PARIS ORLÉANS

Half-year financial report

First half of the 2014/2015 financial year

Contents

1. Half-year activity report

The Supervisory Board of Paris Orléans SCA met on 25 November 2014 to review the consolidated financial statements for the half year from 1 April 2014 to 30 September 2014; these accounts had been previously approved by PO Gestion SAS, Managing Partner of Paris Orléans.

Summary Income Statement

(in €m)	2013/2014 6 months	2014/2015 6 months	Var	Var %
Revenues	**493**	**673**	***180***	***37%***
Staff costs	(314)	(382)	*(68)*	*(22)%*
Administrative expenses	(111)	(116)	*(5)*	*(5)%*
Depreciation and amortisation	(17)	(18)	*(1)*	*(6)%*
Impairments	1	(10)	*(11)*	*n/a*
Operating Income	**52**	**147**	***95***	***183%***
Other income / expense (net)	4	29	*25*	*625%*
Impairment of EDR (Suisse)	(22)	(3)	*19*	*85%*
Profit before tax	**34**	**173**	***139***	***408%***
Income tax	(23)	(36)	*(13)*	*(57)%*
Consolidated net income	**11**	**137**	***126***	***n/a***
Non-controlling interests	(24)	(58)	*(34)*	*(142)%*
Net income - Group share	**(13)**	**79**	***92***	***708%***
Earnings per share	*(0.19€)*	*1.15€*		

Business activities

We have two main activities within our Group: Global Financial Advisory which focuses on providing advice in the areas of M&A, debt, restructuring and equity; and Asset Management in a broad sense which comprises Wealth & Asset Management and Merchant Banking. In addition, we have a Banking & Asset Finance business which predominantly relates to the legacy banking business.

Global Financial Advisory

Global Financial Advisory revenue was €412.9 million, up 38% compared to the same period in the prior year. This represents our best first half year since the financial crisis. In comparison, for the six months to September 2014, global completed M&A deal values were up 10% and global completed deal numbers were down 3% compared to the same period in the prior year[1].

M&A advisory revenue was €257.4 million and Financing advisory revenue was €155.5 million for the 6 months to September 2014, compared to €204.6 million and €95.0 million respectively for the same period in the prior year. Revenue performance was particularly strong in our European businesses. We saw significant improvements across all product areas.

In M&A advisory, we remained among the lead advisers by volume, ranking 5th globally by number of completed deals[2]. In Europe we continue to be the market leader, advising on more deals than any of our competitors – a position we have held for more than a decade[2]. We advised on many of the most high-profile transactions to complete during the six months to September 2014, reflecting our integrated global model which provides us with a competitive advantage with regards to complex cross-border transactions.

In Financing advisory, during the six months to September 2014 we advised on 19 IPOs including the largest IPO in history, and continued to advise on more European equity assignments than any other independent adviser[3]. We also continue to be highly active in large and complex debt advisory and restructuring situations.

For further examples of Rothschild's advisory assignments, please refer to Appendix 2.

Wealth and Asset Management

Wealth & Asset Management increased revenue by 8% to €155.5 million during the first six months of 2014/2015 compared to the same period last year (€143.7 million). This growth was mostly driven by a rise in assets under management.

Assets under management increased by 14% to €45.2 billion as at 30 September 2014 (€39.7 billion as at 30 September 2013) due to net inflows of €2.1 billion and market appreciation of €3.4 billion. The net inflows were driven by Wealth Management largely in the UK and by Asset Management in France.

Our European onshore Wealth Management business is growing in terms of assets under management and revenues, with strong asset inflows, combined with positive market performance. The recovery in equity markets had a positive impact on assets under management, as clients became more active.

Continuing pressures on our businesses, including those from increased regulation, have not changed our previously announced strategic focus of developing a more systematic approach to winning new clients as well as strengthening our organisation. Investments have been made in London in the Investment team and in Paris and Brussels in the Commercial teams. The pipeline for new assets remains strong.

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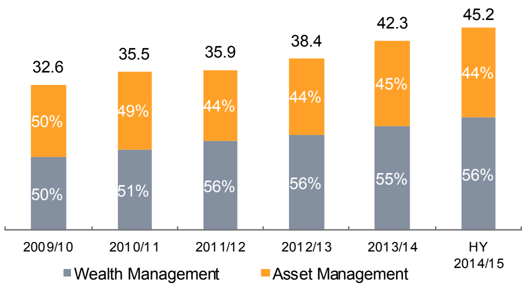
[1] Source : Thomson Reuters

[2] Source : Thomson Reuters, completed basis in the 6 months to September 2014 excludes accounting firms

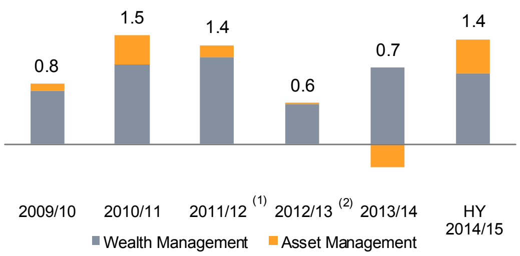
[3] Source : Dealogic

Our institutional Asset Management business is seeing the first benefits of the past investment in European developments.

Assets under Management (in €bn)



Net new assets (in €bn)



(1) *2011/12: net new assets exclude the outflow of €1.5 billio assets under management linked to the partial sale Sélection R in France.*
(2) *2012/13: net new assets include the inflow of €0.8 billio assets under management linked to the merger with H Finance in France*

Merchant Banking

Merchant Banking recorded excellent revenues of €87.5 million during the first six months to September 2014, (€26.0 million in the same period last year). The period-on-period increase is largely attributable to the profit made by Paris Orléans Proprietary Investments on the sale of several of its investments including Beaugrenelle (the Parisian shopping mall) in April 2014 and Fircosoft (the Paris-based global sanctions screening software group) in September 2014.

Merchant Banking revenues break down as follows:

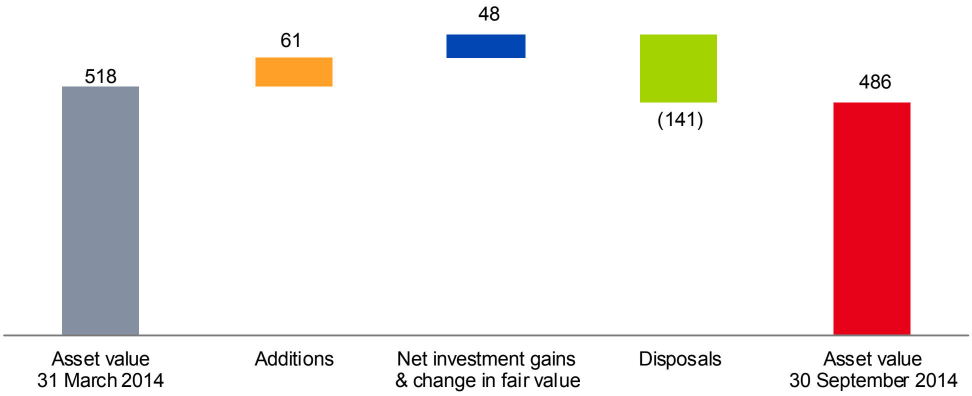
- €15.6 million of management fees (€16.6 million for six months to September 2013),
- €60.8 million of net investment gains (€2.8 million for six months to September 2013),
- €11.4 million of other investment income, including interest and dividends (€9.8 million for six months to September 2013);
- less €0.3 million of provisions (€3.2 million for six months to September 2013).

During the first six months to September 2014, the division invested €61 million, of which €45 million was in equity and debt funds managed by Merchant Banking and €16 million was in Paris Orléans proprietary investments. Disposals generated proceeds of €141 million.

Merchant Banking asset value of Group's private equity assets

	31/03/2013	30/09/2013	31/03/2014	30/09/2014
Managed private funds	116	139	158	173
Paris Orléans Proprietary investments & other	348	326	360	313
Total gross assets	**464**	**465**	**518**	**486**

Changes in the asset value over six months (in €m)



Oberon II, the senior debt fund successor to Oberon I (which raised €200 million of capital) held its first close in September 2014 with €173 million of capital and completed a second closing, raising a further €60 million at the end of October 2014. It expects to hold a final close in early 2015 at around €300 million of capital. Contego II, the successor CLO to Contego has raised €360 million.

The success of the deployment of the first fund FAPI ("Five Arrows Principal Investments"), combined with a strong current exit pipeline, has allowed the team to start the process of launching its successor fund FAPI II. FAPI II will continue to build on the successful investment strategy of FAPI, chasing successful mid-market companies across Europe able to deliver resilient growth and strong cash flows.

Banking & Asset Finance

The legacy banking book continues to reduce in line with our plans to exit the corporate lending business. Legacy drawings fell to €302 million as at 30 September 2014, down from €470 million as at 30 September 2013 (€396 million as at 31 March 2014).

Operating expenses

Staff costs

For the six months ended 30 September 2014, staff costs were €382 million compared to €314 million for the same period in the prior year. Overall Group headcount was up from 2,776 as at 30 September 2013 to 2,857 as at 30 September 2014.The staff costs increase of €68 million is largely due to higher variable staff compensation in connection with stronger revenues in Global Financial Advisory.

Administrative expenses

For the first six months to September 2014, administrative expenses were €116 million compared to €111 million for the same period in 2013/2014. The increase is largely due to FX exchange rate effects (£ / € especially) and various IT project investments.

Impairment charges and loan provisions

For the first six months to September 2014, impairment charges and loan provisions were €10 million compared to almost nil for the same period in 2013/2014. Of this amount, €3 million are related to the legacy banking book, the remainder largely relates to Global Financial Advisory receivables and Merchant Banking impairments on specific debt investments.

Other income / expense

For the first six months to September 2014, other income and expense was €29 million compared to €4 million for the same period in 2013/2014. The increase is largely attributable to the profit made by Paris Orléans Proprietary Investments on the sale of Fircosoft in September 2014 (the Paris-based global sanctions screening software group).

Income taxes

For the six months ended 30 September 2014, the income tax charge was €36 million, made up of a current tax charge of €32 million and deferred tax charge of €4 million, giving a reported tax rate of 20.8%. The effective tax rate would have been 19.8% without the Edmond de Rothschild (Suisse) impairment and amounts relating to prior year.

Non-controlling interests

For the six months ended 30 September 2014, the charge for Non-controlling interests was €58 million compared to €24 million for the same period in 2013/2014. The increase is largely due to higher partners' profit share in France in connection with much higher profitability in the French operations.

Liquidity – Capital

The Group continues to maintain a high level of liquidity. At 30 September 2014, cash placed with central banks and banks accounted for 57% of total assets (54% at March 2014).

Shareholders' equity, excluding Non-controlling interests, increased from €1,269 million as at 31 March 2014 to €1,317 million as at 30 September 2014, mainly due to the profit for the half year (€79 million) less dividends payable (€36 million).

Group solvency ratio

The Group is regulated by the French Prudential and Resolution Authority (*ACPR: Autorité de Contrôle Prudentiel et de Résolution*) as a financial company ("*Compagnie Financière*"). The ratios, set out below under full application of the Basel 3 rules, are comfortably ahead of the minimum requirement:

	31/03/2014	30/09/2014	Full Basel 3 minimum with the CCB [1]
Core Tier 1 = Tier 1 ratio	15.9%	16.1%	8.5%
Global solvency ratio	18.3%	18.5%	10.5%

1 : CCB = Capital Conservation Buffer

Source: PO - unaudited figures

Outlook

The M&A market was relatively strong in the first half of the financial year. Although we expect revenues to continue to benefit from the good momentum in the second half year of 2014/2015, they are likely to be at a lower level than in the first half year. Continuing economic uncertainty makes it difficult to predict the medium term outlook for M&A.

Our Merchant Banking business will continue to capitalise on future opportunities to invest and to dispose of assets. However disposal profits in second half year of 2014/2015 will not be at the exceptional levels seen in the first-half year.

We remain focused on our priorities of improving profitability, cost discipline and capturing the synergies between our three core businesses. The Group's stable, long-term shareholding structure, its solid financial position and the quality of its people will allow it to continue to develop. Because of this, the Group remains confident in its ability to deliver stronger returns to shareholders in the longer term.

