director of Paprec Holding (SA)
- Director of Avril Gestion (SAS)

Other offices held in the past five years and no longer held to date:

- Director of SOFIPROTEOL

Fonds Stratégique de Participations
Independent Member represented by Ms Florence Lustman

Date of first appointment: 28 February 2017
Term of office expires: 2021 (General Meeting convened to approve the accounts for FY 2020)
Business address: 47 rue du Faubourg Saint-Honoré, 75008 Paris, France
Registration: 753 519 891 RCS Paris

Positions held by the Fonds Stratégique de Participations:

- Director of Seb (SA - listed company)
- Director of Arkema (SA - listed Company)
- Director of Eutelsat (SA - listed Company)
- Member of the Supervisory Board of Zodiac Aerospace (SA - listed Company)

Other offices held in the past five years and no longer held to date: None

Ms. Florence Lustman
Permanent Representative of the Fonds Stratégique de Participations (Independent)

Nationality: French
Year of birth: 1961
Date of first appointment: 28 February 2017
Term of office expires: 2021 (General Meeting convened to approve the accounts for FY 2022)
Business address: 115, rue de Sèvres, 75006 Paris, France

Current office: Chief Financial Officer of La Banque Postale Group

Expertise and past experience in management: Florence Lustman is a former student of the Ecole Polytechnique and the Institut d'Etudes Politiques in Paris. She is also a graduate of the IAF (Institut des Actuaires Français). She began her career as insurance supervisor at the Commission de Contrôle des Assurances. She then became General Secretary of that Commission (now the Autorité de Contrôle des Assurances et des Mutuelles). After a time at the Inspection Générale des Finances, she has been Chief Financial Officer of La Banque Postale Group since 2012.

Positions held:

- Member of the Executive Committee and of the General Management Committee of La Banque Postale (SA)
- Member of the Supervisory Board of La Banque Postale Financement (SA)
- Permanent representative of SF2 on the Board of Directors of La Banque Postale Prévoyance (SA)
- Member of the Supervisory Board of La Banque Postale Asset Management (SA)
- Chair of the Board of Directors of La Banque Postale Home Loan SFH (SA)
- Director of La Banque Postale IARD (SA)
- Permanent representative of LBP on the Board of Directors of La Banque Postale Assurance Santé (SA)
- Director of Sopassure (SA)
- Chief Executive Officer and member of the Board of Directors of SF2 (SA)
- Permanent representative of Sopassure on the Board of Directors of CNP Assurances (SA - listed company)
- Director of AEW Europe (SA)
- Member of the Supervisory Board of the Fonds de Garantie des Dépôts et de Résolutions (Fund)

Other offices held in the past five years and no longer held to date: None

Ms. Anne-Laure Naveos
Non-independent member

Nationality: French
Year of birth: 1980
Date of first appointment: 7 November 2016
Term of office expires: 2020 (General Meeting convened to approve the accounts for FY 2019)
Business address: 1, rue Louis Lichou, 29480 Le Relecq-Kerhuon

Current office: Director in charge of External Growth & Partnerships at Crédit Mutuel Arkéa

Expertise and past experience in management: Anne-Laure Naveos graduated from EM Lyon Business School. In 2005, she joined Symphonis as Management Controller & Head of Finance, before joining Crédit Mutuel Arkéa as Head of External Growth & Partnerships in 2008.

Positions held:

- Permanent Representative of Crédit Mutuel Arkéa on the Supervisory Board of Younited (SA)
- Permanent Representative of Crédit Mutuel Arkéa on the Supervisory Board of Yomoni (SAS)

- Member of the Supervisory Board of Leetchi (SA)
- Permanent Representative of Crédit Mutuel Arkéa on the Board of Directors of Kepler Financial Partners (SAS)
- Permanent Representative of Crédit Mutuel Arkéa on the Strategic Committee of Raise (Endowment)
- Director of the Association pour le commerce et les services en ligne (Association)

Other offices held in the past five years and no longer held to date: None

Ms Fanny Picard
Independent member
Chair of the Appointments and Pay Committee

Nationality: French
Year of birth: 1968
Date of first appointment: 28 February 2017
Term of office expires: 2022 (General Meeting convened to approve the accounts for FY 2021)
Business address: 4 ter, rue du Bouloi, 75001 Paris

Current office: Chair of Alter Equity SAS, management company of the FPCI Alter Equity[3P]

Expertise and past experience in management: Fanny Picard is a graduate of ESSEC and SFAF with a master's degree in law and a former student at the Collège des Hautes Etudes de l'Environnement et du Développement Durable. She began her career in the mergers and acquisitions department of the investment bank Rothschild & Cie. Before founding and chairing the Alter Equity investment fund, Ms. Fanny Picard was Managing Director and Member of the Executive Committee of Wendel and Head of Development for Western Europe and North America with the Danone group.

Positions held:

- Chair of Alter Equity SAS, management company of the FPCI Alter Equity[3P]
- Member of the Board of Directors of GL Events (SA – listed company)
- Member of the Medef Ethics Committee
- Member of the Committee of Experts of the Institute of Responsible Capitalism
- Member of the Strategic Committee of Bo.Ho Green (SAS),
- Member of the Strategic Committee of Sports Etudes Academy
- Member of the Strategic Committee of Eficia (SAS - formerly ECO GTB)
- Member of the Steering Committee of the fund BNP Paribas Social Business Impact France
- Member of the Steering Committee of the Siel Bleu foundation
- Member of the Steering Committee of the Mozaïk RH foundation

Other offices held in the past five years and no longer held to date:

- Director of Salvepar (SA - listed company)
- Member of the Supervisory Board of TK Blue (SAS)

Ms Constance de Poncins
Independent member
Member of the Audit and Risk Committee

Nationality: French
Year of birth: 1969
Date of first appointment: 28 February 2017
Term of office expires: 2022 (General Meeting convened to approve the accounts for FY 2021)
Business address: 52, rue de la Victoire – 75009 Paris

Current office: Managing Director of AGIPI (General Interprofessional Retirement and Investment Association)

Expertise and past experience in management: Constance de Poncins is a graduate of the Institut des Actuaires Français (IAF) and EDEHC and holds an Executive MBA from the Management Institute of Paris (MIP). She began her career in 1992, in the Axa France technical directorate of individual life assurance, before becoming Director of the private client management distributors and partners department, then Director of liabilities and cross-divisional projects. In 2009, she joined Neuflize Vie as Technical and Investment Director and Director of Asset/Liability Commitments. Since 2015 she has been Managing Director of the savers' association AGIPI.

Positions held:

- Chair of the SICAVs:
  - AGIPI Obligations Monde
  - AGIPI Grandes Tendances
  - AGIPI Actions Emergents
  - AGIPI Monde Durable
  - AGIPI Convictions
  - AGIPI Region
- Permanent representative of AGIPI on the Board of Directors of the SICAV AGIPI Immobilier
- Permanent representative of AGIPI Retraite on the Board of Directors of the SICAVs:
  - AGIPI Actions Monde
  - AGIPI Actions Europe
  - AGIPI Ambitions
  - AGIPI Obligation Inflation
  - AGIPI Revenus
- Director of GIE AGIPI

Other offices held in the past five years and no longer held to date:

- Permanent representative of Neuflize Vie on the Board of Directors of Foncière Paris France (SIIC)
- Director of Salvepar (SA - listed company)

Troismer
Independent Member represented by Mr. Léon Seynave

Date of first appointment: 5 January 2017
Term of office expires: 2020 (General Meeting convened to approve the accounts for FY 2019)
Business address: Bosweg 1 B-1860 Meise, Belgium
Registration: 0890.432.977 (BCE)

Offices held by Troismer:

- Director of Lasmer (SA - Belgian company)
- Director of De Groodt (SA - Belgian company)
- Manager of Five Trees (SPRL - Belgian company)
- Director of FGM (SA - Belgian company)

Other offices held in the past five years and no longer held to date: None

Mr Léon Seynave
Permanent Representative of Troismer to the Supervisory Board (independent)
Member of the Appointments and Pay Committee

Nationality: Belgian
Year of birth: 1944
Date of first appointment: 21 December 2016[48]
Term of office expires: 2020 (General Meeting convened to approve the accounts for FY 2019)
Business address: Bosweg 1 B-1860 Meise, Belgium

Current office: Managing Director of an investment group

Expertise and past experience in management: Léon Seynave is a graduate from Louvain University and holds an MBA from Wharton School of Commerce and Finance at Pennsylvania University. He cofounded Mitiska, a company previously listed on the Brussels stock exchange. He is also a director of several companies including De Persgroep, Vente-Exclusive.com, t-groep, and Stanhope Capital London. Previously, he worked as an investment banker at White, Weld & Co. in New York and in the London and Tokyo offices of Crédit Suisse First Boston.

Positions held:

- Director of Persgroep (NV - Belgian company)
- Director of T.Interim (NV - Belgian company)
- Chairman of Stanhope Capital (LLP - UK company)
- Director of Vente-Exclusive (NV - Belgian company)
- Director of Lasmer (NV - Belgian company)
- Manager of Troismer (BVBA - Belgian company)
- Director of De Groodt (NV - Belgian company)
- Director of Fakarava Capital (SAS)

Other offices held in the past five years and no longer held to date: None

Ms. Natacha Valla
Independent member

Nationality: French
Year of birth: 1976
Date of first appointment: 21 December 2016
Term of office expires: 2021 (General Meeting convened to approve the accounts for FY 2020)
Business address: 98-100, boulevard Konrad Adenauer, L-2950 Luxembourg

Current offices: Head of the Politics & Strategy division within the Economic Research department at the European Investment Bank (EIB)

Expertise and past experience in management: Natacha Valla is an economist. She began her career at the European Central Bank (2001-2005) and then at the Banque de France (2005-2008) before joining Goldman Sachs as Executive Director (2008-2013). After serving as Deputy Director of the CEPII (a think tank on international economics), she is currently Policy and Strategy Division Chief of the Economic Analysis Department of the European Investment Bank (EIB). She is also a member of the National Economic Commission and the ACPR scientific council.

Positions held:

- Director of LVMH (SA - listed company)
- Director of Accor (SA - listed company)
- Director of ASF (SA)

Other offices held in the past five years and no longer held to date: None

[48] Mr. Léon Seynave was initially appointed at the General Meeting on 7 November 2016. He resigned with effect from 5 January 2017 and the company Troismer SPRL was co-opted in his place by the Supervisory Board at its meeting of 5 January 2017.

(c) Practices of the Supervisory Board

The practices of the Supervisory Board of the Company are governed by the law and regulations, the Articles of Association of the Company (the most recent version of which is available on the Company's website (www.tikehaucapital.com)) and the Supervisory Board's Internal Rules (adopted by the Supervisory Board at its meeting on 5 January 2017, and which is available on the Company's website (www.tikehaucapital.com)).

The responsibilities and practices of the Supervisory Board are detailed in the report of the Chairman of the Supervisory Board. (See Section IV.4 (Report of the Chairman of the Supervisory Board) of this Registration Document.)

(d) Supervisory Board Committees

In accordance with the provisions of the AFEP-MEDEF Code which the Company applies, the Supervisory Board has decided to set up two permanent Committees: An Audit and Risk Committee and an Appointments and Pay Committee. These Committees were set up by the Supervisory Board at its meeting on 22 March 2017.

The composition, responsibilities and practices of these two Committees are detailed in the report of the Chairman of the Supervisory Board. (See Section IV.4 (Report of the Chairman of the Supervisory Board) of this Registration Document.)

The composition of the Supervisory Board Committees is summarised in the following table:

Audit and Risk Committee
Jean-Louis Charon, Chair
Roger Caniard
Constance de Poncins
Appointments and Pay Committee
Fanny Picard, Chair
Jean Charest
Léon Seynave

2. General Shareholders' Meetings

(a) The practices of Shareholders' Meetings

The main provisions described below are taken from the Company's Articles of Association as adopted by the Combined General Shareholders' Meeting of the Company of 7 November 2016.

(i) *<u>Participation in the General Shareholders' Meetings (Article 11.1 of the Articles of Association)</u>*

General Shareholders' Meetings shall be convened by the Managers or the Supervisory Board under the statutory conditions.

General Shareholders' Meetings shall be held either at the registered office or at any other location specified in the convening notice.

Any shareholder, regardless of the number of shares he owns, may participate in General Shareholders' Meetings under the conditions set out by law and by the Articles of Association with proof of his identity and of the registration of the shares in his name or in the name of the intermediary registered on his behalf two days worked before the General Shareholders' Meeting at midnight, Paris time:

– for holders of nominal shares on the nominal securities accounts kept on the Company's books;
– for holders of bearer shares on bearer security accounts kept by the authorized intermediary, which shall provide, electronically, if appropriate, a certificate of participation as proof of their registration.

If the shareholder is unable to attend the General Shareholders' Meeting in person or by proxy, he may choose one of the two following options:

– voting by correspondence; or
– sending a proxy notice to the Company without indicating a proxy, under applicable laws and regulations.

When the shareholder has requested an admission card or certificate of participation or, if applicable, cast his vote by correspondence or sent a proxy, he may no longer choose another mode of participation in the General Shareholders' Meeting. However, he may sell all or some of his shares at any time.

If the transfer of ownership occurs more than two days worked before the General Shareholders' Meeting at midnight, Paris time, the Company consequently nullifies or modifies the vote by correspondence, the proxy, the admission card or the certificate of participation, as applicable. To this end, the authorized intermediary and account-holder notifies the Company or its representative of the transfer of ownership and provides all necessary information.

Any transfer of ownership occurring two days worked or less before the General Shareholders' Meeting at midnight, Paris time, shall not be notified by the authorized intermediary nor taken into account by the Company.

Shareholders that are not domiciled in France may register their shares and be represented at General Shareholders' Meetings by any intermediary registered on their behalf with a general power of attorney to manage their shares, provided that the intermediary has declared itself as an intermediary holding securities on behalf of another party upon opening its account with the Company or the account-holding financial intermediary, pursuant to applicable laws and regulations.

Shareholders may, upon a decision of the Managers published in the meeting and convening notice, participate in Meetings via video conference or any other means of telecommunication or teletransmission, including internet, under the conditions set out by applicable laws and regulations. The Managers set the corresponding terms of participation and voting to ensure that the proper technical procedures and technologies employed allow for continuous, real-time transmission of the deliberations and the integrity of the voting process.

Shareholders using the electronic form provided on the website by the Meeting centralizer, within the required time limit, have the same status as shareholders in attendance or represented. The electronic form may be filled out and signed directly on the website by any procedure decided upon by the Managers that fulfils the conditions defined in the first sentence of the second paragraph of Article 1367 of the French Civil Code, which may involve a username and password.

The proxy and the vote cast electronically before the Meeting, as well as the confirmation of receipt given, shall be deemed irrevocable written undertakings enforceable on all parties, it being noted that if a transfer of ownership occurs more than two days worked before the General Shareholders' Meeting at midnight, Paris time, the Company will consequently nullify or modify any proxy or vote cast before this date and time.

General Shareholders' Meetings are chaired by any Manager or, with the approval of the Managers, by the Chairman of the Supervisory Board. Failing this, the Meeting shall elect its own Chairman.

Minutes are prepared of General Shareholders' Meetings and copies are certified and issued in accordance with applicable laws.

(ii) *<u>Approval of decisions by the general partner or partners (Article 11.1 of the Articles of Association)</u>*

Except for the appointment and removal from office of members of the Supervisory Board, the appointment and removal from office of the Statutory Auditors, the distribution of annual dividends and the approval of agreements requiring authorization, no decision shall be validly taken by the General Shareholders' Meeting unless it is approved by the general partner(s) in principle before the General Shareholders' Meeting and, in any event, no later than the close of the said Meeting.

(b) General Shareholders' Meetings of the Company in 2016 and 2017

In 2016, the General Shareholders' Meeting of the Company was held three times (on 14 April, 7 November and 21 December 2016). At these Meetings, all resolutions recommended by the Chairman (while the Company took the form of a *société par actions simplifiée*) and the Managers (after the Company's conversion into a *société en commandite par actions*) were approved.

In 2017, the General Shareholders' Meeting has been held once, on 28 February 2017. During the Meeting, all resolutions recommended by the Managers were approved.

3. Remuneration, allowances and benefits

As part of the Group's reorganization operations, the General Shareholders' Meeting of 7 November 2016 resolved on the conversion of the Company from a *société par actions simplifiée* into a *société en société en commandite par actions* (see the Glossary in Section X.5) . At the time of this conversion, Tikehau Capital General Partner took over as Manager and sole general partner of the Company. In addition, the first members of the Supervisory Board were appointed at the General Shareholders' Meetings on 7 November 2016, 21 December 2016 and 28 February 2017 respectively.

As such, the Managers will receive full payment for the first time in 2017 for financial year 2017 and the members of the Supervisory Board will receive directors' fees for the first time in 2018 for the year 2017.

Due to the particular remuneration structure in force within the Company, the standard presentation tables of the remuneration and benefits of any kind granted to directors and corporate officers drawn up by the AFEP-MEDEF Code (which the Company applies) or by the AMF in its Recommendation No. 2009-16 as amended on 13 April 2015 are not appropriate for the Company and are not presented in this Section.

Moreover, we would remind you that the "say-on-pay" provisions contemplated in Law No. 2016-1691 of 9 December 2016 on transparency, anti-corruption and modernisation of the economy (known as the "Sapin 2 Law") and Decree No. 2017-340 of 16 March 2017 enforcing the Sapin 2 Law do not apply to *sociétés en commandite par actions*.

(a) Remuneration of the Manager-General Partner

(i) *<u>Remuneration of the Managers</u>*

In accordance with Article 8.3 of the Company's Articles of Association, as long as the Company shall be managed by a single Manager, this Manager is entitled to remuneration before tax equal to 2% of the total consolidated shareholders' equity of the Company, determined on the last day of the preceding financial year. This remuneration shall be paid annually upon approval of the financial statements of the preceding year.

The Manager has the opportunity, during the year, of receiving a payment on account for the remuneration referred to above. The payment of this advance can only be made on the basis of an accounting period certified by the Statutory Auditors of the Company. This advance is deducted from the total amount of remuneration paid to the Manager on approval of the financial statements for the previous financial year.

In the event that one or more Managers are appointed by the general partner or partners, the general partner or partners will decide whether any one of the Managers, at the choice of the general partner or partners, will retain the remuneration described above, or if the Managers will split the remuneration described above, and under what terms. If a Manager is not paid the remuneration described above, its remuneration (amount and terms of payment) will be determined by decision of the general partner or partners and, unless this Manager receives no remuneration, subject to the approval of the annual General Shareholders' Meeting of the Company.

The Manager(s) will also be entitled, upon presentation of receipts, to reimbursement for expenses incurred in the interest of the Company.

Inasmuch as this remuneration is statutory, it does not fall within the scope of the regime of regulated agreements contemplated under Article L.226-10 of the French Commercial Code (which refers to Articles L.225-38 to L.225-43 of the same code). In addition, it should be noted that (i) the Manager does not have any right to carried interest received by the Group (see Section 1.4(a)(ii) (Allocation and income from the capital of Tikehau Capital) of this Registration Document) and that (ii) the "say-on-pay" provisions contemplated in Law No. 2016-1691 of 9 December 2016 on transparency, anti-corruption and modernisation of the economy (known as the "Sapin 2 Law") and Decree No. 2017-340 of 16 March 2017 enforcing the Sapin 2 Law do not apply to *sociétés en commandite par actions*.

(ii) *Preferred dividend ("*dividende préciputaire"*) to the general partner*

Under Article 14.1 of the Company's Articles of Association, Tikehau Capital General Partner, as sole General Partner of the Company, is entitled, by way of preferred dividend and should there be distributable income for a financial year, to an amount equal to 12.5% of the net income of the Company as reflected in the Company's statutory financial statements at the close of each financial year.

If there is more than one general partner, they shall share this amount between themselves as they see fit. In the event of a financial year whose duration is less than a calendar year, this remuneration shall be calculated on a *pro rata* basis for the time elapsed.

Inasmuch as this remuneration is statutory, it does not fall within the scope of the regime of regulated agreements contemplated under Article L.226-10 of the French Commercial Code (which refers to Articles L.225-38 to L.225-43 of the same code). It is further stipulated that the general partner is not entitled to carried interest received by the Group. (See Section I.4(a)(ii) (Allocation and income from the capital of Tikehau Capital) of this Registration Document.)

(iii) *Additional information about the remuneration of corporate officers*

The flows received by the Manager-General Partner of Tikehau Capital General Partner Company and its shareholder Tikehau Capital Advisors are of three kinds: (1) the remuneration of the Manager-General Partner of Tikehau Capital General Partner as described in paragraphs (i) and (ii) above, and (2) the dividends received by Tikehau Capital Advisors as a limited partner of the Company, and (3) the share of about 27% received by Tikehau Capital Advisors in carried interest on the Group's closed-end funds. Added to that is the share in the carried interest received by a shareholder structure of Tikehau Capital Advisors, which brings together some thirty employees (for 20%). (On carried interest, see Section I.4(a)(ii) (Allocation and income from the capital of Tikehau Capital) of this Registration Document.)

Apart from these items, there is no mechanism or agreement for the benefit (i) of Tikehau Capital General Partner, (ii) of Tikehau Capital Advisors (the sole partner of Tikehau Capital General Partner), (iii) of any of their shareholders or subsidiaries, or (iv) of any corporate officer of these companies (including AF&Co, MCH, Mr. Antoine Flamarion or Mr. Mathieu Chabran) under which the Company or a Group entity would be obliged to pay them amounts corresponding to remuneration (including under service agreements), compensation or benefits due or likely to be due to the assumption, exercise, termination or change in their duties or subsequent thereto, including pension and other lifetime benefits.

Information regarding stock option schemes, share purchase schemes or free share allocation schemes can be found in Section IV.3(c) (Stock option schemes, share purchase schemes and free share allocation plans) of this Registration Document.

Historical information on the remuneration of Tikehau Capital General Partner

Tikehau Capital General Partner became Manager-General Partner of the Company at the time of the conversion of the latter into a *société en commandite par actions* in the General Shareholders' Meeting held on 7 November 2016. Prior to its conversion into a *société en commandite par actions*, the Company had the legal form of a *société par actions simplifiée*, whose Chairman (Tikehau Capital Advisors) was entitled to a fixed annual remuneration equal to 2% of the NAV of the Company (see the Glossary in Section X.5) and a variable annual remuneration of 12.5% of the Company's net income for each financial year. Tikehau Capital General Partner did not participate in the governance of the Company prior to its conversion into a *société en commandite par actions*.

The table below presents the remuneration received by Tikehau Capital Advisors during the years 2014, 2015 and 2016. This historical data is provided for information only, and this information may not serve as an indication of the future remuneration of the Manager-General Partner of the Company, especially because of changes in the calculation method for such remuneration and the base effect resulting from the reorganization operations that modified the Company's scope of consolidation (see Section VIII.3 (Reorganization operations) of this Registration Document).

In millions of €	**2016[(1)]**	**2015**	**2014**
Fixed remuneration (including taxes)	18.9	10.4	9.8
Variable remuneration (including taxes)	–	0.6	3.9
TOTAL	**18.9**	**11.0**	**13.7**

(1) For the period from 1 January to 7 November 2016

In accordance with the statutory provisions described in (i) above, for the period from 7 November 2016 to 31 December 2016, Tikehau Capital General Partner received a fee of €1.33 million (inclusive of tax) in respect of its duties as Manager of the Company. In accordance with the undertakings of the Company and in order to provide full information to the Company shareholders, this remuneration is shown and is set apart in the draft resolution on allocation of income for 2016 which is subject to approval by the Annual General Shareholders' Meeting that has been convened (3rd Resolution – See Chapter IX (Annual General Meeting) of this Registration Document).

Insofar as the Company's annual result is a loss for 2016, Tikehau Capital General Partner is not entitled to a preferred dividend for 2016.

Information on the remuneration of the corporate executives of Tikehau Capital General Partner

The corporate executives of Tikehau Capital General Partner (i.e., to date, AF&Co as Chairman and MCH as CEO) receive no remuneration from Tikehau Capital General Partner.

The proprietary interests of AF&Co and MCH are in Tikehau Capital Advisors, which ultimately receives the revenue streams from Tikehau Capital General Partner as Manager-General Partner (under the service agreement described in Section VIII.4(b) (Description of ongoing significant agreements) of this Registration Document or as dividend distributions) and dividend flows as limited partner of the Company.

Tikehau Capital Advisors is an independent full-function company that has its own shareholding, its own investors (who are not identical to those of the Company), its own employees and its own operations. Therefore, the revenue stream that can be received by AF&Co and MCH or Messrs Antoine Flamarion and Mathieu Chabran, who are *inter alia* owners of part of the share capital of Tikehau Capital Advisors, does not reflect an executive's managerial incentive within the meaning of the AFEP-MEDEF Code.

(b) Attendance fees and other remuneration received by members of the Supervisory Board

According to Article 10.1 of the Company Articles of Association, members of the Supervisory Board may receive attendance fees and remuneration, the total annual amount of which is voted on by the General

Shareholders' Meeting and whose distribution is decided by the Supervisory Board on the recommendation of the Appointments and Pay Committee.

The Supervisory Board's internal rules provide that the distribution of attendance fees takes into account in particular the effective participation of each member in the meetings as well as the duties performed on the Board and its Committees, and is the subject of prior discussion by the Appointments and Pay Committee. The share of each member of the Supervisory Board is calculated in proportion to the duration of his or her term of office during the financial year.

At the annual General Shareholders' Meeting of the Company held on 21 December 2016, an amount of €300,000 was allocated to the members of the Supervisory Board in respect of attendance fees for each financial year.

Because of the Company's transformation into a *société en commandite par actions* at the end of 2016 and the consequential creation of a Supervisory Board, no directors' fees were paid to the members of the Supervisory Board of the Company during financial years 2016 and earlier. The Company will first disclose the remuneration of members of its Supervisory Board in its Registration Document published in respect of financial year 2017.

During the years 2015 and 2016, the Chairman of the Supervisory Board, Mr. Christian de Labriffe, was Chairman and Chief Executive Officer of Salvepar, which is now a wholly-owned subsidiary of the Company. For this office, Mr. Christian de Labriffe, in 2015 and 2016, received an annual gross salary of €277,750 as total remuneration of any kind whatsoever from Salvepar or its affiliates.

(c) Stock option schemes and bonus share schemes

At the filing date of this Registration Document, the Company has not set up any share subscription or share purchase option schemes, or bonus share schemes.

With the exception of Tikehau IM which has implemented a plan to award free shares to its employees (see Section VII.2(a) (The Group's workforce) of this Registration Document), none of the Group subsidiaries have implemented stock option schemes or bonus share schemes.

The description of the financial delegations approved by the General Shareholders' Meeting of the Company of 21 December 2016 (including in regard to attribution of bonus shares or stock options and or/stock purchase options) can be found in Section VIII.5(c) (Summary table of delegations) of this Registration Document. At the filing date of this Registration Document, the Managers do not envisage any attribution of bonus shares, stock options and/or stock purchase options.

(d) Amounts set aside or accrued by the Company or its subsidiaries to provide pension, retirement or similar benefits

The Company has neither provisioned nor accrued any money for the payment of pensions, retirement or other benefits to its corporate officers or executives or to those of its subsidiaries.

(e) Exceptional items of remuneration linked to the completion of the Company's listing

There is no plan for exceptional remuneration (bonuses, premiums, bonus shares, stock subscription and/or purchase options, benefits in kind, etc.) linked to the listing of the Company's shares on the regulated market of Euronext Paris.

4. Report of the Chairman of the Supervisory Board

(a) Preparation and organization of the work carried out by the Board

The preparation and organization of the work carried out by the Supervisory Board fall within the framework defined by the laws and regulations applicable to *sociétés en commandite par actions*, the Articles Association of the Company and the Internal Rules of the Supervisory Board.

The Internal Rules of the Company, as adopted by the Company's Supervisory Board on 5 January 2017, specify:

– the duties and powers of the Supervisory Board;

– the obligations of the members of the Board (the professional ethics on stock market transactions, acting on behalf of the Company, transparency, disclosure of conflicts of interest and duty of abstention, confidentiality, etc.) and the independence criteria for its members;

– the practices of the Board (frequency of meetings, invitations to attend, information to members, use of means of video conferencing and telecommunication) and of the Committees (Audit and Risk Committee, and Appointments and Pay Committee); and

– the rules for determining the remuneration of Board members.

This report contains substantial excerpts from the Internal Rules of the Company's Supervisory Board. The Internal Rules the Company's Supervisory Board are available on the Company's website (www.tikehaucapital.com, under the heading "Governance and teams"). It has been prepared with the assistance of the Group's Company Secretary and the Head of Internal Audit.

This report was prepared taking into account that (i) the Company was transformed into a *société en commandite par actions* and the Supervisory Board was initially set up on 7 November 2016, and (ii) the Company underwent significant reorganization during the 2nd half of 2016 and the 1st half of 2017. (See Section VIII.3 (Reorganization operations) of this Registration Document.)

(i) Supervisory Board

Composition of the Supervisory Board

The Company's Articles of Association lay down that the Supervisory Board should be made up of between three and eighteen members. At the date of this Registration Document, the Supervisory Board is composed of eleven members, presented in Section IV.1(b) (Presentation of the Supervisory Board) of this Registration Document.

The Company's Supervisory Board was set up following the transformation of the Company into a *société en commandite par actions* and its composition evolved as part of the listing of the Company's shares on the regulated market of Euronext Paris. (See Section IV.1(b)(i) (Composition of the Supervisory Board) and Section VIII.3 (Reorganization operations) of this Registration Document.)

In connection with the proposed listing of the Company's shares on the regulated market of Euronext Paris, several agreements were concluded concerning the composition of the Supervisory Board:

– Tikehau Capital Advisors, Fakarava Capital, MACSF épargne retraite, Crédit Mutuel Arkéa and Neuflize Vie entered into a shareholders' agreement concerning the Company on 23 January 2017. The agreement provides that the parties shall consult with one another prior to any meeting of the Company's Supervisory Board or General Shareholders' Meeting for the purpose of agreeing on a common general policy for the Company. This agreement lays down that the parties shall ensure that a member of the Supervisory Board is appointed on the basis of a proposal from each party to the agreement holding at least 5% of the Company's share capital. (See Section VIII.5(d) (Organizational structure and control of the Group) of this Registration Document.)

- The Company and its main shareholders have entered into an agreement relating to an investment by the Fonds Stratégique de Participations in the Company. This agreement was accompanied by a commitment to appoint a representative of the Fonds Stratégique de Participations on the Company's Supervisory Board. (See Section VIII.5 (Information on capital and major shareholders) of this Registration Document.)

Subject to this clarification, no arrangements or agreements have been entered into with the main shareholders, or with clients or suppliers, under which a member of the Supervisory Board has been appointed as member of the Company's Supervisory Board.

In accordance with the provisions of Article L.226-4-1 of the French Commercial Code, as at 28 February 2017, that is, the date of the first General Shareholders' Meeting of the Company held in 2017, the quota of women members of the Supervisory Board was 45.5% (i.e., five women) and the quota of male members of the Supervisory Board was 54.5% (six men). Under the aforementioned law, the proportion of men or women on the Board cannot be less than 40%.

The Supervisory Board is renewed each year on a rolling basis, such that a portion of the Supervisory Board members is replaced annually.

Under the provisions of Article 10.1 of the Company's Articles of Association, each member of the Supervisory Board is appointed for four years, subject to legal provisions allowing the extension of this term of office, and each Supervisory Board member's duties cease at the end of the General Shareholders' Meeting called to decide upon the financial statements of the year ended, convened in the year during which that Supervisory Board member's term of office expires. By way of exception, the General Shareholders' Meeting may, in order to implement or maintain the above-mentioned rolling-basis renewal, appoint one or several members of the Supervisory Board for a different duration up to five years, in order to allow for a staggered renewal of the Supervisory Board members' terms. The duties of all Supervisory Board members appointed in this manner for a term of up to five years cease at the end of the General Shareholders' Meeting called to decide upon the financial statements of the year ended and convened in the year during which that Supervisory Board member's term of office expires. As described in Section IV.1(b)(i) (Composition of the Supervisory Board) of this Registration Document, these statutory provisions were applied when the Company's Supervisory Board was constituted in order to ensure a staggered rotation of its members' terms of office.

The number of members of the Supervisory Board over the age of seventy-five may not exceed one third of the members in office; if this proportion is exceeded, the members who must leave the Supervisory Board in order to restore compliance with this proportion will be deemed to have resigned, starting with the oldest.

If there is a vacancy as a result of death, resignation or for any other reason, the Supervisory Board may temporarily co-opt one or more members as a replacement for the remaining term of office of the replaced member; any co-option must be approved by the next General Shareholders' Meeting. If it is not, the decisions of the Supervisory Board taken during the term of office of the co-opted member shall remain valid nonetheless.

The list of members of the Company's Supervisory Board, including their duties, the offices they hold in other companies, their age and the dates of commencement and expiry of their terms of office, is contained in Section IV.1(b) (Presentation of the Supervisory Board) of this Registration Document.

It should be noted that the Supervisory Board does not include any member representing employees and/or employee shareholders and that the Company is not bound by any obligation to make such an appointment (under the provisions of Article L.226-5-1 of the French Commercial Code).

Article 3 of the Supervisory Board's Internal Rules requires that members of the Supervisory Board own at least 200 shares of the Company throughout their term on the Board. The number of shares of the Company held by each member of the Supervisory Board on the filing date of this Registration Document is set out in Section VIII.7 (Shares held by corporate officers).

Independence of the members of the Supervisory Board

The Supervisory Board is in compliance with the recommendations of the AFEP-MEDEF Code, which entail the admittance of at least one third independent members (Article 8.3 of the AFEP-MEDEF Code). A Board member is independent when they have no relationship of any kind with the Company, its Group or its Management that might compromise the independence of their judgement.

The criteria for independence that must be examined by the Supervisory Board to qualify as an independent member and to prevent potential conflicts of interest between that member and the Management, the Company or Tikehau Capital, are those referred to in Article 8.5 of the AFEP-MEDEF Code and are listed in Article 1 of the Company internal rules as adopted by the Company's Supervisory Board on 5 January 2017.

These criteria include:

- not to be an employee or not to have been so in the previous five years:
  - corporate executive officer of the Company;
  - employee or corporate executive officer or director of any company within the Company's consolidated Group;
  - employee, corporate executive officer or director of the parent company of the Company or of a company within the consolidated scope of the parent company;
- not to be a corporate executive officer of a company in which the Company directly or indirectly holds a directorship or in which an employee designated as such or a corporate executive officer of the Company (currently or within the last five years) holds a directorship;
- not to be a client, supplier or major banker or financing banker (i) of the Company or its Group or (ii) for which the Company or its Group accounts for a significant part of its business; it must be noted that the assessment of the criterion of whether the relationship with the Company or Group is significant must be discussed by the Supervisory Board on the proposal of the Appointments and Pay Committee and the criteria leading to this assessment (continuity, economic dependence, exclusivity, etc.) detailed in the Company's Registration Document;
- not to have close family ties with a corporate officer;
- not to have been the Company's auditor in the last five years;
- not to be a director of the Company for more than twelve years. The status of independent director lapses after twelve years.

The Supervisory Board may consider that a member of the Supervisory Board, while fulfilling the above criteria, should not be considered independent given their particular circumstances or for any other reason. Conversely, the Supervisory Board may consider that a member who does not strictly fulfil all the criteria mentioned above is nevertheless independent.

The status of each member should be discussed and reviewed annually by the Appointments and Pay Committee and then by the Supervisory Board in light of these independence criteria and prior to the publication of the Registration Document.

To date, the Supervisory Board is composed of seven independent members out of the eleven Board members, a ratio of two-thirds of independent members; it should be noted that, in the case of a controlled company, Article 8.3 of the AFEP-MEDEF Code requires a minimum of one third independent members.

The Supervisory Board has conducted a review of the independence of each of its members. The following table summarises the reasons which led to the conclusion that some of its members were not independent:

Name	Independent	Reason
Roger Caniard	No	Insofar as Roger Caniard is an employee of MACSF, a group that holds more than 10% of the Company's share capital and voting rights, acts in concert with the Group's controlling shareholder, and maintains a business relationship with Tikehau Capital, the Supervisory Board considered that Mr. Roger Caniard did not meet the independence criteria set out in Article 8.5 of the AFEP-MEDEF Code.
Jean-Louis Charon	Yes	In the absence of significant business ties between Mr. Jean-Louis Charon and Tikehau Capital, as assessed by the Supervisory Board, the Board considered that all the criteria set out by Article 8.5 of the AFEP-MEDEF Code were met.
Jean Charest	Yes	In the absence of significant business ties between Mr. Jean Charest and Tikehau Capital, as assessed by the Supervisory Board, the Supervisory Board considered that all the criteria set out by Article 8.5 of the AFEP-MEDEF Code were met.
Jean-Pierre Denis	No	Insofar as Jean-Pierre Denis is Chairman of Crédit Mutuel Arkéa, a group that directly or indirectly holds more than 10% of the share capital and the voting rights of the Company, acts in concert with the Group's controlling shareholder, and has business relations with Tikehau Capital, the Supervisory Board considered that Mr. Jean-Pierre Denis did not meet the independence criteria set out in Article 8.5 of the AFEP-MEDEF Code.
Christian de Labriffe	No	Insofar as Christian de Labriffe is a partner of Tikehau Capital Advisors, the controlling shareholder of the Company, and a service provider of the Company, the Board considered that Mr. Christian de Labriffe did not meet the independence criteria set out in Article 8.5 of the AFEP-MEDEF Code.
Florence Lustman (permanent representative of the Fonds Stratégique de Participations)	Yes	In the absence of any conflict of interest identified, the Supervisory Board considered that all the criteria set out in Article 8.5 of the AFEP-MEDEF Code were met.
Anne-Laure Naveos	No	Insofar as Ms. Anne-Laure Naveos is an employee of Crédit Mutuel Arkéa, a group that owns, directly and indirectly, more than 10% of the share capital and voting rights of the Company, acts in concert with the Group's controlling shareholder, and has business relations with Tikehau Capital, the Supervisory Board considered that Ms. Anne-Laure Naveos did not meet the independence criteria set out in Article 8.5 of the AFEP-MEDEF Code.
Fanny Picard	Yes	In the absence of any conflict of interest identified, the Supervisory Board considered that all the criteria set out in Article 8.5 of the AFEP-MEDEF Code were met.
Constance de Poncins	Yes	In the absence of any conflict of interest identified, the Supervisory Board considered that all the criteria set out in Article 8.5 of the AFEP-MEDEF Code were met.
Léon Seynave (permanent representative of	Yes	In the absence of significant business ties between Mr. Léon Seynave and Tikehau Capital, the Supervisory Board considered that all the criteria set out in Article 8.5 of the AFEP-MEDEF

Name	Independent	Reason
Troismer)		Code were met.
Natacha Valla	Yes	In the absence of any conflict of interest identified, the Supervisory Board considered that all the criteria set out in Article 8.5 of the AFEP-MEDEF Code were met.

To the knowledge of the Company, as at the filing date of this Registration Document there exist no family relationships between members of the Supervisory Board and the Managers of the Company.

To the knowledge of the Company, in the last five years: (i) none of the above-mentioned persons have been sentenced for fraud, (ii) none of the above-mentioned persons have been involved in any bankruptcy, receivership or liquidation, (iii) no official public incrimination and/or sanction has been pronounced on any of the above-mentioned persons by any statutory or regulatory authorities (including designated professional bodies), and (iv) none of the above-mentioned persons have been disqualified by a court from acting as a member of an administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer.

Further information about the conflict of interest risks identified and dealt with by members of the Supervisory Board is contained in Section IV.4(a)(v) (Conflicts of interest) of this Registration Document.

Organization of the work carried out by the Supervisory Board

The rules of the organization and operation of the Board are governed by the Company's Articles of Association and by the Supervisory Board's Internal Rules as adopted by the Supervisory Board on 5 January 2017.

In addition to the functions and responsibilities of the Supervisory Board, its Internal Rules recall the duties and obligations of its members, in particular with regard to the confidentiality of privileged information.

The Internal Rules also reiterate the obligation for each of its members to inform the Supervisory Board of any actual or potential conflict of interest in which they might be involved directly or indirectly. In such a case, they must refrain from participating in discussions and decisions on the matters in question. The Chair may also request that member not attend the meeting.

The Internal Rules recall the rules applicable to transactions by corporate officers in the Company's shares. Every year all members of the Board receive a reminder of these provisions and ad hoc information in the event of significant changes. Supervisory Board members' obligations in regard to the securities markets are set out in the Company's code of ethics adopted by the Supervisory Board at its meeting on 5 January 2017.

The Supervisory Board shall meet as often as the interests of the Company require and at least four times a year. The Supervisory Board's Internal Rules authorise its members to participate in meetings by means of videoconferencing or telecommunications permitting their identification and guaranteeing their effective participation. The deliberations of the Supervisory Board take place under the conditions of quorum and majority required by law and, in the event of a tie, the Chairman of the meeting has the casting vote.

The Internal Rules also lay down the rules of practice of the permanently established Committees, namely the Audit and Risk Committee, and the Appointments and Pay Committee.

At least once a year, the Supervisory Board will undertake a review and evaluation of its own practices in accordance with the Supervisory Board's Internal Rules. A formal assessment is carried out at least every three years, possibly under the direction of an independent Board member, if necessary with the help of an external consultant.

Duties and practices of the Supervisory Board

The Supervisory Board shall oversee the management of the Company at all times (in particular its individual and consolidated accounts), may convene the General Shareholders' Meeting and approves the agreements set out in Article L.226-10 of the French Commercial Code. The Supervisory Board is involved in the strategy and the Group's investment policy as part of its mission of ex-post monitoring.

For the purpose of exercising its permanent monitoring powers:

- The Supervisory Board may carry out at any time of the year all checks and controls it deems appropriate. It may request any documents it needs to accomplish its mission;
- At least four times a year, or more often if requested by the Board, the Managers shall present to the Board a report on the status and progress of corporate affairs, which is to be prepared according to the terms requested by the Board;
- Within three months after the close of the financial year, the Managers shall present to the Board the annual and consolidated financial statements, for the purpose of verification and control;
- The Managers shall submit to the Supervisory Board its annual operating targets and at least once a year, its long-term strategic projects;
- The Supervisory Board shall present to the annual General Shareholders' Meeting a report in which it notes, inter alia, any irregularities and inaccuracies in the annual and consolidated financial statements, and comments on the management of the Company;
- The Supervisory Board approves the Report of the Chairman contemplated in Article L.226-10-1 of the French Commercial Code on the Board's composition and application of the principle of equal representation of women and men on the Board, the conditions for preparing and organising the work of the Board, and on internal control and risk management procedures implemented by the Company;
- The Supervisory Board shall deliberate annually on the policy of the Company regarding equal employment and pay;
- The agreements referred to in Article L. 226-10 of the French Commercial Code are subject to the prior approval of the Supervisory Board;
- The Supervisory Board shall ensure that the formalities of amending the Company Articles of Association are performed correctly;
- The Supervisory Board shall maintain a watch over the quality of information provided by the Group to its shareholders and the financial markets through the Company and Group financial statements published by the Management and the annual report prepared by the Managers, or during major transactions.

The Supervisory Board may seek assistance from experts of its choice, at the expense of the Company. It has the broadest powers of investigation and may submit written questions to the Managers, or even request at any time that it submit information.

Activities of the Supervisory Board

The provisional schedule of meetings is sent to Supervisory Board members before the beginning of each year and notices to attend, accompanied by the agenda and technical files submitted for their consideration, are sent out at least one week before the date of each meeting. The technical file sent contains the items on the agenda of the meeting, the draft minutes of the previous meeting and all documents that require special analysis and prior consideration depending on the agenda.

The Company's Supervisory Board was set up following the transformation of the Company into a *société en commandite par actions* on 7 November 2016. The Board has met once during financial year 2016, and twice since 31 December 2016. In particular, the Supervisory Board:

- reviewed the annual and consolidated financial statements for the year ended 31 December 2016;
- reviewed the agenda of the Annual General Shareholders' Meeting;
- approved the 2016 report of the Chairman of the Supervisory Board on the preparation and organization of the work carried out by the Board and the internal control procedures implemented by the Company;
- approved its Internal Rules and stock market professional code;
- determined the composition of the Audit and Risk Committee and the Appointments and Pay Committee;
- received regular updates on the activity, points of special vigilance, the results for each of the Group's business lines, the implementation of the strategy, the investment projects, and the investments and financing of the Company;
- taken stock of the internal control procedures within the Company;
- debated on draft regulated agreements.

Insofar as the Supervisory Board was constituted in three phases and that it has met to decide on special operations, the duration of the meetings and the attendance rate observed at these meetings are not significant.

Evaluation of the work carried out by the Supervisory Board

The Supervisory Board was set up on 7 November 2016 on the occasion of the transformation of the Company into a *société en commandite par actions* and as at the filing date of the Registration Document has met only three times. Moreover, its composition has recently changed as part of the listing of the Company's shares on the regulated market of Euronext Paris (see Section VIII.3 (Reorganization operations) of this Registration Document); the Supervisory Board has been made up of eleven members since 28 February 2017. For these reasons, the Supervisory Board will conduct the first review of its practices and its evaluation at the end of 2017. As such, shareholders will be informed of the completion of this evaluation and any follow-up made thereto in the Company's 2017 Registration Document.

(ii) Supervisory Board Committees

In accordance with Article 10.3.3 of the Company's Articles of Association, as adopted by the Combined General Shareholders' Meeting on 7 November 2016, and a decision of the Supervisory Board of 5 January 2016, and in keeping with the undertakings made by the Company as part of its listing, the Company's Supervisory Board has decided to create two Supervisory Board Committees: an Audit and Risk Committee and an Appointments and Pay Committee, whose composition, powers and practices are described below.

The composition of these Committees was approved on 22 March 2017, after the listing of the Company's shares on the regulated market of Euronext Paris. (See Section IV.1(c) (Supervisory Board Committees) of this Registration Document.)

Article 6 of the Supervisory Board's Internal Rules specifies the composition, meeting arrangements and powers of the Committees, which have been established in accordance with the recommendations of the AFEP-MEDEF Code.

Audit and Risk Committee

Composition, chairmanship and meetings

The Audit and Risk Committee shall consist of at least three members (who may be non-voting) of which two thirds are independent members and should not include any corporate executive officer.

The Chair of the Audit and Risk Committee convenes the Committee and sets the agenda or main purpose of the meetings, particularly in view of the demands of its members, in accordance with the powers of this Committee as set out below. Committee members must have been provided sufficient time before the meeting with the information enabling them to make an informed opinion.

Each member of the Audit and Risk Committee may request the Chair of the Committee to add one or various points to the agenda, in accordance with the powers of the Committee. The Chair of the Committee leads the discussions and reports to the Supervisory Board on the recommendations made by the Committee.

The Supervisory Board may refer to the Audit and Risk Committee a specific request within the scope of its powers and request the Chair of that Committee to convene a meeting on a specific agenda.

In order to be considered quorate, at least half of the members of the Audit and Risk Committee must be present. The opinions and recommendations that the Committee passes on to the Supervisory Board shall be adopted by a majority of its members present or represented.

Minutes are drawn up for each meeting of the Audit and Risk Committee which shall be communicated to its members. The minutes must record the opinions of any Committee member, if the latter so requests.

The Audit and Risk Committee may from time to time make use of the opinion of any person, including third parties, who might shed light on its deliberations.

Powers

Under the responsibility of the Supervisory Board, the Audit and Risk Committee has the following duties:

- to examine the draft statutory and consolidated financial statements of the Company to be submitted to the Supervisory Board, in particular to verify the conditions under which they are prepared and to ensure the relevance and consistency of the accounting principles and methods applied;
- to consider the choice of standard of the account consolidation and the scope of consolidation of Group companies;
- to study the changes and adaptations of accounting principles and rules used to prepare these financial statements and to prevent any breach of these rules;
- to examine the consistency and effectiveness of mechanisms implemented for internal control procedures, risk management, professional ethics and, where appropriate, internal auditing, as regards the procedures for the preparation and processing of accounting and financial information, without prejudice to its independence;
- to examine the Chairman's draft report on internal control;
- to consider, if necessary, the regulated agreements within the meaning of Article L. 226-10 of the French Commercial Code that fall under its jurisdiction;
- to conduct the selection process for the Statutory Auditors and to give advice to the Managers on their appointment or renewal, as well as on their remuneration;
- to ensure the independence of the Statutory Auditors, in particular through a review of the breakdown of the fees paid to them and the network to which they might belong and through a prior approval of the provision of services mentioned in Article L.822-11-2 of the French Commercial Code;
- to examine the Statutory Auditors' work programme and, in general, to follow the progress of their assignment.

As at the date of filing of this Registration Document, the Audit and Risk Committee has not yet met. For the review of the financial statements for financial year 2016, due to the recent appointment of its members, the Supervisory Board decided to perform the duties of audit committee provided for in Articles L.823-19 of the French Commercial Code. The Audit and Risk Committee will meet for the first time in 2017.

Appointments and Pay Committee

Composition, chairmanship and meetings

The Appointments and Pay Committee shall be composed of at least three members (who may be non-voting), a majority of whom shall be independent and chaired by an independent member and may not include any corporate executive officers.

The Chair of the Appointments and Pay Committee convenes the Committee and sets the agenda or main purpose of the meetings, particularly in view of the demands of its members, in accordance with the powers of this Committee as set out below. Committee members must have been provided sufficient time before the meeting with the information enabling them to make an informed opinion.

Each member of the Appointments and Pay Committee may request the Chairperson of the Committee to add one or various points to the agenda, in accordance with the powers of the Committee. The Chair of the Committee leads the discussions and reports to the Supervisory Board on the recommendations made by the Committee.

The Supervisory Board may refer to the Appointments and Pay Committee a specific request within the scope of its powers and request the Chair of that Committee to convene a meeting on a specific agenda.

In order to be considered quorate, at least half of the members of the Appointments and Pay Committee must be present. The opinions and recommendations that the Committee passes on to the Supervisory Board shall be adopted by a majority of its members present or represented.

Minutes are drawn up for each meeting of the Appointments and Pay Committee which are communicated to its members. The minutes must record the opinions of any Committee member, if the latter so requests.

The Appointments and Pay Committee may from time to time make use of the opinion of any person, including third parties, who might shed light on its deliberations.

Powers

The duties of the Appointments and Pay Committee, under the responsibility of the Supervisory Board, are to review annually and to prepare proposals and opinions that it will communicate to the Supervisory Board, on:

- the principles and parameters of the Group's pay policy as a whole and the periodic review of the appropriateness and effectiveness of this policy taking into account all factors it deems necessary, including the Group's strategy;

- the principles of the pay policy for regulated persons, particularly employees who manage UCITS or AIFs and categories of staff including risk takers and those holding a position of control, as well as any similar employee in terms of income bracket;

- the principles of the pay policy, including the variable remuneration policy of the Group and its monitoring for relevant persons in accordance with the applicable regulations, share purchase or subscription schemes and free share distribution schemes, where appropriate, to be submitted to the General Shareholders' Meeting, as well as on the principles and procedures for implementing long-term incentive schemes; and

- the amount of the budget for attendance fees to be submitted to the General Shareholders' Meeting and the distribution of this budget among the members of the Supervisory Board and the remuneration of non-voting advisors.

The Committee monitors the implementation of the pay policy to ensure compliance with policies and regulations.

Furthermore, the Committee is responsible for:

- identifying and recommending to the Supervisory Board candidates suitable for appointment as members of the Supervisory Board and whose nomination is subject to a shareholder vote, and assessing the independence criteria for members qualified as independent;

- annually assessing the balance and diversity of the knowledge, skills and experience that are possessed individually and collectively by the Board members but also the structure, size, composition and effectiveness of the Board’s work, and submitting appropriate recommendations;

- setting a goal to ensure that men and women should be represented in a balanced manner and designing a policy to achieve this goal; and

- ensuring that the Board is not dominated by one person or a small group of people, in a manner prejudicial to the interests of the Group.

As at the date of filing of this Registration Document, the Appointments and pay Committee has not yet met. The Appointments and pay Committee will meet for the first time in 2017.

(iii) *Participation in General Meetings*

The participation of shareholders in the General Shareholders’ Meeting of the Company takes place under the conditions provided for by law and the stipulations of Article 11.1 of the Company’s Articles of Association. (See Section IV.2 (General Shareholders’ Meetings) of this Registration Document.)

In accordance with Article R.225-85 of the French Commercial Code, those shareholders shall be permitted to attend the meeting who prove their status by the registration of the shares in their own name or in the name of the intermediary duly registered on their behalf by the second day worked preceding the meeting, either in the registered securities accounts, or in the bearer securities accounts kept by an intermediary referred to in Article L.211-3 of the French Monetary and Financial Code.

For ordinary registered shareholders, the registration of the shares at D-2 in the registered securities accounts is sufficient to enable them to attend the Meeting.

