NetBooster

Annual Report

(Consolidated Financial Statements)

31.12.2014

NETBOOSTER

Société Anonyme

4/6, passage Louis Philippe
75011 Paris

Rapport des Commissaires aux Comptes sur les comptes consolidés

Exercice clos le 31 décembre 2014

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Rapport des Commissaires aux Comptes sur les comptes consolidés

Exercice clos le 31 décembre 2014

Aux actionnaires,

En exécution de la mission qui nous a été confiée par votre assemblée générale, nous vous présentons notre rapport relatif à l'exercice clos le 31 décembre 2014, sur :

- le contrôle des comptes consolidés de la société NETBOOSTER, tels qu'ils sont joints au présent rapport ;
- la justification de nos appréciations ;
- la vérification spécifique prévue par la loi.

Les comptes consolidés ont été arrêtés par le conseil d'administration. Il nous appartient, sur la base de notre audit, d'exprimer une opinion sur ces comptes.

I. Opinion sur les comptes consolidés

Nous avons effectué notre audit selon les normes d'exercice professionnel applicables en France ; ces normes requièrent la mise en œuvre de diligences permettant d'obtenir l'assurance raisonnable que les comptes consolidés ne comportent pas d'anomalies significatives. Un audit consiste à vérifier, par sondages ou au moyen d'autres méthodes de sélection, les éléments justifiant des montants et informations figurant dans les comptes consolidés. Il consiste également à apprécier les principes comptables suivis, les estimations significatives retenues et la présentation d'ensemble des comptes. Nous estimons que les éléments que nous avons collectés sont suffisants et appropriés pour fonder notre opinion.

Nous certifions que les comptes consolidés de l'exercice sont, au regard des règles et principes comptables français, réguliers et sincères et donnent une image fidèle du patrimoine, de la situation financière, ainsi que du résultat de l'ensemble constitué par les personnes et entités comprises dans la consolidation.

II. Justification des appréciations

En application des dispositions de l'article L. 823-9 du Code de commerce relatives à la justification de nos appréciations, nous portons à votre connaissance les éléments suivants :

- les écarts d'acquisition ont fait l'objet de tests de perte de valeur selon les modalités décrites dans la note 3.2 de l'annexe des comptes consolidés. Nous avons examiné les modalités de mise en œuvre de ces tests ainsi que les prévisions de flux de trésorerie et hypothèses utilisées et nous avons vérifié que la note 5.2 de l'annexe des comptes consolidés donne une information appropriée ;
- la note 3.8. de l'annexe aux comptes consolidés expose les modalités de comptabilisation et d'évaluation des impôts différés et la note 5.7. en détaille les effets sur les comptes. Dans le cadre de notre appréciation des principes comptables suivis par la société, nous avons vérifié le caractère approprié des méthodes et des informations fournies en annexe ;
- la note 3.11 « Reconnaissance du chiffre d'affaires » du paragraphe relatif aux principes et méthodes comptables de l'annexe expose les règles et méthodes comptables relatives au chiffre d'affaires. Dans le cadre de notre appréciation des règles et principes comptables de votre société, nous avons vérifié le caractère approprié des méthodes comptables visées ci-dessus et des informations fournies en annexe.

Les appréciations ainsi portées s'inscrivent dans le cadre de notre démarche d'audit des comptes consolidés, pris dans leur ensemble, et ont donc contribué à la formation de notre opinion exprimée dans la première partie de ce rapport.

III. Vérification spécifique

Nous avons également procédé, conformément aux normes d'exercice professionnel applicables en France, à la vérification spécifique prévue par la loi des informations relatives au groupe données dans le rapport de gestion.

