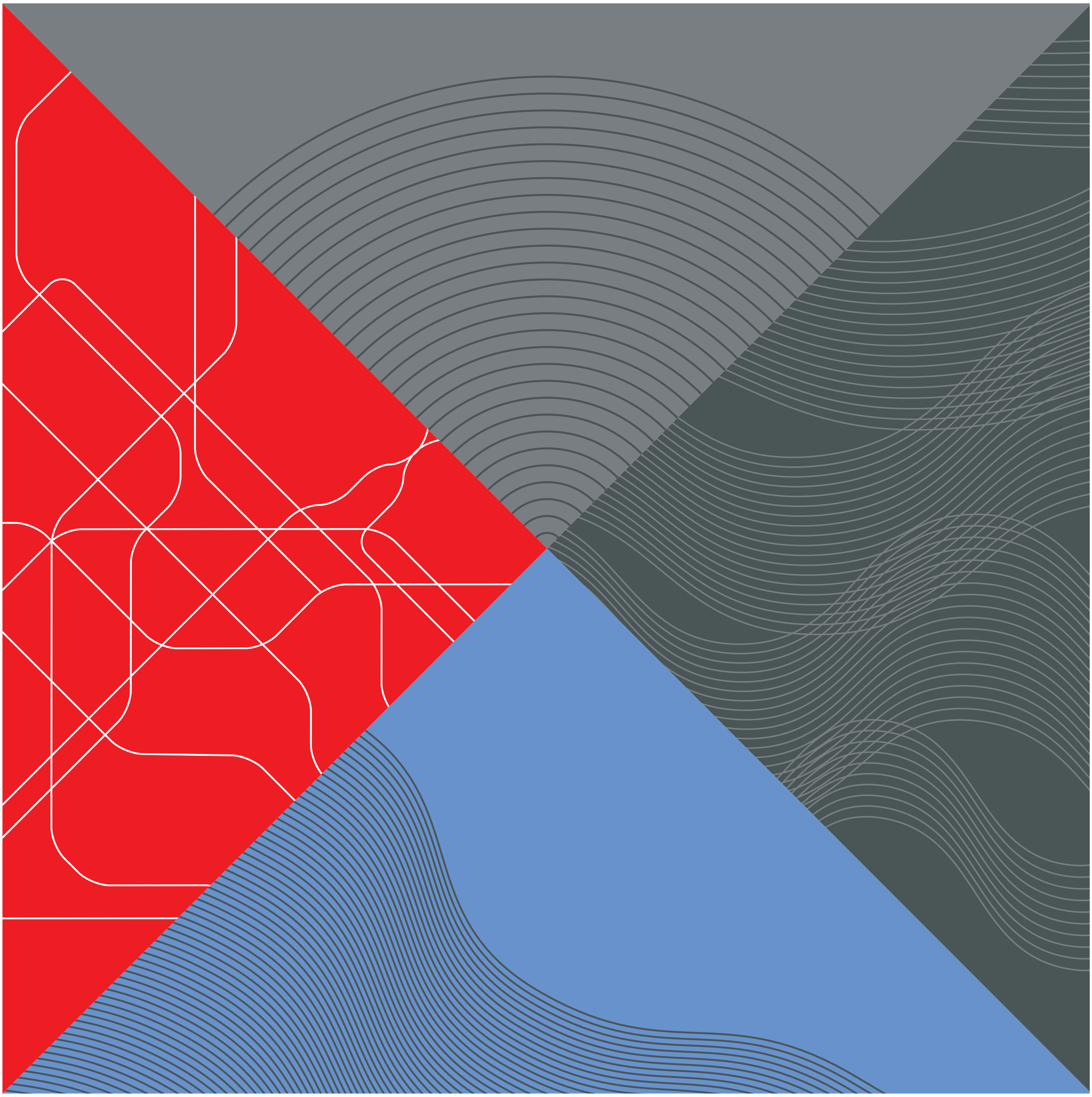

FINANCIAL REPORT

AS OF DECEMBER 31, 2015

transdev

MOBILITY INSPIRED BY YOU

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BOARD OF DIRECTORS' MANAGEMENT REPORT ON THE 2015 CONSOLIDATED AND STATUTORY FINANCIAL STATEMENTS

TO THE ORDINARY GENERAL MEETING

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KEY FIGURES – CONSOLIDATED FINANCIAL STATEMENTS

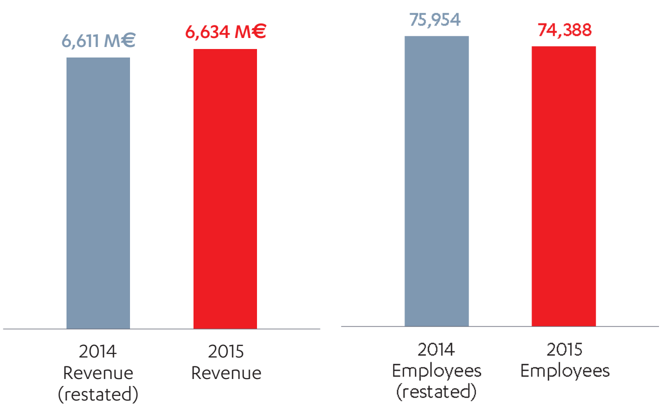
(€ millions)	FISCAL YEAR 2014 RESTATED (12 MONTHS)	FISCAL YEAR 2015 (12 MONTHS)
Revenue from ordinary activities	*6,611.0*	**6,634.3**
EBITDA (*Earnings before interest, taxes, depreciation and amortization*) (1)	*392.1*	**416.9**
Current operating result (1)	*126.8*	**145.7**
Net income	*0.9*	**84.8**
Net income – Group share	*23.9*	**82.1**
Net financial debt (2)	**873.1**	**740.7**

(1) Note VII.14.2. to the consolidated financial statements describes the conversion of EBITDA to current operating result and operating result.
(2) Excluding external net financial debt from discontinued operations.

GROUP KEY FIGURES

- The Group operates in **19 countries**
- Annual revenue : **€ 6,634 million**
- **74,388 employees (1)**

2015 REVENUE - 12 MONTHS & NUMBER OF EMPLOYEES IN 2015 (1)



(1) Figures do not include the contribution of semi-public companies. Figures on employees are stated as a weighted average number of employees and do not include discontinued operations or employees of joint ventures and associates.

GROUP PERFORMANCE IN 2015

In fiscal year 2015, the Transdev Group continued to consolidate its margins and financial position, as a result of which the net income Group share was +€82.1 million. At year-end 2015, the financial statements show strong growth in current operating result compared to 2014 (+€18.9 million).
In particular, the Group benefited from its improved operational performance and the favorable impact of the drop in diesel prices in the international markets.

The scope of the Group's business activities also stabilized during the fiscal year, following the disposals carried out in previous fiscal years. The Group sold its equity stake in the Jerusalem tramway. In addition, at year-end 2015, SNCM ceased to be a consolidated subsidiary in the Group's financial statements.

All in all, results for fiscal year 2015 are very encouraging despite the fact that the Group faced significant challenges:

- The pressure from digital actors in the "Transport on-demand" sectors and the launching of new products in this segment;
- The start of a new long-distance bus service in France under the "Isilines" brand;
- The full-year impact of the following contracts which the Group lost in 2014: Boston (rail – USA), Brabant (public transit – Netherlands) and Valenciennes (public transit – France).

BUSINESS DEVELOPMENT AND ACTIVITIES

In terms of business, the Transdev Group experienced notable successes during the year in numerous locations.

In France, Transdev renewed the contracts to operate the urban transportation network in the greater Bassin d'Arcachon Sud metropolitan area, the regular bus lines and school bus lines in Seine-Maritime (annual revenue of €20 million), Côte d'Or and Chamonix Mont-Blanc. Transdev was also the successful bidder in the tender launched by the Manche department.

In the Netherlands, the Group renewed the Haarlem IJmond contract for a term of ten years (annual revenue of around €36 million). Furthermore, the southwest Brabant concession contract (Eindhoven region) was also renewed for ten years, is scheduled to begin in late 2016 (annual revenue of around €62 million), and which calls for a gradual transition of the fleet to "zero emission" vehicles.
Transdev was also the successful bidder in the Hoeksche Waard en Goeree-Overflakkee (HWGO) tender, and was awarded an eight-year contract that started in December 2015 (annual revenue of €21 million).

In Germany, Transdev was awarded the following new railway contracts, which represent annual revenue of around €70 million:

- Leipzig-Chemnitz (Saxony), which began in December 2015 for a term of ten years;
- Mittelsachsen (Saxony) for 14.5 years, beginning in June 2016; and
- Augsburg I (Bavaria) for 12 years, beginning in December 2018.

In the United States, the Group renewed three major transit contracts during the period, which represent average annual revenue of around $200 million.

In Sweden, the Group was awarded two bus contracts in the Scanie region and one contract in Umeå. These ten-year contracts represent annual revenue of around €35 million.

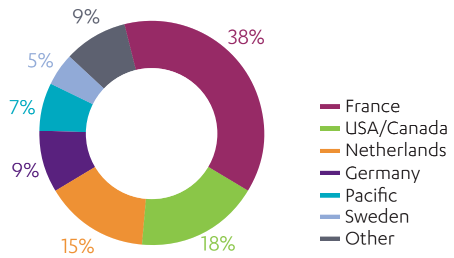
In New Zealand, in December 2015, Transdev and its partner, Hyundai Rotem, were selected as the preferred bidder by the Greater Wellington Regional Council (GWRC) for the new Grand Wellington railway contract, which will start in July 2016 (annual revenue of around €43 million).

GROUP ACTIVITIES AND RESULTS IN 2015

At year-end 2015, the Group's consolidated revenue totaled €6,634.3 million. This activity level was fostered by a favorable foreign exchange impact of €196 million due to the appreciation of the U.S. and British currencies, which offset the loss of significant contracts in the United States and the Netherlands.

Excluding foreign exchange and scope impacts, revenue increased, driven by the strong performance of the bus and tramway businesses in Australia and higher passenger revenues in Germany.

BREAKDOWN OF 2015 REVENUE BY GEOGRAPHICAL SECTOR



At year-end 2015, EBITDA totaled €416.9 million, i.e. a profit margin of 6.3% of revenue, increasing compared to 2014. In absolute terms, EBITDA rose by 6.3% compared to 2014.

Current operating result totaled €145.7 million at year-end, compared to €126.8 million in 2014.

Revised forecasts in the United States due to competition by new digital actors led the Group to book impairment of €35.1 million on net intangible assets with an indefinite useful life used in the Transport on Demand business. To a lesser extent in the United Kingdom, impairment of €5.2 million was booked on intangible assets.

The cost of the net financial debt totaled €35.1 million for the fiscal year.

Net financial debt was reduced to €740.7 million at year-end 2015.

FORECAST AND OUTLOOK

The 2016-2021 strategic plan was submitted to Transdev Group's Board of Directors in the last quarter of 2015. The report confirms a distinctive positioning of the public transport offer from the massification of flows to a personalised mobility combining mass and individual modes.

The plan focuses on the following key operational commitments: improving performance in core businesses and consolidating the Group's positioning in the multimodal sector based on rail and on-demand transportation.

Lastly, now that the Group's geographical positioning has stabilized, the plan focuses on achieving a balanced allocation of resources between transit growth and new business lines, as well as actions to be taken to convert the digital transformation into an opportunity.

RECENT DEVELOPMENTS AND POST-CLOSING EVENTS

This information is provided in the consolidated and corporate financial statements.

RESEARCH AND DEVELOPMENT ACTIVITIES

We believe that the mobility sector will continue to evolve and increasingly personalized solutions will develop, in particular due to the contribution of digital tools.

Transdev Group is involved in various multimodal transportation programs (Greater Lyon, Toronto) and electric mobility programs (a global Group program has been set up in the form of a "Living Lab" in the United States, France and the United Kingdom, and will include the Netherlands and the Scandinavian countries).

In 2015, Transdev's innovation-focused activities increased sharply through global oversight by the Executive Committee, the creation of the Transdev Digital Factory, and a call for in-house projects, which generated over 60 innovative projects.

The overall costs and investments in relation to these activities are not specifically followed on a global level.

KEY FACTORS

Transdev's business is influenced by key factors of a technical, contractual and economic nature. The main factors are:

- The capacity to control contractual changes;
- The capacity to meet the increasing demands of customers and organizing authorities in terms of sustainable development and innovation;
- The capacity to carry out its business in densely populated, extended and increasingly complex territories: increased operating complexity and expanded use of intermodal transportation.

KEY FIGURES - STATUTORY FINANCIAL STATEMENTS

(€ thousands)	FISCAL YEAR 2014	FISCAL YEAR 2015
Revenue	70,413	76,704
Operating result	(13,454)	(5,640)
Financial result	(13,520)	83,922
Exceptional result	(3,653)	(1,912)
NET RESULT	**789**	**107,893**

BUSINESS ACTIVITIES OF THE COMPANY

The Company's operating result was -€5.6 million, compared to -€13,5 million in 2014.

Financial income is comprised mainly of the cost of the Transdev Group's net debt, the impairment of equity investments and financial revenue from investments. As of December 31, 2015, Transdev Group reported an increase in the value of its investments to €36.5 million, compared to €12.4 million of net impairment the previous year.

After taking into account the tax consolidation bonus, net result amounts to €107.89 million.

INVESTMENTS AND DISPOSALS DURING THE FISCAL YEAR

In fiscal year 2015, the Company acquired 100% of the following investment:

- Transdev Northern Europe

Also note the full transfer of the net assets of B Pass to Transdev Group.

RESEARCH AND DEVELOPMENT ACTIVITIES

Transdev Group SA does not directly engage in research and development activities.

MISCELLANEOUS INFORMATION

In fiscal year 2015, the total amount of lavish expenses within the meaning of Article 39-4 of the French General Tax Code totaled €103,366.

DELEGATION OF AUTHORITIES TO THE BOARD OF DIRECTORS

In the field of capital increases, in accordance with the provisions of Articles L 225-129.1 and L 225.129.2 of the French Commercial Code:

DATE OF THE DELEGATION OF AUTHORITIES TO THE BOARD OF DIRECTORS	MAXIMUM CAPITAL AUTHORIZED	DURATION	USE MADE BY THE BOARD OF DIRECTORS
None	None	None	None

EMPLOYEE SHAREHOLDING

As of December 31, 2013, the Company's employees did not hold any of its shares. A resolution that proposed, in accordance with Article L225-129-6 of the French Commercial Code, that the shareholders approve a capital increase meeting the requirements of Part III, Title III, Chapter II, section 4, of the French Labor Code (Article L3332-18 et seq.), and cancelling preemptive subscription rights in favor of employees who were members of a corporate savings plan, was submitted to the general shareholders' meeting held on April 23, 2013, which rejected the proposal. A proposal was also submitted to the general shareholders' meeting held on December 11, 2013 following the decision to increase the Company's share capital by €560 million in consideration for cash, which was also rejected because the balance of capital among the shareholders did not lend itself thereto. The general shareholders' meeting must vote on a new resolution to this effect before June 23, 2018.

INFORMATION CONCERNING CORPORATE OFFICERS AND EXECUTIVE MANAGEMENT

At the general shareholders' meeting held on March 26, 2015, the terms of office of all directors were renewed for a two-year period, which will expire at the conclusion of the general shareholders' meeting that will vote on the financial statements for the fiscal year ending December 31, 2016. The term of office of the Chairman and Chief Executive Officer was renewed by the Board of Directors on the same date.

As the terms of office of the principal statutory auditors, KPMG and Ernst & Young, and of the alternate statutory auditors KPMG Audit ID and Auditex, will expire at the conclusion of the shareholders' meeting that will vote on the financial statements for the fiscal year ending December 31, 2015, it is proposed that the shareholders:

- renew the terms of office of Ernst & Young as principal statutory auditor and Auditex as alternate statutory auditor for a new six-year term of office, which will expire at the conclusion of the shareholders' meeting that will vote on the financial statements for the fiscal year ending December 31, 2021;
- not renew the terms of office of KPMG as principal statutory auditor and KPMG Audit ID as alternate statutory auditor;
- not replace KPMG and KPMG Audit ID, thereby decreasing the number of statutory auditors from three to two.

In accordance with the provisions of Article L. 225-102-1 of the French Commercial Code, as amended by Order 2014-863 of July 31, 2014, we inform you below of the total compensation and benefits of all types paid during the fiscal year, both by the Company and by the companies controlled by your Company and by the listed company that controls it, within the meaning of Article L. 233-16 of the French Commercial Code, to corporate officers who hold an office in a company whose securities are admitted to trading on a regulated market.

During the past fiscal year:

Mr. Antoine Frérot, a director, received:

Total compensation paid to Mr. Antoine Frérot amounted to €2,159,151.60 during fiscal year 2015.

In addition, Appendix 2 lists the offices and positions that the various corporate officers held in all companies.

DIRECTORS' FEES

We propose that you grant a gross annual amount of €60,000 in directors' fees for fiscal year 2016.

PROPOSED APPROPRIATION OF INCOME FOR 2015

We propose that you appropriate income for 2015, i.e., €107,893,189.88 as follows: €4,835,133.60 to the legal reserve and €103,058,056.28 to the retained earnings, which as a result will be increased from - €11,190,517.81 to €91,867,538.47.

The company has not distributed any dividends since its incorporation.

After the statutory auditors have read their reports to you, we will request that you approve the company's financial statements and the appropriation of income. We will also submit for your approval the transactions covered by Article L. 225-38 of the French Commercial Code.

If you agree with these proposals, we request that you approve the resolutions submitted to you for a vote.

AGREEMENTS ENTERED INTO BETWEEN SENIOR MANAGERS OR SIGNIFICANT SHAREHOLDERS OF THE COMPANY AND A SUBSIDIARY

None.

INFORMATION ON SUPPLIER PAYMENT SETTLEMENT

TRANSDEV GROUP S.A. SUPPLIER AGEING BALANCE

	BALANCE AS AT : 31/12/2014			BALANCE AS AT : 31/12/2015		
(€ thousands)	LME [1]	OUT OF LME DELAY	TOTAL	LME [1]	OUT OF LME DELAY	TOTAL
Third party France suppliers	2,773	-	2,773	4,323	-	4,323
Intra-Group France suppliers	1,077	-	1,077	4,615	-	4,615
Third party foreign suppliers			19			140
Invoices to be received			19,873			21,794
TOTAL	**3,850**	**0**	**23,742**	**8,938**	**0**	**30,873**

[1] Law on the Modernization of the Economy, which defines suppliers payment timeframes.

APPENDIX 1

SUMMARY OF RESULTS FOR THE LAST FIVE FINANCIAL YEARS

(€ thousands)	FISCAL YEAR 2011	FISCAL YEAR 2012	FISCAL YEAR 2013	FISCAL YEAR 2014	FISCAL YEAR 2015
I - Share capital at the end of the fiscal year					
Share capital	1,182,037	1,182,037	1,137,120	1,137,120	1,137,120
Number of shares issued	118,203,700	118,203,700	118,203,700	118,203,700	118,203,700
II - Transactions and results for the fiscal year					
Revenue	-	-	-	-	-
Income before taxes, profit sharing, depreciation, amortization and provisions	(27,383)	(31,033)	(9,031)	1,780	29,602
Income tax expense	-	32,461	35,291	31,289	30,715
Employee profit sharing	-	-	-	-	-
Income after taxes, profit sharing, depreciation, amortization and provisions	(565,372)	(239,220)	(12,300)	789	107,893
Amount of distributed income	-	-	-	-	-
III - Earnings per share (in €uros)					
Income after taxes and profit sharing but before depreciation, amortization and provisions	(0.23)	0.01	0.22	0.29	0.51
Income after taxes, profit sharing, depreciation, amortization and provisions	(4.78)	(2.02)	(0.10)	0.01	0.91
Dividend per share	-	-	-	-	-
IV - Personnel					
Number of employees (annual average)	-	250	310	319	326
Total payroll	-	28,618	20,696	25,766	25,365
Welfare benefits paid (Social Security, benevolent works, etc)	-	12,540	9,997	14,259	12,915

APPENDIX 2

LIST OF OFFICES AND POSITIONS HELD BY THE VARIOUS CORPORATE OFFICERS IN ALL COMPANIES

JEAN-MARC JANAILLAC

List of offices and positions held in all companies as of December 31, 2015

Chairman and Chief Executive Officer, Director:
- TRANSDEV GROUP
- TRANSDEV
- TRANSDEV ILE DE FRANCE

Chairman, Director:
- CFTI

Director:
- RATP DEV TRANSDEV ASIA

Director, Chairman of the Board of Directors:
- THELLO

Member of the Executive Committee, Member of the Strategic Committee:
- TRANSDEV GROUP

Member of the Management Committee:
- CAISSE DES DEPÔTS ET CONSIGNATIONS

Director:
- TRANSDEV AUSTRALASIA
- TRANSDEV NORTH AMERICA

Director, Chairman of the Board of Directors:
- TRANSDEV SVERIGE AB
- TRANSDEV NORTHERN EUROPE

Director class A, Chairman:
- TBC HOLDING

ANTOINE FREROT

List of offices and positions held in all companies as of December 31, 2015

Chairman and Chief Executive Officer, Director:
- VEOLIA ENVIRONNEMENT

Manager:
- VEOLIA EAU – COMPAGNIE GENERALE DES EAUX

Director:
- TRANSDEV GROUP
- VEOLIA ENERGIE INTERNATIONAL
- SOCIETE DES EAUX DE MARSEILLE
- CONSEIL DE PARIS ÎLE-DE-FRANCE CAPITALE ECONOMIQUE
- CONSEIL DE LA SOCIETE DES AMIS DU MUSEE DU QUAI BRANLY
- ASSOCIATION DES AMIS DE LA BIBLIOTHEQUE NATIONALE DE FRANCE
- CNER, FEDERATION DES AGENCES DE DEVELOPPEMENT ET DES COMITES D'EXPANSION ECONOMIQUE

Chairman:
- FONDATION D'ENTREPRISE VE
- ASSOCIATION ENVIE
- ASSOCIATION CENTRE D'ARTS PLASTIQUES DE ROYAN

Permanent Representative of VEOLIA ENVIRONNEMENT within the Board of Directors:
- INSTITUT VEOLIA ENVIRONNEMENT

Vice-Chairman of the Advisory Board:
- INSTITUT DE L'ENTREPRISE (ASSOCIATION)

Member of the Appointments and Remunerations Committee:
- TRANSDEV GROUP

FRANCK SILVENT
List of offices and positions held in all companies as of December 31, 2015

Director of the Finance, Strategy and Equity Investment Department:
- GROUPE CAISSE DES DÉPÔTS

Member of the Management Committees (Public Institution and Group):
- CAISSE DES DÉPÔTS ET CONSIGNATIONS ET GROUPE CAISSE DES DÉPÔTS

Director:
- TRANSDEV GROUP (SA)
- ICADE (SA)
- LA POSTE (SA)
- CNP ASSURANCES (SA)
- BPI FRANCE INVESTISSEMENT (SAS)
- BPI FRANCE PARTICIPATIONS (SA)
- BPI GROUPE (BANQUE PUBLIQUE D'INVESTISSEMENT GROUPE) (SA)

Chairman of the Audit Committee:
- LA POSTE (SA)
- TRANSDEV GROUP (SA)

Chairman of the Appointments and Remunerations Committee:
- ICADE (SA)

Member of the Appointments and Remunerations Committee:
- TRANSDEV GROUP (SA)
- BPI GROUPE (BANQUE PUBLIQUE D'INVESTISSEMENT GROUPE) (SA)

Member of the Investment Committee:
- BPI FRANCE PARTICIPATIONS (SA)

Chairman of the Investment Committee:
- CDC INTERNATIONAL CAPITAL (SA)

Member of the Strategic and Investment Committee:
- LA POSTE (SA)

Member of the Quality and Sustainable Development Committee:
- LA POSTE (SA)

Member of the Strategic Committee:
- CNP ASSURANCES (SA)

Permanent Representative of the CAISSE DES DEPOTS ET CONSIGNATIONS, Director:
- CDC INTERNATIONAL CAPITAL (SA)

ANNE-MARIE COUDERC
List of offices and positions held in all companies as of December 31, 2015

Chairman of the Board of Directors:
- PRESSTALIS (SAS)

Director:
- TRANSDEV GROUP (SA)
- PLASTIC OMNIUM
- GENERALE DE SANTE

Chairman and Member of the Appointments and Remunerations Committee:
- TRANSDEV GROUP (SA)

Chairman and Member of the Remunerations Committee:
- PLASTIC OMNIUM
- GENERALE DE SANTE

Chairman and Member of the Appointments Committee:
- PLASTIC OMNIUM

Member of the Supervisory Committee:
- ALMA CONSULTING

Member of the Audit Committee:
- GENERALE DE SANTE

ANTOINE COLAS
List of offices and positions held in all companies as of December 31, 2015

Permanent Representative of the CAISSE DES DEPOTS ET CONSIGNATIONS, Director:
- TRANSDEV GROUP
- COMPAGNIE DES ALPES
- SCET

Permanent Representative of the CAISSE DES DEPOTS ET CONSIGNATIONS, Member of the Supervisory Board:
- SNI

Director:
- BPI PARTICIPATIONS (SUR QUOTA CDC)
- BPI INVESTISSEMENT (SUR QUOTA CDC)
- CDC ELAN PME

Permanent Representative of the CAISSE DES DEPOTS ET CONSIGNATIONS, Member of the Audit Committee and Member of the Strategic Orientation Committee:
- SNI

Permanent Representative of the CAISSE DES DEPOTS ET CONSIGNATIONS, Member of the Appointments and Remunerations Committee, Member of the Audit Committee, Member and Vice-Chairman of the Strategic Committee:
- TRANSDEV GROUP

Permanent Representative of the CAISSE DES DEPOTS ET CONSIGNATIONS, Member of the Appointments and Remunerations Committee, Member of the Strategy Committee:
- COMPAGNIE DES ALPES

Permanent Representative of the CAISSE DES DEPOTS ET CONSIGNATIONS, Member of the Audit Committee:
- SCET

Member of the Audit Committee:
- BPI PARTICIPATIONS (SUR QUOTA CDC)

PATRICE FONLLADOSA
List of offices and positions held in all companies as of December 31, 2015

Chairman and Chief Executive Officer for Africa and Middle East:
- VEOLIA ENVIRONNEMENT

Chairman of the Association of Employee Shareholders:
- VEOLIA ENVIRONNEMENT

Director:
- FONDATION VEOLIA
- SEURECA OVERSEAS (EMIRATS ARABES UNIS)
- TRANSDEV GROUP
- REDAL (MAROC)
- AMENDIS (MAROC)
- VEOLIA TRANSPORT MAROC (MAROC)
- VEOLIA LLC (OMAN)
- ENOVA FACILITIES MANAGEMENT SERVICES LLC (EMIRATS ARABES UNIS)
- VEOLIA ARABIA (ARABIE SAOUDITE)

Member of the Board of Directors:
- MEDEF ET COMITE AFRIQUE

Member of the Center for Studies and Strategic Foresight
Chairman of the (Re) sources Think-Tank
Chairman and Chief Executive Officer, Director:
- SEURECA
- VEOLIA AFRICA

Chairman of the Board of Directors, Director:
- VEOLIA WATER MENA
- SHARQIYAH DESALINATION COMPANY (OMAN)
- MOALAJAH (EMIRATS ARABES UNIS)
- SOCIETÊ D'ENERGIE ET D'EAU DU GABON (GABON)
- SOCIETÉ D'EXPLOITATION DES EAUX DU NIGER (NIGER)

Chairman:
- VEOLIA ENERGY MIDDLE EAST
- VEOLIA MIDDLE EAST
- VEIC

Chairman and Member of the Management Committee:
- VEBES O&M

Manager:
- BAHWAN VEOLIA WATER LLC (OMAN)

OMAR ISSOP

List of offices and positions held in all companies as of December 31, 2015

Director representing employees:

- TRANSDEV GROUP

PHILIPPE CAPRON

List of offices and positions held in all companies as of December 31, 2015

Member of the Executive Committee:

- VEOLIA ENVIRONNEMENT

Chairman of the Board of Directors, Director:

- VE SERVICES-RE

Director:

- TRANSDEV GROUP
- VEOLIA ENERGIE INTERNATIONAL

Director representing the founding members:

- FONDATION D'ENTREPRISE VE

Director, Statutory Director, Active Member of the Association and Treasurer of the Committee:

- INSTITUT VEOLIA

Member of the Supervisory Board:

- VEOLIA EAU CGE

Member of the Supervisory Board A:

- VIRBAC FRANCE

Chairman of the Board of Directors:

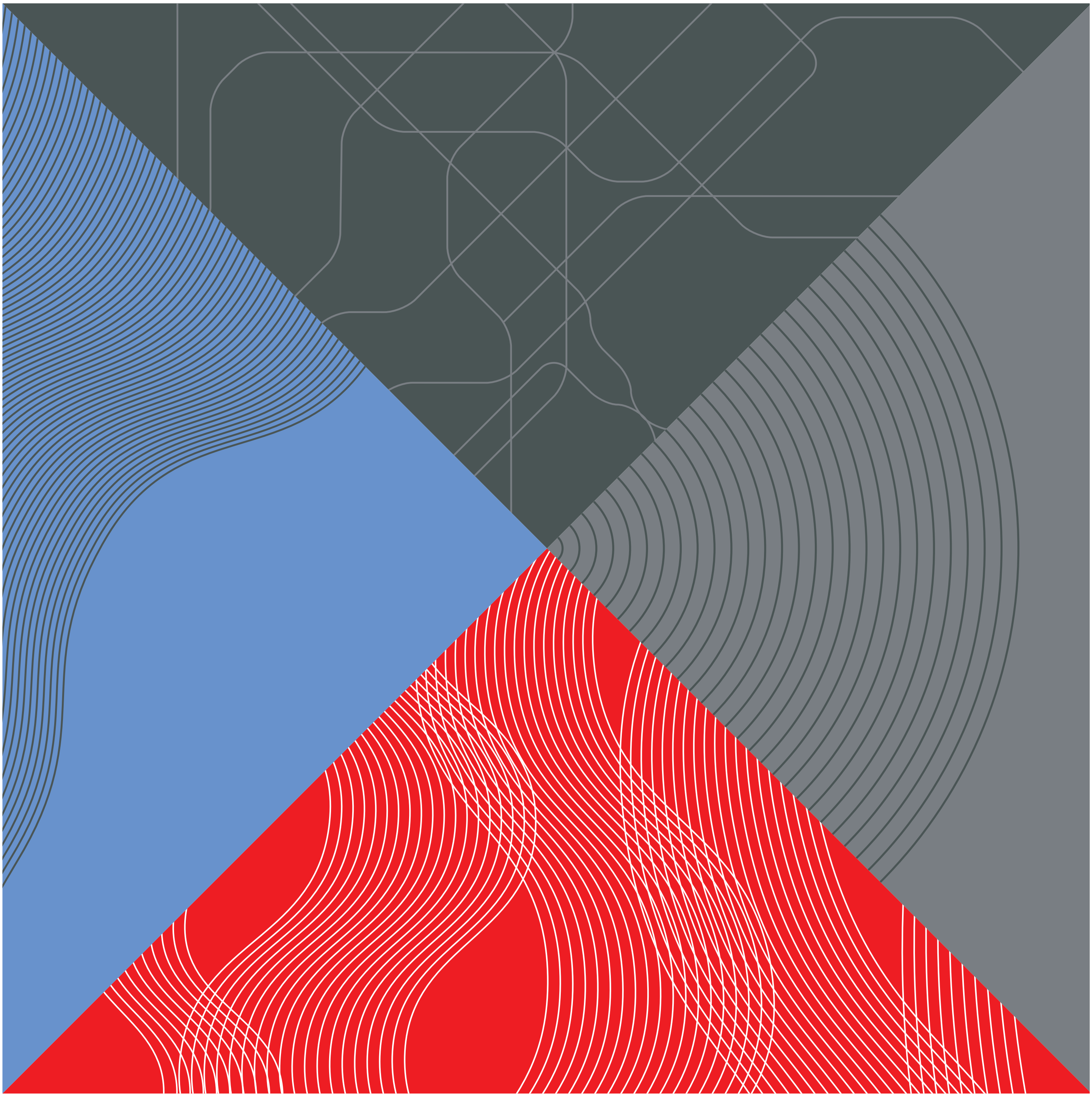
- VNA INC

Member and Chairman of the Strategic Committee,
Member and Vice-Chairman of the Audit Committee,
Member of the Appointments and Remunerations Committee:

- TRANSDEV GROUP

Director :

- VEOLIA UK LIMITED



CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2015

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CONTENTS

I. THE TRANSDEV GROUP

I.1. GENERAL INFORMATION

The Transdev group was created on March 3, 2011 by consolidating the transportation businesses of the Caisse des Dépôts (Transdev) and Veolia (Veolia Transport) groups.

Transdev Group SA, the parent company of the Transdev group (hereinafter "Transdev" or the "Group") is a *société anonyme* (corporation) incorporated under French law, which has stated capital of €1,137,119,594, and which was registered with the Nanterre Trade and Companies Registry under number 521 477 851 on December 12, 2011. Its registered office is located at 32 Boulevard Gallieni, 92130 Issy-les-Moulineaux, France.

Transdev Group SA and its subsidiaries primarily operate urban and long-distance transportation services. The Transdev group also manages rail contracts and on-demand transportation solutions.

In 2015, the Group generated consolidated revenue of €6.6 billion and did business in 19 countries. The Group is comprised of 657 consolidated subsidiaries and has 74,388 employees (FTE). In addition, the Group participates in *sociétés d'économie mixte* (part state-owned corporations) in France, in which the Group holds non-controlling interests.

Caisse des Dépôts and Veolia account for the Group using the equity method (each shareholder holds a 50% equity stake and exercises joint control).

I.2. FORESEEN CHANGES IN TRANSDEV'S SHAREHOLDER STRUCTURE

On December 6, 2011, Veolia announced its intention to divest itself of the Transdev group. Following that announcement, Caisse des Dépôts confirmed its firm and long-term commitment to the Group.

In early 2016, both parties resumed discussions with a view to formulating a new project for the takeover of Transdev by Caisse des Dépôts.

II. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS *(€ millions)*	DECEMBER 31, 2014 RESTATED [1] [2]	DECEMBER 31, 2015 [1]	NOTES
Goodwill	690.5	706.4	VII.4
Concession intangible assets	8.3	6.4	VII.5
Other intangible assets	302.5	247.9	VII.5
Property, plant and equipment	1,074.1	1,064.1	VII.6
Investments in joint ventures	25.1	35.2	VII.7
Investments in associates	24.9	26.0	VII.7
Non-current operating financial assets	216.9	218.5	VII.8
Other non-current financial assets	100.7	104.0	VII.8
Non-current derivative instruments - assets	-	-	VII.20
Deferred tax assets	220.9	218.1	VII.9
Other non-current assets	-	-	
TOTAL NON-CURRENT ASSETS (I)	**2,663.9**	**2,626.6**	
Inventories and work in progress	91.4	91.7	VII.10
Operating receivables	1,330.3	1,200.4	VII.10
Current operating financial assets	32.9	33.6	VII.8
Other current financial assets	51.5	42.9	VII.8
Current derivative instruments - assets	0.1	1.5	VII.20
Cash and cash equivalents	328.7	195.0	VII.13
Assets held for sale	-	0.4	VII.18
TOTAL CURRENT ASSETS (II)	**1,834.9**	**1,565.5**	
TOTAL ASSETS (I+II)	**4,498.8**	**4,192.1**	

EQUITY AND LIABILITIES *(€ millions)*	DECEMBER 31, 2014 RESTATED [1] [2]	DECEMBER 31, 2015 [1]	NOTES
Capital	1,137.1	1,137.1	
Additional paid-in capital	-	-	
Reserves and retained earnings attributable to owners of the parent company	(383.6)	(287.6)	
Equity and net income attributable to owners of the parent company	**753.5**	**849.5**	VII.11
Equity and net income attributable to non-controlling interests	34.1	75.0	VII.11
EQUITY (I)	**787.6**	**924.5**	
Non-current provisions	290.8	277.4	VII.12
Non-current financial liabilities	1,112.3	864.0	VII.13
Non-current derivative instruments - liabilities	10.8	9.4	VII.20
Other non-current liabilities	29.3	34.1	
Deferred tax liabilities	307.7	268.7	VII.9
TOTAL NON-CURRENT LIABILITIES (II)	**1,750.9**	**1,453.6**	
Operating payables	1,685.9	1,635.0	VII.10
Current provisions	126.0	95.6	VII.12
Current financial liabilities	61.0	45.9	VII.13
Current derivative instruments - liabilities	22.7	15.8	VII.20
Overdrafts	14.7	21.4	VII.13
Liabilities held for sale	50.0	0.3	VII.18
TOTAL CURRENT LIABILITIES (III)	**1,960.3**	**1,814.0**	
TOTAL EQUITY AND LIABILITIES (I+II+III)	**4,498.8**	**4,192.1**	

[1] The "SNCM" CGU, which was classified as a discontinued operation in the 2014 published financial statements, remained in discontinued operations until the judgment of the Marseille commercial court, dated November 20, 2015 and then was deconsolidated (see note VII.3.4).