For ordinary shareholders holding bearer shares, it is for the intermediaries referred to in Article L. 211-3 of the French Monetary and Financial Code, which keep the bearer securities accounts who must certify the shareholder title of their clients directly to the organizer of the Meeting by issuing a certificate of participation attached to the single form for absentee or proxy ballot or request for an admission card in the name of the shareholder or on behalf of the shareholder represented by the registered intermediary. However, if a holder of bearer shares wishes to attend the Meeting and has not received an admission card, they must ask their financial intermediary to issue a certificate of participation that will allow them to prove their shareholder title on D-2 in order to be admitted to the Meeting.

Meetings are held at the registered office or any other place specified in the notice to attend.

(iv) *Corporate governance*

In accordance with the provisions of Articles L.225-37 and L.225-68 of the French Commercial Code, with reference to Article L.226-10-1 of the French Commercial Code, the Supervisory Board has decided to use a corporate governance code as a standard.

In view of its size, its organization and its business, the Company decided to adopt the principles and recommendations of the AFEP-MEDEF Code. The AFEP-MEDEF Code is available online at www.consultation.codeafepmedef.fr.

The objective of the Company is to comply with best practices in corporate governance for a company of its size and bearing in mind its legal structure. A summary of the application of the provisions of the AFEP-

MEDEF Code by the Company is given in Section IV.4(a)(vi) (Application of the AFEP-MEDEF Code) of this Registration Document.

(v) *Conflicts of interest*

Management of conflicts of interest

The Internal Rules of the Supervisory Board provide that any member of the Supervisory Board in a conflict of interest, even a potential one, with the Group and in which he or she could directly or indirectly be involved, in particular because of an office he or she holds in another company, must inform the Supervisory Board. As applicable, the relevant member must abstain from voting on the matter concerned or even from the discussion preceding the vote, must refrain from attending Board meetings during the period in which there is a conflict of interest situation, or must resign as member of the Supervisory Board. The Chair of the Board may also request that member not attend the meeting.

Furthermore, the Internal Rules also provide that the direct or indirect participation of a member of the Supervisory Board in a transaction in which Tikehau Capital is directly involved or of which he or she is aware as a member of the Board, must be brought to the attention of the Board prior to its conclusion.

A member of the Supervisory Board may not accept directorships in a personal capacity in companies or in business directly or indirectly competing with the Group without first informing the Board.

Conflicts of interest on the Supervisory Board

To the knowledge of the Company and with the exception of the relationships described in this Section, Section IV.1 (Administrative and management bodies) or Section VIII.5 (Information on capital and major shareholders) of this Registration Document, at the filing date of this Registration Document, there are no conflicts of interest between the duties to the Company of the members of the Supervisory Board and the Managers of the Company, and their private interests.

To supplement the information contained in this Registration Document in Section IV.4(a)(i) (Supervisory Board - Independence of the members of the Supervisory Board), the following information is specified for members of the Supervisory Board of the Company:

Name	Reason
Roger Caniard	The MACSF group, to which Mr Roger Caniard belongs, is a major investor in vehicles managed by the Group.
Jean Charest	No significant business relationship has been identified between the Group and Mr. Jean-Louis Charest or his employer, with the exception of a service agreement between the Company and Mr. Jean Charest (described in Section VIII.4(c) (Description of agreements concluded after the end of financial year 2016) of this Registration Document). As a result of Mr. Jean Charest's usual profession as partner with the law firm McCarthy-Tétrault and the professional rules of conduct applicable to his profession, content and remuneration were not considered as likely to jeopardize the independent judgement of Mr. Jean Charest or to create a conflict of interest. (See Section VIII.4(c) (Related party transactions) of this Registration Document.)
Jean-Louis Charon	The Group has invested in projects or companies (such as City Star Ream Resorts (Singapore) Pte. Ltd), of which Jean-Louis Charon is the manager or in which he has responsibilities. However, the Supervisory Board considered that these business relationships were not likely to undermine his independence (i) in view of the percentage of the amounts invested by the Group in these projects compared to the Company's assets or compared to the assets managed by Jean-Louis Charon's group, and (ii) given the fact that the Group and its stakeholders have a negligible role in the management of these projects. It was also considered that the appointment of Jean-Louis Charon as director of the

Name	Reason
	company Fakarava Capital did not affect his independence in view of the activities of this company and the limited powers of its Board of Directors (it must be noted that Tikehau Capital Advisors does not include this company in its scope of consolidation).
Jean-Pierre Denis	The group Crédit Mutuel Arkéa to which Mr Jean-Pierre Denis belongs is a major investor in vehicles managed by the Group.
Christian de Labriffe	Mr. Christian de Labriffe is a shareholder of less than 5% of Tikehau Capital Advisors, the controlling shareholder of the Company, and, moreover, a service provider of the Company through his company Parc Monceau. (See Section VIII.4(c) (Related party transactions) of this Registration Document.)
Florence Lustman (permanent representative of the Fonds Stratégique de Participations)	No significant business relationship has been identified between the Group and (i) Ms Florence Lustman, (ii) her employer, La Banque Postale, or (iii) the Fonds Stratégique de Participations of which Ms Florence Lustman is the permanent representative on the Supervisory Board.
Anne-Laure Naveos	The group Crédit Mutuel Arkéa to which Anne-Laure Naveos belongs is a major investor in vehicles managed by the Group.
Fanny Picard	The Company made an investment in a vehicle in the management of which Ms. Fanny Picard participates. However, in view of the passive nature of this investment and its relative amount compared to the assets managed by this vehicle, it was considered that this business relationship was not likely to jeopardize the independence of Mrs Fanny Picard.
Constance de Poncins	No significant business relationship has been identified between the Group and Ms. Constance de Poncins or her employer.
Léon Seynave (permanent representative of Troismer)	Léon Seynave has made investments in vehicles managed by the Group. However, in view of the percentage of the amounts invested compared with the assets managed by Léon Seynave, it was considered that these business relationships were not likely to undermine its independence. It was also considered that the appointment of Jean-Louis Charon as director of the company Fakarava Capital did not affect his independence in view of the activities of this company and the limited powers of its Board of Directors (it must be noted that Tikehau Capital Advisors does not include this company in its scope of consolidation).
Natacha Valla	No significant business relationship has been identified between the Group and Natacha Valla or her employer, the European Investment Bank (EIB).

Potential conflicts of interest related to the structure of the Company

Given Tikehau Capital's legal form as a *société en commandite par actions* and its organization, it should be noted that the Company is controlled by its main shareholder, Tikehau Capital Advisors, which at the filing date of this Registration Document, directly or indirectly holds 38.1% of the share capital and voting rights and 100% of the capital and voting rights of the Manager-General Partner of the Company, Tikehau Capital General Partner. Sections VIII.5(d) (Organizational structure and control of the Group) and III.1(d) (Risks related to the legal form, Articles of Association and organization of Tikehau Capital) of this Registration Document respectively include a presentation of the control of the Company and a presentation of the risks associated with the legal form of limited partnership by shares and with the organization of Tikehau Capital.

Restrictions on the holdings of members of the Supervisory Board

At the filing date of this Registration Document, there are no restrictions accepted by the members of the Supervisory Board concerning the disposal of their holdings in the Company's share capital, with the exception of the rules on prevention of insider trading and the provisions of the Supervisory Board's Internal Rules requiring the members of the Supervisory Board to retain their shares.

The description of the mechanisms for insider misconduct prevention and compliance in force within the Group is provided in Section III.3(f) (Prevention of insider misconduct and compliance) of this Registration Document.

(vi) *Application of the AFEP-MEDEF Code*

The Company considers that it complies with the provisions of the AFEP-MEDEF Code after the few adjustments made necessary by its nature as a *société en commandite par actions* and subject to the following observations:

Recommendations of the AFEP-MEDEF Code	**Observations of the Company**
Ownership of shares by directors and corporate officers **19. Ethical rules for directors:** "... In the absence of legal provisions to the contrary, the director should be a shareholder personally and, in application of the provisions of the Articles of Association or Rules of Procedure, should hold a minimum number of shares, fairly significant in relation to the directors' fees; if he or she does not hold these shares when assuming office, he or she should use his or her directors' fees to acquire them."	As the Company was transformed into a *société en commandite par actions* on 7 November 2016, the Internal Rules of the Supervisory Board set the initial minimum holding of Company shares by a member of the Supervisory Board at 200 shares. This amount may be increased over time, in particular after the allocation of the first directors' fees.
22. The obligation for executive directors to hold shares "*The Board of Directors sets a minimum number of shares that executive directors must retain in registered form until the end of their duties. This decision shall be reviewed at least at each renewal of their term of office.*"	The Internal Rules of the Supervisory Board initially set the minimum holding of Company shares by a member of the Supervisory Board, including the Chairman of the Supervisory Board, at 200 shares. This number may be increased at a later date for the Chairman of the Supervisory Board and separated from the minimum holding required of the other Supervisory Board members. The Articles of Association of the Company do not require the Manager nor the General Partner to hold a minimum number of Company shares. However, it should be noted that Tikehau Capital General Partner, the Manager-General Partner of the Company, is a wholly-owned subsidiary of Tikehau Capital Advisors, which directly or indirectly owns 38.1% of the Company's share capital at the date of approval of this Prospectus.
24. The remuneration of executive directors Article 24 of the AFEP-MEDEF Code contains provisions concerning the determination of the remuneration of executive directors.	As set out in Article 24.1.3 of the AFEP-MEDEF Code, the provisions of the AFEP-MEDEF Code are not particularly appropriate to the legal and shareholder structure of the Company, which is set up as a *société en commandite par actions*. Under the Articles of Association, the Manager and the

Recommendations of the AFEP-MEDEF Code	Observations of the Company
	General Partner of the Company each receive remuneration, the amounts of which are fixed by the Company's Articles of Association. The information reported by the Company concerning the remuneration of its corporate officers (manager and members of the Supervisory Board) are described and justified in Section IV.3(a) (Remuneration, allowances and benefits - Remuneration of the Manager-General Partner) of this Registration Document.
25. Information on the compensation policy applicable to executive directors and award of stock options and performance shares Article 25 of the AFEP-MEDEF Code contains provisions concerning information on the remuneration of executive directors.	As set out in Article 24.1.3 of the AFEP-MEDEF Code, the provisions of the AFEP-MEDEF Code are not particularly appropriate to the legal and shareholder structure of the Company, which is set up as a *société en commandite par actions*. The information reported by the Company concerning the remuneration of its corporate officers (manager and members of the Supervisory Board) are described and justified in Section IV.3(a) (Remuneration, allowances and benefits - Remuneration of the Manager-General Partner) of this Registration Document.
26. The consultation of shareholders on the individual executive directors' remuneration.	As set out in Article 24.1.3 of the AFEP-MEDEF Code, the provisions of the AFEP-MEDEF Code are not particularly appropriate to the legal and shareholder structure of the Company, which is set up as a *société en commandite par actions*. Under the Company's Articles of Association, the General Shareholders' Meeting is not legally entitled to make a mandatory vote on the remuneration of the Manager and the General Partner of the Company, the terms of which are laid down in the Company's Articles of Association. However, as described in Section IV.3(a)(iii) of this Registration Document, these remunerations are the subject of a specific communication to the shareholders of the Company and are intended to be published annually in the agenda of the Annual General Shareholders' Meeting in the draft resolution on the allocation of income for the financial year, so that the shareholders of the Company will be called upon to vote on these items.

(b) Internal control and risk management procedures

This section on the internal control procedures put in place by the Company and its subsidiaries is based on the implementation guide by small- and medium-sized companies of the internal control reference framework issued by the AMF on 22 July 2010. The procedures described below may be revised or clarified in the future depending on changes in the Company and its subsidiaries.

The Company has established an internal control procedure for itself and for its subsidiaries, defined as the set of elements to control activities and risks of any kind and enabling the regularity, security and efficiency of operations.

The procedures put in place for risk management are detailed in Section III.3 (Risk management) of this Registration Document. In particular, in the case of asset management activities, these procedures are based on compliance manuals for the asset management activities carried out by Tikehau IM or Tikehau Capital Europe.

(i) Definition and aims of internal control

Internal control is a procedure of the Company and its subsidiaries, defined and implemented under their responsibility, which seeks to ensure:

- compliance with the applicable laws and regulations;
- the application of instructions and guidelines issued by the Mangers or the Management;
- the proper functioning of the internal processes of the Company and its subsidiaries, including those relating to the safeguarding of its assets;
- the reliability of financial and accounting information; and
- generally contributes to the control of its activities, the effectiveness of its operations and the efficient use of its resources.

Helping to prevent and control the risks of not achieving the objectives that the Company has set itself, the internal control system plays a key role in the steering and management of its various activities. In essence, it refers to processes implemented by the Group, with the support of Tikehau Capital Advisors, designed to give them reasonable assurance that transactions are effectively carried out and optimised in line with the objectives, that financial information is reliable and that the laws and regulations are observed. However, internal control cannot provide absolute assurance that the objectives of the Group will be achieved.

The internal control procedures in place are intended to ensure the quality of accounting and financial information, and in particular:

- to ensure the validity and completeness of transactions entered in the accounts of the Company and its subsidiaries;
- to ensure that management actions fall within the strategic guidelines adopted by the Managers or the Management and that they comply with the Group's internal rules;
- to confirm the valuation methods of certain operations and holdings;
- to ensure that transactions, including those off-balance sheet, are properly recorded in the relevant year and recorded in the accounts, in accordance with current accounting standards, and that the accounting measures used for the presentation of financial statements comply with applicable regulations; and
- to check that the accounting, financial and management information fully and accurately reflects the business activity and financial situation of the Company and its subsidiaries.

(ii) Main stakeholders in internal control

Internal control is everyone's business, from management and control bodies to all the employees of the Company and its subsidiaries and the employees of Tikehau Capital Advisors who support the Company and its subsidiaries.

The internal control and risk management procedure is based on three main stakeholders, independent of the operational teams who provide first-level controls:

- The risk teams and compliance teams perform second-level controls and direct the permanent control system. At the filing date of this Registration Document, risk management activities are accommodated within Tikehau IM, while compliance activities are conducted from within Tikehau IM, Tikehau Capital Europe and Tikehau Capital Advisors.

- The Internal Audit Department performs periodic inspections in all Group entities. It functions from Tikehau Capital Advisors.

The risk teams of Tikehau IM report to a Deputy Managing Director of Tikehau IM and the compliance and internal control teams report mainly to the Chairman of Tikehau IM or the directors of Tikehau Capital Europe depending on their location.

As at the filing date of this Registration Document, the Tikehau IM risk team is responsible for monitoring the risks taken by Tikehau IM as third-party manager and for monitoring the risks taken by Tikehau Capital Europe as third-party manager.

As such, this team:

- verifies that the company and its customers are not exposed to financial risks beyond their limit of tolerance; and

- checks that risks are controlled and management constraints observed.

The Compliance Department constantly ensures firstly compliance with regulatory requirements in third-party management and secondly compliance on money laundering, terrorist financing, fraud, personal or professional ethics, internal and external corruption and circulation of classified or confidential information. It monitors regulatory changes and adapts and organizes internal procedures so that the system is able to match the organizational requirements of the local regulator depending on the country where the regulated activity is conducted.

As at the filing date of this Registration Document, the Compliance Department reports its findings to the Compliance and Internal Control Committees of Tikehau IM and Tikehau Capital Europe.

The Internal Audit Department periodically ensures the regularity, security and efficiency of operations as well as the management of all types of risks across all Group entities. It carries out cross-functional control over all activities and business flows. Its work can be organized around functions such as financial audit (review of financial statements, examination of systems and rules established to ensure the reliability of financial information), operational audit (review of main cycles of business and analysis of the organization in place to ensure it can control risks and achieve the objectives set) or specific missions such as diagnostic or organizational assignments.

Each assignment forms the subject of a report and proposals for improvement whose implementations are then monitored. At the filing date of this Registration Document, the Internal Audit Department reports its findings to the various Management Offices and the relevant Audit and/or Risk Committees.

Given the recent reorganization operations (see Section VIII.3 (Reorganization operations) of this Registration Document), the various control functions and the aforementioned control programmes may evolve.

The organization of the Company's internal control is supervised by the Supervisory Board, as described below.

It is the responsibility of the Managers of the Company to report to the Supervisory Board on the main characteristics of the internal control system, its deployment within Tikehau Capital and the measures implemented to improve it.

As necessary, the Supervisory Board may use its general powers to carry out any inspections and verifications it deems necessary or take any other action it considers appropriate in the matter.

In accordance with the provisions of Article L.226-9 of the French Commercial Code, the Supervisory Board assumes permanent control over the management of the Company. To this end, it has the same powers as the Statutory Auditors. It makes a report at the Annual General Shareholders' Meeting, in which it indicates in particular, the irregularities and inaccuracies noted in the annual and consolidated financial statements for the financial year. The documents placed at the disposal of the Statutory Auditors must be presented to the Supervisory Board at the same time.

At its meeting on 22 March 2017, the Supervisory Board appointed its Audit and Risk Committee in accordance with the terms of its Internal Rules adopted on 5 January 2017; it should be noted that, prior to 22 March 2017, the Supervisory Board decided to collectively perform the functions of audit committee for the purposes of the following duties for financial year 2016 and in accordance with the conditions set out in Paragraph 4 of Article L.823-20 of the French Commercial Code, namely:

- review of the results of the statutory audit and the way in which the statutory audit contributed to the integrity of the financial information;
- monitoring of the financial reporting process and making recommendations or proposals to ensure its integrity;
- monitoring of the effectiveness of the company's internal quality control and risk management systems and, where appropriate, of the company's internal audit of financial information;
- monitoring of statutory audits of annual and consolidated financial statements and, in particular, their execution; and
- assessment and monitoring of the independence of statutory auditors.

The members of the Supervisory Board, in their plenary sessions, meet the criteria laid down for an audit committee by Articles L.823-19 and L.823-20 of the French Commercial Code, namely:

- the Supervisory Board is made up of non-executive members of Tikehau Capital;
- the Supervisory Board has at least one member competent in accounting and/or auditing matters; and
- the members of the Supervisory Board as a whole are competent in the business sector of the audited entity.

(iii) Internal control procedures relating to the preparation and processing of the financial and accounting information of Tikehau Capital

This Section describes the internal control procedures relating to the preparation and processing of Tikehau Capital's financial and accounting information as they exist as at the filing date of this Registration Document.

Financial Management by Tikehau Capital Advisors

Tikehau Capital Advisors has responsibility for the core areas of finance and treasury, financial control and internal control.

Thus, first-level internal control is carried out under the responsibility of Tikehau Capital Advisors, with the use of external accounting experts for the preparation of quarterly accounting statements.

Use of external accountants

To prepare its statutory and consolidated accounts, the Group uses an external accounting firm, which ensures regular control, in collaboration with Tikehau Capital Advisors, of the accounting documents and the processing of transactions impacting the Group.

Reporting and disclosure

The Company draws up a schedule for each quarterly account close that plans procedures specific to the preparation of financial and accounting information, defining the responsibilities of each stakeholder in the preparation and processing of financial information.

In addition, a meeting preparatory to the finalisation of the accounts is held every quarter, during which the main events of the period are reviewed and discussed, in particular the following:

- Macroeconomic environment;
- Main changes in the scope and the portfolio investments;
- Updates on financing;
- Changes in human resources and/or changes in governance; and
- Other possible miscellaneous issues.

In addition, at the annual and half-yearly close of accounts, the Finance Department teams meet with the investment teams to review the proposed valuations prepared by the investment teams. As at the filing date of this Registration Document, these reviews are formalised as a Valuation Committee in the case of Salvepar. A Valuation Committee for the Company and its subsidiaries will be set up during 2017 under the same principles.

The final quarterly accounts give rise to the preparation of summarised financial statements.

A cash flow analysis is prepared every week to monitor the roll out of the Company's investment and financing policy.

Valuations of portfolio securities are monitored on a daily basis.

Information systems

Accounting information system

The resources implemented to ensure the consistency and reliability of the data used for the purposes of internal management and external disclosure are based mainly on the accounting tool COALA used by accountants.

Furthermore, the introduction of a reporting tool is being implemented. This IT package will include all the monthly or quarterly financial management and accounting information useful in preparing the accounts and in operational management.

This tool will meet with greater performance and automation the requirements of reliability, availability and relevance of accounting and financial information for the different data used for internal management (budget control, etc.) and external disclosure.

Market monitoring and portfolio valuation tools

Tools tracking cash and listed portfolios have been set up for daily and/or weekly reporting to the Management.

The planning, management and processes of reporting

The process of preparing the budget is organized annually in the fourth quarter; the operational managers of each of the business lines each draw up an annual budget which is discussed with and approved by the Management.

Performance monitoring is carried out on a quarterly basis (and monthly for some key aggregates).

Procedures for closing of the financial statements

The preparation of the closing of accounts for the Company and its subsidiaries is outsourced to local accountants. These accountants are responsible for producing the annual interim and quarterly accounting and financial statements, and the elements necessary for finalising the financial statements.

To prepare its consolidated financial statements the Group uses an external accounting firm that works with the teams from the Finance Department of Tikehau Capital Advisors.

The annual financial statements of the Company are prepared in accordance with accounting principles arising from the regulations in force (Recommendation No. 99-01 of the *Conseil National de la Comptabilité*, the French National Accounting Council).

The consolidated financial statements are prepared in accordance with IFRS.

The Finance Department performs a review of the accounts of the Group companies prepared by the accountants to validate the reliability and relevance of the accounting and financial information for the different data used for internal management and external disclosure. It also ensures the compliance and consistency of accounting methods.

The Finance Department also performs a review of the data supplied for the purpose of consolidation in order to identify, if appropriate, the necessary adjustments between the individual and consolidated accounts. These adjustments are detailed by company and are subject to a review by the Finance Department teams.

The accounting principles are subject to a review every quarter under the new regulatory developments. In general, matters pertaining to legal, tax and social areas are dealt with using the support of the specialised services of Tikehau Capital Advisors.

Each subsidiary manages specifically local issues, carries out accounting control and meets the obligations on safeguarding the information and data contributing to the formation of accounting and financial statements, according to local regulations.

Control Activities

Operations are subject to partial or extensive controls, exchange of views sessions, discussions from first level stakeholders up to the Statutory Auditors, and legal and tax experts if necessary. These stakeholders submit any remarks they may have to the relevant officers who take appropriate measures.

The Finance Department ensures the consistency of information from the subsidiaries before combining results, recording the consolidation entries and restatements. The correct flows in the consolidated financial statements are checked automatically using the reporting and consolidation tool.

The analysis of the consolidation restatements and accounting aspects that could have a significant impact on the presentation of the financial statements are reviewed by the Finance Department and the Statutory Auditors as part of their work.

Accounting and financial disclosure

Since the listing of the Company's shares on the regulated market of Euronext Paris, disclosure is the responsibility of the Company's Managers who check the information before publication. A schedule summarising these periodic obligations of the Company is in place.

This schedule is distributed internally to the teams more specifically involved in financial communication. Meanwhile, the Finance Department teams have implemented a formal accounting and financial schedule to ensure compliance with the announced deadlines.

The procedures for control of financial and accounting information are based on:

- quarterly checks of all accounting and financial information prepared by the accounting staff or Finance Department; and
- the review of financial statements by the Group Internal Audit Department.

5. Statutory Auditors' Report on the Report of the Chairman of the Supervisory Board

C.M.S. EXPERTS ASSOCIES
149, boulevard Malesherbes
75017 Paris, France
S.A.R.L. with share capital of €200.000

Statutory Auditor
Member of the *Compagnie Régionale de Paris*

ERNST & YOUNG et Autres
1/2, place des Saisons
92400 Courbevoie - Paris-La Défense 1, France
S.A.S. with variable capital

Statutory Auditor
Member of the *Compagnie Régionale de Versailles*

TIKEHAU CAPITAL (formerly Tikehau Capital Partners)

Financial year ended 31 December 2016

Auditors' Report, prepared under Article L. 226-10-1 of the French Commercial Code, on the report of the Chairman of the Supervisory Board of the company Tikehau Capital

To the Shareholders,

In our capacity as Auditors of the company Tikehau Capital and in accordance with Article L. 226-10-1 of the French Commercial Code, we hereby report to you on the report prepared by the Chairman of your company in accordance with the provisions of this article for the year ended 31 December 2016.

It is the responsibility of the Chairman to prepare and submit for the approval of the Supervisory Board a report on internal control and risk management procedures in place within the Company and providing the other information required under Article L. 226-10-1 of the French Commercial Code relating in particular to matters of corporate governance.

It is our responsibility:

- to convey to you our observations on the information contained in the Chairman's report on internal control and risk management procedures relating to the preparation and processing of accounting and financial information, and

- to certify that this report contains the other information required under Article L. 226-10-1 of the French Commercial Code, it being specified that we are not responsible for verifying the fairness of these disclosures.

We conducted our audit in accordance with professional auditing standards in France.

Information concerning the internal control and risk management procedures relating to the preparation and processing of accounting and financial information

Professional auditing standards require that we perform investigations to assess the fairness of the information concerning the internal control procedures and risk management procedures relating to the preparation and processing of accounting and financial information contained in the Chairman's report. These investigations include:

- obtaining an understanding of internal control and risk management procedures relating to the preparation and processing of accounting and financial information underlying the information presented in the Chairman's report, as well as existing documentation;

- obtaining an understanding of the work involved in the preparation of this information and the existing documentation;

- determining if any material weaknesses in internal control relating to the preparation and processing of accounting and financial information that we have identified in the course of our engagement are properly disclosed in the Chairman's report.

In the light of this work, we have no comment to make on the information concerning the internal control procedures and risk management procedures relating to the preparation and processing of accounting and financial information contained in the report of the Chairman of the Supervisory Board, presented in accordance with the provisions of Article L. 226-10-1 of the French Commercial Code.

Other information

We confirm that the report of the Chairman of the Supervisory Board includes the other information required by Article L. 226-10-1 of the French Commercial Code.

Paris and Paris-La Défense, 26 April 2017

The Auditors

C.M.S. EXPERTS ASSOCIES	ERNST & YOUNG et Autres
Stéphane Sznajderman	David Koestner

V. CONSOLIDATED FINANCIAL STATEMENTS AND *PRO FORMA* FINANCIAL INFORMATION AS AT 31 DECEMBER 2016

1. Annual consolidated financial statements as at 31 December 2016

(a) Consolidated balance sheet

ASSETS (in thousands of €)	Notes	31 December 2016	31 December 2015
NON-CURRENT ASSETS			
Tangible and intangible assets	**5.6**	**311,234**	**37**
Non-current investments portfolio	**5.7**	**762,578**	**544,859**
Investments in associates	**5.8**	**267**	**22,216**
Deferred tax assets	**5.16**	**27,569**	**2,071**
Other non-current assets			
TOTAL NON-CURRENT ASSETS		**1,101,647**	**569,183**
CURRENT ASSETS			
Trade receivables and related accounts	**5.9**	**8,885**	**75**
Other receivables	**5.9**	**5,689**	**5,107**
Current investments portfolio	**5.10**	**40,454**	**31,679**
Derivative financial instruments	**5.11**		
Cash and cash equivalents	**5.12**	**129,845**	**15,588**
TOTAL CURRENT ASSETS		**184,873**	**52,449**
TOTAL ASSETS		**1,286,520**	**621,632**

LIABILITIES (in thousands of €)	Notes	31 December 2016	31 December 2015
Share capital	**5.14**	650,098	260,278
Share premiums		379,004	84,023
Group reserves		28,181	22,190
Net income for the financial fear		72,444	9,589
Equity attributable to equity holders of the parent		**1,129,726**	**376,079**
Non-controlling interests	**5.19**	2,627	
TOTAL EQUITY	**3.**	**1,132,353**	**376,079**
NON-CURRENT LIABILITIES			
Non-current provisions		**421**	
Non-current borrowings and payables	**5.15**	**116,857**	**224,895**
Deferred tax liability	**5.16**	**811**	
Non-current financial derivatives	**5.17**	**4,015**	**3,121**
TOTAL NON-CURRENT LIABILITIES		**122,103**	**228,016**
CURRENT LIABILITIES			
Current borrowings and payables	**5.15**	**2,354**	**13,437**

ASSETS (in thousands of €)		31 December 2016	31 December 2015
Trade payables and related accounts		**14,707**	**1,963**
Tax and social security liabilities		**9,565**	**94**
Current financial derivatives	**5.11**		
Other current liabilities		**5,437**	**2,044**
TOTAL CURRENT LIABILITIES		**32,063**	**17,537**
TOTAL EQUITY AND LIABILITIES		**1,286,520**	**621,632**

(b) Consolidated statement of comprehensive income

(in thousands of €)	Notes	2016	2015
Change in fair value of the Non-current investments portfolio		41,495	11,715
Change in fair value of the current investments portfolio		794	8,074
Change in fair value	**5.20**	**42,289**	**19,789**
Other Non-current portfolio income		31,455	19,331
Other current portfolio income		155	470
Other portfolio income	**5.21**	**31,611**	**19,801**
Portfolio revenue		**73,899**	**39,590**
Management companies revenues		**2,381**	
Derivative portfolio revenue	**5.22**	**-62,194**	-21,025
Purchases and external charges		-20,037	-11,449
Other net operating expenses		-4,056	-1,198
Operating expenses	**5.23**	**-24,092**	**-12,646**
Revenue from investment and management activities before share of net income from equity affiliates		**-10,006**	**5,919**
Share of net income from equity affiliates[49]	**5.8**	**67,422**	
Revenue from investment and management activities after share of net income from equity affiliates		**57,416**	**5,919**
Net income from cash equivalents	**5.24**	577	481
Finance costs	**5.25**	-7,874	-2,983
Finance income		**-7,297**	**-2,502**
Pre-tax profit		50,119	3,417
Income tax	**5.16**	22,377	5,588
Investment in associates	**5.8**		583
Net income		**72,496**	**9,589**
Non-controlling interests		53	
Net income, Group's share		**72,444**	**9,589**
Earnings per share (in €)			
Weighted average number of outstanding ordinary shares	**5.14**	31,428,941	21,689,838
Earnings per share (in €)		2 .30€	0 .44 €
Diluted earnings per share (in €)		2 .30€	0 .44 €

[49]Because of the nature of their activities, the income from equity affiliates was reclassified in 2016 as part of the investment and management activities, in order to improve the understanding of the performances from these activities.
The retrospective application of this change in 2015 leads to present an income from investment and management activities after share of net income from equity affiliates of €6,502 thousand and a pre-tax profit of €4,000 thousand.
This change had no impact on the income statement.

(c) Consolidated statement of comprehensive income

(in thousands of €)	2016	2015
Net income	72,496	9,589
Translation differences	-872	18
Related taxes		
Consolidated comprehensive income	**71,625**	**9,606**
Of which non-controlling interests	53	
Of which attributable to equity holders of the parent	71,572	9,606

(d) Consolidated statement of changes in equity

(in thousands of €)	Share capital	Share premiums	Group - reserves	Translation differences	Income for the financial year	Equity attributable to equity holders of the parent	Non-controlling interests	
As of 1st January 2015	**260,278**	**84,023**	**40,571**	**16**	**-6,104**	**378,784**		**378,784**
Allocation of net income			-6,104		-6,104			
Interim dividend - Decision of 24 November 2015			-15,183			-15,183		-15,183
Other changes in reserves			2,872	18890		2,890		2,890
Net income for the financial year					9,589	9,589		9,589
As of 31 December 2015	**260,278**	**84,023**	**22,156**	**34**	**9,589**	**376,079**		**376,079**
Allocation of net income			9,589		-9,589			
Capital increase - Decision of 17 June 2016	237,634	178,226				415,860		415,860
Capital increase - Decision of 22 December 2016	152,186	116,755				268,941		268,941
Other changes in reserves			-2,726	-872		-3,597	2,574	-1,023
Net income for the financial year					72,444	72,444	53	72,496
As of 31 December 2016	**650,098**	**379,004**	**29,019**	**-838**	**72,444**	**1,129,726**	**2,627**	**1,132,353**

(e) Consolidated statement of cash flows

(in thousands of €)	Notes	2016 12 months	2015 12 months	30/06/2016 12 months
Non-current investment portfolio	**5.7**	**-86,397**	**-153,845**	**-10,129**
Acquisitions		**-207,535**	**-252,298**	**-52,298**
Disposals		**87,988**	**79,922**	**21,850**
Income		**33,149**	**18,531**	**20,319**
Dividends		13,092	12,614	12,262
Interest		2,695	1,974	2,706
Other income		17,362	3,943	5,351
Current investment portfolio	**5.10**	**-2**	**33,937**	**-153**
Acquisitions		-300	-27,499	-300
Disposals			60,961	0
Income		298	475	147
Dividends			13	
Interest		298	462	147
Derivatives portfolio		**-62,194**	**-20,636**	**-15,193**
Net income on cash equivalents	**5.24**	**-1,265**	**481**	**106**
Operating expenses	**5.23**	**-28,479**	**-13,233**	**-18,095**
Tax	**5.16**	**4,511**	**-7,913**	**4,540**
Net cash flows from operating activities		**-173,827**	**-161,208**	**-38,926**
Capital increase	**5.14**	**418,476**		
Dividends paid	**5.14**		**-15,183**	
Borrowings	**5.15**	**- 124,105**	**141,020**	**75,325**
Bank overdrafts	**5.15**	**-6,314**	**-8,654**	**-714**
Current accounts		**27**		**63**
Net cash flows from financing activities		**288,083**	**117,183**	**74,674**
Theoretical change in cash-flow		**114,257**	**-44,024**	**35,748**
Cash and cash equivalents at the start of the year		**15,588**	**59,613**	**15,588**
Cash and cash equivalents at the end of the year		**129,845**	**15,588**	**51,337**
Change in cash and cash equivalents		**114,257**	**-44,024**	**35,748**

(f) Notes to the financial statements prepared in accordance with IFRS

(i) *Entity information*

The company Tikehau Capital is a *société en commandite par actions* which has its registered office at 32, rue de Monceau, 75008 Paris (France).

Tikehau Capital is an investment company.

Its corporate purpose includes all forms of investment, with no specific restrictions or constraints in terms of the target asset classes, or their sector-based or geographical allocation. Accordingly, under the terms of its Articles of Association, Tikehau Capital's corporate purpose, in France and abroad is:

- "The direct or indirect stake held, the arrangement and structuring of investment transactions in all sectors and involving all asset classes, the real estate sector, and small and mid-cap companies;
- The management, administration, and disposal or liquidation of these interests, under the best possible conditions;
- All of the above, directly or indirectly, on its behalf or on behalf of third parties, alone or with third parties, through the creation of new companies, contribution, partnership, subscription, purchase of securities or rights, merger, alliance, *société en participation*, leasing or leasing out or the management of assets or other rights in France and abroad;
- And generally speaking, any financial, commercial, industrial, security or property transactions that may relate directly or indirectly to the above corporate purpose, or to any similar or related purposes, so as to favour its expansion and development."

The entities that constitute the consolidated group (the "Group") are detailed in note 5.3.

(ii) *Basis of preparation*

a) Accounting standards and compliance statement

In application of EC regulation no. 1606/2002, Tikehau Capital's consolidated financial statements are prepared in accordance with IAS/IFRS international accounting standards and IFRIC interpretations applicable as at 31 December 2016 and as endorsed by the European Union.

These are available on the European Commission's website, at the following address:

http://ec.europa.eu/finance/company-reporting/index_en.htm.

The standards and interpretations are identical to those used and described in Tikehau Capital's financial statements as at 31 December 2015, prepared for the purpose of the Registration Document and subject to AMF approval prior to the Company's listing on the French regulated market.

They have been supplemented by the provisions of the IFRS standards as adopted by the European Union as at 31 December 2016 and for which application is mandatory for the first time for 2016.

These concern:

- Improvement of IFRS cycle 2012-2014:
  - IFRS 5 Non-current assets held for sale: Precision on the changes made to a disposal plan when a non-current asset held for sale has to be reclassified as a distributable non-current asset, and reciprocally.
  - IFRS 7 Financial instruments - Disclosures: Clarification on maintaining continuing involvement in service contracts, the remuneration of which depends on the performance of transferred assets

  - IAS 19 Employee benefits: Precision on the return rate of government bonds used for the updating of the actuarial liability.

  - IAS 34 Interim financial reporting: Precisions on the possible location of the other information to be provided

- Amendment to IAS 1 Presentation of financial statements: Aim of improving the presentation of information;

- Amendment to IFRS 11 Joint arrangements: Precisions on the accounting of acquisitions of interests in a joint arrangement according to IFRS 3 if the assets acquired constitute a business within the meaning of IFRS 3 and not a simple group of assets;

- Amendment to IAS 16 Tangible assets and IAS 38 Intangible assets: Precisions on the agreed depreciation methods and in particular the depreciation method based on revenue;

- Amendment to IAS 19 Employee benefits: Precision on the accounting of contributions of members of staff associated with services provided but which do not depend on the number of years' service.

Standards published by IASB and adopted by the European Union as at 31 December 2016

The following standards were adopted by the European Union on 22 September 2016 but will not be mandatory until financial years starting 1 January 2018. When early application is possible, this option is not used by the Tikehau group for the presentation of its consolidated financial statements.

- IFRS 9: *Financial instruments*

- IFRS 15: Revenue from contracts with customers, including the amendments to IFRS 15 (standards and amendments published on 12 November 2009, 28 October 2010, 16 December 2011, 19 November 2013 and 24 July 2014)

IFRS 9 (Financial instruments) will replace IAS 39. IFRS 9 provides for a new classification of financial instruments and a model for impairment of financial assets based on expected losses. This standard also defines a treatment that is different from hedge accounting, excluding macro-hedging.

IFRS 15 (Revenue from contracts with customers) will replace IAS 11 and IAS 18 beginning with financial years that start on 1 January 2018. According to IFRS 15, accounting of net revenues must reflect the transfer of control of goods and services to the customer for an amount corresponding to the remuneration the seller expects to be entitled to, based on five identified steps.

A study of the potential impact for the Tikehau group will be conducted in 2017.

Standards published by IASB but not adopted by the European Union as at 31 December 2016

The standards and interpretations published by the IASB but not yet adopted by the European Union are not mandatory until they have been adopted and were therefore not applied by the Group for the financial statements presented in this document. This essentially concerns IFRS 16 on leases contracts.

IFRS 16 (Leases contracts) will replace IAS 17 on 1 January 2019. It removes the distinction between financial leases contracts and leases contracts and requires that all leases be recognized on the balance sheet, with the lease liability recognized in liabilities, representing the commitments for the duration of the contract, and in assets the right to use the asset, to be amortised.

A study of the potential impact for the Tikehau group should be conducted in 2017, to evaluate the key challenges.

Furthermore, three amendments to existing standards have been published by IASB, without any major challenge for the Group:

- Amendments to IFRS 2: Classification and valuation of transactions based in share-based payments,
- Amendment to IAS 7: Information to provide : statement of cash flows,
- Amendments to IAS 12: Recognition of deferred tax assets for unrealized losses.

b) Estimation bases

The consolidated financial statements include the financial statements of Tikehau Capital and its consolidated subsidiaries undertakings for each of the financial years presented. The financial statements of subsidiaries have been prepared over the same reference period as those of the parent company, on the basis of standard accounting methods. The consolidated financial statements are expressed in euros rounded off to the closest thousand euros. Rounding gaps may result in minor differences between the financial statements.

The financial statements have been prepared on the basis of a fair value estimate of securities held in the portfolio by the investment companies, in accordance with IFRS 10. Financial derivatives are also estimated at fair value. The other balance sheet items (in particular intangible and tangible fixed assets, and loans and receivables) have been drawn up on the basis of historical cost.

The methods used to measure fair value are discussed in note 5.5 on the determination of fair value.

c) Accounting and reporting currency, conversion of financial statements

The reporting currency of the consolidated financial statements is the euro. Accounts of consolidated entities using a different operating currency are converted into euros:

- at the closing price for balance sheet items;
- at the average price of the period for income statement items.

Conversion differences resulting from the use of these exchange rates are recognized under shareholders' equity in translation differences.

d) Transactions in currencies other that the accounting currency

Transactions by consolidated companies in currencies other than their accounting currency are converted into their accounting currency at the prevailing exchange rate on the date of the transactions.

Receivables and debts denominated in currencies other than the accounting currency of the company concerned are converted at the prevailing exchange rate of these currencies on the closing date. Unrealized losses and gains resulting from this conversion are recognized on the income statement.

e) Critical accounting estimates and judgements

The preparation of the consolidated financial statements requires that assumptions and estimates that affect the reported amounts of assets and liabilities on the balance sheet and the reported amounts of revenues and expenses for the year be taken into consideration. Management review their estimates and assessments on an ongoing basis, based on their historical experience, as well as on various other factors that they consider reasonable, which form the basis for their assessment of the book value of the assets and liabilities. Actual results may differ materially from these estimates depending on different assumptions or conditions.

Judgements made by management in preparing the consolidated financial statements mainly concern the estimated fair value of investments in unlisted portfolios and the estimated amounts of active deferred tax assets recognized in tax loss carry forwards.

f) Change in presentation

Given the nature of their business activities, the income from equity affiliates was reclassified within the income from investment and asset management activities, in order to improve the clarity of the performances of these activities.

The retrospective application of this change in 2015 leads to present an income from investment and management activities after the share of net income from equity affiliates of €6,502,000 (compared with €5,919,000 in the 2015 consolidated financial statements) and a pre-tax profit of €4,000,000 (compared with €3,417,000 in the 2015 consolidated financial statements). This presentation had no impact on the income statement.

(iii) Basis of consolidation

a) Consolidation method

Tikehau Capital's consolidated financial statements have been prepared using the IFRS 10 exemption for investment entities.

The criteria used to classify a company as an investment entity under IFRS 10 are as follows:

- The entity is a company owns minority interests in listed and non-listed companies. The entity benefits from the funds of its shareholders to invest in a portfolio of equity interests and investments with significant sector diversification.

- The entity aims to build up a solid and balanced portfolio including sector and geographic diversification. The entity thus expects to generate from its investments a capital gain, and/or financial income, such as dividends, coupons, interest, etc.

- The entity mainly measures and assesses the performance of its investments on the basis of the portfolio's fair value.

Given its activities, Tikehau Capital meets the definition of an "investment entity" under IFRS 10:

- Tikehau capital is a company that invest directly or indirectly through other investment companies. Among other activities, it benefits from funds of its shareholders to invest in a portfolio of equity interests and investments with significant sector diversification.

- Tikehau Capital aims to build a portfolio that is diversified in terms of sectors and geographic areas and thus expects to generate from its investment a capital gain, and/or financial income, such as dividends, coupons, interest, etc.

- Tikehau Capital measures and assesses the performance of its investments on the basis of the portfolio's fair value.

The subsidiaries in which Tikehau Capital holds a direct or indirect, de facto or de jure, controlling interest are fully consolidated with the exception of interests held by investment entities under the IFRS 10 exemption. Subsidiaries that perform services related to these investment activities and that are not themselves investment companies are included in the scope of consolidation.

The entities in which Tikehau Capital exercises significant influence are recognized under the equity method with the exception of investments for which Tikehau has opted for the IAS 28 exemption and that are estimated on the basis of the fair value through profit or loss option.

Furthermore, for structured entities or ad hoc entities as defined by IFRS 10, the Tikehau Group assesses the notion of control with regard to the following aspects, among others:

- whether it is able to control the entity's activity;
- whether it is paid variable revenues by this entity or is exposed to its risks;
- whether it has the capacity to influence the revenues received from this entity and the risks incurred by it.

This concerns, in particular, investments in investment funds classified under the current investment portfolio.

b) Scope of consolidation

- Parent company

Company	Form	SIREN no.	Address	Consolidation method
Tikehau Capital	SAS	477 599 104	32, rue de Monceau, 75008 Paris, France	Parent company

- Consolidated subsidiaries or entities recognized under the equity method

Consolidated subsidiaries or entities	Form	Address	% of interest	
			31 Dec. 16	31 Dec. 15
TGPF	SAS	32, rue de Monceau, 75008 Paris, France	100.0%	100.0%
Tikehau Capital Partners UK	Ltd	111 Old Broad Street, EC2N 1AP, London, UK	100.0%	100.0%
Tikehau Capital Europe	Ltd	111 Old Broad Street, EC2N 1AP, London, UK	97.0%	82.8%
Tikehau Investment Management[1, 4]	SAS	32, rue de Monceau, 75008 Paris, France	96.6%	22.7%
Tikehau Investment Management APAC (subsidiary of TIM at100%) [2]	Pte. Ltd	12 Marina View #23-06 - Singapore 018961	96.6%	-
IREIT Global Group (subsidiary of TIM APAC at 80%)	Pte. Ltd	The Metropolis Tower 2, Singapore	77.3%	-
Tikehau Investment Management Asia (subsidiary of TIM at100%)[3,4]	Pte. Ltd	12 Marina View #23-06 - Singapore 018961	96.6%	22.7%

[1] Tikehau IM or TIM
[2] TIM APAC
[3] TIM Asia
[4] Entities consolidated using the equity method as at 31/12/15

Entities consolidated using the equity method	Form	Address	% of interest	
			31 Dec. 16	31 Dec. 15
Letus Private Office	SAS	11 avenue d'Iena - 75116 Paris, France	20.0%	-

- Subsidiaries of Tikehau Capital meeting the conditions of the IFRS 10 exemption and affiliates estimated at fair value

These entities are recognized in the fixed investment portfolio and are estimated at fair value through profit or loss. They are identified below:

Investment entities at fair value	Form	Address	% of interest		Level of control
			31 Dec. 16	31 Dec. 15	
Tikehau Venture	SAS	32, rue de Monceau, 75008 Paris, France	100.0%	100.0%	Control
Heeuricap	SAS	32, rue de Monceau, 75008 Paris, France	90.0%	90.0%	Control
Cimes & Cie	SAS	32, rue de Monceau, 75008 Paris, France	72.2%	72.2%	Control
Tikehau Secondary	SAS	32, rue de Monceau, 75008 Paris, France	67.1%	67.1%	Control
Salvepar	SA	32, rue de Monceau, 75008 Paris, France	58.8%	57.7%	Control
Tikehau Asia	SAS	32, rue de Monceau, 75008 Paris, France	100.0%	55.7%	Control
AR Industries	SAS	65A Bld du Cdt Charcot 92200 Neuilly, France	49.0%	49.0%	Significant influence
Tikeflo	SAS	32, rue de Monceau, 75008 Paris, France	45.6%	45.6%	Significant influence
Tikehau Real Estate Investment Company	SAS	32, rue de Monceau, 75008 Paris, France	22.0%	100.0%	Significant influence
City Star Ream Dvpt	Ltd Pte	Suntec Tower Four Singapore	23.1%	23.1%	Significant influence

- Subsidiaries of controlled investment entities

Subsidiaries of controlled investment entities	Form	Address	% of interest	
			31 Dec. 16	31 Dec. 15
SCI Chemin Noir	SCI	32, rue de Monceau, - 75008 Paris, France	90.0%	90.0%
SCI Montat 93	SCI	32, rue de Monceau, - 75008 Paris, France	90.0%	90.0%
Tikefonds	SAS	32, rue de Monceau, - 75008 Paris, France	100.0%	100.0%
Salvepar Sequoia Investment	SAS	32, rue de Monceau, - 75008 Paris, France	99.9%	99.9%
Zephyr Investment	SAS	32, rue de Monceau, - 75008 Paris, France	53.3%	53.3%
Salvepar Alisadeo Investment	SAS	32, rue de Monceau, - 75008 Paris, France	100.0%	100.0%
Salvepar Alisadeo Investment II	SAS	32, rue de Monceau, - 75008 Paris, France	100.0%	
Salvepar Belgium Investment	SAS	Avenue Louise 480 - B 1050 Brussels	100.0%	

- Non-consolidated subsidiaries

Non-consolidated entities	Form	Address	% of interest	
			31 Dec. 16	31 Dec. 15
Tikotel Partners	SAS	32, rue de Monceau, 75008 Paris, France	66.7%	66.7%
26Bis Rue Lubeck	SCI	32, rue de Monceau, 75008 Paris, France	100.0%	100.0%
Takume	SAS	32, rue de Monceau, 75008 Paris, France	100.0%	100.0%

These subsidiaries have not been consolidated, as they are not significant.

- Investments in funds managed by Group companies or third parties

Tikehau Capital and its subsidiaries may invest in funds managed by Tikehau IM or Tikehau Capital Europe or companies outside of the Group. Whether or not these funds must be consolidated is assessed on the basis of the IFRS 10 criteria applicable to ad hoc entities (see above).

Regarding fund units held by Group companies, the control percentage of the funds in which the Company has invested is also assessed to determine whether or not a fund must be consolidated.

The analysis conducted by the Tikehau Group on the funds managed by Tikehau IM and those managed by Tikehau Capital Europe (CLO) confirms the absence of control with respect to the criteria of IFRS 10 and therefore the non-consolidation of these funds (see note 5.26 § Investments in funds managed by Tikehau Investment Management or Tikehau Capital Europe).

c) Significant events impacting the scope of consolidation

- Reorganization operations

On 21 December 2016, within the Group's reorganization, the partners of various companies of the Tikehau Group contributed shares they held in various Group companies, with Tikehau Capital aiming to become the linchpin of the Group. This resulted in the following changes in scope, in particular:

- Tikehau Capital Europe: 75.1% preferred shares held following the contributions (ordinary shares held 100%).

- Tikehau Investment Management: 96.59% held following the contributions (compared with 22.7% previously).

For these entities, the shift from recognition by the equity method to full consolidation was managed, in accordance with IFRS 3 (revised), as a disposal of shares held during the change in control on 21 December 2016 following the acquisition of all the shares held.

The effective acquisition of the new securities gave rise to the recognition of goodwill:

- For Tikehau Capital Europe, goodwill amounted to €11.4 million. The valuation used for calculating goodwill is based on the value used for the capital increase reserved for a strategic partner completed on 30 September 2016, on the basis of a pre-money valuation of Tikehau Capital Europe of €15 million;

- For Tikehau Investment Management, goodwill amounted to €276.5 million, of which €64.2 million relative to the capital gain on the disposal of securities previously held and therefore recognized in the income statement. The valuation is based on the value used for the capital increase of 3 November 2016 in the amount of €15 million and producing a post-money valuation of Tikehau IM of €315 million. This valuation has been subject of a revision by an independent expert, focusing in particular on:

  - An income approach based on a discounted cash flow method (DCF) and a discounted dividend method (DDM);

  - A comparable approach based on EBITDA multiples and assets under management.

(amounts in thousands)	TIM	TCE
Currency	*euros*	*euros*
Purchase price	**304,263**	**15,000**
Fair value of assets acquired and liabilities assumed	**27,805**	**3,585**
of which non-current assets	1,966	0
of which current assets (excluding cash and cash equivalents)	23,145	0
of which cash and cash equivalents	16,050	6,544
of which liabilities	13,356	2,959
Goodwill	**276,458**	**11,415**

- Acquisition with change of control

On 10 November 2016, Tikehau Investment Management (96.59% owned subsidiary as at 31 December 2016) acquired control of the Singapore company IREIT Global Group (IGG) by acquiring 80% of the shares through its subsidiary TIM Asia Pacific (wholly owned) created specifically for the acquisition.

IREIT Global Group is the Manager of IREIT Global, a Singapore trust listed on the Singapore stock exchange and investing in real estate assets in Europe. IGG is therefore an entity offering services or activities related to the investment of the trust.

This company is therefore fully consolidated, with Tikehau Capital having control of it since 21 December 2016, at the same time as it acquired control of Tikehau Investment Management.

The effective acquisition of the new shares gave rise to the recognition of goodwill amounting to €9.2 million.

(amounts in thousands)	IREIT G.
Currency	*Singapore dollar*
Purchase price	**16,404**
Fair value of the assets acquired and liabilities assumed	**2,398**
of which non-current assets	121
of which current assets (excluding cash and cash equivalents)	1,621
of which cash and cash equivalents	515
of which liabilities	141
Goodwill	**14,006**

- Acquisition with significant influence

At end-2016, Tikehau Capital invested in the family office Letus Private Office, a wealth management firm catering to ultra high net worth individuals, which was created and founded by private banking, insurance and legal professionals.

Tikehau Capital holds 20% of the company and 25% of the voting rights at the Supervisory Board.

(iv) Significant accounting policies

a) Investment portfolio

The equity shares held by the investment companies are estimated at fair value through profit or loss. Positive and negative changes in fair value are recognized in the year's income statement under "Changes in fair value". The methods for determining fair value are presented in paragraph 5.6.

Investments in equity and quasi-equity shares (e.g., convertible bonds, OCEANE Bonds, etc.) are classified in the non-current investment portfolio.

Moreover, and depending on available cash, the timing of investments and market conditions, the Group may make more tactical investments by building a portfolio of shorter-term holdings consisting of equities and bonds or fund units. The securities selected for this portfolio are characterised by being liquid and showing attractive prospects for return and/or performance. These investments are recorded in the current investment portfolio.

Loans and receivables related to these investments are recognized initially at their purchase price, including directly attributable transaction costs and accrued interest. They are recognized later at their amortised cost with depreciation of the premium/discount and transaction costs, based on the actual interest rate method.