Appendix 1: Quarterly progression of revenues

In €m		2013/2014	2014/2015	*Var %*
Global Financial Advisory	1st quarter	141.6	216.2	*+53%*
	2nd quarter	158.0	196.7	*+24%*
	YTD	**299.6**	**412.9**	***+38%***
Asset Management [1]	1st quarter	82.9	114.4	*+38%*
	2nd quarter	86.8	128.6	*+48%*
	YTD	**169.7**	**243.0**	***+43%***
Other [2]	1st quarter	13.3	16.7	*+26%*
	2nd quarter	12.7	12.2	*-4%*
	YTD	**26.0**	**28.9**	***+11%***
Statutory adjustments	1st quarter	(0.6)	-	*n/a*
	2nd quarter	(1.8)	(11.5)	*n/a*
	YTD	**(2.4)**	**(11.5)**	***n/a***
Total Group Revenues	**1st quarter**	**237.2**	**347.3**	***+46%***
	2nd quarter	**255.7**	**326.0**	***+27%***
	YTD	**492.9**	**673.3**	***+37%***

[1] Asset Management comprises Wealth & Asset Management and Merchant Banking business

[2] Other comprises Central cost, legacy businesses, including Banking & Asset Finance, and other

Appendix 2: Global Financial Advisory track record

Major transactions completed in the six months to 30 September 2014

Rothschild advised the following clients:

M&A and strategic advisory

- Westfield, owner of one of the world's largest shopping centre portfolios, on the separation of its international business (US$18 billion) and simultaneous merger of its Australian / New Zealand business with Westfield Retail Trust (A$29 billion, Australia)
- Volkswagen, the leading automobile manufacturer, on its public tender offer to Scania's minority shareholders (€6.7 billion, Germany and Sweden)
- Nestlé, world leader in nutrition, health and well-being, on its disposal to L'Oréal of an 8.0% stake in L'Oréal (€6.0 billion) in exchange for 50% stake in Galderma and cash (€3.4 billion, Switzerland and France)
- Rumo Logística, the Brazilian logistics service company, on its merger with América Latina Logística (US$4.7 billion, Brazil)
- PSA Peugeot Citroën, the global car manufacturer, on the strengthening of industrial partnership with Dongfeng Motor, capital increase (€3.0 billion), and renewal of its revolving credit facility (€2.7 billion, France and China)
- Rolls Royce, a world-leading provider of power systems and services, on its acquisition of a 50% stake in Rolls-Royce Power Systems (Tognum) from Daimler (€2.4 billion, United Kingdom and Germany)
- Woolworths, a South African-based retail group, on its cross-border acquisition of David Jones, including debt, equity and hedging advice (A$2.1 billion, South Africa and Australia)
- AZ Electronic Materials, the UK-listed producer of specialty chemical materials for the electronics market, on the recommended cash offer by Merck (£1.6 billion, United Kingdom and Germany)
- Shuanghui International, global leader in animal protein, on its revised tender offer for Campofrio in conjunction with Sigma Alimentos (€1.1 billion, China and Spain)

Financing advisory

- Alibaba, the largest online and mobile commerce company in the world, on its IPO on the New York Stock Exchange (US$25 billion, China and United States)
- United Company RUSAL, a leading global aluminium producer, on the amend and extend of its Pre-Export Financing facilities (US$5.2 billion, Russia)
- Al Jaber, the diversified Middle Eastern conglomerate, on its debt restructuring (US$4.5 billion)
- Shell, a global group of energy and petrochemical companies, on its underwritten block trade of a 9.5% stake in Woodside (A$3.2 billion, United Kingdom and Australia)
- Punch Taverns (adviser to Association of British Insurers), a leading leased pub company in the UK, on its restructuring (£2.6 billion, United Kingdom)

- KGHM, a leading global copper and silver producer, on its revolving credit facility with a club of 19 banks (US$2.5 billion, Poland)
- Rede Energia, the Brazilian electricity distribution concessions investor, on its debt restructuring (US$2.3 billion) and sale to Energisa (Brazil)
- Grupo BFA / Bankia, the Spanish commercial bank, on the sell-down of its 4.9% stake in Iberdrola (€1.5 billion, Spain)
- WM Morrison, the UK’s fourth largest food retailer, on the refinancing of its existing revolving credit facility (£1.3 billion, United Kingdom)
- Applus Services, the Spanish business services Group, and The Carlyle Group on the IPO of Applus on the Madrid Stock Exchange (€1.2 billion, Spain)

2. Condensed half-year consolidated financial statements

PARIS ORLEANS

Consolidated balance sheet

as at 30 September 2014

Assets

In thousands of euro	Notes	30/09/2014	31/03/2014
Cash and amounts due from central banks		3,562,729	3,150,360
Financial assets at fair value through profit or loss	1	443,899	285,126
Hedging derivatives	2	16,241	14,346
Available-for-sale financial assets	3	734,951	748,042
Loans and advances to banks	4	1,616,139	1,175,858
Loans and advances to customers	5	1,437,678	1,377,304
Current tax assets		10,488	10,261
Deferred tax assets	14	92,499	89,627
Other assets	6	543,113	488,417
Investments accounted for by the equity method		58,314	69,412
Tangible fixed assets		363,186	355,061
Intangible fixed assets		175,395	176,347
Goodwill	7	109,083	108,936
TOTAL ASSETS		**9,163,715**	**8,049,097**

Liabilities and shareholders' equity

In thousands of euro	Notes	30/09/2014	31/03/2014
Due to central banks		1,031	73
Financial liabilities at fair value through profit or loss	1	90,161	50,117
Hedging derivatives	2	10,632	13,880
Due to banks	8	352,685	334,762
Customer deposits	9	5,826,236	4,946,668
Current tax liabilities		23,995	9,449
Deferred tax liabilities	14	54,287	58,970
Other liabilities, accruals and deferred income	10	744,947	683,564
Provisions	11	191,035	180,549
Subordinated debt	12	30,939	28,338
Shareholders' equity		**1,837,767**	**1,742,727**
Shareholders' equity - Group share		**1,316,925**	**1,268,794**
Share capital		142,208	142,208
Share premium		981,191	981,191
Unrealised or deferred capital gains and losses		88,144	70,529
Available-for-sale reserves		*89,631*	*98,514*
Cash flow hedge reserves		*(7,390)*	*(9,274)*
Translation reserves		*5,903*	*(18,711)*
Consolidated reserves		26,002	66,513
Net income - Group share		79,380	8,353
Non-controlling interests	15	**520,842**	**473,933**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**9,163,715**	**8,049,097**

Consolidated income statement

for the six months ended 30 September 2014

In thousands of euro		Notes	30/09/2014	30/09/2013
+	Interest income	18	45,760	47,638
-	Interest expense	18	(24,493)	(25,481)
+	Fee income	19	594,224	467,122
-	Fee expense	19	(21,503)	(22,222)
+/-	Net gains / (losses) on financial instruments at fair value through profit or loss	20	19,657	16,920
+/-	Net gains / (losses) on available-for-sale financial assets	21	54,715	6,894
+	Other operating income	22	8,349	6,817
-	Other operating expenses	22	(3,413)	(4,777)
Net banking income			**673,296**	**492,911**
-	Staff costs	23	(382,115)	(313,931)
-	Administrative expenses	23	(116,314)	(110,753)
-	Amortisation, depreciation and impairment of tangible and intangible fixed assets		(18,133)	(16,536)
Gross operating income			**156,734**	**51,691**
+/-	Cost of risk	24	(10,224)	337
Operating income			**146,510**	**52,028**
+/-	Net income from companies accounted for by the equity method		3,071	264
+/-	Net income / (expense) from other assets	25	23,259	(18,325)
Profit before tax			**172,840**	**33,967**
-	Income tax expense	26	(35,920)	(22,531)
CONSOLIDATED NET INCOME			**136,920**	**11,436**
Non-controlling interests			**57,540**	**24,398**
NET INCOME - GROUP SHARE			**79,380**	**(12,962)**
Earnings per share in euro - Group share (basic and diluted)		29	1.15	(0.19)
Earnings per share in euro - continuing operations (basic and diluted)		29	1.15	(0.19)

Statement of comprehensive income

for the six months ended 30 September 2014

In thousands of euro	30/09/2014	30/09/2013
Consolidated net income	**136,920**	**11,436**
Elements recyclable in profit or loss		
Translation differences	48,041	(5,813)
Revaluation of available-for-sale financial assets	(18,126)	9,922
of which (gains) / losses transferred to income	*(40,592)*	*(42)*
Cash flow hedge derivatives revaluation	3,227	4,884
Gains and losses recognised directly in equity for companies accounted for by the equity method	1,309	(870)
Taxes	4,211	(4,370)
Total elements recyclable in profit or loss	**38,662**	**3,753**
Elements not recyclable in profit or loss		
Actuarial gains / (losses) on defined benefit pension funds	(25,118)	(15,476)
Taxes	4,828	(3,929)
Other	(1)	-
Total elements not recyclable in profit or loss	**(20,291)**	**(19,405)**
Total unrealised or deferred capital gains or losses	**18,371**	**(15,652)**
TOTAL COMPREHENSIVE INCOME	**155,291**	**(4,216)**
attributable to equity shareholders	*79,787*	*(27,743)*
attributable to non-controlling interests	*75,504*	*23,527*

The translation gains in the six months ended September 2014 resulted from a strengthening of the GBP and USD during that period against the Euro, which meant that GBP and USD subsidiaries with net assets enjoyed a translation gain on consolidation.

Consolidated statement of changes in equity

for the six months ended 30 September 2014

In thousands of euro	Capital and associated reserves				Unrealised or deferred capital gains and losses (net of tax)						
	Share capital	Share premium	Treasury shares	Consol-idated reserves	Related to translation differences	Available-for-sale reserves	Hedging reserves	Net income, Group share	Share-holders' equity - Group share	Share-holders' equity, non - controlling interests	Total shareholders' equity
SHAREHOLDERS' EQUITY AT 31 MARCH 2013	**141,806**	**978,255**	**(9,429)**	**68,139**	**(17,142)**	**36,493**	**(15,087)**	**41,746**	**1,224,781**	**481,336**	**1,706,117**
Allocation of profit	-	-	-	41,746	-	-	-	(41,746)	-	-	-
Shareholders' equity at 1 April 2013	**141,806**	**978,255**	**(9,429)**	**109,885**	**(17,142)**	**36,493**	**(15,087)**	**-**	**1,224,781**	**481,336**	**1,706,117**
Increase in share capital	402	2,936	-	-	-	-	-	-	3,338	-	3,338
Elimination of treasury shares	-	-	(3,413)	-	-	-	-	-	(3,413)	-	(3,413)
Dividends payable	-	-	-	(34,959)	-	-	-	-	(34,959)	(56,360)	(91,319)
Charge related to share-based payments	-	-	-	488	-	-	-	-	488	10	498
Sub-total of changes linked to transactions with shareholders	**402**	**2,936**	**(3,413)**	**(34,471)**	**-**	**-**	**-**	**-**	**(34,546)**	**(56,350)**	**(90,896)**
2013/2014 Net income for the year	-	-	-	-	-	-	-	8,353	8,353	55,612	63,965
Net gains / (losses) from changes in fair value	-	-	-	-	-	64,844	6,026	-	70,870	2,668	73,538
Net (gains) / losses transferred to income on disposal	-	-	-	-	-	(5,771)	-	-	(5,771)	46	(5,725)
Net (gains) / losses transferred to income on impairment	-	-	-	-	-	3,421	-	-	3,421	96	3,517
Actuarial gains / (losses) on defined benefit funds	-	-	-	603	-	-	-	-	603	4,187	4,790
Interest on undated subordinated debt	-	-	-	-	-	-	-	-	-	(13,921)	(13,921)
Effect of acquisitions and disposals of non-controlling interests	-	-	-	1,151	9	-	-	-	1,160	(1,972)	(812)
Translation differences and other movements	-	-	-	2,187	(1,578)	(473)	(213)	-	(77)	2,231	2,154
SHAREHOLDERS' EQUITY AT 31 MARCH 2014	**142,208**	**981,191**	**(12,842)**	**79,355**	**(18,711)**	**98,514**	**(9,274)**	**8,353**	**1,268,794**	**473,933**	**1,742,727**
Allocation of profit	-	-	-	8,353	-	-	-	(8,353)	-	-	-
Shareholders' equity at 1 April 2014	**142,208**	**981,191**	**(12,842)**	**87,708**	**(18,711)**	**98,514**	**(9,274)**	**-**	**1,268,794**	**473,933**	**1,742,727**
Increase in share capital	-	-	-	-	-	-	-	-	-	-	-
Elimination of treasury shares	-	-	463	-	-	-	-	-	463	-	463
Dividends payable *(1)*	-	-	-	(36,332)	-	-	-	-	(36,332)	(8,615)	(44,947)
Charge related to share-based payments	-	-	-	446	-	-	-	-	446	5	451
Sub-total of changes linked to transactions with shareholders	**-**	**-**	**463**	**(35,886)**	**-**	**-**	**-**	**-**	**(35,423)**	**(8,610)**	**(44,033)**
2014/2015 Net income for the period	-	-	-	-	-	-	-	79,380	79,380	57,540	136,920
Net gains / (losses) from changes in fair value	-	-	-	-	-	19,684	2,439	-	22,123	231	22,354
Net (gains) / losses transferred to income on disposal	-	-	-	-	-	(31,874)	84	-	(31,790)	(2,343)	(34,133)
Net (gains) / losses transferred to income on impairment	-	-	-	-	-	404	-	-	404	7	411
Actuarial gains / (losses) on defined benefit funds	-	-	-	(17,656)	-	-	-	-	(17,656)	(2,634)	(20,290)
Interest on undated subordinated debt	-	-	-	-	-	-	-	-	-	(7,245)	(7,245)
Effect of acquisitions and disposals of non-controlling interests	-	-	-	4,291	(370)	63	(113)	-	3,871	(12,392)	(8,521)
Translation differences and other movements	-	-	-	(76)	24,984	2,840	(526)	-	27,222	22,355	49,577
SHAREHOLDERS' EQUITY AT 30 SEPTEMBER 2014	**142,208**	**981,191**	**(12,379)**	**38,381**	**5,903**	**89,631**	**(7,390)**	**79,380**	**1,316,925**	**520,842**	**1,837,767**

(1) This allocation includes €35.5 million of dividends to PO shareholders and a total of €0.8 million of dividends to PO Gestion SAS and PO Commandités SAS.