[2] The interpretation IFRIC 21 presented in VII.1.4 hereafter requires retrospective application for financial years beginning from January 1, 2015. Consequently, the comparatives presented for 2014 have been restated and the impacts of the first-time adoption of this new interpretation are described in VII.1.4.

The accompanying notes are an integral part of the consolidated financial statements.

III. CONSOLIDATED INCOME STATEMENT

(€ millions)	DECEMBER 31, 2014 RESTATED [1]	DECEMBER 31, 2015 [1]	NOTES
REVENUE FROM ORDINARY ACTIVITIES	**6,611.0**	**6,634.3**	**VII.14**
Cost of sales	(5,862.5)	(5,866.8)	
Selling costs	(37.8)	(39.8)	
General and administrative expenses	(583.9)	(582.0)	
Other items of current operating result	-	-	
CURRENT OPERATING RESULT	**126.8**	**145.7**	**VII.14**
Other operating income and expenses	(21.5)	(44.2)	VII.14
OPERATING RESULT	**105.3**	**101.5**	**VII.14**
Share of net income (loss) of equity-accounted entities	(2.6)	2.2	
o/w share of net income (loss) of joint ventures	(6.5)	(0.1)	VII.7
o/w share of net income (loss) of associates	3.9	2.3	VII.7
OPERATING RESULT after share of net income (loss) of equity-accounted entities	**102.7**	**103.7**	
Finance costs	(42.5)	(35.3)	VII.15
Revenue from cash and cash equivalents	1.0	0.2	VII.15
Other financial income and expenses	(3.9)	(7.3)	VII.15
Income tax expense	(9.0)	16.5	VII.16
NET INCOME FROM CONTINUING OPERATIONS	**48.3**	**77.8**	
Net income (loss) from discontinued operations	(47.4)	7.0	VII.18
NET INCOME (LOSS)	**0.9**	**84.8**	
Share of non-controlling interests	23.0	(2.7)	
SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY	**23.9**	**82.1**	

[1] In 2014, the line "Net income (loss) from discontinued operations" presents the impacts of the revaluation at fair value (IFRS 5) of the "SNCM" CGU as well as the impacts of the "Belgium" CGU disposal.
In 2015, this line integrates the residual impacts of the operations of the "SNCM" CGU as well as the residual impacts of the disposal of operating assets in Israel that occurred in August 2015 (see note VII.3.2).

The accompanying notes are an integral part of the consolidated financial statements.

IV. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€ millions)	DECEMBER 31, 2014 RESTATED	DECEMBER 31, 2015
NET INCOME (LOSS) FOR THE YEAR	**0.9**	**84.8**
Actuarial gains or losses on pension obligations	(31.4)	26.9
Related income tax expense	5.1	(3.4)
Amount net of tax	(26.3)	23.5
OTHER ITEMS OF COMPREHENSIVE INCOME NOT SUBSEQUENTLY RELEASED TO NET INCOME	**(26.3)**	**23.5**
o/w attributable to joint ventures	-	-
o/w attributable to associates	-	*(0.1)*
Fair value adjustments on available-for-sale assets	1.2	1.2
Related income tax expense	(0.2)	-
Amount net of tax	1.0	1.2
Fair value adjustments on derivatives used as cash flow hedge	(19.4)	0.6
Related income tax expense	3.4	0.8
Amount net of tax	(16.0)	1.4
Foreign currency translation		
translation differences on the accounts of subsidiaries kept in foreign currencies	19.1	4.4
translation differences on net foreign investment financing	-	-
tax	-	-
Amount net of tax	-	-
Net foreign exchange gains and losses	19.1	4.4
OTHER ITEMS OF COMPREHENSIVE INCOME SUBSEQUENTLY RELEASED TO NET INCOME	**4.1**	**7.0**
o/w attributable to joint ventures	*(1.8)*	*(1.7)*
o/w attributable to associates	*2.1*	*2.1*
TOTAL OTHER COMPREHENSIVE INCOME [1]	**(22.2)**	**30.5**
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	**(21.3)**	**115.3**
Attributable to owners of the parent company	1.5	111.3
Attributable to non-controlling interests	(22.8)	4.0

[1] Other comprehensive income attributable to discontinued operations as defined in IFRS 5, Non-current Assets Held for Sale and Discontinued Operations, totaled 11.9 million for the year ended December 31, 2015 (-€0.1 million for the year ended December 31, 2014).

The accompanying notes are an integral part of the consolidated financial statements.

V. CONSOLIDATED STATEMENT OF CASH FLOWS

(€ millions)	DECEMBER 31, 2014 RESTATED	DECEMBER 31, 2015
NET INCOME (LOSS) FOR THE YEAR	**0.9**	**84.8**
Operating depreciation, amortization, provisions and impairment losses	313.9	252.6
Financial amortization and impairment losses	0.8	3.4
Gain (losses) on disposal	(18.8)	(19.5)
Unwinding of discounted provisions, receivables and payables	5.4	4.3
Share of net income (loss) of joint ventures	6.5	0.1
Share of net income (loss) of associates	(3.9)	(2.3)
Dividends received	(2.0)	(3.3)
Net finance costs	42.7	35.1
Income tax expense (incl. deferred taxes)	10.9	(13.7)
Other items	2.3	0.8
OPERATING CASH FLOW BEFORE CHANGES IN WORKING CAPITAL REQUIREMENTS	**358.7**	**342.3**
Income taxes paid	(64.9)	52.1
Changes in working capital requirements	(50.3)	6.2
I. NET CASH FROM OPERATING ACTIVITIES	**243.5**	**400.6**
Capital investments	(296.2)	(237.3)
Proceeds on disposal of intangible assets and property, plant and equipment	300.9	49.6
Net investments in operating financial assets		
New operating financial assets	(42.5)	(39.9)
Principal payments on operating financial assets	38.3	37.4
Purchase of financial investments	(43.7)	(11.9)
Sale of financial assets	125.9	9.7
Dividends received (including dividends received from joint ventures and associates)	5.0	6.6
Non-current financial receivables, cash out	(85.8)	(4.1)
Non-current financial receivables, cash in	30.4	4.6
Net increase / decrease in current financial receivables	12.7	4.7
II. NET CASH USED IN INVESTING ACTIVITIES	**45.0**	**(180.6)**
Capital increase	-	-
Dividends paid	(10.1)	(12.0)
New non-current borrowings	4.4	26.5
Principal payments on non-current borrowings	(329.8)	(253.8)
Net increase (decrease) in current borrowings	(89.9)	(88.4)
Interest paid	(43.9)	(35.9)
Transactions between shareholders - acquisitions and divestitures, without change in control	-	-
III. NET CASH FROM (USED IN) FINANCING ACTIVITIES	**(469.3)**	**(363.6)**
IV. EFFECT OF FOREIGN EXCHANGE RATE CHANGES AND OTHER	**7.3**	**3.2**
NET CASH AT THE BEGINNING OF THE YEAR	**487.5**	**314.0**
Changes in cash, cash equivalents and overdrafts (I+II+III+IV)	(173.5)	(140.4)
NET CASH AT THE END OF THE YEAR	**314.0**	**173.6**
Cash and cash equivalents	328.7	195.0
Overdrafts	(14.7)	(21.4)
NET CASH AT THE END OF THE YEAR	**314.0**	**173.6**

The accompanying notes are an integral part of the consolidated financial statements.

VI. STATEMENT OF CHANGES IN EQUITY

(€ millions)	SHARE CAPITAL	ADDITIONAL PAID-IN CAPITAL	CONSOLIDATED RESERVES AND RETAINED EARNINGS	FOREIGN EXCHANGE TRANSLATION RESERVES	FAIR VALUE RESERVES	EQUITY ATTRIBUTABLE TO EQUITY OWNERS OF THE PARENT	NON-CONTROLLING INTERESTS	TOTAL EQUITY
AS OF JANUARY 1, 2014 RESTATED	**1,137.1**	**-**	**(366.3)**	**(19.7)**	**(1.3)**	**749.8**	**84.8**	**834.6**
Issues of the share capital of the parent company	-	-	-	-	-	-	-	-
Third party share in share capital increases of subsidiaries and in changes in consolidation scope	-	-	-	-	-	-	(12.1)	(12.1)
Third party share in dividend distributions of subsidiaries	-	-	-	-	-	-	(6.6)	(6.6)
Transactions between shareholders	-	-	2.2	-	-	2.2	(9.2)	(7.0)
TOTAL TRANSACTIONS BETWEEN SHAREHOLDERS	**-**	**-**	**2.2**	**-**	**-**	**2.2**	**(27.9)**	**(25.7)**
Foreign exchange translations	-	-	-	17.4	-	17.4	1.7	19.1
Actuarial gains or losses on pension obligations	-	-	(26.0)	-	-	(26.0)	(0.3)	(26.3)
Fair value adjustment on hedge derivatives and available for sale assets	-	-	-	-	(13.8)	(13.8)	(1.2)	(15.0)
Other changes in comprehensive income	-	-	-	-	-	-	-	-
OTHER COMPREHENSIVE INCOME	**-**	**-**	**(26.0)**	**17.4**	**(13.8)**	**(22.4)**	**0.2**	**(22.2)**
NET INCOME (LOSS) FOR THE YEAR 2014 RESTATED	**-**	**-**	**23.9**	**-**	**-**	**23.9**	**(23.0)**	**0.9**
AS OF DECEMBER 31, 2014 RESTATED	**1,137.1**	**-**	**(366.2)**	**(2.3)**	**(15.1)**	**753.5**	**34.1**	**787.6**
Issues of the share capital of the parent company	-	-	-	-	-	-	-	-
Third party share in share capital increases of subsidiaries and in changes in consolidation scope	-	-	-	-	-	-	(0.2)	(0.2)
Third party share in dividend distributions of subsidiaries	-	-	-	-	-	-	(10.2)	(10.2)
Transactions between shareholders	-	-	(15.3)	-	-	(15.3)	47.3	32.0
TOTAL TRANSACTIONS BETWEEN SHAREHOLDERS	**-**	**-**	**(15.3)**	**-**	**-**	**(15.3)**	**36.9**	**21.6**
Foreign exchange translations	-	-	-	3.5	-	3.5	0.9	4.4
Actuarial gains or losses on pension obligations	-	-	23.5	-	-	23.5	-	23.5
Fair value adjustment on hedge derivatives and available for sale assets	-	-	-	-	2.2	2.2	0.4	2.6
Other changes in comprehensive income	-	-	-	-	-	-	-	-
OTHER COMPREHENSIVE INCOME	**-**	**-**	**23.5**	**3.5**	**2.2**	**29.2**	**1.3**	**30.5**
NET INCOME (LOSS) FOR THE YEAR 2015	**-**	**-**	**82.1**	**-**	**-**	**82.1**	**2.7**	**84.8**
AS OF DECEMBER 31, 2015	**1,137.1**	**–**	**(275.9)**	**1.2**	**(12.9)**	**849.5**	**75.0**	**924.5**

The accompanying notes are an integral part of the consolidated financial statements.

VII. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

VII.1. ACCOUNTING PRINCIPLES AND POLICIES

VII.1.1. ACCOUNTING STANDARDS FRAMEWORK

Basis underlying the preparation of the financial statements
Pursuant to Regulation no. 1606/2002 of July 19, 2002, as amended by European Regulation no. 297/2008 of March 11, 2008, the consolidated financial statements for fiscal year 2015 are prepared in accordance with IFRS (International Financial Reporting Standards), as adopted by the European Union and published by the International Accounting Standards Board (IASB). These standards are available on the following European Union website: http://ec.europa.eu/internal_market/accounting/ias/index_fr.htm.

The company's financial statements are presented, for comparison purposes, with the financial statements for fiscal year 2014, which were prepared using the same accounting standards framework.

In the absence of IFRS standards or interpretations, and in accordance with IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*, Transdev refers to other IFRS standards that address similar or related issues, as well as to the conceptual framework. If necessary, the Group may use other standards, in particular US standards.

Standards, amendments to standards and interpretations applicable as of fiscal year 2015
The accounting policies and valuation rules applied by the Group in preparing the consolidated financial statements as of December 31, 2015 are identical to those that the Group used as of December 31, 2014, with the exception of the amendments to standards that became mandatory as of January 1, 2015 and amendments to standards adopted early, which are described below:

- IFRIC 21 *Levies*;
- Amendments resulting from the IFRS annual improvement processes (2011-2013 cycle).

The impacts of the first application of IFRIC 21, *Levies*, on the consolidated financial statements are described in VII.1.4.

Texts applicable after December 31, 2015
Texts which became mandatory after December 31, 2015 are listed below:

- IFRS 9 *Financial Instruments;*
- IFRS 15 *Revenue from Contracts with Customers;*
- IFRS 16 *Leases;*
- Amendments to IAS 16 and IAS 38 *Clarification of Acceptable Methods of Depreciation and Amortization;*
- Amendments to IFRS 11 *Accounting for Acquisitions of Interests in Joint Operations;*
- Amendments to IAS 1 *Disclosure Initiative;*
- Amendments to IAS 19 *Defined Benefit Plans: Employee Contributions;*
- Amendments to IFRS 10 and IAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture;*
- Annual improvements 2010-2012 and 2012-2014.

Subject to their definitive adoption by the European Union, these standards, amendments and interpretations are of mandatory application for the Group from January 1, 2016 or later. The Group is currently assessing the potential impact of the first-time application of these texts.

VII.1.2. GENERAL PRINCIPLES APPLIED IN PREPARING THE FINANCIAL STATEMENTS

The accounting policies described below have been applied consistently for all periods presented in the consolidated financial statements.

The consolidated financial statements are presented on a historical cost basis, with the exception of assets and liabilities held for sale measured in accordance with IFRS 5 (lower of the carrying amount and the fair value less costs to sell) and assets and liabilities recognized at fair value: derivatives, financial instruments held for trading, financial instruments designated at fair value and available-for-sale financial instruments (in accordance with IAS 32 and IAS 39).

The Transdev consolidated financial statements as of December 31, 2015 were approved by the Board of Directors at its meeting on February 26, 2016.

VII.1.3.BASIS FOR PRESENTING THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015

The consolidated financial statements are presented in millions of Euros, unless stated otherwise.

The consolidated financial statements include the financial statements of Transdev Group SA and its subsidiaries. The financial statements of subsidiaries are drawn up for the same reference period as those of the parent company, from January 1 to December 31, 2015, in accordance with uniform accounting policies and methods.

The Group reassesses whether or not it controls an entity if facts and circumstances indicate that one or more of the elements of control have changed.

VII.1.4. FIRST APPLICATION OF IFRIC 21

IFRIC Interpretation 21 "Levies" is applicable as of January 1, 2015 with retroactive effect.

This interpretation addresses the accounting treatment for liabilities relative to levies paid by an entity to a public authority (levies other than income taxes that are within the scope of IAS 12 and levies other than social security contributions that are within the scope of IAS 19). IFRIC 21 clarifies in particular that the obligating event that gives rise to a liability to pay a levy is the activity that triggers the payment of the levy, as identified by the legislation.

The first application of this interpretation led the Group to undertake an inventory and an analysis of its main levies.

The application of this interpretation has no significant impact on the Group's annual consolidated financial statements and, in particular, on the net income. As of December 31, 2014, the impacts on the consolidated statement of financial position are the following:

- shareholders' equity, Group share for €1.9 million;
- deferred tax assets for €(1) million;
- operating liabilities for €(2.9) million.

VII.1.5. PRINCIPLES OF CONSOLIDATION

Controlled entities

Transdev fully consolidates all entities over which it exercises control.

Definition of control

Control exists when the Group

- holds power over an entity, and
- is exposed or has rights to variable returns from its involvement with the entity, and
- has the ability to use its power over the entity to affect the amount of its returns.

Full consolidation method

The Group consolidates a subsidiary in its consolidated financial statements from the date it obtains control of the entity to the date it ceases to control the entity.

Non-controlling interests represent the equity in a subsidiary that is not directly or indirectly attributable to the Group.

Net income and each component of other comprehensive income are attributed to owners of the Company and to non-controlling interests. Total comprehensive income of subsidiaries is attributed to owners of the Company and to non-controlling interests, even if this results in non-controlling interests having a deficit balance.

Change in ownership interests in consolidated subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in a change of control over the subsidiaries are accounted for as equity transactions, as they are transactions performed by shareholders acting in this capacity.

The effects of these transactions are recognized in equity at their net-of-tax amount and do not therefore impact the Consolidated Income Statement of the Group.

These transactions are presented in the net cash from financing activities in the Statement of Cash Flows.

Investments in joint ventures and associates

Definitions

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entity but is not control or joint control of those policies.

A joint venture is a joint arrangement whereby the parties ("joint venturers") that have joint control of the entity have rights to its net assets.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Equity method

The results and assets and liabilities of associates or joint ventures are incorporated in the Group consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with the provisions of IFRS 5, *Non-Current Assets Held for Sale and Discontinued Operations*.

Under the equity method, the investment in the associate or joint venture is initially recognized at acquisition cost and is adjusted thereafter to reflect the Group's share of the net income and other comprehensive income of the associate or joint venture.

An investment is accounted for using the equity method from the date on which the entity becomes an associate or joint venture. On acquisition of the investment in an associate or joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the entity's identifiable assets and liabilities is recognized as goodwill; this goodwill is integrated in the line "Investments in joint ventures" or "Investments in associates". Any excess of the net fair value of the entity's identifiable assets and liabilities over the cost of the investment is recognized in profit or loss.

Presentation of the share of net income of the Group's equity-accounted entities in the consolidated income statement

Following the coming into force of the recommendation no. 2013-01 issued by the French Accounting Standards Authority (Autorité des Normes Comptables, ANC) on April 4, 2013, and if the activities of the equity-accounted entities are in line with the Group's activities, the share of net income of the Group's equity-accounted entities is included in the line "Operating result after share of net income (loss) of equity-accounted entities".

When a Group entity transacts with an associate or joint venture of the Group, profits and losses resulting from the transaction with the associate or joint venture are recognized in the Group's consolidated financial statements only to the extent of interests held by third parties in the associate or joint venture.

Impairment tests

The requirements of IAS 39, *Financial Instruments: Recognition and Measurement* are applied to determine whether it is necessary to test for impairment with respect to the investment in an associate or joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36, *Impairment of Assets*.

Loss of significant influence or joint control

The equity method is no longer applied from the date the investment ceases to be an associate or a joint venture. If the Group retains a residual interest in the entity and that interest is a financial asset, the financial asset is measured at fair value at the date the investment ceases to be an associate or a joint venture.

If an investment in an associate becomes an investment in a joint venture, or vice versa, the equity method continues to be applied and the change in ownership interest does not trigger remeasurement to fair value.

Investments in joint operations

Definition

A joint operation is a joint arrangement whereby the parties ("joint operators") that have joint control of the arrangement have direct rights to the assets, and obligations for the liabilities, relating to the arrangement.

Accounting for joint operations

As a joint operator in a joint operation, the Group recognizes in relation to its interest in the joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output generated by the joint operation;
- its expenses, including its share of any expenses incurred jointly.

As a joint operator, the Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the IFRSs applicable to the particular assets, liabilities, revenues and expenses.

VII.1.6. TRANSACTIONS IMPACTING THE CONSOLIDATION SCOPE

Business combinations and goodwill

Business combinations are accounted for using the acquisition method, as defined in IFRS 3. Under this method, identifiable assets acquired and liabilities assumed of the entity acquired are recognized at their fair value on the acquisition date.

Goodwill generated by a business combination is measured as the excess of the total consideration transferred, the amount of any non-controlling interest and, if applicable, the fair value of any previously held interest, over the net of the amounts, on the acquisition date, of identifiable assets acquired and liabilities assumed. This goodwill is measured in the functional currency of the entity acquired and is recognized as an asset in the statement of financial position.

On the acquisition date, the Group may elect for each transaction to measure non-controlling interests at either fair value (full goodwill) or at the proportionate share in the fair value of the acquired entity's net identifiable assets.

Pursuant to IFRS, goodwill is not amortized but is subject to impairment tests performed annually, and more frequently if there are indications that call into question the carrying amounts recognized as assets in the statement of financial position (see note VII.1.12 – Impairment of fixed assets and non-financial assets).

If a business combination is made on particularly advantageous terms, negative goodwill is recognized. The corresponding gain is recognized as income on the acquisition date.

Acquisition-related costs are recognized in profit or loss in the period in which the costs are incurred and the services received.

Pursuant to IFRS 3, the Group has a measurement period in which to finalize recognition of business combinations. This period ends when all necessary information has been obtained and no later than one year from the acquisition date.

When accounting for acquisitions of joint ventures, the Group applies the acquisition method, as defined by IFRS 3, *Business Combinations*.

Assets/liabilities classified as held for sale, discontinued operations

IFRS 5, *Non-current Assets Held for Sale and Discontinued Operations*, specifies the accounting treatment applicable to assets held for sale and the presentation and information to be disclosed about discontinued operations.

In particular, it requires that assets held for sale be presented separately in the consolidated statement of financial position at the lower of their carrying amount or their fair value, less sale costs, when the criteria under the standard are satisfied.

When the Group is committed to a sale process leading to the loss of control of a subsidiary, all assets and liabilities of that subsidiary are reclassified as held for sale where the standard classification criteria are met, irrespective of whether the Group retains a residual interest in the entity after sale.

In addition, the standard requires that the results of discontinued operations be presented separately in the consolidated income statement, retrospectively, for all periods presented.

A discontinued operation is a component of an entity that has been disposed of or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations;
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or
- is a subsidiary acquired exclusively with a view to resale.

VII.1.7. TRANSLATION OF FOREIGN SUBSIDIARIES' FINANCIAL STATEMENTS

Statements of financial position, income statements and statements of cash flows of subsidiaries whose functional currency is different from the parent company's presentation currency are translated into the currency used to present the consolidated financial statements at the applicable exchange rate, i.e., the year-end rate for statement of financial position items and the average annual rate for income statement and cash flow statement items. Foreign exchange translation gains and losses are recognized in equity as other comprehensive income.

The exchange rates of the major currencies of non-euro countries used in preparing the consolidated financial statements were as follows:

€ 1 = X foreign currency

AVERAGE RATE	2014	2015
U.S. Dollar	1.3289	1.1096
Australian Dollar	1.4724	1.4765
Swedish Krona	9.0967	9.3545
Pound Sterling	0.8064	0.7260
CLOSING RATE	**2014**	**2015**
U.S. Dollar	1.2141	1.0887
Australian Dollar	1.4829	1.4897
Swedish Krona	9.3930	9.1895
Pound Sterling	0.7789	0.7340

VII.1.8. FOREIGN CURRENCY TRANSACTIONS

The functional currency of Group subsidiaries is their local currency. Transactions denominated in foreign currency are translated by the subsidiaries into their functional currency at the rate of exchange prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currency are translated into euros at the year-end exchange rate. The resulting foreign exchange gains and losses are recorded in income for the period.

Loans to a foreign subsidiary for which payment is neither planned nor probable in the foreseeable future are essentially a portion of the Group's net investment in that foreign operation. Foreign exchange gains and losses on monetary items that are part of a net investment are recognized directly in other comprehensive income as foreign exchange translation adjustments, and are released to income on the disposal of the net investment.

Foreign exchange gains and losses on borrowings denominated in foreign currencies or foreign currency derivatives used to hedge net investments in foreign subsidiaries are recognized in other comprehensive income as foreign exchange translation adjustments. Amounts recognized in other comprehensive income are released to income on the sale date of the relevant investment.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at historical cost are translated using the exchange rate on the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated using the exchange rate on the date that fair value is measured.

VII.1.9. PROPERTY, PLANT AND EQUIPMENT

Recognition in the statement of financial position

Property, plant and equipment are accounted for at historical acquisition cost to the Group, less accumulated depreciation and any accumulated impairment losses.

Borrowing costs incurred to finance the acquisition and construction of installations

Borrowing costs for the purpose of financing the acquisition and construction of specific installations that are incurred during the construction period are included in the cost of these assets, in accordance with IAS 23, *Borrowing Costs*.

Depreciation

Property, plant and equipment are recorded by component and each component is depreciated over its useful life. Tangible assets are depreciated on a straight-line basis over their useful life, unless another systematic depreciation basis better reflects the rate of consumption of the asset.

In the case of buses and coaches, an analysis of maintenance costs led the Group to deem that each vehicle is a homogenous and coherent whole and therefore, under IFRS, constitutes a single component. However, the Group's rail equipment can be broken down into several components.

The range of useful lives used for the Group is as follows, by type of fixed assets:

PROPERTY, PLANT AND EQUIPMENT	RANGE OF USEFUL LIVES IN NUMBER OF YEARS (1)
Buildings	20 to 25 years
Installations, fixtures and improvements	8 to 15 years
General plant assets	10 years
Machinery and equipment	5 to 10 years
Computer equipment	3 to 5 years
Office equipment and furniture	3 to 10 years
Coaches and buses	6.5 to 16 years
Taxis, shuttles and minibuses	3 to 8 years
Locomotive frames/bogies/cabs	24 years
Locomotive engines	18 to 24 years
Major repairs (locomotives)	8 years

(1) The range of useful lives is due to the diversity of relevant assets.

Finance leases

A finance lease is a contract that transfers to the Group substantially all the risks and rewards incidental to ownership of an asset.

In accordance with IAS 17, *Leases*, assets financed by finance leases are initially recognized at the lower of fair value or the present value of minimum lease payments. Thereafter, the Group applies the cost model rather than the revaluation model, as permitted by IAS 16 and IAS 38. These assets are depreciated over the shorter of the asset's useful life and the lease term, unless it is reasonably certain that the assets will become the property of the lessee at the end of the lease. This accounting policy is consistent with IAS 17 and the Group's accounting policies concerning recognition and valuation of property, plant and equipment and intangible assets.

Operating leases are described in note VII.1.21.

VII.1.10. GOVERNMENT GRANTS

Investment grants for property, plant and equipment
In accordance with the option offered by IAS 20, *Accounting for Government Grants and Disclosure of Government Assistance,* investment grants are deducted from the gross carrying amount of the assets for which they were received. They are recognized as a reduction in the depreciation charge over the useful life of the depreciable asset.

If construction of an asset takes place over more than one period, the portion of the grant not yet used is recorded as a liability in "other liabilities".

Investment grants related to concession arrangements
Investment grants received in connection with concession arrangements are generally vested and are therefore not repayable (note VII.1.20).

In accordance with the option offered by IAS 20, these grants are presented as a deduction from intangible assets or financial assets, depending on the model chosen when the concession arrangement is interpreted (IFRIC 12):

- under the intangible asset model, investment grants reduce the amortization expense for intangible assets within the scope of the concession over the residual term of the concession arrangement,
- under the financial asset model, investment grants are treated as a method of repaying the operational financial asset.

Operating grants
Operating grants, by definition, are related to operating assets.

If operating grants are made to offset costs incurred, they are recognized as a deduction from the cost of goods sold over the periods necessary to match them with the associated costs.

If operating grants represent additional contractual compensation of a recurring nature, such as contributions or offsets for inadequate revenue, as provided in certain public service delegation contracts, they are recognized in income.

Investment tax credits
Investment tax credits are not included in the scope of either IAS 20 or IAS 12. Analyses are implemented on a case-by-case basis, considering in particular the local treatment in the relevant tax jurisdiction.

VII.1.11. INTANGIBLE ASSETS, NOT INCLUDING GOODWILL

Nature
Intangible assets are identifiable non-monetary assets without physical substance. They include mainly access fees paid to local authorities under public service contracts, the value of contracts and portfolios acquired in connection with business combinations, assets constituted under concession arrangements (IFRIC 12), trademarks, patents, licenses, software and operating rights.

Recognition in the statement of financial position
Intangible assets (excluding goodwill) are recognized at historical acquisition cost, less accumulated depreciation and any accumulated impairment losses.

Useful lives and impairment
If intangible assets have a definite useful life, they are amortized on a straight-line basis over their useful life, unless another systematic amortization basis better reflects the rate of consumption of the asset.

Useful lives are as follows:

	RANGE OF USEFUL LIVES IN NUMBER OF YEARS [1]
Contractual rights	contract-based
Portfolios	based on a period covering 80% of discounted flows
Purchased software	3 to 10 years

[1] The range of useful lives is due to the diversity of relevant assets.

The Group's trademarks, which have an indefinite useful life, are subject to impairment testing annually or more frequently if there are indications of loss of value (note VII.1.12).

VII.1.12. IMPAIRMENT OF FIXED ASSETS AND NON-FINANCIAL ASSETS

The carrying amounts of non-financial assets, other than inventory and deferred tax assets, are reviewed at year-end to determine if there is any indication that the value of an asset has become impaired. If such indication exists, the recoverable amount (equal to the higher of fair value less costs to sell and value in use) of the asset or group of assets is estimated.

Goodwill and intangible assets with an indefinite useful life are systematically tested for impairment at year-end following the updating of the long-term plan and at any other time if there is any indication of impairment.

If the recoverable amount calculated is less than the net carrying amount of an asset or group of assets, an impairment loss is recognized.

Impairments of fixed assets may be reversed, except impairments of goodwill.

Goodwill and impairment testing
A cash generating unit (CGU) is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash flows generated by other assets or groups of assets. In light of the Group's business, cash generating units generally coincide with a country.

For the purposes of impairment testing, as of the acquisition date, goodwill is allocated to each cash generating unit or group of cash generating units that should benefit from the business combination.

A cash generating unit to which goodwill is allocated is subject to impairment testing every year, as well as any time there is an indication that the CGU has suffered an impairment loss, by comparing the carrying amount of the CGU, including goodwill, with its recoverable amount.

Therefore, changes in the overall economic and financial context, deterioration in local economic environments and changes in performances are among the external indicators of impairment that the Group analyzes to determine if impairment tests should be conducted more frequently.

If applicable, impairment of goodwill is recognized in operating result (no impact on current operating result, due to its nature); it is final.

Measuring recoverable amounts
The need to recognize an impairment loss is determined by comparing the carrying amounts of a CGU or group of CGUs and their recoverable amounts.

Recoverable amount is defined as the higher of fair value less costs to sell and value in use.

Fair value less costs to sell is measured on the basis of available information enabling the best estimate of sale value less the costs necessary to make a sale, under normal competitive conditions between well-informed and consenting parties.

The value in use measured by the Group is equal to the present value of future cash flows from CGUs or groups of CGUs, less residual value, on the basis of the following factors:

- Projected cash flows are based on the long-term plan prepared during the first semester and subsequently revised. This plan covers the year in progress and the next six years. This period corresponds to the average duration of the Group's portfolio of long-term contracts and its short-term business activities;
- Final values are measured on the basis of the present value of projected cash flows for the last year of the long-term plan (2021). These cash flows are estimated for each CGU on the basis of a continuous growth rate that takes factors such as inflation into account;
- A discount rate (weighted average cost of capital) is determined for each asset and cash generating unit. This rate corresponds to a risk-free rate, increased by a risk premium weighted on the basis of specific country risks (see note VII.2). Therefore, the discount rates estimated by management for each cash generating unit reflect only current assessments of the market, the time value of money and country risks specific to the CGU; other risks are included in future cash flows;
- Investments included in cash flow projections are investments that enable maintaining the level of economic benefits that the assets should generate in their current condition;
- Restructuring plans not yet implemented are not included in the cash flow projections used to measure value in use.

VII.1.13. INVENTORIES

In accordance with IAS 2, *Inventories*, inventories are measured at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

VII.1.14. PROVISIONS

In accordance with IAS 37, *Provisions, Contingent Liabilities and Contingent Assets,* provisions are recognized if, at year-end, the Group has a present legal or constructive obligation to a third party as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

In the event of restructuring, an obligation exists if, prior to year-end, the restructuring has been announced and a detailed plan produced or implementation has commenced. No provision is recognized for future operating costs.

Provisions covering outflows after more than one year are discounted if the impact is material. The discount rates used reflect current assessments of the time value of money and specific risks associated with the obligation. The effects of the unwinding of discounted provisions are recorded in the income statement, under the heading "Other financial income and expenses".

VII.1.15. FINANCIAL INSTRUMENTS

Financial assets and liabilities
Financial assets include available-for-sale assets, assets measured at fair value in income, asset derivative instruments, loans and receivables and cash and cash equivalents.

Financial liabilities include borrowings, other financing and bank overdrafts, liability derivative instruments and operating debts.

The measurement and recognition of financial assets and liabilities are governed by IAS 39, *Financial Instruments: Recognition and Measurement*.

Measurement, recognition and derecognition of financial assets
Financial assets are initially recognized at fair value, less transaction costs, if the relevant assets are not subsequently measured at fair value in income. In the case of assets measured at fair value in income, transaction costs are recognized directly in income.

On the acquisition date, the Group classifies financial assets into one of the four accounting categories specified in IAS 39.

Available-for-sale assets
Available-for-sale assets mainly consist of non-consolidated investments which are measured at fair value.

Non-consolidated investments principally concern unlisted securities. If their fair value cannot be determined reliably, the securities continue to be measured at their cost of acquisition.

Variations in value are recognized directly in other comprehensive income and are released to income on the sale of the available-for-sale assets.

Whenever there is an objective indication that these assets are impaired, the corresponding loss is recognized in profit or loss and may not be reversed. The factors considered are the decrease in value of the share of equity held and the absence of prospects for generating profits.

Loans and receivables
This category includes loans to non-consolidated investments, operating financial assets, other loans and receivables and trade receivables. After initial recognition at fair value, these instruments are recognized and measured at amortized cost using the effective interest rate method (EIR).

An impairment loss is recognized when an indication of impairment exists, if the carrying amount of these assets exceeds the present value of future cash flows discounted at the initial effective interest rate. The impairment loss is recognized in the consolidated income statement.

The impairment of trade receivables is calculated using an individual method: the probability and amount of loss is assessed on a case-by-case basis, in particular for non-State public debtors (prior past due payments, other receivables or payables with the counterparty, geographical location).

Net gains and losses on loans and receivables consist of interest income and impairment losses.

Assets and liabilities measured at fair value in income
This category includes:
- Trading assets and liabilities that the Group acquires with the intention of selling them in the near term in order to realize a gain, that are part of a portfolio of financial instruments managed together and for which there is a practice of short-term profit-taking. Derivative instruments not classified as hedging instruments are also considered trading assets and liabilities;
- Assets optionally measured at fair value. This category consists primarily of the portfolio of cash UCITS whose management and performance are based on fair value.

Changes in the value of these assets are recognized in the consolidated income statement.

Net gains and losses on assets measured at fair value in the income statement consist of interest income, dividends and fair value adjustments.

Net gains and losses on derivatives acquired for trading purposes consist of flows exchanged and variations in the value of the instrument.

Derecognition of financial assets
The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire or when it transfers the contractual rights to the cash flows from the financial asset pursuant to a transaction under which nearly all the rights and obligations inherent to ownership of the financial asset are transferred. Any interest created or retained by the Group in financial assets transferred is recognized separately as an asset or liability.

Cash and cash equivalents
Cash equivalents are held to meet short-term cash commitments. For an investment to be considered a cash equivalent, it must be easily convertible into a known amount of cash and have negligible risk of a change in value, thereby meeting the criteria of IAS 7 *Statement of Cash Flows*.

Cash and cash equivalents include all cash balances, certain term deposits, negotiable debt instruments and cash UCITS.

Cash and cash equivalents are measured at fair value in income. Note VII.21 sets out the method of determining fair value. Cash and cash equivalents belong to fair value levels 1 and 2:
- Instruments with a quoted price in an active market in level 1;
- Other instruments that are not quoted but the fair value of which is determined using valuation techniques involving standard mathematical calculation methods integrating observable market data, in level 2.

Bank overdrafts repayable on demand that form an integral part of the Group's cash management policy represent a component of cash and cash equivalents for the purposes of the statement of cash flows.

Recognition and measurement of financial liabilities
With the exception of trading liabilities and liability derivative instruments that are measured at fair value, borrowings and other financial liabilities are initially recognized at fair value, less transaction costs, and are subsequently measured at amortized cost using the effective interest rate method (EIR).

The effective interest rate is the rate that exactly discounts future cash payments or receipts over the estimated term of the financial instrument or, if applicable, over a shorter period, enabling calculation of the net carrying amount of the financial asset or liability.