Depreciation are recorded on loans and receivables when there is an objective indication of loss of value, due to an event occurring after the loan was set up.

b) Business combinations

Business combinations are assessed and recorded in accordance with IFRS 3 (revised): the counterparty transferred (acquisition cost) is measured at the fair value of assets given, shareholders' equity issued and liabilities incurred on the exchange date. The identifiable assets and liabilities of the company acquired are measured at their fair value on the acquisition date. The goodwill thereby represents the difference between the acquisition cost and the total valuation of identified assets and liabilities at the acquisition date.

The goodwill relative to the acquisition of foreign companies is denominated in the operational currency of the activity acquired.

In case of acquisition of control of an entity in which the Group already owns an equity interest, the transaction is analysed as a double operation: on the one hand as a disposal of all of the previously owned equity interest with recognition of the consolidated gain or loss on disposal, and on the other hand, as an acquisition of all the securities with recognition of goodwill on the entire stake (previous share and new acquisition).

The costs directly attributable to the acquisition such as legal, due diligence and other professional fees are recognized in expenses when they are incurred.

Goodwill is not amortised. It is subject to an impairment test once a year or more frequently if there is evidence of impairment.

As the date of effective acquisition of control was near year-end, the definition of the Cash Generating Units (CGU) was still being analysed as at 31 December 2016 and will be finalised over a 12-month period.
Once the CGUs are defined, the tests will be carried out with the Cash Generating Units (CGU) or CGU groups, which constitute homogeneous groups together generating cash flows which are largely independent of the cash flows generated by the other CGUs.

c) Financial derivatives

The Group may trade financial derivatives as part of its strategy of managing interest-rate risks on bank borrowings and issues of debt instruments or market risks.

- Derivatives are recognized on the balance sheet at their fair value on the closing date. Changes in the value of derivatives are recognized on the income statement:

- Under a separate "Income from the derivatives portfolio" heading for the purpose of managing market risks;

- Under financial expenses for positions in interest-rate derivatives.

d) Tangible and intangible fixed assets

Tangible and intangible fixed assets are recognized at their acquisition cost and are depreciated over their useful lives.

The main durations are as follows:

- Usufruct : between 5 and 15 years, depending on the duration of entitlement;
  Software: 1 to 3 years;

- Office equipment and furniture: 3 to 5 years.

Intangible assets are also made up of the Tikehau Capital brand which is recognized at its purchase price for the sum of €10.7 million.

This valuation was assessed on the basis of the royalty method, corresponding to the discounted amount of future royalties that the brand would be able to generate after reduction of all the necessary expenses for its maintenance, the future royalties being determined on the basis of future revenues generated by the company operating the brand, to which are applied a royalty fee in effect on similar brands and/or in similar contexts.

The brand is subject to an impairment test once a year or more frequently if there is evidence of impairment. This impairment test will be assessed by the application of the same royalty method.

e) Client receivables and other receivables

Client receivables, other receivables and loans are recognized at their nominal value. An impairment is recognized when their book value, based on the probability of collection, is lower than their recognized value.

f) Cash equivalents and other current financial assets

Tikehau Capital's cash surplus, if any, may be invested in units in euro money market funds and 3-month term deposits that meet the definition of cash equivalents according to IAS 7 (easily convertible into a known amount of cash and subject to insignificant risk of change in value). Money-market funds are recognized by applying the fair value option through profit or loss under IAS 39.

Term deposits are recognized using the amortised cost method with changes recorded in income on the line "Net income on cash equivalents".

Other cash equivalents and other current financial investments are recognized at fair value through profit or loss.

The results at year-end are included in the income for the period under "Net income on cash equivalents".

g) Provisions

In accordance with IAS 37 (Provisions, contingent liabilities and contingent assets), a provision is recognized when the Group has an obligation with regard to a third party and it is probable or certain that this obligation will give rise to a disbursement of resources to this third party without being matched by at least an equivalent payment from this third party.

When the execution date of this obligation is more than one year, the amount of the provision is discounted, the effects of which are recognized under the financial income, based on the effective interest rate method.

h) Financial debt

The criterion for distinguishing debt and shareholders' equity is whether there exists an obligation for the issuer to make a cash payment to its counterparty. The option of taking the initiative of disbursement is the essential criterion in distinguishing between debt and shareholders' equity.

Financial debt is recognized at its amortised cost, based on the effective interest rate method.

i) Deferred taxes

Taxes include outstanding tax liabilities of the various consolidated companies and deferred taxes resulting from timing differences.

Timing differences between the consolidated values of asset and liability items, and those resulting from the implementation of tax regulations give rise to the recognition of deferred taxes.

The tax rate used in calculating deferred taxes is the one that is known on the closing date; the impacts of changes in tax rate are recognized during the period during which the decision on this change is made.

Deferred taxes on the investment portfolio are calculated at the applicable rate when the shares concerned are divested. The tax rates are determined based on the nature of the asset concerned (a long-term regime for financial interests, and FPCI, SCR, and SIIC funds).

A deferred tax asset is recognized for tax losses that can be carried over, under the likely assumption that the entity concerned will have future taxable earnings from which these tax losses may be subtracted.

Deferred tax assets and liabilities are not discounted.

j) Tax and VAT system

Tikehau Capital does not recover VAT. Non-deductible VAT is recognized on the income statement, under "Other operating expenses".

k) Segment information

In 2016, as in 2015, Tikehau Capital conducted its investment activity and invested in third-party management platforms (Tikehau IM, Tikehau Capital Europe).

This private equity activity is Tikehau Capital's only operational segment for financial year 2016, as third-party investments are conducted via equity method companies until 20 December 2016 and via fully consolidated companies as from 21 December 2016.

The Managers have performance indicators by business line on assets under management and on revenues, net of trailer fees. These indicators represent the most precise level of analysis available to date.

(v) Determination of fair value

The principles adopted for fair value measurement for portfolio assets are in accordance with IFRS 13 "Measurement of fair value" and may be summarised as follows:

Securities classified as level 1

These are companies whose shares are listed on an active market ("listed companies"). Shares in listed companies are measured on the basis of the last quoted price on balance sheet date.

Securities classified as level 2

These are companies whose shares are not listed on an active market ("non-listed companies"), but whose measurement pertains to directly or indirectly observable data. An adjustment made to a level 2 piece of data that is significant to the fair value, can result in a fair value classified in level 3 if it uses significant unobservable data.

Securities classified as level 3

These are companies whose shares are not listed on an active market ("non-listed companies"), and whose measurement pertains to a large extent to unobservable data.

Tikehau Capital takes into consideration the following assessment methods:

- The transaction value: transactions over the last 12 months or the last months of activity if the company has not completed a full financial year of 12 months since the shareholding was acquired, unless Tikehau Capital is aware of a valuation considered more relevant.
- The discounted cash flow method (DCF): this method determines the present value of cash flows a company will generate in the future. Cash flow projections prepared in connection with the management of the company in question include a critical analysis of the business plan of these companies. The discount rate used is the weighted average cost of capital, which represents the cost of debt of the company and the notional cost of estimated equity, weighted by the proportion of each of these two components in the financing of the company. This rate is set next to that used by analysts for listed companies in the same sector.
- The stock market comparables method: valuation multiples of the company under assessment are compared with those of a sample of companies in the same industry or similar. The average of the sample then establishes a valuation benchmark applicable to the assessed company.
- The industry transaction method: valuation multiples of the company under assessment are compared with those of a sample of companies in the same industry or similar. The average of the sample then establishes a valuation benchmark applicable to the assessed company.

(vi) Tangible and intangible fixed assets

(in thousands of €)	31 Dec. 2015	Changes in scope	Increase	Decrease	31 Dec. 2016
Goodwill	0	297,067	0	0	297,067
Brands			10,710		10,710
Other intangible fixed assets	37	67	-3	-28	74
Total intangible fixed assets	**37**	**297,134**	**10,707**	**-28**	**307,851**

(in thousands of €)	31 Dec. 2015	Changes in scope	Increase	Decrease	31 Dec. 2016
Total tangible fixed assets	**0**	**1,177**	**2,179**	**28**	**3,383**

The breakdown of goodwill is presented below:

(in thousands of €)	31 Dec. 2016	31 Dec. 2015
IREIT Global Group	9,194	0
Tikehau Capital Europe	11,415	0
Tikehau Investment Management	276,458	0
Goodwill	**297,067**	**0**

As at 31 December 2016, in the absence of indicators of impairment of goodwill and the brand and given the effective dates of acquisition of control which generated the goodwill and the date of acquisition of the brand which was near year-end, no impairment test was carried out.

(vii) Non-current investment portfolio

Changes in the Non-current investment portfolio are as follows:

(in thousands of €)	Portfolio	Level 1	Level 2	Level 3	Not consolidated
Fair value as at 1 January 2015	**377,832**	**195,435**	**5,478**	**176,643**	**277**
Acquisition of securities	178,043	14,771	19,630	143,632	10
Disposals and repayments	-24,135	-327	-5,540	-18,268	0
Changes in fair value	10,720	5,430	-3,035	8,325	0
Movements on related receivables	2,399	0	0	2,399	0
Fair value as at 31 December 2015	**544,859**	**215,309**	**16,533**	**312,730**	**287**
Acquisition of shares	303,464	65,138	0	238,326	0
Disposals and repayments	-82,573	-20,492	0	-62,070	-10
Changes in receivables	-28,840	0	6,843	-35,973	289
Changes in fair value	25,668	17,651	-11,741	19,759	0
Fair value as at 31 December 2016	**762,578**	**277,606**	**11,635**	**472,771**	**566**

The acquisition value of the non-current portfolio is as follows:

(in thousands of €)	31 Dec. 2016	31 Dec. 2015
Historical value of the non-current portfolio	775,744	562,409
Value of related receivables	21,895	53,747

Outstanding commitments in the non-current investment portfolio are as follows:

(in thousands of €)	31 Dec. 2016	31 Dec. 2015
Commitments on non-current investment portfolio	18,100	7,894

(viii) Investments in associates

Change in investments in associates

(in thousands of €)	
Investments in associates at 1 January 2015	**3,342**
Dividends paid	-541
Impact of changes in scope[1]	18,803
Impact of changes in ownership interests	-22
Impact of exchange rate changes	18
Other (allocation of bonus shares)	11
Share in income for the period	605
Investments in associates shareholdings at 31 December 2015	**22,216**
Dividends paid	
Impact of changes in scope[1]	-21,985
Others	36
Investments in associates at 31 December 2016	**267**

Investment in associates

(in thousands of €)	
Share of TIM income[1]	-401
Share of TCE income[1]	3,619
Capital gain from the disposal of securities previously accounted for by the equity method[2]	64,212
Others	-8
Share of net income from equity affiliates	**67,422**

Main financial aggregates of companies recognized as equity affiliates

Affiliates as at 31 December 2016 (in thousands of €)	Revenue	Net income (1)	Total assets	Total shareholders' equity
Letus Private Office	0	0	770	770

Affiliates as at 31 December 2015 (in thousands of €)	Revenue	Net income (1)	Total assets	Total shareholders' equity
Tikehau Investment Management / Tikehau Investment Management Asia	29,621	2,717	28,595	16,548
Tikehau Capital Europe	0	-2,972	23,325	19,546

Affiliates as at 31 Decembre 2016 (in thousands of €)	% of interest	Equity method value	Market value	Dividends paid to group entities	Share of net income (1)	Share of equity	Goodwill
Letus Private Office	20%	302		0	0	154	148
Value of the share in entities recognized under the equity method (on balance sheet)		**302**	**0**	**0**	**0**	**154**	**148**

Affiliates as at 31 December 2016 (in thousands of €)	% of interest	Equity method value	Market value	Dividends paid to group entities	Share of net income	Share of equity	Goodwill
Tikehau Investment Management / Tikehau Investment Management Asia	22.66%	3,413			605	3,413	
Tikehau Capital Europe	82.82%	18,803				18,803	
Value of the share in entities recognized under the equity method (on balance sheet)		**22,216**	**0**	**0**	**605**	**22,216**	**0**

As at 31 December 2016, no contingent liabilities have been incurred by the Tikehau Group in its affiliates.

[1] Share of income from 1 January 2016 to 21 December 2016, date of acquisition of control of Tikehau Investment Management and Tikehau Capital Europe.

[2] The shift from consolidation by the equity method to full consolidation was managed, in accordance with IFRS 3 (revised), as a disposal of shares held during the acquisition of control on 21 December 2016 followed by the acquisition of all the shares held.

(ix) *Client receivables, related accounts and other receivables*

(in thousands of €)	31 Dec. 2016	31 Dec. 2015
Trade receivables and related accounts	8,885	75
Other receivables	5,689	5,107

The other receivables mainly comprise prepaid expenses and credits to be received.

Client receivables and other receivables are not subject to any provision for non-recovery.

(x) *Current investment portfolio*

Changes in the current investment portfolio are as follows:

(in thousands of €)	Portfolio	Level 1	Level 2	Level 3
Fair value as at 1 January 2014	**101,164**	**101,164**		
Net Acquisitions/Disposals	-37,598	-37,598	0	0
Changes in fair value	-6,494	-6,494	0	0
Fair value as at 1 January 2015	**57,072**	**57,072**	**0**	**0**
Net Acquisitions/Disposals	-19,505	-19,505	0	0
Changes in fair value	-5,888	-5,888	0	0
Fair value as at 31 December 2015	**31,679**	**31,679**	**0**	**0**
Net Acquisitions/Disposals	7,981	7,981	0	0
Changes in fair value	794	794	0	0
Fair value as at 31 December 2016	**40,454**	**40,454**	**0**	**0**

The acquisition value of the current portfolio is as follows:

(in thousands of €)	31 Dec. 2016	31 Dec. 2015
Historical value of the current portfolio	46,859	38,736

(xi) *Current financial derivatives*

For the purpose of managing market risks, the Group may take positions in options or futures for which changes in fair value are recognized on the income statement under "Income of the derivatives portfolio".

No position was open as at 31 December 2015 or 31 December 2016.

(xii) *Cash and cash equivalents*

(in thousands of €)	31 Dec. 2016	31 Dec. 2015
Cash equivalents	486	9,513
Cash	129,359	6,076
Cash and cash equivalents	**129,845**	**15,588**

Cash equivalents are mainly represented by marketable securities

(xiii) *Breakdown of financial instruments in the consolidated balance sheet*

(in thousands of €)	Breakdown of financial instruments as at 31 December 2016			
	Fair value through profit or loss	Loans and receivables	Cash/Financial debt at amortised cost	Total
Assets				
NON-CURRENT ASSETS				
Non-current investment portfolio	740,683	21,895		**762,578**
Investments in associates	267			**267**
TOTAL NON-CURRENT ASSETS	**740,949**	**21,895**		**762,844**
CURRENT ASSETS				
Current investment portfolio	40,454			**40,454**
Cash and cash equivalents	21,602		108,243	**129,845**
TOTAL CURRENT ASSETS	**62,056**		**108,243**	**170,299**
Liabilities				
NON-CURRENT LIABILITIES				
Current borrowing and payables			116,857	**116,857**
CURRENT LIABILITIES				
Portion of Non-current liabilities due in less than one year			2,354	**2,354**

(in thousands of €)	Breakdown of financial instruments as at 31 December 2015			
	Fair value through profit or loss	Loans and receivables	Cash/ Financial debt at amortised	Total
Assets				
NON-CURRENT ASSETS				
Non-current investment portfolio	491,113	53,747		**544,859**
Investments in associates	22,216			**22,216**
TOTAL NON-CURRENT ASSETS	**513,328**	**53,747**		**567,075**
CURRENT ASSETS				
Current investment portfolio	31,679			**31,679**
Cash and cash equivalents	9,513		6,076	**15,588**
TOTAL CURRENT ASSETS	**41,192**		**6,076**	**47,268**
Liabilities				
NON-CURRENT LIABILITIES				
Current borrowing and payable			224,895	**224,895**
CURRENT LIABILITIES				
Portion of Non-current liabilities due in less than one year			13,437	**13,437**

(xiv) *Number of shares, share capital and dividends*

Until 07 November 2016, the shares issued by Tikehau Capital were Class 1 and 2 shares, each of which enjoyed identical voting and dividend rights. Class 1 shares had a pre-emptive right in the event of refusal of authorisation and only if the transferred shares were Class 2 shares.

In line with the conversion of the Company into a *société en commandite par actions* on 07 November 2016, Class 1 and 2 shares were converted into ordinary shares.

Number of shares	31 Dec. 2016	31 Dec. 2015	30 June 2016
Existing shares at beginning of the period	21,689,838	21,689,838	21,689,838
Shares issued during the period	32,484,984	0	0
Existing shares at the close of the period	54,174,822	21,689,838	21,689,838
of which class 1 shares		*1,711,649*	*1,711,649*
of which class 2 shares		*19,978,189*	*19,978,189*
of which ordinary shares	*54,174,822*		

Share capital (in €)	31 Dec. 2016	31 Dec. 2015	30 June 2016
Par value at end of period	12	12	12
Subscribed capital	650,097,864	260,278,056	260,278,056

The dividends per share paid on the following financial years came to:

(in thousands of €)	31 Dec. 2016	31 Dec. 2015	31 Dec. 2014
Dividend per share Tikehau Capital	-	0.70	0.60

(xv) Current borrowings and payables

Tikehau Capital concluded its first syndicated loan on 29 July 2016 for an amount of €200 million, with a syndicate of lenders led by BNP Paribas, Crédit Agricole Corporate and Investment Bank and LCL as co-arrangers, and made up of BRED Banque Populaire, Natixis, Standard Chartered, Banco Espirito Santo de la Vénétie and Société Générale (the "Syndicated Loan Agreement"). As at 31 December 2016, of the €200 million available, €100 million were drawn.

In parallel, Tikehau Capital also concluded a bank loan with the BRED for a total sum of €20 million, fully drawn as at 31 December 2016.

The convertible bonds issued by Tikehau Capital in 2015 for a nominal amount of €176 million were cancelled during June 2016 for their nominal value plus accrued interest.

(in thousands of €)	31 Dec. 2016	31 Dec. 2015
Convertible bonds	**0**	**171,708**
Principal debt	121,354	60,631
Bank loans	0	6,314
Staggered issue costs on borrowings	-2,143	-321
Borrowings and debt from credit institutions	**119,211**	**66,624**
Total	**119,211**	**238,332**
of which current liabilities	*2,354*	*13,437*
of which non-current liabilities	*116,857*	*224,895*

Financial borrowings and debt can be broken down into the following maturities:

(in thousands of €)	Maturing in less than one year	Maturing in one to five years		Total
Situation as at 31 December 2016				
Variable-rate bank borrowings	1,000	119,000		120,000
Staggered issue costs on borrowings	-405	-2,143		-2,549
Fixed-rate convertible bond borrowing				
Variable-rate authorised overdrafts				
Accrued interest	1,760			1,760
Total	**2,354**	**116,857**		**119,211**
of which current liabilities	*2,354*			*2,354*
of which non-current liabilities		*116,857*		*116,857*

(in thousands of €)	Maturing in	Maturing in one to five years	Maturing in more than five years	Total
Situation as at 31 December 2015				
Variable-rate bank borrowings	13,172	39,631	7,595	60,398
Staggered issue costs on borrowings		-321		-321
Fixed-rate convertible bond borrowing			171,708	171,708
Variable-rate authorised overdrafts[1]	26		6,282	6,308
Accrued interest	239			239
Total	**13,437**	**39,310**	**185,585**	**238,332**
of which current liabilities	*13,437*			*13,437*
of which non-current liabilities		*39,310*	*185,585*	*224,895*

Information on bank covenants

BRED Banque Populaire bank loan contracted on 29 April 2016 – €20 million:
For the duration of the contract, Tikehau Capital undertakes to respect a half-yearly loan to value ratio of less than or equal to 71% (for the test dates of 30/06/2017 to 30/06/2020) and 55% (for the test dates of 31/12/2020 to 31/12/2021), corresponding to the ratio between the outstanding principal amount of the loan and the sum of (i) the value of A and E shares of Tikehau Retail Properties III and (ii) the balance of the operating account pledged to the benefit of the BRED Banque Populaire in which all the distributions and dividends made by Tikehau Retail Properties III to the benefit of Tikehau Capital are paid.

The first date for testing the ratio is set at 30 June 2017.

Syndicated loan contracted on 29 July 2016 - € 200m:

For the duration of the contract, Tikehau Capital undertakes to respect the financial ratios calculated on a quarterly basis:

- Senior Loan to Value Ratio, less than or equal to 35%, corresponding to the ratio between the amount of senior financial debt and the sum of (i) its consolidated shareholders' equity (Group's share) and (ii) its total financial debt

- Total Loan to Value Ratio, less than or equal to 50%, corresponding to the ratio between the amount of senior financial debt and the sum of (i) its consolidated shareholders' equity (Group's share) and (ii) its total financial debt

- Limit ratio (calculated on a half-yearly basis) less than or equal to 20%, corresponding to the ratio between the amount of bilateral loans and the sum of (i) its consolidated shareholders' equity (Group's share) and (ii) its total financial debt

Tikehau Capital was in compliance with the ratios as at 31 December 2016.

(xvi) Taxes

Tax breaks down as follows:

(in thousands of €)	31 Dec. 2016	31 Dec. 2015
Income / (Expense)		
Deferred tax	24,066	5,588
Current tax	-1,689	0
Total	**22,377**	**5,588**
Net income of consolidated companies	72,496	9,589
Pre-tax profit	50,119	4,000
Application of the normal theoretical tax rate of $33^{1/3}$	-16,706	-1,333

The reconciliation between the theoretical tax situation and the actual tax breaks down as follows:

(in thousands of €)	31 Dec. 2016	31 Dec. 2015
Theoretical tax	**-16,706**	**-1,333**
Capital gains or losses at reduced rate	13,076	2,838
Non-activated tax losses	0	85
Parent-subsidiary regime	2,950	3,994
Share profit from associates[1]	22,519	-63
Difference in rate	702	0
Others	-163	67
Actual tax	**22,377**	**5,588**

Changes in taxes on the balance sheet are as follows:

(in thousands of €)	Liabilities (+) or Assets (-) tax	of which deferred tax	of which current tax
Situation as at 1 January 2015	**5,460**	**2,086**	**3,373**
Current tax	0		0
Deferred tax	-4,158	-4,158	
Tax Disbursement / Receipts	-7,913		-7,913
Situation as at 31 December 2015	**-6,611**	**-2,071**	**-4,540**
Current tax	1,689		1,689
Deferred tax	-24,686	-24,686	
Change in consolidation scope	-269		-269
Tax Disbursement / Receipts	4,511		4,511
Situation as at 31 December 2016	**-25,366**	**-26,758**	**1,391**

Deferred taxes linked to tax losses that may be carried over are detailed below.

(in thousands of €)	31 Dec. 2016	31 Dec. 2015	31 Dec. 2014
Tax loss carried forward at local normal rate	**95,988**	**18,066**	**0**
Activated deferred tax	31,996	6,022	0
Tax loss carried forward at local reduced rate	**8,524**	**851**	**1,415**
Activated deferred tax	128	128	212

As at 31 December 2016, all of Tikehau Capital’s tax losses that can be carried over at the normal rate had been activated.

Changes in deferred taxes are broken down as follows:

Name of account	1 Jan. 2016	Increase	Decrease and recovery	Reclassification	Joined consolidation scope	Change in fair value	31 Dec.2016
Tax carried losses	6,150	25,974					32,124
Evaluation of financial instruments	-390	298				1,431	1,338
Other deferred tax assets	76	1	-76		59		29
Compensation of deferred taxes	-3,764			-2,189			-5,953
Total deferred tax asset	**2,071**	**26,273**	**-76**	**-2,189**	**59**	**1,431**	**27,569**
Fair value of the portfolio	3,365	1,961			696		6,022
Other deferred tax liabilities	399	170			173		742
Compensation of deferred taxes	-3,764			-2,189			-5,953
Total deferred tax liabilities		**2,131**		**-2,189**	**869**		**811**

(xvii) *Non-current financial derivatives*

Non-current financial derivatives are made up exclusively of interest-rate swaps implemented within the management of the interest-rate risk on bank debt.

(xviii) *Free-share-based payment (IFRS 2)*

IFRS 2 standard Share-based payments requires valuation of share based payment transactions and similar in the company’s income statement and balance sheet. This standard applies to transactions carried out with employees, and more precisely:

- to equity-settled share-based payment transactions,
- to cash-settled share-based payment transactions.

No plan has been implemented for Tikehau Capital. Share-based payment plans concern only shares of Tikehau Investment Management.

These plans include a vesting period ranging from three to six years, depending on the plan. The advantage granted to employees is measured as the value of the share acquired as indicated in the plan.

The impact is recorded in payroll expenses and offset by an increase in consolidated reserves (Group’s share).

Characteristics of the free-share allocation plans implemented at Tikehau Investment Management

- For the benefit of employees not subject to AIFM regulations

Number of shares allocated: 253 shares
Allocation date: 30 June 2016
Unit value of the share on the allocation date: €4,486.91
Acquisition date: 30 June 2019, i.e. a vesting period of three years conditional on the continued status of employee within the Group and without performance conditions.
The shares are accompanied by an obligation to retain them for a minimum period of one year which will begin as of the definitive vesting of the shares.

- For the benefit of employees subject to AIFM regulations

Number of shares allocated: 383 shares
Allocation date: 30 June 2016

Unit value of the share on the allocation date: €4,486.91
Acquisition date:

- For 60% of shares acquired, 30 June 2019, i.e. a vesting period of three years conditional on the continued status of employee within the Group and without performance conditions.

- For the remainder of the shares, acquisition in thirds at the end of three vesting periods of four, five and six years (i.e. respectively 30 June 2020, 30 June 2021, 30 June 2022) conditional on the continued status of employee within the Group and without performance conditions.

The shares are accompanied by an obligation to retain them for a minimum period of one year which will begin as of the definitive vesting of the shares.

	Shares allocated to TIM employees subject to AIFM regulation	Shares allocated to TIM employees not subject to AIFM regulation
Allocation date	30 June 2016	30 June 2016
Number of shares allocated	383	253
Valuation on the allocation date (€ per share)	4,486.91	4,486.91
No. of shares acquired per period		
- of which the vesting period ends on 30 June 2019	*227*	*253*
- of which the vesting period ends on 30 June 2020	*52*	
- of which the vesting period ends on 30 June 2021	*52*	
- of which the vesting period ends on 30 June 2022	*52*	

(xix) *Non-controlling interests*

The non-controlling interests can be broken down as follows:

(in thousands of €)	31 Dec. 2016	% of interest
Tikehau Capital Europe	1,179	3.00%
Tikehau IM	1,120	3.40%
Other companies	328	
Total	**2,627**	

(xx) *Change in fair value*

(in thousands of €)	2016	2015
- Non-current portfolio	41,495	11,715
- Current portfolio	794	8,074
Total	**42,289**	**19,789**

(xxi) Other portfolio income

(in thousands of €)	2016	2015
Dividends	26,979	14,797
Interests	3,381	3,315
Others	1,095	1,219
Non-current portfolio income	**31,455**	**19,331**
Dividends	0	13
Interests	155	458
Others	0	0
Current portfolio income	**155**	**470**
Total	**31,611**	**19,801**

(xxii) Derivative positions and market risk management

(in thousands of €)	2016	2015
Gains on derivatives and options	0	4,195
Losses on derivatives and options	-62,194	-25,220
Total	**-62,194**	**-21,025**

Over the year 2016, the cost of derivative transactions amounted to €62.2 million in positions taken by the Company, particularly in the Eurostoxx indices. Exposure to risks on the equity markets is detailed in Note 5.31.c).

(xxiii) Operating expenses

(in thousands of €)	2016	2015
Remuneration paid to the Chairman then the Manager	-16,856	-9,184
Other fees	-1,855	-1,056
Taxes and duties	-4,192	-1,825
Miscellaneous	-1,189	-580
Total	**-24,092**	**-12,646**

The methods for determining the remuneration of the Chairman of Tikehau Capital (until 7 November 2016) and the Manager of Tikehau Capital (as from 7 November 2016) are detailed in Note 5.26. b).

(xxiv) Net income from cash and cash equivalents

(in thousands of €)	2016	2015
Change in fair value	387	6
Net gains/losses on transferable securities	7	26
Net gains/losses related to foreign exchange	-177	308
Other income from transferable securities	361	141
Total	**577**	**481**

(xxv) Financial expenses

(in thousands of €)	2016	2015
Expenses related to borrowings from credit institutions	-3,484	-1,959
Expenses related to convertible bonds	-1,100	-1,373
Expenses related to interest rate derivatives	-1,980	-586
Change in fair value of interest rate derivatives	-894	222
Miscellaneous	-415	714
Total	**-7,874**	**-2,983**

Interest risk exposure is detailed in Note 5.26. b).

(xxvi) *Related parties*

a) Perimeter of related parties

The related parties of Tikehau Capital include:

- Tikehau Capital General Partner, in its capacity as Manager-General Partner, 100% owned by Tikehau Capital Advisors;
- Tikehau Capital Advisors and its representatives (the company AF & Co, controlled by Mr Antoine Flamarion, in his capacity as Chairman of Tikehau Capital Advisors, and the company MCH, controlled by Mathieu Chabran in his capacity as Chief Executive Officer of Tikehau Capital Advisors);
- Tikehau IM, an investment management firm majority held by the Company;
- Salvepar, an investment management firm majority held by the Company;
- Tikehau Capital Europe, majority held by the Company;
- Tikehau Capital Partners UK, majority held by the Company;
- the investment entities recognized at their fair value through profit or loss over which the Company exercises significant influence or control.

Tikehau IM and Tikehau Capital Europe are considered as related parties until 21 December 2016, the date of acquisition of control of these entities by Tikehau Capital (date from which these entities are fully consolidated).

The transactions completed and outstanding amounts at the end of the period between the group's fully consolidated companies are fully eliminated under consolidation.

b) Nature of relations with related parties until 7 November 2016

Remuneration paid to the Chairman of Tikehau Capital

Tikehau Capital Advisors was paid a remuneration as Chairman of Tikehau Capital. This remuneration, determined in the Articles of Association, consists: (i) of a fixed sum based on[52] N-1 net asset value of Tikehau Capital as determined on the last day of the preceding financial year; and (ii) a variable sum equal to 12.5% of the net income of Tikehau Capital's closed financial year.

AF & Co, in its capacity as Chairman of Tikehau Capital Advisors, and MCH in its capacity as Chief Executive Officer of Tikehau Capital Advisors, as well as their individual representatives were not paid remuneration by Tikehau Capital or any of its subsidiaries.

Services performed by Tikehau Capital Advisors for Tikehau Capital (iii)

Tikehau Capital availed itself of the administrative and human and material resources support of Tikehau Capital Advisors, which allowed it to conduct its investment activities in the best possible conditions. Services rendered included services provided by Tikehau Capital Advisors' chief investment officer.

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[52] To determine NAV, the Company's assets and liabilities shall be valued as follows, it being understood that financial holding companies (listed or non-listed) shall be treated transparently as soon as they are controlled exclusively or jointly:
- Listed assets: current accounting estimate rules;
- Non-listed assets: the acquisition price, barring other, more recent relevant valuations, including the value resulting from a meaningful transaction or the value resulting from a firm acquisition offer or an investment memorandum of understanding, or the appraised value (particularly for real-estate assets), or the redemption value of units in funds or venture capital companies (5CR), or fair value based on published relevant professional recommendations (EVAC, AFIC, etc.)
- Tax deduction

Services performed by Tikehau Capital Advisors for Salvepar and Tikehau IM (iv)

Tikehau Capital Advisors provided an advisory service for selecting investments and managing the investment portfolio of the Salvepar subsidiary; this agreement mainly includes investment advice, the monitoring of investment transactions and portfolio holdings, and the monitoring of sale transactions.

Tikehau Capital Advisors made administrative and human and material resources support available to Salvepar and Tikehau IM mainly, allowing them to pursue their corporate purpose in the best possible conditions.

c) Nature of relations with related parties since 7 November 2016

On 07 November, the Company was transformed into a *société en commandite par actions* and is now managed by a Manager, Tikehau Capital General Partner.

Remuneration of the Managers

The Manager is entitled to (i) a remuneration, determined in the Articles of Association, equal to (excluding tax) 2% of the total consolidated shareholders' equity of the Company, determined on the last day of the preceding financial year. This remuneration shall be paid to him annually when the financial statements of the preceding year are approved. The Manager has the opportunity, during the year, of receiving a payment on account for the remuneration referred to above. The payment of this advance can only be made on the basis of an accounting period certified by the Statutory Auditors of the Company. This advance is deducted from the total amount of remuneration paid to the Manager on approval of the financial statements for the previous financial year.

Preferred dividend (*dividende préciputaire*) to the general partner

Tikehau Capital General Partner, as sole General Partner of the Company, is entitled, by way of preferred dividend and should there be distributable income for a financial year, to (ii) an amount determined in the Articles of Association and equal to 12.5% of the net income of the Company as reflected in the Company's statutory financial statements at the close of each financial year.

If there is more than one general partner, they shall share this amount between themselves as they see fit. In the event of a financial year whose duration is less than a calendar year, this remuneration shall be calculated on a *pro rata* basis for the time elapsed.

Attendance fees and other remuneration received by members of the Supervisory Board

In line with the conversion of the Company into a *société en commandite par actions*, a Supervisory Board was created. According to the Company's Articles of Association, members of the Supervisory Board may receive attendance fees and remuneration, the total annual amount of which is voted on by the General Shareholders' Meeting and whose distribution is decided by the Supervisory Board on the recommendation of the Appointments and Pay Committee. The Supervisory Board's Internal Rules provide that the distribution of attendance fees takes into account in particular the effective participation of each member in the meetings as well as the duties performed on the Board and its Committees, and is the subject of prior discussion by the Appointments and Pay Committee. The share of each member of the Supervisory Board is calculated in proportion to the duration of his or her term of office during the financial year.

At the annual General Shareholders' Meeting of the Company held on 21 December 2016, an amount of €300,000 was allocated to the members of the Supervisory Board in respect of attendance fees for each financial year.

No attendance fees were paid in respect of financial year 2016.

Services provided by Tikehau Capital Advisors to Salvepar (iii)

Tikehau Capital Advisors makes administrative and human and material resources support available to Salvepar, allowing the company to pursue its corporate purpose in the best possible conditions.

Summary of the remuneration received by the Chairman and the Manager of Tikehau Capital

The amounts invoiced by the related parties over the year can be broken down as follows:

Remuneration TCGP	**from 7 November to 31 December 2016**	
(in thousands of €)	2016	2015
Remuneration on consolidated shareholders'	1,113	
Equity (i)		
Remuneration on net income (ii)		
Remuneration charged to Tikehau Capital (excl. tax)	**1,113**	
Total	**1,113**	**0**

Investments in funds managed by Tikehau Investment Management (Tikehau IM) or Tikehau Capital Europe (TCE)

The following table presents the list of funds in which Tikehau Capital or one of its subsidiaries has invested and that are managed by Tikehau IM or TCE:

(in millions of €)		31 December 2016				
Fund	Investing company	Amount called[1]		Commitment		% holding[2]
		Tikehau	Fund	Tikehau	Fund	
TDL3	TPC UK	19.1	287.7	40.5	610.0	7%
TSL II	TPC UK	7.0	119.0	25.0	522.2	5%
TSO	TPC UK	4.1	8.4	30.0	61.4	49%
Tikeflo Invest 3	TC	12.1	12.2	12.1	12.2	99%
TPC	TC & TIM	25.2	130.2	25.9	133.9	19%
TSS II	TC	15.0	85.3	15.0	85.3	18%
TIRF (I-Petali)	TC, TCP UK & SY	9.2	35.0	9.2	35.0	26%
TLP I (Escoffier)	TC	8.7	56.3	8.7	56.3	15%
TRE I (Elis)	TC	9.0	99.9	9.0	99.9	9%
TRE II (Optimo)	TC	45.6	180.5	45.6	180.5	25%
TREIC	TC & SY	17.8	59.3	75.0	250.0	30%
TRP I (Mr. Bricolage)	TC & SY	30.0	135.0	30.0	135.0	22%
TRP II (Bercy 2)	TC	14.0	49.7	14.0	49.7	28%
TRP III (Babou)	TC	33.3	175.0	33.3	175.0	19%
CLO I	TCP UK / TCE	34.5	354.7	34.5	354.7	10%
CLO II	TCP TCE	19.4	414.2	19.4	414.2	5%
Others		6.0	76.5	8.8	140.9	
Total		**310.0**	**2,278.6**	**436.0**	**3,315.9**	

[1] Amount invested at the historical cost excluding revaluation

[2] Percentage holdings calculated on the committed amounts

(in millions of €)		31 December 2015				
Fund	Investing company	Amount called		Commitment		% holding[2]
		Tikehau	Fund	Tikehau	Fund	
TDL3	TCP UK	0.9	9.4	37.5	376.6	10%
TSL II	TCP UK	2.5	19.5	25.0	195.0	13%
Tikeflo Invest 3	TCP	12.1	12.2	12.1	12.2	99%
TPC	TCP	21.5	113.1	25.5	133.9	19%
TSS II	TCP	15.0	85.3	15.0	85.3	18%
TRE I (Elis)	TCP	9.0	99.9	9.0	99.9	9%
TRP I (Mr. Bricolage)	TCP & SY	30.0	135.0	30.0	135.0	22%
TRP II (Bercy 2)	TCP	16.4	44.6	16.4	44.6	37%
TRP III (Babou)	TCP	35.5	175.0	35.5	175.0	20%
CLO I	TCP UK / TCE	34.5	354.7	34.5	354.7	10%
Others		3.7	28.9	3.7	28.9	
Total		**181.2**	**1,077.6**	**244.2**	**1,641.0**	

[1] Amount invested at the historical cost excluding revaluation

[2] Percentage holdings calculated on the committed amounts

Superperformance fees / Outperformance fees

In some funds, Outperformance fees may be paid in the event that a performance threshold is exceeded upon the liquidation of the funds, mainly real-estate and private debt funds.

Performance fees since April 2014 break down as follows: 20% of the Outperformance fees are paid to a company that is a shareholder of Tikehau Capital Advisors and is held by partners of the Tikehau Group; the other 80% are paid one third each to Tikehau Capital, Tikehau IM and Tikehau Capital Advisors.

These Outperformance fees are paid by the funds directly to the beneficiaries and are recognized on the income statement when they are actually paid.

As at 31 December 2016, 74% of private debt assets under management – Direct Lending & CLO and almost all real-estate funds give rise to performance fees.

(in millions of euros)	31 Dec. 2016	31 Dec. 2015
Assets eligible for outperformances fees	**1,941.6**	**757.6**
Direct lending and CLO	1,253.3	506.7
Real Estate	688.3	250.9
AuM	**2,631.3**	**1,475.6**
Direct lending and CLO	1,943.0	1,224.7
Real Estate	688.3	250.9

Tikehau Capital and its fully consolidated subsidiaries were not paid Outperformance fees in respect of financial year 2016.

SALVEPAR ORNANE Bonds

On 6 May 2015, Salvepar issued ORNANE bonds (*Obligations à Option de Remboursement en Numéraire et/ou en Actions Nouvelles et/ou Existantes* – bonds with the option of redemption in cash and/or new and/or existing shares, hereafter referred to as the "Bonds") maturing on 1 January 2022. The Bonds were issued on 18 May 2015 for a total nominal amount of €150 million, €64 million of which was subscribed by Tikehau Capital. The nominal annual interest rate of the Bonds is fixed at 1.625% payable semi-annually in arrears on 1 January and 1 July each year.

In the 2016 financial year, interest paid to Tikehau Capital from Salvepar Bonds amounted to €1,033,845.

Receivables from equity interests in related parties

Receivables from equity interests in related parties are detailed below:

(in thousands of €)	31 Dec. 2016	31 Dec. 2015
Angelmar	6,826	6,336
Tikeflo	3,838	4,592
Tikehau Asia	6,871	4,204
Tikehau Secondary	7	220
Tikehau Venture	2,150	1,770
AR Industries		2,002
Heuricap	681	
TGP	30	
Receivables due from entities recognized at fair value	**20,401**	**19,124**
Tikotel Partners		0
Takume	289	284
Receivables due from non-consolidated entities	**289**	**284**
Receivables related to related parties	**20,690**	**19,408**

(xxvii) Market risks

a) Exposure to interest rate risk

As at 31 December 2016, in liabilities, Tikehau Capital was exposed to an interest rate risk on its bank loans for €119.2 million. On this total debt, a sudden change of 50 basis points in the 3-month Euribor would have an impact on pre-tax profit as at 31 December 2016 of around €596,000.

As at 31 December 2015 and 2016, the financial assets of Tikehau Capital exposed to interest rate risk were as follows (based on the consolidated financial statements):

Financial assets exposed to interest rate risk	Fixed rate		Variable rate		Total	
(in millions of €)	Amount	%	Amount	%	Amount	%
As at 31 December 2015		**2.6%**		**97.4%**		**100.0%**
Fixed-rate bonds	4.5				4.5	
Bank debts (E3M)			66.7		66.7	
Interest rate swaps (E3M)			100.1		100.1	
As at 31 December 2016		**1.8%**		**98.2%**		**100.0%**
Fixed-rate bonds	5.3				5.3	
Bank debts (E3M)			119.2		119.2	
Interest rate swaps (E3M)			170.6		170.6	

Furthermore, on the basis of a portfolio of listed fixed-rate convertible bonds of €4.8 million (Selectirente 3.5% CV 2020), a sudden change in interest rates for the same maturity (4 years) would have a negligible impact on the valuation because the convertible bond is "in the money" and has a much greater equity sensitivity than its interest rate sensitivity.

For the purpose of managing risks on its floating-rate exposure, Tikehau Capital has taken out interest-rate swaps with the following features:

(in millions of €)	Nominal debt	Notional	Average fixed rate	Average maturity
As at 31 December 2015	66.7	100.1	1.48%	7.8 yrs
As at 31 December 2016	119.2	170.6	0.96%	8.2 yrs

b) Exposure to currency risk

Tikehau Capital's exposure to currency risk relates to its investments in foreign currencies.

As at 31 December 2016, Tikehau Capital had an exposure to currency risk on the pound sterling, the US dollar, the Singapore dollar and on the Polish zloty. Tikehau Capital had no currency hedging as at 31 December 2016.

The table below shows the impact on earnings of a change +/- 10% in these currencies against the euro and on the basis of the consolidated financial statements as at 31 December 2015 and 31 December 2016:

(in millions of €)	Impact	
	Depreciation of 10% the currency	Appreciation of 10% the currency
As at 31 December 2015		
USD	-1.6	2.0
GBP	-3.2	3.9
PLN	-0.1	0.1
As at 31 December 2016		
USD	-2.3	2.8
SGD	-0.8	1.0
GBP	-0.7	0.8
PLN	-0.1	0.1

c) Exposure to equity market risks

Due to the nature of its business, Tikehau Capital is exposed directly to equity market risks for the fair value of its listed shares, representing approximately €282.9 million as at 31 December 2016 (including the listed securities in the non-current investment portfolio and the current investment portfolio). The portfolio of listed shares of Tikehau Capital is subject to continuous monitoring and daily assessment for the management of this risk.

Tikehau Capital may be affected by adverse changes in the market price of its listed securities. A decline in the share price over a given period, especially at the end of the financial year, would be reflected in the financial statements as a fall in the net value of the portfolio and the consolidated shareholders' equity and could in particular affect the ability of the Group to pay dividends. Thus, a 10% decline in the fair value of listed assets as at 31 December 2016 would have resulted in an additional charge of €28 million in the consolidated earnings as at 31 December 2016. A fall in the quoted price is also likely to impact the earnings realized at the time of any sales into the market that might be made by Tikehau Capital. Furthermore, fluctuations in the equity markets may have an impact on the stock market comparables used as part of the multi-criteria valuation approach for non-listed equity shares. These fluctuations are likely to have a negative effect on the consolidated shareholders' equity and on the Group's income, without being able to establish an accurate correlation between the occurrence of these fluctuations and the valuation of said securities. As a result, sensitivity to this risk cannot be quantified. Depending on the extent of its funding and the magnitude of any price declines, Tikehau Capital could be required to make temporary payments to support its funding.

Tikehau Capital makes investment transactions on the European derivatives markets (futures or options), particularly for the purpose of hedging market risks. As at 31 December 2015 and as at 31 December 2016, Tikehau Capital had no open positions at the closing date.

The earnings from these activities came, respectively, to -€21 million in 2015, and -€62 million in 2016.

These activities are highly sensitive to shifts in the equity markets and can have a heavy impact on the Company's results.

Over the past 10 years (from 2006 to 2016), these strategies have incurred a total cost of €66 million. In the 2016 financial year, the cost of these strategies represented 5.5% of consolidated shareholders' equity, and since 1 January 2013, the average cost has been 3.6 % of consolidated shareholders' equity.

Lastly, Tikehau Capital can also be affected by changes in the value of its non-listed assets; however, their impact on the overall portfolio of the Company is limited. Indeed, investments in non-listed equity shares represent a total amount of €59.2 million as at 31 December 2016.

	31 Dec. 16			31 Dec. 15		
(in millions of €)	Shares	Receivables	Total	Shares	Receivables	Total
Equity shares	59	16	**76**	20	20	**40**
Fund (TIAP & FCPR)	272	1	**272**	183	1	**184**
Bonds	124	0	**125**	87	1	**88**
Total	**455**	**18**	**473**	**290**	**22**	**312**

Bond investments or investments in closed-ended funds invested mostly in private debt by nature have less variations in returns:

- Risks from non-listed bond investments carrying fixed coupon rates are limited to issuer risk. As at the date of this Registration Document, no default has occurred in the Group's non-listed bond investments.

- Investments in funds as at 31 December 2016 consisted 85% of funds managed by Tikehau IM or Tikehau Capital Europe (mainly private debt funds or real estate funds in which historical default rates are very low).

Tikehau Capital's investments in equity securities (particularly in level 1 or 2 assets) are subject to greater variations.

Most assets underlying the invested assets are in non-cyclical sectors. This reduces the likelihood of variations in returns. The main risk of variations in returns is default risk and forecast-related risk.

d) Exposure to counterparty risk

To manage its counterparty risk related to cash and marketable securities, Tikehau Capital only works with top tier banks and has recourse to investments whose horizon is suited to its projected needs. Cash investments are reviewed on a weekly basis particularly in terms of credit risk. The selection of investment vehicles and counterparties and the volatility of the instruments are also subject to regular review. It is based on prudential rules ensuring the diversification of custodians and account keepers as well as the variety of vehicles and risk/return profiles. In 2016, Tikehau Capital was not exposed to any counterparty default.

e) Exposure to liquidity risk

Tikehau Capital manages its liquidity risk by maintaining a store of available cash and liquid investments (the current portfolio) that is sufficient for covering its current debts.

(xxviii) Contingent liabilities

Description (in thousands of €)	Amount as at 31 December2016		Amount as at 31 December2015	
	Number of shares	Value of collateral provided	Number of shares	Value of the collateral
Commitment of payment to current account		208		4.280
Capital subscription commitment in the companies		44.948		20.000
Uncalled commitment by the funds		94.055		0
Pledge of shares as first-demand guarantee		48.600		
Pledge of shares as loan guarantee and authorised overdrafts	4,651,218	269.691	2,493,767	138.262
Pledge of bank accounts as loan guarantee and authorised overdrafts		3.385		192.431
Guarantee for disposals of shares in property investment companies carried out by a subsidiary		2.000		
Total commitments made		**414.286**		**354.973**

Description (in thousands of €)	Amount as at 31 December 2016	Amount as at 31 December 2015
Lombard loan not drawn at close	0	39,937
Syndicated loan not drawn at close	100,000	
Société Générale borrowing, not drawn at close	N/A	15,000
Commitment to subscribe to a capital increase realized on 6 January 2017	150,000	
Commitment by Amundi to hold24.9% of TCE ordinary shares*	9,518	
Total commitments received	**259,518**	**54,937**

* Commitment may be increased up to an amount of €15 million

(xxix) Subsequent events since the end of 2016 financial year

Tikehau Capital capital increases

On 22 December 2016, Tikehau Capital opened a subscription period for a capital increase that closed on 6 January 2017. It was subscribed mainly by existing shareholders in the amount of about €150 million at a price of €21 per share.

Under the Group's transformation project which began end-2016 and which aims to simplify its legal structure, at the beginning of January 2017, Tikehau Capital announced the Company's stock-for-stock public offer and cash takeover bid of the ordinary shares and ORNANE Bonds of its Salvepar subsidiary, which are not yet held by the Company. The settlement of the public offer took place on 28 February 2017, with the creation of 7,185,807 Tikehau Capital shares, i.e. a capital increase of around €151 million on the basis of an exchange rate of 2.6333. After this transaction, the Company holds 99.14% of Salvepar.

On 6 January 2017, Tikehau Capital also obtained from FSP a pledge to subscribe to a reserved capital increase in the minimum amount of €50 million, also at a price of €21 per share. This reserved capital increase was conducted on 3 March 2017.

Capital increase of the subsidiary Tikehau Capital Europe

On 10 March 2017, Tikehau Capital Europe carried out a capital increase for some €22 million, subscribed by the Company and Amundi. Following this operation, which was approved by the FCA, the Company held 75.1% of Tikehau Capital Europe shares and Amundi held 24.9%.

This capital increase allowed Tikehau Capital Europe to finance the preparatory phase of Tikehau CLO III, the launch of which is scheduled for mid-2017.

Success of the exchange offer for Salvepar

On 9 January 2017, the Company announced a public exchange offer and a cash takeover bid for the ordinary shares and the ORNANE Bonds issued by Salvepar. The results of the offer were communicated on 27 February 2017, and are detailed below:

(i) Firstly, 2,728,822 ordinary shares representing 36.6% of Salvepar's share capital and 1,225,326 ORNANE Bonds were tendered to the simplified public exchange offer
(ii) Secondly, 277,543 ordinary shares representing 3.7% of Salvepar's share capital and 165,277 ORNANE Bonds were tendered to the simplified public purchase offer.

Subsequently to the public exchange offer, Tikehau Capital held 99.1% of Salvepar's ordinary shares and 99.8% of its ORNANE Bonds.

The mandatory delisting of Salvepar's shares and ORNANE Bonds which were not tendered to the offer took place on 6 March 2017.

Tikehau Capital's initial public offering

On 7 March 2017, the Company was listed on the Euronext Paris. The introductory price was set at €21 per share for a stock market capitalisation of around €1.5 billion.

This listing falls under the reorganization of the Group, which began end-2016. The operation consisted in a public exchange offer for Salvepar, as detailed above.

Change in the equity interest in Groupe Flo

In 2006, the Company acquired a 34% interest in Financière Flo alongside GIB, a joint venture between Ackermans & van Haaren and CNP. This stake gives it a holding of about 24% in the listed company Groupe Flo, which was valued at €7.9 million in the Company's consolidated financial statements as at 31 December 2016.

Groupe Flo is the leading commercial themed restaurant group in France. The group has more than 300 restaurants collected under numerous chains (Hippopotamus, Brasseries Flo, Tablapizza and Tavernes de Maître Kanter). (See the website of Groupe Flo: www.groupeflo.com)

In 2015, Groupe Flo's consolidated revenues fell by 6.1%, in a highly unfavourable environment for restaurants, which were affected in Paris by the November 2015 terrorist attacks. Consolidated net income for 2015, Group share, was a loss of €51.5 million. Net financial debt (corresponding to net financial debt plus shareholder loans) amounted to €79.3 million as at 31 December 2015, taking into account a shareholder loan of €27.1 million for Financière Flo.

In this difficult financial context, Groupe Flo announced on 1st December 2016 that it had reached an agreement with its financial partners for the suspension of various rights under the existing loan agreements until the end of April 2017, including the repayment of principal amounts due during this period, and the setting up of a new credit line of €6.2 million provided by its key shareholder, Financière Flo, in which the Company holds a 34% interest, involving an additional investment by the Company of €2.1 million. This new credit line is due by the end of April 2017 via mainly one of the divestments of non-strategic assets underway. The agreement allowed Groupe Flo to cover any cash flow needs it had until the end of April 2017.

Following this announcement, Groupe Flo announced in early 2017 that it was pursuing its process to seek investors and to explore new strategic options for the group. It indicated that it had received non-binding proposals to take a share in its capital and/or acquire of some of its assets, in particular from the Groupe Bertrand, a major player in commercial catering in France. Groupe Flo also published its revenues as at 31 December 2016, which amounted to €266.5 million (down 5.5% from the previous year on a like-for-like basis) and its current income which saw a loss of €13.9 million (compared with a loss of €6.9 million in 2015). Groupe Flo's net financial debt (corresponding to net financial debt plus shareholder loans) amounted to €64.7 million as at end-2016, taking into account a shareholder loan of €28.4 million for Financière Flo.

2. Statutory Auditor's report on the consolidated financial statements

This is a free translation into English of the statutory auditors' report on the consolidated financial statements issued in French and it is provided solely for the convenience of English-speaking users.
The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures.
This report also includes information relating to the specific verification of information given in the group's management report.
This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

C.M.S. EXPERTS ASSOCIES
149, boulevard Malesherbes
75017 Paris
S.A.R.L. au capital de € 200.000

Commissaire aux Comptes
Membre de la compagnie
régionale de Paris

ERNST & YOUNG et Autres
1/2, place des Saisons
92400 Courbevoie - Paris-La Défense 1
S.A.S. à capital variable

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

Tikehau Capital
(Formerly Tikehau Capital Partners)
Year ended December 31, 2016

(a) Statutory auditors' report

on the consolidated financial statements

To the Shareholders,
In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you, for the year ended December 31, 2016, on:

- the audit of the accompanying consolidated financial statements of Tikehau Capital ;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Manager. Our role is to express an opinion on these consolidated financial statements based on our audit.

I. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2016 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.
Without qualifying our opinion, we draw your attention to the matter set out in note 5.2.f to the consolidated financial statements regarding the change in presentation of net income from equity-consolidated companies.

II. Justification of our assessments

In accordance with the requirements of Article L. 823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

For the purpose of preparing the financial statement, your Group makes some significant accounting estimates, notably regarding the valuation of goodwill, deferred tax assets and some financial instruments that are not listed in active market as detailed in notes 5.4 and 5.5 to the consolidated financial statements. We have reviewed the underlying assumptions and valuation parameters and assessed whether these accounting estimates rely on documented procedures consistent with the accounting policies described in the notes to the consolidated financial statements.
These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific verification

As required by law we have also verified in accordance with professional standards applicable in France the information presented in the Group's management report.
We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Paris-La Défense, April 21, 2017

The Statutory Auditors
French original signed by

C.M.S. EXPERTS ASSOCIES

Stéphane Sznajderman

ERNST & YOUNG et Autres

David Koestner

3. Unaudited *pro forma* financial information

1. Introduction

The European Prospectus Regulation requires that *pro forma* financial information be presented in the event of a change in scope that affects more than 25% on one or more of its business indicators.

As the various operations to streamline the Group's structure had a significant impact beyond the thresholds provided in the regulation, such information must be presented.

The unaudited *pro forma* financial information of Tikehau Capital has been prepared under the assumption of various operations intended to streamline the Group's shareholder structure and governance for the purpose of preparing the listing of shares of Tikehau Capital ("the Company") on the Euronext Paris regulated market.

The unaudited *pro forma* financial information takes into consideration two significant capital increases which took place at the beginning of 2017, the effective realisation of the public exchange offer for Salvepar as well as various operations to simplify the Group's legal structure (which began end-2016):

7. The contribution transactions to Tikehau Capital carried out on 21 December 2016:
    - Contribution of 74.1% of the share capital of Tikehau IM and almost entirely held by the partners of Tikehau IM (except for the employees of Tikehau IM who received free shares);
    - The contribution to Tikehau Capital of the Tikehau Capital Europe (TCE) shares held by Tikehau Capital Advisors;
    - The contribution to Tikehau Capital by Tikehau Asia partners of Tikehau Asia shares not yet held by Tikehau Capital;
8. The capital increase conducted on 6 January 2017, for a total amount (including share premium) of around €150 million;
9. The capital increase reserved for FSP, for a total amount of €50 million, carried out on 6 March 2017;
10. The consolidation of the entire financial interest in the company Duke Street into Tikehau Capital subject to FCA approval;
11. The contribution to Tikehau Capital of the Salvepar shares held by its main minority shareholders, under a public exchange offer launched on 9 January 2017 and finalised on 27 February 2017, which resulted in the delisting of Salvepar shares given the success of the offer;
12. The capital increase of Tikehau Capital Europe (TCE) following the FCA's approval of the operation on 2nd February 2017, enabling Amundi to subsequently hold 24.9% of the ordinary shares.

These transactions were implemented for the purpose of enhancing the readability of the Group's legal structure, promoting operating efficiency, and implementing a functional organizational set-up that is consistent with the Group's objectives and strategy.

The purpose of the *pro forma* financial information is to illustrate the impact of these transactions on the presentation of Tikehau Capital's consolidated financial statements, as if all the planned reorganization operations described above had been carried out by 31 December 2016 for the purpose of the *pro forma* statement of financial position and on 1st January 2016 for the purpose of the *pro forma* income statements in application of European Regulation no. 8 09/2004.

Nevertheless, net income excluding non-recurring income related to the TIM and Salvepar transactions was presented in order to provide continuity between the *pro forma* balance sheet and that relative to the 2015 financial year (extracted from paragraph V of the Registration Document no. I.17-002 registered with the AMF on 24 January 2017), applying the same basis of preparation as that which was used to draw up this 2015 *pro forma* balance sheet (as if the transactions had taken place on 1st January 2015).

The *pro forma* financial information relating to financial year 2015 is taken from paragraph V of the Registration Document no. I.17-002 registered with the AMF on 24 January 2017 and was subject to a specific report by the Statutory Auditors and is presented for the purposes of comparison (this information is presented as if the transactions had taken place on 1st January 2015).

Tikehau Capital's unaudited *pro forma* financial information has been prepared on the basis of the assumptions presented in Section 5.1 – "Description of the operations and basis of preparation" of the notes to the unaudited *pro forma* financial information presented below.

These assumptions are identical to those used to draw up the *pro forma* financial information published during the company's initial public offering.

The unaudited *pro forma* financial information does not reflect the results or financial situation that Tikehau Capital would have had if the transactions had actually been executed on the aforementioned respective dates. Nor does the unaudited *pro forma* financial information presented below reflect the synergies or integration costs resulting from these transactions.

The information presented below must be read alongside the information contained in Tikehau Capital's consolidated financial statements and alongside other information contained in this Registration Document.

Tikehau Capital's *pro forma* financial information is not necessarily representative of Tikehau Capital's future results or financial situation. No guarantee is offered that the trends suggested in the unaudited *pro forma* financial information (or in the respective accounts of Tikehau Capital, Salvepar, Tikehau IM or Tikehau Capital Europe) are representative of Tikehau Capital's futures results or performance.

Accordingly, Tikehau Capital's results and financial situation may diverge significantly from the results and financial situation presented in the unaudited *pro forma* financial information.

2. *Pro forma* financial information presented

The unaudited *pro forma* financial information has been prepared in thousands of euros and reflects the aforementioned operations as if they had occurred on 31 December 2016 for the purpose of the *pro forma* statement of financial position and on 1st January 2016 for the purpose of the *pro forma* income statements.

The unaudited *pro forma* financial information includes the following information:

- a statement of the *pro forma* financial situation as at 31 December 2016 reflecting the reorganization operations, based on the acquisition method as if the operations had occurred on 31 December 2016;

- an unaudited combined condensed *pro forma* income statement for the financial year from 1 January to 31 December 2016, reflecting the reorganization operations using the purchase method as if these operations had occurred on 1 January 2016, in application of European Regulation no. 8 09/2004. Furthermore, net income excluding non-recurring income related to the TIM and Salvepar transactions was presented in order to provide continuity between the *pro forma* financial information and that relative to the 2015 financial year (extracted from paragraph V of the Registration Document no. I.17-002 registered with the AMF on 24 January 2017), applying the same basis of preparation as that which was used to draw up this 2015 *pro forma* financial information (as if the transactions had taken place on 1st January 2015).

- and an unaudited condensed *pro forma* income statement for the period from 1 January 2015 to 31 December 2015, reflecting the reorganization operations using the purchase method as if these operations had occurred on 1 January 2015. This *pro forma* financial information relating to financial year 2015, presented for the purposes of comparison, is taken from paragraph V of the Registration Document no. I.17-002 registered with the AMF on 24 January 2017 and was subject to a specific report by the Statutory Auditors on 24 January 2017.

- explanatory notes.

The unaudited *pro forma* financial information has been drawn up and must be read in conjunction with the following documents:

- Tikehau Capital's consolidated financial statements as at 31 December 2016, which have been drawn up in accordance with IAS/IFRS international accounting standards as adopted by the European Union and subject to an audit by the Statutory Auditors. These financial statements are included in this Registration Document;

- Salvepar's consolidated financial statements as at 31 December 2016, which have been drawn up in accordance with IAS/IFRS international accounting standards as adopted by the European Union and subject to an audit by the Statutory Auditors which is underway.

The *pro forma* adjustments are based on available information, as well as certain reasonable assumptions, including those foreseen under the merger between Tikehau Capital and Salvepar.

3. Unaudited *pro forma* balance sheet

Summary report

ASSETS (in thousands of €)	31 December2016
NON-CURRENT ASSETS	
Tangible and intangible fixed assets	311,347
Non-current investment portfolio	840,804
Investments in associates	6,907
Deferred tax asset	25,946
Other non-current assets	
TOTAL NON-CURRENT ASSETS	**1,185,004**
CURRENT ASSETS	
Trade receivables and related accounts	8,909
Other receivables	5,720
Current investment portfolio	118,461
Current financial derivatives	
Cash and cash equivalents	495,085
TOTAL CURRENT ASSETS	**628,175**
TOTAL ASSETS	**1,813,179**

LIABILITIES (in thousands of €)	31 December2016
Shareholders' equity (Group's share)	1,512,040
Non-controlling interests	18,449
SHAREHOLDERS' EQUITY	**1,530,488**
NON-CURRENT LIABILITIES	
Non-current provisions	421
Non-current borrowings and payables	202,193
Deferred tax liability	8,626
Non-current financial derivatives	4,072
TOTAL NON-CURRENT LIABILITIES	**215,311**
CURRENT LIABILITIES	
Current borrowings and payables	3,053
Trade payables and related accounts	14,924
Tax and social security liabilities	24,459
Current financial derivatives	
Other liabilities	24,944
TOTAL CURRENT LIABILITIES	**67,380**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**1,813,179**

The reconciliation of the consolidated financial statements and the *pro forma* balance sheet

ASSETS (in thousands of €)	Consolidated financial statements 31/12/2016	Salvepar contribution note 5.2.1	Duke Street contribution note 5.2.2	Capital increase TCE note 5.2.3	Capital increase TC note 5.2.4	Internal eliminations	*Pro forma* 31/12/2016
NON-CURRENT ASSETS							
Tangible and intangible fixed assets	**311,234**	**113**	**0**	**0**	**0**	**0**	**311,347**
Non-current investment portfolio	**762,578**	**145,584**	**-2,777**	**0**	**0**	**-64,581**	**840,804**
Investments in associates	**267**		**6,640**	**0**	**0**	**0**	**6,907**
Deferred tax asset	**27,569**	**-1,623**	**0**	**0**	**0**	**0**	**25,946**
Other non-current assets	**0**	**0**	**0**	**0**	**0**	**0**	**0**
TOTAL NON-CURRENT ASSETS	**1,101,647**	**144,074**	**3,864**	**0**	**0**	**-64,581**	**1,185,004**
CURRENT ASSETS							
Trade receivables and related accounts	8,885	562	0	0	0	-538	8,909
Other receivables	5,689	31	0	0	0	0	5,720
Current investment portfolio	40,454	78,007	0	0	0	0	118,461
Current financial derivatives	0	0	0	0	0	0	
Cash and cash equivalents	129,845	150,240	0	15,000	200,000	0	495,085
TOTAL CURRENT ASSETS	**184,873**	**228,840**	**0**	**15,000**	**200,000**	**-538**	**628,175**
TOTAL ASSETS	**1,286,520**	**372,914**	**3,864**	**15,000**	**200,000**	**-65,119**	**1,813,179**

LIABILITIES (in thousands of €)	Consolidated financial statements 31/12/2016	Salvepar contribution note 5.2.1	Duke Street contribution note 5.2.2	Capital increase TCE note 5.2.3	Capital increase TC note 5.2.4	Internal eliminations	*Pro forma* 31/12/2016
SHAREHOLDERS' EQUITY (GROUP'S SHARE)	**1,129,726**	**179,271**	**3,864**	**-822**	**200,000**	**0**	**1,512,040**
Non-controlling interests	2,627	0	0	15,822	0	0	18,449
SHAREHOLDERS' EQUITY	**1,132,353**	**179,271**	**3,864**	**15,000**	**200,000**	**0**	**1,530,488**
NON-CURRENT LIABILITIES							
Non-current provisions	421	0	0	0	0	0	421
Non-current borrowings and payables	116,857	149,397	0	0	0	-64,061	202,193
Deferred tax liability	811	7,814	0	0	0	0	8,626
Non-current financial derivatives	4,015	57	0	0	0	0	4,072
TOTAL NON-CURRENT LIABILITIES	**122,103**	**157,268**	**0**	**0**	**0**	**-64,061**	**215,311**
CURRENT LIABILITIES							
Current borrowings and payables	2,354	1,219	0	0	0	-520	3,053
Trade payables and related accounts	14,707	754	0	0	0	-538	14,924
Tax and social security liabilities	9,565	14,894	0	0	0	0	24,459
Current financial derivatives	0	0	0	0	0	0	0
Other liabilities	5,437	19,507	0	0	0	0	24,944
TOTAL CURRENT LIABILITIES	**32,063**	**36,375**	**0**	**0**	**0**	**-1,058**	**67,380**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**1,286,520**	**372,914**	**3,864**	**15,000**	**200,000**	**-65,119**	**1,813,179**

4. The unaudited pro forma consolidated statement of comprehensive income

(in thousands of €)	2016	2015 [5]
Change in fair value of the non-current portfolio	43,663	67,765
Change in fair value of the current portfolio	2,955	12,834
Change in fair value	**46,617**	**80,599**
Other non-current portfolio revenue	42,329	17,204
Other current portfolio revenue	1,531	1,374
Other portfolio revenue	**43,860**	**18,578**
Portfolio Revenue	**90,477**	**99,177**
Management companies revenue	**39,395**	**27,852**
Derivatives portfolio revenue	**-62,194**	**-21,025**
Purchases and external charges	-41,545	-33,536
Other net operating expenses	-24,695	-16,848
Operating expenses	**-66,240**	**-50,384**
Revenue from investment and asset management activities before share of net income from equity affiliates	**1,438**	**55,620**
Share of net income from equity affiliates [1]	**336**	
Revenue from investment and asset management activities after share of net income from equity affiliates	**1,774**	**55,620**
Net income from cash equivalents	1,051	1,676
Financial expenses	-8,985	-4,603
Financial income	**-7,935**	**-2,927**
Pre-tax profit	**-6,161**	**52,694**
Income tax	10,648	-8,949
Non-controlling interests		1,941
Consolidation transactions [2]		103,705
Net income	**4,487**	**149,391**
Non-controlling interests	875	-834
Net income (Group's share) [3]	**3,612**	**150,225**
Net income (Group's share) including non-recurring income related to the TIM and Salvepar operations[4]	**124,568**	**150,225**

1 Because of the nature of their activities, the income from equity affiliates was reclassified in 2016 as part of the investment and management activities, in order to improve the

The reconciliation of the published consolidated statement of comprehensive income and the 2016 *pro forma* comprehensive income statement

understanding of the performances from these activities. This presentation change has no impact on the company's net income.

1 Consolidation transactions are accounted for using the purchase method in accordance with IFRS 3. Excluding the impact of consolidation transactions, the Group's share of net income amounts to €45.7 million in 2015.

3 Net income excluding non-recurring income related to the TIM and Salvepar operations was presented in order to provide continuity between the *pro forma* balance sheet and that relative to the 2015 financial year (extracted from paragraph V of the Registration Document no. I.17-002 registered with the AMF on 24 January 2017), applying the same basis of preparation as that which was used to draw up this 2015 *pro forma* balance sheet (as if the transactions had taken place on 1st January 2015.).

4 In application of European Regulation no. 8 09/2004, the *pro forma* information is provided for the last period covered by the financial statements presented in the financial report as if the change in scope had taken place on 1st January 2016, concerning the income statement. Net non-recurring income includes non-recurring elements relating to the capital gain from the disposal of TIM shares, in the amount of €64.2 million, and to the change in fair value of Salvepar shares for €56.7 million. These impacts were presented together under "Consolidation transactions" in 2015.

5 The *pro forma* financial information relating to financial year 2015, presented for the purposes of comparison, is taken from paragraph V of the Registration Document no. I.17-002 registered with the AMF on 24 January 2017 and was subject to a specific report by the Statutory Auditors and is presented for the purposes of comparison (this information is presented as if the transactions had taken place on 1st January 2015).

(in thousands of €)	Consolidated financial statements 2016	Salvepar contribution note 5.2.1	Duke Street contribution note 5.2.2	Takeover TCE note 5.2.3	Takeover TIM note 5.2.5	Internal eliminations [1]	*Pro forma* 2016
Change in fair value of the non-current portfolio	41,495	1,906	0	0	262	0	43,663
Change in fair value of the current portfolio	794	2,161	0	0	0	0	2,955
Change in fair value	**42,289**	**4,067**	**0**	**0**	**262**	**0**	**46,617**
Other non-current portfolio revenue	31,455	18,878	0	3,684	56	-11,743	42,329
Other current portfolio revenue	155	1,375	0	0	0	0	1,531
Other portfolio revenue	**31,611**	**20,253**	**0**	**3,684**	**56**	**-11,743**	**43,860**
Portfolio revenue	**73,899**	**24,320**	**0**	**3,684**	**318**	**-11,743**	**90,477**
Management companies revenue	**2,381**	**0**	**0**	**2,501**	**36,582**	**-2,069**	**39,395**
Derivatives portfolio revenue	**-62,194**	**0**	**0**	**0**	**0**	**0**	**-62,194**
Purchases and external charges	-20,037	-5,711	0	-1,498	-17,509	3,210	-41,545
Other net operating expenses	-4,056	-276	0	-1,386	-18,679	-299	-24,695
Operating expenses	**-24,092**	**-5,986**	**0**	**-2,884**	**-36,188**	**2,911**	**-66,240**
Revenue from investment and asset management activities before taking into account the operating income of equity affiliates	**-10,006**	**18,334**	**0**	**3,300**	**712**	**-10,901**	**1,438**
Operating income from equity affiliates	**67,422**	**0**	**362**	**-3,619**	**-63,829**	**0**	**336**
Revenue from investment and asset management activities	**57,416**	18,334	362	-319	-63,117	-10,901	**1,774**
Net income from cash equivalents	577	506	0	0	-33	0	1,051
Financial expense	-7,874	-2,146	0	0	0	1,034	-8,985
Financial income	**-7,297**	**-1,639**	**0**	**0**	**-33**	**1,034**	**-7,935**
Pre-tax profit	**50,119**	**16,694**	**362**	**-319**	**-63,150**	**-9,868**	**-6,161**
Income tax	22,377	-10,429	0	0	-1,300	0	10,648
Net income	**72,496**	**6,265**	**362**	**-319**	**-64,450**	**-9,868**	**4,487**
Non-controlling interests	53	0	0	822	0	0	875
Net income (Group's share)	**72,444**	**6,265**	**362**	**-1,141**	**-64,450**	**-9,868**	**3,612**

[1] Intragroup eliminations consist mainly of the dividend paid by Salvepar to Tikehau Capital

5. Notes to the unaudited *pro forma* financial information

5.1.Description of the operations and presentation basis

Description of the operations

The operations reflected in the *pro forma* financial information include:

1. The contribution transactions to Tikehau Capital carried out on 21 December 2016:
    - Contribution of 74.1% of the share capital of Tikehau IM and almost entirely held by the partners of Tikehau IM (except for the employees of Tikehau IM who received free shares);
    - The contribution to Tikehau Capital of the Tikehau Capital Europe (TCE) shares held by Tikehau Capital Advisors;
    - The contribution to Tikehau Capital by Tikehau Asia partners of Tikehau Asia shares not yet held by Tikehau Capital;
2. The capital increase conducted on 6 January 2017, for a total amount (including share premium) of around €150 million;
3. The capital increase reserved for FSP, for a total amount of €50 million, carried out on 6 March 2017;
4. The consolidation of the entire financial interest in the company Duke Street into Tikehau Capital subject to FCA approval;
5. The contribution to Tikehau Capital of the Salvepar shares held by its main minority shareholders, under a public exchange offer launched on 9 January 2017 and finalised on 27 February 2017, which resulted in the delisting of Salvepar shares given the success of the offer;
6. The capital increase of Tikehau Capital Europe (TCE) following the FCA's approval of the operation on 2nd February 2017, enabling Amundi to subsequently hold 24.9% of the ordinary shares.

Regulatory framework

This *pro forma* financial information has been drawn up exclusively for the purpose of this Registration Document in accordance with the provisions of Annex II of European Regulation no. 809/2004 ("*Pro forma* financial information building block", ESMA recommendations of March 2013), and AMF Recommendation no. 2013-08 pertaining to *pro forma* financial information.

Historical financial information

- Tikehau Capital's historical financial information used in the *pro forma* presentation

  Tikehau Capital's historical financial information used for the purpose of the *pro forma* presentation is from Tikehau Capital's consolidated financial statements as at 31 December 2016, which have been drawn up in accordance with IAS/IFRS international accounting standards, as adopted by the European Union.

  Tikehau Capital's 2016 consolidated financial statements have been audited by CMS Experts & Associés and ERNST & YOUNG et Autres (included in this Registration Document).

  No adjustment or reclassification has been made to these accounts for the purpose of preparing the *pro forma* financial information.

- Historical financial information of Salvepar used in the pro forma presentation

Salvepar's historical financial information used for the purpose of the *pro forma* presentation is from Salvepar's consolidated financial statements as at 31 December 2016, which have been drawn up in accordance with IAS/IFRS international accounting standards, as adopted by the European Union.

Salvepar's 2016 consolidated financial statements are subject to an audit conducted by Expertise & Audit and ERNST & YOUNG et Autres, which is underway.

No significant discrepancy has been found in the manner in which IAS/IFRS standards are applied between Tikehau Capital and Salvepar. No adjustment was therefore deemed necessary to harmonise accounting principles for the purpose of preparing the *pro forma* financial information.

- <u>Tikehau IM's historical financial information used in the pro forma presentation</u>

  Tikehau IM's historical financial information used for the purposes of the *pro forma* presentation are from (i) Tikehau IM's annual financial statements prepared in accordance with the French Commercial Code (Articles L.123-12 to L.123-24) and the French GAAP regulation of 5 June 2014 (*Autorité des Normes Comptables* (ANC) 201403) pertaining to the new general accounting charter (*plan comptable général* (PCG)) and for which the audit carried out by ERNST & YOUNG et Autres is underway, (ii) to which some unaudited adjustments or reclassifications have been applied in order to present these accounts under IFRS standards, and (iii) as well the unaudited annual financial statements of the subsidiaries held by Tikehau IM (Tikehau IM Asia, Tikehau IM Asia Pacific and its 80%-held subsidiary IREIT Global) to which some adjustments have been applied in order to present these accounts under IFRS standards.

  Revenue from the management companies is presented net of retrocessions.

  No other adjustment or reclassification has been made to these accounts for the purpose of preparing the *pro forma* financial information.

- <u>Historical financial information of Tikehau Capital Europe used in the pro forma presentation</u>

  The historical financial information of Tikehau Capital Europe used for the purpose of the *pro forma* presentation is from the financial statements of Tikehau Capital Europe, which have been drawn up in accordance with UK GAAP accounting standards. In accordance with IAS/IFRS standards, no adjustment or reclassification has been made to present the accounts.

  The 2016 annual financial statements are subject to an audit conducted by and ERNST & YOUNG, which is underway.

- <u>Duke Street's historical financial information used in the pro forma presentation</u>

  To draw up the unaudited *pro forma* financial information, financial data pertaining to Duke Street and denominated in pound sterling has been converted into euro based on the following exchange rates:

Statement of financial position (closing rate as at 31 December 2016):	EUR/GBP 0.8562
2016 income statement (average rate of the 2016 financial year):	EUR/GBP 0.8195

Other sources of information

To supplement the historical financial information of Tikehau Capital and its equity interests, the unaudited *pro forma* financial information has been drawn up, *inter alia*, on the basis of the following sources of information:

- Purchase agreement signed with Amundi under which it subscribed 24.9% of the shares of Tikehau Capital Europe; this transaction was approved by the UK Financial Conduct Authority (FCA) on 2nd February and shares were subscribed on 16 March 2017 during a TCE capital increase.

- Custodian certificates confirming the completion of the two capital increases of Tikehau Capital of 6 January 2017 and 3 March 2017;

- Memorandum of understanding on Duke Street, subject to approval by the UK Financial Conduct Authority (FCA).

Basis of preparation

The unaudited *pro forma* statement of financial position and income statement as at 31 December 2016 have been prepared in thousands of euros and reflect the reorganization operations, using the purchase method as if the operations and described above had been carried out by 31 December 2016 for the purpose of the *pro forma* statement of financial position and on 1st January 2016 in application of European Regulation no. 8 09/2004. Furthermore, net income excluding non-recurring income related to the TIM and Salvepar transactions was presented in order to provide continuity between the *pro forma* financial information and that relative to the 2015 financial year (extracted from paragraph V of the Registration Document no. I.17-002 registered with the AMF on 24 January 2017), applying the same basis of preparation as that which was used to draw up this 2015 *pro forma* financial information (as if the transactions had taken place on 1st January 2015).

As some figures have been rounded off, some sums of the figures presented in this unaudited *pro forma* financial information may not be exactly equal to the totals presented.

The unaudited *pro forma* financial information reflects a hypothetical situation and is presented solely for purposes of illustration. It constitutes neither an indication of the results of operating activities, nor an indication of the combined group's financial situation that would have been seen in the 2016 financial year if the operations had occurred at the dates in question. Similarly, it is not an indication of future results of operating activities or the future financial situation of the combined group.

The *pro forma* adjustments are based on available information, as well as certain reasonable assumptions, including those foreseen under the public exchange offer launched by Tikehau Capital for Salvepar.

The determination of the IFRS accounting principles applicable to these operations takes into account the special features of IFRS accounting at investment companies, and in particular:

- the application of the exemption under IFRS 10 (Consolidated Financial Statements) for subsidiaries held by investment companies (such as Tikehau Capital) other than those that perform services for the investment company; securities of such entities are estimated at fair value (IFRS 10 - Subsidiary exemption);

- the application of the exemption under IFRS 3 (Business Combinations) to the acquisition of subsidiaries by an investment management firm, under which shares in this subsidiary are recognized as a securities acquisition recognized at fair value (IFRS 3 exemption);

- the non-application of IFRS 10 (Consolidated Financial Statements) to increased percentages in ownership of subsidiaries of investment companies that are already eligible under IFRS 10 Subsidiary exemption ("IFRS 10 Subsidiary exemption – change of percentage").

The *pro forma* financial information reflects a preliminary recognition of acquisitions drawn up on the basis of available valuation reports. The difference between the payments made and the preliminary fair value of net assets acquired has been recognized under goodwill on a temporary basis. This was done solely for the production of the unaudited *pro forma* financial information and is therefore hypothetical and subject, within 12 months after the completion of the transactions, to revision on the basis of the final fair values of assets and liabilities acquired on different dates.

On the dates that the operations were completed, the transactions undertaken by Tikehau Capital and Tikehau IM, Salvepar, and Tikehau Capital Europe were considered intragroup operations and were eliminated.

5.2. Review of operations and related pro forma adjustments

Note 1 – Public exchange offer for Salvepar securities (ordinary shares and ORNANE Bonds)

The Salvepar securities on Tikehau Capital's consolidated balance sheet as at 31 December 2016 are recognized under IFRS 10 (Subsidiary exemption).

The final results of the public exchange offer and cash takeover bid for the ordinary shares and the ORNANE Bonds issued by Salvepar which were announced on 9 January 2017 by the Company were communicated on 27 February 2017, and are detailed below:

(1) Firstly, 2,728,822 ordinary shares representing 36.6% of Salvepar's share capital and 1,225,326 ORNANE Bonds were tendered to the simplified public exchange offer
(2) Secondly, 277,543 ordinary shares representing 3.7% of Salvepar's share capital and 165,277 ORNANE Bonds were tendered to the simplified public cash takeover bid.

Subsequently to the public exchange offer, Tikehau Capital held 99.1% of the ordinary shares and 99.8% of the ORNANE Bonds.

The mandatory delisting of Salvepar's shares and ORNANE Bonds which were not tendered to the offer took place on 6 March 2017.

Furthermore, as announced in the Company's intentions during the public exchange offer, the *pro forma* financial information was drawn up following the assumption of a merger between Tikehau Capital and Salvepar.

The value of Salvepar's assets and liabilities tendered is based on IFRS consolidated financial statements as at 31 December 2016.

The *pro forma* balance sheet integrates the final results of the exchange offer for Salvepar and the value of the Salvepar shares recognized on Tikehau Capital's balance sheet on the basis of the 31 December 2016 share price was replaced by the consolidated book value of Salvepar assets and liabilities as at 31 December 2016 under IFRS.

The change in value incurred by the increased holding between 58.8% and 100% is booked as a change of scope (consolidated reserves), as an acquisition of minority interests.

The difference between the share price and the IFRS book value is recognized as a change in fair value on the income statement for Tikehau Capital's share as at 1 January 2016 (i.e., prior to the public offer of exchange/delisting) in the line "Net income (Group's share) including non-recurring income related to the TIM and Salvepar operations".

Treatment of the ORNANE Bonds issued by Salvepar
In the *pro forma* financial information, the ORNANE Bonds (portion not held by Tikehau Capital) are recognized under financial debt, in line with the result of the public exchange offering published on 27 February 2017. As the terms of the ORNANE Bonds are identical, no effect in terms of valuation has been recognized in the *pro forma* financial information.

Note 2 – Reorganization of the Duke Street investment

The purpose of the operation is to pool the entire financial stake in Duke Street within Tikehau Capital.

As part of the reorganization operations prior to requesting the admission of Company shares to trading on the Euronext Paris regulated market, an agreement was signed to transfer to Tikehau Capital Partners UK Limited (a wholly owned subsidiary of the Company) the total stake held by Tikehau DS LLP (a

49%-owned subsidiary of Tikehau Capital Partners UK Limited) in the management firm Duke Street LLP. This transfer will raise Tikehau Capital Partners UK Limited's stake in Duke Street LLP from 17.15% to 35%. Its purpose is to move the Group's entire stake in Duke Street LLP to the Company, given that the latter is a UK management firm specialising in midcap LBOs. The transfer, which was approved by the Company's Supervisory Board on 5 January 2017, is subject to FCA approval. Barring FCA approval, the transfer will not take place, and the transaction will have no impact on the other past reorganization operations that have been carried out definitively.

The divestment transaction has been valued on the basis of the share of consolidated equity of Duke Street as at 30 June 2016 (a method identical to that used by the group for the 2013 acquisition).

Duke Street is therefore recognized under the equity method, given Tikehau Capital's significant influence on it.

Note 3 –Tikehau Capital Europe (TCE) – Arrival of a minority shareholder

Tikehau Capital Europe is an asset management company and is recognized according to the full consolidation method.

On 16 September 2016, Amundi took part in a reserved capital increase via preference shares, which raised its post-recapitalisation stake to 24.9% of the preference shares and 5.4% of total shares (ordinary shares included) in TCE. Simultaneously with the subscription of the preference shares, this same co-shareholder pledged to subscribe ordinary shares so that it would hold 24.9% of the ordinary shares following the launch of the second collateralised loan obligation, on 30 November 2016.

This transaction required approval by the UK Financial Conduct Authority (FCA), which was obtained on 2nd February 2017.

This co-shareholder was thereby able to participate in a capital increase in TCE on 16 March 2017, under the launch of the third Collateralised Loan Obligation. It subsequently held 24.9% of TCE's ordinary shares and 24.9% of its preference shares. The *pro forma* financial situation reflects this transaction.

On 21 December 2016, Tikehau Capital Advisors tendered to Tikehau Capital the 3,900,000 preference shares that it owned in Tikehau Capital Europe (TCE) (75.1% of the preference shares), thereby giving Tikehau Capital control of TCE as defined by IFRS 10.

For the purpose of the *pro forma* income statement, which presents transactions as if they had taken place on 1st January 2016, this contribution and the subsequent takeover were considered as having been carried out on 1st January 2016.

Note 4 – Capital increases of Tikehau Capital in the first quarter of 2017

On 22 December 2016, Tikehau Capital opened a subscription period for a capital increase that closed on 6 January 2017. It was subscribed mainly by existing shareholders in the amount of about €150 million at a price of €21 per share.

On 6 January 2017 Tikehau Capital also obtained from the FSP a pledge to subscribe to a reserved capital increase in an amount of €50 million, also at a price of €21 per share. This capital increase was conducted on 3 March 2017.

Note 5 – Contribution of Tikehau IM shares

Tikehau IM is an asset management company controlled by Tikehau Capital and is recognized according to the full consolidation method as at 31 December 2016.

On 21 December 2016, Tikehau Capital Advisors as well as other shareholders of Tikehau IM contributed to Tikehau Capital the shares that they owned in Tikehau IM, thereby giving control of TIM to Tikehau Capital as defined by IFRS 10.

For the purpose of the *pro forma* statement of comprehensive income, these contributions and the subsequent takeover were considered as having been carried out on 1st January 2016 and are recorded in the line "Net income (Group's share) including non-recurring income related to the TIM and Salvepar operations".

Note 6 – Sector information – Pro forma

Following this reorganization, Tikehau Capital will monitor the operating performances of its activities around four business lines, mainly for an institutional and corporate clientele:

- private debt;
- private equity;
- real estate; and
- liquid strategies (fixed income management/balanced and equities management).

To date, the most precise indicator in monitoring operating performances is the distribution of revenue by business line (net of paid retrocessions).

By way of illustration, the net revenues by business line would break down as follows as at 31 December 2016:

(in thousands of €)	2016	2015 [1]
Portfolio revenue	90,477	99,177
Management companies revenue	39,395	27,852
Net Revenues	**129,872**	**127,029**

(in thousands of €)	Private debt	Real estate	Private Equity	Liquid strategies	TOTAL as at 31 December 2016
Net Income	**33,779**	**17,254**	**67,272**	**11,567**	**129,872**
of which recurring income	**33,756**	**17,254**	**66,395**	**10,756**	**128,161**
Management fees	*14,787*	*3,981*	*110*	*10,756*	*29,634*
Arrangement fees	*5,413*	*3,624*	*25*	-	*9,061*
Investment income in the balance sheet	*10,837*	*6.098*	*25.914*	-	*42,848*
Change in FV, realized and unrealized	*2,719*	*3.552*	*40.347*	*0*	*46,617*
of which non-recurring income	**23**	**0**	**877**	**811**	**1,710**
Performance fees & carried interest	*0*	-	0	*811*	*811*
Others	*23*	-	*877*	-	*900*

58 The *pro forma* financial information relating to financial year 2015, presented for the purposes of comparison, is taken from paragraph V of the Registration Document no. I.17-002 registered with the AMF on 24 January 2017 and was subject to a specific report by the statutory auditors and is presented for the purposes of comparison (this information is presented as if the transactions had taken place on 1st January 2015).

(in thousands of €)	Private debt	Real estate	Private Equity	Liquid strategies	TOTAL as at 31 December 2015
Net Income	**14,499**	**6,508**	**93,336**	**12,687**	**127,029**
of which recurring income	**13,939**	**6,508**	**93,236**	**11,348**	**125,030**
Management fees	*10,251*	*1,923*	*658*	*8,484*	*21,316*
Arrangement fees	*2,964*	*2,406*	-	-	*5,370*
Investment income in the balance sheet	*724*	*2,178*	*14,843*	-	*17,745*
Change in FV, realized and unrealized	-	-	*77,734*	*2,865*	*80,599*
of which non-recurring income	**560**	**0**	**100**	**1,338**	**1,999**
Performance fees & carried interest	*560*	-	0	*1,338*	*1,899*
Others	-	-	*100*	-	*100*

4. Statutory auditors' report on *pro forma* financial information

C.M.S. EXPERTS ASSOCIES
149, boulevard Malesherbes
75017 Paris, France
S.A.R.L. with share capital of €200,000

Statutory Auditor
Member of the *Compagnie Régionale de Paris*

ERNST & YOUNG et Autres
1/2, place des Saisons
92400 Courbevoie - Paris-La Défense 1, France
S.A.S. with variable capital

Statutory Auditor
Member of the *Compagnie Régionale de Versailles*

TIKEHAU CAPITAL
(formerly Tikehau Capital Partners)

Statutory auditors' report on *pro forma* financial information

To the Managers,

In our capacity as Statutory Auditors and in accordance with Regulation (EC) No. 809/2004, we have prepared this report on the *pro forma* financial information of the company Tikehau Capital for financial year 2016 included in Section V of the prospectus prepared in connection with the Registration Document.

This *pro forma* financial information has been prepared for the sole purpose of illustrating the effects that the transactions described in Note 1 of the explanatory notes to the *pro forma* financial information might have had on:

- the consolidated balance sheet of Tikehau Capital as at 31 December 2016 if these operations had taken effect on 31 December 2016 and,
- on the consolidated income statement of Tikehau Capital as at 31 December 2016 if these transactions had taken effect on 1 January 2016.

By their very nature, they describe a hypothetical situation and are not necessarily representative of the financial situation or the performances that might have resulted if the transaction or event had occurred at a date earlier than their actual or planned occurrence.

This *pro forma* financial information has been drawn up under your responsibility in accordance with Regulation (CE) N° 809/2004 and ESMA recommendations pertaining to *pro forma* financial information.

It is our duty to express an opinion on the basis of our audit in the terms required by Annex II, item 7, of Regulation (CE) N° 809/2004 on the appropriateness of the preparation of the *pro forma* information.

We conducted the due diligence that we deemed necessary, in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this engagement. These diligences, which include neither an audit, nor a limited review of the financial information underlying the *pro forma* financial information, consisted mainly in verifying that the bases upon which this *pro forma* financial information has been drawn up are consistent with the source documents described in the explanatory notes to the *pro forma* financial information, in reviewing the arguments put forth to justify the pro forma reclassifications, and in interviewing the management of Tikehau Capital to compile the information and explanations that we deemed necessary.

In our opinion:

- The *pro forma* financial information has been drawn up appropriately on the indicated basis;

- This basis is in accordance with the issuer's accounting methods.

This report is issued for the sole purpose of filing the Registration Document with the AMF and cannot be used in any other context.

Paris and Paris-La Défense, 27 April 2017

The Auditors

C.M.S. EXPERTS ASSOCIES	ERNST & YOUNG et Autres
Stéphane Sznajderman	David Koestner

VI. ANNUAL FINANCIAL STATEMENTS AS AT 31 DECEMBER 2016

1. Annual financial statements

Comparable balance sheets

ASSETS (in thousands of €)		31 December 2016			31 December 2015
	Notes	**Gross**	**Amortization and depreciation**	**Net**	
Intangible fixed assets					
Other intangible fixed assets	**1**	13,571	648	12,923	37
Tangible fixed assets					
Land					
Buildings					
Other tangible fixed assets					
Financial fixed assets *					
Equity interests	**2**	690,891	42,236	648,656	306,207
Receivables relating to equity interests	**2**	85,510	3,077	82,433	52,544
Other securities holdings	**2**	302,399	9,875	292,524	228,425
Loans	**2**	184		184	184
Other financial fixed assets	**2**	831	9	822	1,020
Sub-total fixed assets		**1,093,387**	**55,845**	**1,037,541**	**588,415**
Receivables **					
Trade receivables and related accounts	**3**	797		797	75
Other receivables	**3**	2,031		2,031	5,073
Marketable securities	**4**	39,039	7,137	31,902	40,827
Term deposits		20,000		20,000	
Cash and cash equivalents		67,745		67,745	6,076
Prepaid expenses					33
Translation differences (assets)		205		205	201
Deferred expenses	**5**	2,433		2,433	549
Sub-total current assets		**132,251**	**7,137**	**125,114**	**52,834**
TOTAL ASSETS		**1,225,637**	**62,982**	**1,162,655**	**641,250**
* *of which of less than one year*		2,357			2,343
** *of which of more than one year*					

LIABILITIES (in thousands of €)	Notes	31 December 2016	after allocation *	31 December 2015	after allocation
EQUITY	**6**				
Share capital		650,098	650,098	260,278	260,278
Merger and share premiums		379,004	379,004	84,023	84,023
RESERVES					
Legal reserve		4,212	4,212	4,003	4,212
Regulated reserves					
Other reserves					
RETAINED EARNINGS		34,656	-21,945	30,675	34,656
NET INCOME FOR THE FINANCIAL YEAR		-56,602		4,191	
EXCESS TAX AMORTIZATION					
Excess tax amortization		1,587	1,587	1,196	1,196
Sub-total Equity		**1,012,956**	**1,012,956**	**384,366**	**384,366**
PROVISIONS FOR RISKS AND CHARGES					
Provisions for risks	**7**	205	205	201	201
DEBTS					
Debts on fixed assets and related accounts		18,100	18,100	7,894	7,894
Borrowings and payables	**8**	121,760	121,760	236,631	236,631
Overdrafts and short-term borrowings				6,314	6,314
Trade payables and related accounts	**9**	6,753	6,753	1,963	1,963
Tax and social security liabilities	**9**	1,208	1,208	94	94
Other liabilities	**9**	127	127	2,044	2,044
Dividends payable					
Sub-total Debts		**147,947**	**147,947**	**254,939**	**254,939**
Translation differences (liabilities)		1,547	1,547	1,743	1,743
TOTAL LIABILITIES		**1,162,655**	**1,162,655**	**641,250**	**641,250**

* *on the basis of the allocation proposed to the General Shareholders' Meeting of 1 June 2017*

Comparable income statements

INCOME STATEMENT (in thousands of €)			31 December 2016	31 December 2015	Change
	France	**Exports**	**Total**	**Total**	
Sold production - Services	1,078		1,078	1.199	-121
Net revenues			**1,078**	**1.199**	**-121**
Reversals of provisions and depreciation, transfers of expenses			5,124	676	4,448
Other revenues			35	20	15
Total operating revenues (I)			**6,238**	**1,896**	**4.342**
Other purchases and external charges			24,213	11,814	12,399
Taxes, duties and similar payments			4,566	1,825	2,741
Wages and salaries					
Social security contributions					
Depreciation and amortisation of fixed assets			998	132	866
Other expenses			20	28	-7
Total operating expenses (II)			**29,797**	**13,798**	**15.999**
OPERATING INCOME (I-II)			**-23,559**	**-11,902**	**-11.657**
Share of profit of associates					
Income from equity interests			13,396	12,614	782
Income from other marketable securities and receivables			12,608	6,038	6.569
Other interest receivable and similar income			219	5,039	-4,820
Reversals on provisions, expenses transfers			1,570	18,318	-16,748
Foreign exchange gains			7	526	-520
Net income from sales of marketable securities			7	13,988	-13,981
Total financial income (V)			**27,807**	**56,523**	**-28,716**
Amortization and provisions for financial assets			20,788	2,774	18,014
Interest payables and similar charges			68,549	29,868	38,681
Foreign exchange losses			177		177
Net payables from sales of marketable securities					
Total financial expenses (VI)			**89,515**	**32,642**	**56,873**
NET FINANCIAL INCOME (V-VI)			**-61,708**	**23,881**	**-85,589**
PROFIT BEFORE TAX (I-II+III-IV+V-VI)			**-85,267**	**11,979**	**-97,246**

INCOME STATEMENT (in thousands of €)	31 December 2016	31 December 2015	Change
Exceptional income from operations		1,516	-1,516
Exceptional income on capital transactions	77,041	16,605	60,436
Reversals on provisions, expenses transfers			
Total exceptional income (VII)	**77,041**	**18,121**	**58,920**
Exceptional expenses from operations	24		24
Exceptional expenses on capital transactions	48,026	25,519	22,507
Depreciation, amortisation and impairment	391	391	0
Total exceptional expenses (VIII)	**48,441**	**25,909**	**22,532**
NET EXCEPTIONAL INCOME/(EXPENSE) (VII-VIII)	**28,600**	**-7,788**	**36,388**
Employee profit-sharing (IX)			
Income tax (X)	-66		-66
Total Income (I+III+V+VII)	**111,085**	**76,540**	**34,546**
Total Expenses (II+IV+VI+VIII+IX+X)	**167,687**	**72,349**	**95,338**
NET INCOME	**-56,602**	**4,191**	**-60,792**

Cash flow statement

(in thousands of €)	31 December 2016	31 December 2015
Non-current investment portfolio	**-95,400**	**-154,386**
Purchase of non-current investment portfolio	-217,924	-252,298
Proceeds from non-current investment portfolio	97,465	79,922
Net revenues	25,060	17,990
Dividends received	*13,092*	*12,073*
Interests	*2,636*	*1,974*
Other income	*9,331*	*3,943*
Current investment portfolio	**9,504**	**24,431**
Purchase of current investment portfolio	-3,302	-43,929
Proceeds from current investment portfolio	12,508	67,884
Net revenues	298	475
Dividends	*0*	*13*
Interests	*298*	*462*
Net income from cash equivalents	**190**	**475**
Operating expenses	**-63,026**	**-13,233**
Derivatives portfolio	**-62,194**	**-20,636**
Tax paid	**4,540**	**-7,913**
Net cash flows from operating activities	**-206,386**	**-171,261**
Capital increase	**418,476**	**0**
Dividends paid to shareholders	**0**	**-14,642**
Borrowings	**-124,105**	**141,020**
Bank overdrafts	**-6,314**	**-8,654**
Net cash flows from financing activities	**288,056**	**117,724**
Theoretical change in cash-flow	**81,670**	**-53,537**
Cash and cash equivalents at the start of the year	6,076	59,613
Cash and cash equivalents at the end of the year	87,745	6,076
Change in cash and cash equivalents	**81,670**	**-53,537**

2. General context and rules of preparing the annual accounts

2.1. General context

The company Tikehau Capital is a *société en commandite par actions* with a share capital of €850,659,408 at the closing date (i.e. 70,888,284 shares of €12 par value each).

At the closing date, it is held by:

Shareholders	Number of shares	% of capital and voting rights
Tikehau Capital Advisors	20,248, 413	28.6%
MACSF Epargne Retraite	10,200, 809	14.4%
Fakarava Capital (1)	6,756, 610	9.5%
Crédit Mutuel Arkéa	3,654, 401	5.2%
Neuflize Vie	2,274, 836	3.2%
Total majority shareholders acting in concert(2)	**43,135, 069**	**60.9%**
Suravenir	4,285, 715	6.0%
Fonds Stratégique de Participations	3,931, 957	5.5%
Total - Shareholders holding more than 5%	**51,352, 741**	**72.4%**
CARAC	3,053, 932	4.3%
Amundi Ventures	2,268, 333	3.2%
Esta Investments (Groupe Temasek)	2,142, 858	3.0%
FFP Invest (Groupe FFP)	2,142, 858	3.0%
Others	9,927, 562	14.1%
Total - Shareholders holding less than 5%	**19,535, 543**	**27.6%**

2.2. Rules of preparing the annual accounts

The annual financial statements as at 31 December 2016 concern the period from 1st January to 31 December 2016, namely a 12-month period, identical to that used in the previous year.

The financial statements are expressed in thousands of euros, unless otherwise specified.

Some totals may differ because of rounding.

They include:

- The balance sheet,
- The income statement,

- The statement of cash flows, and
- The notes.

The financial statements for financial year 2016 have been drawn up in application of articles L.123-12 to L.123-28 and R.123-172 to R.123-208 of the French commercial code and in accordance with the provisions of the accounting regulations revising the general accounting charter (*plan comptable général* (PCG) drawn up by the *Autorité des Normes Comptables* (ANC 2014-03).

General accounting conventions were applied in conformity with the principles of prudence in accordance with the following basic assumptions:

- going concern,
- consistency of accounting methods between financial years,
- cut-off,

and in accordance with general guidelines for the preparation and presentation of annual financial statements.

The annual financial statements as at 31 December 2016 were drawn up by Management and submitted to the Supervisory Board on 22 March 2017.

2.3 Significant events of the financial year 2016

In 2016, with regard to non-current investment portfolio, the Company undertook investment transactions for €217.9 million (vs. €252.3 million in 2015) and divestments for €97.5 million (vs. €79.9 million in 2015).

In 2016, the Company made the following investments:

- The Company increased its investment in Salvepar for €9.9 million after choosing to receive its dividend (for ordinary shares and preference shares) in new Salvepar shares.
- The Company participated in the capital increase by Tikehau IM in November 2016 for €3.5 million.
- The Company participated in the capital increase by Tikehau Capital Europe in November 2016 for €19.5 million.
- The Company participated in the capital increases carried out in 2016 by Tikehau Real Estate Investment Company (TREIC) for €13.0 million.
- The Company subscribed to Tikehau Italian Retail Fund I (TIRF I) for the amount of €3.1 million.
- The Company subscribed to Tikehau Real Estate II (TRE II) for the amount of €45.6 million.
- The Company subscribed to Tikehau Logistics Properties I (TLP I) for the amount of €8.7 million.

In the 2nd half of 2016, the Company conducted two capital increases: an initial paid-in capital increase in July 2016 and a capital increase through contributions in kind on 21 December 2016:

- A capital increase was carried out on 4 July 2016 for an amount of €415,859,682 (including share premium) resulting in the creation of 19,802,842 new shares. This capital increase was carried out with preferential subscription rights at a price of €21 per new share and was subscribed for in the amount of €239.8 million by cash contribution and €176.1 million by offsetting against debts with the equity convertible bonds issued by the Company in May 2015. All convertible bonds issued by the Company in May 2015 have been cancelled under this transaction. The purpose of this capital increase was to allow the Company to shore up its shareholders' equity, fund its ongoing development and accelerate its international expansion.

- As part of reorganization operations described below, a capital increase through an in-kind contribution in the amount of €266,324,982 (issue premium included) was completed on 21 December 2016. This capital increase, which was approved by Company shareholders at the General Shareholders' Meeting of 21 December 2016, was conducted at a price of €21 per new share and resulted in the issue of 12,682,142 new shares remunerating in-kind contributions to the Company. These contributions were done for the purpose of reorganising the Group and preparing the listing of the Company's shares on the Euronext Paris regulated market. These contributions include the following assets in particular:

    - Tikehau IM shares amounting to 74.1% of Tikehau IM's shares;
    - ten (10) Salvepar Class 1 preference shares; and
    - all preference shares issued by Tikehau Capital Europe and held by the Company.

The General Shareholders' Meeting of the Company of 21 December 2016 also authorised the reserved issue of equity warrants to Tikehau Management, Tikehau Employee Fund 2008 and TCA Partnership. The terms of these equity warrants, which were issued on 22 December 2016, are described in more detail in the notes to the financial statements.

Tikehau Capital made purchases or sales of European derivatives (futures or options) to contend with the fluctuations in the markets. These transactions on the derivatives portfolio, used as a market risk management tool, represented a cost of €62.2 million in 2016.

As at 31 December 2016, Tikehau Capital had no exposure to listed derivatives.

Reorganization operations initiated by Tikehau Capital in 2016

To prepare for the listing of Company shares on the Euronext Paris regulated market which took place on 7 March 2017, various actions were taken to reclassify shares and simplify Tikehau Capital's shareholder structure and governance.

These operations were implemented for the purpose of:(i) combining Tikehau Capital's business lines to enhance the visibility and understanding of its model and particularly to facilitate its international development; (ii) helping the Group achieved critical size; (iii) enhancing operating efficiency within the Group; and (iv) improving its access to capital markets.

- **In-kind contributions**

To prepare for the listing of Company shares on the Euronext Paris regulated market which took place on 7 March 2017, in 2016 various actions were taken to reclassify shares and simplify the Group's shareholder structure and governance. In particular:

A. The Company was transformed into a partnership limited by shares (the "Transformation") and the Company's Articles of Association were approved at a Combined General Shareholders' Meeting of the Company held on 7 November 2016, which approved these proposals unanimously, it being stated that the Transformation came into effect on 7 November 2016.

B. In-kind contributions have been granted to the Company (the "Contributions"), in particular:

- the contribution to the Company by all Tikehau IM partners (with the exception of Tikehau IM employees who have been awarded free shares) of Tikehau IM shares not yet held by the Company and amounting to 74.1% of Tikehau IM's shares (the "Tikehau IM Contribution"); and
- the contribution to the Company by Tikehau Capital Advisors of: (i) 10 Class 1 Salvepar preference shares; (ii) all preference shares issued by Tikehau Capital Europe Limited and held by Tikehau Capital Advisors; (iii) all Tikehau Asia shares held by Tikehau Capital Advisors; and (iv) all shares in City Star Ream Resorts (Singapore) Pte. Ltd held by Tikehau Capital Advisors ("TCA Contributions").

These Contributions were approved unanimously by shareholders at the Combined General Shareholders' Meeting of the Company held on 21 December 2016 and were made on the same date, leading to the issue of 12,682,142 new shares by the Company to the contributors (including 8,884,534 new shares issued to Tikehau Capital Advisors); and

C. AF&Co (the personal holding company of Mr. Antoine Flamarion) and MCH (the personal holding company of Mr. Mathieu Chabran) have sold the rights to the "TIKEHAU" brand to the Company. This sale has allowed the Company to hold the intellectual property rights to the brand under which Group entities run their business and sell their products. It was authorised by the Company's Supervisory Board prior to its signing and was completed on 22 December 2016 in the amount of 10.2 million euros, a sum that was determined on the basis of an appraisal conducted by an independent appraiser.