Cash flow statement

for the six months ended 30 September 2014

In thousands of euro	30/09/2014	30/09/2013
Consolidated net income (I)	**136,920**	**11,436**
+/- Depreciation and amortisation expense on tangible fixed assets and intangible assets	19,200	17,487
+/- Net charge for impairments and provisions	21,922	30,768
+/- Net (income) / loss from companies accounted for by the equity method	(3,071)	(264)
+/- Deferred tax (benefit) / expense	4,393	7,119
+/- Fair value (gains) / losses	(5,399)	(3,385)
+/- (Profit) / loss on disposal of AFS securities	(47,640)	(1,739)
+/- (Profit) / loss on acquisition and disposal of non-financial assets	(22,575)	302
Total non-monetary items included in consolidated net income (II)	**(33,170)**	**50,288**
+/- Net (increase) / decrease in operating assets	(524,335)	51,046
+/- Net increase / (decrease) in operating liabilities	965,900	(362,150)
+/- Reserves movements relating to operating items	(17,919)	(33,567)
Net (decrease) / increase in cash related to operating assets and liabilities (III)	**423,646**	**(344,671)**
Net cash inflow / (outflow) related to operating activities (A) = (I) + (II) + (III)	**527,396**	**(282,947)**
+/- Inflow / (outflow) related to associates and subsidiaries	35,598	3,631
+/- Inflow / (outflow) related to AFS assets	38,678	(40,813)
+/- Inflow / (outflow) related to tangible and intangible fixed assets	(6,255)	(15,010)
Net cash inflow / (outflow) related to investment activities (B)	**68,021**	**(52,192)**
- Dividends paid to shareholders and minority interests	-	-
- Interest on perpetual subordinated debt	(7,245)	(7,005)
Net cash inflow / (outflow) related to financing activities (C)	**(7,245)**	**(7,005)**
NET INFLOW / (OUTFLOW) OF CASH AND CASH EQUIVALENTS (A) + (B) + (C)	**588,172**	**(342,144)**
Cash and amounts due from and to central banks	3,150,287	3,739,597
Net demand deposits and amounts due to and from banks	396,431	534,979
Net cash and cash equivalents at the beginning of the period	**3,546,718**	**4,274,576**
Cash and amounts due from and to central banks	3,561,698	3,550,952
Net demand deposits and amounts due to and from banks	573,192	381,480
Net cash and cash equivalents at the end of the period	**4,134,890**	**3,932,432**
NET INFLOW / (OUTFLOW) OF CASH	**588,172**	**(342,144)**

Net cash and cash equivalents are shown in detail in note 16.

Notes to the consolidated financial statements

I. Highlights of the first half of the financial year

Operating revenues to 30 September 2014 were €673.3 million, compared with €492.9 million for the first six months for the comparable period in 2013/2014, representing an increase of €180.4 million. All of our main businesses reported increased revenues with Global Financial Advisory showing significant improvements in both M&A and Financing Advisory, Merchant Banking reporting higher investment disposal profits, and Wealth and Asset Management benefited from increased assets under management.

Operating profit was €146.5 million, significantly ahead of €52.0 million for the first six months for the comparable period in 2013/2014. Partially offsetting the revenue increase were higher staff costs of €68.2 million, largely due to higher variable staff compensation in connection with stronger revenues in Global Financial Advisory, and increased administrative expenses of €5.6 million, due to a combination of FX rate impact (especially £/€) and various IT project investments. Cost of risk for the comparable period in 2013/2014 benefited from the recovery of a previously written-off debt security.

Net income/ (expense) from other assets included a gain of €21.3 million on the sale of an associate, Fircosoft. Also included was a much reduced impairment charge (€3.2 million compared to €21.9 million this time last year) on the Group’s 8.4% long-standing equity interest in Edmond de Rothschild (Suisse) SA.

The tax charge for the period gave an effective tax rate of 20.8% compared to 66.3% for this time last year – the latter due in large part to the Edmond de Rothschild (Suisse) SA impairment charge and a change of UK corporation tax rate from 23% to 20% impacting on the carrying value of deferred tax assets.

Non-controlling interests were €24.4 million this time last year, compared to €57.5 million for this half year. The increase is largely due to higher partners’ profit share in France in connection with much higher profitability in the French operations.

As a consequence, net income attributable to equity holders of the parent company was a profit of €79.4 million, compared with a loss of €12.9 million for the same period in the prior year.

II. Preparation of the financial statements

A. Information concerning the company

The summary consolidated financial statements of Paris Orléans Group for the first half year 2014/2015 are presented in accordance with the IFRS standards in force at the reporting date, as adopted in the European Union by EC Regulation No. 1606/2002. The format used for the summary financial statements is a banking format. It is consistent with Recommendation No. 2013-04 of 7 November 2013 of the French Accounting Standards Authority (Autorité des normes comptables). The statements cover the period from 1 April 2014 to 30 September 2014 and, unless otherwise indicated, are disclosed in thousands of euro (€k).

The consolidated accounts were approved by PO Gestion S.A.S., the manager and general partner of Paris Orléans Group, on 17 November 2014 and considered by the PO Supervisory Board on 25 November 2014.

At 30 September 2014, the Group's holding company was Paris Orléans S.C.A., French partnership limited by shares (société en commandite par actions), headquartered at 23 bis, avenue de Messine, 75008 Paris (Paris Trade and Companies Registry Number 302 519 228). The company is listed on the Eurolist market of Euronext Paris (Compartment A).

B. General principles

The notes were drawn up taking into account the understanding, relevance, reliability, comparability and materiality of the information provided.

C. Subsequent Events

There were no significant events to report after the 30 September 2014 closing date.

III. Accounting principles and valuation methods

The accounting principles and valuation methods applied by the Group for the half-year summary consolidated financial statements are identical to those applied and described in the annual financial statements for the year ended 31 March 2014, except for the changes explained below. It should be noted that the Group's interim financial reporting is in compliance with IAS 34.

– IFRS 10 Consolidated Financial Statements replaces IAS 27 Consolidated and Separate Financial Statements and SIC-12 Consolidation – Special Purpose Entities. IFRS 10 introduces a single model of assessing control. Control exists where an investor has the power to direct the activities of another entity in order to influence the returns to the investor

– IFRS 11 Joint Arrangements replaces IAS 31 Interests in Joint Ventures. IFRS 11 requires all joint ventures to be equity accounted

As of 30 September 2014, the application of IFRS 10 and 11 do not have a material impact on the financial statements of Paris Orléans.

– IFRS 12 Disclosure of Interests in Other Entities sets out new disclosure requirements in respect of interests in subsidiaries, joint arrangements and associates. It also introduces new requirements for unconsolidated structured entities. With the application of IFRS 12, the financial statements for the year ending 31 March 2015 will contain detailed information on the Group’s interests in associates and its non-controlling interests.

– Amendments to IAS 32, which specify the terms of presentation offset in the balance sheet of financial instruments and as of 30 September 2014. These amendments do not have a material impact on the financial statements of Paris Orléans.

The Group has not opted for early application of new standards, amendments and interpretations adopted by the European Union or the IASB where the application in 2014 is optional.

To prepare the financial statements in accordance with the Group’s accounting methods, management has made assumptions and estimates that could have an impact on the book value of certain assets and liabilities and items of income and expense.

By their nature, such valuations carry risks and uncertainties as to their realisation in the future. Management has taken care to take into consideration the counterparty’s financial situation and outlook as well as multiple-criteria valuations that take observable parameters into account to determine whether there are objective signs of impairment.

Estimates and assumptions are used mainly with regard to goodwill, available-for-sale financial assets, loans and receivables, and impairment and provisions.

At each closing date, the Group draws conclusions from past experience and all relevant factors relating to its business.

IV. Financial risk management

In accordance with IFRS 7 “Financial instruments: Disclosures”, the risks relating to financial instruments and the way in which these are managed by the Group are described below:

A. Governance

The supervising body of the Group is the Supervisory Board of PO which oversees the management of PO by the Manager *(gérant)* , PO Gestion SAS, and submits to the annual general meeting of shareholders a report on the results of its supervision. In addition, pursuant to the provisions of Article L. 225-68 of the French Commercial Code, the Chairman of the Supervisory Board submits to the annual general meeting of shareholders a report on corporate governance and on the internal control and risk management procedures implemented by the company. The Supervisory Board has appointed three specialised committees to address particular concerns: the Audit Committee, the Remuneration and Nominations Committee and the Strategy Committee.

Members of the Supervisory Board’s Committees are appointed by the Supervisory Board from its own members. The terms of reference of these committees are approved by the Supervisory Board.

The Audit Committee reports to the Supervisory Board on the effectiveness and quality of internal control and risk management, particularly with regard to the consistency of risk measurement, supervision and management systems.

The Remuneration and Nominations Committee assists the Supervisory Board with its remuneration related duties and in particular with the preparation of its decisions aimed at deciding the Group’s remuneration policy principles.

The Strategy Committee gives guidance to the Manager *(gérant)* and the Supervisory Board with respect to the long-term development strategies, significant investments and significant technical proposals or initiatives of the Manager affecting PO and the Group strategy on a consolidated basis.

PO Gestion SAS, in its capacity as Manager *(gérant)* of PO, acts as the legal representative of PO. PO Gestion SAS and its officers are supported and assisted in the management of the PO group by the Group Management Committee ("GMC") which forms the senior executive operational and functional committee for the PO Group, responsible for the proper and effective functioning of Group governance structures, operating policies and procedures, and implementation of Group strategy. The GMC assists PO Gestion SAS in the administration of the affairs of the PO Group and oversees the other business management and internal control executive Group committees.

At the date of the present report, the Group’s key executive bodies involved in internal control are:

- the Group Risk Committee; and

- the Group Assets and Liabilities Committee ("Group ALCO") responsible for medium-term capital planning, having regard for the Group’s business plans and regulatory constraints.

The terms of reference and membership of these committees are regularly reviewed.

The Group is currently conducting a review of the provisions of the ministerial decree *(arrêté)* published on 5 November 2014 which transposes into French regulations the provisions of the CRD IV directive on governance and internal control, in particular those provisions which require the establishment of a risk committee of the supervisory body and which will enter into force as of 1 January 2015.

The use of financial instruments is fundamental to the Group’s banking and treasury activities. The Group provides a range of lending products to its clients and funds these activities by means of deposit taking and other borrowings. The Group uses derivative financial instruments to meet clients’ requirements and to manage its exposure to interest rate and currency risk arising from its banking activities. The Group also invests in debt securities in order to provide a portfolio of liquid assets to assist in the management of liquidity risk. Further information on derivative contracts is set out in notes 1 and 2 of section V.

Risk management of these instruments is coordinated at PO level by the Group ALCO and monitored by the Group Chief Risk Officer and the Risk function across the Group. The key risks arising from the Group’s activities involving financial instruments are risks relating to credit, market and liquidity.

Credit risk arises from the potential failure of counterparties and customers to meet their obligations.

Market risk arises from changes in the market value of assets and liabilities. Financial instruments, including derivatives, are used to provide clients with solutions to meet their commercial objectives. Financial instruments are also used to manage the Group’s exposure to market risk arising from movements in exchange rates, interest rates and volatility levels. Market risk from trading activities is subject to appropriate limits and is measured and monitored independently of traders.

Liquidity risk arises from the mis-match between the legal maturity of the assets and the liabilities. Liquidity is measured by classifying assets, liabilities and other cashflows into future time bands using a series of prudent assumptions and calculating the resultant surplus or deficit in each period.

Responsibility for managing specific risks rests with individual businesses which are required to establish processes for identifying, evaluating and managing the key risks they face. In addition, the businesses are required, where appropriate, to establish separately constituted committees, to approve policies, set limits, monitor exceptions and make recommendations on operational, liquidity, market and credit risk decisions.

The Group's approach to these risks and a summary of the Group's exposure to them is set out in the following sections.

B. Credit risk

The Group has a Credit Risk Policy which is reviewed annually by the Group Risk Committee. The policy sets out the credit risk appetite of the Group and the limits that have been established at Group level, and establishes reporting protocols. It also requires each subsidiary that conducts banking activities to have a credit risk policy which is consistent with the Group Credit Risk Policy and with the requirements of local regulators.