If a financial liability issued includes an embedded derivative that must be recognized separately, the amortized cost is calculated on the debt component only. The amortized cost at the acquisition date is equal to the proceeds from the issue, less the fair value of the embedded derivative.

Recognition and measurement of derivative instruments
The Group uses financial instruments primarily to hedge its exposure to foreign exchange, interest rate and commodities risks resulting from its operating, financial and investment activities. Certain transactions carried out in accordance with the Group's risk management policy that do not meet hedge accounting criteria are recorded as trading instruments.

Derivative instruments are recognized at fair value in the consolidated statement of financial position. Other than the exceptions detailed below, changes in the fair value of derivative instruments are recognized in the consolidated income statement. The fair value of derivatives is estimated using standard valuation models that take into account active market data.

Net gains or losses on instruments at fair value in the consolidated income statement (trading) correspond to flows exchanged and the change in the value of the instrument.

Derivative instruments may be classified as hedges under one of three types of hedging relationship: fair value hedge, cash flow hedge or hedge of a net investment in a foreign operation:

- A fair value hedge is a hedge of exposure to changes in the fair value of a recognized asset or liability, or an identified portion of such asset or liability, that is attributable to a particular risk (in particular, interest rate or foreign exchange risk) and could affect net income for the period;
- A cash flow hedge is a hedge of exposure to variations in cash flows that are attributable to a specific risk associated with a recognized asset or liability or a highly probable forecast transaction (such as a fuel purchase) and could affect net income for the period.

An asset, liability, firm commitment or highly probable forecast cash-flow qualifies for hedge accounting if:

- The hedging relationship is precisely defined and documented at the inception date;
- The effectiveness of the hedge is demonstrated at the outset and by regular subsequent verification of the offsetting nature of movements in the market value of the hedging instrument and the hedged item. The actual results of the hedge have to be within a range of 80–125 per cent over the hedging period. The ineffective portion is systematically recorded in income.

The use of hedge accounting has the following consequences:

- In the case of fair value hedges of existing assets and liabilities, the hedged portion of these items is measured at fair value in the consolidated statement of financial position. Changes in fair value are recognized in the consolidated income statement, where they are set off against matching changes in the fair value of the hedging financial instruments, to the extent they are effective;
- In the case of cash flow hedges, the effective portion of changes in fair value of the hedging instrument is recognized directly in other comprehensive income, and changes in the fair value of the underlying item are not recognized in the consolidated statement of financial position. The ineffective portion of fair value variations is recognized in income. Amounts recognized in other comprehensive income are released to income in the same period or periods in which the asset acquired or liability issued impacts income.

VII.1.16. PENSION PLANS AND OTHER POST-EMPLOYMENT BENEFITS

Transdev and its subsidiaries have set up several pension plans.

Defined-contribution plans

Defined-contribution plans are plans under which the Group (or a Group entity) pays an agreed contribution to a separate entity, relieving it of any liability for future payments. These obligations are recognized as an expense when due.

Defined-benefit plans

Defined-benefit plans are plans that do not meet the definition of a defined-contribution plan. The net obligations of each Group entity are calculated for each plan based on an estimate of the amount employees will receive in exchange for services rendered during the current and past periods. This amount is then discounted to present value and the fair value of plan assets is deducted.

If the calculation shows a plan surplus, the asset is recognized for the maximum of the total present value of profits, in the form of future repayments or reductions in plan contributions. In such a case, the plan surplus is recognized in non-current financial assets.

Certain obligations of the Group or Group entities may carry repayment rights, corresponding to a commitment by a third party to repay, in full or in part, the expenses related to these obligations. Repayment rights are recognized in financial assets.

For the purpose of financing defined-benefit plans, the Group may make voluntary payments to pension funds. If applicable, such voluntary payments are presented on the consolidated statement of cash flows in net cash generated by the activity, in the same manner as other employer contributions paid.

Employee obligations of the Group are calculated using the projected unit credit actuarial method. This method is based on the probability of personnel remaining with companies in the Group until retirement, foreseeable changes in remuneration, the appropriate discount rate and, in some jurisdictions, the length of the operated public service contracts. Specific discount rates are adopted for each currency zone. They are determined based on the yield offered by bonds issued by top-quality companies (rated AA) or treasury bonds or equivalent where the market is not liquid, with maturities equivalent to the average term of the plans valued in the relevant regions. This results in the recognition of pension-related assets or provisions in the consolidated statement of financial position, and the recognition of the related net expenses.

Pursuant to IAS 19 *Employee Benefits,* actuarial gains and losses related to post-employment benefits are recognized in other comprehensive income.

VII.1.17. REVENUE FROM ORDINARY ACTIVITIES

Revenue from ordinary activities represents sales of goods and services, measured at the fair value of the consideration received or receivable.

Revenue from the sale of goods or services is recognized when the following conditions are met:

- The amount of revenue can be measured reliably;
- The significant risks and rewards of ownership of the goods have been transferred to the buyer, in the case of sales of goods;

- The stage of completion of the transaction at year-end may be reasonably determined, in the case of sales of services;
- Recovery of the consideration is considered probable;
- The costs incurred or to be incurred in connection with the transaction can be measured reliably.

Sales of services

The majority of the Group's activities involve sales of services.

Revenue from these activities is recognized when the service is rendered and it is probable that the economic benefits thereof will accrue to Group entities.

These activities involve the performance of a service agreed contractually (nature, price) with a public sector or industrial customer, within a set period.

It should be noted that fees and taxes collected on behalf of local authorities, as well as rail network access rights, are excluded from revenue from ordinary activities if the Group does not bear the risk of payment default by third parties.

Concession arrangements (IFRIC 12)

See note VII.1.20 on concession arrangements.

VII.1.18. FINANCIAL ITEMS IN THE CONSOLIDATED INCOME STATEMENT

Finance costs consist of interest payable on borrowings, calculated using the amortized cost method, and losses on interest rate derivatives, whether or not classified as hedges.

Interest costs included in payments under finance leases are recognized using the effective interest rate method.

Income from financial indebtedness includes gains on interest rate derivatives, whether or not classified as hedges, and income from investments of cash and cash equivalents.

Interest income is recognized in the consolidated income statement when earned, using the effective interest rate method.

Other financial income and expenses include primarily income on financial receivables calculated using the effective interest rate method, dividends, foreign exchange gains and losses, impairment losses on financial assets and the unwinding of discounted provisions.

VII.1.19. INCOME TAX

Income tax (expense or credit) includes the current tax expense (or credit) and deferred tax expense (or credit).

Temporary differences and tax losses generally result in the recognition of deferred tax assets or liabilities.

Deferred tax assets resulting from temporary differences are recognized only if it is probable that:

- Sufficient taxable temporary differences will be available within the same tax entity or the same tax group, and it is likely that they will reverse during the period in which these deductible temporary differences will arise or during the periods in which the tax loss resulting from the deferred tax asset may be carried forward or back;
- The Group will have future taxable profits against which the asset can be set off.

At each year-end, the Group reviews the value of recoverable deferred tax assets associated with significant tax loss carryforwards. Deferred tax assets associated with such tax losses are not recognized or are reduced if facts and circumstances specific to each relevant company or tax group require, in particular if:

- The time frame of projections and uncertainties about the economic environment no longer allow an assessment of the level of probability that they will be used;
- The companies have not begun to use these losses;
- The time frame of foreseeable use exceeds the deferral period authorized by the tax laws and/or a period of about five years from the end of the relevant fiscal year; or
- A set-off against future taxable profits appears uncertain due to the risk of diverging interpretations concerning the application of tax laws.

Deferred tax assets and liabilities are adjusted to take into account the effect of amendments to the tax laws and changes in tax rates in force at year-end. Deferred taxes are not discounted.

VII.1.20. CONCESSION ACTIVITIES

A share of the Group's assets is used in connection with concession or public service management *(affermage)* contracts granted by public sector customers ("concession grantors") or signed by concessionaires purchased by the Group pursuant to total or partial privatizations. The characteristics of these contracts vary significantly by country.

Nevertheless, they generally provide, directly or indirectly, for the concession grantor's involvement in determining the service and compensation therefor, as well as the return of assets at the end of the contract necessary to perform the service.

IFRIC Interpretation 12, *Service Concession Arrangements,* is applicable to concession arrangements comprising a public service obligation and meeting the following criteria:

- The concession grantor controls or regulates the services to be provided by the operator using the asset, the infrastructure, the beneficiaries of the services and prices applied; and
- The concession grantor controls the residual economic value of the infrastructure at the end of the arrangement.

Pursuant to IFRIC Interpretation 12, such infrastructures are not recognized as fixed assets of the operator, but as financial assets ("financial asset model") and/or intangible assets ("intangible asset model"), depending on the compensation paid by the concession grantor.

Financial asset model
The financial asset model applies if the operator has an unconditional right to receive cash or another financial asset from the concession grantor, in remuneration for concession services.

In the case of concession services, the operator has such an unconditional right if the concession grantor contractually guarantees payment of:

- Amounts specified or determined in the contract, or
- Any shortfall, i.e. the difference between amounts received from users of the public service and amounts specified or determined in the contract.

Financial assets resulting from the application of IFRIC Interpretation 12 are recorded in the consolidated statement of financial position under the heading "Operating financial assets", and recognized at amortized cost.

Unless otherwise indicated in the contract, the effective interest rate is equal to the weighted average cost of capital of the entities carrying the relevant assets.

Cash flows associated with these operating financial assets are included in the consolidated statement of cash flows in net cash used in investing activities.

Pursuant to IAS 39 *Financial Instruments: Recognition and Measurement*, an impairment loss is recognized if the carrying amount of these assets exceeds the present value of future cash flows discounted at the initial effective interest rate.

The portion that matures in less than one year is presented in "Current operating financial assets", and the portion that matures in more than one year is presented in "Non-current operating financial assets".

Revenue from ordinary activities associated with this financial model includes remuneration of the operating financial asset accounted for in Revenue from operating financial assets (excluding principal payments) and also the compensation for the service.

Intangible asset model
The intangible asset model applies if the operator is paid by the users or if the concession grantor makes no contractual guarantee concerning the recoverable amount. The intangible asset corresponds to the right granted by the concession grantor to the operator to charge users of the public service compensation for the concession services.

Intangible assets resulting from the application of IFRIC Interpretation 12 are recognized in the consolidated statement of financial position under a separate heading entitled "Concession intangible assets" and are amortized, generally on a straight-line basis, over the contract term.

Outgoing cash flows, i.e. disbursements, associated with infrastructure construction pursuant to "financial asset model" concession arrangements are presented in the consolidated statement of cash flows in net cash from investing activities, and incoming cash flows are presented in net cash generated by the activity.

Under the intangible asset model, revenue from ordinary activities corresponds to compensation for the service.

Mixed or bifurcation model
The choice of the financial asset or intangible asset model depends on the existence of payment guarantees made by the concession grantor.

However, certain contracts may include a payment commitment on the part of the concession grantor covering only part of the investment, with the balance covered by fees charged to users.

In such a case, the investment amount guaranteed by the concession grantor is recognized using the financial asset model and the balance is recognized using the intangible asset model.

VII.1.21. LEASES

Financial leases
See note VII.1.9.

Operating leases
Payments made for the purpose of operating leases are recognized as expenses in the consolidated income statement.

VII.1.22. PRINCIPLES FOR MEASURING FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The fair value of all financial assets and liabilities is measured at year-end, either for recognition in the accounts or disclosure in the notes to the financial statements (see note VII.21).

Fair value is determined:

- Based on quoted prices in an active market (level 1); or
- Using internal valuation techniques involving standard mathematical calculation methods integrating observable market data (forward rates, interest rate curves, etc.). Valuations produced by these models are adjusted to take into account a reasonable change in the credit risk of the Group or the counterparty (level 2) or;
- Using internal valuation techniques integrating parameters estimated by the Group in the absence of observable market data (level 3).

VII.2. USE OF MANAGEMENT ESTIMATES IN APPLYING GROUP ACCOUNTING STANDARDS

Transdev may make estimates and use assumptions that affect the carrying value of assets, liabilities, revenue and expenses, as well as the disclosures concerning contingent assets and liabilities. The actual future results may be appreciably different from these estimates.

Underlying estimates and assumptions are made based on past experience and other factors considered as reasonable given the circumstances. They act as a basis for making judgments necessary for measuring the carrying amounts of assets and liabilities, which cannot be obtained directly from other sources. Actual values may differ from these estimates.

Underlying estimates and assumptions are reviewed on an ongoing basis. The impact of changes in accounting estimates is recognized in the period the change is made.

Accounting estimates underlying the preparation of the accounts were made in an uncertain economic and financial environment (extraordinary support measures introduced by central banks, volatile raw materials markets, government austerity measures, etc.), making economic forecasting more difficult. In this context, the consolidated financial statements for the period were prepared based on the current environment, particularly with respect to the estimates presented below.

Note VII.26 describes ongoing legal or arbitration proceedings. In accordance with the criteria of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets,* the Group has determined that, as of December 31, 2015, no provision or accrued income should be recognized in connection with ongoing legal or arbitration proceedings when their outcome is considered highly uncertain or the financial consequences thereof are not quantifiable to date.

As described in note VII.1.5, Transdev must make assumptions and judgments when assessing the level of control exercised over certain investments and particularly when defining relevant activities and identifying substantial rights. These judgments are reassessed when the facts and circumstances change.

Notes VII.1.6, VII.1.12 and VII.4 concern goodwill and fixed asset impairment tests. The Group's management has performed tests based on the best forecasts of discounted future cash flows of the activities of the relevant cash-generating units. Sensitivity analyses were also performed on the values of invested capital and are presented in the aforementioned notes.

Note VII.1.6 describes the provisions of IFRS 5, *Non-Current Assets Held for Sale and Discontinued Operations*. The Group has to exercise judgment in determining whether the criteria for recognizing an asset or group of assets as held for sale are met. Furthermore, discontinued operations are identified with respect to criteria also defined in IFRS 5.

Notes VII.9 and VII.16 concern deferred tax asset and liability balances and the income tax expense. They present the tax position of the Group and are based on best estimates available to the Group of results of tax audits in progress and trends in future tax results.

Notes VII.12 and VII.22 on provisions and employee benefits describe the provisions recognized by Transdev. In determining these provisions, Transdev has used the best estimates of these obligations.

All of these estimates are based on an organized process for collecting forecast information on future flows, after validation by operating management, and on anticipated market data based on external indicators, which are used in accordance with consistent and documented methodologies.

The calculation methodology used for discount rates is the following:

- Application of IAS 36, *Impairment of assets:* the discount rates used correspond to the weighted average cost of capital, calculated at the end of the second semester of 2015;
- Application of IAS 37, *Provisions, Contingent Liabilities and Contingent Assets:* the discount rates used consist of a risk-free interest rate and a risk premium specific to the underlying assets and liabilities;
- Application of IAS 19, *Employee Benefits:* commitments are measured using a range of market indices, in particular the iboxx index, and data provided by actuaries.

VII.3. SIGNIFICANT EVENTS DURING THE FISCAL YEAR

VII.3.1. COMMERCIAL OPERATIONS

France

In France, Transdev renewed the contracts to operate the urban transportation network in the greater Bassin d'Arcachon Sud metropolitan area, and the regular bus lines and school bus lines in Seine-Maritime (annual revenue of €20 million), Côte d'Or and Chamonix Mont-Blanc. Transdev was also the successful bidder in the call for bids launched by the Manche department.

In June 2015, the Group began operating the two automated subway lines at the Paris Charles de Gaulle airport, which transport over ten million passengers per year (a ten-year contract, generating annual revenue of around €10 million).

In addition, in June 2015, the Group launched Isilines, its new long-distance bus service in France.

Netherlands

In the Netherlands, the Group renewed the Haarlem IJmond contract in January 2015 for a term of ten years (annual revenue of around €36 million). Furthermore, the SRE contract (Eindhoven region) was renewed for a term of ten years, which is scheduled to begin in late 2016 (annual revenue of around €60 million).

Transdev was also the successful bidder in the Hoeksche Waard en Goeree-Overflakkee (HWGO) call for bids, and was awarded an eight-year contract that started in December 2015 (annual revenue of €21 million).

The Group was also awarded taxi contracts in The Hague and in the province of Gelderland (annual revenue of €11 million).

In 2014, the call for bids for the Limburg contract (in which the Group was the defending incumbent) was awarded to Abellio, a subsidiary of Nederlandse Spoorwegen (NS), the Dutch public railroad operator. That award was contested in court. This prompted the organizing authority to decide to award the contract to Arriva, a decision that Transdev has challenged. The current Limburg contract that the Group is performing will end in December 2016.

Germany
In Germany, Transdev was awarded the following new railroad operating contracts:

- Leipzig-Chemnitz, for which operations began in December 2015 for a term of ten years;
- Mittelsachsen (Saxony) for 14.5 years, beginning in June 2016.
- Augsbourg for 12 years, starting in December 2018. A challenge to the award of this contract has been filed by Deutsche Bahn, the incumbent operator.

In December 2016, Transdev will continue operations pursuant to the Weser Ems regional train service contract for a term of ten years (this renewed contract is expected to generate annual revenue of around €30 million).

United States
In the United States, in January 2015, the transportation authority for the city of San Diego, California, renewed the Group's contract to operate a portion of the city's bus network, for a term of six years (annual revenue of around $61 million).

On March 5, 2015, pursuant to a new contract, the New Orleans Regional Authority Board reappointed the Group as the operator of the city's buses and streetcars for a period of five years.

The Phoenix, Arizona, contract was also renewed for a five-year term starting on July 1, 2015 (annual revenue of around $73 million).

Sweden
The Group was awarded two bus contracts in the Scanie region and one contract in Umeå. These ten-year contracts generate annual revenue of around 320 million Swedish krona.

New Zealand
In December 2015, Transdev and its partner, Hyundai Rotem, were selected as the preferred bidder by the Greater Wellington Regional Council (GWRC) for the new Greater Wellington railroad contract, which should start in July 2016 (annual revenue of around 69 million New Zealand dollars).

VII.3.2. CLASSIFICATION OF CERTAIN CASH GENERATING UNITS (CGUs) AS DISCONTINUED OPERATIONS

On August 6, 2015, the Group sold its 100% equity stake in Connex Jerusalem Light Rail (which operates the tramway system), as well as its 5% equity stake in the CityPass consortium (which manages the tramway concession), to the other Israeli shareholders of the concession. The "Israel" CGU was reclassified as discontinued operations in 2015.

As it had done in 2014, in 2015, the Group accounted for the "SNCM" CGU as a discontinued operation, until the judgment of the Marseille Commercial Court of November 20, 2015. On that date, the Group recognized that it had lost control of SNCM and therefore ceased to report its investment in the residual liquidated structure on its consolidated financial statements (see note VII.3.4).

VII.3.3. MAIN ACQUISITIONS DURING THE FISCAL YEAR

In France, on December 18, 2015, the Group acquired a 50% stake in the La Mimétaine joint venture, which does business in the medical transportation sector.

In the United Kingdom, on February 16, 2015, Transdev acquired Cabfind, a taxi booking company based in Liverpool.

VII.3.4. SOCIETE NATIONALE CORSE MEDITERRANEE (SNCM) - FRANCE

Société Nationale Corse Méditerranée (SNCM), in which Transdev Ile-de-France holds a 67.69% stake, the French government, through Compagnie Générale Maritime et Financière (CGMF), holds a 25% stake, and the employees hold the remaining stake, was placed in court-ordered reorganization proceedings by a November 28, 2014 decision of the Marseille Commercial Court. Pursuant to this decision, the Court ordered a six-month observation period ending on May 28, 2015, and appointed two court-appointed trustees whose duties are to assist the company with all management acts. On December 19, 2014, the court-appointed trustees also initiated a call for bids for the sale of SNCM's assets.

In a decision dated February 4, 2015, the Marseille Commercial Court held that SNCM had sufficient financial capacities to continue its business, and ordered the continuation of the observation period.

On April 21, 2015, Transdev and CGMF, in agreement with their respective shareholders, wrote to the court-appointed trustees and formally offered to abandon the current accounts already contributed to SNCM, trade receivables and the €85 million contribution to the financing of SNCM's layoff plan and voluntary departure plan, provided a settlement agreement was reached, and approved by the Commercial Court, pursuant to which the bankruptcy authorities would waive all recourse against Transdev, CGMF and their officers and directors.

By an order dated May 28, 2015, the bankruptcy judge authorized the signature of a settlement agreement in accordance with the terms of the memorandum of agreement that had been submitted to him.

On May 11, 2015, the Marseille Commercial Court held that the three takeover offers received were not acceptable as submitted, granted an extension of time to submit improved offers, and set a hearing for May 27, 2015 at which the resubmitted offers would be reviewed. Moreover, the judge extended SNCM's observation period until November 28, 2015. On May 27, 2015, the Marseille Commercial Court reviewed the improved offers and reserved its decision until June 10, 2015. On June 10, 2015, the Marseille Commercial Court rejected the three offers and requested the court-appointed trustees to initiate a new call for bids, and scheduled a hearing on September 25, 2015 to review them. Subsequently, that hearing was postponed.

By an order dated November 20, 2015, the Marseille Commercial Court approved a plan to sell certain assets of SNCM, for the sum of €3.7 million, to Patrick Rocca, a transportation contractor, and granting him the right to assign his interest in the transaction to the companies of his group. The assets taken over comprise *inter alia* six ships owned by SNCM, its business, reservation system, subsidiaries and investments. In addition, 845 employment contracts were taken over. In accordance with the same order, the court-ordered reorganization was converted into a court-ordered liquidation, the business was continued until the effective date of the takeover, i.e. January 4, 2016, and the employees whose contracts were not taken over were laid off. Pursuant to its liquidation, SNCM will retain on its books any liabilities associated with State aids provided to it.

In connection with the court-ordered liquidation proceedings, by an order dated December 2, 2015, the bankruptcy judge authorized the court-appointed liquidator to conclude the second part of the settlement agreement with SNCM's shareholders. On December 4, 2015, the Marseille Commercial Court approved the settlement, thereby enabling Transdev and CGMF to make payment to the bankruptcy authorities, which, pursuant to this settlement agreement, waive the right to make any claim to make good a shortfall in assets and waive all recourse against Transdev, CGMF and their officers and directors.

Pursuant to this approved settlement, Transdev irrevocably abandoned its current account with SNCM in the amount of €103.4 million, as well as trade receivables in the amount of €0.9 million and, following court approval, paid the sum of €61.6 million to the bankruptcy authorities, which contributed to financing employees' severance pay and the balance of the voluntary departure plan. The impact on the Group's financial statements was reported in net income from discontinued operations, net of provisions previously recognized.

Under these circumstances, at year-end 2015, SNCM ceased to be a consolidated subsidiary in the Group's financial statements. The CGU's residual balance sheet positions in the Group's financial statements were not material as of December 31, 2015.

Note VII.28.1 describes post-year-end events concerning SNCM.

VII.4. GOODWILL

VII.4.1. CHANGES DURING THE PERIOD AND BREAKDOWN BY CASH GENERATING UNIT

(€ millions)	"FRANCE" CGU	"NETHERLANDS" CGU	"GERMANY" CGU	"UNITED STATES" CGU	"AUSTRALIA AND NEW ZEALAND" CGU	"INTERNATIONAL LINES" CGU	"UNITED KINGDOM" CGU	"CANADA" CGU	"SWEDEN" CGU	"IBERIA" CGU	GOODWILL
January 1, 2014 restated	**473.8**	**3.6**	**24.7**	**76.5**	**28.7**	**29.8**	**29.5**	**22.8**	**-**	**-**	**689.4**
Changes in consolidation scope	-	-	(0.5)	2.5	-	-	(2.4)	-	-	-	(0.4)
Currency impact	-	-	-	10.4	1.1	-	1.3	1.0	-	-	13.8
Impairment losses	-	-	-	-	-	-	(12.0)	-	-	-	(12.0)
Other movements	-	-	-	(0.3)	-	-	-	-	-	-	(0.3)
TOTAL DECEMBER 31, 2014 RESTATED	**473.8**	**3.6**	**24.2**	**89.1**	**29.8**	**29.8**	**16.4**	**23.8**	**-**	**-**	**690.5**
o/w gross amounts	*569.0*	*317.1*	*144.7*	*113.4*	*69.9*	*55.1*	*44.5*	*39.5*	*34.4*	*10.0*	*1,397.6*
o/w cumulated impairment	*(95.2)*	*(313.5)*	*(120.5)*	*(24.3)*	*(40.1)*	*(25.3)*	*(28.1)*	*(15.7)*	*(34.4)*	*(10.0)*	*(707.1)*
As of December 31, 2014 restated	**473.8**	**3.6**	**24.2**	**89.1**	**29.8**	**29.8**	**16.4**	**23.8**	**-**	**-**	**690.5**
Changes in consolidation scope	0.1	-	-	6.2	-	-	5.0	-	-	-	11.3
Currency impact	-	-	-	10.7	(0.1)	-	0.9	(1.7)	-	-	9.8
Impairment losses	-	-	-	-	-	-	(5.2)	-	-	-	(5.2)
Other movements	-	-	-	-	-	-	-	-	-	-	-
TOTAL DECEMBER 31, 2015	**473.9**	**3.6**	**24.2**	**106.0**	**29.7**	**29.8**	**17.1**	**22.1**	**-**	**-**	**706.4**
o/w gross amounts	*569.1*	*317.1*	*144.7*	*133.1*	*69.6*	*55.1*	*52.1*	*36.7*	*35.1*	*10.0*	*1,422.6*
o/w cumulated impairment	*(95.2)*	*(313.5)*	*(120.5)*	*(27.1)*	*(39.9)*	*(25.3)*	*(35.0)*	*(14.6)*	*(35.1)*	*(10.0)*	*(716.2)*

In fiscal year 2015, changes in scope were comprised primarily of acquisitions in fiscal year 2015 in the United Kingdom (see note VII.3.3) and the final allocation of the price of U.S. assets acquired in late 2014.

VII.4.2. IMPAIRMENT TESTS

Goodwill and other intangible assets with an indefinite useful life are systematically tested for impairment each fiscal year and whenever there is an indication that the cash generating unit ("CGU") may have lost value, in accordance with the procedures described in note VII.1.12.

Key assumptions used to measure recoverable amounts

The bases for calculating recoverable amounts are described in note VII.1.12.

Changes in the economic and financial context and changes of a competitive or regulatory nature may affect estimates of recoverable amounts, as well as unforeseen changes in the political, economic and legal systems of certain countries. Cash flow projections in the long-term plan reflect changes in volumes, rates, direct costs and investments during the period, established on the basis of, firstly, contracts or business activities using historical data and, secondly, expected changes during the period covered by the long-term plan.

Other assumptions that affect the measurement of recoverable amounts are the discount rates and the perpetual growth rates. These vary depending on the cash generating unit's country or geographical area, in accordance with the criteria specified in notes VII.1.12 and VII.2. The discount rates and average perpetual growth rates for the main CGUs in 2015 are shown below:

CASH GENERATING UNIT	DETERMINATION OF THE RECOVERABLE AMOUNT	DISCOUNT RATES	PERPETUAL GROWTH RATES
France	Value in use	6.6%	1.7%
Netherlands	Value in use	7.0%	1.9%
Germany	Value in use	6.7%	1.9%
United States	Value in use	6.9%	2.4%
Australia and New Zealand	Value in use	7.6%	2.5%
United Kingdom	Value in use	7.3%	2.0%

Impairment recognized in the fiscal year

In fiscal year 2015, impairment of the goodwill of the "United Kingdom" CGU was recognized in the amount of –€5.2 million.

VII.4.3. SENSITIVITY OF IMPAIRMENT TESTS

Recoverable amounts measured in connection with impairment tests underwent a sensitivity analysis on the basis of a discount rate increased by 1%, a perpetual growth rate decreased by 1% and operating cash flow decreased by 5%.

These assumptions concerning changes are considered reasonable in light of the Group's business activities and the geographical areas where such business activities are conducted.

For a certain number of cash generating units, these changes led to recognition of recoverable amounts lower than the carrying amount of the cash generating unit, adjusted, if applicable, to take into account impairment recognized during the fiscal year:

		DIFFERENCE BETWEEN THE RECOVERABLE AMOUNT AND THE NET CARRYING AMOUNT		
CASH GENERATING UNIT *(€ millions)*	DIFFERENCE BETWEEN RECOVERABLE AMOUNT AND CARRYING AMOUNT	DIFFERENCE BETWEEN RECOVERABLE AMOUNT AND NET CARRYING AMOUNT DUE TO AN INCREASE IN THE DISCOUNT RATE (1%)	DIFFERENCE BETWEEN RECOVERABLE AMOUNT AND NET CARRYING AMOUNT DUE TO A DECREASE IN THE PERPETUAL GROWTH RATE (1%)	DIFFERENCE BETWEEN RECOVERABLE AMOUNT AND NET CARRYING AMOUNT DUE TO A DECREASE IN OPERATING CASH FLOWS (5%)
"Netherlands" CGU	-	(29.3)	(22.3)	(0.8)
"United Kingdom" CGU	(5.2)	(10.5)	(10.1)	(6.3)
TOTAL	**(5.2)**	**(39.8)**	**(32.4)**	**(7.1)**

VII.5. CONCESSION INTANGIBLE ASSETS AND OTHER INTANGIBLE ASSETS

The table below shows net intangible assets, broken down by asset class and flow:

(€ millions)	CONCESSION INTANGIBLE ASSETS	TRADEMARKS	OTHER INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIFE	INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIFE	CONTRACTS AND PORTFOLIOS ACQUIRED	SOFTWARE ACQUIRED	OTHER INTANGIBLE ASSETS WITH A DEFINITE USEFUL LIFE	INTANGIBLE ASSETS WITH A DEFINITE USEFUL LIFE	OTHER INTANGIBLE ASSETS
As of January 1, 2014 restated	**9.1**	**129.6**	**20.9**	**150.5**	**91.4**	**26.0**	**19.4**	**136.8**	**287.3**
Investments	0.7	-	0.9	0.9	-	5.1	14.6	19.7	20.6
Disposals	(0.1)	-	-	-	5.2	-	(4.3)	0.9	0.9
Impairment losses and amortization	(2.8)	-	3.7	3.7	(29.4)	(10.8)	(0.6)	(40.8)	(37.1)
Changes in consolidation scope	-	-	0.2	0.2	7.0	-	1.3	8.3	8.5
Currency impact	-	11.3	3.4	14.7	2.0	0.1	1.5	3.6	18.3
Reclassification as assets held for sale	-	-	-	-	-	-	-	-	-
Other movements	1.4	-	-	-	-	4.4	(0.4)	4.0	4.0
TOTAL AS OF DECEMBER 31, 2014 RESTATED	**8.3**	**140.9**	**29.1**	**170.0**	**76.2**	**24.8**	**31.5**	**132.5**	**302.5**
o/w gross amounts	*21.4*	*144.6*	*36.4*	*181.0*	*242.4*	*65.1*	*57.3*	*364.8*	*545.8*
o/w cumulated impairment	*(13.1)*	*(3.7)*	*(7.3)*	*(11.0)*	*(166.2)*	*(40.3)*	*(25.8)*	*(232.3)*	*(243.3)*
As of December 31, 2014 restated	**8.3**	**140.9**	**29.1**	**170.0**	**76.2**	**24.8**	**31.5**	**132.5**	**302.5**
Investments	-	-	-	-	-	5.0	10.6	15.6	15.6
Disposals	-	-	(1.5)	(1.5)	-	-	(0.6)	(0.6)	(2.1)
Impairment losses and amortization	(1.9)	(26.7)	(6.9)	(33.6)	(30.6)	(11.5)	(5.6)	(47.7)	(81.3)
Changes in consolidation scope	-	-	-	-	2.5	-	(7.4)	(4.9)	(4.9)
Currency impact	-	11.5	2.6	14.1	0.4	-	0.6	1.0	15.1
Reclassification as assets held for sale	-	-	-	-	-	-	-	-	-
Other movements	-	-	-	-	-	3.6	(0.6)	3.0	3.0
TOTAL AS OF DECEMBER 31, 2015	**6.4**	**125.7**	**23.3**	**149.0**	**48.5**	**21.9**	**28.5**	**98.9**	**247.9**
o/w gross amounts	*21.4*	*156.0*	*38.3*	*194.3*	*246.2*	*73.5*	*56.1*	*375.8*	*570.1*
o/w cumulated impairment	*(15.0)*	*(30.3)*	*(15.0)*	*(45.3)*	*(197.7)*	*(51.6)*	*(27.6)*	*(276.9)*	*(322.2)*

The impairment of net intangible assets with an indefinite useful life concerns primarily brands and licenses in the United States (€35.1 million due to the pressure on margins caused by the changing competitive environment of the on-demand transportation business).

VII.6. PROPERTY, PLANT AND EQUIPMENT

The table below shows property, plant and equipment, broken down by asset class and flow:

(€ millions)	ROLLING STOCK AND OTHER TRANSPORTATION EQUIPMENT	PLANT AND EQUIPMENT	BUILDINGS	LAND	OTHER	PROPERTY, PLANT AND EQUIPMENT
As of January 1, 2014 restated	**839.0**	**95.4**	**153.8**	**73.1**	**159.8**	**1,321.1**
Investments	184.3	17.7	3.2	0.2	52.6	258.0
Disposals	(291.4)	(2.7)	(5.5)	(1.6)	(1.9)	(303.1)
Impairment losses and depreciation	(161.8)	(24.2)	(14.7)	(0.7)	(17.6)	(219.0)
Changes in consolidation scope	(6.2)	(0.6)	(17.5)	(6.9)	0.3	(30.9)
Currency impact	7.5	2.0	0.6	0.1	0.4	10.6
Reclassification as assets held for sale	43.2	(0.3)	-	-	(3.7)	39.2
Other movements	86.1	1.8	2.0	1.5	(93.2)	(1.8)
TOTAL AS OF DECEMBER 31, 2014 RESTATED	**700.7**	**89.1**	**121.9**	**65.7**	**96.7**	**1,074.1**
o/w gross amounts	*1,633.1*	*192.9*	*182.9*	*69.6*	*164.8*	*2,243.3*
o/w cumulated impairment	*(932.4)*	*(103.8)*	*(61.0)*	*(3.9)*	*(68.1)*	*(1,169.2)*
As of December 31, 2014 restated	**700.7**	**89.1**	**121.9**	**65.7**	**96.7**	**1,074.1**
Investments	157.6	24.1	3.9	0.8	39.9	226.3
Disposals	(17.1)	(1.3)	(2.3)	(1.1)	(1.0)	(22.8)
Impairment losses and depreciation	(159.2)	(27.6)	(13.6)	(0.6)	(20.0)	(221.0)
Changes in consolidation scope	0.1	(0.5)	(0.1)	(0.2)	0.1	(0.6)
Currency impact	7.2	2.0	0.7	0.3	0.1	10.3
Reclassification as assets held for sale	-	-	-	-	-	-
Other movements	19.9	5.1	1.3	(0.3)	(28.2)	(2.2)
TOTAL AS OF DECEMBER 31, 2015	**709.2**	**90.9**	**111.8**	**64.6**	**87.6**	**1,064.1**
o/w gross amounts	*1,600.4*	*222.0*	*182.2*	*68.6*	*171.8*	*2,245.0*
o/w cumulated impairment	*(891.2)*	*(131.1)*	*(70.4)*	*(4.0)*	*(84.2)*	*(1,180.9)*

VII.7. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

(€ millions)	SHARE OF EQUITY AS OF DECEMBER 31, 2014 RESTATED	SHARE OF EQUITY AS OF DECEMBER 31, 2015	SHARE OF NET INCOME AS OF DECEMBER 31, 2014 RESTATED	SHARE OF NET INCOME AS OF DECEMBER 31, 2015
Asia	(0.2)	2.5	(5.4)	(1.4)
International Lines	2.5	5.2	0.3	0.2
France	12.6	18.0	(0.8)	0.3
Germany	4.3	5.4	0.7	0.8
Iberia	-	-	(2.0)	-
Colombia	5.8	4.1	0.6	-
Other	0.1	-	0.1	-
INVESTMENTS IN JOINT VENTURES	**25.1**	**35.2**	**(6.5)**	**(0.1)**
o/w share of net income (loss) of equity-accounted entities in continuing operations			*(6.5)*	*(0.1)*
o/w share of net income (loss) of equity-accounted entities in discontinued operations			-	-
Asia	17.9	19.3	3.9	2.6
International Lines	4.4	4.5	0.4	0.1
France	5.1	6.1	0.1	1.1
Netherlands	1.2	1.2	0.1	-
Other	(3.7)	(5.1)	(0.6)	(1.5)
INVESTMENTS IN ASSOCIATES	**24.9**	**26.0**	**3.9**	**2.3**
o/w share of net income (loss) of equity-accounted entities in continuing operations			*3.9*	*2.3*
o/w share of net income (loss) of equity-accounted entities in discontinued operations			-	-

Joint ventures and associates are not considered individually material at the Group level.