2.4 Subsequent events since the end of 2016 financial year

Reorganization operations continued by Tikehau Capital in 2017

- **Public exchange and purchase offer for Salvepar**

The Group has been transformed through the Company's public exchange offer and cash takeover bid of the ordinary shares and ORNANE Bonds of its Salvepar subsidiary, which were not yet held by the Company. Following this public offer, the final results of which were announced on 27 February 2017, the Company's shares and ORNANE Bonds (including the new shares and ORNANE Bonds issued to remunerate the contributions to the public exchange offer) were listed on the Euronext Paris regulated market on 7 March 2017. Within the framework of the Company's listing on the Euronext Paris regulated market, a capital increase through an in-kind contribution was carried out on 28 February 2017 in the sum of €150,901,947 (including issue premium) resulting in the creation of 7,185,807 new shares to remunerate the Salvepar shares contributed to the public exchange offer for Salvepar shares.

In parallel, a mandatory delisting was implemented for Salvepar's shares and ORNANE Bonds, as the results of the public exchange offer allowed for such delisting.

At the closing date of the 2016 financial statements, the Company therefore held 100% of the capital and voting rights of Salvepar.

- **Other operation carried out by TCP UK, subsidiary wholly-owned by the Company**

Lastly, as part of the reclassification prior to requesting the admission of Company shares to trading on the Euronext Paris regulated market, an agreement was signed to transfer to Tikehau Capital Partners UK Limited (a wholly owned subsidiary of the Company) the interest held indirectly by Tikehau Investment Limited (a wholly owned subsidiary of Tikehau Capital Advisors) in the management firm Duke Street LLP. This transfer will raise Tikehau Capital Partners UK Limited's stake in Duke Street LLP from 17.15% to 35%. The purpose of this transfer is to move the Group's entire stake in Duke Street LLP to the Company, given that the latter is a UK management firm specialising in midcap LBOs.

The transfer, which was approved by the Company's Supervisory Board on 5 January 2017, is subject to FCA approval. Barring FCA approval, the transfer will not take place, and the transaction will have no impact on the other past reorganization operations that have been carried out definitively.

Capital increases

On 6 January 2017, the Company completed a capital increase for an amount of €150,080,763 (share premium included), which resulted in the creation of 7,146,703 new shares. This capital increase was carried out at a price of €21 per share with preferential subscription rights and subscribed to in full by cash contribution. The purpose of this capital increase was to enable the Company to strengthen its capital base and shareholder base prior to the admission of its shares to trading on the Euronext Paris regulated market.

Finally, the Company and its major shareholders have concluded an agreement for an investment in the Company by the Fonds Stratégique de Participations for an amount of €50 million, which was conducted simultaneously with the settlement of the takeover bid initiated on Salvepar. This investment was carried out as part of the reserved capital increase at the same price per share (€21 per share) as the Company's capital increase completed on 6 January 2017, as this price per share was also the basis for determining the exchange rate under the public exchange offer for Salvepar shares. This reserved capital increase was approved by Company shareholders at the General Shareholders' Meeting called to rule on the issue of new Company shares to remunerate the Salvepar shares contributed to the public exchange offer for Salvepar shares.

Tikehau Capital's initial public offering

On 7 March 2017, the Company was listed on the Euronext Paris. The introductory price was set at €21 per share for a stock market capitalization of around €1.5 billion.

This initial public offering falls under the reorganization of the Group, which began end-2016. The operation consisted in a public exchange offer for Salvepar, as detailed above.

Other significant events occurring since 31 December 2016

- **Capital increase of Tikehau Capital Europe**

On 10 March 2017, Tikehau Capital Europe carried out a capital increase for some €22 million, subscribed by the Company and Amundi. Following this operation, which was approved by the FCA, the Company held 75.1% of Tikehau Capital Europe shares and Amundi held 24.9%. This capital increase allowed Tikehau Capital Europe to finance the preparatory phase of Tikehau CLO III, the launch of which is scheduled for mid-2017.

- **Change in the equity interest in Groupe Flo**

In 2006, the Company acquired a 34% interest in Financière Flo alongside GIB, a joint venture between Ackermans & van Haaren and CNP. This stake gives it a holding of about 24% in the listed company Groupe Flo, which was valued at €7.9 million in the Company's consolidated financial statements as at 31 December 2016.

Groupe Flo is the leading commercial themed restaurant group in France. The group has more than 300 restaurants collected under numerous chains (Hippopotamus, Brasseries Flo, Tablapizza and Tavernes de Maître Kanter). (See the website of Groupe Flo: www.groupeflo.com)

In 2015, Groupe Flo's consolidated revenues fell by 6.1%, in a highly unfavourable environment for restaurants, which were affected in Paris by the November 2015 terrorist attacks. Consolidated net income for 2015, Group share, was a loss of €51.5 million. Net financial debt (corresponding to net financial debt plus shareholder loans) amounted to €79.3 million as at 31 December 2015, taking into account a shareholder loan of €27.1 million for Financière Flo.

In this difficult financial context, Groupe Flo announced on 01 December 2016 that it had reached an agreement with its financial partners for the suspension of various rights under the existing credit contracts until the end of April 2017, including the repayment of principal amounts due during this period, and the setting up of a new credit line of €6.2 million provided by its key shareholder, Financière Flo, in which the Company holds a 34% interest, involving an additional investment by the Company of €2.1 million. This new credit line is due by the end of April 2017 via mainly one of the divestments of non-strategic assets underway. The agreement allowed Groupe Flo to cover any cash flow needs it had until the end of April 2017.

Following this announcement, Groupe Flo announced in early 2017 that it was pursuing its process to seek investors and to explore new strategic options for the group. It indicated that it had received non-binding proposals to take a share in its capital and/or acquire of some of its assets, in particular from the Groupe Bertrand, a major player in commercial catering in France. Groupe Flo also published its revenues at 31 December 2016, which amounted to €266.5 million (down 5.5% from the previous year on a like-for-like basis) and its current income which witnessed a loss of €13.9 million (compared with a loss of €6.9 million in 2015). Groupe Flo's net financial debt (corresponding to net financial debt plus shareholder loans) amounted to €64.7 million as at end-2016, taking into account a shareholder loan of €28.4 million for Financière Flo.

3. Accounting principles and methods

The accounting principles and methods are identical to those used for the close of the previous year.

Tangible and intangible fixed assets

Intangible and tangible fixed assets are recognized at their acquisition cost and are depreciated over their useful lives.

The main durations are as follows:

- Usufruct: between 5 and 15 years, depending on the duration of entitlement;
- Software: 1 to 3 years;
- Office equipment and furniture: 3 to 5 years.

Intangible assets are also made up of the Tikehau Capital brand which is recorded at its acquisition price.

This valuation was assessed on the basis of the royalty method, corresponding to the discounted amount of future royalties that the brand would be able to generate after reduction of all the necessary expenses for its maintenance, the future royalties being determined on the basis of future revenues generated by the company operating the brand, to which are applied a royalty fee in effect on similar brands and/or in similar contexts.

The brand is subject to an impairment test once a year or more frequently if there is evidence of impairment. This impairment test will be assessed by the application of the same royalty method.

Financial fixed assets

Financial fixed assets are recorded at acquisition cost.

Financial fixed assets are valued every half year at their value in use, determined after reviewing the economic and financial performance of each company, taking into consideration the following in particular, alongside any transaction figures:

a) for non-listed companies, the usual valuation methods, namely:
    - The market or transaction value: transactions over the last 12 months or the last months of activity if the company has not completed a full financial year of 12 months since the shareholding was acquired, unless Company is aware of a valuation considered more relevant.

    - The discounted cash flow method (DCF): this method determines the present value of cash flows a company will generate in the future. Cash flow projections prepared in connection with the management of the company in question include a critical analysis of the business plan of these companies. The discount rate used is the weighted average cost of capital, which represents the cost of debt of the company and the notional cost of estimated equity, weighted by the proportion of each of these two components in the financing of the company. This rate is set next to that used by analysts for listed companies in the same sector.

    - The stock market comparables method: valuation multiples of the company under assessment are compared with those of a sample of companies in the same industry or similar. The average of the sample then establishes a valuation benchmark applicable to the assessed company.

    - The industry transaction method: valuation multiples of the company under assessment are compared with those of a sample of companies in the same industry or similar. The average of the sample then establishes a valuation benchmark applicable to the assessed company.

    - The valuation method used according to the terms of the applicable shareholders' agreements.

    - The last known net asset value, if applicable.

    This multi-criteria analysis takes into account, in particular, Tikehau Capital's intrinsic knowledge of its equity interests.

    An impairment provision is raised when the value in use determined, the value considered the most relevant, is lower than the net book value of securities at Tikehau Capital. An impairment provision raised corresponds to the difference between the two values.

b) For listed companies, the share price or its change, after correction for erratic variations, when relating to not very liquid values.

    The principle used is raising an impairment provision if the average quoted price of the past 20 trading days is lower than the net book value of securities at Tikehau Capital.

    The classification of securities as financial fixed assets is assessed with regard to the investment horizon, the percentage held in the capital of the company concerned and the influence which may result from the investment made by the Company.

Marketable securities

Marketable securities are recognized at their acquisition cost and are subject to impairment if this cost is lower than the inventory value (stock market price, net asset value, etc.).

Cash equivalents and other current financial investments are recognized according to the "First In First Out" method.

Acquisition costs for participating interests

The company has opted to capitalize acquisition costs for participating interests (transfer costs, fees or commissions and legal fees). These fees are amortised over a five-year period, from the date of acquisition of the participating interests, and the provision is included under special depreciation allowances.

Operating receivables and payables

Receivables and payables are measured at their nominal amount. An impairment loss is recorded when the inventory value is lower than the carrying amount.

Provisions

A provision is recorded when the Group has an obligation with regard to a third party and it is probable or certain that this obligation will give rise to a disbursement of resources to this third party without the matching by at least an equivalent payment from this third party.

Financial debts

Financial debts are recorded at their historical cost.

Loan issuance costs are recognized in assets under deferred expenses and are spread over the duration of the loans implemented.

Currency transactions

During the year, currency transactions are recorded at their equivalent value in euros on the date of the operation.

Payables, receivables and cash in currencies from outside the euro zone are recorded on the balance sheet at their equivalent value at the year-end rate.

The difference resulting from the recalculation of payables and receivables in currencies from outside the euro zone at the latest price is recognized under translation differences at this same rate

Unrealized losses resulting from this conversion are subject to a provision for liabilities in their totality.

Derivative financial instruments listed on organized markets and similar

Tikehau Capital may trade financial derivatives as part of its strategy of managing interest-rate risks on bank borrowings and issues of debt instruments or market risks.

The derivatives listed are recorded on the balance sheet at their fair value on the closing date. Changes in the value of derivatives are recognized on the income statement in financial income and expenses.

Non-recurring expenses and income

They represent:

- the results from the disposal of securities held in the portfolio;
- the income and expenses which occur on an exceptional basis and which relate to operations that do not fall under Tikehau Capital’s day-to-day activities.

Corporation tax (tax charge)

Generally speaking, only outstanding tax liabilities are recorded in the individual accounts.
The tax charge recognized on the income statement corresponds to the corporation tax due in respect of the financial year. It includes the consequences of the 3.3% payroll tax contributions.

There is no tax consolidation agreement in place in respect of financial years 2016 and 2015.

Use of estimates and judgements

The preparation of the financial statements requires that assumptions and estimates that affect the reported amounts of assets and liabilities on the balance sheet and the reported amounts of revenues and expenses for the year be taken into consideration. Management review their estimates and assessments on an ongoing basis, based on their previous experience, as well as on various other factors that they consider reasonable, which form the basis for their assessment of the book value of the assets and liabilities. By their very nature, evaluations based on these estimates include risks and uncertainties relating to the future, in that the definitive future results of the operations concerned could prove different from these estimates and thereby have a significant impact on the financial statements.

Judgements made by management in preparing the financial statements mainly concern:

- the estimated value in use used for each portfolio investment;
- invoices not yet received result essentially from services carried out for a known amount at the origin and for which the invoice has not yet been received.

4. Notes to the annual financial statements

Note 1. Intangible fixed assets

(in thousands of €)	As at 31 December 2015	Acquisition Provision	Disposal Reversal	As at 31 December 2016
Gross amount of intangible assets	**682**	**12.889**		**13.571**
Brand		10.710		10.710
Merger loss	617			617
Usufructs SCPI	38			38
Intangible assets in progress	28	2.179		2.206
Amortisation, depreciation of intangible assets	**645**	**3**		**648**
Brand				
Merger loss	617			617
Usufructs SCPI	29	3		31
Intangible assets in progress				
Net amount of intangible assets	**37**	**12.886**		**12.923**
Brand		10.710		10.710
Merger loss				
Usufructs SCPI	9	-3		7
Intangible assets in progress	28	2.179		2.206

AF&Co (the personal holding company of Mr. Antoine Flamarion) and MCH (the personal holding company of Mr. Mathieu Chabran) have sold the rights to the “TIKEHAU” brand to the Company. This sale has allowed the Company to hold the intellectual property rights to the brand under which Group entities run their business and sell their products. It was authorised by the Company’s Supervisory Board prior to its signing and was completed on 22 December 2016 in the amount of €10.2 million, a sum that was determined on the basis of an appraisal conducted by an independent appraiser.

Given the acquisition date and the absence of indicators of impairment, no impairment test was carried out as at 31 December 2016.

Intangible fixed assets are not subject to impairment as at 31 December 2016.

Note 2. Financial non-current assets

(a) Changes over the period

(in thousands of €)	As at 31 December 2015	Acquisition Provision	Disposal Reversal	As at 31 December 2016
Gross amount of financial assets	**623,938**	**551,259**	**-95,381**	**1,079,816**
Equity interests	340,575	393,133	-42,817	690,891
Receivables relating to equity interests	52,595	48,065	-15,150	85,510
Other securities holdings	229,556	109,968	-37,124	302,399
Loans and other long-term investments	1,212	92	-289	1,015
Provision for depreciation of financial fixed assets	**35,560**	**20,583**	**-946**	**55,197**
Participating interests	34,369	8,724	-857	42,236
Receivables relating to equity interests	52	3,026	0	3,077
Other securities holdings	1,131	8,833	-89	9,875
Loans and other financial assets	9			9
Net amount of financial assets	**588,378**	**530,676**	**-94,436**	**1,024,618**
Participating interests	306,207	384,409	-41,960	648,656
Receivables relating to equity interests	52,544	45,039	-15,150	82,433
Other non-current investments	228,425	101,135	-37,036	292,524
Loans and other financial assets	1,203	92	-289	1,006

The main changes over the period concern:

- The increase in the investment in Tikehau IM, amounting to €236.9 million, €233.4 million of which was received during the capital increase through contributions in-kind, in December 2016.
- Strengthening investments in:
  - Tikehau Capital Europe, up to €34.5 million
  - Tikehau Capital Partners UK, up to €47.7 million
- The disposal / acquisition of all the SES-imagotag securities: these were acquired for €20.5 million and were sold for €48.7 million.
- The subscription to the fund Tikehau Real Estate II for the amount of €45.6 million

The tables below describe in greater detail the Contributions approved by the Combined General Shareholders' Meeting of the Company held on 21 December 2016, which were made on the same date:

Main characteristics of the Contributions

Issuer - Beneficiary	Tikehau Capital
Capital increase remunerating contributions in-kind (nominal amount and premium)	266,324,982 euros, i.e., a total increase of 152,185,704 euros in share capital and a total issue premium of 114,139,278 euros.
Appraisal of	The report of the contributions appraiser (FINEXSI Expert et Conseil

Contributions	Financier), who was appointed unanimously by the General Meeting of the partners of the Company of 7 November 2016, has been made available to shareholders at the Company's registered offices and filed with the Clerk of the Paris Commercial Court, in accordance with current regulations. It is available on the Company's website at: www.tikehaucapital.com.
Findings of contributions appraiser's report	"*In conclusion to our work and on the date of this report, it is our opinion that the observation previously made on individual values is not likely to affect the value of contributions amounting to €266,325,088 and, accordingly, that it is at least equal to the amount of the recapitalisation of the company that is receiving the contributions plus the issue premium.*"
Share capital as a result of the Contributions	As a result of the Contributions, the Company's share capital is equal to 650,097,864 euros, divided into 54,174,822 shares of a par value of twelve (12) euros each
Effective date of shares issued	The Tikehau Capital shares issued in remuneration of Contributions are effective immediately.

Main characteristics of the Tikehau IM Contribution

Contributors	Tikehau Capital Advisors, Crédit Mutuel Arkéa and Amundi Ventures
Assets contributed	A total of 18,742 Tikehau IM shares, representing about 74,1% of Tikehau IM's share capital
Total value of the Tikehau IM Contribution	€233.4 million
Number of shares in issue	The Tikehau IM Contribution was remunerated through the issue of 11,116,682 Tikehau Capital ordinary shares of a par value of twelve (12) euros each.

Main characteristics of TCA Contributions

Contributor	Tikehau Capital Advisors
Assets contributed	10 Class 1 Salvepar preference shares All preference shares in Tikehau Capital Europe Limited held by Tikehau Capital Advisors All Tikehau Asia shares not held by the Company All shares in City Star Ream Resorts (Singapore) Pte. Ltd held by Tikehau Capital Advisors
Total value of the TCA Contributions	€32.4 million
Number of shares in issue	The TCA Contributions were remunerated through the issue of 1,542,612 Tikehau Capital ordinary shares of a par value de twelve (12) euros each

(b) Long-term portfolio investment securities.

(in thousands of €)		Beginning of the year			
Tax regime	Valuation method		Net book value	Amount paid-up	Estimated value of paid-up amounts
Portfolio securities, common law regime	Cost price	750	750	375	375
	Last net asset value	98,819	97,950	96,195	106,390
Total portf. securities, common law regime	**Valuation method**	**99,569**	**98,700**	**96,570**	**106,765**
Portfolio securities, long-term capital gains regime	Stock market price	144	144	144	225
	Cost price	12,192	12,192	12,192	12,192
	Last net asset value	30,029	29,817	25,355	28,096
Total portf. securities long-term capital gains law	**Valuation method**	**42,365**	**42,152**	**37,691**	**40,513**
Bonds	Cost price	76,879	76,879	76,879	76,879
	Last net asset value	10,077	10,028	9,999	10,246
Total bonds	**Valuation method**	**86,956**	**86,907**	**86,878**	**87,125**

		End of year			
Tax regime	Valuation method	value	Net book value	Amount paid-up	Estimated value of paid-up amounts
Portfolio securities, common law regime	Cost price	51,444	51,444	48,541	48,541
	Last net asset value	109,986	108,628	108,662	124,094
Total portf. securities, common law	**Valuation method**	**161,430**	**160,072**	**157,203**	**172,635**
Portfolio securities, long-term capital gains regime	Stock market price	144	144	144	245
	Cost price	8	8	8	8
	Last net asset value	42,512	34,044	40,518	36,798
Total portf. securities long-term capital gains law	**Valuation method**	**42,665**	**34,196**	**40,670**	**37,051**
Bonds	Cost price	97,380	97,331	85,716	85,667
	Last net asset value	51	51	-19	0
Total bonds	**Valuation method**	**97,432**	**97,383**	**85,697**	**85,667**

Unrealized capital losses are subject to a provision, if applicable.

(c) Treasury shares

Not applicable

(d) Operations carried out with related entities or with which the Company has a participating interest

As at 31 December 2016, these operations regarding equity interests can be summarised as follows:

(in thousands of €)	Amount concerning related entities	Amount concerning related entities with which the Company has a participating interest
Equity interests	568,479	74,137
Receivables relating to equity interests	71,770	10,663
Income from equity interests	12,883	209
Other financial income	1,158	625

Note 3. Trade receivables and related accounts

Operating receivables are broken down as follows as at 31 December 2016 and 31 December 2015:

(in thousands of €)	As at 31 December 2016	As at 31 December 2015
Client receivables	797(1)	75
State and other public authorities		
- Income tax	66	4,540
- VAT	339	174
- Other income due		353
Sundry accounts receivables	1,626(2)	7
Total receivables and other operating receivables	**2,828**	**5,148**

(1) Includes, as at 31 December 2016, €22thousand concerning related entities and €451,000 concerning companies with which the Company has a participating interest. This item includes €473 thousand in income and credits to be received.

(2) This item includes, as at 31 December 2016, €1,548 thousand in income and credits to be received.

All receivables are due in less than one year and are not subject to impairment.

Note 4. Marketable securities and term deposits

This item is made up of a current investment portfolio, term deposits and money-market funds.

(in thousands of €)	Balance sheet value (acquisition value)	Inventory value	Unrealized loss *	Unrealized gain
Portfolio of listed shares	7,115		7,115	
Portfolio of listed bonds	4,622	5,204		582
Accrued interest on bonds	3	3		
"SICAV"	27,299	27,692	22	415
Term deposits	20,000	20,000		
Accrued interest on term deposits				
TOTAL	**59,039**	**52,899**	**7,137**	**998**

* Unrealized losses are subject to depreciation

Note 5. Deferred expenses

This item is made up of loan issuance costs which are distributed over the duration of the loans implemented.

Note 6. Equity

As at 31 December 2016, the share capital, which is fully paid up, is made up of 54,174,822 ordinary shares of a par value of €12 each.

	Number	Par value
Share capital at the beginning of the year	21,689, 838	12
Shares issued during the year	32,484, 984	
Shares refunded during the year		

Share capital at the end of the year 54,174, 822 12

The changes concerning equity over financial years 2015 and 2016 are listed below:

(in thousands of €)	Share capital	Issuance and in-kind premiums	Equity warrants	Reserves		Net income for the year	Regulated provisions	Total shareholders' equity
				Legal reserve	Retained earnings			
Situation as at 1 January 2015	**260,278**	**84,023**		**2,684**	**20,808**	**26,369**	**805**	**394,968**
AGM of 11/03/2015				1,318	25,050	-26,369		
Chairman's decision of 24/11/2015					-15,183			-15,183
Net income for the financial year						4,191		4,191
Situation as at 31 December 2015	**260,278**	**84,023**		**4,003**	**30,675**	**4,191**	**1,196**	**384,366**
AGM of 14/04/2016				210	3,981	-4,191		0
Chairman's decision of 04/07/2016	237,634	178,226						415,860
Chairman's decision of 21/12/2016	152,186	114,017	2,739					268,941
Net income for the financial year						-56,602		-56,602
Situation as at 31 December 2016	**650,098**	**376,266**	**2,739**	**4,212**	**34,656**	**-56,602**	**1,587**	**1,012,956**

A capital increase was carried out on 4 July 2016 for an amount of €415,859,682 (including share premium) resulting in the creation of 19,802,842 new shares. This capital increase was carried out with preferential subscription rights at a price of €21 per new share and was subscribed for in the amount of €239.8 million by cash contribution and €176.1 million by offsetting against debts with the equity convertible bonds issued by the Company in May 2015. All convertible bonds issued by the Company in May 2015 have been cancelled under this transaction. The purpose of this recapitalisation was to allow the Company to shore up its shareholders' equity, fund its ongoing development and accelerate its international expansion.

As part of reorganization operations described below, a recapitalisation through an in-kind contribution in the amount of €266,324,982 (issue premium included) was completed on 21 December 2016. This recapitalisation, which was approved by Company shareholders at the General Shareholders' Meeting of 21 December 2016, was conducted at a price of €21 per new share and resulted in the issue of 12,682,142 new shares remunerating in-kind contributions to the Company. These contributions were done for the purpose of reorganising the Group and preparing the listing of the Company's shares on the Euronext Paris regulated market. These contributions include the following assets in particular:

- Tikehau IM shares amounting to 74.1% of Tikehau IM's shares;
- ten (10) Salvepar Class 1 preference shares; and
- all preference shares issued by Tikehau Capital Europe and held by the Company.

The General Shareholders' Meeting of the Company of 21 December 2016 also authorised the reserved issue of 1,244,781 equity warrants to Tikehau Management, Tikehau Employee Fund 2008 and TCA Partnership. These equity warrants were subscribed on 22 December 2016 at a price of €2.20 per equity warrant, a price that was calculated by an independent appraiser appointed by the Company.

These equity warrants may be exercised at any time in one or more stages five years after issue. Equity warrants that have not been exercised within 10 years of issue shall become null and void by right, as of that date.

The strike price of new shares underlying the equity warrants is €21 per new share actually subscribed payable in cash upon exercise, barring an adjustment in accordance with legal and regulatory provisions and with stipulations of the terms and conditions of equity warrants provided to preserve the rights of equity warrant holders.

Note 7. Provisions for risks and charges

This item is made up of provisions for currency risks principally concerning financial fixed assets.

Note 8. Financial liabilities and derivatives

Financial liabilities and derivatives are broken down as follows as at 31 December 2016 and 31 December 2015.

(in thousands of €)	As at 31 December 2016		As at 31 December 2015	
	due within 1 year	due between 1 and 5 years	due within 1 year	due between 1 and 5 years
Convertible bonds				176,000
Bank loans		120,000		60,321
Derivatives				
Interest on loans and derivatives	1,760		309	
TOTAL	**1,760**	**120,000**	**309**	**236,321**

By decisions dated 6 and 22 May 2015, the Chairman of Tikehau Capital, using the delegation granted to him by the General Shareholders' Meeting of 30 April 2015, undertook the issue of a convertible bond for a total nominal amount of €176 million with preferential subscription rights.

These bonds bear interest at an annual nominal rate of 1.30% payable each half-year and are payable in full on 1st January 2022, barring early repayment.

All convertible bonds issued by the Company in May 2015 were cancelled at end-June 2016.

Note 9. Operating liabilities

Operating liabilities are broken down as follows as at 31 December 2016 and 31 December 2015.

(in thousands of €)	As at 31 December 2016	As at 31 December 2015
Trade payables	6,753[(1)]	1,963
State and other public authorities		
- Income tax		
- VAT	697	93
- Other taxes and VAT	510	0
Other liabilities	127	2,044
TOTAL	**8,087**	**4,100**

(1) Includes, as at 31 December 2016, €48,000 concerning related entities and €1,701,000 concerning companies with which the Company has a participating interest.

All debts are due in less than one year and are not subject to impairment.

Accrued expenses and credit notes to be raised amounted to €5,673,000, broken down as follows:

- €5,125,000 in trade payables,
- €510,000 in tax and social security liabilities,
- €38,000 in other liabilities.

Note 10. Income tax and tax loss carry forwards

Given the tax losses, there is not tax cost for financial years 2016 or 2015.

(in thousands of €)	31 December 2016
Tax loss carried forward at local normal rate	95,988
Tax loss carried forward at local reduced rate	8,524

Taxable income (in thousands of €)	31 December 2016
Accounting income before tax	-56,602
Reinstatements	
Non-deductible expenses	24
Non-deductible provisions	205
Sundry reinstatements	2,163
Taxation of securities	20,370
Deductions	
Provisions	201
Other deductible or non-taxable operations	2,143
Taxation of securities	41,928
Taxable income	**-78,112**

Note 11. Derivatives

Tikehau Capital realized purchases or sales of European derivatives (futures or options) to contend with the fluctuations in the markets. These transactions on the derivatives portfolio, used as a market risk management tool, represented a cost of €62.2 million in 2016.

As at 31 December 2016, Tikehau Capital had no exposure to listed derivatives.

Note 12. Revenues and operating income

Revenues are constituted solely in France.

Revenues are broken down by the type of services as follows:

(in thousands of €)	31 December 2016	31 December 2015
Management fees	952	650
Exit fees, performance fees	0	475
Other revenue items	126	75
Net revenue	**1,078**	**1,199**

Other operating income is broken down as follows:

(in thousands of €)	31 December 2016	31 December 2015
Transfer of operating expenses	5,124	676
Other income	35	20
Other operating income	**5,160**	**696**

Charge transfers correspond to loan costs and fees related to capital increases which are capitalised on the balance sheet.

Note 13. Exceptional income / (expense)

This item is broken down as follows as at 31 December 2016 and 31 December 2015:

(in thousands of €)	31 December 2016	31 December 2015
Capital gains or losses on disposals of securities in portfolio	29,015	-8,913
Regulated provisions	-391	-391
Other exceptional expenses and income	-24	1,516
Exceptional income/(expense)	**28,600**	**-7,788**

Note 14. Off-balance sheet commitments

(e) Financial derivatives portfolio

Off-balance sheet commitments regarding financial derivatives are presented below:

These amounts determine the level of notional commitment as well as the market value and are not indicative of an unrealized loss or gain.

	Amount as at 31 December 2016	
(in thousands of €)	**Notional amount**	**Market value**
Interest-rate swap	170.633	-4.015

(f) Other off-balance sheet commitments

	Amount at 31 December 2016
Description (in millions of €)	**Value of the collateral provided**
Commitment of payment to current account	**2,208**
Weinberg Real Estate Part. 2	208
Guarantee for disposals of shares in SCI carried out by a subsidiary, in the sum of	2,000
Subscription commitment	**44,948**
- Capital increase in TREIC	41,948
- Investment in the fund French Food I	3,000
Loan guarantees and authorised overdrafts	**276,418**
Loan guarantees and authorised overdrafts	**3,385**
- Caceis bank accounts	1,383
- BRED bank accounts	2,002
Total commitments made	**326,959**
Syndicated loan not drawn at close	100,000
Total commitments given	**100,000**

Note 15. Related parties

(g) Scope of related parties

The related parties of Tikehau Capital include:

- Tikehau Capital General Partner, in its capacity as Manager-General Partner, 100% owned by Tikehau Capital Advisors;
- Tikehau Capital Advisors and its representatives (the company AF & Co, controlled by Mr Antoine Flamarion, in his capacity as Chairman of Tikehau Capital Advisors, and the company MCH, controlled by Mathieu Chabran in his capacity as Chief Executive Officer of Tikehau Capital Advisors);
- Tikehau IM, an investment management firm majority held by the Company;
- Salvepar, an investment management firm majority held by the Company;
- Tikehau Capital Europe, majority held by the Company;
- Tikehau Capital Partners UK, majority held by the Company;
- the investment entities recognized at their fair value through profit or loss over which the Company exercises significant influence or control.

(h) Nature of relations with related parties until 7 November 2016

Remuneration paid to the Chairman of Tikehau Capital

Tikehau Capital Advisors was paid a remuneration as Chairman of Tikehau Capital. This remuneration, determined in the Articles of Association, consists: (i) of a fixed sum based on[59] N-1 net asset value of Tikehau Capital as determined on the last day of the preceding financial year; and (ii) a variable sum equal to 12.5% of the net income of Tikehau Capital's closed financial year.

AF & Co, in its capacity as Chairman of Tikehau Capital Advisors, and MCH in its capacity as Chief Executive Officer of Tikehau Capital Advisors, as well as their individual representatives were not paid remuneration by Tikehau Capital or any of its subsidiaries.

Services performed by Tikehau Capital Advisors for Tikehau Capital (iii)

Tikehau Capital availed itself of the administrative and human and material resources support of Tikehau Capital Advisors, which allowed it to conduct its investment activities in the best possible conditions. Services rendered included services provided by Tikehau Capital Advisors' chief investment officer.

(i) Nature of relations with related parties since 7 November 2016

On 7 November, the Company was transformed into a partnership limited by shares and is now managed by a Manager, Tikehau Capital General Partner.

[59] To determine NAV, the Company's assets and liabilities are valued as follows, it being understood that financial holding companies (listed or unlisted) shall be treated transparently as soon as they are controlled exclusively or jointly:
- Listed assets: current accounting estimate rules;
- Non-listed assets: the acquisition price, barring other, more recent relevant valuations, including the value resulting from a meaningful transaction or the value resulting from a firm acquisition offer or an investment memorandum of understanding, or the appraised value (particularly for real-estate assets), or the redemption value of units in funds or venture capital companies (5CR), or fair value based on published relevant professional recommendations (EVAC, AFIC, etc.)
- Tax deduction

Remuneration of the Managers

The Manager is entitled to (i) a remuneration, determined in the Articles of Association, equal to (excluding tax) 2% of the total consolidated shareholders' equity of the Company, determined on the last day of the preceding financial year. This remuneration shall be paid annually when the financial statements of the preceding year are approved. The Manager has the opportunity, during the year, of receiving a payment on account for the remuneration referred to above. The payment of this advance can only be made on the basis of an accounting period certified by the Statutory Auditors of the Company. This advance is deducted from the total amount of remuneration paid to the Manager on approval of the financial statements for the previous financial year.

Preferred dividend (*dividende préciputaire*) to the general partner

Tikehau Capital General Partner, as sole General Partner of the Company, is entitled, by way of preferred dividend and should there be distributable income for a financial year, to (ii) an amount determined in the Articles of Association and equal to 12.5% of the net income of the Company as reflected in the Company's statutory financial statements at the close of each financial year.

If there is more than one general partner, they shall share this amount between themselves as they see fit. In the event of a financial year whose duration is less than a calendar year, this remuneration shall be calculated on a *pro rata* basis for the time elapsed.

Attendance fees and other remuneration received by members of the Supervisory Board

In line with the conversion of the Company into a *société en commandite par actions* (partnership limited by shares), a Supervisory Board was created. According to the Company Articles of Association, members of the Supervisory Board may receive attendance fees and remuneration, the total annual amount of which is voted on by the General Shareholders' Meeting and whose distribution is decided by the Supervisory Board on the recommendation of the Appointments and Pay Committee. The Supervisory Board's Internal Rules provide that the distribution of attendance fees takes into account in particular the effective participation of each member in the meetings as well as the duties performed on the Board and its Committees, and is the subject of prior discussion by the Appointments and Pay Committee. The share of each member of the Supervisory Board is calculated in proportion to the duration of his or her term of office during the financial year.

At the annual General Shareholders' Meeting of the Company held on 21 December 2016, an amount of €300,000 was allocated to the members of the Supervisory Board in respect of attendance fees for each financial year.

No attendance fees were paid in respect of financial year 2016.

Summary of the remuneration received by the Chairman and the Manager of Tikehau Capital

The amounts invoiced by the related parties over the year can be broken down as follows:

Remuneration Tikehau Capital Advisors	from 1 January to 7 November 2016	
(in thousands of €)	2016	2015
Remuneration on NAV and capital increase (i)	15,743	8,660
Remuneration on net income (ii)		524
Remuneration related to administrative support available (iii)	680	680
Remuneration charged to Tikehau Capital (excl. tax)	**16,423**	**9,864**

Remuneration TCGP	from 7 November to 31 December 2016	
(in thousands of €)	2016	2015
Remuneration on consolidated shareholders' equity (i)	1,113	
Remuneration on net income (ii)		
Remuneration charged to Tikehau Capital (excl. tax)	**1,113**	

Investments in funds managed by Tikehau Investment Management (Tikehau IM) or Tikehau Capital Europe (TCE)

The following table presents the list of funds in which Tikehau Capital or one of its subsidiaries has invested and that are managed by Tikehau IM or TCE:

(in millions of €)		31 December 2016				
Fund	Investing company	Amount called		Commitment		% holding [1]
		Tikehau	Fund	Tikehau	Fund	
TDL3	TCP UK	19.1	287.7	40.5	610.0	7%
TSL II	TCP UK	7.0	119.0	25.0	522.2	5%
TSO	TCP UK	4.1	8.4	30.0	61.4	49%
Tikeflo Invest 3	TC	12.1	12.2	12.1	12.2	99%
TPC	TC & TIM	25.2	130.2	25.9	133.9	19%
TSS II	TC	15.0	85.3	15.0	85.3	18%
TIRF (I-Petali)	TC, TCP UK & SY	9.2	35.0	9.2	35.0	26%
TLP I (Escoffier)	TC	8.7	56.3	8.7	56.3	15%
TRE I (Elis)	TC	9.0	99.9	9.0	99.9	9%
TRE II (Optimo)	TC	45.6	180.5	45.6	180.5	25%
TREIC	TC & SY	17.8	59.3	75.0	250.0	30%
TRP I (Mr. Bricolage)	TC & SY	30.0	135.0	30.0	135.0	22%
TRP II (Bercy 2)	TC	14.0	49.7	14.0	49.7	28%
TRP III (Babou)	TC	33.3	175.0	33.3	175.0	19%
CLO I	TCP UK / TCE	34.5	354.7	34.5	354.7	10%
CLO II	TCP TCE	19.4	414.2	19.4	414.2	5%
Others		6.0	76.5	8.8	140.9	
Total		**310.0**	**2,278.6**	**436.0**	**3,315.9**	

(in millions of €)		31 December 2015				
Fund	Investing company	Amount called		Commitment		% holding [1]
		Tikehau	Fund	Tikehau	Fund	
TDL3	TCP UK	0.9	9.4	37.5	376.6	10%
TSL II	TCP UK	2.5	19.5	25.0	195.0	13%
Tikeflo Invest 3	TCP	12.1	12.2	12.1	12.2	99%
TPC	TCP	21.5	113.1	25.5	133.9	19%
TSS II	TCP	15.0	85.3	15.0	85.3	18%
TRE I (Elis)	TCP	9.0	99.9	9.0	99.9	9%
TRP I (Mr. Bricolage)	TCP & SY	30.0	135.0	30.0	135.0	22%
TRP II (Bercy 2)	TCP	16.4	44.6	16.4	44.6	37%
TRP III (Babou)	TCP	35.5	175.0	35.5	175.0	20%
CLO I	TCP UK / TCE	34.5	354.7	34.5	354.7	10%
Others		3.7	28.9	3.7	28.9	
Total		**181.2**	**1,077.6**	**244.2**	**1,641.0**	

[1] Percentage holdings calculated on the committed amounts

(in millions of €)		31 December2016				
Fund	Investing company	Amount called		Commitment		% holding (1)
		Tikehau	Fund	Tikehau	Fund	
TDL3	TCP UK	19.1	287.7	40.5	610.0	7%
TSL II	TCP UK	7.0	119.0	25.0	522.2	5%
TSO	TCP UK	4.1	8.4	30.0	61.4	49%
Tikeflo Invest 3	TC	12.1	12.2	12.1	12.2	99%
TPC	TC & TIM	25.2	130.2	25.9	133.9	19%
TSS II	TC	15.0	85.3	15.0	85.3	18%
TIRF (I-Petali)	TC, TCP UK & SY	9.2	35.0	9.2	35.0	26%
TLP I (Escoffier)	TC	8.7	56.3	8.7	56.3	15%
TRE I (Elis)	TC	9.0	99.9	9.0	99.9	9%
TRE II (Optimo)	TC	45.6	180.5	45.6	180.5	25%
TREIC	TC & SY	17.8	59.3	75.0	250.0	30%
TRP I (Mr. Bricolage)	TC & SY	30.0	135.0	30.0	135.0	22%
TRP II (Bercy 2)	TC	14.0	49.7	14.0	49.7	28%
TRP III (Babou)	TC	33.3	175.0	33.3	175.0	19%
CLO I	TCP UK / TCE	34.5	354.7	34.5	354.7	10%
CLO II	TCP TCE	19.4	414.2	19.4	414.2	5%
Others		6.0	76.5	8.8	140.9	
Total		**310.0**	**2,278.6**	**436.0**	**3,315.9**	

(in millions of €)		31 December2015				
Fund	Investing company	Amount called		Commitment		% holding(1)
		Tikehau	Fund	Tikehau	Fund	
TDL3	TCP UK	0.9	9.4	37.5	376.6	10%
TSL II	TCP UK	2.5	19.5	25.0	195.0	13%
Tikeflo Invest 3	TCP	12.1	12.2	12.1	12.2	99%
TPC	TCP	21.5	113.1	25.5	133.9	19%
TSS II	TCP	15.0	85.3	15.0	85.3	18%
TRE I (Elis)	TCP	9.0	99.9	9.0	99.9	9%
TRP I (Mr. Bricolage)	TCP & SY	30.0	135.0	30.0	135.0	22%
TRP II (Bercy 2)	TCP	16.4	44.6	16.4	44.6	37%
TRP III (Babou)	TCP	35.5	175.0	35.5	175.0	20%
CLO I	TCP UK / TCE	34.5	354.7	34.5	354.7	10%
Others		3.7	28.9	3.7	28.9	
Total		**181.2**	**1,077.6**	**244.2**	**1,641.0**	

[1] Percentage holdings calculated on the committed amounts

Outperformance fees

In some funds, outperformance fees may be paid in the event that a performance threshold is exceeded upon the liquidation of the funds, mainly real-estate and private debt funds.

Outperformance fees since April 2014 break down as follows: 20% of the outperformance fees are paid to a company that is a shareholder of Tikehau Capital Advisors and is held by partners of the Tikehau Group; the other 80% are paid one third each to Tikehau Capital, Tikehau IM and Tikehau Capital Advisors.

These outperformance fees are paid by the funds directly to the beneficiaries and are recorded on the income statement when they are actually paid.

As at 31 December 2016, 74% of private debt assets under management – Direct Lending & CLO and almost all real-estate funds give rise to performance fees.

(in millions of euros)	31 Dec. 2016	31 Dec. 2015
Assets eligible for carried interests	**1,941.6**	**757.6**
Direct lending and CLO	1,253.3	506.7
Real Estate	688.3	250.9
AuM	**2,631.3**	**1,475.6**
Direct lending and CLO	1,943.0	1,224.7
Real Estate	688.3	250.9

Tikehau Capital and its fully consolidated subsidiaries were not paid carried interests in respect of financial year 2016.

SALVEPAR ORNANE Bonds

On 6 May 2015, Salvepar issued ORNANE bonds (*Obligations à Option de Remboursement en Numéraire et/ou en Actions Nouvelles et/ou Existantes* – bonds with the option of redemption in cash and/or new and/or existing shares, hereafter referred to as the "Bonds") maturing on 01 January 2022. The Bonds were issued on 18 May 2015 for a total nominal amount of €150 million, €64 million of which was subscribed by Tikehau Capital. The nominal annual interest rate of the Bonds is fixed at 1.625% payable semi-annually in arrears on 1st January and 1st July each year.

In the 2016 financial year, interest paid to Tikehau Capital from Salvepar bonds amounted to €1,033,845.

Receivables from equity interests in related parties

Receivables from equity interests in related parties are detailed below:

(in thousands of €)	Amount concerning related entities	Amount concerning companies with which the Company has a participating interest
Receivables relating to equity interests	**71,770**	**10,663**
Tikehau Secondary	7	
Tikehau Venture	2,150	
Tikehau Asia	6,871	
Takume	289	
TGPF	963	
TCP UK	61,490	
TIKEFLO		3,838
Angelmar		6,826

Note 16. Market risks

(j) Exposure to interest rate risk

As at 31 December 2016, in liabilities, Tikehau Capital was exposed to an interest rate risk on its bank loans for €121.8 million. On this total debt, a sudden change of 50 basis points in the 3-month Euribor would have an impact on pre-tax profit as at 31 December 2016 of around €609,000.

As at 31 December 2015 and 2016, the financial assets of Tikehau Capital exposed to interest rate risk were as follows:

Financial assets exposed to interest rate risk (in millions of €)	Fixed rate		Variable rate		Total	
	Amount	%	Amount	%	Amount	%
As at 31 December 2015		**2.6%**		**97.4%**		**100.0%**
Fixed-rate bonds	4.3				4.3	
Bank debts (E3M)			66.9		66.9	
Interest rate swaps (E3M)			100.1		100.1	
As at 31 December 2016		**1.8%**		**98.2%**		**100.0%**
Fixed-rate bonds	4.1				4.1	
Bank debts (E3M)			121.8		121.8	
Interest rate swaps (E3M)			170.6		170.6	

For the purpose of managing risks on its floating-rate exposure, Tikehau Capital has taken out interest-rate swaps with the following features:

(in millions of €)	Nominal debt	Notional	Average fixed rate	Average maturity
As at 31 December 2015	66.9	100.1	1.48%	7.8 yrs
As at 31 December 2016	121.8	170.6	0.96%	8.2 yrs

(k) Exposure to currency risk

Tikehau Capital's exposure to currency risk relates to its investments in foreign currencies.
As at 31 December 2016, Tikehau Capital had an exposure to currency risk on the pound sterling, the US dollar, the Singapore dollar and on the Polish zloty. Tikehau Capital had no currency hedging as at 31 December 2016.

The table below shows the impact on earnings of a change +/- 10% in these currencies against the euro and on the basis of the consolidated financial statements as at 31 December 2015 and 31 December 2016:

(in millions of €)	Impact	
	Depreciation of 10% of the currency	Appreciation of 10% of the currency
As at 31 December 2015		
USD	-1.3	1.6
GBP	-3.2	3.9
PLN	-0.1	0.1
As at 31 December 2016		
USD	-1.1	1.5
SGD	-0.6	0.8
GBP	-6.7	8.2
PLN	-0.1	0.1

(l) Exposure to equity market risks

Due to the nature of its business, Tikehau Capital is exposed directly to equity market risks for the value of its listed shares, representing approximately €309.5 million as at 31 December 2016 (including the listed securities in the non-current investment portfolio and the current investment portfolio). The portfolio of listed shares of Tikehau Capital is subject to continuous monitoring and daily assessment for the management of this risk.

Tikehau Capital may be affected by adverse changes in the market price of its listed shares. A decline in the share price over a given period, especially at the end of the financial year, would be reflected in the financial statements as a fall in the net value of the portfolio and the consolidated shareholders' equity and could in particular affect the ability of the Group to pay dividends. A fall in the quoted price is also likely to impact the earnings realized at the time of any sales into the market that might be made by Tikehau Capital. Depending on the extent of its funding and the magnitude of any price declines, Tikehau Capital could be required to make temporary payments to support its funding.

Tikehau Capital makes investment transactions on the European derivatives markets (futures or options), particularly for the purpose of hedging market risks. As at 31 December 2015 and as at 31 December 2016, Tikehau Capital had no open positions at the closing date.

The earnings from these activities came, respectively, to -€21 million in 2015, and -€62 million in 2016.

These activities are highly sensitive to shifts in the equity markets and can have a heavy impact on the Company's results.

Over the past 10 years (from 2006 to 2016), these strategies have incurred a total cost of €66 million. In the 2016 financial year, the cost of these strategies represented 5.5% of consolidated shareholders' equity, and since 01 January 2013, the average cost has been 3.6 % of consolidated shareholders' equity.

(m) Exposure to counterparty risk

To manage its counterparty risk related to cash and marketable securities, Tikehau Capital only works with top tier banks and has recourse to investments whose horizon is suited to its projected needs. Cash investments are reviewed on a weekly basis particularly in terms of credit risk. The selection of investment vehicles and counterparties and the volatility of the instruments are also subject to regular review. It is based on prudential rules ensuring the diversification of custodians and account keepers as well as the variety of vehicles and risk/return profiles. In 2016, Salvepar was not exposed to any counterparty default.

(n) Exposure to liquidity risk

Tikehau Capital manages its liquidity risk by maintaining a store of available cash and liquid investments (the current portfolio) that is sufficient for covering its current debts.

Note 17. Other items of information

Statutory Auditors' Fees

Statutory Auditors' Fees (in thousands of €)	TOTAL	of which CMS Expert Associés	of which Ernst & Young & Autres
Statutory audit (excl. tax)	539	214	325
Other services (excl. tax)	18	18	0
Total	**558**	**233**	**325**

Workforce

Tikehau Capital has no employees.

Subsidiaries and affiliates table

COMPANIES OR GROUPS OF COMPANIES (*in thousands of €*)	Capital	Other equity (result of the year included)	Share of capital held at year-end in %	Balance sheet value of the securities held as at 31/12/2016		Loans and advances granted	Amount of guarantees and endorse-ments	Revenue of last financial year	Net profit (or loss) of the last financial year	Dividends received by the company during the financial year[1]
				Gross	Net					
A. Detailed information on participating interests whose inventory value exceeds 1% of the share capital of the Company required to publish the corresponding information										
1) SUBSIDIARIES held atmore than50%										
SALVEPAR * 32, rue de Monceau, 75008 Paris, France	59,657	324,641	59%	287,330	262,694	0		22,489	29,265	9,868
Tikehau Capital Partners UK* 32, rue de Monceau, 75008 Paris, France	11,680	4,328	100%	12,117	12,117	61,490		502	4,137	0
Tikehau Capital Europe Ltd. * 32, rue de Monceau, 75008 Paris, France	43,418	3,372	100%	53,300	53,300	0		6,185	-308	0
Tikehau IM * 32, rue de Monceau, 75008 Paris, France	30,410	-10	97%	237,883	237,883	0		53,195	1,549	0
2) PARTICIPATING INTERESTS (10 to 50% of capital held by the Company										
TREIC * 32, rue de Monceau, 75008 Paris, France	603		22%	13,052	13,052	0			-117	0
Foncière Atland* 10 Avenue Georges V, 75008 Paris, France	31,282	8,922	18%	7,868	7,868	0		2,661	-168	209
Store Electronics Systems **	23,330	87,333	16%	48,716	48,022	0		74,516	712	0
B. General information concerning other subsidiaries or affiliates										
1 French subsidiaries (total) more than 50%				**2,525**	**2,485**	**10,351**				**3,016**
2 Holdings in French companies (total)				**20,233**	**6,000**	**6,843**				**0**
3 Holdings in foreign companies (total)				**7,867**	**5,233**	**6,826**				**0**

* information taken from 2016 company financial statements
** information taken from 2015 company financial statements

The information is given for subsidiaries and affiliates whose balance sheet value is greater than 1% of Tikehau Capital's share capital; the information concerning the other subsidiaries and affiliates is given for their total value.

Additional observations:

As the financial statements of Tikehau Capital Partners UK are drawn up in GBP, the amounts regarding capital, shareholder's equity and income mentioned above have been converted into euros, at the GBP rate of 31/12/2016.

5. Statutory Auditor's report on the annual financial statements

This is a free translation into English of the statutory auditors' report on the financial statements issued in French and it is provided solely for the convenience of English-speaking users.
The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures.
This report also includes information relating to the specific verification of information given in the management report and in the documents addressed to the shareholders.
This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

Tikehau Capital

(Formerly Tikehau Capital Partners)

(a) Statutory auditors' report

(b) on the financial statements

(i)

C.M.S. EXPERTS ASSOCIES
149, boulevard Malesherbes
75017 Paris
S.A.R.L. au capital de € 200.000

Commissaire aux Comptes
Membre de la compagnie
régionale de Paris

ERNST & YOUNG et Autres
1/2, place des Saisons
92400 Courbevoie - Paris-La Défense 1
S.A.S. à capital variable

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

Tikehau Capital
(Formerly Tikehau Capital Partners)
Year ended December 31, 2016

(c) Statutory auditors' report

on the financial statements

To the Shareholders,
In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you, for the year ended December 31, 2016, on:

- the audit of the accompanying financial statements of Tikehau Capital;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the Manager. Our role is to express an opinion on these financial statements based on our audit.

I. Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2016 and of the results of its operations for the year then ended in accordance with French accounting principles.

II. Justification of our assessments

In accordance with the requirements of Article L. 823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

As mentioned in note 3 “Accounting principles and methods” to the financial statements, your Company makes estimates to the preparation of its financial statements, notably regarding the valuation of investments, receivables related to investments and other securities holdings. We have reviewed the underlying assumptions and assessed whether these accounting estimates rely on documented procedures consistent with the accounting policies described in the notes to the financial statements.
These assessments were made as part of our audit of the financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific verifications and information

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.
We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Manager and in the documents addressed to the shareholders with respect to the financial position and the financial statements.
In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests has been properly disclosed in the management report.

Paris-La Défense, April 21, 2017

The Statutory Auditors
French original signed by

C.M.S. EXPERTS ASSOCIES	ERNST & YOUNG et Autres
Stéphane Sznajderman	David Koestner

VII. CORPORATE SOCIAL AND ENVIRONMENTAL RESPONSIBILITY (CSR)

1. CSR approach within Tikehau Capital

CSR context and approach within the Group

The Group pays particular attention to the impacts that its investment activities may have and has set a target of increasingly integrating social and environmental responsibility ("CSR") challenges in its activities.
The first stage of putting this into practice was initiated in 2014 by Tikehau IM, the Group's asset management firm, and Salvepar, the Group's subsidiary dedicated to minority investments.

With this in mind, Tikehau IM and Salvepar teams have gradually integrated environmental, social, community-related, and governance ("ESG") issues into the core of their investment activities, particularly by setting up a policy to monitor and follow up on investments from the point of view of extra-financial criteria.

To this end, for some of the funds managed by Tikehau IM, the managers of the companies in which Tikehau IM invests are asked to sign a undertaking on (i) compliance with the Charter of the Six Principles for Responsible Investment (the "PRI") drawn up at the invitation of the United Nations Secretary-General and coordinated by the United Nations Environment Programme Finance Initiative (UNEP FI) and the United Nations Global Compact (see the following website: www.unpri.org), the implementation of a more active social and environmental policy and the implementation of proven CSR practices; (ii) the absence of material ESG risks in the activities carried out by the company; and iii) observance of the ten human rights principles contained in the United Nations Global Compact. This process leads to an ESG report which is drawn up and sent to the investors concerned.

In parallel, Salvepar and the investment teams working on its behalf have begun to review systematically the CSR information published or available on companies in which Salvepar has invested or plans to invest, and has also developed processes for taking into account non-financial criteria in the analysis and completion of its investment projects. In particular, the Internal Rules of Salvepar's Board of Directors was amended in March 2014 to provide that investment cases submitted to the Investment Committee for a review of deals must include CSR aspects.

The integration of a CSR approach within the Group continued with the signing of the PRI by Salvepar and Tikehau IM in 2014. These six principles, which are reproduced on Tikehau IM and Salvepar's website, are:

- To incorporate ESG issues into investment analysis and decision-making processes;
- To be active owners and incorporate ESG issues into ownership policies and practices;
- To seek appropriate disclosure on ESG issues by the entities in which we invest;
- To promote acceptance and implementation of the Principles within the investment industry;
- To work together to enhance our effectiveness in implementing the Principles;
- Each to report on our activities and progress towards implementing the Principles.