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

Levallois-Perret et Neuilly-sur-Seine, le 30 avril 2015

Les Commissaires aux Comptes

G.C.A. - GROUPE DE CONTROLE ET D'AUDIT

Jean-Yves HANS

Deloitte & Associés

Benoit PIMONT

BALANCE SHEET CONSOLIDATED AT 31.12.2014

ASSETS (thousand Euros)	31/12/2014 GROSS	31/12/2014 AMORT & DEP.	31/12/2014 NET	31/12/2013	LIABILITIES (thousand Euros)	31/12/2014	31/12/2013
NON CURRENTS ASSETS					**SHAREHOLDERS' EQUITY**		
Intangible assets - Other	911	463	448	94	Called-up share capital	1 602	1 543
Intangible assets - Goodwill	48 599	30 941	17 658	20 814	Share premium account	30 606	29 368
Property, plant and equipment	1 864	1 081	783	923	Reserves and retained earnings	(23 314)	(18 071)
Long-term assets	1 291	470	821	806	FX Conversion adjustments	47	(71)
					Profit (loss) for the year	**21**	**(5 242)**
TOTAL	**52 664**	**32 954**	**19 710**	**22 637**	**TOTAL**	**8 963**	**7 526**
					NON-CONTROLLING INTERESTS	**-**	**-**
CURRENT ASSETS					**PROVISIONS (2)**	**50**	**720**
Trade receivables	32 338	611	31 727	27 578	**DEBT**		
Other receivables (1)	3 547		3 547	7 016	Bonds and bank loans	12 245	13 628
Marketable securities	18		18	18	Trade and other payables	23 212	28 385
Cash	5 549		5 549	7 491	Other debt	8 856	10 626
TOTAL	**41 453**	**611**	**40 842**	**42 104**	**TOTAL**	**44 313**	**52 640**
Accrued income and similar					**Accruals and related accounts**		
Prepaid expenses	605		605	658	Deferred income	7 832	4 514
TOTAL ASSETS	**94 722**	**33 565**	**61 157**	**65 399**	**TOTAL LIABILITIES**	**61 157**	**65 399**

(1) Including deferred tax assets:	*2 039*		*2 039*	*1 252*	*(2) Including liabilites at over one year:*	*11 093*	*13 905*

PROFIT and LOSS CONSOLIDATED
AT 31.12.2014

(In thousands of Euros)	31/12/2014	31/12/2013
Revenue	116 008	132 755
Other operating income	1 136	1 462
Total operating income	**117 144**	**134 217**
Costs of sales and charges	(88 634)	(104 324)
Staff costs	(23 097)	(24 659)
Business taxes and local authority charges	(368)	(499)
Depreciation of non-current assets	(427)	(407)
Depreciation of current assets	(145)	(523)
Provisions	-	(55)
Other operating costs	(428)	(1 513)
Total operating expenses	**(113 099)**	**(131 979)**
Operating profit (loss)	**4 045**	**2 238**
Financial income	886	166
Financial expense	(1 181)	(1 708)
Financial profit (loss)	**(295)**	**(1 542)**
Ordinary profit (loss) of consolidated companies	**3 751**	**696**
Extraordinary income	3 479	20
Extraordinary expenses	(3 193)	(868)
Extraordinary profit (loss)	**286**	**(848)**
Corporate tax	(17)	(970)
Net profit (loss) of consolidated companies	**4 020**	**(1 122)**
Goodwill amortisation	(3 999)	(4 120)
Net profit (loss) of consolidated group	**21**	**(5 242)**
Attributable to non-controlling interests	-	-
Attibutable to equity holders of the parent	**21**	**(5 242)**
Earnings per share	**0,00 €**	**(0,34) €**
Diluted earnings per share	**0,02 €**	**(0,34) €**