Most of the Group's joint arrangements under joint control are joint ventures within the meaning of IFRS 11, and are accounted for using the equity method (see note VII.1.5).The Group's principal joint ventures operate in France, Colombia and Germany.

The various components of the total income of joint ventures and associates are shown below:

(€ millions)	JOINT VENTURES AS OF DECEMBER 31, 2014 RESTATED	JOINT VENTURES AS OF DECEMBER 31, 2015	ASSOCIATES AS OF DECEMBER 31, 2014 RESTATED	ASSOCIATES AS OF DECEMBER 31, 2015
Group share of post-tax net income (loss) from continuing operations	(6.5)	(0.1)	3.9	2.3
Group share of post-tax net income (loss) from discontinued operations	-	-	-	-
Group share of other comprehensive income	(1.8)	(1.7)	2.1	2.1
Group share of total comprehensive income	-	-	-	-

Changes in the investments in joint ventures and associates are explained by the movements shown below:

(€ millions)	JOINT VENTURES	ASSOCIATES
AS OF JANUARY 1, 2014 RESTATED	**40.0**	**3.2**
Changes in consolidation scope	(8.9)	17.8
Net income	(6.5)	3.9
Currency impact	(1.8)	2.1
Other	2.3	(2.1)
AS OF DECEMBER 31, 2014 RESTATED	**25.1**	**24.9**
Changes in consolidation scope	6.2	-
Net income	(0.1)	2.3
Currency impact	(1.7)	2.1
Other	5.7	(3.3)
INVESTMENTS AS OF DECEMBER 31, 2015	**35.2**	**26.0**

VII.8. OPERATING FINANCIAL ASSETS AND OTHER CURRENT AND NON-CURRENT FINANCIAL ASSETS

VII.8.1. CURRENT AND NON-CURRENT OPERATING FINANCIAL ASSETS

(€ millions)	NON-CURRENT OPERATING FINANCIAL ASSETS	CURRENT OPERATING FINANCIAL ASETS	OPERATING FINANCIAL ASSETS
As of January 1, 2014 restated	**213.1**	**30.3**	**243.4**
Additions	42.4	0.1	42.5
Repayments/disposals	(3.2)	(35.2)	(38.4)
Changes in consolidation scope	-	-	-
Impairment losses	-	0.8	0.8
Currency impact	1.3	0.2	1.5
Non-current/current reclassification	(36.2)	36.2	-
Other movements	(0.5)	0.5	-
TOTAL AS OF DECEMBER 31, 2014 RESTATED	**216.9**	**32.9**	**249.8**
o/w gross amounts	*216.9*	*32.9*	*249.8*
o/w impairment	-	-	-
As of December 31, 2014 restated	**216.9**	**32.9**	**249.8**
Additions	39.4	0.5	39.9
Repayments/disposals	(3.9)	(33.5)	(37.4)
Changes in consolidation scope	-	-	-
Impairment losses	-	-	-
Currency impact	(0.1)	-	(0.1)
Non-current/current reclassification	(33.6)	33.6	-
Other movements	(0.2)	0.1	(0.1)
TOTAL AS OF DECEMBER 31, 2015	**218.5**	**33.6**	**252.1**
o/w gross amounts	*218.5*	*33.6*	*252.1*
o/w impairment	-	-	-
o/w < 1 year	-	*33.6*	*33.6*
o/w > 1 year and < 5 years	*138.6*	-	*138.6*
o/w > 5 years	*79.9*	-	*79.9*

Operating financial assets include financial assets recognized as a result of applying IFRIC 12 in the accounting treatment of concession arrangements (see note VII.1.20). This involves asset financing carried out on behalf of the grantor and secured by the grantor.

As of December 31, 2015, operating financial assets were concentrated primarily in France (€218.6 million) and in Australia (€33.0 million).

Cash flows associated with these operating financial assets (new assets and principal repayments) are broken down in the net cash flows associated with investment transactions presented in the consolidated statement of cash flows (see note V).

Revenue generated by operating financial assets is reported as revenue from ordinary activities, which is presented in note VII.14.1.

VII.8.2. OTHER CURRENT AND NON-CURRENT FINANCIAL ASSETS

(€ millions)	FINANCIAL ASSETS - NON-CURRENT LOANS AND RECEIVABLES	NON-CONSOLIDATED INVESTMENTS	OTHER NON-CURRENT FINANCIAL ASSETS	OTHER NON-CURRENT FINANCIAL ASSETS	FINANCIAL ASSETS - CURRENT LOANS AND RECEIVABLES	OTHER CURRENT FINANCIAL ASSETS	OTHER CURRENT FINANCIAL ASSETS
As of January 1, 2014 restated	**45.1**	**26.2**	**14.4**	**85.7**	**41.0**	**17.4**	**58.4**
Additions	26.9	0.5	59.1	86.5	-	1.2	1.2
Repayments/disposals	(4.6)	(0.6)	(25.8)	(31.0)	(12.6)	(0.3)	(12.9)
Changes in consolidation scope	(4.6)	2.3	0.9	(1.4)	(1.7)	-	(1.7)
Impairment losses	(0.3)	(0.3)	-	(0.6)	(1.1)	-	(1.1)
Currency impact	0.3	0.4	0.4	1.1	0.4	2.7	3.1
Non-current/current reclassification	-	-	(4.2)	(4.2)	-	4.2	4.2
Reclassification as assets held for sale	-	-	(31.2)	(31.2)	-	-	-
Other movements	(2.1)	(0.1)	(2.0)	(4.2)	-	0.3	0.3
TOTAL AS OF DECEMBER 31, 2014 RESTATED	**60.7**	**28.4**	**11.6**	**100.7**	**26.0**	**25.5**	**51.5**
o/w gross amounts	*61.0*	*31.8*	*13.7*	*106.5*	*27.2*	*25.5*	*52.7*
o/w cumulated impairment	*(0.3)*	*(3.4)*	*(2.1)*	*(5.8)*	*(1.2)*	-	*(1.2)*
As of December 31, 2014 restated	**60.7**	**28.4**	**11.6**	**100.7**	**26.0**	**25.5**	**51.5**
Additions	0.4	0.4	3.7	4.5	-	2.8	2.8
Repayments/disposals	(1.5)	(0.8)	(3.4)	(5.7)	(4.7)	(0.3)	(5.0)
Changes in consolidation scope	0.4	-	-	0.4	-	-	-
Impairment losses	-	(1.0)	2.1	1.1	(4.9)	-	(4.9)
Currency impact	0.3	0.3	-	0.6	0.1	2.7	2.8
Non-current/current reclassification	-	-	-	-	-	-	-
Reclassification as assets held for sale	-	-	-	-	-	-	-
Other movements	(8.2)	1.4	9.2	2.4	1.2	(5.5)	(4.3)
TOTAL AS OF DECEMBER 31, 2015	**52.1**	**28.7**	**23.2**	**104.0**	**17.7**	**25.2**	**42.9**
o/w gross amounts	*52.5*	*33.0*	*23.2*	*108.7*	*23.9*	*25.2*	*49.1*
o/w cumulated impairment	*(0.4)*	*(4.3)*	-	*(4.7)*	*(6.2)*	-	*(6.2)*

Non-consolidated investments

Non-consolidated investments are treated in accordance with IAS 39, *Financial Instruments: Recognition and Measurement*, and measured at fair value or at cost. Unrealized gains and losses are reported as other comprehensive income, except unrealized losses deemed to be material or long-lasting, which are recognized on the consolidated income statement as “Other financial revenue and expenses” (see note VII.15).

The Group’s principal non-consolidated investments consist of:

- Investments in concession holders that own public transportation infrastructures (MTSA, VT Mumbai Concessionaire, Nottingham City TPS, etc.); or
- Investments in certain *sociétés d’économie mixte* (part state-owned corporations) in France (Grenoble, Nantes, etc.).

The investment in the French corporation SNCM (which is in the process of being liquidated), which increased to 67.69% after the exercise in late 2015 of the redemption guarantee provided to Crédit Industriel et Commercial (CIC) in connection with the liquidity guarantee that it had furnished to the employee mutual investment fund (FCPE) of SNCM (in which Transdev Ile-de-France had historically held a 66% stake), is recognized with a value of zero in the Group’s financial statements as of December 31, 2015. Ceasing to treat SNCM as a consolidated subsidiary has no impact on the Group’s consolidated financial position or net income. Note VII.3.4 describes the changes concerning this matter during the fiscal year.

Financial assets - loans and receivables (current and non-current)

As of December 31, 2015, financial assets consisting of loans and receivables for a total amount of €69.8 million concern primarily Germany (€49.7 million in security deposits in connection with railroad equipment leases).

VII.9. DEFERRED TAX ASSETS AND LIABILITIES

VII.9.1. CHANGES

Changes in deferred tax assets and liabilities in fiscal years 2014 and 2015 are shown below:

(€ millions)	GROSS DEFERRED TAX ASSETS	UNRECOGNIZED DEFERRED TAX ASSETS	DEFERRED TAX ASSETS	DEFERRED TAX LIABILITIES	NET DEFERRED TAX
As of January 1, 2014 restated	**473.5**	**(259.3)**	**214.2**	**(311.5)**	**(97.3)**
Changes in business recognized in net income	(3.7)	(15.0)	(18.7)	23.5	4.8
Changes in business recognized in equity	12.0	(7.6)	4.4	2.0	6.4
Changes in consolidation scope	(0.9)	-	(0.9)	2.5	1.6
Currency impact	7.3	0.5	7.8	(12.7)	(4.9)
Reclassification as assets/liabilities held for sale	8.6	1.4	10.0	(9.6)	0.4
Other movements	4.1	-	4.1	(1.9)	2.2
TOTAL AS OF DECEMBER 31, 2014 RESTATED	**500.9**	**(280.0)**	**220.9**	**(307.7)**	**(86.8)**
As of December 31, 2014 restated	**500.9**	**(280.0)**	**220.9**	**(307.7)**	**(86.8)**
Changes in business recognized in net income	(11.7)	(0.4)	(12.1)	49.9	37.8
Changes in business recognized in equity	(1.6)	3.8	2.2	-	2.2
Changes in consolidation scope	(0.9)	0.6	(0.3)	-	(0.3)
Currency impact	9.2	(2.0)	7.2	(10.6)	(3.4)
Reclassification as assets/liabilities held for sale	(0.1)	0.1	-	-	-
Other movements	13.3	(13.1)	0.2	(0.3)	(0.1)
TOTAL AS OF DECEMBER 31, 2015	**509.1**	**(291.0)**	**218.1**	**(268.7)**	**(50.6)**

Business movements through equity include primarily tax impacts on fair value adjustments and actuarial gains and losses.

VII.9.2. BREAKDOWN BY TYPE AND USE

(€ millions)	DECEMBER 31, 2014 RESTATED	DECEMBER 31, 2015
Deferred tax assets recognized in net income	208.1	203.4
Deferred tax assets recognized in equity	12.8	14.7
DEFERRED TAX ASSETS	**220.9**	**218.1**
Deferred tax liabilities recognized in net income	(305.5)	(266.5)
Deferred tax liabilities recognized in equity	(2.2)	(2.2)
DEFERRED TAX LIABILITIES	**(307.7)**	**(268.7)**
NET DEFERRED TAX	**(86.8)**	**(50.6)**
Including:		
Tax losses	5.9	16.5
Tangible and intangible fixed assets	(143.2)	(137.7)
Provisions and employee benefits	75.4	84.0
Additional tax depreciation allowance in France	(54.4)	(50.4)
Others	29.5	37.0

VII.9.3. EXPIRATION SCHEDULE FOR DEFERRED TAX ASSETS ON TAX LOSSES

Below is the expiration schedule for deferred tax assets on tax losses as of December 31, 2015:

(€ millions)	EXPIRATION AT DECEMBER 31, 2015			
	< OR = 5 YEARS	> 5 YEARS	UNLIMITED	TOTAL
Deferred tax assets on tax losses (gross value)	22.0	28.5	229.9	280.4
Provisions for deferred tax assets on tax losses	(22.0)	(22.4)	(219.5)	(263.9)
DEFERRED TAX ASSETS ON TAX LOSSES (NET VALUE)	**-**	**6.1**	**10.4**	**16.5**

The procedures for reviewing the recoverable amount of deferred tax assets associated with tax loss carryforwards are explained in note VII.1.19, in particular, the use of a five-year tax schedule.

VII.10. WORKING CAPITAL REQUIREMENTS

VII.10.1. CHANGES IN WORKING CAPITAL REQUIREMENTS BY TYPE

Net WCR includes "operating" WCR (inventories, trade receivables, trade payables, other operating receivables and payables and tax receivables and payables excluding current taxes), "tax" WCR (current tax receivables and payables) and "investment" WCR (current receivables and payables on fixed asset acquisitions).

Changes in each of these types of WCR in fiscal year 2015 are shown below:

(€ millions)	DECEMBER 31, 2014 RESTATED	CHANGES IN BUSINESS	NET IMPAIRMENT LOSSES	CHANGES IN CONSOLIDATION SCOPE	CURRENCY IMPACT	RECLASSIFICATION IN ASSETS/LIABILITIES AS HELD FOR SALE	OTHER CHANGES	DECEMBER 31, 2015
Inventories and work in progress (1)	91.4	(0.4)	(0.1)	(0.1)	0.9	-	-	91.7
Operating receivables (o/w tax receivables, except current tax)	1,183.2	(57.8)	(8.0)	1.3	20.3	-	(1.0)	1,138.0
Operating payables (o/w tax payables, except current tax)	(1,613.3)	60.1	-	4.0	(13.6)	0.3	0.6	(1,561.9)
OPERATING WORKING CAPITAL REQUIREMENTS (2)	**(338.7)**	**1.9**	**(8.1)**	**5.2**	**7.6**	**0.3**	**(0.4)**	**(332.2)**
Tax receivables (current tax)	93.3	(73.3)	-	(0.2)	0.4	-	-	20.2
Tax payables (current tax)	(15.6)	0.7	-	0.3	(0.1)	-	-	(14.7)
TAX AMOUNTS IN WORKING CAPITAL REQUIREMENTS	**77.7**	**(72.6)**	**-**	**0.1**	**0.3**	**-**	**-**	**5.5**
Current receivables on disposal of fixed assets	53.8	(11.3)	4.9	-	0.1	-	(5.3)	42.2
Payables on acquisition of fixed assets	(57.0)	(1.2)	-	0.1	(0.1)	-	(0.2)	(58.4)
INVESTMENTS IN WORKING CAPITAL REQUIREMENTS	**(3.2)**	**(12.5)**	**4.9**	**0.1**	**-**	**-**	**(5.5)**	**(16.2)**
NET WORKING CAPITAL REQUIREMENTS	**(264.2)**	**(83.2)**	**(3.2)**	**5.4**	**7.9**	**0.3**	**(5.9)**	**(342.9)**

(1) Net inventories and work in progress correspond mainly to raw materials and spare parts.

(2) The change in working capital requirements in the Consolidated Cash Flow Statement is equal to the sum of the "Changes in business" and the "Net impairment losses" presented above.

At the end of December 2014, operating payables included the amount received from the Dutch government as a prepayment for all 2015 student cards (€97.2 million). In 2015, no amount was paid for 2016; the amount for these cards was received in January 2016.

VII.10.2. CHANGES IN OPERATING RECEIVABLES

Changes in operating receivables in fiscal year 2015 are shown below:

OPERATING RECEIVABLES (€ millions)	DECEMBER 31, 2014 RESTATED	CHANGES IN BUSINESS	IMPAIRMENT LOSSES (1)	REVERSAL OF IMPAIRMENT LOSSES (1)	CHANGES IN CONSOLIDATION SCOPE	CURRENCY IMPACT	RECLASSIFICATION IN ASSETS HELD FOR SALE	OTHER CHANGES	DECEMBER 31, 2015
Trade receivables	855.6	(24.0)	-	-	2.1	16.6	-	29.3	879.6
Impairment on trade receivables	(42.6)	-	(22.1)	13.8	0.7	(0.4)	-	(5.9)	(56.5)
Trade receivables, net (2)	**813.0**	**(24.0)**	**(22.1)**	**13.8**	**2.8**	**16.2**	**-**	**23.4**	**823.1**
Other operating receivables	383.8	(33.8)	-	-	(3.5)	4.3	-	(30.5)	320.3
Impairment on other operating receivables	(13.6)	-	(0.4)	0.7	2.0	(0.2)	-	6.1	(5.4)
Other operating receivables, net (2)	**370.2**	**(33.8)**	**(0.4)**	**0.7**	**(1.5)**	**4.1**	**-**	**(24.4)**	**314.9**
Other receivables	53.8	(11.3)	-	4.9	-	0.1	-	(5.3)	42.2
Tax receivables	93.3	(73.3)	-	-	(0.2)	0.4	-	-	20.2
OPERATING RECEIVABLES, NET	**1,330.3**	**(142.4)**	**(22.5)**	**19.4**	**1.1**	**20.8**	**-**	**(6.3)**	**1,200.4**

(1) Impairment losses are recorded in operating income and included in the line "Changes in working capital requirements" in the Consolidated Cash Flow Statement.
(2) Financial assets as defined by IAS 39, valued in accordance with the rules applicable to loans and receivables.

Short-term trade receivables and payables with no stated interest rate are measured at their nominal amount, unless discounting using the market interest rate has a material impact.

VII.10.3. CHANGES IN OPERATING PAYABLES

Changes in operating payables in fiscal year 2015 are shown below:

OPERATING PAYABLES (€ millions)	DECEMBER 31, 2014 RESTATED	CHANGES IN BUSINESS	CHANGES IN CONSOLIDATION SCOPE	CURRENCY IMPACT	RECLASSIFICATION IN LIABILITIES HELD FOR SALE	OTHER CHANGES	DECEMBER 31, 2015
Trade payables (1)	464.6	55.0	1.8	4.2	-	0.1	525.7
Other current operating payables (1)	1,148.7	(115.1)	(5.8)	9.4	(0.3)	(0.7)	1,036.2
Other payables	57.0	1.2	(0.1)	0.1	-	0.2	58.4
Tax payables	15.6	(0.7)	(0.3)	0.1	-	-	14.7
OPERATING PAYABLES	**1,685.9**	**(59.6)**	**(4.4)**	**13.8**	**(0.3)**	**(0.4)**	**1,635.0**

(1) Financial liabilities as defined by IAS 39, valued at amortized cost.

VII.11. EQUITY

VII.11.1. EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY

Stated capital

As of December 31, 2015, stated capital totaled €1,137,119,594. It was divided into 118,203,700 shares with a par value of €9.62, all of the same class, and all of which have been fully subscribed and paid in (no dilutive securities are in circulation).

Appropriation of 2014 net income

Net income in fiscal year 2014 attributable to the owners of the parent company, in the amount of €23.9 million, was appropriated to the "consolidation reserve" item.

Fair value reserves:

(€ millions)	AVAILABLE-FOR SALE SECURITIES	COMMODITY DERIVATIVES USED AS CASH FLOW HEDGE	INTEREST RATE DERIVATIVES HEDGING CASH FLOWS	TOTAL	O/W ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY
As of January 1, 2014 restated	**(2.0)**	**-**	**(0.4)**	**(2.4)**	**(1.3)**
Fair value adjustments	1.1	(16.2)	0.2	(14.9)	(14.0)
Scope adjustments	-	-	-	-	-
Other movements	(0.1)	-	-	(0.1)	0.2
As of December 31, 2014 restated	**(1.0)**	**(16.2)**	**(0.2)**	**(17.4)**	**(15.1)**
Fair value adjustments	(0.3)	1.3	0.1	1.1	0.8
Scope adjustments	0.9	-	-	0.9	0.8
Other movements	0.6	-	-	0.6	0.6
AS OF DECEMBER 31, 2015	**0.2**	**(14.9)**	**(0.1)**	**(14.8)**	**(12.9)**

Foreign currency translation, breakdown by currency in total equity attributable to the owners of the parent company:

(€ millions)	AS OF DECEMBER 31, 2014 RESTATED	AS OF DECEMBER 31, 2015
U.S dollar	5.6	11.4
Pound sterling	2.2	3.1
Hong Kong dollar	1.4	2.7
Korean won	0.9	1.1
Colombian peso	(0.7)	(1.6)
Australian dollar	(6.9)	(6.8)
Canadian dollar	(4.4)	(7.1)
Other currencies [1]	(0.4)	(1.6)
TOTAL	**(2.3)**	**1.2**

[1] Other foreign currencies: amounts under € 1 million.

VII.11.2. NON-CONTROLLING INTERESTS

A breakdown of changes in non-controlling interests is shown in the statement of changes in equity (see note VI).

VII.12. CURRENT AND NON-CURRENT PROVISIONS

VII.12.1. DISCOUNT RATES

The discount rates used as of December 31, 2015 are shown below:

	AS OF DECEMBER 31, 2014	AS OF DECEMBER 31, 2015
Euros		
2 to 5 years	0.44%	0.34%
6 to 10 years	1.21%	1.19%
More than 10 years	2.36%	2.31%
U.S dollar		
2 to 5 years	1.57%	2.43%
6 to 10 years	2.87%	3.95%
More than 10 years	4.51%	5.18%

The methodology used to calculate these discount rates is described in note VII.2 entitled "Use of management estimates in applying Group accounting standards".

VII.12.2. BREAKDOWN OF PROVISIONS

(€ millions)	PROVISIONS FOR LITIGATIONS	PROVISIONS FOR EMPLOYMENT BENEFIT OBLIGATIONS	PROVISIONS FOR RESTRUCTURING	OTHER PROVISIONS FOR CONTINGENT LIABILITIES	PROVISIONS
January 1, 2014 restated	**25.2**	**139.5**	**3.8**	**142.4**	**310.9**
Additions during the period	26.2	21.5	3.7	151.8	203.2
Used during the period	(9.2)	(24.5)	(4.7)	(72.3)	(110.7)
Reversal	(6.0)	(8.2)	(30.1)	(10.1)	(54.4)
Actuarial gains (or losses)	-	32.2	-	-	32.2
Unwinding of discount	-	6.6	-	(0.2)	6.4
Changes in consolidation scope	-	(1.3)	-	(2.6)	(3.9)
Currency impact	-	2.9	-	7.6	10.5
Reclassification in liabilities held for sale	(4.9)	1.7	31.6	(0.3)	28.1
Other movements	0.2	(4.4)	(0.4)	(0.9)	(5.5)
TOTAL AS OF DECEMBER 31, 2014 RESTATED	**31.5**	**166.0**	**3.9**	**215.4**	**416.8**
o/w non-current part	*10.2*	*166.0*	*0.8*	*113.8*	*290.8*
o/w current part	*21.3*	*-*	*3.1*	*101.6*	*126.0*
As of December 31, 2014 restated	**31.5**	**166.0**	**3.9**	**215.4**	**416.8**
Additions during the period	18.3	18.0	0.3	99.0	135.6
Used during the period	(16.0)	(15.5)	(2.7)	(135.4)	(169.6)
Reversal	(4.9)	(2.1)	(0.2)	(7.4)	(14.6)
Actuarial gains (or losses)	-	(6.2)	-	-	(6.2)
Unwinding of discount	0.3	4.2	-	0.1	4.6
Changes in consolidation scope	-	0.1	-	0.2	0.3
Currency impact	0.1	4.1	-	7.9	12.1
Reclassification in liabilities held for sale	-	-	-	-	-
Other movements	-	(6.0)	0.2	(0.2)	(6.0)
TOTAL AS OF DECEMBER 31, 2015	**29.3**	**162.6**	**1.5**	**179.6**	**373.0**
o/w non-current part	*11.9*	*162.6*	*0.7*	*102.2*	*277.4*
o/w current part	*17.4*	*-*	*0.8*	*77.4*	*95.6*

Provisions for employee benefit obligations

As of December 31, 2015, provisions for employee benefit obligations totaled €162.6 million, of which €136.5 million were for pension plans and other post-employment benefits, and €26.1 million were for other long-term benefits. Movements in obligations under pension plans and other post-employment benefits are broken down in note VII.22 on employee benefit obligations.

Provisions for litigation

Provisions for litigation include all losses deemed probable in connection with litigation of all types (tax, employment and other disputes) that the Group faces in the course of its business.

Other provisions for contingent liabilities

Other provisions for contingent liabilities include:

- Provisions for self-insurance, which concern essentially operations in the United States (€80.5 million);
- Provisions for maintenance costs (major overhaul) in connection with the rail business in Germany; and
- Other provisions for contingent liabilities.

Movements in other provisions for contingent liabilities during the period include the impacts generated by the court-ordered liquidation of SNCM, in particular a write-back due to use of the provision following the Group's payment of €61.6 million to the bankruptcy authorities (see note VII.3.4).

VII.13. NET DEBT

Net debt consists of gross debt (non-current and current financial liabilities and overdrafts) net of cash and cash equivalents, and after taking into account the fair value of interest rate and foreign exchange derivatives.

VII.13.1. COMPONENTS OF NET DEBT

As of December 31, 2015, the Group's primary source of financing was two shareholder loans, which have been drawn down for a total of €690 million, of which €345 million was borrowed from Veolia and €345 million from Caisse des Dépôts. The loans come due on March 3, 2017.

The unused portion of the credit lines granted by the shareholders totals €400 million. Furthermore, the liquidity facilities maturing in December 2016, which the shareholders had granted for a total amount of €330 million, had not been drawn down as of December 31, 2015 (see note VII.25.3).

As of December 31, 2015, the Group's net debt breaks down as follows:

(€ millions)	DECEMBER 31, 2014 RESTATED	DECEMBER 31, 2015
Non-current financial liabilities	1,112.3	864.0
Current financial liabilities	61.0	45.9
Overdrafts	14.7	21.4
FINANCIAL LIABILITIES (incl. overdrafts)	**1,188.0**	**931.3**
Cash and cash-equivalents	(328.7)	(195.0)
Fair value of interest rate and foreign exchange derivatives related to net financial debt	13.8	4.4
Deposits related related to net financial debt	-	-
NET FINANCIAL DEBT [1]	**873.1**	**740.7**

[1] Net financial debt does not include the net debt of discontinued activities.

VII.13.2. CASH AND CASH EQUIVALENTS AND OVERDRAFTS

A review of the Group's cash and cash equivalents balances at year-end did not disclose any material amounts that were unavailable to the Group.

(€ millions)	CASH	CASH EQUIVALENTS	CASH AND CASH EQUIVALENTS	OVERDRAFTS	NET CASH
As of January 1, 2014 restated	**250.4**	**253.9**	**504.3**	**(16.8)**	**487.5**
Changes in business	(9.8)	(183.7)	(193.5)	5.7	(187.8)
Changes in consolidation scope	6.5	0.5	7.0	(0.8)	6.2
Currency impact	10.5	-	10.5	(0.2)	10.3
Reclassification in assets/liabilities held for sale	(3.3)	-	(3.3)	0.2	(3.1)
Other movements	0.1	3.6	3.7	(2.8)	0.9
TOTAL AS OF DECEMBER 31, 2014 RESTATED	**254.4**	**74.3**	**328.7**	**(14.7)**	**314.0**
As of December 31, 2014 restated	**254.4**	**74.3**	**328.7**	**(14.7)**	**314.0**
Changes in business	(63.4)	(69.5)	(132.9)	(6.3)	(139.2)
Changes in consolidation scope	(3.9)	(0.2)	(4.1)	(0.3)	(4.4)
Currency impact	3.6	-	3.6	-	3.6
Reclassification in assets/liabilities held for sale	(0.4)	-	(0.4)	-	(0.4)
Other movements	-	0.1	0.1	(0.1)	-
TOTAL AS OF DECEMBER 31, 2015	**190.3**	**4.7**	**195.0**	**(21.4)**	**173.6**

VII.13.3. NON-CURRENT AND CURRENT FINANCIAL LIABILITIES

Changes in and the breakdown by type, of current and non-current financial liabilities in fiscal years 2014 and 2015 are shown below:

(€ millions)	LOANS FROM VEOLIA	LOANS FROM CAISSE DES DÉPÔTS	FINANCE LEASES	OTHER FINANCIAL LIABILITIES	TOTAL FINANCIAL LIABILITIES
January 1, 2014 restated	**622.0**	**621.1**	**192.4**	**168.0**	**1,603.5**
Increases/subscriptions	-	-	8.9	4.4	13.3
Repayments	(156.7)	(155.8)	(39.3)	(68.4)	(420.2)
Changes in consolidation scope	-	-	0.7	0.7	1.4
Currency impact	-	-	0.3	18.3	18.6
Transactions between shareholders	-	-	-	(14.5)	(14.5)
Other movements	-	-	-	(28.8)	(28.8)
TOTAL AS OF DECEMBER 31, 2014 RESTATED	**465.3**	**465.3**	**163.0**	**79.7**	**1,173.3**
o/w current part	*0.3*	*0.3*	*31.8*	*28.6*	*61.0*
o/w on-current part	*465.0*	*465.0*	*131.2*	*51.1*	*1,112.3*
As of December 31, 2014 restated	**465.3**	**465.3**	**163.0**	**79.7**	**1,173.3**
Increases/subscriptions	-	-	14.5	26.5	41.0
Repayments	(120.0)	(120.0)	(32.4)	(69.8)	(342.2)
Changes in consolidation scope	-	-	0.1	-	0.1
Currency impact	-	-	0.1	37.6	37.7
Transactions between shareholders	-	-	-	-	-
Other movements	-	-	-	-	-
TOTAL AS OF DECEMBER 31, 2015	**345.3**	**345.3**	**145.3**	**74.0**	**909.9**
o/w current part	*0.3*	*0.3*	*30.0*	*15.3*	*45.9*
o/w non-current part	*345.0*	*345.0*	*115.3*	*58.7*	*864.0*

Assignment of CICE receivables

The Competitiveness and Employment Tax Credit (*Crédit d'Impôt Compétitivité Emploi* – "CICE") is credited against income tax owed for the fiscal year in which it is earned and, thereafter, against any tax owed for the three following fiscal years. At the end of this credit period, any portion of the credit that has not been used must be refunded. Due to its tax situation in France, in fiscal year 2015, the Group opted to assign without recourse its 2013, 2014 and 2015 receivables in order to monetize them.

VII.13.4. MATURITY OF FINANCIAL LIABILITIES

(€ millions)	DECEMBER 31, 2015	AS OF DECEMBER 31, 2015, TO MATURE: < 1 YEAR	> 1 YEAR AND < 3 YEARS	> 3 YEARS AND < 5 YEARS	> 5 YEARS
Loans from Veolia	345.3	0.3	345.0	-	-
Loans from Caisse des Dépôts	345.3	0.3	345.0	-	-
Finance leases	145.3	30.0	45.8	23.5	46.0
Other current and non-current financial liabilities	74.0	15.3	17.9	21.4	19.4
CURRENT AND NON-CURRENT FINANCIAL LIABILITIES	**909.9**	**45.9**	**753.7**	**44.9**	**65.4**

The shareholder loans and credit lines (drawn down for a total of €690 million as of December 31, 2015) will mature on March 3, 2017.

VII.13.5. BREAKDOWN OF CURRENT AND NON-CURRENT FINANCIAL LIABILITIES BY CURRENCY

The majority of debt is denominated in euros. Currency swaps between euro lenders and borrowers in the foreign currencies used to finance foreign subsidiaries have been set up (see note VII.20.2).

VII.13.6. BREAKDOWN OF CURRENT AND NON-CURRENT FINANCIAL LIABILITIES BY INTEREST RATE

(€ millions)	DECEMBER 31, 2014 RESTATED	DECEMBER 31, 2015
Fixed rates	186.2	178.5
Floating rates	987.1	731.4
CURRENT AND NON-CURRENT FINANCIAL LIABILITIES	**1,173.3**	**909.9**

VII.13.7. FINANCE LEASES

The Group uses finance leases to finance certain operating assets (essentially rolling stock and real property). These assets are recognized in the consolidated statement of financial position as property, plant and equipment or as financial assets in the case of assets (rolling stock) recognized in accordance with IFRIC 12, *Service Concession Arrangements*.

The breakdown of the net carrying amount of these assets by asset class is shown below:

(€ millions)	DECEMBER 31, 2014 RESTATED	DECEMBER 31, 2015
Rolling stock and other transportation equipment	159.5	148.7
Other net property, plant and equipment	19.9	17.8
TOTAL	**179.4**	**166.5**

As of December 31, 2015, future minimum payments under these contracts break down as follows:

(€ millions)	FINANCE LEASE
2016	35.6
2017-2018	55.0
2019-2020	27.1
2020 and subsequent years	50.3
TOTAL FUTURE MINIMUM LEASE PAYMENTS	**168.0**
Interests	(22.7)
PRESENT VALUE OF PAYMENTS UNDER FINANCIAL LEASES	**145.3**

VII.13.8. UNUSED CREDIT LINES

As of December 31, 2015, unused credit lines totaled €860.8 million and break down as follows:

(€ millions)	DECEMBER 31, 2015	AS OF DECEMBER 31, 2015, TO MATURE: < 1 YEAR	> 1 YEAR AND < 5 YEARS	> 5 YEARS
Shareholder credit lines	**730.0**	**330.0**	**400.0**	**-**
Veolia	380.0	180.0	200.0	-
Caisse des Dépôts	350.0	150.0	200.0	-
Other credit lines	**130.8**	**74.4**	**56.4**	**-**
TOTAL	**860.8**	**404.4**	**456.4**	**-**

Unused credit lines with a value of €51 million contain financial covenants, which must be complied with at the time of each maturity date.

VII.14. OPERATING INCOME

VII.14.1. BREAKDOWN OF OPERATING INCOME

(€ millions)	DECEMBER 31, 2014 RESTATED	DECEMBER 31, 2015
Revenue from services	6,591.4	6,605.5
Revenue from sales of goods	4.3	13.3
Revenue from operating financial assets	15.3	15.5
REVENUE FROM ORDINARY ACTIVITIES	**6,611.0**	**6,634.3**
Employee expenses	(3,610.8)	(3,682.4)
Impairment of operating receivables, net of reversals	6.0	(8.1)
Depreciation, amortization and operating provisions, net of reversals (excluding restructuring and impairment of operating receivables and goodwill)	(276.9)	(266.1)
Gains (losses) on disposals of capital assets	11.0	2.6
Others	(2,613.5)	(2,534.6)
CURRENT OPERATING RESULT	**126.8**	**145.7**
Restructuring costs *(net of provisions and reversals)*	(3.4)	(1.3)
Gains (losses) on disposals of financial assets	2.7	0.2
Impairment of goodwill and other non-current charges related to impairment tests	(12.0)	(40.3)
Others	(8.8)	(2.8)
OPERATING RESULT	**105.3**	**101.5**
Share of net income (loss) of equity-accounted entities	(2.6)	2.2
OPERATING RESULT after share of net income (loss) of equity-accounted entities	**102.7**	**103.7**

At year-end 2015, the Group's consolidated revenue was €6,634.3 million. The main geographical areas in which the Group does business are France (37.8%), the United States (16.7%), the Netherlands (15.0%) and Germany (8.8%).

VII.14.2. CONVERSION OF EBITDA TO OPERATING INCOME

(€ millions)	DECEMBER 31, 2014 RESTATED	DECEMBER 31, 2015
EBITDA *(Earnings Before Interest, Taxes, Depreciation, and Amortization)* [1]	392.1	416.9
Depreciation and amortization	(275.4)	(273.4)
Operating provisions, net of reversals	(1.5)	7.3
Gains (losses) on disposals of capital assets	11.0	2.6
Others	0.6	(7.7)
CURRENT OPERATING RESULT	**126.8**	**145.7**
Restructuring costs *(net of provisions and reversals)*	(3.4)	(1.3)
Gains (losses) on disposals of financial assets	2.7	0.2
Impairment of goodwill and other non-current charges related to impairment tests	(12.0)	(40.3)
Others	(8.8)	(2.8)
OPERATING RESULT	**105.3**	**101.5**
Share of net income (loss) of equity-accounted entities	(2.6)	2.2
OPERATING RESULT after share of net income (loss) of equity-accounted entities	**102.7**	**103.7**

(1) Including impairment of operating working capital.

In fiscal year 2015, the "impairment of goodwill and other non-current charges related to impairment tests" item includes the impairment of the "United Kingdom" CGU (see note VII.4), as well as the impairment of the brands and licenses of the on-demand transportation business in the United States (see note VII.5).