The Group has held several training sessions arising from this PRI commitment, which requires Charter signatories to produce an annual report on CSR issues arising within their organizations. Tikehau IM and Salvepar have submitted their initial rapports covering the 2015 and 2016 financial years, thus meeting the PRI requirements for ongoing transparency and improvement. The Transparency Reports based on these reports are available on the PRI website (www.unpri.org). Following completion of the public exchange offer and cash takeover bids and mandatory delisting of Salvepar and the Company's IPO, the Company will replace its subsidiaries Salvepar and Tikehau IM to become signatory of the PRI in 2017.

Integration of CSR issues within the Group continued in 2015 with the adoption by Salvepar and Tikehau IM of a PRI-oriented common responsible investment policy. This policy is enshrined in a "Responsible

Investor Charter”. The charter is available in French and English on the websites of Tikehau IM and Salvepar. It establishes good governance as one of the main subjects of ESG research within the Group. It states that “*Ideal governance is based on transparent rules that organize powers and counter-powers in a balanced way. This type of governance enables the company to align the interests of all its stakeholders (employees, managers, financiers, shareholders, society, etc.) to anticipate changes and to control the risks associated with its business.”* The charter, whose content is described in greater detail below, also provides for the integration of ESG criteria throughout the investment cycle and the implementing of an ESG integration policy suited to each type of investment management. In this context, Tikehau IM and Salvepar have worked together on CSR issues to share best practices.

Although the Group does not have a CSR-dedicated team as at the filing date of this Registration Document, all levels of its hierarchy are involved in CSR within the various structures of Tikehau Capital.

For example, an ESG Committee has been set up to steer, oversee and integrate the CSR strategy at all levels of the Group. The ESG Committee consists of various senior representatives of the Group.
Within each operating team, the key persons have been specially trained in CSR issues and instructed to hand out a questionnaire and standard analysis grid to the managers of companies in which the Group invests.

As part of the listing of the Company shares on the Euronext Paris regulated market, the CSR policy has been overhauled throughout the Group. To accelerate its CSR efforts, the Group plans in particular to create a CSR-dedicated position.

Lastly, in 2016, together with a top-tier consultant, the Group developed an initial CSR plan to guide it in formalising its CSR commitments and practices. The consultant has been involved, among other areas, in taking ESG criteria into account in investment transactions, annual monitoring of ESG criteria, and measuring the carbon footprint of certain open-ended funds, with the objective of extending these efforts to unlisted investments. This partnership has, among other things, led to the finalising and implementing of a standard CSR analysis tool for the Group’s investment projects and for the production of a standard reporting format. These tools reflect the degree of interaction of managers with the companies in which they plan to invest.

As a result of this partnership, and in accordance with the aforementioned Responsible Investor Charter, the Group’s current responsible investment policy can be summarised as follows:

Policy of analysing and integrating ESG criteria in investment transactions

ESG criteria are integrated into the investment processes and reflected in investment decisions with a special requirement for activities having close interactions with issuers (for example, private debt or equity). For these activities, ESG issues are integrated upon the three key stages of investment transactions, i.e.:

- an exclusion system at the stage of selecting investments – In addition to some obvious examples, such as polluting industries or risky sectors, the Group regularly walks away from potential investments, despite the strategic or financial prospects that they may offer, if they lack transparent governance or if no independent directors have been appointed to the companies’ decision-making bodies. In addition, the investment teams refer to geographic or sector-based exclusion criteria, such as regulatory exclusions on controversial weapons, as well as the exclusion of issuers from countries classified as non-cooperative by the Financial Action Task Force (FATF). Investments in companies that may incur ethical risks owing to their business sectors or their domicile are subject to the approval of the ESG Committee, based on a case-by-case study.

- An ESG analysis system at the stage of analysing investments – With the backing of a top-tier specialised consultant, Tikehau Capital has drawn up an analysis grid (described in greater detail below) for ESG factors allowing for a dynamic assessment of ESG factors and ongoing analysis of their integration at the investment stage, and for determining a trajectory of improvement with regard to the ESG issues while implementing the necessary monitoring tools.

- a system for ESG monitoring and reporting after the investment is made – Once the investment in made, each holding in the portfolio (whether a private equity investment or a third-party investment) is subjected to an annual ESG analysis, based on ESG criteria that are common to all investments and, where applicable, additional ESG criteria selected specifically from a grid of indicators if this approach proves to be relevant. This annual reporting methodology provides an ongoing monitoring of investments over time and an update if the situation worsens or improves from the ESG point of view.

Analysis grid and ESG questionnaire

The ESG criteria listed in the analysis grid drawn up by the Group is organized around three key categories:

- shareholder structure;
- activity and governance; and
- environmental & social impact and relations with outside stakeholders.

Upon any new investment, the team in charge of reviewing it fills in the questionnaires pertaining to these three categories, based on information provided by its contacts within the company or its consultants. This methodology helps map progress in CSR issues within the company concerned. Based on a multi-criteria analysis, an overall score is then calculated for the listed risks. This score is used to estimate an overall level of ESG risk for the company and to identify potential corrective measures.

A summary of this analysis grid is included in the investment case submitted for approval to the Investment Committee, with a presentation and round-table debate during a Committee meeting. This ESG analysis grid also helps make companies aware of these challenges from the very first stages of the investment relationship, which, at least once per year, are subject to discussions between investment team heads and the managers of the companies in which they have invested. At this time, Tikehau Capital encourages companies in which it invests to play special attention to CSR issues, such as staff turnover and indicators of the frequency and seriousness of accidents or absenteeism.

Moreover, each investment analysis team is also in charge of identifying the particularly ESG issues that may arise from this investment, based on a sample-based questionnaire, in accordance with the Group's Responsible Investor Charter.

Monitoring of CSR commitments made by the companies in which the Group has invested

Once they are made, investments are monitored periodically and at least once each year. Each year ESG metrics set prior to the investment are updated and the analysis grid and ESG questionnaire are reviewed, if possible during meetings with the managers of the portfolio companies, alongside meetings focusing on financial, business development and strategic aspects. Metrics having a component that is ongoing or that are pending implementation are reviewed regularly to ensure that the measures are indeed being implemented.

Once the investments are made, the investment teams enforce the initial criteria and follow up on criteria not yet effective at the company, on the basis of a precise timetable. By way of illustration, the teams may ensure that a commitment that one of its portfolio companies has made to set up a waste-recycling system is indeed met on schedule.

In addition to the initiatives described in more detail in this Section, the Group will pursue its CSR policy in 2017 as part of a continuous process of improvement. This should enable the Group to participate more actively in sustainable development and a responsible economy in the context of its role as a professional investor and to ensure a balanced growth between financial performance, social development and respect for the environment through the management of risks and opportunities. In particular, the Group has pledged to report periodically on the carbon footprint of its open-ended funds.

2. Social aspects at the Group level and as reflected in its activities

(a) The Group's workforce

As at 31 December 2016, the Group's permanent workforce numbered 106 employees and the total workforce of the Group (including both permanent and non-permanent staff) was 126 employees. This headcount was split between Tikehau IM and its subsidiaries and branches, Tikehau Capital Europe and Salvepar, keeping in mind that neither the Company nor the Manager have any employees.

To support the growth in assets under management, headcount has been expanded considerably in recent years. By way of comparison, the Group had 94 permanent employees on 31 December 2015 and 43 employees on 31 December 2014.

Permanent staff include employees holding permanent contracts (*contrats à durée indéterminée*) for full- or part-time work and corporate officer-employees. As at the filing date of this Registration Document, no Company corporate officer was under a work contract.

Non-permanent staff include employees holding full-time or part-time temporary contracts or fixed-term contracts, including special temporary contracts such as work-study contracts (professionalization and apprenticeship), replacement contracts seasonal work contracts, and internships. Non-permanent staff does not include substitute workers, workers seconded by an outside company and who work at the Company's premises, or temp workers.

Because of its complex activities, a high percentage of the Group's executives hold advanced diplomas and a high percentage of them have managerial status. As at 31 December 2016, the average percentage of managers and assimilated employees was above 80%.

The table below presents the Group's employees as at 31 December 2015 and as at 31 December 2016:

	Group Workforce	
	As at 31/12/2015	As at 31/12/2016
Number of permanent employees	94	106
Percentage of permanent employees in total headcount	80.4%	84%
Percentage of women	45%	33%

The table below presents hires and departures within the Group (France and internationally) in 2015 and 2016. There were 31 net job creations in 2015 and 16 net job creations in 2016.

	From 1 January to 31 December 2015	From 1 January to 31 December 2016
Total hires (permanent contracts)	40	36
Retirements and early retirements	0	0
Departures on the initiative of the employee	4	11
Departures on the initiative of the employer	3	3
Other departures*	2	2
Total departures	9	16

** Other departures include ending contracts, mutually agreed departures, departures during trial periods and deaths.*

Tikehau Capital also has foreign locations (in London, Singapore, Brussels and Milan) to accompany its activities in their international development. As at 31 December 2016, the Group had 37 employees outside France (including both employees holding permanent contracts (*contrats à durée indéterminée*) and non-permanent employees, excluding France-based employees sent to work abroad). The Group does not use temporary work, part-time work or telework.

The Group also calls on Tikehau Capital Advisors employees who advise the Manager. Tikehau Capital Advisors and its subsidiaries had 32 permanent employees as at 31 December 2016.

Tikehau IM employees are covered by the national collective bargaining agreement of the financial sector, including an annual number of days of leave for autonomous managers. Salvepar employees are under no collective bargaining agreement or any other collective agreement. Tikehau IM and Salvepar employees were eligible for profit-sharing in the 2014, 2015 and 2016 financial years. However, the Group has no employee savings plan or similar incentive scheme.

No trade-union is represented within the Group and no personnel representative body is in place in France or in any other country in which the Group is set up. In France, no candidate has stood for election to combined staff representation.

The Group incurred no material absenteeism or work-related accident during the last three financial years.

In order to strengthen team cohesion, the Group encourages the mobility of employees between the business lines, but also between offices. The Group offers its employees training in accordance with legal requirements. In 2016, 760 hours of external training were provided to Group employees. Group employees are eligible for a very active general training policy in various formats:

- In-house presentations and training are regularly provided by Group employees on awareness of the Group’s various activities, compliance, easy-to-understand information on our business lines and products, human resources training (management, annual interviews, best practices in hiring and mentoring, orientation meetings for new hires, corporate culture and other areas).

- The Group has set up a series of presentations called “Tikehau 360”, provided mainly by outside speakers from many different fields in order to expand employees’ perspective and general knowledge in fields such as finance, current news, sports, culture, security, the environment, etc.

- Employees are eligible for a mentorship programme that avails them of the advice of more experienced employees and allows them to discuss a wide range of topics to help them adjust to the corporate culture or to plan their career paths.

- All employees are eligible for training – whether or not that training leads to certification or diplomas, and within their company or in association with other companies – with external bodies on topics such as technical upgrades, certifications, acquisition of new knowledge when taking on a new position or as part of an internal promotion, enhancement of managerial skills, language learning, etc.

- Managers may receive coaching, tailored to their needs.

As at the filing date of this Registration Document, only Tikehau IM has set up a bonus-share incentive plan for its employees:

- An initial plan, set up in 2010 and now completed, resulted in employees acquiring 3.4% of Tikehau IM’s shares free of charge (as at the date on which this Registration Document was filed); the free shares had no voting rights. All shares awarded have completed their acquisition and vesting periods.

- In 2016, a second bonus-share incentive plan was set up, in which 636 Tikehau IM shares were awarded. If these shares (also stripped of voting rights) are ultimately acquired, the bonus shares awarded in the first and second years will ultimately amount to 5.8% of Tikehau IM share capital (as at the date on which this Registration Document was filed) and cover about 30 employees. Share awards under this second plan were made in accordance with Tikehau IM’s general compensation policy and, in particular, in accordance with Tikehau IM’s compensation policy for employees covered by the requirements of the AIFM Directive in the area of remuneration. For this purpose, two sub-plans were set up: one for employees not covered by the AIFM Directive and the other for employees that are covered by the AIFM Directive (i.e., senior managers, risk-takers, and controlling supervisors). Regarding personnel covered by the AIFM Directive, as the bonus shares have been certified by the AMF as isntruments eligible for the compensation policy, these free shares are awarded under the restrictions contained within the AIFM Directive.

With the exception of these bonus-share incentive plans and the equity warrants described in Section VIII.5 (Information on shares and the main shareholders – *Bons de souscription d'actions*) of this Registration Document, no Group employee is eligible for allocations of bonus shares or stock options.

Lastly, among the workforce of the Group and Tikehau Capital Advisors, around thirty senior Group employees (with responsibilities in the Group's management or joint functions) have joined together to invest in a joint company which owns an equity interest in Tikehau Capital Advisors and which receives 20% of the carried interest on the funds managed by the Group. The remaining 80% is split equally between Tikehau Capital, Tikehau IM and Tikehau Capital Advisors. This carried interest relates solely to certain closed-end funds (private debt funds and real estate funds; the outperformance fees on open-ended funds being received in full by Tikehau IM) and enables the collection of a portion of investor returns beyond a level of IRR (see Glossary in Section X.5) laid down in the fund documentation. (See Section I.4(a)(ii) (Allocation and income from the capital of Tikehau Capital) of this Registration Document.) This structure incentivises these employees to achieve performance for the Group and creates a solidarity across all business lines, avoiding any silo effect.

(b) Incorporation of social aspects in investment transactions

Tikehau Capital endeavours to ensure that human resources remain a key focus of its own strategy and of that of the companies in which the Group invests.

The Group regularly includes the consideration of non-financial and particularly social criteria in its activities, either (i) at the investment stage and, in particular, due diligence; (ii) during the period of holding and management of its investments; or (iii) at the divestment stage, based on the ESG analysis procedure of investment transactions detailed under Section VII.1 (CSR approach within Tikehau Capital) of this Section.

Depending on the nature of the businesses and their industries, qualitative or quantitative criteria used by the Group in regard to social aspects may vary: human resources policy, the quality of the social climate, workforce turnover, social risks, employee safety and work-related accident rates, compliance with social legislation, etc.

Tikehau Capital's approach rests on the belief that a positive management of human resources is required for a company to be productive, reduce social risks of any kind and therefore prove to be a promising investment.

However, given the investment strategies implemented to date within the Group (See Section I.4 (Presentation of the activities of Tikehau Capital) of this Registration Document), Tikehau Capital generally has little or no control over the social policies of companies in which the Group invests, either because it holds minority stakes, in some cases very small, or because it holds debt securities or rights.

The Group adheres to the principles laid down in the fundamental conventions of the International Labour Organization concerning (i) respect for the freedom of association and right to collective bargaining, (ii) the elimination of discrimination in respect of employment and occupation, (iii) the elimination of forced and compulsory labour, and (iv) the effective abolition of child labour.

3. Environmental footprint and the environmental aspect of the Group's activities

Because of the nature of its activities (see Section I.4 (Presentation of Tikehau Capital's activities) of this Registration Document), Tikehau Capital has very little impact on the environment and is not directly affected by industrial or environmental risks or by noise pollution. In order to reduce its environmental impact in all its activities, the Group encourages all employees to make responsible travel arrangements.

For the same reasons, and because the Group's companies lease the premises they use, the Group has very limited hold over the issues of pollution, waste management, sustainable resource use, climate change and the protection of biodiversity. Since 1 January 2014, neither the Company nor any of its subsidiaries has set aside provisions or guarantees for environmental risks.

In light of the investment strategies implemented to date within the Group (See Section I.4 (Presentation of the activities of Tikehau Capital) of this Registration Document), the Group generally has no control over the environmental impact of companies in which it invests. However, the Group is careful to monitor compliance with environmental regulations and environmental issues in products and services developed and distributed. In general, Tikehau Capital's investment teams analyse the environmental issues and hazards (including as part of their financial analysis) when these are relevant to the activity of the companies assessed.

Due to the nature of its business, the Group's consumption of water, energy, greenhouse gas emissions and its production of waste is very limited. However, in order to control its own environmental footprint, Tikehau Capital implemented in 2014 the sorting, collection and recycling of waste produced by the Group (paper, plastic/cardboard, metals, coffee capsules, etc.). This task, which has been the subject of a joint training session within the Group, was entrusted to a "Disability-friendly Company" approved by DIRECCTE Ile-de-France, which aims to create jobs for people with disabilities. All Group staff are also encouraged to limit their paper consumption by printing as little as possible and, when they must print, to resort to double-sided printing.

4. Community-related, transparency and corporate governance aspects

In the course of its activities, Tikehau Capital takes part in projects to expand growth and/or development of companies. As it offers investment solutions that meet the needs of the companies in which it invests, the Group general believes that its activity will create value for those companies. The impact of investments by the Group may take different forms depending on the company and the project and may in particular result in a positive impact on employment and regional development. Insofar as the Group intends in general to build a diversified portfolio in terms of sector and geographic exposure, the impact of the Group's activities is intended to take concrete form in a variety of industries and regions.

The Company strives to maintain a high level of transparency regarding its own activities (in French and English) to the extent consistent with its business of investment and asset management, in order to allow investors and shareholders to assess the evolution in its position and its prospects. Under its plan to list its shares on the Euronext Paris regulated market, the Company intends to carry on a direct dialogue with its shareholders.

The Group does not wish to invest in companies which derive a proportion of their revenue from activities that are not in keeping with certain criteria of eligibility (e.g. companies involved in the production and/or marketing of cluster weapons or landmines). These principles are reflected in the Group's Responsible Investor Charter. In this regard, projected investments are usually subject to debate amongst the colleagues on teams and, where applicable, when they are referred to the Investment Committee.

The Group encourages the use of fair practices both by its teams and service providers and the companies in which it invests. The teams of each of the Group's entities are particularly aware of the risks of non-compliance of any kind and measures have been put in place to prevent some of the economic violations and breaches that might occur in the course of conducting its activities, including cases of attempted fraud. In particular, in connection with the listing of the Company's shares on the regulated market of Euronext Paris, a Stock Market Professional Code has been put in place. It supplements all the specific regulatory procedures described in more detail in Section I.6 (Regulations) of this Registration Document. The Group's requirements regarding professional conduct also includes the establishment of a balanced governance, prevention of conflicts of interest and stringent internal controls (see Section IV.4(b) (Internal control and risk management procedures) of this Registration Document).

In terms of governance, the Group is careful to ensure that the conditions under which it invests include clear and proportional rights as soon as possible. It is not Tikehau Capital's intention to take systematically part in the governance of companies in which the Group invests. However, the Group maintains a constant dialogue with the management of companies in which it has invested. These principles are reflected in the Group's Responsible Investor Charter.

In order to strengthen its commitment to sustainable development and the community-related aspect of its activities, the Group plans to invest or take interests in one or more projects specifically related to CSR that are consistent with its business. In accordance with this objective, the Group has taken part in the following initiatives and projects:

- Essential Capital Contribution: At the end of 2014, the Company and Salvepar each invested US$500,000 in the "Essential Capital Contribution" fund. The aim of this fund, which is sponsored by Deutsche Bank and specialises in social "impact investing", is to invest in social ventures seeking to benefit poor communities and directly affecting the poor through the production of goods or the provision of services in three areas: financial services for the bottom of the social scale, energy and health. The concept of "financial services for the bottom of the social scale" principally means specialised financing for education, housing and mobile payment services, and innovative micro-credit services.

- Tikehau Entraid'Epargne Carac (TEEC): In June 2011, Tikehau IM and the Caisse de Retraites des Anciens Combattants (CARAC), a veterans' pension fund, partnered for the purpose of setting up the bond component of a savings product via the TEEC fund. TEEC is a bond fund invested mostly in investment grade bonds issued by private- and public-sector companies located in the euro zone except for Greece, and Portugal. The fund may expose up to 35% of its net assets in the high yield bond category. Under the project, 1% of client deposits and 50% of management fees are donated to one of five CARAC-partnered non-profit and general-interest associations of their choice.

- *Fonds de Recherche en Santé Respiratoire*: In 2016, Salvepar lent its backing to the *Fonds de Recherche en Santé Respiratoire*, an endowment fund set up in January 2010 by seven founding institutions and qualified persons to promote scientific research on respiratory illnesses.

Finally, it should be noted that Tikehau Capital encourages participation on a voluntary basis in charity projects or projects supporting local associations, which are selected collectively (Emmaüs, Hôpital Saint François de Paul, etc.).

Lastly, as mentioned above, the Group holds training sessions and conferences for all its employees under a programme called "Tikehau 360", at which various issues are raised, including well-being, stress management, anti-terrorist measures and reinsertion of former convicts. All these initiatives help transform Tikehau Capital's commitment to responsible investment practices into concrete civic action.

5. Concordance table (Article R.225-105-1 of the French Commercial Code)

Below is a table of concordance between the information published in this Registration Document with the provisions of Article R. 225-105-1 of the French Commercial Code, as amended by Decree no. 2016-1138 of 19 August 2016.

As explained in greater detail in the preceding sections, given the Group's activities, which entail limited social and environmental issues, some of the information contained in Article R. 225-105-1 of the Commercial Code does not hold any relevance to the Company or was not applicable in financial years 2015 and 2016.

SUBJECT	RELEVANT SECTION OR COMMENT
SOCIAL INFORMATION	
EMPLOYMENT	
The total number and breakdown of employees by sex, age and geographical area	VII.2(a)
Recruitment and dismissals	VII.2(a)
Pay and changes in pay	VII.2(a)
ORGANIZATION OF WORK	
Organization of working time	VII.2(a)
Absenteeism	N/A
SOCIAL RELATIONS	
The organization of employee relations, including procedures for staff information, consultation and negotiation	Employee relations are organized around information points when necessary. Exchanges are made easier because the workforce is small.
Collective bargaining agreements	VII.2(a)
HEALTH AND SAFETY	
Conditions of health & safety in the workplace	VII.2(b)
Agreements signed with the union organizations or staff representatives with regard to health & safety in the workplace	None. No trade-union is represented and no personnel representative body is in place in France or in any other country in which the Group is set up.
Work-related accidents, including their frequency and severity, as well as occupational illnesses	VII.2(a); VII.2(b)
TRAINING	
Policies implemented with regard to training	VII.2(a)
Total number of training hours	VII.2(a)
EQUAL TREATMENT	
Measures taken in favour of gender equality	VII.2(a)
Anti-discrimination policy	Tikehau Capital displays in the workplace Articles 225-1 to 225-4 of the French Criminal Code relating to infringement

SUBJECT	RELEVANT SECTION OR COMMENT
	of the dignity of people through discrimination, of whatever kind.
PROMOTING RESPECT FOR THE STIPULATIONS OF THE BASIC CONVENTIONS OF THE INTERNATIONAL LABOUR ORGANIZATION	
Respect for freedom of association and the right to collective bargaining	VII.2(b)
Eliminating employment and professional discrimination	VII.2(b)
Eliminating forced and compulsory labour	VII.2(b)
Effective abolition of child labour	VII.2(b)
ENVIRONMENTAL INFORMATION	
GENERAL ENVIRONMENTAL POLICY	
Organization of the Company to take into account environmental issues and, where appropriate, steps taken for environmental assessment or certification	VII.3
Training and information of employees conducted on environmental protection	VII.3
The means devoted to the prevention of environmental risks and pollution	The main activities of Tikehau Capital are asset management and investment. These activities do not generate major environmental or pollution risks.
Amount of provisions and guarantees for environmental risks (provided that such information is not likely to cause serious harm in any pending litigation)	VII.3
POLLUTION	
Measures for the prevention, reduction or remedying of discharges into air, water and soil seriously affecting the environment	The main activities of Tikehau Capital are asset management and investment. These activities do not generate discharges into air, water or soil.
Taking into account noise and any other forms of pollution specific to an activity	The main activities of Tikehau Capital are asset management and investment. These activities do not generate noise pollution or other forms of

SUBJECT	RELEVANT SECTION OR COMMENT
	specific pollution.
CIRCULAR ECONOMY	
Waste prevention and management	
Measures for the prevention, recycling, reuse, other forms of recovery and disposal of waste	VII.3
Anti-food waste action	Because of its activity and the nature of its investments, the Group has very little contact with issues related to food waste.
Sustainable use of resources	
Water consumption and water supply according to local constraints	The theme of water consumption and supply is not relevant to the activities of Tikehau Capital.
Consumption of raw materials and measures taken to improve efficient use	The theme of raw materials consumption is not relevant to the activities of Tikehau Capital.
Energy consumption and measures taken to improve energy efficiency and use of renewable energy	The subject of energy consumption is of little relevance to the activities of Tikehau Capital.
Land use	The use of land is not relevant to Tikehau Capital's activities.
CLIMATE CHANGE	
Significant sources of greenhouse gas emissions generated due to the activity of the company, including the use of goods and services it produces	The main activities of Tikehau Capital are asset management and investment. These activities do not generate greenhouse gas emissions.
Adaptation to the consequences of climate change	Tikehau Capital has not identified any direct impacts of climate change on its activities.
PROTECTION OF BIODIVERSITY	
Measures taken to preserve or develop biodiversity	The subject of

SUBJECT	RELEVANT SECTION OR COMMENT
	biodiversity is not relevant to the activities and nature of Tikehau Capital's investments.
INFORMATION ON SOCIAL COMMITMENTS FOR SUSTAINABLE DEVELOPMENT	
TERRITORIAL ECONOMIC AND SOCIAL IMPACT OF THE COMPANY'S ACTIVITY	
In employment and regional development	VII.4
On neighbouring or local populations	VII.4
RELATIONSHIPS WITH PERSONS OR ORGANIZATIONS INTERESTED IN THE ACTIVITIES OF THE COMPANY, INCLUDING INTEGRATION ASSOCIATIONS, EDUCATIONAL INSTITUTIONS, ENVIRONMENTAL PROTECTION ASSOCIATIONS, CONSUMER ASSOCIATIONS AND LOCAL RESIDENTS	
The conditions for dialogue with those persons or organizations	VII.4
Partnership or philanthropic activities	VII.4
OUTSOURCING AND SUPPLIERS	
The consideration of social and environmental issues in purchasing policy	By reason of its activity, the Company does not rely on subcontracting and has very little involvement in these issues.
The importance of outsourcing and the consideration of social and environmental responsibility in relations with suppliers and subcontractors	
FAIR PRACTICES	
Actions taken to prevent corruption	VII.4
Action taken for the health and safety of consumers	By reason of its activities, the Company has very little involvement in these issues.
Other action taken by way of social information in favour of human rights	VII.4

6. Report of the independent external auditor

Finexfi

Expertise et Proximité

Certification No. 3-1081
Scope available on www.cofrac.fr

To the Shareholders,

Following the request made to us by the company TIKEHAU CAPITAL SCA, and in our capacity as an independent external auditor whose certification was approved by COFRAC under number 3-1081, (scope available on www.cofrac.fr), we hereby present our report on the consolidated corporate, environmental and social information presented in the annual report prepared for the year ended 31 December 2016, pursuant to the provisions of Article L. 225-102-1 of the French Commercial Code.

Management responsibility

It is the responsibility of the Managers to prepare a management report including the consolidated social, environmental and societal information provided for in Article R. 225-105-1 of the French Commercial Code (hereinafter the "Information"), prepared in accordance with the standards (the "Standards") used by the Company and available on demand from the registered offices of the Group.

Independence and quality assurance

We adhere to independence rules defined by the regulations, the code of ethics of the profession as well as the provisions of Article L. 822-11 of the French Commercial Code. In addition, we have implemented a quality assurance system that includes policies and documented procedures to ensure conformity with the code of ethics, professional standards and the applicable laws and regulations.

Responsibility of the independent auditor

Based on our work it is our responsibility:

- to certify that the Information required has been included in the management report or is subject to an explanation if not included in the report pursuant to the third paragraph of Article R. 225-105 of the French Commercial Code and Decree No. 2012-557 of 24 April 2012 (Certificate of presence)

- to express an opinion of moderate assurance on the fact that the Information in all material respects is fairly presented in conformity with the Standards used (Report of moderate assurance)

Certificate of presence

We conducted the work in accordance with professional standards applicable in France:

- we compared the Information contained in the management report with the list provided in Article R. 225-105-1 of the French Commercial Code

- we verified that the information covered the consolidated group, namely the Company and its subsidiaries within the meaning of Article L. 233-1 and the companies it controls within the meaning of Article L. 233-3 of the French Commercial Code

- where certain consolidated information was missing, we verified that explanations were provided in *accordance with the provisions of Decree No. 2012-557 of 24 April 2012*

Based on these procedures performed, we confirm that the Information is available in the management report as required.

<u>Moderate assurance report</u>

Nature and scope of work

We conducted our work in accordance with ISAE 3000 (International Standard on Assurance Engagements) and with the professional guidelines applicable in France. We carried out the procedures leading to a moderate assurance that the Information does not contain any significant anomalies that might call into question their fair presentation in all material respects in accordance with the standards. A higher level of assurance would have required more extensive verification work.

The assignment was carried out in April 2017 and had a duration of 4 man/days. We conducted two interviews with the Group's managers.

We carried out the following work:

- We assessed the appropriateness of the standards in terms of relevance, completeness, neutrality, clarity and reliability, taking into account, where appropriate, good practices within the sector.

- We audited the implementation of a collection, compilation, processing and control procedure within the Group, examining the completeness and consistency of the Information. We reviewed the internal control and risk management procedures relating to the preparation of the Information. We conducted interviews with the persons responsible for social and environmental reporting.

- We identified the consolidated information to be tested and determined the nature and extent of tests taking into account their importance in social and environmental impacts related to the business and nature of the Group, and its social commitments.

- Regarding the quantitative consolidated information we considered most important:

- at the level of the parent company TIKEHAU CAPITAL SCA and the entities it controls, we implemented analytical procedures and, on the basis of sampling, verified the calculations as well as the consolidation of this information;

- at the level of the sites or subsidiaries we selected60 according to their contribution to the consolidated indicators, and a risk analysis, we:

    - conducted interviews to verify the correct application of procedures and to identify possible omissions;

    - implemented detailed tests based on sampling, which consisted of checking the calculations and reconciling the data of the supporting document.

The sample thus selected represents on average more than 40% of contributions to the social data and about 40% of contributions to the environmental data.

Regarding the qualitative consolidated information that we considered the most important, we conducted interviews and reviewed the associated documentary sources to corroborate this information and to assess the fairness of its presentation.

For the rest of the consolidated information published, we evaluated its fairness of presentation and consistency against our knowledge of the company and, where appropriate, through interviews or consultation of documentary sources.

Finally, we assessed the relevance of the explanations, if any, for the total or partial absence of certain information.

We believe that the methods of sampling and sample sizes that we used exercising our professional judgement allow us to issue a conclusion of moderate assurance. A higher level of assurance would have required more extensive verification work.

[60] Company selected for testing: TIKEHAU CAPITAL

Because recourse was made of the use of sampling techniques as well as other limits inherent in the functioning of any internal information and control system, the risk of not detecting a material misstatement in the CSR Information cannot be eliminated completely.

Conclusion

Based on our work, we have not identified any significant anomalies likely to call into question the fact that in all material respects the Information is presented fairly and in accordance with the standard.

Lyon, 26 April 2017

FINEXFI
Isabelle Lhoste
Partner

VIII. INFORMATION ON THE COMPANY, ITS ARTICLES OF ASSOCIATION AND CAPITAL

1. Basic information about the Company

(a) Company name

The name of the Company is "Tikehau Capital".

The name of the Company was formerly "Tikehau Capital Partners". The Company was renamed at the Combined General Shareholders' Meeting held on 7 November 2016.

(b) Place of registration and registration number

477 599 104 Paris Registry of Trade and Companies

Code APE 6420 Z - Holding company activities

(c) Date of incorporation and term

The Company was founded in 2004 and registered in the Registry of the Commercial Court of Paris on 29 June 2004 for a period of 99 years until 29 June 2103, subject to extension or early dissolution.

(d) Registered office, legal form and applicable legislation

Registered office: 32, rue de Monceau, 75008 Paris, France
Telephone: + 33 1 40 06 26 26

The Company is a *société en commandite par actions* governed by French law, subject to all texts governing commercial companies in France and in particular by Articles L.226-1 *et seq.* of the French Commercial Code.

It was transformed from a simplified joint-stock company into a *société en commandite par actions* through a unanimous decision of the Combined General Meeting of 7 November 2016.

This legal form, whose equity is in the form of shares, includes, on the one hand, one or more general partners serving in a trading capacity and who are jointly and severally liable for the company debts and, on the other hand, limited partners who do not serve in a trading capacity and who are liable for debts only in the amount of their contributions.

The operating rules of a *société en commandite par actions* are as follows:

- general partner(s) are jointly and severally liable for the company debts;
- limited partners (or shareholders) provide capital and are only liable in the amount of their contributions;
- the same person may serve as both general partner and limited partner;
- a Supervisory Board is appointed by the Ordinary General Shareholders' Meeting as an oversight body (neither general nor limited partners may take part in appointing the Supervisory Board);
- one or more managers are appointed from among the Company's general partners or from outside the Company to manage the Company.

Limited partners (or shareholders)

The limited partners:

- appoint Supervisory Board members (who must be chosen from among the limited partners) at shareholders' meetings, as well as the statutory auditors;

- approve the accounts produced by the managers; and

- allocate income (particularly by paying out dividends).

The main limited partners (shareholders) are listed in Section VIII.5(b) (Company shareholders over the past three years) of this Registration Document.

General Partner

Tikehau Capital General Partner is the Company's sole general partner.
As a general partner, Tikehau Capital General Partner is entitled to a priority share of profits equal to 12.5% of the Company's net income (before the payment of dividends to the limited partners). (See Section IV.3(a)(ii) (Preferred dividend (*Dividende préciputaire*) to the general partner) of this Registration Document.)

Tikehau Capital General Partner is wholly owned by Tikehau Capital Advisors. Tikehau Capital General Partner's Chairman is AF&Co, and its Managing Director is MCH. (See Section IV.1(a) (The Managers) of this Registration Document.) Tikehau Capital General Partner is a company with 100,000 euro in share capital.

The purpose of Tikehau Capital General Partner, both in France and abroad, is:

- to manage the Company and/or serve as its general partner;

- to manage commercial companies;

- to act as a holding company that is a shareholder or partner (and is jointly and severally liable) or holds financial interests (minority, majority or single-person companies);

- all administrative, financial, accounting, legal, commercial, technological or management services offered to the Company's subsidiaries or any other companies in which it holds an interest; and

- in general, any securities, real estate, industrial, commercial or financial transaction directly or indirectly related to this purpose or any purpose that is similar or connected or that may be helpful in or facilitate the achievement of this purpose.

The general partner, in particular, is empowered to appoint and dismiss any manager and to authorise any change in the Company's Articles of Association. (See Section VIII.2(d) (General partners (Articles 9 and 11.2 of the Articles of Association)) of this Registration Document.)

See Section VIII.5(d) (Organizational structure and control of the Group) of this Registration Document.

(e) Financial year

The Company's financial year begins on 1 January and ends on 31 December.

2. Main provisions of the Company's Articles of Association

The Company's Articles of Association have been drawn up in accordance with legal and regulatory provisions applicable to *sociétés en commandite par actions* governed by French law.

The main provisions described below are taken from the Company's Articles of Association as adopted by the Combined General Shareholders' Meeting of the Company of 7 November 2016 and are available on the Company's website (www.tikehaucapital.com).

In addition, a description of the main provisions of the Company's Articles of Association pertaining to the Supervisory Board, in particular its method of operating and its powers, as well as a condensed description of the main provisions of the Internal Rules of the Supervisory Board and the Supervisory Board's specialised committees is detailed in Section IV.1 (Administrative and management bodies) of this Registration Document and IV.4 (Report of the Chairman of the Supervisory Board) of this Registration Document.

Lastly, a description of the main provisions of the Company's Articles of Association pertaining to General Shareholders' Meetings is provided in Section IV.2 (General shareholders' meetings) of this Registration Document.

(a) Corporate purpose (Article 2 of the Articles of Association)

The Company's purpose, in France and abroad, is:

- the acquisition, subscription, development, holding, management and sale, in any form, of any shareholding or securities of any company or legal entity created or to be created in France or abroad;

- investments, financings and the arrangement and structuring of investment and financing transactions in all sectors and regarding all types of asset classes;

- the acquisition, subscription, development, holding, management and sale, in any form, of interests in entities involved in the management of portfolios, estates or investment funds or collective investment funds, or involved in brokerage activities, financing, banking or insurance, investment services, consulting or any other financial activity in France or abroad;

- all of the above, directly or indirectly, on its behalf or on behalf of a third party, alone or with a third party, through the creation of new companies, contribution, partnership, subscription, purchase of securities or rights, merger, alliance, special partnership (*société en participation*), leasing or leasing out or the management of assets or other rights in France and abroad;

- all administrative, financial, accounting, legal, commercial, technological or management services offered to the Company's subsidiaries or any other companies in which it holds an interest; and

- in general, any securities, real estate, industrial, commercial or financial transaction directly or indirectly related to this purpose or any purpose that is similar or connected or that may be helpful in or facilitate the achievement of this purpose.

(b) Identification of shareholders and threshold disclosure (Articles 7.2 and 7.3 of the Articles of Association)

(i) Identification of shareholders (Article 7.2 of the Articles of Association)

The Company may, under the legal and regulatory conditions in effect, at any time and in exchange for compensation at its expense, request that the central securities depository provide it with the name or company name, the nationality, the date of birth or incorporation, the postal address and, if applicable, the email address of the holders of bearer securities giving a present or future right to vote in its General Shareholders' Meetings, as well as the amount of securities held by each of them and, if applicable, any restrictions applying to these securities. The Company, in light of the list transmitted to the above-mentioned organization, may request the information set out above concerning the ownership of the securities from the persons appearing on this list and whom the Company considers might be acting on behalf of third parties.

In the event that a person fails to provide the information requested of him/it within the time limits set down by applicable laws and regulations or provides inaccurate or incomplete information concerning his/its status or the holders of the securities, the shares or securities giving present or future entitlement to the share capital and for which this person was registered shall lose their right to vote in any and all General Shareholders' Meetings held until the date on which the identification information is provided, and the corresponding payment of dividends shall be deferred until such date.

(ii) *Threshold disclosure (Article 7.3 of the Articles of Association)*

In addition to the legal requirement to inform the Company of the holding of certain percentages of the share capital, any individual or legal entity, acting alone or in concert with others, that directly or indirectly comes to hold a percentage of the share capital, voting rights or a class of securities conferring future entitlement to the Company's share capital, equal to or in excess of 1.0%, and any multiple of 0.5% in excess thereof, including above the legal and regulatory thresholds, is required to inform the Company by registered letter with acknowledgment of receipt indicating the number of securities held, within four (4) trading days as from the date on which the threshold was crossed.

Subject to the provisions stated above, this obligation set forth in the articles of association is governed by the same rules that apply to the statutory obligation (*oligation légale*), including those instances where certain securities and rights are treated similarly to shareholding interests under applicable laws and regulations.

If they are not disclosed in the manner described above, the shares in excess of the percentage that should have been disclosed shall lose their voting rights in all General Shareholders' Meetings if the failure to disclose is recorded during a Meeting and if one or several shareholders together holding at least 3% of the share capital or voting rights in the Company so request during the Meeting.

All individuals and legal entities are also required to inform the Company in the manner and within the time limits set out in paragraph 1 above, when his/its direct or indirect interest falls below any of the thresholds mentioned in this paragraph.

(c) Managers (*Gérants*) (Article 8 of the Articles of Association)

(i) *Appointment, resignation and removal from office (Article 8.1 of the Articles of Association)*

The Company is managed by one or several Managers.

The Managers are appointed by the general partner(s), who set the duration of their term.

Any Manager may resign from office, subject to giving at least three (3) months' notice. However, said notice period may be reduced by decision of the general partner(s) in the event of circumstances that seriously affect the Manager in question's ability to perform his duties.

Each Manager may be removed from office at any time by decision of the general partner(s).
In the event of cessation of duties of all the Company's Managers, irrespective of the reason therefor, resulting in a Manager vacancy, the general partner(s) shall manage the Company pending the appointment of one or more new Managers under the terms and conditions laid down herein.

(ii) *The Managers' Powers (Article 8.2 of the Articles of Association)*

Each Manager shall have the broadest powers to act in any circumstance in the Company's name and on its behalf, in accordance with the law and with these Articles of association, it being stipulated that whenever these Articles of association makes reference to a Manager decision, the decision shall be taken by any one of the Managers.

(iii) *The Managers' Remuneration (Article 8.3 of the Articles of Association)*

So long as the Company is managed by a single Manager, this Manager shall be entitled to a remuneration before taxes equal to 2% of the Company's consolidated capital and reserves, calculated on the last day of the preceding financial year. This remuneration shall be paid annually when the financial statements of the preceding year are approved.

The Manager shall have the option, during the financial year, to receive an interim payment of the above-mentioned remuneration. This interim payment shall only be made on the basis of accounts certified by the Company's statutory auditors at the end of an accounting period. This interim payment will be deducted from the total remuneration paid to the Manager when the financial statements of the preceding year are approved.

If one or more additional Managers are appointed by the general partner(s), the latter shall decide if a Manager of their choice shall retain the above-mentioned remuneration or if the Managers shall share it between themselves and under what terms. If a Manager does not receive the remuneration described above, his remuneration (amount and terms of payment) shall be set by decision of the general partner(s) and, unless the Manager in question is not to receive any remuneration, shall be submitted to the approval of the Ordinary General Shareholders' Meeting.

The Managers shall also be entitled to reimbursement for expenses they bear in the Company's interest, for which they must provide proof.

(d) General partners (Articles 9 and 11.2 of the Articles of Association)

The general partners shall have unlimited joint and severally liability for the Company's debts. However, they shall be held liable only if the creditors have already issued the Company with a formal demand by extrajudicial instrument to settle its debts.

The appointment of one or more new general partners shall be decided by the Extraordinary General Shareholders' Meeting on a proposal from the existing general partner(s). In this case, the appointment decision shall determine the proportions of distribution of losses between the old and the new general partners under the same terms and conditions.

The partnership interests (*parts de commandité*) of the general partners may only be transferred with the general partners' consent and the approval of the Company's Extraordinary General Shareholders' Meeting. The transferee thus authorized shall take on the status of general partner of the Company and it shall acquire its predecessor's rights and obligations.

The partnership interests of the general partners shall be indivisible *vis-à-vis* the Company and the joint undivided owners thereof must be represented by a common representative in order to exercise their rights. The general partner(s) shall take decisions at the Managers' discretion at a General Shareholders' Meeting or by written consultation. Whenever a decision requires the approval of the general partner(s) and the General Shareholders' Meeting, pursuant to the law or the Articles of association, the Managers shall collect the general partner(s)' votes, in principle, before the General Shareholders' Meeting and, in any event, no later than the close thereof.

Decisions or proposals that fall within the remit of the general partners shall be adopted unanimously, except if the Company is converted to a *société anonyme* or a *société à responsabilité limitée* (see Glossary in Section X.5) which only requires a majority of the general partners.

(e) Supervisory Board (Article 10 of the Company's Articles of Association)

See Section IV.1(c) (Practices of the Supervisory Board) of this Registration Document.

(f) Rights, privileges and restrictions attaching to the Company's securities (Articles 7.1, 7.4 and 7.5 of the Articles of Association)

The shares issued by the Company shall be registered until they are fully paid up, then, at the holder's discretion, they shall be registered or bearer.

The issue price of the securities issued by the Company shall be paid up under the terms and conditions laid down by the General Shareholders' Meeting or, if none are laid down, by the Managers. Any delay in the payment of monies owing on the non-paid-up amount of said securities shall automatically result in the payment of interest calculated on the basis of an annual interest rate of 5% for each day from the date on which payment is due, without prejudice to the relevant statutory provisions.

In addition to the right to vote, each share entitles its holder to a share in Company assets, profits and the liquidation surplus in proportion to the number of shares issued, subject to the rights of the general partner(s).

Under the conditions set down by law and these Articles of association, each share also carries a right to attend and to vote in General Shareholders' Meetings. Each share gives the right to one vote. Double voting rights as provided in paragraph 3 of Article L.225-123 of the French Commercial Code (in its version resulting from the Florange Law no. 2014-284 of 29 March 2014) have been expressly excluded.

Where a certain number of shares must be held in order to exercise any right, more particularly in the case of the exchange, conversion, consolidation or allocation of shares, share capital decrease, merger, demerger or any other operation, a shareholding of less than the requisite number of shares grants its owner no right against the Company, and shareholders shall personally ensure that they obtain the requisite number of shares required or a multiple thereof; the provisions of article L.228-6-1 of the Commercial Code shall apply to fractional shares.

(g) Changes in shareholders' rights

Shareholder rights may be amended under the terms of legal and regulatory provisions.
No specific terms are included in the Company's Articles of Association governing changes in shareholders' rights that set out stricter provisions than applicable laws.

(h) General Shareholders' Meetings

See Section IV.2 (General Shareholders' Meetings) of this Registration Document.

(i) Change-of-control clauses in the Articles of Association

The Company is a *société en commandite par actions*, with the special characteristics of this legal form, including being subject to legal provisions and clauses in the Articles of association that could be relevant in the event of a public offer. (see Sections III.1(d) (Risks related to the legal form, Articles of Association and organization of Tikehau Capital) and VIII.2(d) (General partners (Articles 9 and 11.2 of the Articles of Association)) of this Registration Document.) The main shareholder of the Company (Tikehau Capital Advisors) controls the Company due to the Group's legal structure, and any person who might take control of the shares and voting rights attached to it would, in practice, be unable to control the Company without first obtaining the agreement of Tikehau Capital Advisors.

(j) Changes in share capital

Given that the Articles of Association do not include any specific provision to this effect, share capital may be increased, reduced or redeemed in any manner authorised by law.

(k) Allocation of profits and distributions (Article 14 of the Articles of Association)

From the annual profit, less, where appropriate, any previous losses, 5% shall be deducted to create the statutory reserve fund until it reaches one tenth of the capital.

The distributable profit shall consist of the annual profit less any previous losses and the monies to be allocated to the statutory reserve pursuant to the law, plus any profit carried forward.

In the event of an annual distributable profit, a preferred dividend (*dividende préciputaire*) equal to 12.5% of the Company's net profits, as they appear in the Company's financial statements, shall be allocated to the general partners.

The Ordinary General Shareholders' Meeting:

- shall assign the distributable annual profit, less the preferred dividend (*dividende préciputaire*) to the general partners, to the creation of optional reserves, the retained earnings account and/or the distribution of a dividend to shareholders;

- for all or part of dividends to be distributed or interim dividends, the General Shareholders' Meeting may grant shareholders a choice between payment in cash or payment in shares in accordance with the conditions set down by applicable regulations;

- for all or part of the dividends or interim dividends, reserves or premiums to be distributed, or in the case of a share capital decrease, the General Shareholders' Meeting may also decide that the distribution of such dividends, reserves, premiums or share capital decrease will be made in kind by delivery of Company assets.

The Managers may distribute interim dividends, in which case an interim dividend of 12.5% of the amounts distributed shall also be paid to the general partners.

3. Reorganization operations

To prepare for the listing of Company shares on the Euronext Paris regulated market, which took place on 7 March 2017, various actions were taken to reclassify shares and simplify the Group's shareholder structure and governance.

These operations have been implemented for the purpose of:(i) combining Tikehau Capital's business lines to enhance the visibility and understanding of its model and particularly to facilitate its international development; (ii) helping the Group achieved critical size; (iii) enhancing operating efficiency within the Group; and (iv) improving its access to capital markets. This reorganization has also made it possible to set up an operating organization that is consistent with the Group's objectives and future strategy, such as described in this Registration Document.

(a) In-kind contributions

To prepare the listing of Company shares on the Euronext Paris regulated market, which took place on 7 March 2017, various reclassifications of shares and simplifications of the Group's shareholder structure and governance were undertaken at the end of 2016. In particular:

A. The Company was transformed into a *société en commandite par actions* (the "Transformation") and the Company's Articles of Association were approved (see Section VIII.2 (Main provisions in the

Company's Articles of Association) of this Registration Document) at a Combined General Meeting of the Company held on 7 November 2016, which approved these proposals unanimously, it being stated that the Transformation came into effect on 7 November 2016.

B. In-kind contributions were granted to the Company (the "Contributions"), in particular:

- the contribution to the Company by all Tikehau IM partners (with the exception of Tikehau IM employees who were awarded free shares) of Tikehau IM shares not yet held by the Company amounting to 74.1% of Tikehau IM's shares (the "Tikehau IM Contribution"); and
- the contribution to the Company by Tikehau Capital Advisors of: (i) 10 Class 1 Salvepar preferred shares; (ii) all preferred shares issued by Tikehau Capital Europe Limited and held by Tikehau Capital Advisors; (iii) all Tikehau Asia shares held by Tikehau Capital Advisors; and (iv) all shares in City Star Ream Resorts (Singapore) Pte. Ltd held by Tikehau Capital Advisors (the "TCA Contributions").

These Contributions, which are described in greater detail below, were approved unanimously by shareholders at the Combined General Shareholders' Meeting of the Company held on 21 December 2016 and were made on the same date, leading to the issue of 12,682,142 new shares by the Company to the contributors (including 8,884,534 new shares issued to Tikehau Capital Advisors); and

C. AF&Co (the personal holding company of Mr Antoine Flamarion) and MCH (the personal holding company of Mr. Mathieu Chabran) assigned their ownership rights to the "TIKEHAU" brand to the Company. This assignment has allowed the Company to hold the intellectual property rights to the brand under which Group entities run their business and sell their products. It was authorised by the Company's Supervisory Board prior to its signing and was completed on 22 December 2016 in the amount of €10.2 million, a sum that was determined on the basis of an appraisal conducted by an independent appraiser, it being understood that the entire proceeds from the divestment were reinvested by the sellers in the capital increase of the Company of 6 January 2017.

The tables below describe in greater detail the Contributions approved by the Combined General Shareholders' Meeting of the Company held on 21 December 2016, which were made on the same date:

Main characteristics of the Contributions

Issuer – Beneficiary	Tikehau Capital
Capital increase remunerating the Contributions (nominal amount and premium)	266,324,982 euros, i.e., a total increase of 152,185,704 euros in share capital and a total issue premium of €114,139,278.
Appraisal of Contributions	The report of the contributions appraiser (FINEXSI Expert et Conseil Financier), who was appointed unanimously by the General Meeting of the partners of the Company of 7 November 2016, has been made available to shareholders at the Company's registered offices and filed with the Clerk of the Paris Commercial Court, in accordance with current regulations. It is available on the Company's website at: www.tikehaucapital.com.
Findings of contributions appraiser's report	"*In conclusion to our work and on the date of this report, it is our opinion that the observation previously made on individual values is not likely to affect the value of contributions coming to €266.325.088 and, accordingly, that it is at least equal to the amount of the recapitalisation of the company that is receiving the contributions plus the issue premium.*"
Share capital as a result	As a result of the Contributions, the Company's share capital is equal to 650,097,864 euros, divided into 54,174,822 shares of a par value of twelve

of the Contributions	(12) euros each
Effective date of shares issued	The Tikehau Capital shares issued in remuneration of Contributions are effective immediately.

Main characteristics of the Tikehau IM Contribution	
Contributors	Tikehau Capital Advisors, Crédit Mutuel Arkéa and Amundi Ventures
Assets contributed	A total of 18,742 Tikehau IM shares, representing about 74,1% of Tikehau IM's shares
Total value of the Tikehau IM Contribution	€233.4 million
Number of shares issued	The Tikehau IM Contribution was remunerated through the issue of 11,116,682 Tikehau Capital ordinary shares of a par value of twelve (12) euros each.