CASH FLOW STATEMENT
AT 31.12.2014

(In thousands of Euros)	31/12/2014	31/12/2013
Cash Flow from Operating Activities		
Net profit (loss) for the year	**4 020**	**(1 122)**
Elimination of expenses and income not affecting cash or not linked to the operating business		
- Depreciation and amortisation (1)	(218)	1 553
- Changes in deferred tax	(626)	407
- Profit or loss on disposals and write-offs	(360)	74
Cash flows from operating activities	**2 815**	**912**
- Changes in working capital	**(3 471)**	**711**
- Changes in operating assets	*347*	*4 777*
- Changes in operating liabilities	*(3 818)*	*(4 066)*
Total Cash Flows From Operating Activities	**(655)**	**1 623**
Cash flow from Investing Activities		
Capital Expenditure	-	-
Investments	482	695
Purchase of intangible assets	(393)	(29)
Purchase of tangible assets	(213)	(649)
Purchase of financial assets	(179)	(441)
Other Cash flows from Investing Activities (2)	(740)	(2 011)
Total Cash Flows From Investing Activities	**(1 042)**	**(2 435)**
Cash flows from Financing Activities		
Capital increases (cash)	235	(7)
Changes in own shares	(395)	6
Increase in financial liabilities	425	320
Debt repayment	(1 433)	(425)
Total Cash Flows From Financing Activities	**(1 168)**	**(106)**
Net increase/(decrease) in cash and cash equivalents	**(2 865)**	**(919)**
Opening cash position	**7 495**	**8 434**
Impact of currency conversion	**34**	**(20)**
Closing cash position	**4 663**	**7 495**
Marketable securities	18	18
Cash at bank	5 549	7 491
Revolving credit facility	(904)	(14)
Closing cash position	**4 663**	**7 495**

(1) excluding provision on current assets but including the release of provision for bond non conversion of €0,7M

(2) In 2014 this position includes funds invested in the purchase of Guava shares (9,51% of capital)

ANNEX TO THE CONSOLIDATED FINANCIAL STATEMENTS 31/12/2014

Data for the NetBooster Group at the financial reporting date of 31 December 2014 are as follows:

Total balance sheet	:	61,157 K€
Profit for the period (Group portion)	:	21 K€

The reporting period is from 1 January 2014 to 31 December 2014.

The comparative items on the consolidated balance sheet are the figures as at 31 December 2014. The comparative items on the consolidated income statement and the consolidated cash flow statement are the figures for the year ended 31 December 2013, a period of 12 months.

The consolidated financial statements are presented in thousands of euros (K€).

The consolidated accounts were drawn up by the board of directors in accordance with the accounting estimates and methods set out in the notes and tables below. These estimates and methods are the same as those used to draw up the various accounts presented for the purposes of comparison.

NOTE 1: BUSINESS PURPOSE

Incorporated in 1998, NetBooster is an independent digital communication group that makes its comprehensive expertise of digital marketing available to its customers to achieve the best possible performance for their investments.

It has 21 offices worldwide, it invests in technology and its network caters for the entire pan-European online marketing chain: search engine optimisation, data and analytics, ground control technology, display, affiliation, online media, creation, eCRM and social networks, with a recognised expertise in tomorrow's digital marketing (Social Media, Video, Ad Exchange etc.).

It is certified as an "Innovative Enterprise" by OSEO Innovation and listed on the NYSE Alternext stock exchange. NetBooster is also eligible for FCPI hi-tech funds and SME stock savings plans.

NOTE 2: HIGHLIGHTS DURING THE YEAR - OTHER MATERIAL INFORMATION

RESTRUCTURING OF NETBOOSTER FRANCE

In January 2014, management performed a detailed review of the profitability of NetBooster France's customer portfolio. This led to an in-depth analysis of gross margin per-customer and per-segment and also the resources allocated to each.

The results of the analysis enabled NetBooster to:

- optimise the customer portfolio by shedding customers with low levels of profitability.
- reduce cost of sales in connection with these customers.
- optimise current resources in order to boost per-customer profitability.

Optimising resources reduced the NetBooster France headcount from 135 in 2013 to 113 in 2014.

Resizing the French teams and business is expected to boost the profitability of NetBooster France.