VII.14.3. BREAKDOWN OF EMPLOYEE EXPENSES AND WORKFORCE

Employee expenses

(€ millions)	FISCAL YEAR 2014 RESTATED	FISCAL YEAR 2015
Employee expenses	(3,590.0)	(3,660.0)
Profit-sharing and incentive plans	(20.8)	(22.4)
TOTAL EMPLOYEE EXPENSES	**(3,610.8)**	**(3,682.4)**

Employee expenses include the impact of the Competitiveness and Employment Tax Credit (France). This credit is credited against income tax owed for the fiscal year in which it is earned and, thereafter, against any tax owed for the next three fiscal years. At the end of this credit period, any portion of the credit that has not been used must be refunded.

Workforce

The consolidated full-time equivalent workforce is equal to the number of employees of each subsidiary, calculated as a full-time equivalent for the fiscal year, on the basis of working hours and employment rates. That figure is then consolidated using the consolidation method applied to the company within the consolidation scope:

- Employees of fully consolidated companies are included in full during the consolidation period;
- Employees of joint operations are included only in proportion to their consolidation rate during the consolidation period;
- Employees of companies consolidated using the equity method are not included.

The consolidated full-time equivalent workforce totals 74,388 employees and breaks down geographically as follows:

AVERAGE NUMBER OF EMPLOYEES	2014 RESTATED	2015
France	32,022	31,335
Netherlands	9,946	8,853
United States	12,957	13,247
Germany	4,131	3,886
Others	16,898	17,067
TOTAL	**75,954**	**74,388**

VII.14.4. BREAKDOWN OF RESTRUCTURING COSTS

(€ millions)	FISCAL YEAR 2014 RESTATED	FISCAL YEAR 2015
Restructuring costs	(2.9)	(3.9)
Restructuring provisions, net of reversals	(0.5)	2.6
RESTRUCTURING COSTS	**(3.4)**	**(1.3)**

In fiscal year 2015, restructuring costs concerned primarily operations in Germany and the United Kingdom.

VII.15. FINANCIAL INCOME

(€ millions)	FISCAL YEAR 2014 RESTATED	FISCAL YEAR 2015
Revenues from cash and cash equivalents	1.0	0.2
Finance costs	(42.5)	(35.3)
NET FINANCE COSTS	**(41.5)**	**(35.1)**
Unwinding of discounted provisions	(3.9)	(4.3)
Assets and liabilities measured at fair value in income	(8.0)	8.6
Income from available-for-sale assets [1]	2.5	4.1
Net gains/losses on loans and receivables	(0.6)	(2.5)
Foreign exchange gains or losses (before the impact of swaps not yet matured)	7.0	(8.8)
Others	(0.9)	(4.4)
OTHER FINANCIAL INCOME AND EXPENSES	**(3.9)**	**(7.3)**

[1] Including dividends of €3.3 million received in 2015 and of €2.0 million received in 2014.

Average financing costs were around 4% in 2015 (also 4% in 2014).

Foreign exchange gains or losses should be analyzed together with assets and liabilities measured at fair value in income, most of which concern currency swaps. Net of these two items, foreign exchange gains or losses in 2015 reported a loss of €0.2 million (loss of €1.0 million in 2014).

VII.16. INCOME TAX

VII.16.1. BREAKDOWN OF INCOME TAX

The Group's income tax for fiscal year 2015 represented proceeds of €16.5 million, and breaks down as follows:

(€ millions)	FISCAL YEAR 2014 RESTATED	FISCAL YEAR 2015
Current income tax	**(14.1)**	**(21.3)**
Deferred income tax	**5.1**	**37.8**
Net deferred income tax	19.1	38.2
Impairment of deferred tax assets	(14.0)	(0.4)
INCOME TAX	**(9.0)**	**16.5**

Deferred tax revenue of €37.8 million includes the use of deferred tax assets not previously recognized in Sweden, as well as the write-back of deferred tax liabilities in the United States following the impairment of brands and licenses (see note VII. 5).

(€ millions)	FISCAL YEAR 2014 RESTATED	FISCAL YEAR 2015
Transdev Group tax group (France)	14.5	3.3
Netherlands	(1.8)	(0.6)
United States	(9.7)	15.5
Germany	(0.1)	1.6
Australia	(2.0)	(9.9)
Portugal	(1.8)	(0.9)
Sweden	0.2	10.6
Others	(8.3)	(3.1)
INCOME TAX	**(9.0)**	**16.5**

Nearly all French subsidiaries have opted for the tax consolidation group headed by Transdev Group SA (agreement with a five-year term entered into in 2011). Transdev Group SA is solely liable to the French Treasury for current corporate income taxes calculated on the basis of the overall tax return. Transdev Group SA, the consolidating company, is entitled to any tax savings that may be generated.

VII.16.2. TAX RATIONALIZATION (TAX PROOF)

(€ millions)	FISCAL YEAR 2014 RESTATED	FISCAL YEAR 2015
Net income (loss) from continuing operations (a)	48.3	77.8
Income (loss) from joint ventures and associates (b)	(2.6)	2.2
Income tax expense (c)	(9.0)	16.5
Pre-tax income (loss) from continuing operations (d)=(a)-(b)-(c)	59.9	59.1
THEORETICAL TAX RATE (e) (1)	**34.43%**	**34.43%**
THEORETICAL INCOME TAX -(d)x(e)	**(20.6)**	**(20.3)**
Net goodwill impairment expense	(2.4)	(1.0)
Tax rate differences (2)	(1.1)	5.7
Gain (loss) on disposals	4.1	0.2
Non-basis taxes	(1.5)	(0.9)
Tax visibility (3)	4.5	27.0
Other factors	8.0	5.8
INCOME TAX (effective tax)	**(9.0)**	**16.5**

(1) The theoretical tax rate given is the French tax rate (normal rate of 33.33%, to which is added the social contribution of 3.3%, bringing the total rate to 34.43%, excluding the additional contribution of 5%).
(2) The differences in tax rates are due to the fact that the Group does business in countries that apply tax rates that are different from the tax rate in France.
(3) Tax visibility includes primarily the tax consolidation gain and movements of unrecognized deferred tax assets.

VII.16.3. TAX AUDITS

In connection with their ordinary business activities, the entities of the Group in France and abroad are the subject of regular tax audits. In its estimates of risks, the Group takes into account the expenses that could result from the consequences of such tax audits, based on a technical analysis of the positions the Group defends before the tax authorities. The estimates of such risks are revised from time to time in light of any developments in the audits and disputes.

VII.17. BREAKDOWN OF NET DEPRECIATION AND AMORTIZATION, PROVISIONS AND IMPAIRMENT

The breakdown of the net depreciation and amortization, provisions and impairment expense in fiscal year 2015 is shown below:

(€ millions)	OPERATING	FINANCIAL	TAX	DISCONTINUED ACTIVITIES	TOTAL
Net provisions for impairment of assets (1)	(8.1)	(3.7)	(0.4)	-	(12.2)
Provisions for contingent liabilities	(1.6)	0.3	(3.6)	53.5	48.6
Sub-total current and non-current provisions	**(9.7)**	**(3.4)**	**(4.0)**	**53.5**	**36.4**
Depreciation, amortization and impairment of tangible and intangible fixed assets	(269.1)	-	-	-	(269.1)
Impairment of reveivables on disposal of property, plant & equipment & intangible assets	4.9	-	-	-	4.9
Impairment of goodwill and other charges related to impairment tests	(40.3)	-	-	-	(40.3)
Reversal of negative goodwill	-	-	-	-	-
TOTAL DEPRECIATION, AMORTIZATION, PROVISIONS AND IMPAIRMENT	**(314.2)**	**(3.4)**	**(4.0)**	**53.5**	**(268.1)**

(1) Impairment losses on inventories and receivables are recorded in changes in working capital requirements in the Consolidated Cash Flow Statement.

The net depreciation and amortization, provisions and impairment expense of –€268.1 million includes a depreciation and amortization expense of –€273.5 million.

Net provisions recognized for discontinued operations are related to other provisions for contingent liabilities, the movements of which are described in note VII.12.

VII.18. ASSETS HELD FOR SALE AND OPERATIONS DISCONTINUED OR DISPOSED OF

In fiscal year 2014, Transdev classified as assets and liabilities held for sale the assets and liabilities of SNCM. Due to the latter's nature as a cash generating unit, income therefrom was recognized in the "income from discontinued operations" item. That classification was retained until November 20, 2015, the date on which SNCM ceased to be a consolidated subsidiary in the Group's financial statements (see note VII.3.4).

In fiscal year 2015, Transdev classified as assets and liabilities held for sale the assets and liabilities of the "Israel" CGU, which was sold in August 2015. Due to its nature as a cash generating unit, income for the period and the proceeds from the sale were recognized in the "income from discontinued operations" item.

In 2015, the net profit from discontinued operations totaled €7 million, compared to –€47.4 million in fiscal year 2014, during which significant provisions were recognized in connection with the "SNCM" CGU.

VII.19. MANAGEMENT OF CREDIT RISK

Credit risk is essentially due to the possibility that customers will be unable to meet their payment obligations. In light of the nature of its business and customers, Transdev considers it unlikely that credit risk will generate a material potential impact.

VII.19.1. ANALYSIS OF VARIOUS TYPES OF CUSTOMERS

Credit risk must be analyzed differently for operating financial assets and operating receivables. Credit risk incurred on operating financial assets is assessed on the basis of the rating given to clients, most of which are public entities. The risk incurred on other operating receivables is assessed on the basis of an analysis of risk dilution and payment delays in the case of private-sector customers and, exceptionally, on the basis of a credit analysis in the case of government and public sector customers.

The Group's analysis of customer credit risk is based on the following four types of customers (public sector customers-concession grantors, private sector customers-individuals, corporate customers and other public sector customers):

(€ millions)	NOTE	DECEMBER 31, 2015	PUBLIC SECTOR - CONCESSION GRANTORS	PUBLIC SECTOR - OTHERS	PRIVATE SECTOR - INDIVIDUALS	PRIVATE SECTOR - COMPANIES AND OTHER COUNTERPARTIES
Non-current and current operating financial assets	VII.8.1	252.1	252.1	-	-	-
Net trade receivables	VII.10.2	823.1	489.4	85.3	16.2	232.2
Net other operating receivables		181.7	69.2	34.1	10.6	67.8
Net non-current financial receivables	VII.8.2	52.1	0.2	0.2	-	51.7
Net current financial receivables	VII.8.2	17.7	1.5	3.7	0.1	12.4
Other non-current financial assets (excluding financial receivables)	VII.8.2	23.2	13.7	1.2	0.2	8.1
Other current financial assets (excl. financial receivables)	VII.8.2	25.2	0.1	0.1	-	25.0
TOTAL		**1,375.1**	**826.2**	**124.6**	**27.1**	**397.2**

Currently, approximately 69% of outstanding trade receivables concern public sector counterparties (concession grantors and public sector customers).

There is no significant credit risk concentration due to the very broad geographical distribution of the Group's operations.

VII.19.2. AGED TRIAL BALANCE OF ASSETS OVERDUE BUT NOT IMPAIRED

The aged trial balance of assets overdue but not impaired as of December 31, 2015 is shown below:

		DECEMBER 31, 2015			OVERDUE NOT IMPAIRED			
(€ millions)	NOTE	GROSS VALUE	IMPAIRMENT	NET VALUE	ASSETS NOT YET DUE	OVERDUE BETWEEN 0-6 MONTHS	OVERDUE BETWEEN 6-12 MONTHS	OVERDUE FOR MORE THAN 1 YEAR
Non-current and current operating financial assets	VII.8.1	252.1	-	252.1	252.1	-	-	-
Trade receivables	VII.10.2	879.6	(56.5)	823.1	679.8	129.3	6.7	7.3
Other operating receivables		187.1	(5.4)	181.7	158.2	15.2	0.8	7.5
Non-current financial receivables	VII.8.2	52.5	(0.4)	52.1	52.1	-	-	-
Current financial receivables	VII.8.2	23.9	(6.2)	17.7	17.5	0.1	-	0.1
Other non-current financial assets (excl. financial receivables)	VII.8.2	23.2	-	23.2	23.2	-	-	-
Other current financial assets (excl. financial receivables)	VII.8.2	25.2	-	25.2	25.0	-	-	0.2
TOTAL		1,443.6	(68.5)	1,375.1	1,207.9	144.6	7.5	15.1

VII.20. MANAGEMENT OF MARKET RISK – DERIVATIVE FINANCIAL INSTRUMENTS

Transdev uses various derivative instruments to reduce and manage its exposure to fluctuations in interest rates, foreign exchange rates and commodity prices, not all of which qualify as hedge accounting. All these derivatives are recognized in the consolidated statement of financial position at fair value.

The fair value of derivatives recognized in the consolidated statement of financial position as of December 31, 2015 is shown below:

			AS OF DECEMBER 31, 2015 SPLIT BY NATURE		
(€ millions)	DECEMBER 31, 2014 RESTATED	DECEMBER 31, 2015	INTEREST RATE RISK	FOREIGN CURRENCY RISK	COMMODITIES
Current assets					
- Derivatives - Cash flow hedges	-	-	-	-	-
- Non-hedge derivatives	0.1	1.5	-	1.5	-
Non current assets					
- Derivatives - Cash flow hedges	-	-	-	-	-
- Non-hedge derivatives	-	-	-	-	-
Current liabilities					
- Derivatives - Cash flow hedges	13.4	13.6	-	-	13.6
- Non-hedge derivatives	9.3	2.2	-	2.2	-
Non current liabilities					
- Derivatives - Cash flow hedges	6.5	5.8	0.1	-	5.7
- Non-hedge derivatives	4.3	3.6	3.6	-	-
TOTAL	(33.4)	(23.7)	(3.7)	(0.7)	(19.3)

VII.20.1. MANAGEMENT OF COMMODITY RISK

To manage changes in fuel prices, a fuel hedging policy has been adopted for contracts with indexation deemed inadequate or to hedge contractual commitments. The Group uses either firm fuel purchase contracts or derivatives whose features (notional amount and maturity) are defined on the basis of forecast fuel requirements (based on firm orders or highly probable forecast flows). These derivatives are swaps concluded in local currency that set the future price of fuels.

These derivatives have been analyzed in accordance with IAS 39, *Financial Instruments: Recognition and Measurement*, and are classified as hedging instruments (cash flow hedges). The impact of these derivative instruments on performance and financial position is shown in the table below:

(€ millions)	CASH FLOW HEDGE DERIVATIVES					INCOME (LOSS) OF THE YEAR				
		NOMINAL AT DECEMBER 31, 2015								
NATURE	UNIT	TOTAL	< 1 YEAR	> 1 YEAR < 5 YEARS	> 5 YEARS	RECYCLING OF FAIR VALUE RESERVES INTO INCOME	INCOME (LOSS), INEFFECTIVE PART	TOTAL INCOME (LOSS)	FAIR VALUE RESERVES (NET OF TAX)	FAIR VALUE IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION
Swaps	Ton, EUR	50,911	39,747	11,164	-	(9.6)	-	(9.6)	(8.1)	(9.9)
Swaps	Ton, GBP	9,084	6,855	2,229	-	(1.8)	-	(1.8)	(1.6)	(2.0)
Swaps	Ton, AUD	25,590	10,236	15,354	-	(2.5)	-	(2.5)	(5.2)	(7.4)
TOTAL		**85,585**	**56,838**	**28,747**	**-**	**(13.9)**	**-**	**(13.9)**	**(14.9)**	**(19.3)**

VII.20.2. MANAGEMENT OF CURRENCY RISK

Currency risk associated with the financing of foreign subsidiaries
The Group is financed primarily by Veolia and Caisse des Dépôts in euros. Transdev has set up currency swaps between euro lenders and borrowers in the foreign currencies used to finance foreign subsidiaries. These swaps have been analyzed in accordance with IAS 39 and have not been classified as hedging instruments. Accordingly, the reassessment of financing in foreign currencies granted to subsidiaries and changes in the value of swaps are recognized at the same time in income.

The impact of these currency derivatives on performance and financial position is shown in the table below:

NATURE *(€ millions)*	NON HEDGE DERIVATIVES NOMINAL AS AT DECEMBER 31, 2015 (LOCAL CURRENCY MILLIONS)		INCOME (LOSS) OF THE YEAR	FAIR VALUE IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION
	TOTAL	< 1 AN		
Swap Euro/CAD	51.0	51.0	1.1	0.5
Swap Euro/SEK	625.0	625.0	(0.1)	(0.9)
Swap Euro/USD	310.0	310.0	6.5	(1.0)
Swap EUR/GBP	30.0	30.0	0.9	0.7
Swap EUR/AUD	15.0	15.0	-	-
Swap Euro/ILS	-	-	0.2	-
TOTAL			**8.6**	**(0.7)**

Transactional currency risk
The Group has low exposure to transactional currency risk because the Group's business is conducted by subsidiaries that operate in their own countries and in their own currencies. Their exposure to currency risk is therefore naturally limited.

Translation risk

Transdev incurs translation risk as a result of translating the financial information of its subsidiaries in the consolidated financial statements. The main currencies concerned are the U.S. dollar, the Australian dollar and the Swedish krona.

The table below summarizes the sensitivity of certain aggregates in the Group's consolidated income statement to fluctuations of more or less than 10% in the euro exchange rate, associated with the translation of subsidiaries' accounts denominated in foreign currencies:

(€ millions)	CONTRIBUTION TO THE CONSOLIDATED FINANCIAL STATEMENTS						SENSITIVITY TO AN INCREASE OR DECREASE IN THE FOUR MAIN CURRENCIES AGAINST EURO	
	EURO	U.S. DOLLAR	AUSTRALIAN DOLLAR	SWEDISH KRONA	OTHER CURRENCIES	TOTAL	10% GAIN IN EURO	10% LOSS IN EURO
Revenue from ordinary activities	4,386.2	1,104.8	406.8	334.7	401.8	**6,634.3**	184.6	(184.6)
Operating income after share of net income (loss) of equity-accounted entities	86.0	(40.7)	28.2	24.1	6.1	**103.7**	1.2	(1.2)
Net result	55.9	(36.0)	16.6	32.2	16.1	**84.8**	1.3	(1.3)

VII.20.3. MANAGEMENT OF INTEREST RATE RISK

The structure of the Group's financing naturally exposes it to fluctuations in interest rates. Debts with variable interest rates impact financial results in line with fluctuations in interest rates.

The impact of interest rate derivatives on performance and financial position is shown in the table below:

(€ millions)	INSTRUMENTS						INCOME (LOSS) OF THE YEAR					
			NOMINAL AS AT DECEMBER 31, 2015									
	NATURE	UNIT	TOTAL	< 1 YEAR	> 1 YEAR < 5 YEARS	> 5 YEARS	RECYCLING OF FAIR VALUE RESERVES INTO INCOME	INCOME (LOSS), INEFFECTIVE PART	INCOME (LOSS) OF NON-ELIGIBLE INSTRUMENTS	TOTAL INCOME	FAIR VALUE RESERVES (NET OF TAX)	FAIR VALUE IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION
Non hedge derivatives	Swaps	EUR	18.8	3.0	4.2	11.6	-	-	0.7	0.7	-	(3.6)
Cash flow hedge derivatives	Swaps	EUR	15.3	6.5	8.8	-	(0.2)	-	-	(0.2)	(0.1)	(0.1)
TOTAL			**34.1**	**9.5**	**13.0**	**11.6**	**(0.2)**	**-**	**0.7**	**0.5**	**(0.1)**	**(3.7)**

Assuming a constant net debt structure and management policy as of December 31, 2015, a change of 1% in interest rates would have an impact on financial income of around €7 million (based on the cost of debt after hedging by the Group).

VII.21. ADDITIONAL INFORMATION ON FINANCIAL ASSETS AND LIABILITIES

The principles used to measure fair value are described in note VII.1.22.

The fair value of loans and receivables is very close to the value in the consolidated statement of financial position.

As of December 31, 2015, the only financial assets and/or liabilities covered by enforceable master netting agreements are derivatives managed pursuant to FBF and ISDA contracts. These instruments are netted only in the event of a default by one of the parties to the contract. Therefore, they are not netted for accounting purposes.

VII.21.1. FINANCIAL ASSETS

The table below shows the net carrying amount and fair value of the Group's financial assets, grouped according to the categories defined by IFRS 7, as of December 31, 2015:

	AS OF DECEMBER 31, 2015						
	CARRYING AMOUNT ON THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION		CLASSES OF FINANCIAL ASSETS MEASURED AT FAIR VALUE				METHOD OF MEASURING FAIR VALUE
(€ millions)	NOTE	TOTAL	AVAILABLE FOR SALE ASSETS	LOANS AND RECEIVABLES	ASSETS MEASURED ON THE CONSOLIDATED INCOME STATEMENT USING THE FAIR VALUE OPTION	DERIVATIVE INSTRUMENTS	
Non-consolidated equity investments [1]	VII.8.2	28.7	28.7	-	-	-	
Current and non-current operating financial assets	VII.8.1	252.1	-	252.1	-	-	
Other non-current financial assets	VII.8.2	75.3	-	75.3	-	-	
Non-current and current derivative instruments - assets	VII.20	1.5	-	-	-	1.5	level 2
Trade receivables	VII.10.2	823.1	-	823.1	-	-	
Other current operating receivables	VII.10.2	314.9	-	314.9	-	-	
Other current financial assets	VII.8.2	42.9	-	18.9	24.0	-	level 1
Cash and cash equivalents	VII.13.1	195.0	-	-	195.0	-	level 2
TOTAL		**1,733.5**	**28.7**	**1,484.3**	**219.0**	**1.5**	

[1] Non-consolidated equity investments are mainly measured at cost.

VII.21.2. FINANCIAL LIABILITIES

The table below shows the net carrying amount and fair value of financial liabilities, grouped according to the categories defined by IFRS 7, as of December 31, 2015:

	AS OF DECEMBER 31, 2015						
	CARRYING AMOUNT ON THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION		CLASSES OF FINANCIAL LIABILITIES MEASURED AT FAIR VALUE				METHOD OF MEASURING FAIR VALUE
(€ millions)	NOTE	TOTAL	LIABILITIES AT AMORTIZED COST	LIABILITIES MEASURED AT FAIR VALUE ON THE CONSOLIDATED INCOME STATEMENT	LOANS AND RECEIVABLES	DERIVATIVE INSTRUMENTS	
Borrowings and other financial liabilities							
• non-current financial liabilities	VII.13.1	864.0	864.0	-	-	-	
• current financial liabilities	VII.13.1	45.9	45.9	-	-	-	
• overdrafts	VII.13.1	21.4	-	21.4	-	-	Level 2
Non-current and current derivative instruments - liabilities	VII.20	25.2	-	-	-	25.2	Level 2
Trade payables	VII.10.3	525.7	-	-	525.7	-	
Other operating payables	VII.10.3	1,036.2	-	-	1,036.2	-	
TOTAL		**2,518.4**	**909.9**	**21.4**	**1,561.9**	**25.2**	

VII.22. EMPLOYEE BENEFIT OBLIGATIONS

Depending on local regulations and collective bargaining agreements, the Group has set up defined-contribution pension plans, defined-benefit pension plans (covering one company or several employers) and other post-employment benefits for its employees.

VII.22.1. BREAKDOWN OF PROVISIONS IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€ millions)	FRANCE [1]	NETHERLANDS	UNITED STATES	UNITED KINGDOM	OTHER	TOTAL
Pension plans and early-retirements (except retiree medical coverage)	-	9.0	22.9	19.3	22.9	74.1
End-of-career allowances	52.6	-	-	-	4.3	56.9
Retiree medical coverage	-	0.8	-	-	-	0.8
Other post-employment benefits	0.4	-	-	-	4.3	4.7
Total post-employment benefits	**53.0**	**9.8**	**22.9**	**19.3**	**31.5**	**136.5**
Long-service awards	6.0	2.2	-	-	0.6	8.8
Other long-term benefits	-	2.1	1.5	-	13.7	17.3
Total other long-term benefits	**6.0**	**4.3**	**1.5**	**-**	**14.3**	**26.1**
PROVISIONS FOR EMPLOYMENT BENEFIT OBLIGATIONS AS OF DECEMBER 31, 2015	59.0	14.1	24.4	19.3	45.8	162.6

[1] The reported "France" activity does not include the activities carried out in France by the International Lines or the holding company (included in the column "Other").

VII.22.2. DEFINED-CONTRIBUTION PLANS

As described in note VII.1.16, defined-contribution plans refer to plans under which the Group (or a Group entity) pays an agreed contribution to a separate entity, relieving it of any liability for future payments. These obligations are recognized as an expense when they come due.

Mandatory basic pension plans in the various countries where the Group does business are generally defined-contribution plans. Additional defined-contribution plans have been set up within certain subsidiaries. The Group's expenses for these plans totaled about €61 million (€57 million in 2014).

VII.22.3. CORPORATE DEFINED-BENEFIT PLANS

Certain companies of the Group have set up defined benefit plans (primarily supplemental pensions and end-of-career allowances) and/or plans that offer other post-employment benefits.

These obligations are measured using the defined benefit obligation (DBO) concept or the discounted value of the obligation. These future payment obligations may be financed in part or in full (through "plan assets").

Non-financed plans

Non-financed plans are essentially retirement benefit and post-employment medical coverage plans for which rights vest only if the employee is still employed by the Group at the time he/she retires. A provision is recognized, without any obligation to pre-finance it because the payment of these benefits remains uncertain. In some cases, funds have been placed with external organizations (such as insurance companies) but without any future financing obligation.

In France, nearly all actuarial debt is for legally required retirement allowances paid in a single installment. These allowances are a multiple of the employee's last salary based on his/her length of service and are required to be paid at the time employees retire, pursuant to the collective bargaining agreements. The two main collective bargaining agreements applicable in France are the Urban Public Transportation Collective Bargaining Agreement (CCN-3099) and the Trucking Industry Collective Bargaining Agreement (CCN-3085).

Financed plans

Financed plans are essentially pension plans in the United States and the United Kingdom. These obligations are pre-financed by contributions paid by the Group's subsidiaries and the employees to external funds that are separate legal entities and whose investments are subject to the fluctuations of the financial markets.

United States

In the United States, defined-benefit plans concern essentially retirement obligations pursuant to a contract, which are managed through a pension fund. All rights acquired under this contract (based on salary and number of years of service with the Group) have been frozen; beneficiaries who are still employed cannot acquire additional rights.

United Kingdom

In the United Kingdom, the Group's obligations are managed essentially through pension funds. Each fund is managed by a council of trustees, who are representatives of the Group's subsidiaries, employees and retirees, and at times are advised by independent experts.

In 2010, all rights acquired (based on salary and number of years of service with the Group) were frozen; beneficiaries who are still employed cannot acquire additional rights.

Risk exposure

The main risks to which the Group is exposed through the pension plans in the United Kingdom and North America are plan asset volatility, changes in bond rates and longevity.

Obligations with respect to defined-benefit pension plans and other post-employment benefits

The tables below show the Group's obligations with respect to defined benefit pension plans (see note VII.1.16) and post-employment benefits. They exclude, by definition, defined contribution plans and multi-employer retirement plans, in particular the SPOV plan in the Netherlands (see note VII.22.4).

Actuarial assumptions

Actuarial assumptions used for the calculations vary according to the country in which the plans are set up.

	AS OF DECEMBER 31, 2014	AS OF DECEMBER 31, 2015
Discount rate		
Euro zone	1.7%	2.0%
United States	4.0%	4.2%
United Kingdom	3.4%	3.6%
Inflation rate		
Euro zone	1.6%	1.6%
United States	2.5%	2.5%
United Kingdom [1]	3.0%/2.0%	3.0%/2.0%
Rate of salary increases (excluding SPOV plan)	2.4%	2.3%

[1] RPI/RCI

Changes in the defined-benefit obligation (DBO) and plan assets

(€ millions)	AS OF DECEMBER 31, 2014 NON-FINANCED PLANS	AS OF DECEMBER 31, 2014 FINANCED PLANS	AS OF DECEMBER 31, 2014 TOTAL	AS OF DECEMBER 31, 2015 NON-FINANCED PLANS	AS OF DECEMBER 31, 2015 FINANCED PLANS	AS OF DECEMBER 31, 2015 TOTAL
Changes in the defined-benefit obligation						
Discounted value of the defined benefit obligation at beginning of year	**153.2**	**152.1**	**305.3**	**152.2**	**189.2**	**341.4**
Current service cost	6.3	0.7	7.0	4.9	1.0	5.9
Interest cost	4.8	6.5	11.3	1.8	6.9	8.7
Benefit obligation assumed on acquisitions	0.2	-	0.2	1.6	-	1.6
Benefit obligation transferred on divestures	(0.8)	(4.4)	(5.2)	(66.3)	-	(66.3)
Curtailments/settlements	(7.7)	-	(7.7)	(0.2)	0.2	-
Actuarial losses (gains)	10.1	29.5	39.6	0.9	(10.7)	(9.8)
o/w experience actuarial losses (gains)	*(0.9)*	*2.1*	*1.2*	*3.6*	*1.9*	*5.5*
o/w demographic assumptions actuarial losses (gains)	*0.5*	*5.0*	*5.5*	*0.1*	*(4.7)*	*(4.6)*
o/w financial assumptions actuarial losses (gains)	*10.5*	*22.4*	*32.9*	*(2.8)*	*(7.9)*	*(10.7)*
Benefits paid	(12.8)	(7.7)	(20.5)	(7.1)	(13.9)	(21.0)
Plan amendments	-	-	-	0.4	-	0.4
Other (including foreign exchange translation)	(1.1)	12.5	11.4	0.4	14.8	15.2
Discounted value of the defined benefit obligation at end of year (1)	**152.2**	**189.2**	**341.4**	**88.6**	**187.5**	**276.1**
Changes in plan assets						
Fair value of plan assets at beginning of year	**3.1**	**118.3**	**121.4**	**2.2**	**132.6**	**134.8**
Actual return on plan assets	0.1	11.4	11.5	-	1.5	1.5
o/w interest income on plan assets	*0.1*	*5.2*	*5.3*	-	*5.0*	*5.0*
o/w actuarial gains (losses)	-	*6.2*	*6.2*	-	*(3.5)*	*(3.5)*
Employer contributions	0.2	4.8	5.0	0.5	7.8	8.3
Plan assets assumed on acquisitions	0.1	-	0.1	-	-	-
Plan assets transferred on divestures	-	(3.5)	(3.5)	-	-	-
Benefits paid	(1.2)	(7.7)	(8.9)	(0.7)	(13.9)	(14.6)
Other (including foreign exchange translation)	(0.1)	9.3	9.2	-	9.8	9.8
Fair value of plan assets at end of year (2)	**2.2**	**132.6**	**134.8**	**2.0**	**137.8**	**139.8**
Funding status (a) = (2) - (1)	**(150.0)**	**(56.6)**	**(206.6)**	**(86.6)**	**(49.7)**	**(136.3)**
Asset limit (b)	0.4	-	0.4	0.3	-	0.3
NET OBLIGATION (-a + b)	**150.4**	**56.6**	**207.0**	**86.9**	**49.7**	**136.6**
Provisions	84.3	56.6	140.9	86.8	49.7	136.5
Net obligation for discontinued operations	67.1	-	67.1	-	-	-
Other	(1.0)	-	(1.0)	0.1	-	0.1

Plan assets

In 2016, the contribution to the funding of defined benefit plans should be about €4 million. The actual rate of return on assets in fiscal year 2015 is around 1.1%.

The average allocation of the Group's plan assets is shown below:

	AS OF DECEMBER 31, 2014	AS OF DECEMBER 31, 2015
Equities	45.0%	43.5%
Goverment bonds	8.1%	7.9%
Corporate bonds	28.7%	30.0%
Quoted assets	**81.8%**	**81.4%**
Real estate	0.8%	0.8%
Insurance contract	12.8%	14.2%
Other	4.6%	3.6%
Non-quoted assets	**18.2%**	**18.6%**
Cash	**0.0%**	**0.0%**

Change in reimbursement rights

(€ millions)	DECEMBER 31, 2014	DECEMBER 31, 2015
Fair value of reimbursement rights at beginning of year	35.8	33.1
Interest income on reimbursement rights	1.1	0.4
Actuarial gains (losses)	-	3.2
Repayments	(4.5)	(7.9)
Other	0.7	(19.9)
FAIR VALUE OF REIMBURSEMENT RIGHTS (1)	33.1	8.9

(1) Including, for the fiscal year 2014, the reimbursement rights for discontinued activities (reclassified in assets held for sale).

Reimbursement rights concern the portion of employee rights in respect of post-employment benefits that correspond to the period worked with their previous employer, or when the operating agreement states that the employee's rights in respect of these commitments are reimbursed by a third party.

Net cost of post-employment benefits

	2014			2015		
(€ millions)	NON-FINANCED PLANS	FINANCED PLANS	TOTAL	NON-FINANCED PLANS	FINANCED PLANS	TOTAL
Current service cost	(6.3)	(0.7)	(7.0)	(4.9)	(1.0)	(5.9)
Interest cost	(4.8)	(6.5)	(11.3)	(1.8)	(6.9)	(8.7)
Interest income on plan assets	0.1	5.2	5.3	-	5.0	5.0
Interest income on reimbursement rights	0.7	0.4	1.1	-	0.4	0.4
Curtailments/settlements	7.7	-	7.7	0.2	(0.2)	-
Plan amendments	-	-	-	(0.4)	-	(0.4)
Other	0.6	(0.5)	0.1	(0.5)	(1.1)	(1.6)
Net cost of post-employment benefits in the consolidated income statement (1)	**(2.0)**	**(2.1)**	**(4.1)**	**(7.4)**	**(3.8)**	**(11.2)**
Actuarial gains (losses) on assets	(0.1)	6.2	6.1	-	(3.5)	(3.5)
Experience actuarial gains (losses)	(0.9)	(2.2)	(3.1)	(3.6)	(1.9)	(5.5)
Actuarial gains (losses) on demographic assumptions	(0.5)	(5.0)	(5.5)	(0.1)	4.7	4.6
Actuarial gains (losses) on financial assumptions	(7.7)	(22.4)	(30.1)	2.8	7.9	10.7
Actuarial gains (losses) on reimbursement rights	-	-	-	3.2	-	3.2
Other	0.5	-	0.5	-	-	-
Net cost of post-employment benefits in other comprehensive income (1)	**(8.7)**	**(23.4)**	**(32.1)**	**2.3**	**7.2**	**9.5**
TOTAL (1)	(10.7)	(25.5)	(36.2)	(5.1)	3.4	(1.7)

(1) Including the net cost of benefits for discontinued activities.

Costs recognized on the income statement are posted to operating income, with the exception of the net interest expense, which is recognized as financial income.

Sensitivity of the discounted value of the obligation and of the current service cost
The Group's actuarial debt is particularly sensitive to discount rates and salary increases.

For example, an increase of 0.5% in the discount rate would reduce the discounted value of the Group's obligation by about €16 million and the current service cost provided the following year by €0.4 million. A decrease of 0.5% in the discount rate would increase the discounted value of the Group's obligation by about €18 million and the current service cost provided the following year by €0.2 million.

In addition, an increase of 0.5% in the salary increase rate would increase the discounted value of the Group's obligation by about €3 million.

VII.22.4. MULTI-EMPLOYER PLANS

Pursuant to collective bargaining agreements, certain Group companies participate in multi-employer defined-benefit plans.

General situation
The principal multi-employer plans are primarily in the Netherlands, the United States and Sweden. The corresponding expense recognized in the consolidated income statement is equal to the contributions made during the year. This amount was approximately €13 million in 2015 (approximately €12 million in 2014), and does not include the contribution to the SPOV plan in the Netherlands (see below).

Specific situation: SPOV plan in the Netherlands
The Group also participates in a defined benefit multi-employer plan through its subsidiaries in the Netherlands, the SPOV *(Stichting Pensioenfonds Openbaar Vervoer)* multi-employer plan. The retirement pension is based on a percentage of the average reference salary per career for each year of length of service.

The SPOV plan is an optional pension fund available to companies covered by the Public Transportation National Collective Bargaining Agreement in the Netherlands. Twenty-six companies were members at year-end 2015. Eligible employees of Transdev group companies that are members acquire rights as of 21 years on the basis of 1.875% of the reference salary per year of service (2015 rate).

A board of directors comprised of employer and employee representatives is responsible for the fund's governance and is assisted by committees of experts. The pension fund's financial situation is assessed by the Dutch Central Bank and the local Financial Markets Authority.

As of December 31, 2015:
- Plan assets (100% coverage) totaled €3.4 billion. They are mainly comprised of equities (35%), government bonds (28%) and real estate (9%).
- The discounted value of the obligation applying IFRS principles is estimated at €3.2 billion (100% coverage), whereas using local accounting principles, the discounted value of the obligation is around €3.3 billion.