All exposure to credit risk is managed by detailed analysis of client and counterparty creditworthiness prior to entering into an exposure, and by continued monitoring thereafter. A significant proportion of the Group’s lending exposures are secured on property or assets; the Group monitors the value of any collateral obtained. The Group also uses netting agreements to restrict credit exposure to counterparties.

For internal monitoring purposes, credit exposure on loans and debt securities is measured as the principal amount outstanding plus accrued interest. Credit exposure on derivatives is measured as the current replacement value plus an allowance for the potential change in replacement value. Reflecting the Group’s focus on Private Client Lending, a Group Private Client Credit Committee ("PCCC") approves and periodically reviews the Private Client Lending exposures and credit policies consistent with the Private Client Lending strategy approved by the GMC.

The Private Client Lending exposures assumed and the credit policies followed within the Group are subject to the oversight of the Group Risk Committee. The purpose of the Group PCCC is to ensure that the level of risk assumed is consistent with the risk appetite of the Group and in accordance with the Group Credit Risk Policy.

The Private Client Lending policies and associated delegated authorities will be confirmed by the relevant Board (or Board Committee as appropriate) of each of the banking entities on an annual basis. Any material changes to the Private Client Lending policies will be approved by the GMC and the Group Risk Committee.

Credit exposures on loans and debt securities are reviewed on a quarterly basis and for this purpose they are classified as follows:

Category 1	Exposures where the payment of interest or principal is not in doubt and which are not part of categories 2 to 5.
Category 2	Exposures where the payment of interest or principal is not in doubt, but which require closer observation than usual due to some deterioration in the position of the client, for example: poor trading results; difficult conditions in the client’s market sector; competitive or regulatory threats; or the potential impact from currency or other factors.
Category 3	Exposures where there has been further deterioration in the position of the client. Although the exposure is not considered to be impaired, the relationship requires close monitoring by the front office team.
Past due but not impaired financial assets	A financial asset is considered to be past due when the counterparty has failed to make a payment when contractually due. Financial assets that are past due but not impaired are exposures for which a provision is not considered necessary despite non-payment of the contractual obligations.
Category 4	Exposures that are considered to be impaired and which carry a provision against part of the loan (unless collateral exists which exceeds the exposure's carrying value). At least some recovery is expected to be made.
Category 5	Exposures that are considered to be impaired and which carry a full provision. No significant recovery of value is expected.

All Group companies map their own credit monitoring to these categories for the purposes of Group reporting.

The tables below disclose the maximum exposure to credit risk at 30 September 2014 and at 31 March 2014 for financial assets with exposure to credit risk, without taking account of collateral held or other credit risk mitigation.

In thousands of euro	Category 1	Category 2	Category 3	Past due but not impaired	Category 4	Category 5	Impairment allowance	30/09/2014
Financial assets at fair value through profit or loss [(1)]	285,701	-	-	-	-	-	-	285,701
Hedging derivatives	16,241	-	-	-	-	-	-	16,241
Loans and advances to banks	1,616,139	-	-	-	-	-	-	1,616,139
Loans and advances to customers	1,157,518	31,159	150,672	7,853	158,783	16,039	(84,346)	1,437,678
Available-for-sale financial assets - debt securities	305,791	4,190	9,660	-	19,747	13,064	(26,788)	325,664
Other financial assets	329,516	35	-	22,177	2,579	11,494	(16,841)	348,960
Sub-total Assets	**3,710,906**	**35,384**	**160,332**	**30,030**	**181,109**	**40,597**	**(127,975)**	**4,030,383**
Commitments and guarantees	196,125	3,345	419	-	-	-	-	199,889
TOTAL	**3,907,031**	**38,729**	**160,751**	**30,030**	**181,109**	**40,597**	**(127,975)**	**4,230,272**

(1) Excluding equity

In thousands of euro	Category 1	Category 2	Category 3	Past due but not impaired	Category 4	Category 5	Impairment allowance	31/03/2014
Financial assets at fair value through profit or loss [(1)]	155,519	-	-	-	-	-	-	155,519
Hedging derivatives	14,346	-	-	-	-	-	-	14,346
Loans and advances to banks	1,175,858	-	-	-	-	-	-	1,175,858
Loans and advances to customers	1,060,017	65,773	162,498	5,685	147,437	15,885	(79,991)	1,377,304
Available-for-sale financial assets - debt securities	239,328	5,954	9,214	-	28,018	18,510	(31,456)	269,568
Other financial assets	270,581	19	16	8,558	6,463	12,503	(14,043)	284,097
Sub-total Assets	**2,915,649**	**71,746**	**171,728**	**14,243**	**181,918**	**46,898**	**(125,490)**	**3,276,692**
Commitments and guarantees	148,824	2,078	513	-	-	-	-	151,415
TOTAL	**3,064,473**	**73,824**	**172,241**	**14,243**	**181,918**	**46,898**	**(125,490)**	**3,428,107**

(1) Excluding equity

1. Past due but not impaired assets

The table below analyses amounts past due but not impaired by how far they are past their due date:

In thousands of euro	30/09/2014			31/03/2014		
	Loans and advances to customers	Other financial assets	TOTAL	Loans and advances to customers	Other financial assets	TOTAL
Less than 90 days	5,305	-	5,305	3,478	987	**4,465**
Between 90 and 180 days	503	3,906	4,409	289	3,013	**3,302**
Between 180 days and 1 year	648	17,518	18,166	568	3,969	**4,537**
More than 1 year	1,397	753	2,150	1,350	589	**1,939**
TOTAL	**7,853**	**22,177**	**30,030**	**5,685**	**8,558**	**14,243**

As refinancing and sale options are currently limited, it is generally in the lender's and borrower's interest to extend certain facilities at maturity and not to foreclose on the security. This assumes there are no underlying issues regarding the borrower's ability to continue to service the loan and the level of collateral is expected to be of sufficient quality to secure the principal.

Unimpaired loans extended in this manner are not categorised as either past due or as renegotiated. As at 31 March 2014 the cumulative value of all loans within this category was €138.9 million (March 2014: €114.7 million). All of these loans were property loans. There are a small number of loans which are overdue, but not impaired, pending an extension of maturity. As at 30 September 2014, these amounted to €3.4 million (March 2014: €4.4 million).

Some loans were renegotiated on substantially different terms than before. Typically these loans will include revised covenants and higher margins to reflect higher credit risk as well as having extended maturities. But for these renegotiations the loans would have been deemed to have been impaired. As at 30 September 2014, the carrying value of all loans renegotiated was €39.8 million (March 2014: €66.1 million).

2. Collateral

The Group holds collateral against loans to customers. Substantially all third party commercial lending is secured. Collateral is split by type as either specific or general.

Specific collateral is a readily identifiable asset. The majority of specific collateral is in the form of charges over property assets, or over marketable securities (Lombard lending). There is a realistic possibility, if necessary, of both taking possession of, and realising, the collateral. General collateral will be more difficult to both identify and realise. It will usually be a charge over the assets of a business, and is typically attached to leveraged finance assets. It is not practicable to ascribe a specific value to this collateral.

Unimpaired loans (categories 1 to 3) are covered by both specific and general collateral. For category 1, 2 and 3 loans the level of collateral at expected exit is expected to be sufficient to cover the balance sheet exposure. Where a loan is deemed to be impaired (categories 4 and 5), the level of the impairment charge is primarily driven by any expected shortfall in the collateral value, though it is also influenced by the ability of the borrower to service the debt.

Collateral is valued independently at the time the loan is made and periodically thereafter on a rolling basis. For physical assets such as property, management are able to roll forward a valuation for reporting purposes via a combination of specific knowledge of the property and the application of general property indices.

The table below gives an estimate of the fair value of collateral held by the Group as security against its loans to customers that are individually impaired and past due but not impaired.

In thousands of euro	30/09/2014		31/03/2014	
	Past due but not impaired	**Individually impaired**	**Past due but not impaired**	**Individually impaired**
Tangible assets collateral	8,415	88,803	5,976	89,985
Financial assets collateral	-	15,465	-	10,145
TOTAL	**8,415**	**104,268**	**5,976**	**100,130**
Gross value of loans	7,853	174,822	5,685	163,322
Impairment	-	(59,395)	-	(53,366)
Net value of loans	**7,853**	**115,427**	**5,685**	**109,956**

3. Credit risk analysis

The tables below show an analysis of credit risk by location and by sector as of 30 September 2014 and 31 March 2014.

a) Credit risk by location

Location for loans and advances is measured by reference to the location of the borrower. Debt securities are recorded based on the location of the issuer of the security.

In thousands of euro	**France**	**UK and Channel Islands**	**Switzerland**	**Rest of Europe**	**Americas**	**Australia and Asia**	**Other**	**30/09/2014**
Financial assets at fair value through profit or loss [(1)]	105,123	46,057	122,720	8,695	9	158	2,939	285,701
Hedging derivatives	336	15,053	-	852	-	-	-	16,241
Loans and advances to banks	876,642	388,932	67,722	167,753	70,904	29,301	14,885	1,616,139
Loans and advances to customers	152,731	712,794	182,364	220,406	112,221	40,876	16,286	1,437,678
Available-for-sale financial assets - debt securities	27,726	181,622	186	92,921	18,085	5,123	-	325,664
Other financial assets	79,358	53,526	86,215	55,133	44,562	23,386	6,780	348,960
Sub-total Assets	**1,241,916**	**1,397,984**	**459,207**	**545,760**	**245,781**	**98,844**	**40,890**	**4,030,383**
Commitments and guarantees	55,624	60,650	31,294	45,612	1,163	218	5,328	199,889
TOTAL	**1,297,540**	**1,458,634**	**490,501**	**591,372**	**246,944**	**99,062**	**46,218**	**4,230,272**

(1) Excluding equity

In thousands of euro	**France**	**UK and Channel Islands**	**Switzerland**	**Rest of Europe**	**Americas**	**Australia and Asia**	**Other**	**31/03/2014**
Financial assets at fair value through profit or loss [(1)]	84,540	15,016	42,245	10,527	23	236	2,932	155,519
Hedging derivatives	1,007	12,431	-	908	-	-	-	14,346
Loans and advances to banks	607,866	270,515	38,623	128,913	81,956	32,291	15,694	1,175,858
Loans and advances to customers	181,892	707,572	166,345	167,721	86,438	55,082	12,254	1,377,304
Available-for-sale financial assets - debt securities	41,230	87,162	3,274	121,322	11,588	4,992	-	269,568
Other financial assets	65,261	62,321	32,569	61,200	35,382	19,941	7,423	284,097
Sub-total Assets	**981,796**	**1,155,017**	**283,056**	**490,591**	**215,387**	**112,542**	**38,303**	**3,276,692**
Commitments and guarantees	41,803	26,406	48,444	33,855	905	2	-	151,415
TOTAL	**1,023,599**	**1,181,423**	**331,500**	**524,446**	**216,292**	**112,544**	**38,303**	**3,428,107**

(1) Excluding equity

b) Credit risk by sector

The sector is based on Global Industry Classification Standards ("GICS").

In thousands of euro	30/09/2014	31/03/2014
Financial	2,343,024	1,749,823
Private clients	862,622	690,830
Real estate	327,317	381,297
Industrials	146,847	131,102
Consumer discretionary	122,878	128,424
Government	211,520	92,399
Consumer staples	40,766	53,939
Materials	25,954	48,316
Utilities	24,429	35,226
IT and telecoms	21,329	32,627
Healthcare	34,177	21,222
Energy	6,674	6,306
Other	62,735	56,596
TOTAL	**4,230,272**	**3,428,107**

The "Government" exposure above predominantly consists of high quality government securities.

The balances above do not include Cash and amounts due from Central Banks, which are not considered to have a significant credit risk. These amounted to €3,562 million at 30 September 2014 (March 2014 : €3,150 million).

Financial and real estate sector exposures may be analysed as follows:

In thousands of euro	30/09/2014	31/03/2014
Short term interbank exposures	1,777,437	1,262,804
Treasury marketable securities - investment grade	129,339	136,904
Cash/investment backed lending	156,717	166,755
Finance companies	60,075	40,032
Other	219,456	143,328
TOTAL FINANCIAL SECTOR	**2,343,024**	**1,749,823**

Short term interbank lending and marketable securities are held for liquidity management purposes.

In thousands of euro	30/09/2014	31/03/2014
Senior loans	270,473	294,251
Mezzanine	52,178	66,308
Other	4,666	20,738
TOTAL REAL ESTATE SECTOR	**327,317**	**381,297**

Real estate exposures are supported by income generated by a large number of tenants from a wide variety of industry sectors. Exposures are, broadly, evenly split between the major property types, and are located predominantly within the UK.