PURCHASE OF A NON-CONTROLLING STAKE (9.51%) OF THE GUAVA GROUP

NetBooster Holding A/S (formerly Guava Holding A/S "listed on the Danish market") was bought over in several phases by NetBooster SA up to a shareholding of 90.49% in 2011.

In January 2014 NetBooster management decided to purchase the non-controlling stake (9.51%) and delist the company, for the following reasons:

- To eliminate internal and external listing costs.
- To enable the restructuring of the companies within the Guava group (NetBooster UK / Guava UK, planned merger of Danish companies in 2015, planned transfer of British and Swedish companies to NetBooster SA in 2015).
- To control the company outright.

On 18 April 2014 the NetBooster group announced a delisting to the Danish stock exchange and purchase of a non-controlling stake in the Guava group (9.51% of the equity) thereto. The purchase was completed during the second half of the year for the sum of 740 K€, including costs.

CONSOLIDATION AND RESTRUCTURING OF BRITISH COMPANIES

In December 2011 NetBooster acquired IMW Ltd and its subsidiaries (Bidbuddy Ltd, Tradedoubler Search Ltd, The Diallog Works Ltd, The Search Works Ltd and The Search Lab Ltd). All companies, with the exception of Trade Doubler Search, were dormant companies.

In January 2012, Tradedoubler Search Ltd was renamed NetBooster UK.

In June 2014 management decided to close down its unprofitable Telford office (a former Tradedoubler office), and manage profitable customers directly from the London office.

Finally, in a bid to consolidate the British companies and optimise costs, the business of NetBooster UK Ltd was transferred to Guava UK Ltd on 31 October 2014.

Guava UK Ltd was subsequently renamed NetBooster UK Ltd, and all dormant companies were undergoing liquidation as at 31 December 2014.

The only operational company in the UK in 2015 will be NetBooster UK Ltd.

CONSOLIDATION OF GERMAN COMPANIES

In a bid to optimise costs, management decided to transfer the business of its NetBooster Gmbh subsidiary to metapeople and close down the company. metapeople absorbed its wholly-owned German subsidiary metaapes for the same purpose.

ACQUISITION OF A 10% STAKE IN MEDIA DIAMOND

On 8 May 2014 the NetBooster group purchased a 10% stake in the Spanish company Media Diamond for an overall investment of 57 K€. The purchase agreement includes an option for NetBooster to acquire a further 40% in March 2015 and therewith have a 50% shareholding.

SALE OF A STAKE IN SAME SAME

On 22 April 2014 the group sold off its 19% stake in SAME SAME, as it was deemed to be none core. The shareholding had previously not formed part of the group's scope of consolidation. The operation was carried out on the basis of a selling price of 354 K€, and this generated capital gains of 345 K€ taken to extraordinary profit.

OUTCOME OF LITIGATION WITH TAX AUTHORITIES

Following a tax inspection at year-end 2009, the tax authorities had questioned a total amount in the region of 0.85 M€ as NetBooster SA's transfer fees in connection with foreign companies' ownership rights.

The company had challenged this on the grounds of the taxable event claimed by the tax authorities, and also the amount actually payable in fees (the company estimated this as a principal sum of 8 K€). It had submitted its case to the courts.

The administrative court ruling in February 2013 on the dispute had confirmed that the company's claims were rights (8 K€) and dismissed the remaining claims by the tax authorities (842 K€). The tax authorities had appealed the decision by the Administrative Court on 18 March 2013.

In a ruling in October 2014, the Paris Administrative Appeals Court confirmed the company's claims were rights (8 K€) but still partially upheld the position of the authorities in the amount of 122 K€.

The total reassessment (a principal sum of 130 K€ plus penalties of 14 K€ and late-payment interest of 16 K€) was settled by the company at year-end 2014 against extraordinary charges in the year. In due consideration of the 8 K€ provision already made, the impact of the outcome of litigation in terms of extraordinary profit for the year was (136 K€) (see Note 5.23).