According to both sets of accounting principles, the plan is in surplus. Because the Group has no right to this surplus, no asset is recognized in the consolidated statement of financial position (asset ceiling).

The economic assumptions used to calculate the obligation applying IFRS principles were as follows:
- a discount rate of 2%;
- a retirement benefits indexation rate of 0.4%. The retirement benefits indexation rate is conditioned on the financial situation of the SPOV plan and employers have no obligation to increase their contributions to the fund.

The Group's subsidiaries in the Netherlands accounted for about 52% of the contributions to the fund at year-end 2015. The Group's contribution to the SPOV plan concerns primarily employees in the Public Transportation sector, in which the duration of operations depends on the renewal of contracts. When a contract is lost to another operator, the Group's obligations to the employees who are transferred to the new operator are also transferred, and the Group owes no further obligation to the former plan beneficiaries.

The current service cost totaled €34.8 million in 2015, which is equal to the employer's contribution.

VII.23. OPERATING LEASES

The Transdev group has concluded operating and finance leases, essentially for rolling stock. Finance leases are described in note VII.13.

VII.23.1. FUTURE MINIMUM LEASE PAYMENTS

(€ millions)	OPERATING LEASE
2016	337.4
2017-2018	477.9
2019-2020	315.9
2020 and subsequent years	303.0
TOTAL FUTURE MINIMUM LEASE PAYMENTS	**1,434.2**

VII.23.2. LEASE PAYMENTS OWED DURING THE PERIOD

(€ millions)	DECEMBER 31, 2014 RESTATED	DECEMBER 31, 2015
Minimum lease payments expensed in the period	(391.5)	(397.3)
Contingent lease payments expensed in the period	-	-
TOTAL LEASE PAYMENTS FOR THE PERIOD [1]	**(391.5)**	**(397.3)**

[1] Including no discontinued operation as at December 31, 2015 (-€11.3 million as of December 31, 2014).

VII.23.3. VEOLIA GROUP AS PARENT COMPANY CLAUSE

Certain rolling stock operating leases contain acceleration clauses that are triggered by Veolia's loss of direct or indirect control over Transdev Ile-de-France SA. Depending on changes in the Group's scope, discussions will be initiated with the lessors and their lending banks to amend the leases in order to reflect Transdev Group SA's new shareholder structure. In 2013, Veolia Verkher Regio GmbH received a reservation of rights letter from the lessor under a lease representing future lease payments of €22.8 million at year-end 2015.

VII.23.4. "STRUCTURED ENTITIES"

The Group has entered into operating leases for its rail operations in Germany. Some of these leases are carried by "structured entities" held by third parties. The Group has analyzed these structures that Transdev does not control. The commitments under these leases are limited to operating lease commitments and are shown in the table in note VII.23.1.

VII.24. OFF-BALANCE SHEET COMMITMENTS AND COLLATERAL

VII.24.1. OFF-BALANCE SHEET COMMITMENTS MADE AND RECEIVED

COMMITMENTS AND GUARANTEES GIVEN (€ millions)	DECEMBER 31, 2014 RESTATED	DECEMBER 31, 2015	MATURITY < 1 YEAR	BETWEEN 1 AND 5 YEARS	> 5 YEARS
Operating guarantees including performance bonds	721.3	672.1	241.5	284.6	146.0
Capital investment and purchase obligations	35.0	61.9	38.9	23.0	-
Other operating commitments given	61.9	53.0	49.5	2.7	0.8
Commitments in connection with operating activities	**818.2**	**787.0**	**329.9**	**310.3**	**146.8**
Seller's warranties of assets and liabilities	53.5	57.2	-	39.3	17.9
Purchase and sale obligations	0.6	-	-	-	-
Commitments in connection with the Group's scope	**54.1**	**57.2**	**-**	**39.3**	**17.9**
Letters of credit	96.6	121.6	38.9	82.7	-
Other financing commitments	-	2.2	-	-	2.2
Commitments in connection with financing	**96.6**	**123.8**	**38.9**	**82.7**	**2.2**
TOTAL COMMITMENTS GIVEN (1)	**968.9**	**968.0**	**368.8**	**432.3**	**166.9**

(1) Including no discontinued operation as at December 31, 2015 (€2.0 million as at December 31, 2014).

COMMITMENTS AND GUARANTEES RECEIVED (€ millions)	DECEMBER 31, 2014 RESTATED	DECEMBER 31, 2015	MATURITY < 1 YEAR	BETWEEN 1 AND 5 YEARS	> 5 YEARS
Operating guarantees	49.3	37.4	17.7	16.9	2.8
Commitments in connection with operating activities	**49.3**	**37.4**	**17.7**	**16.9**	**2.8**
Seller's warranties of assets and liabilities	0.2	0.6	0.1	0.5	-
Other guarantees in connection with changes in scope	-	-	-	-	-
Commitments in connection with the Group's scope	**0.2**	**0.6**	**0.1**	**0.5**	**-**
TOTAL COMMITMENTS RECEIVED (1)	**49.5**	**38.0**	**17.8**	**17.4**	**2.8**

(1) Including no discontinued operation as at December 31, 2015 (€0.6 million as at December 31, 2014).

Operating guarantees

Operating guarantees are any commitments not associated with financing transactions that are required under agreements or contracts and, more broadly, that are required in connection with carrying on the business of the Group's companies. These guarantees include bid bonds, advance payment bonds and completion or performance bonds posted in connection with the execution of contracts or concession arrangements.

Investment and purchase obligations

These are irrevocable commitments associated with the acquisition of operating assets. Investment and purchase obligations are primarily concentrated in Sweden for €35.8 million, the Netherlands for €12.3 million and Germany (€9.3 million).

Letters of credit

Letters of credit are issued by financial institutions to creditors, customers or suppliers of the Group's companies as guarantees in connection with their operating activities. Letters of credit granted are primarily guarantees given to insurers in the United States guaranteeing payment of deductible amounts in the event of claims. Each insurer updates the total amount required, on the basis of an actuarial calculation of claim risk, either annually or upon renewal of the insurance policy.

Unused credit lines as of December 31, 2015 are shown in note VII.13.8.

VII.24.2. COLLATERAL PROVIDED TO SECURE FINANCIAL LIABILITIES

As of December 31, 2015, collateral provided by the Group totaled €222.6 million and is intended to guarantee financial liabilities. The amount of drawdowns under credit facilities outstanding at year-end 2015 totaled €54.2 million.

VII.25. RELATED PARTY TRANSACTIONS

VII.25.1. COMPENSATION AND RELATED BENEFITS PAID TO PRINCIPAL OFFICERS

The Group's principal officers consist of the members of Transdev's executive committee and the directors.

Compensation of executive committee members

The table below summarizes the amounts that the Group has paid as compensation of all types and other benefits granted to the members of Transdev's executive committee.

€ thousands	2014	2015
Short-term benefits excluding employer contributions (1)	3,110.7	3,446.6
Employer contributions (2)	1,137.2	1,102.4
Post-employment benefits (3)	78.7	95.8
Other long-term benefits (4)	11.6	14.6
TOTAL	**4,338.2**	**4,659.4**

(1) Fixed and variable compensation, employee benefits in kind. Variable compensation comprises amounts due in respect of the prior fiscal year and paid during the next fiscal year.
(2) Except employer contributions related to post-employment benefits.
(3) Current service cost.
(4) Other compensation vested but payable in the long-term.

The difference between 2014 and 2015 is mainly the result of two effects: an exchange rate impact for 2.6% and the partial renewal of the 2014 executive committee.

Directors' fees paid to Transdev Group SA directors

Transdev Group SA's general meeting of shareholders held on March 26, 2015 voted to set the gross annual amount of directors' fees granted to the board of directors in 2015 at 60,000 euros.

VII.25.2. RELATIONSHIPS WITH COMPANIES CONSOLIDATED UNDER THE EQUITY METHOD

Investments in joint-ventures and associates are broken down in note VII.7. Transactions with joint ventures and associates are concluded on arm's-length terms.

VII.25.3. RELATIONSHIPS WITH CAISSE DES DÉPÔTS AND VEOLIA COMPANIES AND THEIR SUBSIDIARIES NOT AFFILIATED WITH TRANSDEV

	RELATIONSHIPS WITH CAISSE DES DÉPÔTS COMPANIES AND SUBSIDIARIES NOT AFFILIATED WITH TRANSDEV		RELATIONSHIPS WITH VEOLIA COMPANIES AND SUBSIDIARIES NOT AFFILIATED WITH TRANSDEV	
(€ millions)	AS OF DECEMBER 31, 2014 RESTATED	AS OF DECEMBER 31, 2015	AS OF DECEMBER 31, 2014 RESTATED	AS OF DECEMBER 31, 2015
Non-consolidated investments	**-**	**-**	**0.1**	**0.1**
Receivables				
Operating receivables	-	0.1	1.4	1.7
Current financial receivables	3.5	3.2	66.4	-
Non-current derivative instruments - liabilities	**-**	**-**	**4.3**	**3.6**
Liabilities				
Operating payables	0.2	0.2	8.2	6.7
Current financial liabilities	0.3	0.3	0.3	0.3
Non-current financial liabilities	465.0	345.0	465.0	345.0
Revenue from ordinary activities	-	-	0.8	0.7
Operating expenses	(0.1)	-	(12.2)	(3.3)
Net finance expenses	(14.5)	(11.9)	(14.6)	(11.9)

Caisse des Dépôts finances the Group by providing a bilateral line of credit with the following features: a term loan of €345 million and a new €200 million line of credit, which had not been drawn down as of December 31, 2015. The maturity date of this bilateral line of credit is March 3, 2017. In addition, Caisse des Dépôts extended the maturity of a €150 million line of credit granted on December 18, 2013 to December 22, 2016.

Veolia finances the Group by providing a bilateral line of credit with the following features: a term loan of €345 million and a new €200 million line of credit, which had not been drawn down as of December 31, 2015. The maturity date of this bilateral line of credit is March 3, 2017. In addition, Veolia extended the maturity of a €180 million line of credit granted on December 18, 2013 to December 22, 2016.

VII.26. PENDING LEGAL OR ARBITRATION PROCEEDINGS

In the ordinary course of its operations, the Group is involved in a number of legal and arbitration proceedings with third parties or the tax authorities in certain countries. Provisions are recognized in connection with these legal and arbitration proceedings if an obligation (legal, contractual or implicit) is owed to a third party on the balance sheet date, if it is probable that an outflow of funds without consideration will be necessary to extinguish the obligation, and if the amount of such outflow of funds can be estimated with sufficient reliability.

The main legal proceedings pending concern regional aid for road transportation of passengers in Ile-de-France (France), Société Nationale Maritime Corse Méditerranée (France), and the Metrolink dispute in the United States. These proceedings are described below.

VII.26.1. REGIONAL AID FOR ROAD TRANSPORTATION OF PASSENGERS - FRANCE

In 2004, Syndicat Autonome des Transports de Voyageurs (SATV) and Société Autocars R. Suzanne petitioned the Ile-de-France Region to cancel its decisions adopted in 1994, 1998 and 2001 creating aid programs, on the grounds that the Region had breached Article 108-3 of the Treaty on the Functioning of the European Union (TFEU) (formerly Article 88-3 of the TEC), which requires that all aid programs must be reported to the European Commission before they are implemented.

By a judgment rendered on June 4, 2013, the Paris Administrative Court ordered the Region to recover aid that it had paid. The Region appealed that decision and, at the same time, requested that enforcement of the decision be stayed. That request was denied on December 31, 2013. Therefore, on March 3, 2014, the Region wrote to Transdev Group SA and other operators of regular transportation lines in Ile-de-France, informing them, firstly, of the proceedings before the administrative courts and, secondly, of the possibility of a future action against the companies for restitution.

Because the operators were not parties to these various actions, on February 27, 2015, they voluntarily intervened in the case before the Paris Administrative Court of Appeal by filing a third-party opposition against the decision rendered by the Paris Administrative Court on July 12, 2010.

On November 27, 2015, the Paris Administrative Court of Appeal denied the third-party opposition and ordered the Ile-de-France Region to determine the amounts to be returned by each company that had been a beneficiary of this aid program, taking into account the nature of the investments subsidized and the types of transportation activities engaged in, and then to recover this aid within a period of nine months.

On January 27, 2016, Transdev Ile-de-France and its subsidiary Transports Rapides Automobiles (TRA) filed an appeal before the Conseil d'Etat challenging the decision that denied their third-party opposition.

If the Ile-de-France Region issues a payment order, Transdev Group or its relevant subsidiaries would be entitled to file an appeal before the administrative court, thereby staying enforcement of the payment order.

At this stage, Transdev Group observes that it itself was not the actual beneficiary of this financial assistance; rather, it was local governments (departments, metropolitan areas, towns, etc.) that received this financial assistance through a contractual mechanism for reducing the prices of transportation services invoiced to such local governments. Transdev Group also observes that the Ile-de-France Region itself advised the Administrative Court of Appeal that it would be extremely difficult to calculate the amount of the subsidies to be returned because it was only a specific portion of subsidies granted that was at issue. Transdev Group, together with OPTILE (an association whose members are all private firms that operate regular transportation lines included in the Ile-de-France Transportation Plan), will challenge any repayment that may be demanded and will initiate all legal actions necessary to defend its interests.

In addition, in October 2008, a complaint was anonymously filed with the European Commission with regard to the aid and subsidies program that the Ile-de-France Region had set up in 1994 for certain public transportation companies in that region. On March 11, 2014, a Commission press release announced that it was initiating an in-depth investigation of the subsidies granted to companies that operated regular public transportation services in the Ile-de-France Region (financial assistance for the purchase of vehicles or other equipment). On March 12, 2014, the Commission notified the French government of its decision to initiate a formal investigation. The French government submitted its views on April 30, 2014 and on May 9, 2014 the European Commission's decision to initiate formal proceedings was published in the Official Journal of the European Union. The "interested parties," including Transdev Ile-de-France and its subsidiary Transports Rapides Automobiles (TRA), have submitted their views and the investigation is pending.

No provision has been recognized in the Group's financial statements.

VII.26.2. SOCIETE NATIONALE MARITIME CORSE MEDITERRANEE (SNCM) – FRANCE

1. The acquisition by Transdev Ile-de-France (formerly Veolia Transport) of an equity stake in SNCM from Compagnie Générale Maritime et Financière (CGMF) was *inter alia* subject to the condition subsequent that the concession grantor not cease using public service concession agreements. Because the concession grantor failed to file an appeal, on January 13, 2012, Transdev Ile-de-France gave CGMF notice of its decision to apply the rescission clause of the privatization memorandum of agreement dated May 16, 2006. On January 25, 2012, CGMF disputed the application of the rescission clause of the privatization memorandum of agreement dated May 16, 2006. Because CGMF failed to respond to its proposal to settle the dispute, Transdev Ile-de-France brought suit against CGMF before the Paris Commercial Court on May 11, 2012.

   These proceedings are pending and a hearing was held on February 9, 2015 on the reply brief filed by Transdev Ile-de-France. The next hearing in this matter has been scheduled for March 21, 2016.

2. In late November 2015, the Corsica Maritima consortium, whose bid to take over SNCM was rejected by the Marseille Commercial Court, filed a third-party opposition before the same court, requesting that the decision of November 20, 2015 be cancelled and that the bids be re-examined. The consideration of this appeal by the Commercial Court,

which was initially scheduled for December 17, 2015, was postponed until January 19, 2016, and then again until March 8, 2016.

3. Resablue-STEF litigation

On July 29, 2015, STEF filed suit against Transdev Ile-de-France before the Paris District Court *(Tribunal de Grande Instance)* seeking to enforce the undertaking to ensure that a third party performs its obligation contained in the memorandum of agreement dated June 12, 2009 (sale of Compagnie Méridionale de Navigation (CMN) shares and continuation of the partnership between SNCM and CMN) and requesting that the court order Transdev Ile-de-France to pay €3 million in damages for breach of the obligations of SNCM with respect to the assignment to CMN of the rights to use the reservation and passenger loading management software and SNCM's wrongful drawdown of the bank guarantee. Transdev Ile-de-France disputes the validity of this claim. A hearing before the Paris District Court is scheduled for April 4, 2016.

VII.26.3. METROLINK

On October 17, 2012, certain insurers sued Connex Railroad LLC and Transdev North America Inc. in California to recover amounts they had paid as a result of an accident that occurred in 2008. Several insurers that were parties to that action for payment have since withdrawn their complaints, thereby reducing the amount claimed from $132 million to $22.4 million. The case will be tried according to the law of New York, as ordered by the California court on October 9, 2014. In the event of an unfavorable judgment, the terms, conditions, exclusions and coverage limits of the insurance policies of Connex Railroad LLC and Veolia will apply. Moreover, the court has rejected the insurers' claims against Connex Railroad LLC. However, the case continues against Transdev North America Inc. and Connex Railroad.

VII.27. FEES INVOICED FOR AUDITING THE FINANCIAL STATEMENTS

In fiscal year 2015, the Group incurred auditor fees totaling €7.0 million (€6.9 million in 2014), of which €6.2 million was paid for the legally required certification of the financial statements and €0.8 million was paid for additional services (due diligence, employee savings plans and other audit services).

VII.28. RECENT DEVELOPMENTS AND POST-YEAR-END EVENTS

VII.28.1. SNCM (FRANCE)

On February 18, 2016, MCM, a subsidiary of the transportation contractor Patrick Rocca, whose takeover bid had been chosen by the Marseille Commercial Court, signed the title deeds, which *inter alia* transferred title to the six vessels under the disposal plan.

VII.28.2. RAILROAD ACCIDENT IN GERMANY

A head-on collision occurred on February 9, 2016 in Bavaria between two regional trains operated by a Group subsidiary. The accident caused 11 deaths, and around 20 persons suffered serious injuries.

On February 16, 2016, at a press conference of the commission charged with investigating the causes of the accident, the Traunstein prosecutor who is heading the investigation, stated: "There is no indication that there was a technical problem. The accident appears to be due to human error." The prosecutor stated that the person responsible for railroad switching on the day of the accident, an employee of the network manager, had been charged with manslaughter by negligence, bodily injury and performing a dangerous action affecting rail traffic. Therefore, Bayerische Oberlandbahn (BOB), the Group subsidiary that has operated the line since December 2013, appears not to be at fault in the accident, since traffic control was being handled by a third party.

VII.28.3. BUSINESS EXPANSION

In Germany, in January 2016, the Group was awarded the contract to operate the R6 railroad line in Saxony, which runs between Leipzig and Döbeln.

In France, Transdev was awarded the contract to operate the Ulysse network in the Aix-Marseille metropolitan area for a period of four years.

VII.29. LIST OF COMPANIES CONSOLIDATED IN THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015

As of December 31, 2015, 657 entities were consolidated by the Transdev group (650 as of December 31, 2014), of which:

- 575 companies were fully consolidated;
- 4 companies were proportionately consolidated;
- 78 companies were consolidated using the equity method, of which 38 were joint ventures.

In fiscal year 2015, the principal changes in the consolidation scope were due to the following factors:

- SNCM ceased to be a consolidated subsidiary (see note VII.3.4);
- The disposal of the Israel CGU (see note VII.3.2);
- Acquisitions during the period (see note VII.3.3).

Transdev's acquisitions in fiscal year 2015 are described in note VII.3.3. They are not deemed material individually.

Below is the list of companies consolidated at year-end 2015:

consolidated method	Entity name	Percentage of interest
ALGERIA		
FC	VEOLIA TRANSPORT PILOTE SARL	100.00
AUSTRALIA		
FC	ACN 105 260 099	100.00
EM	BRISBANE FERRIES	50.00
PC	BUSLINK VIVO PTY LTD	50.00
FC	CONNEX MELBOURNE PTY LTD	100.00
PC	HARBOUR CITY FERRIES PTY LTD	50.00
EM	MAINCO MELBOURNE PTY LTD	30.00
EM	METROLINK VICTORIA PTY LTD	50.00
FC	TRANSDEV AUSTRALASIA PTY LTD	100.00
FC	TRANSDEV AUSTRALIA PTY LTD	100.00
FC	TRANSDEV BRISBANE FERRIES PTY LTD	100.00
FC	TRANSDEV FERRIES SYDNEY PTY LTD	100.00
FC	TRANSDEV MELBOURNE PTY LTD	100.00
FC	TRANSDEV NSW PTY LTD	100.00
FC	TRANSDEV NSW SOUTH PTY LTD	100.00
FC	TRANSDEV QUEENSLAND PTY LTD	100.00
FC	TRANSDEV SOUTH WEST PTY LTD	100.00
FC	TRANSDEV SYDNEY PTY LTD	100.00
FC	TRANSDEV TSL PTY LTD	100.00
FC	TRANSDEV VICTORIA PTY LTD	100.00
FC	TRANSDEV WA PTY LTD	100.00
FC	VIVO CONNECT PTY LTD	100.00
AUSTRIA		
FC	TRANSDEV ÖSTERREICH GMBH	100.00
BELGIUM		
FC	EUROLINES BELGIQUE	100.00
FC	WITTE KRUIS BELGIË BVBA	85.56
FC	WITTE KRUIS BELGIË VZW	86.42 NC
CANADA		
FC	CITYWAY CANADA	100.00 NC
FC	TRANSDEV CANADA INC.	100.00
FC	TRANSDEV QUEBEC, INC.	100.00
FC	TRANSDEV SERVICES (CANADA) INC	100.00
FC	YORK BRT SERVICES I INC.	100.00
CHILE		
FC	REDBUS URBANO SA	100.00
FC	VEOLIA TRANSPORT CHILE	100.00
CHINA		
EM	ANQING ZHONGBEI BUS CO., LTD	19.88
EM	HONG KONG ENGINEERING	50.00
EM	HONG KONG TRAMWAYS LIMITED (MEE)	49.50
EM	HUAIBEI ZHONGBEI BUS CO., LTD.	14.01
EM	HUAINAN ZHONGBEI BUS CO., LTD	22.39
EM	NANJING ZHONGBEI	26.95
FC	VEOLIA TRANSPORT CHINA LTD HK	55.00
EM	VT RATP CHINA	50.00
EM	VT RATP CONSULTING CO.LTD	50.00
COLOMBIA		
EM	CITY MOVIL	25.52
EM	CIUDAD MOVIL	38.50
EM	CONEXION MOVIL	33.41
CROATIA		
EM	TOURING CROATIA	20.79

consolidated method	Entity name	Percentage of interest
CZECH REPUBLIC		
EM	TOURING BOHEMIA	20.79
FC	VEOLIA EUROLINES CZ A.S.	100.00
DENMARK		
EM	TOURING SCANDINAVIA	20.79
FINLAND		
FC	AJELO	85.00
FC	SENIORRESOR FINLAND OY	100.00
FC	TRANSDEV FINLAND OY	100.00
FC	TRANSDEV HELSINKI OY	100.00
FC	VEOLIA TRANSPORT ESPOO OY	100.00
FC	VEOLIA TRANSPORT VANTAA OY	100.00
FC	VEOLIA TRANSPORT WEST OY	100.00
FRANCE		
FC	AEROPASS	100.00
FC	AERO-PISTE	100.00
FC	AIRCAR	100.00
EM	ALBATRANS	57.55
FC	ALTIBUS.COM	65.97
FC	ANTRAS HOLDING	99.97
FC	ARY	99.97
FC	ATRIOM DU BEAUVAISIS	99.97
FC	ATRIOM DU COMPIEGNOIS	95.91
FC	AUTOBUS AUBAGNAIS	100.00
FC	AUTOBUS AURELIENS	69.67
FC	AUTOBUS DE L'ETANG	100.00
FC	AUTOCARS ALIZES	99.97
FC	AUTOCARS DARCHE GROS	100.00
FC	AUTOCARS DE L'AVESNOIS	99.97
FC	AUTOCARS DE MARNE LA VALLEE	100.00
FC	AUTOCARS MARTIN HAUTE TARENTAISE VOYAGES	100.00
FC	AUTOCARS MUSSO	99.97
FC	AUTOCARS SABARDU	100.00
FC	AUTOCARS TOURNEUX	100.00
FC	AUXERROIS MOBILITES	100.00
FC	BESANÇON MOBILITÉS	100.00
FC	BIEVRE BUS MOBILITES	100.00
EM	BIO SERVICE LOGISTIQUE	50.00 NC
FC	BUS DE L'ETANG DE BERRE	99.69
FC	BUS EST	100.00
FC	CABARO	99.97
FC	CAP PAYS CATHARE	99.97
FC	CARBU-WASH	100.00
FC	CARS DU PAYS D'AIX	100.00
FC	CEA TRANSPORTS	100.00
FC	CENTRALE DE RESERVATION EUROPE AUTOCAR	100.00
FC	CFTA	100.00
FC	CFTA CENTRE-OUEST	99.97
FC	CFTA PUY DE DÔME	100.00
FC	CFTA RHONE	100.00
FC	CHARTRES MOBILITE	100.00
FC	CIE ARMORICAINE DE TRANSPORTS	99.92
FC	CIE DES AUTOCARS DE TOURAINE	99.97
FC	CIOTABUS	100.00
FC	CIRCUL AIR	100.00
FC	CITEBUS DES DEUX RIVES	100.00
FC	CITRAM AQUITAINE	99.97
FC	CITRAM PYRENEES	99.97
FC	CITYWAY	100.00
FC	COMPAGNIE DES AUTOCARS DE PROVENCE	100.00

FC: Fully consolidated; **PC:** Proportionately consolidated; **EM:** Equity method; **NC:** Newly consolidated

consolidated method	Entity name	Percentage of interest
FC	COMPAGNIE DES BACS DE LOIRE	100.00
FC	COMPAGNIE DES PARCS ET DES PASSEURS DU MONT SAINT MICHEL	99.97
EM	COMPAGNIE DES TRANSPORTS COLLECTIFS DE L'OUEST PARISIEN	50.00
FC	COMPAGNIE DES TRANSPORTS DE LA PORTE OCEANE	100.00
FC	COMPAGNIE DES TRANSPORTS DU PAYS DE VANNES	100.00
FC	COMPAGNIE FERROVIAIRE SUD FRANCE	100.00
FC	COMPAGNIE FRANCAISE DE TRANSPORT INTERURBAIN	99.97
FC	COMPAGNIE OCEANE	100.00
FC	COMPAGNIE SAINT-QUENTINOISE DE TRANSPORTS	99.97
FC	CONNEX LOCATION CARS ET BUS	100.00
FC	COURRIERS DE LA GARONNE	99.97
FC	CREUSOT MONTCEAU TRANSPORTS	100.00
FC	E.A.P	100.00
FC	ECAUXMOBILITÉ	99.97
FC	ENEZ EDFC	100.00
FC	EQUIVAL SAS	100.00
FC	ETABLISSEMENTS BREMOND FRERES	100.00
FC	ETABLISSEMENTS MONEGER ET COMPAGNIE	99.97
FC	EURE ET LOIR MOBILITÉ	99.97
EM	EURL LITTORAL	50.00 NC
EM	EURL MEDISUD	50.00 NC
FC	EUROLINES FRANCE	100.00
FC	FLEET ME	100.00 NC
FC	FNM2	99.97
FC	FOURAS AIX	100.00
FC	FRIOUL-IF- EXPRESS	100.00
FC	GREENTOMATOCARS	100.00
FC	GREENTOMATOCARS LEASING	100.00
EM	IBERFRAN	12.71
EM	IBEROLINES	25.42
FC	INTER PISTES	100.00
FC	INTER VAL	100.00
FC	KERDONIS	100.00
FC	LAON MOBILITE	100.00
FC	LES AUTOBUS ARTESIENS	99.96
FC	LES AUTOBUS DU FORT	100.00
FC	LES AUTOCARS BLANC	100.00
FC	LES CARS D'ORSAY	100.00
FC	LES CARS ROSE	100.00
FC	LES COURRIERS AUTOMOBILES PICARDS	97.87
FC	LES COURRIERS DE L'AUBE	99.81
FC	LES COURRIERS DE SEINE ET OISE	100.00
FC	LES LIGNES DU VAR	99.93
FC	LES RAPIDES DU VAL DE LOIRE	100.00
FC	L'IMMOBILIERE DES FONTAINES	100.00
FC	LITTORAL NORD AUTOCARS	99.97
FC	MAINTENANCE, ETUDES ET REALISATIONS EN CIRCULATION URBAINE ET REGULATION	100.00
FC	MANU-PISTE	100.00
FC	MECA PISTE	100.00
FC	MOBILITE ET SERVICES	99.97
EM	MOBILITE LOGISTIQUE SANTE	50.00 NC
FC	MONT-BLANC BUS	74.89
FC	MOUV'IDEES	100.00
FC	MULHOUSE MOBILITÉS	87.83 NC
FC	N'4 MOBILITES	96.54
FC	NORMANDIE VOYAGES	99.97
FC	ODULYS	55.00
FC	PASSAGERS POLE SERVICES	100.00
FC	PAYS D'OC MOBILITES	100.00
FC	POLE ILE DE FRANCE IMMOBILIER AND FACILITIES	100.00

consolidated method	Entity name	Percentage of interest
FC	PREVOST	99.97
FC	PROGETOURS	100.00
FC	PROXIWAY	100.00
FC	RAPIDES COTE D'AZUR	99.97
FC	RAPIDES DE BOURGOGNE	100.00
FC	RAPIDES DE SAONE ET LOIRE	100.00
FC	RAPIDES DU LITTORAL	99.85
EM	RATP DEV TRANSDEV ASIA SA	50.00
FC	REGIE MIXTE DES TRANSPORTS TOULONNAIS	71.40
EM	RHONEXPRESS	28.20
FC	S.E.R.I 49	99.38
EM	SAEM DES AUTOCARS ET AUTOBUS AUNIS ET SAINTONGE	49.98
FC	SAINT BRIEUC MOBILITES	100.00
FC	SAINT QUENTIN MOBILITE	100.00
EM	SARL DELEYROLLE AAAC	50.00 NC
EM	SARL GETS	50.00 NC
EM	SARL LA BELLE AUTO	50.00 NC
EM	SARL MARTEGALES	50.00 NC
EM	SARL MIDI PROVENCE	50.00 NC
EM	SARL PATRICK	50.00 NC
EM	SARL PONT DE L'ARC	50.00 NC
EM	SARL PROVENCE SECOURS	50.00 NC
EM	SARL SE LA MIMETAINE	50.00 NC
EM	SARL SUD LOGISTIQUE	50.00 NC
FC	SAS AUTONOMIE ET SANTE	100.00 NC
EM	SAS GENTY	50.00 NC
EM	SAS HOLDING MIMETAINE	50.00 NC
FC	SCI DE LA MARE AU MOULIN	100.00
FC	SCI DU CLOS PIERVIL	99.84
EM	SCI LE PRÉ BOUDROT	49.00
FC	SCI LES MELEZES	100.00
FC	SENONAIS MOBILITES	100.00
FC	SITE.OISE	66.00
FC	SNC MASSILIA	100.00
EM	SOCIETE AEROPORTUAIRE DE GESTION ET D'EXPLOITATION DE BEAUVAIS	49.00
EM	SOCIETE DE GESTION DE L'AEROPORT DE LA REGION DE LILLE	34.00
FC	SOCIETE DE PRESTATIONS TRANSDEV IDF	100.00
FC	SOCIETE DE SERVICES ET D'EXPLOITATION DE GARES ROUTIERES	100.00
FC	SOCIETE DE TRANSPORT D'ANNONAY DAVEZIEUX ET EXTENSIONS	100.00
FC	SOCIETE DE TRANSPORTS AUTOMOBILES ET DE VOYAGES	100.00
FC	SOCIETE DES TRANSPORTS BERARD	100.00
FC	SOCIETE DES TRANSPORTS BRIANCONNAIS	100.00
FC	SOCIETE DES TRANSPORTS DE CALAIS ET EXTENSIONS	100.00
FC	SOCIETE DES TRANSPORTS DE DUNKERQUE ET EXTENSIONS	100.00
FC	SOCIETE DES TRANSPORTS DE L'AGGLOMERATION CHALONNAISE	80.00
EM	SOCIETE DES TRANSPORTS DE L'AGGLOMERATION THONONAISE	50.00
FC	SOCIETE DES TRANSPORTS DEPARTEMENTAUX DE LA REUNION	100.00 NC
FC	SOCIETE DES TRANSPORTS DEPARTEMENTAUX DU GARD	99.97
FC	SOCIETE DES TRANSPORTS DEPARTEMENTAUX DU LOIR-ET-CHER	99.97
FC	SOCIETE DES TRANSPORTS DU BASSIN CHELLOIS	100.00
FC	SOCIETE DES TRANSPORTS LIBOURNAIS	100.00
FC	SOCIETE DES TRANSPORTS PAR AUTOCARS DE L'OUEST PAYS DE LA LOIRE	99.97
FC	SOCIETE DES TRANSPORTS URBAINS DE DIEPPE	100.00
FC	SOCIETE D'EXPLOITATION DE TRANSPORTS ET DE REPARATIONS AUTOMOBILES	100.00