C. Market risk

Market risk arises as a result of the Group's activities in interest rate, currency, equity and debt markets and comprises interest rate, foreign exchange, equity and debt position risk. Exposure to market risk is small in relation to capital, as trading activity is focused on servicing client requirements rather than on proprietary risk-taking. Foreign exchange and interest rate derivative contracts are predominantly used for hedging purposes. Trading activities in the Group are confined to 'vanilla' products – the Group does not trade in complex derivatives or other exotic instruments.

There has been no material change to the Group's market risk profile since the last report.

Limits on market risk exposure in NMR, which is one of the principal subsidiaries of the Group, are set by the Group ALCO. Position limits are set for interest rate risk using an interest rate gap method. Position limits are set for FX risk using an Overnight Open Position Limit as well as an Intraday Open Position Limit. Monitoring of market risk limits and determination of trading profits are undertaken daily, independently of the dealing area. Risk limits are complemented by other measures and controls, including stress testing to estimate the losses that could occur when markets behave in unusually volatile ways and with little liquidity. Market risks associated with treasury, leveraged finance loan trading and equity positions are described below with a description of risk management and the levels of risk.

1. Equity investments

The Group has exposure to equity price risk through holdings of equity investments and warrants on equity investments. Each of these positions is individually approved by senior management and is monitored on an individual basis.

If the price of these equities and of the equities on which derivative instruments are dependent were to fall by 5%, then there would be a post-tax charge to the income statement of €12.3 million (March 2014: €11.8 million) and a charge to equity of €14.1 million (March 2014: €14.3 million).

Moreover, the Group is exposed through its investments to the risks affecting the companies in which it invests.

The table below shows the Group's equity price risk in relation to these instruments, by location.

In thousands of euro	**30/09/2014**	**31/03/2014**
France	190,896	209,862
Rest of Europe	127,551	130,604
Americas	87,513	105,804
Switzerland	99,794	103,671
Asia and Australia	30,237	28,549
United Kingdom and Channel Islands	12,917	13,456
Other	18,577	15,971
TOTAL	**567,485**	**607,917**

2. Interest rate risk

The following table summarises exposure to interest rate risk in the UK, Swiss and Guernsey banks by showing the impact on the fair value of interest-bearing assets and liabilities, and of interest rate derivatives, if base interest rates in each currency shown moved up by 100 basis points.

In thousands of euro	30/09/2014	31/03/2014
USD	289	524
EUR	118	(270)
GBP	294	243
CHF	-	1,537
Other	86	(2)
TOTAL	**787**	**2,032**

D. Liquidity risk

Management of liquidity risk is of fundamental importance to the operating entities of the Group, to ensure that they can meet their liabilities as they fall due.

The PO Group adopts a conservative approach to liquidity risk and its management and has designed its approach in the overall context of the Banking and Wealth Management strategy. Each banking entity must have in place a liquidity risk policy approved by the Group ALCO and which defines its liquidity risk limits and how liquidity risk is measured, monitored and controlled. In summary each entity is required:

- To hold a level of liquidity resources necessary to meet its short-term obligations as defined by its liquidity policy statement; the Group ALCO may from time to time impose stricter guidance according to market conditions or other Group considerations.
- To maintain an appropriate structural liquidity profile through a funding base of appropriate duration and diversity relative to its asset profile, business plans, market capacity and access.
- To maintain in so far as possible local market and counterparty access to available liquidity resources including for example foreign exchange swap markets, Repo and applicable central bank facilities.
- To comply with all applicable regulatory liquidity requirements.

Liquidity is monitored daily, independently of the front office Treasury staff responsible for day-to-day liquidity management. The banking entities are also subject to liquidity guidelines set by their regulator.

At the Group’s banking entities, liquidity is measured based on behavioural adjustments and stress tests. The behaviour of assets and liabilities may, in certain scenarios, be less favourable than foreseen by their contractual maturity. For instance, there is the possibility that customer loans will not be repaid at their contractual term.

The liquidity of the Group’s four main banking groups is managed independently of each other. This is summarised below.

N M Rothschild & Sons Limited ("NMR")

NMR measures its liquidity risk quantitatively against a Liquidity Coverage Ratio ("LCR") limit. This is in line with the requirements of the regulator's liquidity regime. The LCR considers NMR’s eligible “Buffer” assets against the cumulative net cash flows payable under its most severe stress test. Only those assets of the highest quality can be treated as eligible for inclusion in the LCR.

NMR's liquidity policy requires it to keep an LCR in excess of 100% at the one-month time horizon. At 30 September 2014, the ratio measured was 147% (March 2014: 181%).

Rothschild Bank International Limited ("RBI")

RBI complies with the liquidity regime of the Guernsey Financial Services Commission ("GFSC") which prescribes cumulative cash flow deficit limits for periods up to the one-month time horizon using standard behavioural adjustments (i.e. not institution specific).

At 30 September 2014, the RBI regulatory liquidity ratio for the 8 day to one month period as a percentage of total deposits was 24% (March 2014: 22%), well in excess of the limit set by the GFSC of -5%.

Rothschild Bank Zurich ("RBZ")

RBZ's liquidity policy includes a behavioural adjustment applied across different client types, which allows for approximately one third of client deposits to be withdrawn over 30 days. Although the regulatory framework would permit significant mismatches within the 30-day time bucket, RBZ maintains a more conservative approach to liquidity.

Internal limits provide for RBZ to be cumulatively cash positive in all periods (after behavioural adjustment). The behavioural adjustment is complemented by an additional requirement that 20% of all client call deposits are held in cash and assets realisable within 48 hours.

RBZ’s liquid assets at 30 September 2014 were 405% of liquid liabilities, as measured for regulatory purposes (March 2014: 423%). The regulatory limit is 100%.

Rothschild & Cie Banque ("RCB")

RCB's liquidity assets are composed of clients' accounts, UCITS and outstanding income that is invested daily on money markets.The Treasury Committee and its intermediaries, which meet monthly, authorise the counterparties for these investments.

RCB’s liquidity ratio corresponds to the ratio of cash assets and short-term loans to short-term liabilities. It is calculated on a monthly basis, with the minimum threshold set at 100%.

At 30 September 2014, RCB’s one month liquidity ratio was 496% compared with 309% at 31 March 2014.

1. Contractual Maturity

The following table shows the Group's financial assets and liabilities, analysed by remaining contractual maturity at the balance sheet date.

In thousands of euro	Demand - 1m	1m - 3m	3m - 1yr	1yr - 2yr	2yr - 5yr	>5 yr	No contractual maturity	30/09/2014
Cash and balances at central banks	3,562,729	-	-	-	-	-	-	**3,562,729**
Financial assets at FVTPL	127,894	66,068	23,564	192	164,424	28,295	33,462	**443,899**
Hedging derivatives	5,375	-	10,302	392	172	-	-	**16,241**
AFS financial assets	1,834	23,946	116,507	36,809	50,369	96,199	409,287	**734,951**
Loans and advances to banks	1,523,281	88,647	53	4,158	-	-	-	**1,616,139**
Loans and advances to customers	581,778	228,640	314,093	175,401	126,080	11,686	-	**1,437,678**
Other financial assets	307,592	33,177	7,943	-	248	-	-	**348,960**
TOTAL ASSETS	**6,110,483**	**440,478**	**472,462**	**216,952**	**341,293**	**136,180**	**442,749**	**8,160,597**
Financial liabilities at FVTPL	59,020	19,555	11,324	193	-	69	-	**90,161**
Hedging derivatives	-	-	107	10,367	158	-	-	**10,632**
Deposits by banks and central banks	147,284	1,157	21,639	171,969	11,667	-	-	**353,716**
Due to customers	4,921,885	165,365	355,798	240,403	120,969	21,816	-	**5,826,236**
Subordinated debt	-	-	30,939	-	-	-	-	**30,939**
Other financial liabilities	220,015	38,278	1,819	-	1,244	2,490	-	**263,846**
TOTAL LIABILITIES	**5,348,204**	**224,355**	**421,626**	**422,932**	**134,038**	**24,375**	**-**	**6,575,530**

E. Fair value of financial instruments

For financial reporting purposes, IFRS 13 requires fair value measurements applied to financial instruments to be allocated to one of three Levels, reflecting the extent to which the valuation is based on observable data.

Level 1: instruments quoted on an active market

Level 1 comprises instruments whose fair value is determined based on directly usable prices quoted on active markets. This mainly includes listed securities and derivatives traded on organised markets (futures, options, etc.) whose liquidity can be demonstrated, and shares of funds where the value is determined and reported on a daily basis.

Level 2: instruments measured based on recognised valuation models using observable inputs other than quoted prices

Level 2 comprises instruments not directly quoted on an active market, measured using a valuation technique incorporating parameters that are either directly observable (prices) or indirectly observable (price derivatives) through to maturity.

Level 3: instruments measured using models that are not commonly used and/or that draw on non-observable inputs

Level 3 comprises instruments which are measured, on the basis of non-observable market data which is liable to materially impact the valuation.

Carried at amortised cost:

In thousands of euro	30/09/2014				
	Carrying value	**Fair value**	**level 1**	**level 2**	**level 3**
Financial assets					
Loans and advances to banks	1,616,139	1,616,139	-	1,616,139	-
Loans and advances to customers	1,437,678	1,396,890	-	1,057,310	339,580
TOTAL	**3,053,817**	**3,013,029**	**-**	**2,673,449**	**339,580**
Financial liabilities					
Due to banks and central banks	353,716	353,716	-	353,716	-
Due to customers	5,826,236	5,831,970	-	5,831,970	-
Subordinated debt	30,939	30,732	30,732	-	-
TOTAL	**6,210,891**	**6,216,418**	**30,732**	**6,185,686**	**-**

In thousands of euro	31/03/2014				
	Carrying value	**Fair value**	**level 1**	**level 2**	**level 3**
Financial assets					
Loans and advances to banks	1,175,858	1,175,858	-	1,175,858	-
Loans and advances to customers	1,377,304	1,342,838	-	1,044,837	298,001
TOTAL	**2,553,162**	**2,518,696**	**-**	**2,220,695**	**298,001**
Financial liabilities					
Due to banks and central banks	334,835	334,835	-	334,835	-
Due to customers	4,946,668	4,958,761	-	4,958,761	-
Subordinated debt	28,338	27,057	27,057	-	-
TOTAL	**5,309,841**	**5,320,653**	**27,057**	**5,293,596**	**-**

- Loans to customers and their associated interest rates are compared, by maturity, with similar recent transactions. In the event of a material difference in interest rates or any other factor indicating that an asset’s fair value is materially different from the net carrying amount, the fair value is adjusted accordingly. To determine the assets' fair value, the Group estimates counterparties' default risk and calculates the sum of future cash flows, taking into account the debtors' financial standing.

- Delivered repurchase agreements, repurchase agreements and amounts due to customers: the fair value of these instruments is determined using a DCF technique, the discount rate of which is adjusted for the appropriate credit margin.

- Subordinated debt: the fair value of these instruments is determined using prices observed on the markets.

Carried at fair value:

In thousands of euro	30/09/2014			
	TOTAL	Measured using		
		Level 1	Level 2	Level 3
FINANCIAL ASSETS				
TRADING SECURITIES - SHORT TERM	**77,080**	37,336	39,744	-
FINANCIAL ASSETS DESIGNATED AT FVTPL - LONG TERM	**221,846**	2,099	219,747	-
DERIVATIVE FINANCIAL INSTRUMENTS	**161,214**	-	161,214	-
Public bills and similar securities	152,248	152,248	-	-
Bonds and similar securities	101,662	40,338	54,942	6,382
Notes and other securities	63,467	3,621	53,375	6,471
Acrrued interest	8,287	242	5,366	2,679
Total AFS Debt securities	325,664	196,449	113,683	15,532
Total AFS Equity securities	409,287	155,115	82,371	171,801
AVAILABLE-FOR-SALE FINANCIAL ASSETS	**734,951**	**351,564**	**196,054**	**187,333**
TOTAL FINANCIAL ASSETS	**1,195,091**	**390,999**	**616,759**	**187,333**
FINANCIAL LIABILITIES				
DERIVATIVE FINANCIAL INSTRUMENTS	**100,793**	-	100,793	-
TOTAL FINANCIAL LIABILITIES	**100,793**	**-**	**100,793**	**-**

In thousands of euro	31/03/2014			
	TOTAL	Measured using		
		Level 1	Level 2	Level 3
FINANCIAL ASSETS				
TRADING SECURITIES - SHORT TERM	**54,946**	7,445	47,501	-
FINANCIAL ASSETS DESIGNATED AT FVTPL - LONG TERM	**180,191**	5,554	174,637	-
DERIVATIVE FINANCIAL INSTRUMENTS	**64,335**	-	64,335	-
Public bills and similar securities	64,234	64,234	-	-
Bonds and similar securities	126,394	40,450	74,868	11,076
Notes and other securities	68,313	51,621	12,934	3,758
Acrrued interest	10,791	368	7,431	2,992
Total AFS Debt securities	269,732	156,673	95,233	17,826
Total AFS Equity securities	478,310	188,725	108,321	181,264
AVAILABLE-FOR-SALE FINANCIAL ASSETS	**748,042**	**345,398**	**203,554**	**199,090**
TOTAL FINANCIAL ASSETS	**1,047,514**	**358,397**	**490,027**	**199,090**
FINANCIAL LIABILITIES				
DERIVATIVE FINANCIAL INSTRUMENTS	**63,997**	-	63,997	-
TOTAL FINANCIAL LIABILITIES	**63,997**	**-**	**63,997**	**-**

Following a review of the valuation methods used to measure Notes and other securities, one of the Group’s subsidiaries transferred €47.8 million of notes from level 1 to level 2 in the period. Otherwise there were no significant transfers of assets or liabilities between levels 1 and 2.