Main characteristics of TCA Contributions	
Contributor	Tikehau Capital Advisors
Assets contributed	10 Class 1 Salvepar preferred shares All preferred shares in Tikehau Capital Europe Limited held by Tikehau Capital Advisors All Tikehau Asia shares not held by the Company All shares of City Star Ream Resorts (Singapore) Pte. Ltd. held by Tikehau Capital Advisors
Total value of TCA Contributions	€32.4 million
Number of shares issued	The TCA Contributions were remunerated through the issue of 1,542,612 Tikehau Capital ordinary shares of a par value of twelve (12) euros each

The Group's organizational charts before and after the reorganization operations completed

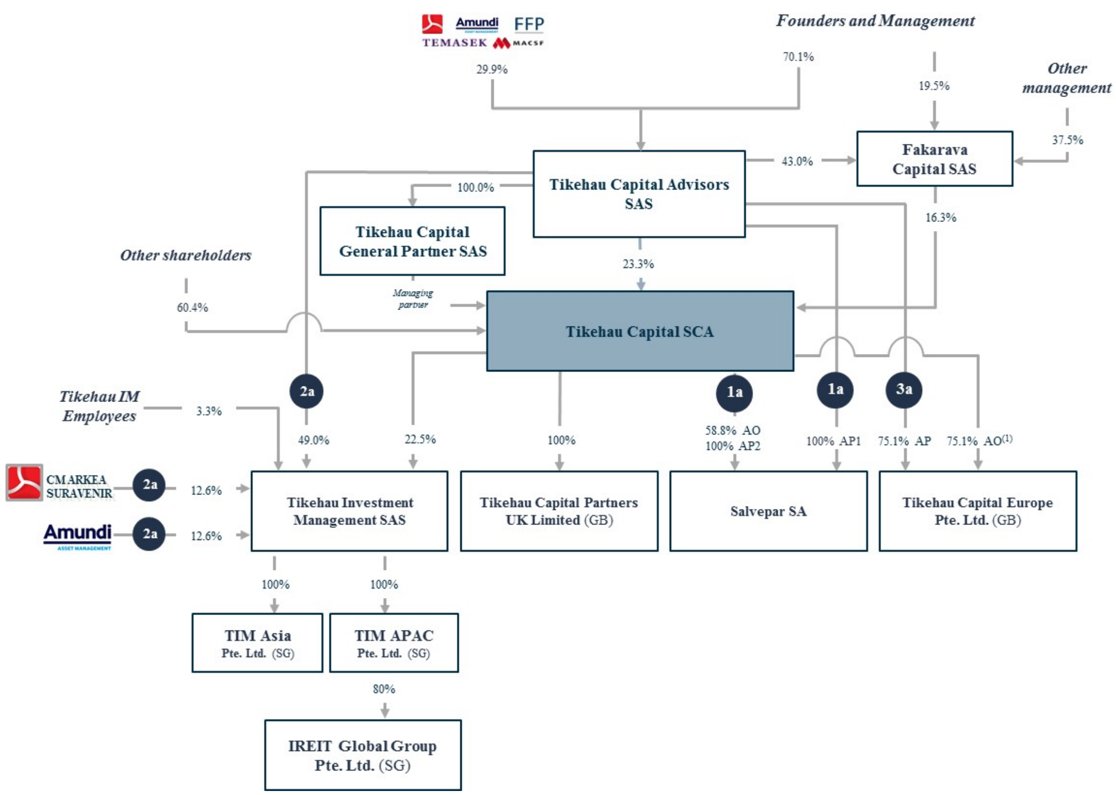
The following organizational charts present the changes in the Group's legal structure upon the contributions of assets completed on 21 December 2016.

The following code applies to the transactions involved:

Code	Summary
1a → 1b	Contribution to the Company by Tikehau Capital Advisors of 10 Salvepar Class 1 preferred shares
2a → 2b	Contributions to the Company by Tikehau Capital Advisors, Crédit Mutuel Arkéa and Amundi Ventures of their interests in Tikehau IM, representing about 74.1%

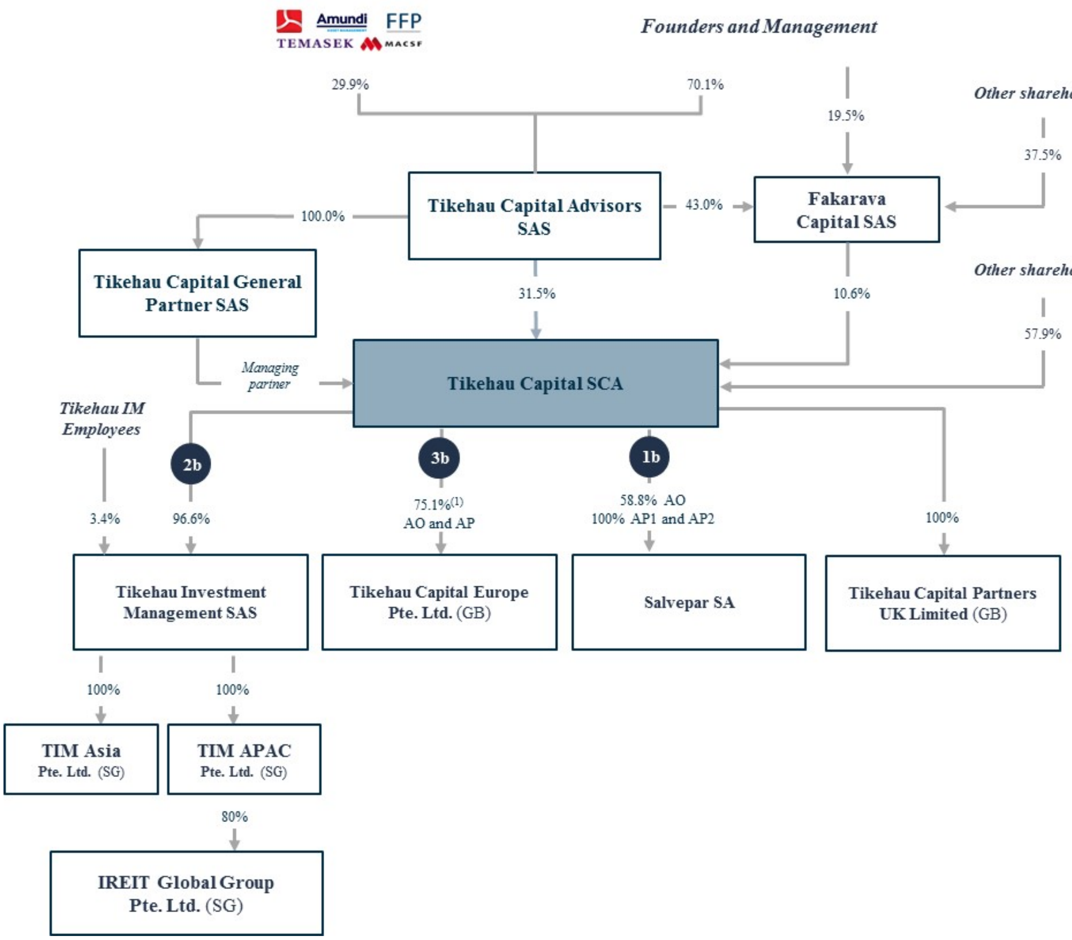
Code	Summary
	of Tikehau IM's shares
3a → 3b	Contribution to the Company by Tikehau Capital Advisors of its preferred shares in Tikehau Capital Europe

Group Organizational chart before the asset contributions of 21 December 2016



(1) Holding presented at that date subject to approval by FCA delivered at a later date (see the Glossary in Section X.5).

Group organizational chart after the asset contributions of 21 December 2016



(1) Holding presented at that date subject to approval by FCA delivered at a later date (see the Glossary in Section X.5).

(b) Public exchange offer and cash takeover bid on Salvepar

The Group's planned reorganization was carried out through the Company's public exchange offer and cash takeover bid of the ordinary shares and ORNANE bonds of its Salvepar subsidiary not yet held by the Company.

This bid was announced on 9 January 2017 and its final results were announced on 27 February 2017. Under this bid: (i) 2,728,822 Salvepar shares were contributed to the primary simplified public exchange offer; (ii) 277,543 Salvepar shares were contributed to the subsidiary simplified public cash takeover bid; (iii) 1,225,326 ORNANE Bonds were contributed to the primary simplified public exchange offer; and (iv) 165,277 ORNANE Bonds were contributed to the subsidiary simplified public cash takeover bid. At the outcome of this takeover bid, the Company held a total of 7,393,248 Salvepar shares, representing 99.14% of the share capital and at least 99.19% of the that company's voting rights, and 2,430,040 ORNANE Bonds representing 99.84% of the outstanding Salvepar ORNANE Bonds.

As a result of the takeover bid, a mandatory delisting procedure for the shares and the ORNANE Bonds of Salvepar was implemented on 6 March 2017. At the filing date of this Registration Document, the Company therefore holds 100% of the share capital and voting rights of Salvepar.

In connection with the settlement of this takeover bid, the Company's shares and ORNANE Bonds (including the new shares and ORNANE Bonds issued in exchange for those tendered in the public exchange offer) were listed on the market of Euronext Paris on 7 March 2017.

(c) Other transactions

As part of the reclassification prior to requesting the admission of Company shares to trading on the Euronext Paris regulated market, an agreement was signed to transfer to Tikehau Capital Partners UK Limited (a wholly owned subsidiary of the Company) the interest held indirectly by Tikehau Investment Limited (a wholly owned subsidiary of Tikehau Capital Advisors) in the investment management firm Duke Street LLP. This transfer will raise Tikehau Capital Partners UK Limited's interest in Duke Street LLP from 17.15% to 35%. Its purpose is to transfer the Group's entire interest in Duke Street LLP to the Company, given that the latter is a UK management firm specialising in midcap LBOs (see the Glossary in Section X.5). The transfer, which was approved by the Company's Supervisory Board on 5 January 2016, is subject to FCA approval. Barring FCA approval, the transfer will not take place, but the transaction will have no impact on the other past reorganization operations that have been carried out definitively.

4. Related party transactions

As a result of the Group's reorganization operations carried out at the end of December 2016 and the beginning of 2017, as described in Section VIII.3 (Reorganization operations) of this Registration Document, the Group's related-party transactions have been completely reworked.

Historical financial information (including the amounts involved) on transactions with related parties can be found in Note 5.26 (Related parties) to the consolidated financial statements as at 31 December 2016, which are included in Section V.1 (Annual consolidated financial statements as at 31 December 2016) of this Registration Document.

(a) Description of material historical agreements

Prior to reorganization operations in late 2016, which are described in detail in Section VIII.3 (Reorganization operations) of this Registration Document, the Group possessed an organizational set-up that was consistent with its governance and ownership structure. Related-party agreements were centred on the performance of services by Tikehau Capital Advisors and are described below. This organizational set-up has been overhauled as part of the Group's reorganization and plans to list its shares to trading on the Euronext Paris regulated market. The main agreements described below had been subject to the regulated agreements procedure applicable to the entities concerned.

Service agreement between Tikehau Capital Advisors and the Company

Under the terms of a service agreement entered into between the Company and Tikehau Capital Advisors on 27 August 2008, the Company received the administrative support in the form of Tikehau Capital Advisors' human and material resources, allowing it to carry out its investment activity under the best possible conditions (in addition to the remuneration of the Chairman received by Tikehau Capital Advisors, as provided in the Articles of Association). Services thus rendered included services provided by the Chief Investment Officer of Tikehau Capital Advisors. This agreement was terminated on 7 November 2016, the date of the Transformation of the Company into a *société en commandite par actions*, as this service is now fully covered by Tikehau Capital General Partner as manager of the Company for which Tikehau Capital General Partner is paid remuneration under the Articles of Association and as described in Section IV.3(a) (Remuneration of the General Partner) of this Registration Document.

Services provided by Tikehau Capital Advisors to Salvepar

Under a service agreement entered into with Salvepar on 26 October 2012 (as amended), Tikehau Capital Advisors provided advisory services on the choice of investments, as well as on the management of the portfolio of Salvepar's equity interests. This agreement included investment advisory, monitoring of investment transactions and portfolio holdings, and monitoring of divestments.

Under a second service agreement entered into with Salvepar on 26 October 2012 (as amended), Tikehau Capital Advisors also provided administrative support in the form of human and material resources allowing Salvepar to achieve its corporate purpose under the best possible conditions.
As the initial three-year term of these two agreements expired on 26 October 2015, their extension was authorised by Salvepar's Board of Directors at its meeting of 3 September 2015.

More information on these agreements is provided in Section VIII.3 (Related party transactions) of Salvepar's 2015 Registration Document, filed with the AMF on 27 April 2016 under number D. 16-0415.
Given the proposed public exchange offer and cash takeover bid for the shares of Salvepar (see Section VIII.3 (Reorganization operations) of this Registration Document) and the implementation of the remuneration under the Articles of Association of the Manager of the Company (See Section IV.3 (a) (Remuneration of the Manager- General Partner) of this Registration Document), these two agreements were terminated with effect from the mandatory delisting of the Salvepar securities that took place on 6 March 2017.

Services performed by Tikehau Capital Advisors for Tikehau IM

A service agreement was entered into between Tikehau Capital Advisors and Tikehau IM on 1 July 2012 (as amended). This agreement covered the provision of financial, legal, general management and strategic planning services rendered by Tikehau Capital Advisors to Tikehau IM. For the 2016 financial year, this agreement provided for fixed remuneration. For the 2017 financial year, remuneration will be expressed as a percentage of assets under management.

As a result of its transformation into a *société en commandite par actions* on 7 November 2016, the Company is now managed by a Manager, Tikehau Capital General Partner. Furthermore, after tendering Tikehau IM shares to the Company on 21 December 2016, Tikehau IM is now almost wholly owned by the Company. For its Management services Tikehau Capital General Partner is paid remuneration under the Articles of Association equal to 2% of the Company's total consolidated shareholders' equity. Accordingly, this service agreement entered into 2012 was terminated on 21 December 2016, the date on which Tikehau Capital received the Tikehau IM shares.

(b) Description of new or ongoing significant agreements

Group premises

On 4 March 2014, Tikehau Capital Advisors and Tikehau IM, as co-tenants, entered into a commercial lease covering premises for office use located at 32, rue de Monceau, 75008 Paris, France. The Company is provided with said premises free of charge by Tikehau Capital Advisors in order to locate its registered offices under the terms of a contract relating to the provision of such premises dated 17 March 2014. Since this agreement was entered into when the Company had the legal form of a *société par actions simplifiée*, it was subject to the procedure applicable to regulated agreements for companies of that type. (See the special report of the Statutory Auditors in Section VIII.4(d) (Statutory Auditors' special report on regulated agreements and commitments) of this Registration Document.)

Reclassification of the interest in Duke Street LLP

As part of the reclassification prior to the proposed admission of Company shares to trading on the Euronext Paris regulated market, an agreement was signed to transfer to Tikehau Capital Partners UK Limited (a wholly owned subsidiary of the Company) the interest held indirectly by Tikehau Investment Limited (a wholly owned subsidiary of Tikehau Capital Advisors) in the investment management firm Duke Street LLP. This transfer raises Tikehau Capital Partners UK Limited's interest in Duke Street LLP from 17.15% to 35%. Its purpose is to transfer the Group's entire interest in Duke Street LLP to the Company, given that the latter is a UK management firm specialising in midcap LBOs (see the Glossary in Section X.5). The transfer, which was approved by the Company's Supervisory Board on 5 January 2016, is subject to FCA approval (see the Glossary in Section X.5). Barring FCA approval, the transfer will not take place, but will have no impact on the other past reorganization operations that have been carried out definitively. (See Section VIII.3 (Reorganization operations) of this Registration Document.) The signing of this agreement was authorised by the Company's Supervisory Board on 5 January 2017 and approved by the General Shareholders' Meeting of the Company on 28 February 2017. (See the special report of the Statutory Auditors in Section VIII.4(d) (Statutory Auditors' special report on regulated agreements and commitments) of this Registration Document.)

Assignment of the "TIKEHAU" brand to the Company

As part of the reorganization operations prior to the admission of the Company's shares to trading on the regulated market of Euronext Paris (see Section VIII.3 (Reorganization operations) of this Registration Document), AF&Co (the personal holding company of Mr. Antoine Flamarion) and MCH (the personal holding company of Mr. Mathieu Chabran) assigned their ownership rights to the "TIKEHAU" brand to the Company. This assignment has allowed the Company to hold the intellectual property rights to the brand under which Group entities run their business and sell their products. It was authorised by the Company's Supervisory Board prior to its signing and was completed on 22 December 2016 in the amount of €10.2 million, a sum that was determined on the basis of an appraisal conducted by an independent appraiser, it being understood that the entire proceeds from the divestment were reinvested by the sellers in the capital increase of the Company of 6 January 2017. The signing of this agreement was authorised by the Company's Supervisory Board on 6 December 2016 and approved by the General Shareholders' Meeting of the Company on 28 February 2017. (See the special report of the Statutory Auditors in Section VIII.4(d) (Statutory Auditors' special report on regulated agreements and commitments) of this Registration Document.)

Agreement between Tikehau Capital Advisors and Tikehau Capital General Partner

Under a service agreement which took effect on 7 November 2016 between Tikehau Capital Advisors as service provider and Tikehau Capital General Partner as beneficiary, Tikehau Capital Advisors provides and makes available to Tikehau Capital General Partner the material support necessary for achieving its corporate purpose, as well as services allowing it to exercise its role as Manager of the Company (finance, secretarial, human resources development/strategic planning, etc.).

Entered into for an initial period that will end on 31 December 2019, this agreement will be extended tacitly for three years under the same terms, unless terminated by either party. This agreement has been approved by the Board of Directors of Tikehau Capital Advisors.

(c) Description of agreements entered into after the end of 2016

At its meeting on 22 March 2017, the Supervisory Board authorised the signing of two new agreements regulated in accordance with the provisions of Article L.226-10 of the French Commercial Code:

– An agreement to be entered into between the Company and Parc Monceau, a company controlled by Mr. Christian de Labriffe, Chairman of the Supervisory Board of the Company. This agreement, which was signed on 29 March 2017, provides that Parc Monceau will carry out advisory duties for the Group in the areas of the Group's strategy planning and the opportunities for partnership or financial transactions of which it may be aware. Under this agreement, Parc Monceau also undertakes to seek out and inform the Group of opportunities for partnership and investment. Under this agreement, Parc Monceau will receive a remuneration of €466,000 (excluding tax) per year. In addition to the offices as Chairman of the Supervisory Board of Mr. Christian de Labriffe, this agreement allows the Group to continue to benefit from the expertise of Mr. Christian de Labriffe and his company, their accumulated experience in investment and mergers and acquisitions, their in-depth knowledge of Salvepar's investment portfolio and their network to source investment opportunities. It should be noted that, since 31 March 2017, Mr. Christian de Labriffe no longer holds the office of Chairman and Chief Executive Officer of Salvepar and no longer has any executive function within the Group. The agreement entered into stipulates that the services provided will not in any circumstances lead the company Parc Monceau or Mr. Christian de Labriffe to take any decision whatsoever (for example on the carrying out of a transaction or a partnership), let alone interfere in the management of the Company or the companies of the Tikehau Capital group, and do not in any way undermine the ability of Mr. Christian de Labriffe to fulfil his duties as Chairman of the Company's Supervisory Board, it being specified on this last point that Mr. Christian de Labriffe, by common consent between the parties, benefits from a conscience clause allowing him at any time to request that he refrain from rendering some of the services provided for in the agreement if he considers that these services would be likely to jeopardise his duties as Chairman of the Company's Supervisory Board, while his remuneration would nonetheless remain fully payable by the Company. In any event, it must be remembered that under Article 3, paragraph 10 of the Supervisory Board's Internal Rules, a member of the Supervisory Board "*shall inform the Supervisory Board of any conflict of interest with the Tikehau Capital Group. As applicable, the relevant member must abstain from taking part in the vote on the matter concerned or even in the discussion preceding the vote, must refrain from attending Board meetings during the period in which there is a conflict of interest situation, or must resign as member of the Supervisory Board. The Chair of the Board may also request that member not attend the meeting*."

- An agreement to be entered into between the Company and Mr. Jean Charest, who is a member of the Supervisory Board of the Company. Under this agreement signed on 27 March 2017, Mr. Jean Charest undertakes to perform advisory and assistance duties to the Group to support its international growth (notably in North America) and its development strategy, in addition to setting up an international advisory board. Because of the high political offices he has held in Canada, Mr. Jean Charest has special skills in the fields of international business and relations, economics and law. He will be able to support the Group in its strategy of developing and setting up operations abroad. Under this agreement, Mr. Jean Charest will receive a remuneration of €120,000 (excluding tax) per year. It should be noted that Mr. Jean Charest has no executive function within the Group. The agreement concluded stipulates that it exclusively concerns services which, firstly, are distinct from the role vested in Mr. Jean Charest as a member of the Supervisory Board; and secondly, shall in no way lead Mr. Jean Charest to take any decision whatsoever (for example on conducting a foreign transaction or setting up an establishment abroad), let alone interfere in the management of the Company or the Tikehau Capital group; and, lastly, shall in no way undermine the ability of Mr. Jean Charest to fulfil his duties as member of the Company's Supervisory Board. In any event, it must be remembered that under Article 3, paragraph 10 of the Supervisory Board's Internal Rules, a member of the Supervisory Board "*shall inform the Supervisory Board of any conflict of interest with the Tikehau Capital Group. As applicable, the relevant member must abstain from taking part in the vote on the matter concerned or even in the discussion preceding the vote, must refrain from attending Board meetings during the period in which there is a conflict of interest situation, or must resign as member of the Supervisory Board. The Chair of the Board may also request that member not attend the meeting*."

These agreements will be subject to approval by the Annual General Shareholders' Meeting convened to approve the financial statements for the year ending 31 December 2017.

(d) Special report of the Statutory Auditors on regulated agreements and commitments

C.M.S. EXPERTS ASSOCIES	ERNST & YOUNG et Autres
149, boulevard Malesherbes	1/2, place des Saisons
75017 Paris, France	92400 Courbevoie - Paris-La Défense 1, France
S.A.R.L. with share capital of €200,000	S.A.S. with variable capital
Statutory Auditor	Statutory Auditor

Member of the *Compagnie Régionale de Paris*

Member of the *Compagnie Régionale de Versailles*

Tikehau Capital

General Shareholders' Meeting of 1 June 2017

Special report of the Statutory Auditors on regulated agreements and commitments

To the Shareholders,

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

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions, as well as the reasons justifying the value to the Company, of those transactions and commitments brought to our attention, or which have come to our attention in the course of our work, without having to express an opinion on their usefulness and appropriateness, or to seek the existence of other transactions or commitments. It is your responsibility, pursuant to Article R. 226-2 of the French Commercial Code, to assess the interest attached to the conclusion of these transactions and commitments prior to their approval.

Moreover, it is our duty, if necessary, to provide you with the information specified in Article R. 226-2 of the French Commercial Code relating to the performance during the year of agreements and commitments already approved by the General Shareholders' Meeting.

We conducted the due diligence that we deemed necessary, in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this engagement. Our audit entailed verifying the consistency of the information with which we were provided with the documents on which it is based.

AGREEMENTS AND COMMITMENTS SUBMITTED FOR APPROVAL TO THE GENERAL SHAREHOLDERS' MEETING

AGREEMENTS AND COMMITMENTS AUTHORISED DURING THE YEAR

We hereby inform you that we have not been advised of any agreement or commitment authorised during the past financial year to be submitted for the approval of the General Shareholders' Meeting pursuant to the provisions of Article L. 226-10 of the French Commercial Code.

CONVENTIONS AND COMMITMENTS AUTHORISED SINCE YEAR END

We have been informed of the following agreements and commitments authorised since the end of the last financial year, which have been subject to prior authorisation from the Supervisory Board.

SERVICE AGREEMENT

Person concerned: Mr. Jean CHAREST, member of the Supervisory Board of Tikehau Capital.

Scope and purpose: The service provider undertakes to provide advice and assistance as a senior advisor in the following specific areas:

- The support of the Tikehau Group in its international growth, particularly in North America
- The establishment of an international advisory board

– The development strategy of the Tikehau Group

This agreement was authorised by the Supervisory Board at its meeting on 22 March 2017.

Conditions: In consideration for the performance of the services provided, Tikehau Capital shall pay the service provider an all-in lump sum in the amount of €30,000 per quarter excluding taxes. In addition, a variable lump sum may be paid to the provider at the discretion of Tikehau Capital. This agreement shall take effect as of 1 April 2017 and is concluded for a term expiring at the end of the General Shareholders' Meeting of Tikehau Capital convened to approve the financial statements for the financial year 2020.

Reasons for the value of this transaction to Tikehau Capital: The Supervisory Board pointed out that Mr. Jean CHAREST, because of the high political offices that he has held in Canada, has particular expertise in the fields of international business and relations, economics and law. He will be able to support the Group in its strategy of developing and setting up operations abroad.

SERVICE AGREEMENT

With the company: Parc Monceau

Person concerned: Mr. Christian de LABRIFFE, manager of the *société à responsabilité limitée* Parc Monceau and Chairman of the Supervisory Board of Tikehau Capital.

Scope and purpose: The service provider undertakes to perform duties consisting of:

– Answering any questions that Tikehau Capital or its group companies may wish to submit about the strategy of its group and how it operates in France and abroad;

– Informing Tikehau Capital or its group companies of any partnership, investment or sale opportunities that might be in line with the objectives of Tikehau Capital or its group companies;

– Informing Tikehau Capital of its views on these partnership, investment or sale opportunities or on any other investments in the portfolio or transactions on which Tikehau Capital wishes to obtain its opinion.

This agreement was authorised by the Supervisory Board at its meeting on 22 March 2017.

Conditions: In consideration for the services provided, Tikehau Capital shall pay the service provider an all-in lump sum in the amount of €466,000 per year excluding taxes. This agreement shall take effect from 1 April 2017 and is concluded for a duration corresponding to the term of office of Mr Christian de LABRIFFE as Chairman of the Supervisory Board of Tikehau Capital.

Reasons for the value of this transaction to Tikehau Capital: The Supervisory Board has taken note that this agreement allows the Group to continue to benefit from the expertise of Mr Christian de LABRIFFE, his accumulated experience in investment and mergers and acquisitions, his in-depth knowledge of the portfolio of investments of Salvepar and his network to generate investment opportunities.

AGREEMENTS AND COMMITMENTS ALREADY APPROVED BY THE GENERAL SHAREHOLDERS' MEETING

AGREEMENTS AND COMMITMENTS APPROVED IN PRIOR FINANCIAL YEARS

Pursuant to Article R. 226-2 of the French Commercial Code, we have been informed that the implementation of the following agreements and commitments, which had already been approved by the General Shareholders' Meeting in prior financial years, continued during the financial year just-ended.

An agreement for the provision by Tikehau Capital Advisors of premises located at 32, rue de Monceau 75008 Paris, France was concluded on 17 March 2014.

This provision to Tikehau Capital was granted free of charge for a period of one (1) year, renewable by tacit agreement.

The persons concerned by this agreement are Messrs. Antoine FLAMARION and Mathieu CHABRAN.

AGREEMENTS AND COMMITMENTS APPROVED SINCE THE LAST FINANCIAL YEAR END

We would remind you that the following agreements and commitments authorised since the end of the last financial year formed the subject of our special report dated 13 February 2017, which was presented to your General Shareholders' Meeting of 28 February 2017, which approved them.

BRAND ASSIGNMENT AGREEMENT

With the companies: AF & Co and MCH

Persons concerned: Mr. Antoine FLAMARION, Chairman of AF & Co, which is itself Chairman of Tikehau Capital General Partner, which is also Manager of Tikehau Capital and Mr. Mathieu CHABRAN, Chairman of MCH.

Scope and purpose: As part of the proposed admission of your company's shares to trading on the regulated market of Euronext Paris, it was decided at the Supervisory Board meeting on 6 December 2016 that ownership of the "TIKEHAU" brand be assigned to your company by AF & Co (the personal holding company of Mr. Antoine FLAMARION) and MCH (the personal holding company of Mr. Mathieu CHABRAN).

Conditions: Under the terms of the brand assignment agreement of 22 December 2016, the sale price of the "TIKEHAU" brand amounted to €10.2 million, excluding duties, to be shared between AF & Co and MCH, which are undivided joint owners of the "TIKEHAU" brand, each holding 50%.

Reasons for the value of this transaction to Tikehau Capital: The members of the Supervisory Board noted that the assignment of the brand to your company was necessary because of the company's proposed IPO and that the AMF guidelines stipulate that a company listed on the Stock Exchange must centralize all the resources necessary for the pursuit of its business and in particular the brand associated with its activities.

ACQUISITION BY TIKEHAU CAPITAL PARTNERS UK OF THE SHARES OF DUKE STREET HELD BY TIKEHAU DS LLP

With the companies: Tikehau Capital Advisors, through its subsidiary Tikehau Investment Limited (which owns Tikehau DS LLP) and Tikehau Capital Partners UK (a wholly-owned subsidiary of Tikehau Capital).

Persons concerned: Mr. Antoine FLAMARION, Chairman of AF & Co, which is itself Chairman of Tikehau Capital General Partner, which is also Manager of Tikehau Capital and Mr. Mathieu CHABRAN, Chairman of MCH.

Scope and purpose: As part of the Tikehau Capital Group's proposed reorganization, it was decided at the Supervisory Board meeting of 5 January 2017 that Tikehau DS LLP should transfer its 35% interest in the share capital of Duke Street to Tikehau Capital Partners UK (wholly-owned subsidiary of Tikehau Capital).

Conditions: The sale price agreed for this transaction, under the terms of the Deed of Assignment signed on 23 January 2017, amounted to £5,645,985.80. This transfer is subject to the approval of the Financial Conduct Authority, the UK's Market Authority. It is then envisaged that Tikehau DS LLP, which has become devoid of purpose, be subject to an amicable dissolution governed by the terms of a draft Deed of Dissolution.

Reasons for the value of these transactions to Tikehau Capital: In particular, the Supervisory Board stressed the value of these transactions in the context of the current reorganization of the group. The purpose of these transactions is to consolidate under Tikehau Capital all activities related to asset management and private equity. The equity interest held by the group in Duke Street (private equity fund management company) is intended to be held in its entirety by Tikehau Capital.

Paris and Paris-La Défense, 21 April 2017

The Auditors

C.M.S. EXPERTS ASSOCIES	ERNST & YOUNG et Autres
Stéphane Sznajderman	David Koestner

5. Information on the share capital and major shareholders

As at the filing date of this Registration Document, the Company's share capital came to €850,659,408.
As at the filing date of this Registration Document, with the exception of the specific provisions stipulated in this Registration Document, the Company has issued no other securities giving access to the Company's share capital or that is representative of a receivable.

Share capital

The Company's share capital is split into 70,888,284 shares of twelve (12) euros par value each, fully paid up and all in the same category.

As at the filing date of this Registration Document, the theoretical number of voting rights came to 70,888,284, it being stated that none of the Company shares has been stripped or deprived of voting rights. Each share entitles its holder to one vote. Double voting rights as provided in Article L.225-123 of the French Commercial Code (in its version resulting from the Florange Law n° 2014-284 of 29 March 2014) have been expressly excluded in Article 7.5 of the Company's Articles of Association.

Further information on the Company's shareholding structure is provided in Section VIII.5(b) (Shareholders of the Company over the last 3 years) of this Registration Document.

Bons de souscription d'actions The General Shareholders' Meeting of the Company of 21 December 2016 authorised the reserved issue of 1,244,781 *bons de souscription d'actions* ("BSA," see Glossary in Section X.5) to Tikehau Management, Tikehau Employee Fund 2008 and TCA Partnership, each for one third of the issue, at respectively 414,927 BSA.

These BSA were subscribed on 22 December 2016 at a price of €2.20 per BSA, a price that was calculated by an independent appraiser appointed by the Company.

These three vehicles are held by partners and employees of the Group and Tikehau Capital Advisors. The purpose of this reserved issue was to strengthen employees' personal interest in the Group (particularly at the point of exercising these BSA), to reinforce the alignment of interests between the Group and its employees, and to encourage them with the Group's future performance.

These BSA may be exercised at any time in one or more stages five years after issue. The BSA that have not been exercised within 10 years of issue shall become null and void by right, as of that date.

Upon issue, each BSA entitles its holder to subscribe one new Company share. Because of the capital increase of 6 January 2017 undertaken at a price of €21 per new share and legal and contractual provisions in order to preserve the rights of BSA holders in the event of a corporate action, these BSA now entitle their holders to subscribe to 1,408,566 new shares (vs. 1,244,781 new shares previously).

The strike price of new shares underlying the BSA is €21 per new share actually subscribed payable in cash upon exercise, unless adjusted in accordance with legal and regulatory provisions and the terms and conditions of the BSA that are provided to preserve the rights of BSA holders. This issue price is equal to the issue price that was used for the purpose of the Company recapitalisations of December 2016 and January 2017. (See Section VIII.5(a) (History of share capital over the last three years) of this Registration Document.)

These BSA are tradable and may be freely divested. However, at the date of this Registration Document, they are held by the original subscribers.

ORNANE Bonds

As part of the public offer for the securities of its subsidiary Salvepar (see Section VIII.3 (Reorganization operations) of this Registration Document), on 28 February 2017 the Company issued 1,225,326 new ORNANE Bonds (*Obligations à option de remboursement en numéraire et/ou en actions nouvelles et/ou existantes*: bonds with the option of redemption in cash and/or new and/or existing shares) in exchange for the Salvepar ORNANE Bonds tendered in its public exchange offer. These ORNANE Bonds are listed on the regulated market of Euronext Paris.

The par value of each ORNANE Bond is €61.63, representing a total nominal value of €75,516,841.38 for all the ORNANE Bonds issued on 28 February 2017.

The nominal annual interest rate of the ORNANE Bonds is fixed at 1.625% payable semi-annually in arrears in two instalments payable on 1 January and 1 July each year.

If the right to the allocation of shares is not exercised, the ORNANE Bonds will be redeemed at par on 1 January 2022, unless they have been redeemed or repaid early.

ORNANE Bond holders have a right to receive shares which may be exercised at any time until the twenty-eighth trading day preceding 1 January 2022. Should this right to the allocation of shares be exercised, the ORNANE Bond holders will receive, at the option of the Company:

- either:
    - if the conversion value is less than or equal to the nominal value of one ORNANE Bond: a cash amount equivalent to the conversion value multiplied by the number of ORNANE Bonds for which the right to the allocation of shares has been exercised; or
    - if the conversion value exceeds the nominal value of one ORNANE Bond: at the Company's discretion, (i) either an amount in cash, (ii) or a combination of cash and new and/or existing ordinary shares, the cash amount then being calculated based on a percentage of the conversion value determined freely by the Company; or
- otherwise, regardless of the conversion value, new and/or existing ordinary shares only.

The conversion value will, for each ORNANE Bond, be equal to the conversion rate applicable on the last trading session of the calculation period (the rate being initially 2.699 shares per ORNANE Bond, subject to subsequent adjustments) multiplied by the arithmetical average of the average price weighted by the daily volume of the Company's share on Euronext Paris over a period of 20 consecutive trading days.

The ORNANE Bonds may be redeemed early under certain conditions. In particular, the ORNANE Bonds may be redeemed early at the initiative of the Company as of 15 January 2019 until maturity date, for all outstanding ORNANE Bonds, subject to a notice of at least 40 trading sessions, at par plus accrued interest from the last interest payment date to the date fixed for early redemption, if the arithmetical average, calculated over the 20 consecutive trading days chosen by the Company from among the 40 trading days preceding the publication of the early redemption notice, of the product of the average price weighted by the volumes of the Tikehau Capital share recorded on Euronext Paris and of the conversion rate in effect at each date exceeds 130% of the nominal value of the ORNANE Bonds.

In the event of a change of control, any ORNANE Bond holder may, at their option, request the early redemption in cash of all or some of the ORNANE Bonds which they own at a price equal to par plus interest accrued from the last interest payment date (or, where applicable, from the date of issue) until the date fixed for redemption.

As at the date of this Registration Document, 1,222,326 ORNANE Bonds are outstanding following a request to convert 3,000 ORNANE Bonds since the issue date. These ORNANE Bonds offer entitlement to a maximum of 3,299,058 shares on the basis of the current conversion rate.

53.9% of these ORNANE Bonds are held by MACSF épargne retraite and 25.5% by Suravenir, the balance being owned by other holders.

(a) History of the share capital over the last three years

The table below shows the change in share capital of the Company since 1 January 2014 up to the date of this Registration Document.

Date	Nature of transaction	Share capital before transaction (in euro)	Share premium (in euro)	Number of ordinary shares before the transaction	Number of ordinary shares after the transaction	Share capital after the transaction (in euros)
18/04/2014	Cash recapitalisation	187,220,628	38,050,743.75	15,601,719	21,689,838	260,278,056
04/07/2016	Cash recapitalisation	260,278,056	178,225,578	21,689,838	41,492,680	497,912,160
21/12/2016	In-kind recapitalisation	497,912,160	114,139,278	41,492,680	54,174,822	650,097,864
06/01/2017	Cash recapitalisation	650,097,864	64,320,327	54,174,822	61,321,525	735,858,300
28/02/2017	In-kind recapitalisation	735,858,300	64,672,263	61,321,525	68,507,332	822,087,984
03/03/2017	Cash recapitalisation	822,087,984	21,428,568	68,507,332	70,888,284	850,659,408

Since 1 January 2014, the following transactions have affected the share capital of the Company:

(1) A capital increase was carried out on 18 April 2014 for an amount of €111,108,171.75 (including share premium) resulting in the creation of 6,088,119 new shares. This recapitalisation was performed with preferenctial subscription rights maintained. This capital increase was conducted essentially to finance the Company's development strategy (in particular abroad) and to increase its visibility and the size and diversification of its investments, thus allowing it to expand the spectrum of opportunities of which it was able to take advantage as part of its strategy.

(2) A capital increase was carried out on 4 July 2016 for an amount of €415,859,682 (including share premium) resulting in the creation of 19,802,842 new shares. This capital increase was carried out with preferential subscription rights maintained at a price of €21 per new share and was subscribed for in the amount of €239.8 million by cash contribution and €176.1 million by offsetting against debts with the equity convertible bonds issued by the Company in May 2015 (see Section II.2(d)(Liquidity and Capital resources) of this Registration Document). All convertible bonds issued by the Company in May 2015 were cancelled under this transaction. The purpose of this recapitalisation was to allow the Company to shore up its shareholders' equity, fund its ongoing development and accelerate its international expansion. This made it possible to bring new shareholders into the Company, such as the Singaporean investment management company Temasek (about €160 billion in assets under management), the Luxembourg insurance company La Luxembourgeoise, and the listed French investment management company FFP.

(3) As part of the reorganization operations described in Section VIII.3 (Reorganization operations) of this Registration Document, a recapitalisation through an in-kind contribution in the amount of €266,324,982 (issue premium included) was completed on 21 December 2016. This recapitalisation, which was approved by the General Shareholders' Meeting of 21 December 2016, was conducted at a price of €21 per new share and resulted in the issue of 12,682,142 new shares remunerating in-kind contributions to the Company. These contributions were made for the purpose of reorganising the Group and preparing for the listing of the Company's shares and their admission to trading on the Euronext Paris regulated market. These contributions include the following assets in particular:

- Tikehau IM shares amounting to 74.1% of Tikehau IM's shares;
- ten (10) Salvepar Class 1 preferred shares; and
- all preferred shares issued by Tikehau Capital Europe and held by the Company.

The General Shareholders' Meeting of the Company of 21 December 2016 also authorised the reserved issue of BSA to Tikehau Management, Tikehau Employee Fund 2008 and TCA Partnership. The terms of these BSA are described in greater detail in Section VIII.5 (Information on shares and the main shareholders – *Bons de souscription d'actions*) of this Registration Document.

(4) A capital increase was carried out on 06 January 2017 for an amount of €150,080,763 (including share premium) resulting in the creation of 7,146,703 new shares. This recapitalisation was undertaken fully in cash, at a price of €21 per share with preferential subscription rights maintained. The purpose of this recapitalisation was to allow the Company to shore up its shareholders' equity and bring in shareholders, in both cases in anticipation of the listing of its shares and their admission to trading on the Euronext Paris regulated market.

(5) Two capital increases were carried out as part of the listing of the Company's shares and their admission to trading on the regulated market of Euronext Paris for a total amount of €200,901,939 (including share premiums). These recapitalisations were approved at the General Shareholders' Meeting of 28 February 2017 at a price of €21 per new share and resulted in the issuance of 9,566,759 new shares:

(i) an in-kind recapitalisation was made on 28 February 2017 for an amount of €150,901,947 (including share premium) and resulted in the creation of 7,185,807 new shares in payment of the Salvepar shares tendered in the public exchange offer for Salvepar shares; and

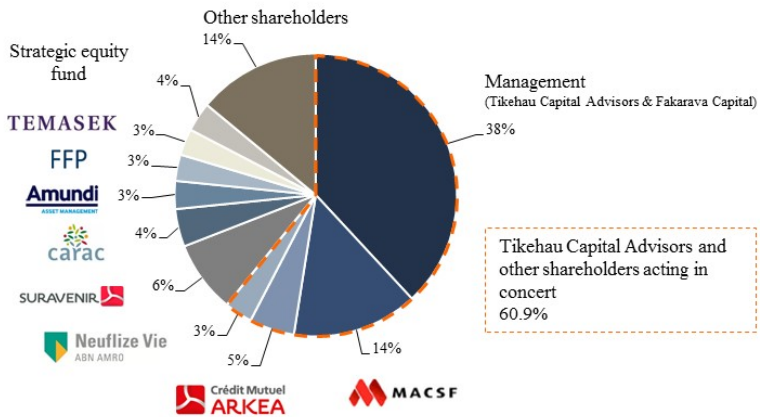
(ii) a capital increase was carried out for the amount of €49,999,992 (including share premium) resulting in the creation of 2,380,952 new shares. This recapitalisation was made concurrently with the settlement of the takeover bid initiated on Salvepar and was reserved for the Fonds Stratégique de Participations in connection with its investment in the Company. The agreement entered into with the Fonds Stratégique de Participations included a pledge to appoint a representative of the Fonds Stratégique de Participations to the

Company's Supervisory Board and a representative of the Fonds Stratégique de Participations to the Board of Directors of Tikehau Capital Advisors. (See Section IV.1(b)(i) (Composition of the Supervisory Board) of this Registration Document.) The Fonds Stratégique de Participations is an investment company with variable capital registered with the AMF, designed to promote long-term equity investments by taking interests deemed "strategic" in French companies. The Board of Directors of the Fonds Stratégique de Participations has eight members and consists of seven insurance company shareholders (BNP Paribas Cardif, CNP Assurances, Crédit Agricole Assurances, Sogécap, Groupama Natixis Assurances and Suravenir), as well as Groupe Edmond de Rothschild. To date and since its investment in the Company, the Fonds Stratégique de Participations has five compartments, four of which have the purpose of investing in shares of Arkema, SEB, Zodiac Aerospace and Eutelsat Communications.

(b) Shareholders of the Company

Shareholders of the Company on the date of admission of the shares to trading (7 March 2017)

The chart and table below present the Company's shareholder structure as at the date of listing of the Company's shares based on the number of shares issued:



Tikehau Capital Advisors and other shareholders in concert 60.9%

Shareholders	**Number of shares**	**% of capital and voting rights**
Tikehau Capital Advisors	20,248,413	28.6%
MACSF Epargne Retraite	10,200,809	14.4%
Fakarava Capital [(1)]	6,756,610	9.5%
Crédit Mutuel Arkéa	3,654,401	5.2%
Neuflize Vie	2,274,836	3.2%
Total majority shareholders[(2)]	**43,135,069**	**60.9%**
Suravenir	4,285,715	6.0%
Fonds Stratégique de Participations	3,931,957	5.5%
Total - Shareholders holding more than 5%	**51,352,741**	**72.4%**
CARAC	3,053,932	4.3%
Amundi Ventures	2,268,333	3.2%
Esta Investments (Groupe Temasek)	2,142,858	3.0%

FFP Invest (Groupe FFP)	2,142,858	3.0%
Others	9,927,562	14.1%
Total - Shareholders holding less than 5%	**19,535,543**	**27.6%**
Total	**70,888,284**	**100%**

(1) Company held jointly in the amount of 62.5% by Tikehau Capital Advisors and Group management
(2) See Section VIII.5(d) (Organizational structure and control of the Group – Ownership structure) of this Registration Document

It should be noted that at the filing date of this Registration Document, the Company has not instituted any mechanism to encourage the participation of employees in the Company's share capital either directly or through collective bodies (company savings schemes (PEE) or company mutual funds (FCPE)) and has not acquired shares with a view to allocating them to the Group's employees.

Shareholders of the Company as at 31 December 2016

The following table shows a detailed breakdown of its shareholder structure as at 31 December 2016:

Shareholders	**Number of shares**	**% of capital and voting rights**
Tikehau Capital Advisors	18,538,355	34.2%
Fakarava Capital (1)	6,756,610	12.5%
MACSF épargne retraite	6,152,143	11.4%
Suravenir	4,285,715	7.9%
Crédit Mutuel Arkéa	2,972,380	5.5%
Total - Shareholders holding more than 5%	**38,705,203**	**71.4%**
CARAC	2,485,005	4.6%
Esta Investments (Groupe Temasek)	2,142,858	4.0%
FFP Invest (Groupe FFP)	2,142,858	4.0%
Amundi Ventures	1,887,380	3.5%
Neuflize Vie	1,229,330	2.3%
Others	8,067,193	10.3%
Total - Shareholders holding less than 5%	**15,469,619**	**28.6%**
Total	**54,174,822**	**100%**

(1) Company held jointly in the amount of 62.5% by Tikehau Capital Advisors and Group management

Shareholders of the Company as at 31 December 2015

The following table shows a detailed breakdown of its shareholders as at 31 December 2015:

Shareholders	**Number of shares**	**% of capital and voting rights**
Tikehau Capital Advisors	6,088,821	28.1%

Fakarava Capital [(1)]	4,613,323	21.3%
MACSF épargne retraite	3,295,000	15.2%
CARAC	1,770,718	8.2%
Crédit Mutuel Arkéa	1,085,000	5.0%
Total - Shareholders holding more than 5%	**16,852,862**	**77.7%**
Koramic Finance Company	392,112	1.8%
Chestone Participations	377,322	1.7%
Others	4,067,542	18.8%
Total - Shareholders holding less than 5%	**4,836,976**	**22.3%**
Total	**21,689,838**	**100%**

[(1)] Company held jointly in the amount of 56.3% by Tikehau Capital Advisors and Group management

Shareholders of the Company as at 31 December 2014

The following table shows, to the knowledge of the Company, a detailed breakdown of its shareholders as at 31 December 2014:

Shareholders	**Number of shares**	**% of capital and voting rights**
Tikehau Capital Advisors	4,128,641	19.0%
Fakarava Capital [(1)]	4,342,243	20.0%
MACSF épargne retraite	3,295,000	15.2%
Crédit Mutuel Arkéa	2,707,850	12.5%
CARAC	1,770,718	8.2%
Total - Shareholders holding more than 5%	**16,244,452**	**74.9%**
Koramic Finance Company	392,112	1.8%
Chestone Participations	377,322	1.7%
Others	4,675,952	21.6%
Total - Shareholders holding less than 5%	5,445,386	**25.1%**
Total	**21,689,838**	**100%**

[(1)] Company held jointly in the amount of 60% by Tikehau Capital Advisors and Group management

(c) Summary table of delegations

On the date on which this Registration Document was filed, the Managers' financial delegations in force were approved by the Combined General Shareholders' Meeting of the Company on 21 December 2016.

These delegations are presented in the table below:

Purpose of the resolution	Date of Meeting Resolution number	Maximum amount (as nominal or % of capital)	Duration of the authorisation in force	Use at date of filing (nominal)	Procedures for setting the issue price
Capital increase by incorporation of reserves, profits or premiums	21 December 2016 28th resolution	€1 billion	26 months	–	N/A
Issue with preferential right to subscribe for shares and/or securities giving access to equity	21 December 2016 23rd resolution	€900 million	26 months	€85.8 million	N/A
Issue without preferential right to subscribe for ordinary shares and/or securities giving access to equity through public offerings	21 December 2016 24th resolution	€500 million	26 months	–	See Note (1) below
Issue without preferential right to subscribe to shares and/or securities giving access to equity through private investments referred to in Section II of Article L.411-2 of the French Monetary and Financial Code	21 December 2016 25th resolution	€300 million and legal limit (to date, 20% of share capital)	26 months	–	See Note (1) below
Issue of shares and/or securities giving access to equity without preferential subscription rights in return for contributions in kind consisting of shares or securities giving access to equity	21 December 2016 26th resolution	€150 million and legal limit of 10% of share capital	26 months	–	See Note (2) below
Authorisation granted to the Managers, if issued without preferential subscription rights, to fix the issue price within 10% of the capital	21 December 2016 27th resolution	10% of share capital	26 months	–	See Note (3) below

Purpose of the resolution	Date of Meeting Resolution number	Maximum amount (as nominal or % of capital)	Duration of the authorisati on in force	Use at date of filing (nominal)	Procedure s for setting the issue price
Increase in the number of shares to be issued in the event of a capital increase with or without preferential subscription rights	21 December 2016 29th resolution	Legal limit contemplated (to date, 15% of the initial issue)	26 months	–	N/A
Capital increase through the issue of shares and/or securities giving access to equity with elimination of preferential subscription rights, reserved for members of savings plans	21 December 2016 30th resolution	€25 million	26 months	–	See Note (4) below
Capital increase by awarding of stock options to Group employees and corporate officers	21 December 2016 31st resolution	Capped at 3% of the share capital	26 months	–	See Note (5) below
Capital increase by awarding free existing or future shares to Group employees and corporate officers	21 December 2016 32nd resolution	Capped at 3% of the share capital	26 months	–	N/A

Note (1) – In accordance with Article L.225-136-1 para. 1 of the French Commercial Code, (i) the issue price of shares issued directly shall be at least equal to the minimum stated in the regulatory provisions applicable on the issue date (currently the weighted average of the prices of the three Euronext Paris regulated market trading sessions preceding the setting of the recapitalisation subscription price, minus 5%), after an adjustment of this average in the event of a difference between the effective dates; and (ii) the issue price of securities giving access to share capital and the number of shares to which the conversion, redemption of, generally speaking, the transformation of each security giving access to share capital could entitle their holders, shall be the sum immediately paid to the Company, plus, where applicable, the sum that may be paid later to it, for each share issued corresponding to the issue of these securities, and at least equal to the minimum subscription price stated in (i) above.

Note (2) – In accordance with Article L.225-147 of the French Commercial Code, the Manager shall rule on the valuations of contributions, based on the report of one or more contributions appraisers appointed unanimously by shareholders or, failing that, by a court order.

Note (3) – In accordance with Article L.225-136-1 para. 2 of the French Commercial Code, (i) the issue price of the shares shall be at least equal to the weighted average of the Company's shares on Euronext Paris in the last 20 trading sessions prior to the date on which it is set, or if it is lower, to the latest closing price preceding the setting of the price minus a maximum discount of 5%, and (ii) the issue price of securities providing immediate or later access to share capital shall be the sum paid immediately to the Company plus, where applicable, the sum that the Company may later receive, i.e., for each share issued corresponding to the issue of securities and at least equal to the amount stated in (i) above, after adjustment of this amount, if necessary, to reflect the difference in the effective date.

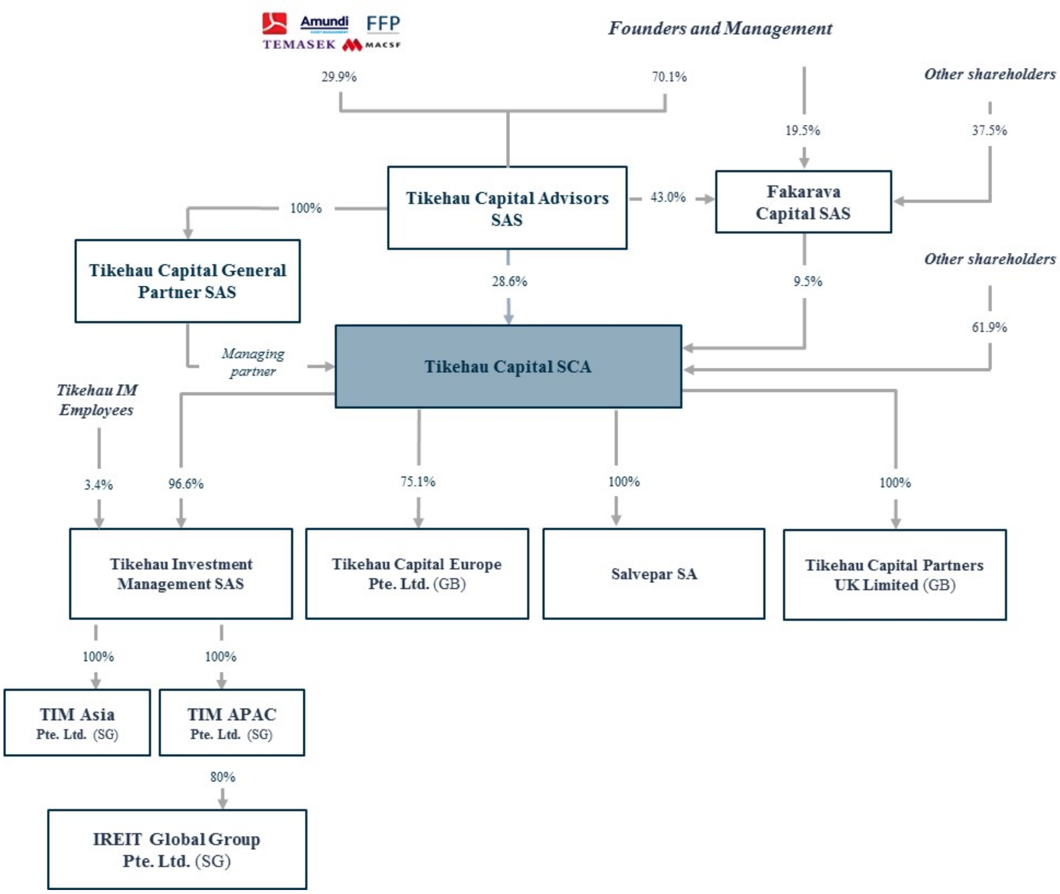
Note (4) – The issue price of new shares or securities giving access to share capital shall be determined under the conditions provided in Articles L.3332-18 *et seq*. of the French Labour Code and shall be equal to at least 80% of the Benchmark Price (as defined below) or to 70% of the Benchmark Price when the vesting period in accordance with Articles L.3332-25 and L.3332-26 of the French Labour Code is equal to, or greater than 10 years; for the purpose of this paragraph, the Benchmark Price is (i) the average of the Company's initial quoted price on the Euronext Paris regulated market during the 20 trading sessions preceding the date on which the opening subscription is set for members of a company or group savings plan (or similar); or (ii) when the recapitalisation occurs simultaneously with an initial offering on a regulated market, the Company's admission price on said market, on the condition that the decision setting the subscription opening period is made no later than 10 trading days after the share's initial trading date.