FC: Fully consolidated; **PC:** Proportionately consolidated; **EM:** Equity method; **NC:** Newly consolidated

consolidated method	Entity name	Percentage of interest
FC	SOCIETE DU METRO DE L'AGGLOMERATION ROUENNAISE	100.00
FC	SOCIETE NICOISE D'ENLEVEMENT ET DE GARDIENNAGE	100.00
FC	SOCIETE NOUVELLE CPL	100.00
FC	SOCIETE NOUVELLE DES AUTOBUS AJACCIENS	100.00
FC	SOCIETE NOUVELLE DES TRANSPORTS DE L'AGGLOMERATION NICOISE	100.00
FC	SOCIETE VAROISE DE TRANSPORTS	100.00
FC	SOLEA	87.83
FC	SUD CARS	100.00
FC	SUD EST MOBILITES	100.00
EM	THELLO	33.33
FC	TIPS	93.01
FC	TPMR STRASBOURG	99.97
FC	TPMR TOULOUSE	99.94
FC	TPMR TOURS	99.97
FC	TRANS PROVENCE	99.53
FC	TRANS VAL DE FRANCE	100.00
FC	TRANS VAL D'OISE	100.00
FC	TRANSAMO	95.05
FC	TRANSAVOIE	99.50
FC	TRANSDEV	100.00
FC	TRANSDEV FOUGERES	100.00
FC	TRANSDEV AEROPORT CARCASSONNE	100.00
FC	TRANSDEV AEROPORT DE NIMES	100.00
FC	TRANSDEV AEROPORT LIAISONS	100.00 NC
FC	TRANSDEV AEROPORT PERPIGNAN	100.00
FC	TRANSDEV AEROPORT SERVICES	100.00
FC	TRANSDEV AEROPORT TRANSIT	100.00
FC	TRANSDEV AGGLOMERATION DE BAYONNE	100.00
FC	TRANSDEV ALPES	100.00
FC	TRANSDEV ALPES MARITIMES	99.87
FC	TRANSDEV ARLES	100.00
FC	TRANSDEV AUVERGNE	100.00
FC	TRANSDEV BASSIN D'ARCACHON	100.00 NC
FC	TRANSDEV BRIVE	100.00
FC	TRANSDEV BUSINESS INFORMATION SOLUTIONS	100.00
FC	TRANSDEV CHAMBERY	100.00
FC	TRANSDEV DAUPHINE	100.00
FC	TRANSDEV DU MARSAN	100.00
FC	TRANSDEV EQUIPAGES	100.00
FC	TRANSDEV ESPACES	100.00
FC	TRANSDEV EST	100.00
FC	TRANSDEV EUROLINES	100.00
FC	TRANSDEV EXPRESS	100.00 NC
FC	TRANSDEV EXPRESS RHONE-ALPES AUVERGNE	100.00 NC
FC	TRANSDEV EXPRESS SUD OUEST	100.00 NC
FC	TRANSDEV GRAND EST	99.97
FC	TRANSDEV GROUP	100.00
FC	TRANSDEV HAUTE SAVOIE	100.00
FC	TRANSDEV ICM	100.00 NC
FC	TRANSDEV ILE DE FRANCE	100.00
FC	TRANSDEV ILE DE FRANCE CSP CONTROLE	100.00
FC	TRANSDEV ISTRES	99.97
FC	TRANSDEV LIGNES VOSGES	99.97
FC	TRANSDEV LOCATION DE VEHICULES	100.00
FC	TRANSDEV MARITIME	100.00
FC	TRANSDEV MEDITERRANEE	100.00
FC	TRANSDEV MONTPELLIER	100.00
FC	TRANSDEV NANCY	100.00
FC	TRANSDEV NORD EST	100.00
FC	TRANSDEV ON DEMAND FRANCE	100.00
FC	TRANSDEV OUTRE MER	100.00
FC	TRANSDEV PARIS EST	100.00

consolidated method	Entity name	Percentage of interest
FC	TRANSDEV PARIS SUD	100.00
FC	TRANSDEV PAYS D'OR	100.00
FC	TRANSDEV PAYS ROCHEFORTAIS	100.00
FC	TRANSDEV PICARDIE	99.97
FC	TRANSDEV POITOU-CHARENTES	99.97
FC	TRANSDEV RAIL	100.00
FC	TRANSDEV REIMS	100.00
FC	TRANSDEV RHONE ALPES INTERURBAIN	99.97
FC	TRANSDEV ROANNE	100.00
FC	TRANSDEV ROYAN ATLANTIQUE	100.00
FC	TRANSDEV SAINT-DIZIER	100.00
FC	TRANSDEV SHUTTLE FRANCE	100.00
FC	TRANSDEV SUD	100.00
FC	TRANSDEV SUD OUEST	100.00
FC	TRANSDEV URBAIN	100.00
FC	TRANSDEV VALENCE	100.00
EM	TRANSEVRY	44.37
FC	TRANSPORT DU VAL DE SEINE	99.97
FC	TRANSPORTS DE TOURISME DE L'OCEAN	99.97
FC	TRANSPORTS D'EURE-ET-LOIR	99.97
FC	TRANSPORTS DU VAL D'OISE	100.00
FC	TRANSPORTS EN COMMUN DE COMBS-LA-VILLE	100.00
FC	TRANSPORTS EN COMMUN DE LA REGION AVIGNONAISE	100.00
EM	TRANSPORTS EN COMMUN DE LA REGION MESSINE	39.96
FC	TRANSPORTS EN COMMUN DE L'AGGLOMERATION ROUENNAISE	100.00
FC	TRANSPORTS EN COMMUN D'ORANGE	51.00
FC	TRANSPORTS MARNE ET MORIN	100.00
EM	TRANSPORTS PARIS BEAUVAIS	49.00
FC	TRANSPORTS PUBLICS DE L'AGGLOMERATION STEPHANOISE	100.00
FC	TRANSPORTS RAPIDES AUTOMOBILES	100.00
FC	TRANSPORTS URBAINS DU VALENCIENNOIS	100.00
FC	VAD	99.97
FC	VAL D'EUROPE AIRPORTS	100.00
FC	VE AIRPORT	100.00
FC	VELOWAY	100.00
EM	VEOLIA EDF NICE AUTO PARTAGE	69.91
FC	VEOLIA TRANSPORT ALGERIE	100.00
FC	VEOLIA TRANSPORT BORDEAUX	100.00
FC	VILLENEUVE MOBILITES	100.00
FC	VISUAL	100.00
FC	VOYAGES CROLARD	100.00
FC	VOYAGES ET TRANSPORTS DE NORMANDIE	99.97
GERMANY		
FC	AHRWEILER VERKEHRS GMBH	100.00
FC	ALPINA IMMOBILIEN GMBH	100.00
FC	BAYERISCHE OBERLANDBAHN GMBH FC	100.00
FC	BAYERISCHE REGIOBAHN GMBH	100.00
FC	BUSTOURISTIK TONNE GMBH	100.00
EM	DEUTSCHE TOURING GMBH	20.79
FC	EISENBAHNWERKSTATT-GESELLSCHAFT MBH	100.00
EM	EUROLINES FRANKFURT	20.79
FC	GRIENSTEIDL GMBH	100.00
EM	HABUS GMBH VERKEHRSBETRIEBE	51.00
FC	HEIDENHEIMER VERKEHRSGESELLSCHAFT MBH	74.84
EM	KSA VERWALTUNG GMBH AUGSBURG	49.00
EM	KSI GMBH & CO.KG AUGSBURG	49.00
FC	MITTELRHEINISCHER VERKEHRBETRIEB GMBH	90.00
FC	MOVE ON TELEMATIC SERVICE GMBH	100.00
FC	NASSAUISCHE VERKEHRS-GESELLSCHAFT MBH	100.00
FC	NBRB TEILE UND LOGISTIKGESELLSCHAFT MBH	66.70
FC	NIEDERSCHLESISCHE VERKEHRSGESELLSCHAFT GMBH	85.00

FC: Fully consolidated; **PC:** Proportionately consolidated; **EM:** Equity method; **NC:** Newly consolidated

consolidated method	Entity name	Percentage of interest
FC	NORDDEUTSCHE VERKEHRSBETRIEBE GMBH	65.00
FC	NORD-OSTSEE-BAHN GMBH	100.00
FC	NORDWESTBAHN GMBH	64.00
FC	NUTZFAHRZEUGZENTRUM MITTELRHEIN GMBH	94.90
FC	OBERLANDBAHN FAHRZEUGBEREITSTELLUNGS GMBH	100.00
FC	OMNIBUS-VERKEHR RUOFF GMBH	100.00
FC	OSTSEELAND VERKEHR GMBH	100.00
FC	PALATINA BUS GMBH	100.00
FC	PERSONENVERKEHR GMBH MÜRITZ	100.00
EM	R M V BETEILIGUNGS GMBH	50.00
EM	RHEIN-BUS VERKEHRSBETRIEB GMBH	51.00
FC	ROHDE VERKEHRSBETRIEBE GMBH	100.00
FC	SAX-BUS EILENBURGER BUSVERKEHR GMBH	56.00
FC	SCHAUMBURGER VERKEHRS-GESELLSCHAFT MBH	51.00
FC	STADTBUS SCHWÄBISCH HALL GMBH	100.00
FC	TAETER-TOURS GMBH	51.00
FC	TRANS REGIO DEUTSCHE REGIONALBAHN GMBH	100.00
FC	TRANSDEV GMBH	100.00
FC	TRANSDEV MITTELDEUTSCHLAND GMBH	100.00 NC
FC	TRANSDEV NIEDERSACHSEN/WESTFALEN GMBH	100.00
FC	TRANSDEV OSTWESTFALEN GMBH	100.00
FC	TRANSDEV PERSONALSERVICE GMBH	100.00
FC	TRANSDEV REGIO GMBH	100.00
FC	TRANSDEV REGIO OST GMBH	100.00
FC	TRANSDEV RHEINLAND GMBH	100.00
FC	TRANSDEV RHEIN-MAIN GMBH	100.00
FC	TRANSDEV SACHSEN-ANHALT GMBH	100.00
FC	TRANSDEV SERVICE GMBH	100.00
FC	TRANSDEV SERVICE WEST GMBH	100.00
FC	TRANSDEV STADT GMBH	100.00
FC	TRANSDEV SUD-WEST GMBH	100.00
FC	TRANSDEV TAUNUS GMBH	100.00 NC
FC	TRANSDEV WEST GMBH	100.00
FC	VERKEHRSBETRIEB LAHN DILL GMBH	100.00
FC	VERKEHRSBETRIEB RHEIN EIFEL MOSEL GMBH	100.00
FC	VERKEHRSBETRIEB RHEIN LAHN GMBH	100.00
FC	VERKEHRSBETRIEB RHEIN-WESTERWALD GMBH	100.00
FC	VERKEHRSGESELLSCHAFT GÖRLITZ GMBH	49.00
EM	WEST - BUS GMBH	49.00
FC	WÜRTTEMBERGISCHE EISENBAHN-GESELLSCHAFT MBH	100.00
GUERNSEY		
FC	CAMELBACK INSURANCE LIMITED GUERNSAY	100.00
INDIA		
FC	METRO ONE OPERATION	38.50
EM	RATP DEV TRANSDEV INDIA	50.00
IRELAND		
FC	TRANSDEV DUBLIN LIGHT RAIL LTD	100.00
FC	TRANSDEV IRELAND BUS LIMITED	100.00
FC	TRANSDEV IRELAND LIMITED	100.00
ISRAEL		
FC	VEOLIA TRANSPORTATION ISRAEL LTD	100.00
KOREA		
FC	SEOUL LINE 9	44.00
FC	VEOLIA TRANSPORT KOREA	55.00
EM	VT RATP KOREA	50.00
LUXEMBURG		
FC	TRANSDEV RÉ	100.00

consolidated method	Entity name	Percentage of interest
MAROCCO		
FC	TRANSDEV RABAT SALE SA	99.99
NETHERLANDS		
FC	ABEL TECHNOLOGIE B.V	86.41 NC
FC	ACM OPLEIDINGEN BV	86.42
FC	ACM ZORGOPLEIDINGEN BV	86.42
EM	BEDRIJFSVERVOER LIMBURG BV	21.60
FC	CONNEXXION FINANCE BV	86.42
FC	CONNEXXION MULTIMODAL BV	86.42
FC	CONNEXXION NEDERLAND NV	86.42
FC	CONNEXXION OPENBAAR VERVOER NV	86.42
FC	CONNEXXION RETAIL BV	86.42
FC	CONNEXXION TAXI SERVICES BV	86.42
FC	CONNEXXION TOURS BV	86.42
FC	CONNEXXION VLOOT BV	86.42
FC	CONNEXXION WATER BV	86.42
EM	COÖPERATIE REGIONAL AMBULANCEVOORZIENING KENNERMERLAND U.A.	43.21
EM	COÖPERATIE REGIONALE AMBULANCEVOORZIENING HAAGLANDEN U.A.	21.60
EM	CTS NOORD BV	44.07
FC	CV ACTIVA WEERT	85.56
FC	DE GROOTH VERVOER BV	86.42
FC	EUROLINES NETHERLANDS NV	100.00
FC	FUTURE TECHNOLOGY NEDERAND BV	86.42
FC	GVU NV	86.42
FC	HEART SAFE LIVING BV	86.42 NC
FC	HERMES GROEP NV	86.42
FC	HERMES OPENBAAR VERVOER BV	86.42
FC	OMNITAX BV	100.00
FC	OV REGIO IJSSELMOND BV	86.42
FC	PERSONEELSVOORZIENING BRABANTS BUSVERVOER BV	100.00
EM	PERSONENVERVOER GRONINGEN BV	28.80
FC	PERSONENVERVOER VAN DIJK DELFTZIJL BV	86.42
FC	PERSONENVERVOER ZUID-NEDERLAND BV	100.00
FC	REGIONALE AMBULANCEDIENST NOORDWEST-VELUWE BV	86.42
EM	REISINFORMATIEGROEP BV	28.35
FC	ROLINE BV	86.42
EM	SCHIPHOL TRAVEL TAXI BV	43.21
FC	STADSBUS GROEP MAASTRICHT NV	100.00
FC	STADSBUS MAASTRICHT PARTICIPATIES BV	100.00
FC	STICHTING AMBULANCEZORG NOORD EN OOST GELDERLAND	86.42
FC	STICHTING REGIONALE AMBULANCEVOORZIENING ZEELAND	86.42
FC	TAXI CENTRALE MIDDEN-BRABANT	100.00
FC	TAXIBEDRIJF BEDUM BV	86.42
FC	TBC HOLDING B.V.	86.42
FC	TECHNO SERVICE NEDERLAND NV	86.42
FC	TEGEARRE HOLDING BV	86.42
FC	VEOLIA TRANSPORT BRABANT N.V.	100.00
FC	VEOLIA TRANSPORT FAST FERRIES B.V.	100.00
FC	VEOLIA TRANSPORT LIMBURG B.V.	100.00
FC	VEOLIA TRANSPORT LIMBURG BUS B.V.	100.00
FC	VEOLIA TRANSPORT LIMBURG TOUR	100.00
FC	VEOLIA TRANSPORT NEDERLAND HOLDING B.V.	100.00
FC	VEOLIA TRANSPORT NEDERLAND OPENBAAR VERVOER B.V	100.00
FC	VEOLIA TRANSPORT PERSONEELSVOORZIENING	100.00
FC	VEOLIA TRANSPORT RAIL B.V.	100.00
EM	VERENIGING AMBULANCEZORG REGIO NOORD-HOLLAND NOORD IN COÖPERATIEF VERBAND U.A.	43.21
FC	VOF REGIONALE AMBULANCE VOORZIENING NOORD-EN OOST GELDERLAND	86.42
FC	WITTE KRUIS AMBULANCE BV	86.42

FC: Fully consolidated; **PC:** Proportionately consolidated; **EM:** Equity method; **NC:** Newly consolidated

consolidated method	Entity name	Percentage of interest
FC	WITTE KRUIS AMBULANCEZORG BV	86.42
FC	WITTE KRUIS BV	86.42
FC	WITTE KRUIS HOLDING BV	86.42 NC
FC	WITTE KRUIS MIDELEN BV	86.42
FC	WITTE KRUIS ZORG BV	86.42
NEW CALEDONIA		
EM	CARSUD SA	27.96
NEW ZEALAND		
FC	TRANSDEV AUCKLAND LTD	100.00
FC	TRANSDEV NEW ZEALAND LTD	100.00 NC
PORTUGAL		
EM	AUTO-PENAFIEL, LDA (ROCALDAS)	25.42
FC	AUTO VIACAO AVEIRENSE	100.00
FC	CAIMA TRANSPORTES	100.00
FC	EMPRESA DE TRANSPORTES ANTONIO CUNHA	100.00
EM	GPS TRANSPORTES	25.42
EM	IBERO EUROSUR S.L.	25.10
FC	INTERCENTRO	49.24
EM	INTERGALIZA	25.42
FC	INTERNORTE	50.84
FC	MINHO BUS	100.00
FC	RODOVIARIA DA BEIRA INTERIOR	100.00
FC	RODOVIARIA DA BEIRA LITORAL	100.00
FC	RODOVIARIA DE ENTRE D'OURO E MINHO	100.00
EM	RODOVIARIA DO TEJO	25.42
FC	TRANSDEV DOURO	100.00
FC	TRANSDEV INTERIOR	100.00
FC	TRANSDEV MOBILIDADE	100.00
FC	TRANSDEV NORTE	100.00
FC	TRANSDEV PARTICIPACÕES SGPS	100.00
FC	TRANSDEV PORTO	100.00 NC
REUNION		
FC	TRANSDEV SERVICES REUNION	100.00
SERBIA		
EM	TOURING SERBIA	20.79
UNITED KINGDOM		
FC	BLAZEFIELD BUSES	100.00
FC	BLAZEFIELD TRAVEL GROUP	100.00
FC	BURNLEY & PENDLE TRAVEL	100.00
FC	CABFIND LTD	100.00 NC
FC	COMET CAR HIRE LTD	100.00
FC	CONNEX SOUTH EASTERN LTD	100.00
FC	CONNEX TRANSPORT JERSEY LTD	100.00
FC	GREEN TOMATO CARS LTD	100.00
FC	HARROGATE & DISTRICT TRAVEL	100.00
FC	KEIGHLEY & DISTRIC TRAVEL	100.00
FC	LANCASHIRE UNITED	100.00
FC	TRANSDEV BLAZEFIELD LTD	100.00
FC	TRANSDEV CLAIMS INVESTIGATIONS	100.00
FC	TRANSDEV NORTHEN BLUE	100.00
FC	TRANSDEV PLC	100.00
FC	TRANSDEV TRAM UK LTD	100.00
FC	TRANSDEV YORK	100.00
FC	TRANSPORT LONDON LTD	100.00
FC	TRIDENT HERITAGE LTD	100.00
FC	YORKSHIRE COASTLINER	100.00

consolidated method	Entity name	Percentage of interest
UNITED STATE OF AMERICA		
FC	10-10 TAXI AR, LLC	100.00
FC	10-10 TAXI FL 1, LLC	100.00
FC	10-10 TAXI MN, LLC	100.00
FC	10-10 TAXI NY, LLC	100.00
FC	10-10 TAXI TX 1, LLC	100.00
FC	10-10 TRANSPORTATION, LLC	100.00
FC	AIRLINES ACQUISITION CO., INC	100.00
FC	AIRPORT LIMOUSINE SERVICE, INC.	100.00
FC	ASSOCIATED CAB, LLC	100.00
FC	ATC PARTNERS LLC	100.00
FC	ATC/VANCOM OF ARIZONA, LIMITED PARTNERSHPC	100.00
FC	BELLE ISLE CAB COMPANY, INC.	100.00
FC	BLUE BOOTH INCORPORATED	84.21
FC	BLUE VAN JV	76.00
FC	BLUE VAN LEASING CORPORATION	100.00
FC	CENTRAL CAB COMPANY, INC.	100.00
FC	CENTURY CAB COMPANY, INC.	100.00
FC	CHAMPION CAB COMPANY, INC	100.00
FC	CHECKER AIRPORT TAXI, INC	100.00
FC	CHECKER CAB ASSOCIATION, INC.	100.00
FC	CHECKER YELLOW CAB OF JACKSONVILLE, LLC	100.00
FC	CHOICE CAB COMPANY, INC.	100.00
FC	CIRCLE CAB COMPANY, INC.	100.00
FC	CLASSIC CAB COMPANY, INC.	100.00
FC	CLEARWATER TRANSPORTATION, LLC	100.00
FC	CLOUD 9 SHUTTLE, INC.	100.00
FC	COAST CAB COMPANY, INC.	100.00
FC	COLONIAL CAB COMPANY, INC.	100.00
FC	COLORADO AIRPORT SHUTTLE SERVICES, LLC	100.00
FC	COLORADO CAB COMPANY, LLC	100.00
FC	COLORADO SPRINGS TRANSPORTATION, LLC D/B/A YELLOW CAB COMPANY OF COLORADO SPRINGS	100.00
FC	COLORADO TRANS MANAGEMENT, LLC	100.00
FC	COMPUTER CAB COMPANY, INC.	100.00
FC	CONNEX RAILROAD LLC	100.00
FC	CORDIAL CAB COMPANY, INC.	100.00
FC	DHTC, LLC	100.00
FC	DULLES TRANSPORTATION PARTNERSHPC	60.00
FC	ENVIRO CAB , LLC TX	100.00
FC	ENVIROCAB, LLC VIRGINIA	100.00
FC	GOLDEN TOUCH TRANSPORTATION OF NEW YORK, INC	100.00
FC	GOLDEN TOUCH TRANSPORTATION OF THE DISTRICT OF COLUMBIA	100.00
FC	GREEN TOMATO CARS DC, LLC:	100.00
FC	GREEN TOMATO CARS VA, LLC	100.00
FC	HOUSTON O & M LLC	100.00
FC	HUNTLEIGH TRANSPORTATION SERVICES LLC	100.00
FC	INTELLIRIDE LLC	100.00
FC	JIMMY'S CAB, INC.	100.00
FC	KANSAS CITY LIMOUSINE LLC	100.00
FC	KANSAS CITY SHUTTLE LLC	100.00
FC	KANSAS CITY TAXI LLC	100.00
FC	MASSACHUSSETS BAY COMMUTER RAILROAD COMPANY, LLC	60.00
FC	MCLEAN CONSULTING, LLC	100.00 NC
FC	MINI BUS SYSTEMS, INC.	100.00
FC	NATIONAL HARBOR TRANSPORTATION SERVICES LLC	100.00
FC	OAK STREET SALES, INC.	100.00
FC	OLD DOMINION TRANSIT MANAGEMENT COMPANY	100.00
FC	PHOENIX TRANSIT JOINT VENTURE	82.00
FC	PITTSBURGH CAB COMPANY, INC.	100.00
FC	PITTSBURGH TRANSPORTATION COMPANY	100.00

FC: Fully consolidated; **PC:** Proportionately consolidated; **EM:** Equity method; **NC:** Newly consolidated

consolidated method	Entity name	Percentage of interest
FC	PITTSBURGH TRANSPORTATION GROUP CHARTER SERVICES, INC.	100.00
FC	PROFESSIONAL FLEET MANAGEMENT LLC	100.00
FC	PROFESSIONAL TRANSIT MANAGEMENT, LTD.	100.00
FC	PROFESSIONNAL TRANSIT SOLUTIONS LLC	100.00
FC	PTM BROKERAGE SERVICES, INC.	100.00
FC	PTM OF ASHEVILLE, INC.	100.00
FC	PTM OF ATTLEBORO, INC.	100.00
FC	PTM OF BOISE, LLC	100.00
FC	PTM OF CAPE COD, INC.	100.00
FC	PTM OF DUTCHESS COUNTY, INC.	100.00
FC	PTM OF GEORGIA, INC.	100.00
FC	PTM OF JACKSON, INC.	100.00
FC	PTM OF RACINE, INC.	100.00
FC	PTM OF TUCSON, INC.	100.00
FC	PTM OF WAUKESHA, INC.	100.00
FC	PTM OF WILMINGTON, INC.	100.00
FC	PTM PARATRANSIT OF TUCSON, INC.	100.00
FC	RAYRAY CAB COMPANY, LLC	100.00
FC	REGIONAL TRANSIT AUTHORITY TRANSIT SERVICES, INC.	100.00
FC	SACRAMENTO TRANSPORTATION, INC.	100.00
FC	SAFETY CAB COMPANY, INC.	100.00
FC	SCOUT CAB COMPANY, INC.	100.00
FC	SE FLORIDA TRANSPORTATION, LLC	100.00
FC	SECURE CAB COMPANY, INC.	100.00
FC	SELECT CAB COMPANY, INC.	100.00
FC	SENTINEL CAB COMPANY, INC.	100.00
FC	SERENE CAB COMPANY, INC.	100.00
FC	SERVICE CAB COMPANY, INC.	100.00
FC	SFO AIRPORTER, INC.	100.00
FC	SHAMROCK CHARTERS, INC	100.00
FC	SHAMROCK LEASING LLC	100.00
FC	SHAMROCK LUXURY LIMOUSINE LLC	100.00
FC	SHAMROCK TAXI OF FORT COLLINS, INC	100.00
FC	SHAMROCK TRANS LLC	100.00
FC	SHUTTLE ASSOCIATES LLC	100.00
FC	SHUTTLE EXPRESS, INC.	100.00
FC	SHUTTLEPORT ARIZONA JOINT VENTURE	65.00
FC	SHUTTLEPORT CALIFORNIA LLC	100.00
FC	SHUTTLEPORT CONNECTICUT LLC	100.00
FC	SHUTTLEPORT DC LLC	100.00
FC	SHUTTLEPORT FLORIDA LLC	100.00
FC	SHUTTLEPORT SERVICES ARIZONA LLC	100.00
FC	SKYLINE CAB COMPANY, INC.	100.00
FC	SMARTER MOBILITY, LLC	100.00
FC	SPENCER LEASING LLC	100.00
FC	SPLIT	85.00
FC	SUN TAXICAB ASSOCIATION, INC.	100.00
FC	SUNRISE CAB COMPANY, INC.	100.00
FC	SUPER TRANSPORTATION OF FLORIDA, LLC	100.00
FC	SUPERIOR CAB COMPANY, INC.	100.00
FC	SUPERSHUTTLE ARIZONA, INC.	100.00
FC	SUPERSHUTTLE ATLANTA, LLC	100.00
FC	SUPERSHUTTLE DALLAS FORT WORTH, INC.	100.00
FC	SUPERSHUTTLE FRANCHISE CORPORATION	100.00
FC	SUPERSHUTTLE INTERNATIONAL DENVER, INC.	100.00
FC	SUPERSHUTTLE INTERNATIONAL, INC	100.00
FC	SUPERSHUTTLE LAS VEGAS, LLC	100.00
FC	SUPERSHUTTLE LEASING, INC.	100.00
FC	SUPERSHUTTLE LOS ANGELES, INC.	100.00
FC	SUPERSHUTTLE LOUISIANA, LLC	100.00
FC	SUPERSHUTTLE OF HOUSTON, LLC	100.00

consolidated method	Entity name	Percentage of interest
FC	SUPERSHUTTLE OF MINNESOTA, INC.	100.00
FC	SUPERSHUTTLE OF PENNSYLVANIA, LLC	100.00
FC	SUPERSHUTTLE ORANGE COUNTY, INC.	100.00
FC	SUPERSHUTTLE RALEIGH-DURHAM, INC	100.00
FC	SUPERSHUTTLE SAN FRANCISCO, INC.	100.00
FC	SUPERSHUTTLE TENNESSEE, INC	100.00
FC	SUPERTAXI, INC	100.00
FC	SUPREME CAB COMPANY, INC.	100.00
FC	TEMPE ARIZONA VF JOINT VENTURE	85.00
FC	THE LIMO, INC.	100.00
FC	THE YELLOW CAB COMPANY	100.00
FC	TRANSDEV BUS ON DEMAND LLC	100.00 NC
FC	TRANSDEV NORTH AMERICA INC	100.00
FC	TRANSDEV ON DEMAND, INC	100.00
FC	TRANSDEV SERVICES, INC	100.00
FC	TRANSPORTATION TECHNOLOGY SERVICES, INC.	100.00 NC
FC	UNIFIED DISPATCH, LLC	100.00
FC	VEOLIA TRANSPORTATION MAINTENANCE AND INFRASTRUCTURE, INC.	70.00
FC	WASHINGTON SHUTTLE, INC.	90.00
FC	WIER TRANSPORTATION	49.00
FC	YC HOLDINGS, INC	100.00
FC	YELLOW CAB ASSOCIATION, INC.	100.00
FC	YELLOW CAB COMPANY OF PITTSBURGH	100.00
FC	YELLOW TAXI ASSOCIATION, INC.	100.00
FC	ZTRIP, INC	100.00
SPAIN		
PC	CGT, S.A., CGEA CONNEX, S.A., MARFINA, S.L., ARANDE, S.L. Y SOLER & SAURET, S.A., UTE LEY 18/1982, DE 26 DE MAYO	66.00
FC	DETREN COMPANIA GENERAL DE SERVICIOS FERROVIARIOS, S.L	100.00
PC	DETREN COMPANIA GENERAL DE SERVICIOS FERROVIARIOS, S.L., MARFINA, S.L. Y ARANDE, S.L., UTE, LEY 118/1982, DE 26 DE MAYO	66.00
EM	EUROLINES PENINSULAR	50.00
EM	MOVEBUS	50.00
FC	TENEMETRO, S.L	60.00
FC	TRANSDEV CATALUNYA	100.00
FC	TRANSDEV ESPANA SLU	100.00
FC	VEOLIA TRANSPORTE ESPAÑA SLU	100.00
EM	VIAJES EUROLINES	37.50
SWEDEN		
EM	BUSSDEPAN I KRISTIANSTAD AB	29.00
FC	GÖTEBORG STYRSÖ SKÄRGÅRDSTRAFIK AB	100.00
FC	KOMMANDITBOLAGET BUSSNINGEN	100.00
FC	MERRESOR AB	100.00
FC	PEOPLE TRAVEL GROUP AB	100.00
FC	TRANSDEV NORTHERN EUROPE AB	100.00
FC	TRANSDEV SVERIGE AB	100.00

FC: Fully consolidated; **PC:** Proportionately consolidated; **EM:** Equity method; **NC:** Newly consolidated

MAZARS

KPMG Audit
Département de KPMG S.A.

ERNST & YOUNG et Autres

TRANSDEV GROUP

YEAR ENDED DECEMBER 31, 2015

STATUTORY AUDITORS' 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.

MAZARS
61, rue Henri Regnault
92400 Courbevoie
S.A. au capital de € 8.320.000

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

KPMG Audit
Département de KPMG S.A.
2, avenue Gambetta
CS 60055
92066 Paris-La Défense Cedex
S.A. au capital de € 5.497.100

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

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

TRANSDEV GROUP

YEAR ENDED DECEMBER 31, 2015

Statutory auditors' report on the consolidated financial statements

To the Shareholders,

In compliance with the assignment entrusted to us by your articles of association and your annual general meeting, we hereby report to you, for the year ended December 31, 2015, on:

- the audit of the accompanying consolidated financial statements of Transdev Group;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the board of directors. 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, 2015 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.

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:

- Your group has carried out impairment tests on goodwill (notes VII.1.12, VII.2 and VII.4 to the consolidated financial statements). As part of our assessments, our work consisted in reviewing the methods of implementation of these impairment tests, as well as the assumptions used to make the cash flow projections. We also verified that the appropriate disclosure was made in the notes to the consolidated financial statements.

- Other intangible assets with a definite useful life, property, plant and equipment, financial assets, taxes, provisions and employee obligations, and financial instruments are recognized and measured according to the methods described in the notes to the consolidated financial statements (notes VII.5, VII.6, VII.8, VII.21, VII.9, VII.16, VII.20 and VII.22 to the consolidated financial statements). As part of our assessments, our work consisted in assessing the data and assumptions on which the judgments and estimates concerning these accounts were based, in reviewing, through sampling, the calculations made by your group, and in verifying that the various notes to the consolidated financial statements provide the appropriate disclosures.

- The SNCM cash generating unit was deconsolidated at year-end 2015, as explained in notes VII.3.2 and VII.8.2 to the consolidated financial statements. We verified that the commitments made by the group, set out in note VII.3.4 to the consolidated financial statements, were correctly accounted for at year-end 2015. We also verified that an appropriate disclosure was made in the notes to the consolidated financial statements concerning this treatment and its impacts, and concerning the procedures in progress described in note VII.26.2 to the consolidated financial statements.

- In the normal course of its business, your group is involved in legal and arbitration proceedings with third parties or the tax authorities in certain countries. We verified that an appropriate disclosure was made in note VII.26 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

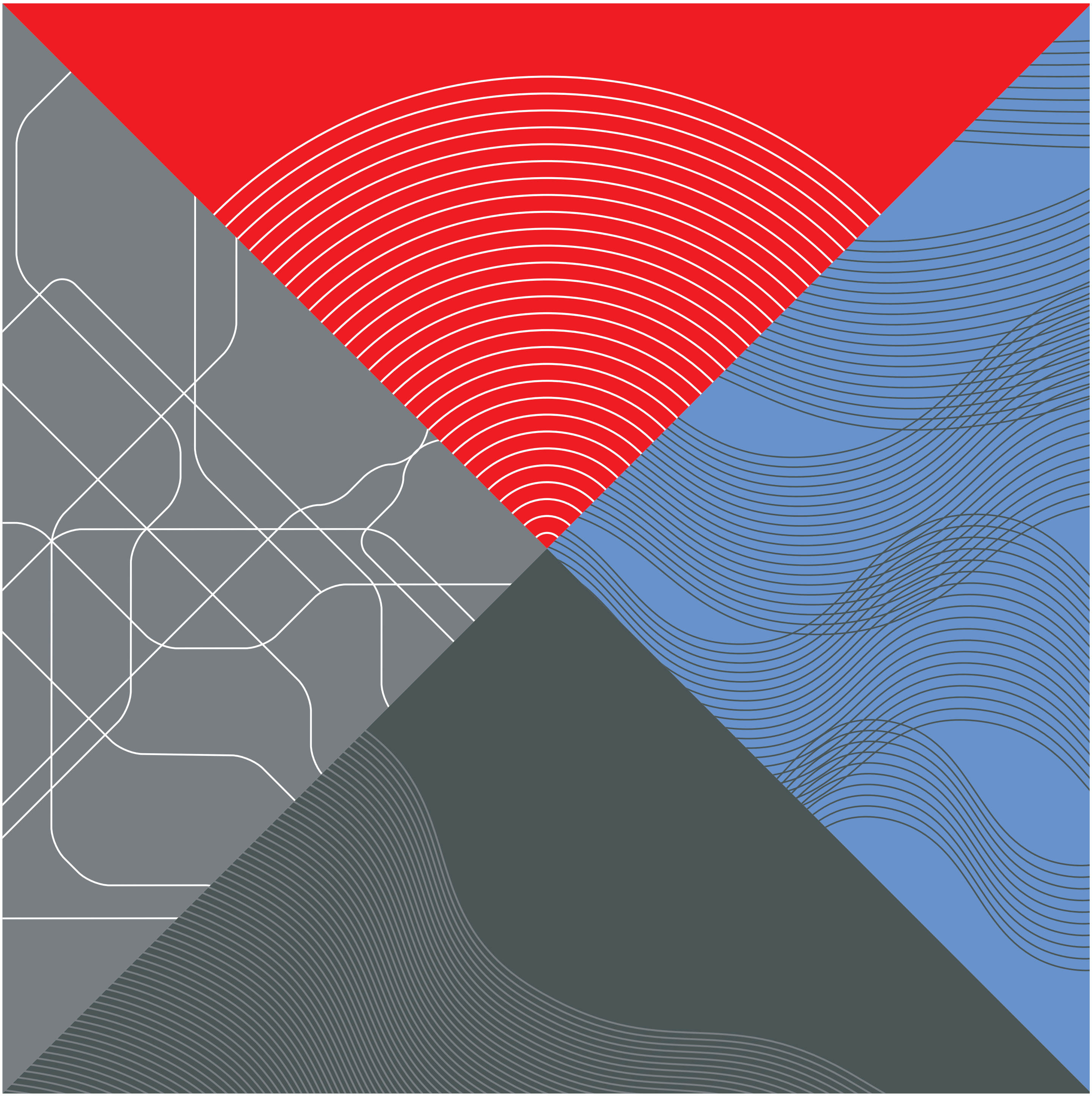
As required by law we have also verified, in accordance with professional standards applicable in France, the information presented in the group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Courbevoie and Paris-La Défense, February 26, 2016

The statutory auditors
French original signed by

MAZARS	KPMG Audit Département de KPMG S.A.	ERNST & YOUNG et Autres
Gilles Rainaut Gonzague Senlis	Eric Amato	Jean-Christophe Goudard Vincent Coste



TRANSDEV GROUP S.A. STATUTORY ACCOUNTS

FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2015

transdev
MOBILITY INSPIRED BY YOU

CONTENTS

I. BALANCE SHEET

ASSETS (€ thousands)	FISCAL YEAR 2014 NET	FISCAL YEAR 2015 GROSS	DEPRECIATION, AMORTIZATION	NET	REF. NOTE
FIXED ASSETS					
Intangible assets:					
Start-up costs					
Concessions, patents and similar rights	13,200	13,200	-	**13,200**	
Goodwill	0	283	283	**0**	
Other intangible assets	7,352	18,154	11,748	**6,406**	
Intangible asset advances and down payments					
TOTAL INTANGIBLE ASSETS	**20,552**	**31,637**	**12,031**	**19,606**	III.7.1 & 7.2
Property, plant and equipment:					
Land					
Buildings					
Transportation equipment					
Machinery and equipment					
Other	5,291	8,714	6,556	**2,157**	
Property, plant and equipment in progress and down payments	44	143	-	**143**	
Advances and down payments					
TOTAL PROPERTY, PLANT AND EQUIPMENT	**5,335**	**8,857**	**6,556**	**2,300**	III.7.1 & 7.2
Investments:					
Equity investments	1,080,070	1,958,629	765,455	**1,193,174**	
Loans related to investments	1,051,007	960,306	13,483	**946,823**	
Other long-term securities					
Other loans					
Other	242	3 012	-	**3 012**	
TOTAL INVESTMENTS	**2,131,319**	**2,921,947**	**778,938**	**2,143,009**	III.7.1 & 7.2
TOTAL FIXED ASSETS (I)	**2,157,206**	**2,962,441**	**797,525**	**2,164,916**	III.7.1 & 7.2
Current assets					
Inventories and work in progress:					
Inventories of raw materials and other supplies					
Advances and down payments to suppliers	7	99	-	**99**	
Operating receivables:					
Trade receivables	27,735	27,082	-	**27,082**	III.7.3 & 7.4
Other	86,328	10,737	39	**10,699**	III.7.3 & 7.4
Marketable securities					
Cash and cash equivalents	157	4,083	-	**4,083**	
Prepaid expenses	2,045	2,195	-	**2,195**	
TOTAL CURRENT ASSETS (II)	**116,272**	**44,196**	**39**	**44,158**	
EXPENSES TO BE APPORTIONED OVER MORE THAN ONE PERIOD (III)					
BOND REDEMPTION PREMIUMS (IV)					
EXCHANGE UNREALIZED LOSSES (V)	**6,198**	**1,664**		**1,664**	III.7.5
GRAND TOTAL (I+II+III+IV+V)	**2,279,675**	**3,008,301**	**797,564**	**2,210,738**	

LIABILITIES

(€ thousands)	FISCAL YEAR 2014	FISCAL YEAR 2015	REF. NOTE
EQUITY			
Capital	1,137,120	1,137,120	
Issue, contribution premiums			
Revaluation of assets			
Reserves:			
Legal reserve			
Other reserves			
Regulated reserves			
Retained earnings	(11,980)	(11,191)	
Income (loss) for the period	789	107,893	
Investment grants			
Regulated provisions			
TOTAL EQUITY (I)	**1,125,929**	**1,233,822**	III.7.6
PROVISIONS			
Contingency provisions	23,540	7,662	
Loss provisions	3,679	3,570	
TOTAL PROVISIONS (II)	**27,219**	**11,232**	III.7.7
LIABILITIES			
Borrowings from financial institutions (1)	4,920	9,530	III.7.8
Various debts	1,001,096	814,220	III.7.8
Advances and down payments on orders in progress	0		III.7.8
Trade payables	21,516	29,708	III.7.8
Taxes payables and employee commitments	19,325	18,804	III.7.8
Liabilities to fixed asset suppliers	5,026	1,165	III.7.8
Other liabilities	70,507	90,451	III.7.8
Prepaid income			
TOTAL LIABILITIES (III) (2)	**1,122,390**	**963,879**	
EXCHANGE UNREALIZED GAINS (IV)	**4,137**	**1,804**	III.7.5
GRAND TOTAL (I+II+III+IV)	**2,279,675**	**2,210,737**	

(1) Of which, bank borrowings for ordinary operations and credit balances on bank accounts:	4,859	9,472	
(2) Prepaid expenses and income maturing within one year:	145,539	197,061	

II. INCOME STATEMENT

(€ thousands)	FISCAL YEAR 2014	FISCAL YEAR 2015	REF. NOTE
Revenue from operations:			
Sale of goods			
Production sold (goods)			
Production sold (services)			
NET SALES			
Changes in inventories			
Operating grants			
Reversals of provisions, depreciation (and amortization), expense transfers	970	1,691	
Other revenue	69,442	75,013	
TOTAL REVENUE FROM OPERATIONS (I)	**70,413**	**76,704**	
Operating expenses:			
Supply purchases			
- or + changes in inventories			
Other purchases and external expenses	33,853	36,448	
Taxes	3,307	3,286	
Wages and salaries	25,766	25,365	
Social security contributions	14,259	12,915	
Depreciation and amortization:			
- fixed assets: amortization	4,393	3,907	
- fixed assets: depreciation	283		
- current assets: depreciation	340		
- contingencies and losses : depreciation	1,779	27	
Other expenses	(113)	396	
TOTAL OPERATING EXPENSES (II)	**83,867**	**82,344**	
OPERATING INCOME (I-II)	**(13,454)**	**(5,640)**	
PROFIT ATTRIBUTED OR LOSS TRANSFERRED (III)	**127**	**808**	
LOSS INCURRED OR PROFIT TRANSFERRED (IV)			
Financial income:			
Income from equity investments	31,634	65,691	
From other capitalized securities and receivables			
Other interest and similar income	4,467	5,333	
Reversals of provisions, depreciation (and amortization), expense transfers	40,319	115,132	
Foreign exchange gains	39,445	84,885	
TOTAL FINANCIAL INCOME (V)	**115,864**	**271,040**	
Financial expenses:			
Depreciation, amortization and provisions	66,530	62,972	
Interest and similar expenses	30,461	26,826	
Foreign exchange losses	32,393	97,319	
TOTAL FINANCIAL EXPENSES (VI)	**129,384**	**187,118**	
FINANCIAL INCOME (LOSS) (V-VI)	**(13,520)**	**83,922**	III.8.4
CURRENT INCOME (LOSS) BEFORE INCOME TAX (I-II+III-IV+V-VI)	**(26,847)**	**79,090**	
Extraordinary income:			
From operations	6		
From asset disposals	83,457	301	
Reversals of provisions, depreciation (and amortization), expense transfers		116	
TOTAL EXTRAORDINARY INCOME (VII)	**83,463**	**417**	
Extraordinary expenses:			
From operations	4	19	
From asset disposals	87,000	9	
Depreciation, amortization and provisions	112	2,300	
TOTAL EXTRAORDINARY EXPENSES (VIII)	**87,116**	**2,329**	
EXTRAORDINARY INCOME (LOSS) (VII-VIII)	**(3,653)**	**(1,912)**	III.8.5
EMPLOYEE PROFIT-SHARING (IX)			
INCOME TAX (X)	**(31,289)**	**(30,715)**	III.8.6
TOTAL REVENUE (I+III+V+VII)	**269,867**	**348,969**	
TOTAL EXPENSES (II+IV+VI+VIII+IX+X)	**269,078**	**241,076**	
NET INCOME (LOSS)	**789**	**107,893**	

III. NOTES TO THE FINANCIAL STATEMENTS

III.1. NOTEWORTHY ACTIONS AND SIGNIFICANT EVENTS DURING THE PERIOD

III.1.1. PLANNED CHANGE IN TRANSDEV GROUP SHARE OWNERSHIP

On December 6, 2011, Veolia announced its intention to divest itself of the Transdev group. Following that announcement, Caisse des Dépôts confirmed its firm and long-term commitment to the Group.