Valuation technique by class of financial assets measured based on Level 3 input at 30 September 2014:

Description	Valuation technique	Unobservable input	Range (weighted average)
AFS debt			
Securities portfolios (CDOs, CLOs, etc.)	Discounted cash flow, based on expected cash flows of securitised assets and expectation of how these will be distributed to different noteholders	Default and recovery data according to the various asset classes	n/a
Mezzanine Debt securities	Mezzanine debt is valued based on the enterprise value of the investee, which is calculated using the Earnings multiple method and the Net asset value, after which higher ranking debt is subtracted	Shareholder's funds of the company. Non-observable valuation discounts; for example, non-controlling interests, lack of liquidity and adjustments to the multiple to reflect a specific sector or activity	4-20 for EBITDA Multiple 20%-40% discount for Lack of liquidity/Non-controlling interest discount
	Carrying value is based on original investment plus accrued interest less any impairment provisions	Expected repayment cashflow taking into account shareholder's equity of the borrower	n/a
AFS equity			
Private equity fund investments	External valuation based on net asset value	n/a	n/a
Other equities	Earnings multiples adjusted	Non-observable valuation discounts; for example, non-controlling interests, lack of liquidity and adjustments to the multiple to reflect a specific sector or activity	4-20 for EBITDA Multiple 20%-40% discount for Lack of liquidity/Non-controlling interest discount
	Transaction multiples adjusted	Non-observable valuation discounts; for example, non-controlling interests, lack of liquidity and adjustments to the multiple to reflect a specific sector or activity	4-20 for EBITDA Multiple 20%-40% discount for Lack of liquidity/Non-controlling interest discount
	External valuation based on net asset value	n/a	n/a
	Valued at cost	n/a	n/a
	Net asset value	Shareholder's funds of the company	n/a

Sensitivity of fair value for Level 3 instruments

Out of €171.8 million of AFS equity securities classified in Level 3 as of 30 September 2014, €123.0 million were funds subject to a valuation by a third party. To quantify the fair value sensitivity of these instruments, measured using unobservable inputs, the Group has determined the impact in net income and in equity in the event of a fall of 5% of the net asset value. In such an event, there would be a post-tax charge to the income statement of €0.7 million and a charge to equity of €5.2 million.

Assets measured at fair value based on Level 3 as of 30 September 2014

The following table presents the movement in assets valued using Level 3 valuation methods in the period:

In thousands of euro		Bonds and similar securities	Notes and other securities	Funds	Other equities	TOTAL
As at 1 April 2014		**14,005**	**3,821**	**72,999**	**108,265**	**199,090**
Transfer into/(out) Level 3		-	-	-	1,338	1,338
Total gains or losses for the period	Included in P&L	(2,071)	248	(821)	(1,448)	(4,092)
	Gain/ (losses) through equity	-	(68)	7,306	4,075	11,313
Purchases, issues, sales and settlements	Purchases	-	-	1,094	1,714	2,808
	Sales	-	(437)	-	(12,439)	(12,876)
	Repayments	-	(256)	(14,449)	(5)	(14,710)
Exchange		132	158	1,189	3,001	4,480
Other		(3,064)	3,064	(138)	120	(18)
AS AT 30 SEPTEMBER 2014		**9,002**	**6,530**	**67,180**	**104,621**	**187,333**

Selected controls in the valuation process

Merchant Banking

The calculation of fair value is subject to control procedures aimed at verifying that fair values are determined or validated by an independent function. Fair values determined by reference to external quoted prices or market parameters are validated by the Valuation Monitoring Committee.

This committee reviews, twice a year, the valuation of the investments made by Merchant Banking.

The parameters of valuation that are reviewed in committee include the following:
- the origin of the external source;
- the consistency of the various sources;
- the events that took place during the period which could affect the value; and
- the frequency with which the data are updated.

Merchant banking funds are valued by their management companies in accordance with the international private equity and venture capital valuation ("IPEV") guidelines developed by the Association Française des Investisseurs en Capital ("AFIC"), the British Venture Capital Association ("BVCA") and the European Private Equity and Venture Capital Association ("EVCA"). An Advisory Committee exists to approve half-yearly investment valuations, which are sent to investors in PO Group's merchant banking funds. As such, this committee acts as the valuation committee under the Alternative Investment Fund Managers Directive ("AIFMD") requirements.

Valuation of derivatives

The Group's OTC (i.e. non-exchange traded) derivatives are valued using external valuation models. These models calculate the present value of expected future cash flows. The Group's derivative products are of a vanilla nature, such as interest rate swaps and cross currency swaps; for these, the modelling techniques used are standard across the industry. Inputs to the valuation models are determined from observable market data, including prices available from exchanges, dealers, brokers or providers of consensus pricing.

Exchange traded derivatives are valued by the exchange on which they are traded, which ask for margin calls depending on the value.

V. Notes to the Balance Sheet

Note 1 - Financial instruments at fair value through profit or loss

1. Financial assets

In thousands of euro	30/09/2014	31/03/2014
Public bills and similar securities	33,000	3,000
Bonds	39,738	43,517
Equities	4,336	4,559
Loans	6	3,870
Trading instruments	**77,080**	**54,946**
Equities	153,862	125,048
Other financial instruments	67,984	55,143
Financial assets designated at fair value through profit or loss	**221,846**	**180,191**
Trading derivative assets	**144,973**	**49,989**
TOTAL	**443,899**	**285,126**
of which financial assets at fair value through profit or loss - listed	*39,485*	*10,078*
of which financial assets at fair value through profit or loss – unlisted	*404,414*	*275,048*

2. Financial liabilities

In thousands of euro	30/09/2014	31/03/2014
Trading derivative liabilities	**90,161**	**50,117**
TOTAL	**90,161**	**50,117**

Trading derivative financial instruments

In thousands of euro	30/09/2014			31/03/2014		
	Notional principal	Of which: asset	Of which: liability	*Notional principal*	Of which: asset	Of which: liability
Firm interest rate contracts	*93,925*	1,806	111	*99,213*	117	4,132
Firm foreign exchange contracts	*7,296,110*	140,001	86,824	*5,851,942*	49,025	44,934
Conditional foreign exchange contracts	*128,384*	3,166	3,157	*247,046*	847	844
Conditional equity instruments	*57*	-	42	*42*	-	42
Firm credit derivatives	*10,457*	-	27	*10,303*	-	165
TOTAL	***7,528,933***	**144,973**	**90,161**	***6,208,546***	**49,989**	**50,117**

Note 2 - Hedging derivatives

In thousands of euro	30/09/2014			31/03/2014		
	Notional principal	Of which: asset	Of which: liability	*Notional principal*	Of which: asset	Of which: liability
Firm interest rate contracts	*750,148*	10,240	10,578	*633,676*	12,430	13,477
Firm foreign exchange contracts	*106,501*	6,001	54	*106,466*	1,916	403
TOTAL	***856,649***	**16,241**	**10,632**	***740,142***	**14,346**	**13,880**

Note 3 - Available-for-sale financial assets

In thousands of euro	30/09/2014	31/03/2014
AFS debt securities		
Public bills and similar securities	152,248	64,234
Bonds and similar securities	101,662	126,394
Notes and other securities	63,467	68,313
Sub total	**317,377**	**258,941**
of which impairment losses	*(25,566)*	*(27,497)*
Accrued interest	8,287	10,791
Total AFS debt securities	**325,664**	**269,732**
AFS equity securities		
Total AFS equity securities	**409,287**	**478,310**
of which impairment losses	*(150,199)*	*(155,965)*
TOTAL AVAILABLE-FOR-SALE FINANCIAL ASSETS	**734,951**	**748,042**

Changes in available-for-sale financial assets

In thousands of euro	30/09/2014	31/03/2014
AT THE BEGINNING OF THE PERIOD	**748,042**	**764,530**
Additions	134,735	118,907
Consolidation of new associate	-	(8,701)
Disposals (sale and redemption)	(173,413)	(172,000)
Gains / (losses) from changes in fair value, recognised directly in equity	17,670	74,430
Impairment losses transferred from AFS reserve to income statement	-	4,131
Impairment losses recognised in income statement	(9,107)	(26,913)
Exchange differences	19,063	(6,763)
Reclassifications and other movements	(2,039)	421
AT THE END OF THE PERIOD	**734,951**	**748,042**

The high level of impairment losses recognised in the income statement for the prior period is explained in note 25.

Note 4 - Loans and advances to banks

In thousands of euro	30/09/2014	31/03/2014
Interbank demand deposits and overnight loans	640,881	474,813
Interbank term deposits and loans	76,252	48,681
Reverse repos and loans secured by bills	897,334	650,112
Sub total	**1,614,467**	**1,173,606**
Accrued interest	1,672	2,252
Loans and advances to banks - Gross amount	**1,616,139**	**1,175,858**
Allowance for credit losses and receivables to banks	-	-
TOTAL	**1,616,139**	**1,175,858**

Note 5 - Loans and advances to customers

In thousands of euro	30/09/2014	31/03/2014
Overdrafts on current accounts	23,513	57,869
Retail	818,645	672,159
Corporate	671,363	715,996
Sub total	**1,513,521**	**1,446,024**
Accrued interest	8,503	11,271
Loans and advances to customers – Gross amount	**1,522,024**	**1,457,295**
Specific provisions	(59,395)	(53,366)
Collective provisions	(24,951)	(26,625)
Allowance for credit losses	**(84,346)**	**(79,991)**
TOTAL	**1,437,678**	**1,377,304**

Note 6 - Other assets

In thousands of euro	30/09/2014	31/03/2014
Guarantee deposits paid	7,209	8,183
Settlement accounts on securities transactions	98,354	44,370
Defined benefit pension scheme assets	547	10,380
Other sundry assets	179,145	171,153
Sundry assets	**285,255**	**234,086**
Prepaid expenses	22,609	25,729
Accounts receivable and accrued income	235,249	228,602
Estimated accounts	**257,858**	**254,331**
TOTAL	**543,113**	**488,417**

Note 7 - Goodwill

In thousands of euro	Rothschild & Cie Banque ("RCB")	Concordia Holding	Total
As at 1 April 2014	**48,289**	**60,647**	**108,936**
Additions	-	733	**733**
Disposals and other decreases	(682)	-	**(682)**
Translation difference	-	96	**96**
As at 30 SEPTEMBER 2014	**47,607**	**61,476**	**109,083**

As at 30 September 2014, there is no indication that any goodwill carried by the Group could be impaired.

Note 8 - Due to banks

In thousands of euro	30/09/2014	31/03/2014
Interbank demand deposits and overnight	140,404	124,899
Interbank term deposits and borrowings	209,516	207,199
Due to banks	**349,920**	**332,098**
Accrued interest	2,765	2,664
TOTAL	**352,685**	**334,762**

Note 9 - Customer deposits

In thousands of euro	30/09/2014	31/03/2014
Demand deposits	4,066,823	3,419,028
Term deposits	1,505,691	1,309,978
Borrowings secured by bills	227,847	193,973
Customer deposits	**5,800,361**	**4,922,979**
Accrued interest	25,875	23,689
TOTAL	**5,826,236**	**4,946,668**

Note 10 - Other liabilities, accruals and deferred income

In thousands of euro	30/09/2014	31/03/2014
Settlement accounts on securities transactions	186,903	63,946
Accounts payable	40,177	51,123
Sundry creditors	134,108	90,041
Other liabilities	**361,188**	**205,110**
Due to employees	268,069	356,264
Other accrued expenses and deferred income	115,690	122,190
Estimated accounts	**383,759**	**478,454**
TOTAL	**744,947**	**683,564**

Note 11 - Provisions

In thousands of euro	01/04/2014	Charge	Utilised	Exchange movement	Reclass-ification	Other movements	30/09/2014
Provision for counterparty risk	94	-	-	1	-	-	95
Provision for claims and litigation	29,571	6,440	(5,050)	436	1,027	-	32,424
Provisions for restructuring	2,100	-	-	-	-	-	2,100
Provisions for property	1,410	(501)	-	70	-	5	984
Other provisions	2,028	891	(2,892)	23	43	1	94
Sub-total	**35,203**	**6,830**	**(7,942)**	**530**	**1,070**	**6**	**35,697**
Retirement benefit liabilities	145,346					9,992	155,338
TOTAL	**180,549**	**6,830**	**(7,942)**	**530**	**1,070**	**9,998**	**191,035**

The Group's accounting policy for provisions and contingencies remains unchanged from that reported in the 2013/14 annual consolidated financial statements. In particular, from time to time the Group is involved in legal proceedings or receives claims arising from the conduct of its business. Based upon available information and, where appropriate, legal advice, provisions are made where it is probable that an outflow of resources will be required and the amount can be reliably estimated.