SHARE CAPITAL INCREASES

During the year convertible bonds were converted into shares (20 convertible bonds converted into 500,000 shares) to a total amount of 1.25 M€, representing 3.12% of equity at the closing date. The majority shareholder Truffle Capital converted 16 convertible bonds representing 400,000 shares.

On 21 January 2014 the company's Board of Directors declared a capital increase for the year of 81,932 share subscription warrants afforded to the previous shareholders of metapeople (see Note 5.10).

81,932 new shares were created for a total subscription of 223,674.36 € and a capital increase of 8,193.20 €. These subscriptions were paid up as compensation against company receivables outstanding to the parties concerned for the earn out due in connection with the purchase of metapeople.

On 3 February 2014 the Board decided to grant 112,000 "AGA 2014" shares to various NetBooster managers.

On 12 November 2014, the Board decided to grant 12,500 shares to NetBooster employee.

7,500 free shares were granted to group employees.

ISSUE AND ALLOCATION OF SHARE SUBSCRIPTION WARRANTS RESERVED FOR NETBOOSTER MANAGERS

On 7 May 2014, Resolution Fourteen at the ordinary and extraordinary general meeting of NetBooster SA authorised the Board, pursuant to the provisions of Articles L. 225-129 to L. 225-129-6, L. 225-138 and L. 228-91 and following of the French Commercial Code, to issue a maximum of 1,551,960 share subscription warrants.

On 12 May 2014 the Board availed itself of this authorisation to issue 1,175,000 share subscription warrants to a number of corporate officers and senior employees at the Group ("BSA 2014").

The subscription price for each BSA 2014 was established as 0.20 € in accordance with a report by an independent expert, and the exercise price was established as 2.42 € in accordance with average closing prices on NYSE Alternext Paris over the sixty stock market days preceding 12 May 2014.

The BSA 2014 options were fully subscribed by the beneficiaries (see Note 5.10).

SHARE BUYBACK PROGRAMME

At 31 December 2014 NetBooster held 178,843 of its own shares, worth 466 K€.

These shares were purchased in the market using the liquidity contract (20,268) for the sum of 53,855 € and an average price of 2.66 € and a share buyback programme (158,575) for the sum of 411,724.85 € and an average price of 2.60 €.

See details of the programme in Note 5.10.

ACCOUNTING TREATMENT OF SHARE-CONVERTIBLE BONDS

At the beginning of 2012, NetBooster SA renegotiated a share-convertible bond issue originally arranged in 2007 (see Note 5.13).

In the event these bonds were not converted to shares before the due date on 23 March 2016, the company undertook to pay a redemption premium of 8,543 € per share in addition to the par value. On 31 December 2014 the maximum redemption premiums to be paid out pursuant to this conditional commitment totalled 1.38 M€.

In view of the adverse trajectory of the share listing at year-end 2013 and the beginning of 2014, NetBooster had posted liabilities of 653 K€ as the actuarial financial expense calculated at 31 December 2013 for the bonds' redemption premiums.

As the group's business and operational profitability picked up in 2014, NetBooster’s share price rose significantly by year-end 2014 and the beginning of 2015. The favourable trajectory of the share price and confirmation of better business prospects and operational profitability in 2015 made it likely that the bonds would be converted into shares. 20 bonds, in fact, have already been converted into shares since year-end 2013.

Consequently, at the 2014 reporting date the NetBooster group unwound the provision made at 31 December 2013, generating finance income of 653 K€ (see Notes 5.12 and 5.13).

NOTE 3: Consolidation principles and methods

The consolidated financial statements of the NetBooster Group were drawn up pursuant to generally accepted accounting principles in France and the CRC French Accounting Rules Committee's Regulation 99-02 as standardised by the Decree of 22 June 1999.