In early 2016, the parties resumed discussions with a view to formulating a new project for the takeover of Transdev by Caisse des Dépôts.

Financing

As of December 31, 2015, the Group's primary source of financing was two shareholder loans, which have been drawn down for a total of €690 million, of which €345 million has been borrowed from Veolia and €345 million from Caisse des Dépôts. The loans come due on March 3, 2017.

The unused portion of the credit lines granted by the shareholders totals €400 million. Furthermore, the liquidity facilities maturing in December 2016, which the shareholders granted for a total amount of €330 million, had not been drawn down as of December 31, 2015.

Assignment of employment competitiveness tax credit receivables

The Employment Competitiveness Tax Credit (Crédit d'Impôt Compétitivité Emploi – "CICE") is credited against income tax owed for the fiscal year in which it is earned and, thereafter, against any tax owed for the three following fiscal years. At the end of this credit period, any portion of the credit that has not been used must be refunded. Due to its tax situation in France, the Group opted to assign without recourse its 2013, 2014 and 2015 receivables in order to monetize them. On January 19 and November 10, 2015, the board of directors authorized Transdev Group to assign its 2013, 2014 and 2015 CICE receivables.

III.1.2. EQUITY INVESTMENTS

In connection with the group's legal reorganization, the board of directors, at its meetings held on December 13, 2011 and October 8, 2015, authorized Transdev Group to purchase, in November 2015, the shares that Transdev Ile de France SA held in Transdev Northern Europe (Sweden), for €65.5 million.

III.1.3. TAX CONSOLIDATION

On April 21, 2011, Transdev Group elected to be part of a tax group, as defined in Articles 223 A et seq. of the French General Tax Code.
The tax consolidation election took effect on January 1, 2011 for a period of five years. It is renewable automatically unless expressly terminated by Transdev Group SA.
Income tax expense is allocated to the accounts of the various entities that comprise the tax group in accordance with the "neutrality" method required by the French National Accounting Institute (Conseil National de la Comptabilité), and reiterated in the Official Tax Bulletin no. 4H-9-88.
Pursuant to this principle, each subsidiary pays the tax it would have paid in the absence of tax consolidation, and Transdev Group SA, the company that heads the tax consolidation group, pays its own tax and either receives the benefit of any tax savings or bears the burden of any additional tax due to application of tax consolidation.
For 2015, the application of the tax consolidation option led to the recognition of consolidated tax savings of €30,000,000 in the parent company financial statements.

III.2. GENERAL RULES AND PRINCIPLES APPLIED

The financial statements for fiscal year 2015 have been prepared in accordance with French accounting principles in effect.
To the extent possible, detailed figures are provided in table form and expressed in thousands of euros.

III.3. CONSOLIDATION

Transdev Group is accounted for in the financial statements of Caisse des Dépôts and Veolia using the equity method of consolidation (exercise of joint control by the two shareholders on a fifty-fifty basis).

III.4. MEASUREMENT PROCEDURES AND METHODS APPLIED TO VARIOUS BALANCE SHEET AND INCOME STATEMENT ITEMS

Items recognized on the financial statements are measured using the "historical costs" method. More specifically, the measurement procedures and methods described below are used for the various items reported on the annual financial statements.

III.4.1. INTANGIBLE ASSETS

Goodwill is measured at acquisition cost. In accordance with accounting regulations on assets, goodwill is not depreciated and is subject to annual impairment testing. Impairment is recognized if market value falls below the net carrying amount.

Depending on its type, computer software is amortized over a period of three to five years.

III.4.2. PROPERTY, PLANT AND EQUIPMENT

Assets are depreciated on a straight-line basis over their useful lives:

- Buildings: .... 20 years
- Machinery and equipment : .... 8 years
- Computer equipment: .... 5 years
- Office equipment: .... 5 to 7 years
- Office furniture: .... 5 to 10 years

III.4.3. INVESTMENTS

For securities acquired, the gross value of long-term securities is equal to acquisition cost including ancillary expenses, if any.

Provisions for impairment of investment securities are recognized on the basis of (i) the financial performance of the investments, (ii) changes in income or (iii) their probable sale value. The company relies inter alia on the business plans prepared by the subsidiaries.

Other investments are recognized as assets at their initial recognition value. Impairment is recognized if the market value of an asset falls below net carrying amount.

III.4.4. RECEIVABLES AND LIABILITIES

Receivables and liabilities are recognized at their nominal values.
If applicable, impairment is recognized on receivables to take into account the risk of non-collection.

III.4.5. CONTINGENCY AND LOSS PROVISIONS

Contingency and loss provisions are estimated according to the data known to the company on the date on which the financial statements are closed off.

Provisions are broken down by type in section III-7.7 of the notes to the financial statements.

III.4.6. FOREIGN CURRENCY TRANSACTIONS

During the fiscal year, transactions in foreign currencies are reported at their equivalent value in euros at the exchange rate in effect on the date of the transaction.
Receivables, liabilities, loans and borrowings in foreign currencies are reported on the balance sheet for their equivalent value using the year-end exchange rate. Any difference generated by updating the value of liabilities and receivables in foreign currencies using the year-end exchange rate is reported in the "unrealized foreign exchange gains or losses" item on the balance sheet.

In accordance with Article 420-7 of the General Chart of Accounts, the impact of converting cash accounts held in foreign currency is recognized directly on the income statement as a foreign exchange translation gain (loss). Similarly, the impact of converting current accounts held with subsidiaries that, by their nature, are comparable to cash accounts are recognized directly on the income statement as a foreign exchange translation gain (loss).

A contingency provision is recognized for the net amount of the total amount of any unrealized foreign exchange losses, assessed by currency and maturity group, after taking into account forward transactions classified as hedging transactions for accounting purposes.

III.4.7. FOREIGN EXCHANGE DERIVATIVE TRANSACTIONS

Since July 5, 2011, Transdev Group manages market risks associated with fluctuations in foreign exchange rates through the use of derivatives, in particular currency futures, currency swaps and currency options. These instruments are used for hedging purposes.

Foreign exchange derivatives classified as hedging transactions for accounting purposes are reported as foreign exchange gains or losses in parallel to the hedged items.

The overall position of derivatives not classified as hedging transactions for accounting purposes is reported by currency.
A provision is recognized for unrealized foreign exchange losses, unrealized gains are not recognized in income, and realized gains or losses are recognized in income.

III.4.8. PENSION COMMITMENT

The company has opted for an external management contract for future post-employment benefits. The corresponding expenses are covered by the capitalized value of the funds paid.
The rights accrued by the employees in respect of post-employment benefits were calculated on the basis of the age and length of service of each employee, using a method that takes into account assumptions concerning changes in salaries, life expectancy and personnel turnover, in accordance with the principles applied in the Transdev Group.

Expenses and income from discounting are recognized on the income statement using the preferential method described in CNC Recommendation no. 2003 R-01 of April 1, 2003.

In 2015, a rate of 1.60% was used for discounting.

As of December 31, 2015, a provision of €3,200,000 was recognized for a shortfall in commitment coverage.

III.4.9. COMMITMENT IN RESPECT OF LENGTH OF SERVICE BENEFITS

The rights accrued by employees in respect of length of service benefits were determined according to the age and length of service of each employee, using a method that takes into account assumptions concerning changes in salaries, life expectancy and personnel turnover, in accordance with the principles applied in the Transdev Group.
As of December 31, 2015, the commitments were covered by a provision of €0.1m.

III.4.10. INDIVIDUAL TRAINING RIGHTS

The management of individual training rights hours accumulated is now handled by Caisse des Dépôts pursuant to the Personal Training Account system created by the law of March 5, 2014, which came into force on January 1, 2015.
Under this new system, the company has no further obligation or future expense risk to take into account.

III.4.11. EMPLOYMENT COMPETITIVENESS TAX CREDIT

The Employment Competitiveness Tax Credit ("CICE") was introduced by the Amended Budget Act for 2012, which was published on December 29, 2012. It comprises a tax credit, the amount of which is calculated in proportion to the gross wage bill, excluding salaries that are more than 2.5 times the statutory minimum wage ("SMIC"). In 2015, the CICE is set at 6% of eligible remuneration paid.
In accordance with accounting standards and group instructions, the CICE was recognized as a corporation income tax credit (695*) in the Transdev Group financial statements.
In respect of the 2015 fiscal year, Transdev Group reported a CICE of €142,324. This CICE was used, in particular, to finance training programs, new recruitments and development initiatives. Moreover, the balance of the CICE was used to rebuild the company's working capital.
The impact of the CICE on Transdev Group's net income breaks down as follows:

(€ thousands)

	2015
Net income (loss)	107,893
CICE year N	142
Net income (loss) excluding CICE	107,751
Result for year N distributed in the form of dividends in year N+1	-

The CICE is offset against the corporate income tax owed in respect of the fiscal year during which it is recognized, then against any tax owed in respect of the subsequent three fiscal years. At the end of this offsetting period, any surplus that cannot be offset is reimbursed. In 2015, the group decided to assign without recourse its 2013, 2014 and 2015 CICE receivables to a financial institution.

III.5. OTHER INFORMATION

III.5.1. RELATED-PARTY TRANSACTIONS

Related-party transactions concerned by Article R.123-198 11 of the French Commercial Code
Pursuant to the new regulations of the Accounting Standards Authority (Autorité des Normes Comptables or "ANC") and Article R.123-198 11 of the French Commercial Code concerning related parties, Transdev Group confirms that it did not engage any such transactions in fiscal year 2015.

Transactions with Transdev Group subsidiaries
As part of its holding activities, the company provides services to its subsidiaries on behalf of the Group. These activities cover primarily technical assistance, a brand fee, employee lending and furnishing guarantees.

Financing
Caisse des Dépôts finances the Group by providing a bilateral line of credit with the following features: a term loan of €345 million and a new €200 million line of credit, which had not been drawn down as of December 31, 2015. The maturity date of this bilateral line of credit is March 3, 2017. In addition, Caisse des Dépôts extended the maturity of a €150 million line of credit granted on December 18, 2013 to December 22, 2016.

Veolia finances the Group by providing a bilateral line of credit with the following features: a term loan of €345 million and a new €200 million line of credit, which had not been drawn down as of December 31, 2015. The maturity date of this bilateral line of credit is March 3, 2017. In addition, Veolia extended the maturity of a €180 million line of credit granted on December 18, 2013 to December 22, 2016.

Other related-party transactions
Transdev Group received services from its parent company Veolia, mainly consisting of employee loans.

III.5.2. STATUTORY AUDITORS' FEES

Pursuant to Decree no. 2008-1487 of December 30, 2008, information concerning statutory auditors' fees is not provided in this note because it is provided in the notes to the consolidated financial statements.

III.6. POST-YEAR-END EVENTS

None.

III.7. ADDITIONAL INFORMATION CONCERNING THE BALANCE SHEET

III.7.1. STATEMENT OF FIXED ASSETS: CHANGES IN GROSS VALUES

(€ thousands)	GROSS VALUES AT THE START OF THE PERIOD	ACQUISITIONS, INCREASES DURING THE PERIOD	DISPOSALS, REDUCTIONS DURING THE PERIOD	OTHERS FLOWS	UNREALIZED CURRENCY LOSSES	GROSS VALUES AT THE END OF THE PERIOD
Intangible assets	**28,738**	**1,181**	**(9)**	**745**	**-**	**30,655**
Intangible assets advances and down payments	**1,864**	**543**	**(680)**	**(745)**	**-**	**982**
Property, plant and equipment	**8,572**	**146**	**(4)**	**-**	**-**	**8,713**
Property, plant and equipment in progress	**44**	**99**	**-**	**-**	**-**	**143**
Investments, of which	**2,946,761**	**526,000**	**(553,017)**	**2,202**	**-**	**2,921,947**
Equity investments	1,892,924	65,718		(13)	-	1,958,629
Loans related to investments	1,053,596	457,480	(552,985)	2,215	-	960,306
Other long-term securities	-	-	-	-	-	-
Other loans	-	-	-	-	-	-
Other investments	242	2,802	(32)	-	-	3,012
TOTAL FIXED ASSETS	**2,985,979**	**527,968**	**(553,709)**	**2,202**	**-**	**2,962,441**

Below is a breakdown of the main transactions involving investment securities:

(€ thousands)	ACQUISITIONS DURING THE PERIOD	CAPITAL INCREASE	TRANSFER OF ALL ASSETS	OTHER FLOWS	CHANGES DURING THE PERIOD
Transdev Northern Europe	65,500	-	-	-	65,500
BPASS (Tup)	-	-	-	(13)	(13)
Miscellaneous	218	-	-	-	218
TOTAL	**65,718**	**-**	**-**	**(13)**	**65,705**

III.7.2. STATEMENT OF FIXED ASSETS: CHANGES IN DEPRECIATION, AMORTIZATION AND IMPAIRMENT

(€ thousands)	POSITION AT THE START OF THE PERIOD	AMOUNTS RECOGNIZED DURING THE PERIOD	REVERSALS OR REDUCTIONS DURING THE PERIOD	RECLASSIFICATIONS	DEPRECIATION AND AMORTIZATION AT THE END OF THE PERIOD
Depreciation and amortization on intangible assets	10,050	2,930	(949)	-	12,031
Depreciation and amortization on property, plant and equipment	3,281	3,277	(2)	-	6,556
Impairment of investments	815,443	62,972	(99,477)	-	778,938
TOTAL DEPRECIATION, AMORTIZATION AND IMPAIRMENT OF FIXED ASSETS	**828,774**	**69,179**	**(100,428)**	**-**	**797,525**
of which recognition and reversals					
operating		3,907	(839)		
financial		62,972	(99,477)		
extraordinary		2,300	(112)		

Impairment of investments and related receivables

(€ thousands)	POSITION AT THE START OF THE PERIOD	AMOUNTS RECOGNIZED DURING THE PERIOD	REVERSALS DURING THE PERIOD	RECLASSIFICATIONS	POSITION AT THE END OF THE PERIOD
Transdev Eurolines	14,463	-	-	-	14,463
Transdev SA	419,753	-	-	-	419,753
TD Participacoes SGPS SA	40,000	-	-	-	40,000
Transdev PLC	12,894	27,089	-	-	39,983
Transdev Finland OY	2,590	2,911	-	-	5,501
Transdev North America INC.	-	32,972	-	-	32,972
Transdev Ile de France SA	325,743	-	(99,477)	-	226,266
TOTAL	**815,443**	**62,972**	**(99,477)**	**-**	**778,938**

III.7.3. STATEMENT OF RECEIVABLE MATURITY DATES

(€ thousands)	FISCAL YEAR 2015 GROSS	MATURING IN LESS THAN ONE YEAR	OF WHICH AFFILIATES OR CONTROLLED ENTITIES	FISCAL YEAR 2014 GROSS
Fixed assets				
Receivables from controlled entities	960,306	193,623	960,306	1,053,596
Other investments	3,012	183		242
Current assets				
Trade receivables	27,082	27,082	26,601	28,074
Other receivables	10,737	8,866	1,761	86,366
Prepaid expenses	2,195	2,195	-	2,045
TOTAL	**1,003,333**	**231,949**	**988,669**	**1,170,323**

III.7.4. STATEMENT OF CURRENT ASSETS: CHANGES IN IMPAIRMENT

Changes over the period were as follows:

(€ thousands)	POSITION AT THE START OF THE PERIOD	AMOUNTS RECOGNIZED DURING THE PERIOD	REVERSALS DURING THE PERIOD	RECLASSIFICATIONS	IMPAIRMENT AT THE END OF THE PERIOD
Inventories and work in progress	-	-	-	-	-
Trade and other receivables	340	-	(340)	-	-
Other accounts receivable	39	-	-	-	39
TOTAL IMPAIRMENT OF CURRENT ASSETS	**378**	**-**	**(340)**	**-**	**39**
of which recognition and reversals					
operations	-	-	(340)	-	-
financial	-	-	-	-	-
extraordinary	-	-	-	-	-

III.7.5. CURRENCY IMPACT

The breakdown of currency impact at year-end is shown below

(€ thousands)	UNREALIZED CURRENCY TRANSLATION LOSSES	UNREALIZED CURRENCY TRANSLATION GAINS
Receivables from controlled entities	1,611	1,784
Trade receivables	53	20
Loans and other debts	-	-
TOTAL	**1,664**	**1,804**

and breaks down as follows by currency:

(€ thousands)	UNREALIZED CURRENCY TRANSLATION LOSSES	UNREALIZED CURRENCY TRANSLATION GAINS
Canadian dollar CAD	780	-
Pound sterling GBP	846	-
Australian Dollar AUD	-	20
Swedish krona SEK	-	924
US dollar USD	38	860
TOTAL	**1,664**	**1,804**

III.7.6. STATEMENT OF CHANGES IN EQUITY

(€ thousands)	POSITION AT THE START OF THE PERIOD	APPROPRIATION OF NET INCOME 2014	CAPITAL REDUCTION	CAPITAL INCREASES	NET INCOME (LOSS) 2015	POSITION AT THE END OF THE PERIOD
Capital subscribed, called and paid in	1,137,120	-	-	-	-	1,137,120
Contribution premium	-	-	-	-	-	-
Legal reserve	-	-	-	-	-	-
Other Reserves	-	-	-	-	-	-
Retained earnings	(11,980)	789	-	-	-	(11,191)
Income (loss) for the period	789	(789)	-	-	107,893	107,893
TOTAL EQUITY	**1,125,929**	**-**	**-**	**-**	**107,893**	**1,233,822**

At year-end, Transdev Group's share capital consists of 118,203,700 shares with a nominal value of €9.62, fully paid up and of the same class.

In accordance with the decisions adopted by the ordinary general meeting of shareholders held on March 26, 2015, which voted to approve the 2014 financial statements, the entire accounting profit for the period was appropriated to retained earnings.

Transdev Group did not distribute dividends during the fiscal year.

III.7.7. CONTINGENCY AND LOSS PROVISIONS

The movements during the period are shown below

(€ thousands)	AMOUNT AT THE START OF THE PERIOD	RECOGNITION DURING THE PERIOD	REVERSALS DURING THE PERIOD: USED	REVERSALS DURING THE PERIOD: UNNECESSARY	CONTRIBUTION SUCCESSOR AGREEMENT	AMOUNT AT THE END OF THE PERIOD
Provision for impairment (1)	23,540	6	(15,884)	-	-	7,662
Provision for pensions and length of service benefits	3,309	1	(30)	-	-	3,280
For employee contingencies	370	20	(100)	-	-	290
TOTAL	**27,219**	**27**	**(16,014)**	**-**	**-**	**11,232**
of which recognition and reversals						
operating	-	27	(359)	-	-	-
financial	-	-	(15,655)	-	-	-
extraordinary	-	-	-	-	-	-

The main changes concern the types below:

(€ thousands)	AMOUNT AT THE START OF THE PERIOD	INCREASES DURING THE PERIOD	DECREASES, REVERSALS DURING THE PERIOD	RECLASSIFICATIONS	AMOUNT AT THE END OF THE PERIOD
(1) **Provisions for impairment**					
Impairment of unrealized currency translation losses	6,179	-	(6,179)	-	-
Provisions for unrealized losses on currency swaps	9,475	-	(9,475)	-	-
Provision for impairment of subsidiary value	7,540	-	-	-	7,540
Other provisions for risks	345	6	(229)	-	122
TOTAL PROVISIONS FOR IMPAIRMENT	**23,540**	**6**	**(15,884)**	**-**	**7,662**

III.7.8. STATEMENT OF DEBT MATURITY DATES

(€ thousands)	FISCAL YEAR 2015	MATURING IN LESS THAN 1 YEAR	MATURING IN MORE THAN 1 YEAR AND LESS THAN 5 YEARS	MATURING IN MORE THAN 5 YEARS	OF WHICH AFFILIATES OR CONTROLLED ENTITIES	FISCAL YEAR 2014
Borrowings from financial institutions	9,530	9,530	-	-	-	4,920
Various debts [1]	814,220	121,422	692,798	-	814,203	1,001,096
Advances and down payments on orders in progress	-	-	-	-	-	-
Trade payables	29,708	29,708	-	-	9,647	21,516
Taxes payables and employee commitments	18,804	18,804	-	-	-	19,325
Liabilities to fixed asset suppliers	1,165	1,165	-	-	212	5,026
Other liabilities	90,451	16,432	74,019	-	90,073	70,507
Prepaid income	-	-	-	-	-	-
TOTAL	**963,879**	**197,061**	**766,817**	**-**	**914,135**	**1,122,390**

[1] The amount of "other financial liabilities" maturing in more than one year is mainly for medium-term loans granted by Veolia and Caisse des Dépôts et Consignations.

III.7.9. STATEMENT OF FINANCIAL COMMITMENTS

The total amount of the company's financial commitments breaks down as shown below

TYPES OF COMMITMENTS *(€ thousands)*	TOTAL	SUBSIDIARIES, CONTROLLED ENTITIES AND OTHER AFFILIATES	OTHER	MATURING IN LESS THAN 1 YEAR	MATURING IN MORE THAN 1 YEAR AND LESS THAN 5 YEARS	MATURING IN MORE THAN 5 YEARS
Operational performance guarantees	247,617	247,617	-	27,389	94,783	125,445
Guarantees on operating leases	253,381	253,381	-	97,876	58,884	96,621
Operational guarantees other	49,954	49,954		41,201	6,376	2,378
TOTAL OPERATIONAL GUARANTEES	**550,952**	**550,952**	**-**	**166,466**	**160,043**	**224,443**
Guarantees related to financial transactions	9,100	100	9,000	-	9,100	-
Commitments made	170	170	-	170	-	-
Financial guarantees	161,307	161,307	-	37,215	100,567	23,525
TOTAL OTHER GUARANTEES AND COMMITMENTS GIVEN	**170,577**	**161,577**	**9,000**	**37,385**	**109,667**	**23,525**
Commitments received	460,000	400,000	60,000	460,000	-	-

The commitments made by Transdev Group mainly relate to financing and performance guarantees on behalf of its French and foreign subsidiaries. Commitments received consist of unused credit lines with banks and shareholders.

III.7.10. FINANCIAL LEASE COMMITMENTS

(€ thousands)	FISCAL YEAR 2015 TOTAL	FISCAL YEAR 2014 TOTAL
Original value of assets	n.a.	n.a.
Amortization during the period	n.a.	n.a.
Total amortization	n.a.	n.a.
Lease payments during the period	n.a.	n.a.
Lease payments still outstanding	n.a.	n.a.

III.8. ADDITIONAL INFORMATION CONCERNING THE INCOME STATEMENT

III.8.1. COMPENSATION OF CORPORATE OFFICERS

(€ thousands)	FISCAL YEAR 2015 AMOUNT	FISCAL YEAR 2014 AMOUNT
Compensation paid to members		
of management bodies (directors' fees)	60	60

III.8.2. AVERAGE NUMBER OF EMPLOYEES

	SALARIED PERSONNEL	PERSONNEL LOANED TO THE COMPANY
Management employees	285	9
Supervisors and technicians	23	
White-collar employees	18	
TOTAL (1)	**326**	**9**

III.8.3. BREAKDOWN OF NET SALES

(€ thousands)	FISCAL YEAR 2015 AMOUNT	FISCAL YEAR 2014 AMOUNT
A) Distribution by business sector		
Not applicable	n.a.	n.a.
TOTAL	**-**	**-**
B) Distribution by geographical area		
Not applicable	n.a.	n.a.
TOTAL	**-**	**-**

III.8.4. ANALYSIS OF FINANCIAL INCOME (LOSS)

TYPE OF TRANSACTIONS *(€ thousands)*	FISCAL YEAR 2015 AMOUNT	OF WHICH AFFILIATES OR CONTROLLED ENTITIES
Financial revenue		
Revenue from controlled entities	40,176	40,072
Revenue from receivables of controlled entities	25,514	25,514
Other financial income	5,333	5,326
Reversals of financial provisions and expense transfers	115,132	99,477
Currency translation gains	84,885	-
TOTAL FINANCIAL REVENUE	**271,040**	**170,389**
Financial Expenses		
Financial amortization and provisions	(62,972)	(62,972)
Interest and similar expenses	(26,826)	(23,167)
Currency translation losses	(97,319)	-
TOTAL FINANCIAL EXPENSES	**(187,118)**	**(86,139)**
FINANCIAL INCOME (LOSS)	**83,922**	**84,250**

III.8.5. ANALYSIS OF EXTRAORDINARY EXPENSES AND REVENUE

TYPE OF TRANSACTIONS *(€ thousands)*	EXTRAORDINARY EXPENSES	EXTRAORDINARY REVENUE
Extraordinary expenses and revenue from management operations	(19)	4
Disposals of long-term investments	-	-
Disposals of property, plant and equipment	(2)	-
Disposals of intangible assets	(7)	301
Recognition/reversal of extraordinary depreciation, amortization and provisions:		
Other extraordinary recognition/reversals	(2,300)	112
Excess tax depreciation	-	-
TOTAL	**(2,329)**	**417**

III.8.6. CORPORATE INCOME TAX BREAKDOWN

(€ thousands)	CURRENT INCOME (LOSS)	EXTRAORDINARY INCOME (LOSS)	TOTAL
1. Pre-tax income	79,090	(1,912)	77,178
2. Temporary differences	(13,769)	2,127	(11,642)
3. Permanent differences	(71,489)	18	(71,471)
4. Tax bases	(6,168)	233	(5,934)
5. Deferred tax losses and depreciation deemed deferred	-	-	-
6. Taxable income after deduction of losses	(6,168)	233	(5,934)
7. Corporate income tax	30,715	-	30,715
8. Long-term capital gains tax (reduced rate)	-	-	-
9. After-tax income	109,806	(1,912)	107,893

Temporary differences correspond to expenses included in the book income that will be deducted from or added back to taxable income in future fiscal years.

Permanent differences primarily correspond to dividends received from subsidiaries, long-term net capital gains and losses and provisions for impairment of the financial assets.

In 2015, as a result of tax consolidation, Transdev Group recognised a tax saving of 30 443 K€ in its individual financial statements.

III.8.7. UNRECOGNIZED TAX SITUATION

As of December 31, 2015, Transdev Group held:

- Tax losses that can be carried forward indefinitely in the amount of (cerfa 2058-B Bis)..............................87 668 K€
- Total tax losses for the consolidated group of ....395 392 K€

III.9. INFORMATION ON SUBSIDIARIES, EQUITY INTERESTS AND THE PORTFOLIO

A) Detailed information on each subsidiary and equity interest of more than 10% whose gross value exceeds 1% of Transdev Group's capital

The detailed information on each subsidiary is taken from the consolidated data (local bases) as of January 15, 2016. As an exception, the data concerning Transdev Ile de France SA and Transdev SA is taken from the parent company financial statements.

The data for subsidiaries outside the Euro Zone is converted at the December 31 exchange rate for equity and at the average rate for income statement information.

COMPANIES						CURRENT VALUE OF SECURITIES HELD						
(€ thousands)	CAPITAL	PAR VALUE	SHARE CAPITAL OF THE SUBSIDIARY	EQUITY INCLUDING NET INCOME (LOSS) FOR THE PERIOD EXCLUDING CAPITAL (1)	% HELD	GROSS	NET	LOANS AND ADVANCES MADE BY TDG	GUARANTEES AND PLEDGES GRANTED BY TDG	SALES 2015	NET INCOME (LOSS) 2015	DIVIDENDS RECEIVED 2015
1. SUBSIDIARIES												
Transdev Ile de France SA 32 Bd Gallieni 92130 Issy Les Moulineaux	20,000,000	10 €	200,000	180,182	100%	890,999	664,733	399	3,425	182,168	136,406	-
Transdev SA 32 Bd Gallieni 92130 Issy Les Moulineaux	1,241,266	140 €	173,777	55,863	100%	691,000	271,247	442,439	246	151,982	34,208	-
Transdev Eurolines 32 Bd Gallieni 92130 Issy Les Moulineaux	2,400,000	10 €	24,000	(3,833)	95%	20,100	5,637	12,803	-	-	(2,824)	-
Transdev Plc 401 King Street London United Kingdom	15,000,000	£1	20,437	12,918	100%	32,000	-	41,614	-	2,503	(3,687)	19,329
Transdev Participacoes SGPS SA Avenida D Afonso Henriques n° 1462 1° Edificio Olympus 4450-013 MATOSINHOS Portugal	17,000,000	1€	46,144	113,696	100%	108,000	68,000	-	-	-	11,143	11,854
Transdev CANADA 1100 Bd Rene-Levesque, Bureau1305,Montreal,Quebec H3B4N4	40,000,100	100 $CAD	35,724	529	100%	33,001	33,001	30,148	-	3,759	241	5,844
Transdev North America Inc 720 E Butterfield Road Suite 300 Lombard 60148 IL United States	1,000	1 $US	122,974	(44,752)	100%	98,000	65,028	315	131,760	42,731	5,952	-
Transdev Northern Europe Box 14091, 16714 BROMA Sweden	7,000,000	100 SEK	5,441	10,377	100%	65,500	65,500	353,194	-	-	23,401	-
2. EQUITY STAKES												
Not applicable												

B) General information on subsidiaries and equity interests of more than 10% whose value does not exceed 1% of Transdev Group's capital

COMPANIES (€ thousands)	CURRENT VALUE OF SECURITIES HELD		LOANS AND ADVANCES MADE BY TDG	GUARANTEES AND PLEDGES GRANTED BY TDG	SALES	NET INCOME (LOSS)	DIVIDENDS RECEIVED
	GROSS	NET			2015	2015	2015
1. Subsidiaries in which an equity stake of more than 50% is held							
1.1. French subsidiaries	1,292	1,292	-	73	-	-	1,044
1.2. Foreign subsidiaries	18,102	18,101	20,473	10,976	-	-	2,000
2. Equity interests (of between 10 and 50%)							
2.1. In French companies	27	27	-	-	-	-	-
2.2. In foreign companies	200	200	-	-	-	-	-

C) General information on subsidiaries and equity interests of more than 10%

1. Subsidiaries							
1.1. French subsidiaries	1,603,391	942,909	455,641	3,744	-	-	1,044
1.2. Foreign subsidiaries	354,603	249,630	445,745	142,736	-	-	39,028
2. Equity interests							
2.1. In French companies	27	27	-	-	-	-	-
2.2. In foreign companies	200	200	-	-	-	-	-
GRAND TOTAL	1,958,221	1,192,766	901,386	146,479	-	-	40,072

MAZARS
61, rue Henri Regnault
92400 Courbevoie

KPMG AUDIT
Division of KPMG S.A.
2, avenue Gambetta
92066 Paris – La Défense Cedex

ERNST & YOUNG & Autres
1/2, Place des Saisons
92400 Courbevoie – Paris-La Défense 1

TRANSDEV GROUP

FRENCH PUBLIC LIMITED COMPANY ("SOCIÉTÉ ANONYME")

STATUTORY AUDITORS' REPORT ON THE 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 shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Year ended December 31, 2015
Transdev Group
French Public Limited Company ("Société Anonyme")
32 Boulevard Gallieni - 92130 Issy-les-Moulineaux

TRANSDEV GROUP

FRENCH PUBLIC LIMITED COMPANY ("SOCIÉTÉ ANONYME")

Head Office: 32 Boulevard Gallieni - 92130 Issy-les-Moulineaux
Share Capital: €1 137 119 594

Statutory Auditors' Report on the Financial Statements

Year ended December 31, 2015

In compliance with the assignment entrusted to us by your articles of association and your annual general meeting, we hereby report to you, for the year ended December 31, 2015, on:

- the audit of the accompanying financial statements of Transdev Group (hereinafter "the Company");
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. 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 the 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, liabilities and financial position of the Company as at December 31, 2015 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 »), we bring to your attention the following matters :

Your Company measures and accounts for "Investments" according to the accounting methods described in note III.4.3 to the financial statements. As part of our assessments, we verified the implementation of the accounting principles, assessed the data and assumptions on which the judgments and estimates were based, and reviewed, using sampling techniques, the calculations made by your Company.

These assessments were made as part of our audit of the financial statements taken as a whole, and therefore contributed to the opinion given 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 Board of Directors, and in the documents addressed to shareholders with respect to the financial position and the financial statements.

Courbevoie and Paris-La Défense, February 26th, 2016

The Statutory auditors
French original signed by

MAZARS		KPMG Audit Division of KPMG S.A.	ERNST & YOUNG et Autres	
Gonzague Senlis	Gilles Rainaut	Eric Amato	Jean-Christophe Goudard	Vincent Coste

32, boulevard Gallieni
92442 Issy-les-Moulineaux Cedex

www.transdev.com