In December 2013, Paris Orleans announced that its Swiss private banking business, Rothschild Bank AG, was to participate as a Category 2 institution in the U.S. Program. The Program allows qualifying Swiss banks to reach agreement with the U.S. Department of Justice on a resolution of their status in connection with any potential liability for the U.S. tax related or monetary transactions offences arising out of the past servicing of U.S. clients with undeclared Swiss accounts.

In accordance with the Group's accounting policies, a provision was made as at 31 March 2014 for the consequences of the participation in the Program even though the amount of any financial liability had yet to be agreed. Provision was also made to cover the estimated professional and other costs of participating in the Program. Discussions with the U.S. Department of Justice are still on-going concerning the participation in the Program.

The provision for participating in the Program is included within Provision for claims and litigation, together with amounts set aside to cover estimated costs of other legal proceedings and claims arising from both the conduct of business and the cost to our Swiss private banking business relating to the regularisation of the tax status of UK customers in line with the agreement between the UK and Swiss governments.

The directors believe that the level of provisions made in these financial statements continues to be sufficient for any potential or actual proceedings or claims which are likely to have an impact on the Group's financial statements, based on information available at the reporting date.

Note 12 - Subordinated debt

In thousands of euro	30/09/2014	31/03/2014
Floating Rate Subordinated Notes - 2015 (US$39 million)	30,901	28,305
Subordinated debt	**30,901**	**28,305**
Accrued interest	38	33
TOTAL	**30,939**	**28,338**

The floating rate subordinated notes dated 2015 are scheduled to be repaid on 29 January 2015. In accordance with the Group's long-standing accounting policy, perpetual subordinated notes issued by the Group are treated as non-controlling interests (see note 15).

Note 13 - Impairments

In thousands of euro	01/04/2014	Income statement charge	Income statement reversal	Disposals	Written off	Exchange rate and other movements	30/09/2014
Loans and advances to customers	(79,991)	(5,773)	3,689	-	1,684	(3,955)	(84,346)
Available-for-sale financial assets	(187,421)	(9,363)	255	4,770	16,030	(1,260)	(176,989)
Other assets	(14,461)	(4,417)	515	-	893	223	(17,247)
TOTAL	**(281,873)**	**(19,553)**	**4,459**	**4,770**	**18,607**	**(4,992)**	**(278,582)**

Note 14 - Deferred tax

Deferred taxes are calculated on all temporary differences using the liability method.

The movement on the deferred tax account is as follows:

In thousands of euro	30/09/2014	31/03/2014
NET AMOUNT AT THE BEGINING OF THE PERIOD	**30,657**	**66,184**
of which deferred tax assets	*89,627*	*123,021*
of which deferred tax liabilities	*(58,970)*	*(56,837)*
Recognised in income statement		
Income statement (charge) / credit	(4,393)	(17,471)
Recognised in equity		
Defined benefit pension arrangements	4,828	(10,304)
Available-for-sale financial assets	5,491	(5,187)
Cash flow hedges	(664)	(2,373)
Reclassification to current tax	(2,608)	1,856
Payments / (refunds)	(213)	(2,231)
Exchange differences	4,594	266
Other	520	(83)
NET AMOUNT AT THE END OF THE PERIOD	**38,212**	**30,657**
of which deferred tax assets	*92,499*	*89,627*
of which deferred tax liabilities	*(54,287)*	*(58,970)*

Deferred tax net assets are attributable to the following items:

In thousands of euro	30/09/2014	31/03/2014
Accelerated tax depreciation	13,482	12,333
Defined benefit pension liabilities	24,062	23,065
Provisions	426	1,237
Deferred profit share arrangements	21,445	26,625
Cash flow hedges	12	1
Losses carried forward	30,953	25,421
Available-for-sale financial assets	(336)	(280)
Other temporary differences	2,455	1,225
TOTAL	**92,499**	**89,627**

As at 30 September 2014 NMR, a subsidary in the UK, recognised deferred tax assets corresponding to losses carried forward. The Group has assessed the recovery of these losses as probable. Estimated profit projections were updated for this subsidiary at 31 March 2014, based on the most recent revenue projections; these showed that NMR's operations should generate sufficient taxable profits to absorb its carried forward losses over a period of around five years.

In the United States, Canada and Asia, deductible temporary differences have not given rise to the recognition of deferred tax assets.

Deferred tax net liabilities are attributable to the following items:

In thousands of euro	30/09/2014	31/03/2014
Accelerated tax depreciation	1,584	1,363
Defined benefit pension liabilities	303	2,422
Cash flow hedges	(2,026)	(2,479)
Available-for-sale financial assets	20,938	26,361
Property revaluations	9,764	9,706
Intangible assets recognised on acquisition of subsidaries	11,932	11,823
Other temporary differences	11,792	9,774
TOTAL	**54,287**	**58,970**

Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to set-off and the balance relates to income tax levied by the same tax authority on the same taxable entity. There must also be the intention and the will to settle on a net basis or to realise the assets and liabilities simultaneously.

The deferred tax expense/(income) in the income statement comprises the following temporary differences:

In thousands of euro	30/09/2014	31/03/2014
Accelerated tax depreciation	(242)	2,990
Defined benefit pension liabilities	3,035	762
Allowances for loan losses	850	295
Tax losses carried forward	(6,006)	8,051
Deferred profit share arrangements	6,389	9,365
Available-for-sale financial assets	(139)	(3,823)
Other temporary differences	506	(169)
TOTAL	**4,393**	**17,471**

Note 15 - Non-controlling interests

In thousands of euro	30/09/2014	31/03/2014
Perpetual Fixed Rate Subordinated Notes 9 per cent (£125 million)	190,086	178,965
Perpetual Floating Rate Subordinated Notes (€150 million)	66,483	62,593
Perpetual Floating Rate Subordinated Notes (US$200 million)	61,009	55,884
Other non-controlling interests	203,264	176,491
TOTAL	**520,842**	**473,933**

Note 16 - Net cash and cash equivalents

For the purposes of drawing up the cash flow statement, the "cash and cash equivalents" items are analysed as follows:

In thousands of euro	30/09/2014	31/03/2014
Cash and accounts with central banks (assets)	3,562,729	3,150,360
Accounts (assets) and call loans/borrowings with banks	640,858	474,813
Other cash equivalents (assets)	72,738	46,517
Cash accounts, accounts with central banks, loans/borrowings with banks (liabilities)	(141,435)	(124,972)
TOTAL	**4,134,890**	**3,546,718**

Note 17 - Commitments given and received

Commitments given

In thousands of euro	30/09/2014	31/03/2014
Given to customers	117,988	71,305
Loan commitments	**117,988**	**71,305**
Given to banks	16,806	17,093
Given to customers	65,095	63,017
Guarantee commitments	**81,901**	**80,110**
Investment commitments	105,940	109,362
Pledged assets	153,546	191,476
Other commitments	**259,486**	**300,838**

Investment commitments relate to Merchant Banking funds and investments.
The commitment to employees in respect of deferred remuneration is set out in note 23.

Commitments received

In thousands of euro	30/09/2014	31/03/2014
Received from banks	46,000	44,308
Loan commitments	**46,000**	**44,308**
Received from customers	11,781	26,681
Guarantee commitments	**11,781**	**26,681**
Other commitments received	7,400	7,400
Other commitments	**7,400**	**7,400**

VI. Notes to the Income statement

Note 18 - Net interest income

Interest income

In thousands of euro	30/09/2014	30/09/2013
Interest income - loans to banks	5,223	3,998
Interest income - loans to customers	26,899	27,306
Interest income - available-for-sale instruments	3,443	4,980
Interest income - derivatives	9,662	10,234
Interest income - other financial assets	533	1,120
TOTAL	**45,760**	**47,638**

Interest expense

In thousands of euro	30/09/2014	30/09/2013
Interest expense - due to banks	(2,061)	(2,051)
Interest expense - due to customers	(15,527)	(16,948)
Interest expense - subordinated debt	(99)	(103)
Interest expense - derivatives	(5,726)	(6,058)
Interest expense - other financial liabilities	(1,080)	(321)
TOTAL	**(24,493)**	**(25,481)**

Note 19 - Net fee and commission income

Fee and commission income

In thousands of euro	30/09/2014	30/09/2013
Fees for advisory work and other services	421,681	310,841
Portfolio and other management fees	162,771	147,363
Banking and credit-related fees and commissions	3,936	1,955
Other fees	5,836	6,963
TOTAL	**594,224**	**467,122**

Fee and commission expense

In thousands of euro	30/09/2014	30/09/2013
Fees for advisory work and other services	(3,335)	(4,244)
Portfolio and other management fees	(13,990)	(15,345)
Banking and credit-related fees and commissions	(278)	(133)
Other fees	(3,900)	(2,500)
TOTAL	**(21,503)**	**(22,222)**

Note 20 - Net gains / (losses) on financial instruments at fair value through profit or loss

In thousands of euro	30/09/2014	30/09/2013
Net income - debt securities and related derivatives held for trading	(332)	547
Net income - equity securities and related derivatives held for trading	675	988
Net income - foreign exchange operations	13,751	11,624
Net income - other trading operations	196	884
Net income - financial instruments designated at fair value through profit or loss	5,365	2,877
Net income - hedging derivatives	2	-
TOTAL	**19,657**	**16,920**

Net gains and losses on financial instruments at fair value through profit or loss include the changes in fair value (excluding accrued interest) of financial instruments held in the trading portfolio and classified as financial instruments designated at fair value through profit or loss by option. These also include gains and losses on hedging transactions, foreign exchange gains and losses and gains or losses arising from the ineffectiveness of hedging instruments.

Note 21 - Net gains / (losses) on available-for-sale financial assets

In thousands of euro	30/09/2014	30/09/2013
Gains or losses	47,640	1,739
Impairment losses	(1,656)	(1,923)
Dividend income	8,731	7,078
TOTAL	**54,715**	**6,894**

Available-for-sale dividend income from, and impairment of, the Group's interest in Edmond de Rothschild (Suisse) SA is included in Net income / expense from other assets (note 25).

Note 22 - Net income from other activities

In thousands of euro	30/09/2014	30/09/2013
Income from leasing	7,044	5,618
Other income	1,305	1,199
TOTAL OTHER OPERATING INCOME	**8,349**	**6,817**
Expenses relating to assets used to generate lease income	(3,291)	(2,757)
Other expenses	(122)	(2,020)
TOTAL OTHER OPERATING EXPENSES	**(3,413)**	**(4,777)**

Note 23 - Operating expenses

In thousands of euro	30/09/2014	30/09/2013
Compensation and other staff costs	(364,882)	(302,612)
Defined benefit pension expenses	(9,281)	(3,837)
Defined contribution pension expenses	(7,952)	(7,482)
Staff costs	**(382,115)**	**(313,931)**
Administrative expenses	(116,314)	(110,753)
TOTAL	**(498,429)**	**(424,684)**

As a result of changes implemented to certain of the Group's pension funds during the six months to 30 September 2013, the charge for defined benefit pension expenses for the six months to September 2013 benefited from an unrealised gain, in the form of a negative past service cost, of €7.1 million.

As part of its variable pay strategy, the Group operates long term incentive schemes for the benefit of employees. These schemes consist of deferred cash bonuses and, for certain key staff, various deferred share-based payment awards.

The cash awards are paid one, two and three years after the year of the award, and the expense is recognised over the two, three and four year periods from the start of the year of the award to the date of payment. These awards are paid on the condition that the recipient is still an employee of the Group. For certain members of staff, the awards will be settled in the form of Paris Orléans shares rather than cash.

A commitment to employees exists in connection with this deferred remuneration. Some of this has not yet accrued because it relates to a future service period. The amount of potential future payments that have not yet accrued is €70.1 million (€60.6 million as at 31 March 2014 and €56.2 million as at 30 September 2013).

Note 24 - Cost of risk

In thousands of euro	Impairment	Impairment reversal	Recovered loans	30/09/2014	30/09/2013
Loans and receivables	(5,773)	3,514	175	(2,084)	(694)
Debt securities	(4,532)	294	-	(4,238)	5,769
Other assets	(4,417)	950	(435)	(3,902)	(4,738)
TOTAL	**(14,722)**	**4,758**	**(260)**	**(10,224)**	**337**

The cost of risk for debt securities for the six months ended 30 September 2013 includes a recovery of €5.8 million relating to an asset which was previously written off.