Note (5) – The strike price of stock options shall be set on the day on which the stock options are granted and (i) in the case of stock-option rights, this price may be no lower than 80% of the average of the initial quoted prices of the Company's shares on the Euronext Paris regulated market during the 20 trading sessions preceding the date on which the stock-option rights are granted; and (ii) in the case of stock-option purchase plans, this price may be no lower than either the value stated in (i) above, nor 80% of the average purchase price of shares held by the Company under Articles L.225-208 and L.225-209 of the French Commercial Code. If the Company undertakes one of the operations provided by Article L.225-181 of the French Commercial Code or by Article R.225-138 of the French Commercial Code, the Company shall, under the conditions provided by current regulations, take measures necessary for protecting the interests of beneficiaries, including, where applicable, by adjusting the number of shares that may be obtained through the exercise of options granted to beneficiaries to reflect the impact of this operation.

(d) Organizational structure and control of the Group

Group organizational chart

The organizational chart below presents the Group's legal structure as at the filing date of this Registration Document and after completion of the reorganization operations described in Section VIII.3 (Reorganization operations) of this Registration Document:



NB: In this organizational chart, shareholding percentages are equivalent to voting rights percentages, unless otherwise stated.

Other information regarding the Company's equity ownership is provided in Section VIII.5(b) (Shareholders of the Company over the past three years) of this Registration Document.

Control of the Group

On the date of this Registration Document, Tikehau Capital Advisors holds 28.6% of the Company's equity and voting rights and 100% of the shareholders' equity and voting rights of Tikehau Capital General Partner, the Company's general partner.

The share capital of Tikehau Capital Advisors is divided between the managers and founders of Tikehau Capital, who together hold 70.1% of the capital and voting rights of Tikehau Capital Advisors, and a group of institutional shareholders: Amundi, Crédit Mutuel Arkéa, FFP, MACSF and Temasek, among which the remaining 29.9% is divided equally.

Tikehau Capital Advisors acts in concert with Fakarava Capital, MACSF Epargne Retraite, Crédit Mutuel Arkéa and Neuflize Vie under the terms of a shareholders' agreement entered into on 23 January 2017. The agreement provides that the parties shall consult with one another prior to any meeting of the Company's Supervisory Board or General Meeting of Shareholders for the purpose of agreeing on a common general policy for the Company. This agreement lays down that the parties shall ensure that a member of the Supervisory Board is appointed on the basis of a proposal from each party to the agreement holding at least 5% of the Company's share capital. The agreement also provides the conditions under which the consortium parties may request the appointment of a representative to the Supervisory Board. Lastly, this agreement provides that each party owning more than 3% of the Company's shareholders' equity (on a fully diluted basis) and who wishes to sell all or part of its shares in the Company must grant rights to the other agreement parties allowing them to acquire the offered shares at the sale price set by the seller.

Furthermore, the Company has the legal form of a *société en commandite par actions* governed by Articles L.226-1 *et seq.* of the French Commercial Code, with Tikehau Capital General Partner serving as Manager-General Partner. Under Article 11 of the Articles of Association of Tikehau Capital General Partner, prior to approving certain key decisions regarding Tikehau Capital, on behalf of and for the account of, Tikehau Capital General Partner in its capacity as general partner and/or Manager of Tikehau Capital, the Chairman and Chief Executive Officer of Tikehau Capital General Partner must obtain the prior consent of Tikehau Capital Advisors. Such decisions are as follows: (i) the appointment (including term of office or remuneration) or removal from office of any Manager of Tikehau Capital; (ii) the resignation of Tikehau Capital General Partner as Manager of Tikehau Capital; (iii) the transfer of the partnership interests of Tikehau Capital; and (iv) any amendment to the Articles of Association of Tikehau Capital.

Preventing abusive control

Because of the Company's legal form and provisions in its Articles of Association, the Company Manager enjoys very broad powers in managing the Company's business. To prevent abusive control over the Company, the Company has established governance providing in particular for at least one third of members of the Supervisory Board and specialised committees to be independent (see Section IV.1 (Executive and management bodies) of this Registration Document), as well as for the implementing of internal audit procedures and procedures for managing conflicts of interest within the Group (see Section IV.4(b) (Internal control and risk management procedures) of this Registration Document). However, the governance structure and the legal provisions applicable to *sociétés en commandite par actions* do not offer Company shareholders rights and powers that are equivalent to those that might be guaranteed to them in a joint stock company or a *Societas Europaea*. In particular, it is hereby stipulated that while the Supervisory Board ensures that the Company is being managed properly, it may under no circumstances issue binding orders to the Manager or dismiss him. (See Section III.1(e) (Risks incurred by the legal form, the Articles of Association and the organizational structure of Tikehau Capital) in this Registration Document.)

6. Tikehau Capital share buy-back programme

As at 31 December 2016, the Company did not hold any of its shares and no shares of the Company were held by any of its subsidiaries or by a third party on its behalf.
The Combined General Shareholders' Meeting of 21 December 2016 granted the Manager, for a period of 18 months, beginning with said General Meeting, and under the condition precedent and effective on the date of listing of the Company's shares on the Euronext Paris regulated market, i.e., 7 March 2017, the power of sub-delegation and in accordance with provisions of Articles L.225-209 *et seq*. of the French Commercial Code, to buy Company shares or have them bought, in order:

- to implement any Company stock-option plan under the provisions of Articles L.225-177 *et seq.* of the French Commercial Code or any similar plan; or

- to award or transfer shares to the employees to compensate them for their participation in the Company's expansion or for the implementation of any company or group savings plan (or similar) under conditions provided by law, particularly Articles L.3332-1 *et seq*. of the French Labour Code; or

- to award bonus shares under the provisions of Articles L.225-197-1 *et seq*. of the French Commercial Code; or

- generally speaking, to honour obligations arising from stock-option programmes or other share allocations to employees or corporate officers of the issuer or an affiliated company; or

- to hand over shares upon the exercise of rights embedded in securities giving access to share capital through redemption, conversion, exchange, presentation of a warrant or in any other manner; or

- to cancel all or part of bought back shares; or

- to assist an investment services provider in serving as a secondary market maker or liquidity provider for Tikehau Capital shares under a market-making contract in accordance with the code of conduct recognized by the AMF.

Share buybacks are also designed to implement any market practice that might be authorised by the AMF and, more generally, the undertaking of any transaction in accordance with current regulations. Under this assumption, the Company shall inform its shareholders accordingly in a written statement.

Company shares may be bought back in a number such that, on the date of each buyback, the total number of shares bought back by the Company since the start of the buyback programme (including those that are subject to said programme) shall not exceed 10% of the Company's share capital on this date (including transactions affecting it after the General Shareholders' Meeting), it being stipulated that when shares are bought back to promote liquidity under the conditions defined in the AMF general regulation, the number of shares used in calculating the aforementioned 10% limit is equal to the number of shares bought, minus the number of shares sold during the period authorised.

Shares may be acquired, divested or transferred at any time within the limits authorised by current legal and regulatory provisions except during periods of a public offer, and through any means, including on the regulated markets, multilateral trading facilities, with systematic internalisers or over the counter, including through off-market acquisitions or divestments, through a public offer of purchase or exchange, or through the use of options or other forward financial instruments traded on regulated markets, multilateral trading facilities, with systematic internalisers or over the counter, or when handing over shares after the issue of securities giving access to share capital of the Company through conversion, exchange, redemption or exercise of a warrant, either directly or indirectly through an investment services provider or in any other manner (without limiting the portion of the buyback programme that may be undertaken by any one of these means).

The maximum purchase price for shares under this resolution will be 150% of the initial listing price of the Company's shares on the regulated market of Euronext Paris (i.e., € 31.5 based on an initial listing price of €21).

In the event of a change in the share's par value, a recapitalisation through the incorporation of reserves, the awarding of bonus shares, the splitting or reverse-splitting of shares, the distribution of reserves or any other assets, redemption of capital, or any other operation involving the share capital or shareholders' equity, the Managers are empowered to adjust the aforementioned maximum purchase price to reflect the impact such operations on the share's value.

The total amount allocated to the share buyback programme may not exceed €200 million.

The Managers, with the power of sub-delegation under the conditions provided by law, enjoy broad powers to decide and implement said authorisation, to specify, if necessary, its terms, and the procedures for executing the share buyback and, in particular, to place any market order, enter into any agreement, allocate or reallocate the acquired shares to purposes allowed under applicable law and regulations, set the procedures for ensuring, where applicable, the rights of holders of securities giving access to share capital or other rights giving access to share capital in accordance with legal and regulatory provisions and, where applicable, enforce contractual clauses providing for other cases of adjustment, to make any disclosures to the AMF or any other competent authority and any other formalities and, generally speaking, to undertake any necessary actions.

The Company has set up a liquidity contract in compliance with the AMAFI professional code of ethics of 8 March 2011 approved by the AMF by decision of 21 March 2011. This contract, which has been entrusted to Exane, has been in effect since 3 March 2017. It was signed for a term of one year, renewable by tacit agreement. For the implementation of this contract, the Company allocated the sum of one million euro and 13,290 Company shares to the credit of the liquidity account.

As at the filing date of this Registration Document, the Company holds 18,631 ordinary shares (for a market value of €463,911.90 based on the last closing price prior to the filing date of this Registration Document). All of these shares are held under the liquidity contract entered into with Exane, and since 1 January 2017, the Company has not used derivatives on its shares.

7. Shares held by corporate officers

Article 3 of the Supervisory Board's Internal Rules requires that members of the Supervisory Board own at least 200 shares throughout their term on the Board. The following table shows the number of Company shares held by each member of the Supervisory Board on as at the filing date of this Registration Document:

	Number of shares held
Christian de Labriffe (Chairman)	586
Roger Caniard	0
Jean-Louis Charon	60,000
Jean Charest	4,760
Jean-Pierre Denis	200
Fonds Stratégique de Participations	3,931,957
Anne-Laure Naveos	0
Fanny Picard	2,275
Constance de Poncins	0
Troismer	55,000
Natacha Valla	200

As at the filing date of this Registration Document, neither the Manager of the Company nor its corporate officers holds any Company securities.

Other information on the Company's shareholders can be found in Sections IV.1(a) (The Managers), IV.1(c)(ii) (Members of the Supervisory Board (Article 10.1 of the Articles of Association) – Shares of Supervisory Board members (Article 3 of the Supervisory Board's Internal Rules)), VIII.5(a) (History of share capital over the last three years) and VIII.5(d) (Organizational structure and control of the Group) of this Registration Document.

IX. ANNUAL GENERAL SHAREHOLDERS' MEETING

1. Agenda

The Annual General Shareholders' Meeting of the Company will be convened for 1 June 2017 at 3 pm at the Centre de Conférences Capital 8, 32 rue de Monceau, 75008 Paris, France, to decide on the following agenda:

1. Approval of the annual financial statements for the financial year ended 31 December 2016
2. Approval of the consolidated financial statements for the financial year ended 31 December 2016
3. Allocation of the income for the financial year ended on 31 December 2016
4. Replacement of a Statutory Auditor and an Alternate Statutory Auditor
5. Powers to perform formalities

The agenda and draft resolutions are also available in the notice to attend the Meeting which was published in the *Bulletin des Annonces Légales Obligatoires* (legal notices bulletin) number 47 on 19 April 2017.

2. Managers' Report

I. Approval of the 2016 financial statements (annual financial statements and consolidated financial statements) (1st and 2nd resolutions)

The first item on the agenda is the approval of the annual financial statements for Tikehau Capital (1st resolution). Tikehau Capital's financial statements for the year ended 31 December 2016, as approved by the Managers, show a loss of €56,601,842 compared with a profit of €4,190,559 for the previous year.

Detailed comments on these annual financial statements can be found in Section II.2 of the Registration Document.

The purpose of the 2nd resolution is to approve the consolidated financial statements of Tikehau Capital. Tikehau Capital's consolidated financial statements for the year ended 31 December 2016, as approved by the Managers, show a profit of €72,496 thousand compared with a profit of €9,589 thousand for the previous year.

Detailed comments on these consolidated financial statements can be found in Section II.2 of the Registration Document.

II. Allocation of income (3rd resolution)

Under the 3rd resolution, the Meeting is called on to note that the net book income for the financial year amounts to a loss of €56,601,842 for the year ended 31 December 2016.

It should also be remembered that Tikehau Capital General Partner, as general partner and in accordance with Article 14.1 of the Articles of Association, is entitled, as a preferred dividend and should there be distributable income, to a remuneration equal to 12.5% of the Company's net income as shown in the financial statements at the end of the financial year. Given the absence of profit for the year ended 31 December 2016, in accordance with the Articles of Association no preferred dividend is payable to the general partner.

The Managers, in agreement with the Supervisory Board, propose to allocate the income for the year to the "retained earnings" account.

Below you are reminded of the amount of dividends paid out for the previous three years:

FINANCIAL YEAR	2013	2014	2015
Dividend per share paid out	€0.50	€0.60	€0.70

For individuals resident for tax purposes in France it is specified that these dividends were eligible for the 40% deduction provided for in Article 158-3 2 of the French General Tax Code.

Incidentally, Tikehau Capital General Partner, as sole Manager, is entitled under Article 8.3 of the Articles of Association to remuneration excluding taxes equal to 2% of the total consolidated shareholders' equity of the Company, as determined on the last day of the preceding financial year, which the Meeting is called upon to note.

III. Replacement of a Statutory Auditor and an Alternate Auditor (4th resolution)

By letter dated 13 April 2017, C.M.S. Experts Associés and Mr. Philippe Clément informed the Company that they resigned respectively from their appointment as Statutory Auditor and Alternate Auditor of the Company with effect from the Annual General Shareholders' Meeting of the Company to be held on 1 June 2017. They stated that their resignation was due to the difficulties, in view of their new role after the listing of the Company's shares on the regulated market of Euronext Paris on 7 March 2017, in adapting and increasing the time and the human resources required to carry out their assignment.

The appointment of substitute Statutory Auditors is therefore on the agenda of the General Shareholders' Meeting on 1 June 2017. The Company has initiated a selection process to replace C.M.S. Experts Associés and Mr. Philippe Clément. The names of the new Statutory Auditors envisaged will be communicated to the shareholders of the Company at the latest with the notice to attend the Annual General Shareholders' Meeting of 1 June 2017.

IV. Powers to perform formalities (5th resolution)

The purpose of the 5th resolution is to grant the powers necessary to carry out all formalities for the holding of the General Shareholders' Meeting.

3. Report of the Supervisory Board

In accordance with applicable legal and regulatory provisions, we report on the accomplishment of our duties during the year ended 31 December 2016, as well as our observations on the statutory and consolidated financial statements for the year.

We hereby inform you that since its creation on 7 November 2016 the Supervisory Board has been regularly informed by the Manager on the Company's activity and that the annual and consolidated financial statements have been communicated to us under the conditions laid down by law.

The Board has no particular comments to make on the activities and the statutory and consolidated financial statements for the year ended 31 December 2016 and asks you therefore to approve the financial statements and the proposed resolutions.

4. Draft resolutions

First resolution – (*Approval of the financial statements for the financial year ended 31 December 2016*)

The General Shareholders' Meeting, acting under the quorum and majority requirements for ordinary general meetings, having reviewed the Managers' report as well as the report of the Supervisory Board and the Statutory Auditors' report on the annual financial statements, approves the annual financial statements of the Company for the year ended 31 December 2016 as they have been presented as well as the transactions reflected in these statements or summarised in these reports.

Accordingly, the General Shareholders' Meeting approves the results of the financial year ended on 31 December 2016 showing a loss of €56,601,842.

Second resolution – (*Approval of the consolidated financial statements for the financial year ended 31 December 2016*)

The General Shareholders' Meeting, acting under the quorum and majority requirements for ordinary general meetings, having reviewed the Managers' report as well as the report of the Supervisory Board and the Statutory Auditors' report on the consolidated financial statements, approves the consolidated financial statements of the Company for the year ended 31 December 2016 as they have been presented as well as the transactions reflected in these statements or summarised in these reports.

Third resolution – (*Allocation of income for the year ended 31 December 2016*)

The General Shareholders' Meeting, acting under the quorum and majority requirements for ordinary general meetings, having reviewed the Managers' report as well as the report of the Supervisory Board and the report of the Statutory Auditors on the annual financial statements,

1) notes that the net book income for the year amounts to a loss of €56,601,842 for the year ended 31 December 2016;

2) acknowledges that under the Articles of Association, the remuneration received by the Managers for the period from 7 November 2016 to 31 December 2016 amounts to €1,112,782.96 (excluding taxes);

3) notes that in the absence of a profit for the year ended 31 December 2016, no preferred dividend is payable to the general partner;

4) resolves, in accordance with the proposal of the Managers, and in agreement with the Supervisory Board, to allocate the income of the financial year as follows:

Accounting loss for financial year 2016		€(56,601,842)
Earnings from prior years carried forward	(+)	€34,656,403
Preferred dividend of the general partner	(–)	–
Allocation to retained earnings account		
Remaining balance in retained earnings	(=)	€(21,945,439)

Pursuant to Article 243 *bis* of the French General Tax Code, a summary is shown below of the amount of dividends paid in respect of the previous three years:

FINANCIAL YEAR	2013	2014	2015
Dividend per share paid out	€0.50	€0.60	€0.70

For individuals resident for tax purposes in France it is specified that these dividends were eligible for the 40% deduction provided for in Article 158-3-2 of the French General Tax Code.

Fourth resolution – (*Replacement of a Statutory Auditor and an Alternate Auditor*)

The General Shareholders' Meeting, acting in accordance with the quorum and majority requirements for ordinary general meetings, after having reviewed the Managers' Report and the report of the Supervisory Board, acknowledges the resignations, with effect from the conclusion of this General Shareholders' Meeting:

- of the firm CMS Experts Associés, 149, boulevard Malesherbes - 75008 Paris France, represented by Mr Stéphane Sznajderman from its appointment as Statutory Auditor; and

- of Mr Philippe Clément, 149, boulevard Malesherbes - 75008 Paris France, from his appointment as Alternate Auditor,

- appoints in replacement:

- [name of the firm of Statutory Auditor], [address] represented by [name] as Statutory Auditor for the remainder of the term of office of the outgoing Statutory Auditor until the date of the General Shareholders' Meeting convened to vote on the financial statements for the year ending 31 December 2021; and

- [name of the firm of Alternate Auditor], [address] represented by [name] as Alternate Auditor for the remainder of the term of office of the outgoing Alternate Auditor until the date of the General Shareholders' Meeting convened to vote on the financial statements for the year ending 31 December 2021;

and notes that [name of Statutory Auditor] and [name of Alternate Auditor] have in advance indicated their acceptance of these appointments and have declared that they are not subject to any incompatibility or prohibition preventing them from exercising these appointments.

Fifth resolution – (*Powers to perform formalities*)

The General Shareholders' Meeting grants all powers to the holder of an original copy, a copy or an excerpt of the minutes of this Meeting to perform any filings, announcements, statements and formalities.

X. ADDITIONAL INFORMATION

1. Person responsible for the Registration Document

Tikehau Capital General Partner, Manager of the Company.

32, rue de Monceau, 75008 Paris, France
Tel.: +33 1 40 06 26 26
Fax: +33 1 40 06 09 37

Declaration by the Person responsible for the Registration Document and for the Annual Financial Report

"We declare, having taken all reasonable measures to this effect, that the information contained in this Registration Document is, to our knowledge, in accordance with the facts reference contains no omission likely to affect its import.

We declare that, to our knowledge, the financial statements are prepared in accordance with applicable accounting standards and give a true and fair view of the assets, financial position and results of the Company and that the management report includes a fair review of the development of the business, results and financial position of the Company as well as a description of the main risks and uncertainties that it faces.

We have obtained a letter from the Statutory Auditors stating that they have completed their assignment which included checking the information relating to the financial position and the accounts given in this Registration Document and that they have read the entire Registration Document. »

Paris, 27 April 2017

Tikehau Capital General Partner, Manager of the Company, represented by:

Its Chairman, AF&Co, itself represented by its Chairman, Mr Antoine Flamarion	Its Managing Director, MCH, itself represented by its Chairman, Mr Mathieu Chabran

2. The Statutory Auditors

At the filing date of this Registration Document, the Company's Statutory Auditors and Alternate Auditors are as follows:

Statutory Auditors of the Company

C.M.S. Experts Associés
149 boulevard Malesherbes, 75008 Paris, France
represented by Stéphane Sznajderman

CMS Experts Associés was appointed Statutory Auditor of the Company upon its inception, on 25 June 2004. It was reappointed for the last time at the General Meeting of 14 April 2016 for a term of six financial years ending with the close of the General Shareholders' Meeting called to rule on the accounts of the financial year ending on 31 December 2021. CMS Experts Partners' appointment as Statutory Auditor of the Company was confirmed by the General Shareholders' Meeting of 7 November 2016.

Ernst & Young et Autres
1-2 Place des Saison, Paris La Défense 1
92400 Courbevoie, France
Represented by David Koestner

Ernst & Young and Autres was appointed main Statutory Auditor by the General Meeting of 7 November 2016 for a term of six financial years ending with the close of the General Shareholders' Meeting called to rule on the accounts of the financial year ending on 31 December 2021.

Alternate Auditors

Mr. Philippe Clément
149 boulevard Malesherbes, 75008 Paris, France

Mr Philippe Clément was appointed Alternate Auditor of the Company upon its inception, on 25 June 2004. He was reappointed for the last time at the General Meeting of 14 April 2016 for a term of six financial years ending with the close of the General Meeting called to rule on the accounts of the financial year ending on 31 December 2021. Mr Philippe Clément's appointment as Alternate Auditor of the Company was confirmed by the General Shareholders' Meeting of 7 November 2016.

Picarle & Partners
1-2 Place des Saison, Paris La Défense 1 – 92400 Courbevoie, France

Picarle & Partners was appointed Alternate Auditor of the Company by the General Meeting of 7 November 2016 for a term of six financial years ending with the close of the General Shareholders' Meeting called to rule on the accounts of the financial year ending on 31 December 2021.

Resignation of the Statutory and Alternate Auditors

By letter dated 13 April 2017, C.M.S. Experts Associés and Mr. Philippe Clément informed the Company that they resigned respectively from their appointment as Statutory Auditor and Alternate Auditor of the Company with effect from the Annual General Shareholders' Meeting of the Company to be held on 1 June 2017. They stated that their resignation was due to the difficulties, in view of their new role after the listing of the Company's shares on the regulated market of Euronext Paris on 7 March 2017, in adapting and increasing the time and the human resources required to carry out their assignment. The appointment of substitute Statutory Auditors is on the agenda of the General Shareholders' Meeting on 1 June 2017. (See Section IX (Annual General Shareholders' Meeting) of this Registration Document.)

Statutory Auditors' Fees

Amounts in thousands of €	**CMS Experts Associés**				**Ernst & Young (**)**			
	Amount		**%**		**Amount**		**%**	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015
Audit								
Auditing, certification, review of accounts (individual and consolidated) (*)	**217**	**43**	**92.3%**	**94.7%**	**344**	**14**	**100%**	**100%**
- Issuer	214	40	91.0%	88.8%	325	–	94.5%	–
- Fully consolidated subsidiaries	3	3	1.3%	5.9%	19	14	5.5%	100%
Other work and services directly related to the mission of Statutory Auditors	**18**	**2**	**7.7%**	**5.3%**	–	–	–	–
- Issuer	18	2	7.7%	5.3%	–	–	–	–
- Fully consolidated subsidiaries	0	0	–	–	–	–	–	–
Sub-total	**235**	**46**	**100%**	**100%**	**344**	**14**	**100%**	**100%**
Other services provided by networks of fully consolidated subsidiaries								
Legal, tax, social	–	–	–	–	–	–	–	–
Other services (specify if > 10% of audit fees)	–	–	–	–	–	–	–	–
Sub-total	–	–	–	–	–	–	–	–
TOTAL	**235**	**46**	**100%**	**100%**	**344**	**14**	**100%**	**100%**

(*) The consolidated financial statements were drawn up for the first time in 2016 for the purpose of the listing. The Statutory Auditors accordingly received no fees in 2015 for reviewing the consolidated financial statements.
(**) Ernst & Young et Autres was appointed the Company's Statutory Auditor for the first time at the General Shareholders' Meeting of the Company on 7 November 2016.

3. Financial reporting

Responsibility and contact within the Company

Mr Henri Marcoux is responsible for financial communication, under the supervision of the Manager of the Company.

To contact the Company:
Tikehau Capital
www.tikehaucapital.com
32 rue de Monceau,
75008 Paris – France
Tel.: + 33 1 40 06 26 26
Fax: + 33 1 40 06 26 13

Financial communication policy

Because of the admission of its shares for trading on the Euronext Paris regulated market, the Company intends to maintain an active and transparent communications policy with regard to its shareholders and potential shareholders, in order to allow its stakeholders to keep up with its activities, performances and financial situation. (See Section II.1 (Overview of activities, results and financial position) of this Registration Document.)

In addition to its regulatory periodic and ongoing reporting obligations, the Company will report to the market on the first and third quarter of each financial year, disclosing in particular the amount of its assets under management.

A detailed presentation of the main indicators monitored by the Company is provided in Section II.1 (Overview of activities, results and financial position) of this Registration Document.

4. Documents available to the public

Copies of this Registration Document are available free of charge at the Company's registered office. This document may also be reviewed on the Company's website (www.tikehaucapital.com) and on the website of the French Financial Markets Authority (AMF) (www.amf-france.org).

Throughout the validity of this Registration Document, the following documents (or copies of these documents) may be reviewed:

- the Company's Articles of Association;
- the Company's Supervisory Board's Internal Rules;
- all reports, letters and other documents, historical financial information, valuations and statements prepared by any expert at the Company's request, any part of which is included or referred to in this Document; and
- the historical financial information included in this Registration Document.

All these legal and financial documents relating to the Company that must be made available to shareholders in accordance with the regulations may be consulted at the Company's registered office.

Regulated information as defined by the AMF General Regulation regarding the Company and its Group will also be available on the Company's website.

5. Glossary

"AFEP-MEDEF Code"	The AFEP-MEDEF code of corporate governance published in December 2008 and revised in November 2016.[61]
"AIF"	Alternative investment fund, an undertaking for collective investment distinct from UCITS. Its aim is to raise capital from a number of investors in order to invest it in accordance with an investment policy defined by the company managing the fund.
"AIFM Directive"	Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No. 1060/2009 and (EU) No. 1095/2010.
"AMF"	*Autorité des marchés financiers*, the financial markets regulatory authority in France.
"AuM"	The concept of assets under management is defined in Section II.1 (Overview of activities, results and financial position) of this Registration Document.
"BSA"	*Bons de souscription d'actions*, warrants giving the right to subscribe to a company's shares.
"CLO"	Collateralized Loan Obligation, a type of debt securitisation instrument in the form of bonds whose underlying assets are loans granted to companies.
"Company"	Tikehau Capital, a *société en commandite par actions* whose registered office is located at 32, rue de Monceau - 75008 Paris France, registered with the Paris Trade and Companies Register under number 477 599 104.
"CSSF"	*Commission de Surveillance du Secteur Financier*, the Luxembourg financial sector regulatory authority.
"Direct Lending"	This is a sub-segment of the private debt market in which a non-bank lender performs the origination, arrangement (or structuring) and investment in its financing for companies.
"ESMA"	European Securities and Markets Authority
"FATCA"	Foreign Account Tax Compliance Act, US legislation adopted as part of the fight against tax evasion by US taxpayers. It ordains that under certain conditions information be collected annually from foreign financial institutions on the assets and income recorded in accounts held by US taxpayers outside the United States.
"FCA"	Financial Conduct Authority, the financial regulation authority in Great Britain.

[61] The AFEP-MEDEF Code is available online at www.consultation.codeafepmedef.fr.

"FCP"	*Fonds commun de placement*, a type of UCITS that issues units and that has no legal personality. By buying shares, the investor becomes a member of a joint ownership of transferable securities but has no voting rights. An FCP is represented and managed, in regard to its administrative, financial and accounting aspects, by a single management company which itself may delegate these tasks.
"FCPR"	*Fonds commun de placement à risque*, French venture capital fund, a type of UCITS that includes in its assets a significant proportion of securities issued by unlisted French or foreign companies.
"FCT"	*Fonds commun de titrisation*, French debt securitisation fund, an investment fund the purpose of which is the acquisition of debt and the issuance of bonds, units or shares representing such debt.
"FPCI"	*Fonds professionnel de capital-investissement*, French professional private equity fund.
"FPE"	*Fonds de prêts à l'économie*, a French economic development loan fund.
"FPS"	*Fonds de prêt spécialisé*, French specialized loan fund, an alternative investment fund open to professional investors in the form of a SICAV, an FCP or an SLP (*société de libre partenariat*, similar to a limited partnership).
"IRR"	Internal rate of return, or discount rate that cancels the net present value of a series of financial flows. In general, these financial flows relate to a project with an initial negative cash flow corresponding to the initial investment, followed by positive cash flows equal to the return on the investment.
"KYC"	Know Your Customer: a procedure for collecting and analysing data for the purpose of verifying the identity of customers, developed as part of the fight against corruption, financial fraud, money laundering and terrorist financing.
"LBO"	Leveraged Buy Out, that is, the acquisition of a company using financing to create leverage.
"Leveraged Loans"	See the definition of "Senior Debt".
"MAS"	Monetary Authority of Singapore, the financial regulatory authority in Singapore.
"Mezzanine"	Subordinated debt with collateral, the repayment of which is subordinated to the repayment of Senior Debt.
"MiFID II"	Directive 2014/65/EU amending MiFID, which must be transposed by 3 January 2018 at the latest.
"MiFID"	Directive 2004/39/EC on Markets in Financial Instruments, which governs the provision of investment services within the European Union.
"OBO"	Owner Buy Out (Leveraged acquisition performed by the owner of the company being acquired).

"OBSA"	*Obligations à bons de souscription d'actions* : bonds with equity warrants.
"OC"	*Obligations convertibles*: convertible bonds.
"OPCI"	*Organisme de placement collectif immobilier*, French real estate investment vehicle, taking the form of a company with variable capital investing primarily in real estate or a real estate investment trust, whose purpose is investment in buildings intended for rental or that it has constructed solely in order to rent them.
"ORA"	*Obligations remboursables en actions* : equity notes.
"ORNANE"	*Obligations à option de remboursement en numéraire et/ou en actions nouvelles et/ou existantes*: bonds with the option of redemption in cash and/or new and/or existing shares.
"PIK"	Payment in Kind, loans characterized by the fact that the interest payment is not always made in cash.
"Portfolio Management Company"	a management company that provides investment services and is engaged primarily in third party asset management (individually through a management mandate, and collectively through a UCITS) and subject to the approval of the AMF.
"Private Debt"	Private debt refers to asset classes in the credit market that are usually in the form of loans and private placements.
"RCCI"	*Responsable conformité et contrôle interne*: Head of Compliance and Internal Control.
"Salvepar"	Salvepar, *société anonyme* (joint stock company) whose registered office is located at 32, rue de Monceau - 75008 Paris France, registered with the Paris Trade and Companies Register under number 552 004 327.
"Senior debt"	Top-ranking debt with collateral having priority in repayment vs. subordinated debt and equity.
"SICAV"	*Société d'investissement à capital variable*: open-ended investment company with variable capital.
"société à responsabilité limitée"	A French limited liability company
"société civile"	A French civil law partnership
"société en commandite par actions"	A French corporate partnership limited by shares
"société par actions simplifiée"	A French simplified joint stock company
"société par actions simplifiée unipersonnelle"	A French single-person simplified joint stock company
"SME"	Small and medium enterprises.

"Stretched senior"	Hybrid debt combining a traditional loan and financing on assets offering greater leverage than Senior Debt.
"TCP UK"	Tikehau Capital Partners UK, English company whose registered office is located at 111 Old Broad Street, EC2N 1AP, London, United Kingdom, entered in the Register for England and Wales at Companies House under number 8597849.
"TIAP"	*Titres immobilisés de l'activité de portefeuille*: Long-term portfolio investment securities.
"Tikehau Capital Advisors"	Tikehau Capital Advisors, *société par actions simplifiée* whose registered office is located at 32, rue de Monceau - 75008 Paris France, registered with the Paris Trade and Companies Register under number 480 622 026.
"Tikehau Capital Europe"	Tikehau Capital Europe, English limited liability company whose registered office is located at 111 Old Broad Street, EC2N 1AP, London, United Kingdom, entered in the Register for England and Wales at Companies House under number 9154248.
"Tikehau Capital General Partner"	Tikehau Capital General Partner, *société par actions simplifiée* whose registered office is located at 32, rue de Monceau - 75008 Paris France, registered with the Paris Trade and Companies Register under number 800 453 433, Sole Managing Partner and General Partner of the Company.
"Tikehau IM"	Tikehau Investment Management, *société par actions simplifiée* whose registered office is located at 32, rue de Monceau - 75008 Paris France, registered with the Paris Trade and Companies Register under number 491 909 446.
"TPC"	Tikehau Preferred Capital, venture capital fund under the management of Tikehau IM.
"TREIC"	Tikehau Real Estate Investment Company, *société par actions simplifiée* whose registered office is located at 32, rue de Monceau - 75008 Paris France, registered with the Paris Trade and Companies Register under number 817 471 907.
"UCITS V Directive"	Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/657 EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards the functions of custodian, remuneration policies and sanctions.
"UCITS"	Undertaking for collective investment in transferable securities, a portfolio of transferable securities (equities, bonds, etc.) managed by professionals (the management company) and held collectively by individuals or institutional investors. There are two types of UCITS: SICAVs (open-ended investment companies with variable capital) and FCPs (mutual funds).
"Unitranche"	Financing that combines a senior debt component with mezzanine debt in

a single instrument to simplify the capital structure and provide greater flexibility.

6. Concordance tables

(a) Concordance table - Annex I of Regulation (EC) No 809/2004

In the following concordance table, against each of the headings set out in Annex I of European Commission Regulation (EC) No 809/2004 of 29 April 2004 (as amended), are listed the numbers of the section or sections in which is given the information relating to each of these headings in this Registration Document.

No.	Headings in the Regulation (Annex I)	Section(s)	Page(s)
1	**Persons responsible**		
1.1	Persons responsible for the information contained in the document	X.1	319
1.2	Declaration by the persons responsible for the document	X.1	319
2	**The Statutory Auditors**		
2.1	Name and address of the statutory auditors of the Company	X.2	320
2.2	Resignation, side-lining, or non-reappointment of statutory auditors	X.2	320
3	**Selected financial information**		
3.1	Selected historical financial information	I.2	11-13
3.2	Selected financial information for interim periods and comparative data from the same periods in the prior financial year	N/A	N/A
4	**Risk Factors**	III.1	105-121
5	**Information about the Company**		
5.1	History and development of the Company		
5.1.1	*Legal and commercial name*	VIII.1(a)	174
5.1.2	*Place of registration and registration number*	VIII.1(b)	175
5.1.3	*Date of incorporation and term*	VIII.1(c)	176
5.1.4	*Domicile and legal form of the Company, the legislation under which it operates, country of origin, address and telephone number*	VIII.1(d)	176
5.1.5	*Important events in the development of the Company's business*	I.1(b); II.2; II.3; II.5; VIII.3	9-10 ; 96-100; 102-104 ; 290-295
5.2	Investments		
5.2.1	*Main investments made by the Company for each financial year for the period covered by the historical financial information*	I.4; II.2	23-67; 89-96
5.2.2	*Company's main investments that are in progress*	II.5	102-104

No.	Headings in the Regulation (Annex I)	Section(s)	Page(s)
5.2.3	*Information concerning the Company's main future investments on which firm commitments have already been made*	N/A	N/A
6	**Business Overview**		
6.1	Main activities		
6.1.1	*Nature of the Company's operations and its main activities*	I.1(a); I.4	5-11; 23-67
6.1.2	*Significant new products or services that have been introduced*	N/A	N/A
6.2	Main markets	I.5	67-81
6.3	Factors that have influenced the information given pursuant to items 6.1 and 6.2	I.5	67-81
6.4	Extent to which the Company is dependent on patents or licences, industrial, commercial or financial contracts or new manufacturing processes.	N/A	N/A
6.5	The basis for any statements made by the Company regarding its competitive position.	I.5	67-81
7	**Organizational structure**		
7.1	Description of the group and the Company's position within the group	I.1(a); VIII.5(d)	5-11; 311-313
7.2	List of the Company's significant subsidiaries	I.1(a); I.4(a)(iv); VIII.5(d)	5-11 34-40 311--313
8	**Property, plant and equipment**		
8.1	Existing or planned material tangible fixed assets, including leased properties	N/A	N/A
8.2	Environmental issues that may affect the Company's utilisation of the tangible fixed assets	VII.3	274-275
9	**Operating and financial review**		
9.1	Company's financial position, changes in financial condition and results of operations for each year and interim period, for which historical financial information is required	II.2; II.3; II.4	89-96; 96-100; 100-102
9.2	Operating result		
9.2.1	*Significant factors, including unusual or infrequent events or new developments, materially affecting or potentially materially affecting the Company's income from operations*	I.5; II.1	67-81; 88-89
9.2.2	*Material changes in net sales or revenues, and reasons for such changes*	II.2(a); II.2(b); II.3(a) ;	89-91; 91-92; 97-99
9.2.3	*Governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the Company's operations*	I.6; III.1	81-86
10	**Capital resources**		

No.	Headings in the Regulation (Annex I)	Section(s)	Page(s)
10.1	Information concerning the Company's capital resources (both short and long term)	II.2(d); II.2(e); II.3(b); II.4; II.5	92-95; 96-; 99-10; 100-102; 102-104
10.2	Sources and amounts of the Company's cash flows	II.2(d); II.3(b)	92-95; 99-100
10.3	Information on the borrowing requirements and funding structure of the Company	II.2(d)	92-95
10.4	Information regarding any restrictions on the use of capital resources	N/A	N/A
10.5	Information regarding the anticipated sources of funds	N/A	N/A
11	**Research and development, patents and licences**		
	Description of the Company's research and development policies including the amount spent on Company-sponsored research and development activities	N/A	N/A
12	**Trend information**		
12.1	Significant recent trends in production, sales and inventory, and costs and selling prices since the end of the last financial year to the date of registration	I.5	67-81
12.2	Known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for at least the current year	II.5	102-104
13	**Profit forecasts or estimates**	N/A	N/A
14	**Administrative, management and supervisory bodies and Senior Management**		
14.1	Information on activities, any convictions and corporate offices: – of members of the administrative, management or supervisory bodies; and – any senior manager who is relevant to establishing that the issuer has the appropriate expertise and experience for the management of the issuer's business	IV.1(a); IV.1(b); IV.4(a)	134-137; 137-146;152-165
14.2	Administrative, management, and supervisory bodies and Senior Management conflicts of interests; Any arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any person referred to in item 14.1 was selected as a member of the administrative, management or supervisory bodies or member of senior management; Details of any restrictions agreed by the persons referred to in item 14.1 on the disposal within a certain period of time of their holdings in the Company's share capital	IV.4(a)(i); IV.4(a)(v)	134-135; 162-164
15	**Remuneration and benefits of persons referred to in 14.1**		
15.1	The amount of remuneration paid and benefits in kind granted to such persons by the Company and its subsidiaries	IV.3	148-152
15.2	Total amounts set aside or accrued by the Company or its subsidiaries to provide pension, retirement or similar benefits	N/A	N/A

No.	Headings in the Regulation (Annex I)	Section(s)	Page(s)
16	**Board Practices**		
16.1	Date of expiration of the current term of office of members of administrative, management and supervisory bodies	IV.1(a); IV.1(b)(i)	134-137; 137
16.2	Information on service contracts binding members of administrative bodies	VIII.4(c)	297-298
16.3	Information on the Company's audit committee and remuneration committee	IV.1(d); IV.4(a)(ii)	146; 158-161
16.4	Statement as to whether the Company complies with the corporate governance regime in force	IV.4(a)(iv)	161-162
17	**Employees**		
17.1	Number of employees at the end of the period covered by the historical financial information or average for each year of that period and breakdown of employees	IV.4(a)(vi); VII.2(a)	164-165 272-274
17.2	Shareholdings and stock options: For each person referred to in item 14.1, information as to their share ownership and any options over such shares in the Company	VII.2(a); VIII.5(b); VIII.5(c); VIII.7	272-274; 306-308; 309-311; 314-315
17.3	Arrangements for involving the employees in the capital of the Company	VIII.5(b)	306-308
18	**Major shareholders**		
18.1	Name of any person other than a member of the administrative, management or supervisory bodies who, directly or indirectly, has an interest in the Company's capital or voting rights which is notifiable under the issuer's national law	VIII.5(b); VIII.5(d)	306-308; 311-312
18.2	Existence of differences in voting rights	N/A	N/A
18.3	Ownership or control of the Company and measures in place to ensure that such control is not abused	VIII.5(d)	311-312
18.4	Any arrangement the operation of which may result in a change in control	N/A	N/A
19	**Related party transactions**	VIII.4	295-302
20	**Financial information concerning the Company's assets and liabilities, financial position and profits and losses**		
20.1	Financial information[62]	V; VI	174-232; 233-268
20.2	*Pro forma* financial information	V.3	214-230
20.3	Annual financial statements (consolidated and statutory accounts)	V.1; VI	174-232; 233-268

[62] In accordance with Article 28 of Regulation (EC) No. 809/2004 of 29 April 2004 (as amended) and Article 212-11 of the AMF General Regulation, the consolidated financial statements for the years ended 31 December 2013, 2014 and 2015 as set out in Section VI.1 (pages 205 to 236) of the Registration Document filed with the AMF on 24 January 2017 under number I.17-002 and the Statutory Auditors' audit report relating thereto as set out on page 237 of said Registration Document.

No.	Headings in the Regulation (Annex I)	Section(s)	Page(s)
20.4	Auditing of historical annual financial information		
20.4.1	*Statement that the historical financial information has been audited*	V.2; V.4	211-213; 214-232
20.4.2	*Other information contained in the registration document which has been audited by the auditors*	N/A	N/A
20.4.3	*Where financial data in the registration document is not extracted from the Company's audited financial statements, state the source and state that the data is unaudited*	N/A	N/A
20.5	Date of the last audited financial information	V; VI	174-232; 233-268
20.6	Interim and other financial information	N/A	N/A
20.7	Dividend Policy	I.7	86-87
20.7.1	*Dividend per share*	II.4; I.7	100-102; 86-87
20.8	Legal and arbitration proceedings	III.4	133
20.9	Significant change in the financial or trading position since the end of the last financial year	II.5	102-104
21	**Additional information**		
21.1	Share capital		
21.1.1	*Amount of the subscribed capital, number of shares issued, par value per share and reconciliation of the number of shares outstanding at the beginning and end of the year*	VIII.5(a)	304-306
21.1.2	*Shares not representing capital*	N/A	N/A
21.1.3	*Number, book value and face value of shares held by the Company or its subsidiaries*	VIII.6	313-314
21.1.4	*Convertible securities, exchangeable securities or securities with warrants*	VIII.5	302-312
21.1.5	*Information about terms of any acquisition rights or obligations attached or capital subscribed for but not paid up, or any undertaking to increase the capital*	VIII.5	302-312
21.1.6	*Information about any capital of any member of the Group which is under option or agreed to be put under option*	N/A	N/A
21.1.7	*History of share capital for the period covered by the historical financial information*	VIII.5(a)	304-306
21.2	Memorandum and Articles of Association		
21.2.1	*Corporate Purpose*	VIII.2(a)	286
21.2.2	*Provisions contained in the Articles of Association or bylaws relating to members of the administrative bodies*	VIII.2(c); VIII.2(e); IV.4(a)	287-288; 289; 152-165
21.2.3	*Rights, preferences and restrictions attaching to each class of the existing shares*	VIII.2(f)	289

No.	Headings in the Regulation (Annex I)	Section(s)	Page(s)
21.2.4	*Number of shares necessary to change the rights of shareholders*	VIII.2(g)	289
21.2.5	*Attendance and admission to the Annual General Meetings and Extraordinary General Meetings*	IV.2(a); VIII.2(h); IV.4(a)(iii)	146-148;
21.2.6	*Provision of the Articles of Association, charter or bylaws that would have the effect of delaying, deferring or preventing a change in control*	VIII.2(i)	286
21.2.7	*Provision of the statutes, charter or bylaws, setting the ownership threshold above which shareholder ownership must be disclosed*	VIII.2(b)	286
21.2.8	*Conditions imposed by the statutes, charter or bylaws governing changes in the capital, where such conditions are more stringent than is required by law*	VIII.2(j)	290
22	**Material Contracts**	VIII.3; VIII.4; VIII.5	290-295; 295-302; 302-312
23	**Third party information and statement by experts and declarations of interest**	N/A	N/A
24	**Documents available to the public**	X.4	322
25	**Information on equity investments**	I.4(a)(iv); I.4(d)	34-40; 53-63

(b) Concordance table - Annual Financial Report and Management Report

To facilitate the reading of the annual financial report and the management report as resulting from the French Commercial Code, the following table identifies, in this Registration Document, the information required by law and applicable regulations.

The information required for the annual financial report is marked by the letters “AFR”.

No.		Information per	Section(s)	Page(s)
1	**Statutory accounts**	AFR	VI	233-268
2	**Consolidated financial statements**	AFR	V	174-232
3	**Management report**			
3.1	Information on the activity of the Company			
	Presentation of the activity (including progress achieved and difficulties encountered) and the results of the Company, for each subsidiary and for the Group *Art. L.232-1, L.233-6, R.225-102 and/or L.233-6, L.233-26 of the French Commercial Code*		II.2(a)-(b)	89-92
	The Company’s Financial results for the last five years *R.225-102 of the French Commercial Code*		II.4	100-102
	Analysis of the evolution of the business, results, financial	AFR	II.2(a)-(e);	89-96;

	situation and including the debt of the Company and Group *Art. L.233-26, L.225-100, par.3, L.225-100-1 and/or L.225-100-2 of the French Commercial Code*		II. 3	96-100
	Foreseeable development of the Company and/or Group *Art. L.232-1, R.225-102 and/or L.233-26, R.225-102 of the French Commercial Code*		I.3(b); II.5	19-23; 102-104
	Key financial and non-financial indicators of the Company and the Group *Art. L.225-100, par. 3 and 5, L.225-100-1 L.223-26 and/or L.225-100-2, of the French Commercial Code*	AFR	I.2; II.1; VII	11-13; 88-89; 269-283
	Events of the Company and Group since the end of the financial year *Art. L.232-1 and/or L.233-26 of the French Commercial Code*		II.5	102-104
	Guidance on the use of financial instruments and financial risk management policy and price, credit, liquidity and cash flow risks of the Company and Group *Art. L.225-100, par. 6, L.225-100-1 and/or L.225-100-2, L.223-26 of the French Commercial Code*	AFR	III.1-3	105-133
	Main risks and uncertainties of the Company and Group *Art. L.225-100 par. 4 and 6, L.225-100-1 and/or L.225-100-2 par. 2 and 4 of the French Commercial Code*	AFR	III.1	105-121
	Information on R&D of the Company and Group *Art. L.232-1 and/or L.233-26 of the French Commercial Code*		N/A	N/A
	Note of existing branches *Art. L. 232-1, II of the French Commercial Code*		VIII.5(d)	311-312
3.2	Legal, financial and tax information of the Company			
	Election of one of two procedures for exercising general management in case of change *Art. R.225-102 of the French Commercial Code*		N/A	N/A
	Distribution and changes in share ownership; Name of controlled companies with interest in the company's own control and percentage of the capital they hold *Art. L.233-13 of the French Commercial Code*		VIII.5	302-312
	Significant equity interests acquired during the year in companies with offices in French territory *Art. L.233-6, par. 1 of the French Commercial Code*		II.2(a)	89-91
	Notice of holding over 10% of the equity capital of another corporation; disposal of cross-holdings *Art. L.233-29, L.233-30 and R.233-19 of the French Commercial Code*		VI.1	233-237
	Acquisition and sale by the Company of its own shares (share repurchase) *Art. L.225-211 of the French Commercial Code*	AFR	VIII.6	313-314

4	Statement of employee participation in share capital, including the registered shares granted to them under Article L.225-197-1 of the French Commercial Code *Art. L.225-23, Art. L.225-102 , par.1, L.225-180 of the French Commercial Code*		VIII.5(b)	306-308
	Factors likely to have an impact in the case of public offer *Art. L225-100-3 of the French Commercial Code*	AFR	VIII.2(b); VIII.5(d)	286-287 311-312
	Summary table of valid delegations granted by the General Shareholders' Meeting in respect of capital increases *Art. L.225-100, par. 7 of the French Commercial Code*	AFR	VIII.5(c)	309-311
	Note of any adjustments: for securities convertible into shares and stock options in the event of share repurchases and for securities giving access to capital in the event of financial transactions *Art. R.228-90, R.225-138 and R.228-91 of the French Commercial Code*		N/A	N/A
	Amounts of dividends that have been distributed for the three previous years *Art. 243* bis *of the French General Tax Code*		I.7; IX.2	86-87 316-317
	Amount of non-deductible expenses and charges *Art. 223* quater *and* quinquies *of the French General Tax Code*		N/A	N/A
	Reversal of the amount of some expenses in the taxable profits as a result of a final tax adjustment *Art. 223* quinquies*, 39-5 and 54* quater *of the French General Tax Code*		N/A	N/A
	Payment period and breakdown of outstanding supplier payables and client receivables by payment date *Art. L.441-6-1, D.441-4 of the French Commercial Code*		II.2(d)	92-95
	Injunctions or monetary penalties for anti-competition practices *Art. L.464-2 I par. 5 of the French Commercial Code*		N/A	N/A
	Agreements between an agent or a shareholder holding more than 10% of the voting rights and a subsidiary (excluding current agreements) *Art. L.225-102-1 par. 13 of the French Commercial Code*		VIII.4	295-302
	Payment to government authorities by companies with activities in the extractive industries or the logging of primary forests *Art. L. 225-102-3 of the French Commercial Code*		N/A	N/A
3.3	Information regarding executive officers			
	List of all offices and positions held in any company by each executive officer during the past year *Art. L.225-102-1, par. 4 of the French Commercial Code*		IV.1(a); IV.1(b)(ii)	134-136; 138-145;
	Remuneration and benefits in kind paid during the year to each executive officer by the Company, the companies it		IV.3	148-151

	controls and the company that controls it, including pension commitments and other lifetime benefits. *Art. L.225-102-1, par. 1 to 3 of the French Commercial Code*			
	Commitments related to assumption, termination or change of office, including pension and other lifetime benefits *Art. L.225-102-1, par. 3 of the French Commercial Code*		N/A	N/A
	If stock options are awarded, indicate the information that the Board of Directors considered in making the decision: either to prohibit executives from exercising their options before leaving office; or to require them to hold as registered shares until leaving office all or some of the shares resulting from options already exercised (specifying the fraction thus fixed) *Art. L.225-185, par. 4 of the French Commercial Code*		N/A	N/A
	Summary of transactions by directors and related persons on the securities of the Company *Art. L.621-18-2, R.621-43-1 of the French Monetary and Financial Code; Art. 223-22 and 223-26 of the AMF General Regulation*		VIII.7	314-315
	If bonus shares are awarded, indicate the information that the Manager considered in making the decision: either to prohibit executives from selling the shares they have been allocated for free before leaving office; or to fix the number of shares they are required to hold until they leave office (specifying the fraction thus fixed) *Art. L.225-197-1-II, par. 4 of the French Commercial Code*		N/A	N/A
3.4	CSR Information of the Company			
	Consideration of social and environmental impacts of the business and social commitments to sustainable development and to the fight against discrimination and the promotion of diversity *Art. L.225-102-1, par. 5 to 8, R.225-104, R.225-105 and R.225-105-2-II of the French Commercial Code*		VII	269-283
	Hazardous activities information *Art. L.225-102-2 of the French Commercial Code*		N/A	N/A
4	**Declaration of individuals who assume responsibility for the annual financial report**	AFR	X.1	319-320
5	**Statutory Auditors' reports on the statutory accounts**	AFR	VI.2	238-243
6	**Statutory Auditors' reports on the consolidated accounts**	AFR	V.2	211-213
7	**Description of the share repurchase programme**		VIII.6	313-314
8	**Disclosure on Statutory Auditors' fees**		X.2(b)	321
9	**Chairman's Report on internal control, corporate governance and internal control and risk management procedures**		IV.4	152-171
10	**Statutory Auditors' reports on corporate governance**		IV.5	172-173

and internal control and risk management procedures

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