Consolidation principles

Companies in which NetBooster directly or indirectly holds a long-term stake representing more than 40% of voting rights and where the Group exercises exclusive control are accounted for using the full consolidation method, with recognition of the rights of non-controlling shareholders in the consolidated subsidiaries.

Companies in which NetBooster exercises considerable influence over financial and operational policies are accounted for using the equity method. With the exception of certain cases, the Group is considered to exercise considerable influence over a company when it directly or indirectly holds at least 20% of the company's voting rights.

Companies in relation to which shares or interests have only been held to be sold subsequently are not consolidated.

Companies are consolidated on the basis of annual accounting entries at 31 December 2014.
Companies purchased during the reporting period are consolidated from the date at which the Group took control.
Companies sold during the reporting period are deconsolidated from the date at which the Group relinquished control.

In the event of a major sale, for the sake of easier comparison over time, the Group portion of the net profit/loss of the company sold is entered on a separate line on the income statement. The annex then provides a breakdown of the main items in the income statement up to the date at which the Group relinquished control.

Accounting principles and methods

The main accounting methods used by NetBooster Group companies are as follows:

Note 3.1 Intangible assets

- Development costs incurred by the NetBooster Group are recognised as fixed assets in the financial statements when the following conditions have been simultaneously met:
- the technical feasibility required to finalise the intangible asset through usage or sale has been demonstrated.
- the company intends to realise the asset, and either use it or sell it.
- the company has the capacity to use or sell the intangible asset.
- the intangible asset will generate future economic benefits (existence of a market or internal utility).
- the company has the appropriate resources (technical, financial and other resources) to realise development and use or sell the asset.
- the company has the capacity to conduct a reliable appraisal of the development costs associated with the asset.
- Development costs include the following:
- wages and salaries and other ancillary staff costs in connection with development.
- any expenditure on design and development projects outsourced to subcontractors.
- depreciation/amortisation of property, plant and equipment or intangibles, in connection with development only.
- They are amortised on a straight-line basis for the intended period of use of the tools developed commencing in the year concerned, as of their deployment. When development projects do not come to fruition, development costs are amortised on an exceptional basis.
- Software purchased or created internally is recognised as assets on the balance sheet at the purchase price or development price, and is amortised for the intended period of use following its deployment.
- Registrations of trademarks are recognised on the balance sheet at acquisition cost, and are not amortised.

Note 3.2 Goodwill

When a company is purchased, goodwill consists of the difference between the cost of acquisition of the shares of newly consolidated companies (including transaction costs) and the fair value of the assets and liabilities identified at the date of acquisition.

This is recognised on the balance sheet as "Goodwill". In the absence of any exceptional circumstances, it is amortised over a maximum period of 10 years (in exceptional circumstances, this may be extended beyond 10 years in cases of specific continuity of the economic benefits expected from the consolidated company).

Goodwill and intangible assets with an indefinite term are subjected to an impairment test at each reporting period, or when there are indications that their value may have been impaired.

Note 3.3 Property, plant and equipment

Property, plant and equipment are recognised at their acquisition cost, less depreciation calculated on a straight-line basis (S/L) over the asset's economic service life. The depreciation periods applied are as follows:

- Fixtures and fittings: 5 - 10 years (S/L)
- Office equipment: 3 - 5 years (S/L)
- Office furnishings: 5 - 10 years (S/L)

The group does not state its lease contracts and financing leases. It recognises the commitments arising from these as off-balance sheet commitments.

Note 3.4 Long-term assets

Long-term assets are equity interests or financial claims on non-consolidated companies and guarantee deposits or loans recognised on the balance sheet as the sum paid over.
Equity interests are recognised on the balance sheet at acquisition cost; when a long-term asset's inventory value is less than its acquisition cost or its carrying amount, impairment is booked as the difference between the two amounts.

Note 3.5 Trade receivables and related accounts

Receivables are recognised at nominal value, and specific provision for impairment is booked for receivables with a total or partial risk of non-collectability.
Provision for impairment is also booked for receivables when collection is uncertain.