Note 25 - Net income / (expense) from other assets

In thousands of euro	30/09/2014	30/09/2013
Impairment of long-standing shareholding	(3,212)	(21,882)
Long-standing shareholding dividend	3,896	3,859
Gains / (losses) on sales of tangible or intangible assets	46	28
Gains / (losses) on acquisition or disposal of subsidiaries and associates	22,529	(330)
TOTAL	**23,259**	**(18,325)**

Net income / (expense) from other assets include impairment losses of €3.2 million (€26.6 million for the year ended 31 March 2014 and six months to 30 September 2013: €21.9 million) relating to the Group's 8.4% equity investment in Edmond de Rothschild (Suisse) SA. This investment, which is accounted for as an available-for-sale financial asset, has been consistently fair valued since 2007 in accordance with IFRS using the listed price. Also included is the profit on sale of Fircosoft, an associate, which realised a gain of €21.3million.

Note 26 - Income tax expense

In thousands of euro	30/09/2014	30/09/2013
Current tax	(31,527)	(15,412)
Deferred tax	(4,393)	(7,119)
TOTAL	**(35,920)**	**(22,531)**

The net tax charge can be analysed between current tax charge and deferred tax charge as follows:

Current tax

In thousands of euro	30/09/2014	30/09/2013
Tax charge for the current period	(28,528)	(10,144)
Prior year adjustments	(1,338)	(654)
Prior year loss utilised	-	(3,554)
Irrecoverable dividend witholding tax	(1,505)	(795)
Other	(156)	(265)
TOTAL	**(31,527)**	**(15,412)**

Deferred tax

In thousands of euro	30/09/2014	30/09/2013
Temporary differences	(4,537)	(3,235)
Changes in tax rates	-	(5,684)
Prior year adjustments	(87)	(1,940)
Prior year loss utilised	-	3,554
Other	231	186
TOTAL	**(4,393)**	**(7,119)**

Reconciliation of the tax charge between the standard tax rate and the effective rate

In thousands of euro		**Current period**
Profit before tax		**172,840**
Expected tax charge at standard French rate	33.3%	57,607
Main reconciling items		
Irrecoverable dividend-related taxes	+0.9%	1,505
Tax impacts relating to prior years	+0.8%	1,425
Impairment of Edmond de Rothschild (Suisse) SA in lower tax area	+0.6%	820
Deferred tax rate change	+0.2%	340
Local permanent differences (net)	+0.1%	231
Utilisation of previously unrecognised deferred tax assets	-0.2%	(320)
Income from associate recorded net of tax in profit before tax	-0.4%	(705)
Profits and losses in lower tax areas	-6.5%	(11,115)
Partnership tax recognised outside the Group	-7.9%	(13,709)
Other	-0.1%	(159)
Actual tax charge	**20.8%**	**35,920**
EFFECTIVE TAX RATE		20.8%

After excluding the effects of the impairments of Edmond de Rothschild (Suisse) SA (impact before tax of €3.2 million (September 2013: €21.9 million)), and tax impacts related to prior years, the Group's effective tax rate would be 20% for the six months to 30 September 2014 (September 2013: 39%). The main reason for the higher tax charge in the prior year is the change of UK corporation tax rates from 23% to 20%, which increased the effective rate period on period by 10%.

"Profits and losses in lower tax areas" (excluding the impairment of Edmond de Rothschild (Suisse) SA) cause the effective tax rate in the current year to fall by 6.5%, reflecting gains in lower tax jurisdictions (mainly Luxembourg and UK and the Channel Islands), partially offset by losses in lower tax rate jurisdictions (including some Swiss entities).

Note 27 - Related parties

In thousands of euro	30/09/2014			31/03/2014		
	Companies accounted for by the equity method	Executive Directors	Other related parties	Companies accounted for by the equity method	Executive Directors	Other related parties
Assets						
Loans and advances to customers	80	1,030	8,563	2	957	4,472
Equity instruments	-	-	9,560	-	-	11,758
Other assets	182	-	362	-	-	-
TOTAL	**262**	**1,030**	**18,485**	**2**	**957**	**16,230**
Liabilities						
Due to customers	568	968	115,284	5,501	7,459	132,508
Other liabilities	-	-	134	-	-	109
TOTAL	**568**	**968**	**115,418**	**5,501**	**7,459**	**132,617**
Loan and guarantee commitments						
Guarantees and commitments given	-	2,442	2,518	-	2,673	2,947
TOTAL	**-**	**2,442**	**2,518**	**-**	**2,673**	**2,947**
Realised operating income from transactions with related parties						
Interest received	341	17	143	-	7	388
Interest paid	-	(3)	(346)	-	(5)	(1,370)
Commissions received	-	-	-	967	-	-
Commissions paid	-	-	-	(3,854)	-	(40)
Other income	(1)	-	831	608	-	837
TOTAL	**340**	**14**	**628**	**(2,279)**	**2**	**(185)**
Other expenses	(414)	(378)	(385)	(747)	(367)	(1,524)
TOTAL	**(414)**	**(378)**	**(385)**	**(747)**	**(367)**	**(1,524)**

Note 28 - Segmental information

The segmental analysis is prepared from non-IFRS data used internally for assessing business performance. This is then adjusted to conform to the Group's statutory financial accounting policies.

The adjustments, described as 'statutory adjustments', mainly relate to the treatment of profit share paid to French partners as non-controlling interests; accounting for deferred bonuses over the period earned; the application of IAS 19 for defined benefit pension schemes; and reallocation of impairments.

Segmental information split by business

In thousands of euro	Global Financial Advisory	Asset Management (1)	Other (2)	Total before statutory adjustments	Statutory adjustments	30/09/2014
Net banking income	**412,887**	**242,993**	**28,896**	**684,776**	**(11,480)**	**673,296**
Operating expenses	(355,681)	(161,399)	(41,605)	(558,685)	42,123	**(516,562)**
Impairments	(38)	128	(2,714)	(2,624)	(7,600)	**(10,224)**
Operating income	**57,168**	**81,722**	**(15,423)**	**123,467**	**23,043**	**146,510**
Share of profits of associated entities						**3,071**
Net income/expense from other assets						**23,259**
PROFIT BEFORE TAX						**172,840**

(1) Asset Management comprises Wealth & Asset Management and Merchant Banking businesses

(2) Other comprises Central cost, Legacy businesses, including Banking and Asset Finance and other

In thousands of euro	Global Financial Advisory	Asset Management (1)	Other (2)	Total before statutory adjustments	Statutory adjustments	30/09/2013
Net banking income	**299,596**	**169,727**	**25,969**	**495,292**	**(2,381)**	**492,911**
Operating expenses	(277,410)	(148,688)	(38,330)	(464,428)	23,208	(441,220)
Impairments	-	(17)	2,154	2,137	(1,800)	337
Operating income	**22,186**	**21,022**	**(10,207)**	**33,001**	**19,027**	**52,028**
Share of profits of associated entities						264
Net income/expense from other assets						(18,325)
Profit before tax						**33,967**

(1) Asset Management comprises Wealth & Asset Management and Merchant Banking businesses

(2) Other comprises Central cost, Legacy businesses, including Banking and Asset Finance and other

Net banking income split by geographical segments

In thousands of euro	30/09/2014	30/09/2013
United Kingdom and Channel Islands	207,258	156,165
France	195,104	134,925
Americas	70,240	82,903
Rest of Europe	104,831	51,895
Switzerland	49,247	42,977
Asia and Australia	40,763	14,665
Other	5,853	9,381
TOTAL	**673,296**	**492,911**

Note 29 - Earnings per share

In millions of euro	30/09/2014	30/09/2013
Net income - Group share	79.4	(13.0)
preferred dividends adjustment	*(0.4)*	*(0.4)*
Net income - Group share after preferred dividends adjustment	**79.0**	**(13.4)**
Average number of shares in issue - 000s	68,501	68,374
Earnings per share (euro)	**1.15**	**(0.19)**

Earnings per share are calculated by dividing Net income - Group share (after removing an accrued preference dividend, which is not part of the profit earned by ordinary shareholders) by the weighted average number of ordinary shares in issue during the period. The value of share options issued by the Group is not currently at a level which is deemed to affect the calculation of earnings per share. Therefore, diluted earnings per share are the same as basic earnings per share.

As there were no gains or losses on activities discontinued or held for sale, the earnings per share on continuing activities are the same as earnings per share.

Note 30 - Consolidation scope

As at 30 September 2014, the main entities in the Group's consolidation scope can be summarised as follows.

Company name	Country of operation	30/09/2014		31/03/2014		Consolidation method [1]	
		% Group voting interest	% Group ownership interest	% Group voting interest	% Group ownership interest	30/09/2014	31/03/2014
Rothschild Bank (CI) Limited	Channel Islands	100.00	72.77	100.00	71.95	FC	FC
Rothschild Bank International Limited	Channel Islands	100.00	98.40	100.00	97.28	FC	FC
Concordia Holding Sàrl	France	100.00	99.95	100.00	99.93	FC	FC
K Développement SAS	France	100.00	99.95	100.00	99.93	FC	FC
Rothschild & Compagnie Banque SCS	France	99.99	99.24 [2]	99.99	98.73 [2]	FC	FC
Rothschild GmbH	Germany	100.00	98.82	100.00	98.01	FC	FC
Rothschild Europe BV	Netherlands	100.00	98.82	100.00	98.01	FC	FC
Rothschild Bank AG	Switzerland	100.00	72.77	100.00	71.95	FC	FC
Rothschild Concordia AG	Switzerland	100.00	97.52	100.00	97.43	FC	FC
Rothschild Holding AG	Switzerland	73.96	72.77	73.96	71.95	FC	FC
Rothschilds Continuation Holdings AG	Switzerland	99.77	98.40	98.77	97.28	FC	FC
N M Rothschild & Sons Limited	United Kingdom	100.00	98.40	100.00	97.28	FC	FC
Rothschild North America Inc.	United States of America	100.00	98.40	100.00	97.28	FC	FC

(1) FC: full consolidation

(2) before profit share

3. Statutory Auditors’ review on the half-year consolidated financial information

This is a free translation into English of the statutory auditors’ review report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.

Following our appointment as statutory auditors by your General Meeting and in accordance with article L.451-1-2 III of the French Monetary and Financial Code (“Code monétaire et financier”), we hereby report to you on:

- the review of the accompanying condensed half-year consolidated financial statements of Paris Orléans S.C.A. for the six-month period ended 30 September 2014,
- the verification of information contained in the half-year activity report.

These condensed half-year consolidated financial statements are the responsibility of the Management. Our role is to express a conclusion on these financial statements based on our review.

I. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-year consolidated financial statements are not prepared in all material respects in accordance with IAS 34 - the standard of the IFRS as adopted by the European Union applicable to interim financial statements.

Without prejudice to the conclusion expressed above, we draw your attention to the accounting policies changes, as well as the related impacts shown in part III « Accounting principles and valuation methods » regarding the application of IFRS 10, Consolidated Financial Statements, and IFRS 11, Joint Arrangements.

II. Specific verification

We have also verified information provided in the half-year activity report on the condensed half-year consolidated financial statements that were the object of our review.

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

Paris, 25 November 2014	Paris La Défense, 25 November 2014
Cailliau Dedouit et Associés	**KPMG Audit FS II**
Jean-Jacques Dedouit	Pascal Brouard
Partner	Partner

4. Persons responsible for the half-year financial report

Persons responsible for the half-year financial report

PO Gestion SAS	**Mark Crump**
Managing Partner	Group Finance Director

Statement by the persons responsible for the half-year financial report

“We hereby declare that, to the best of our knowledge and belief, the summary interim consolidated financial statements for the past six-month period have been prepared under generally accepted accounting principles and give a true and fair view of the assets, liabilities, financial position and results of the Company and the companies in the consolidated group, and that the half-year activity report includes a fair review of the material events that occurred in the first six months of the financial year and their impact on the interim accounts, a description of the main related-party transactions and a discussion of the principal risks and uncertainties for the remaining six months of the year.”

Paris, 25 November 2014

PO Gestion SAS	**Mark Crump**
Managing Partner	Group Finance Director
Represented by David de Rothschild,	
Chairman	

Financial Calendar

- 13 February 2015 after market close — Financial information for the third quarter of FY 2014/2015
- 24 June 2015 after market close — Financial year 2014/2015 results

About Paris Orléans, the parent company of the Rothschild Group

Paris Orléans operates in the following areas:

- *Global Financial Advisory provides advisory services for mergers and acquisitions, debt financing and restructuring, and equity capital markets;*
- *Wealth & Asset Management, and*
- *Merchant Banking which comprises third party private equity and private debt business and proprietary investments.*

Paris Orléans SCA is a French partnership limited by shares (société en commandite par actions) with a share capital of €142,208,216. Paris trade and companies registry 302 519 228. Registered office: 23 bis avenue de Messine, 75008 Paris, France. Paris Orléans is listed on NYSE Euronext in Paris, Compartment A - ISIN Code: FR0000031684.

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