Note 3.6 Currency transactions, receivables and payables

Currency receivables and payables are translated during the year concerned at the exchange rate on the day of the transaction (or, in the case of multiple transactions, in a single currency over a certain period at the average monthly exchange rate), and at the exchange rate prevailing at the reporting date. If latent currency gains or losses are recognised at the reporting date, the translation adjustments booked in individual accounts are taken to the consolidated results.

Note 3.7 Marketable securities - Cash equivalents

If marketable securities are not eligible as cash equivalents, they are measured at their purchase price. They depreciate when their inventory value becomes less than their carrying amount.

The inventory value of listed securities is estimated as the average market listing during the last month of the reporting period.

Short-term investments that are highly liquid and readily convertible to a known amount of cash with no risk of any major changes to their value are considered as cash equivalents, and are measured at their fair value at the reporting date.

Note 3.8 Deferred tax

Certain tax time lags can lead to timing differences between the tax value and the carrying amount of assets and liabilities.

These differences lead to recognition of deferred taxes, i.e. they are booked at the last known rate at the reporting date.

The rate for French companies is 33 1/3%, irrespective of timing difference periods.
The rates used for foreign companies are as follows:

- UK: 21.00%
- Spain: 28.00%
- Italy: 31.40%
- Denmark: 24.50%
- Finland: 20.00%
- Sweden: 22.00%
- Germany: 30%
- Dubai: 0%

Deferred tax assets arising from timing differences or tax loss carryforwards are limited to deferred tax liabilities for the same period, except when it is highly likely they will be applied to future tax income within an envisaged timeline, generally between one and three years, and provided, with no exceptions, that the company has not incurred tax losses over the last two consecutive years.

Deferred tax assets and liabilities booked by the same company are offset on the balance sheet when their schedules are the same.

Note 3.9 Translation of the financial statements of foreign companies

The balance sheets of foreign companies are translated into euros at the exchange rate prevailing at year-end or at the reporting date.

The income statements and cash flow statements of these companies are translated at the average rate for the year or period.

Any conversion differences arising from the translation of foreign companies' statements to euros are recognised in shareholders' equity under "Translation adjustments".

Note 3.10 Provision for risks and charges

Provision for risks

Provision is made for risks in the event of legal disputes with third parties on the basis of a case-by-case analysis.

Provision for charges

Provision for charges is made by Group companies on the assumption that they are likely to be faced with outgoings with no opposing entry that is at least equivalent. It must, however, be possible to make a sufficiently reliable estimate of these outgoings at the reporting date.

Note 3.11 Recognition of revenue

The Group's resources are generated by service contracts:

- recurring contracts, usually drawn up for an initial term of one year and tacitly renewable.
- contracts drawn up on a more sporadic basis to provide human resources - calculated in man-days - (creation, consultancy, CRM).
- There are two main types of recurring service contracts: "Listing" services, and traffic-generating services known as P.P.C. (Pay Per Click) and P.L. (Paid Listing) or Sponsored Links.
- Listing contracts are composed of three phases:
- a preliminary audit phase to set out the specific nature of the customer's listing requirements.
- an operational phase during which the service is deployed.
- a follow-up phase during which the company checks and validates the ongoing relevance of the initial listing.
- The following procedure is employed to recognise revenue:
- the audit and operational phase, which is billed on signature of the contract, is spread over the period during which the service is provided.
- the follow-up phase, billed in advance, is also spread over the period during which the service is provided, with application of the rules for consecutive continuous services.

P.P.C. and P.L. contracts are composed of two phases:

- a phase for preparation of information, keywords and other items.

- a monitoring and optimisation phase during which the company ensures that the traffic generated meets the original target set.

Bills are drawn up on a monthly basis for the volumes delivered during the month. Revenue is recognised in the accounts against the period of delivery of the Internet traffic billed.

Note 3.12 Grants

NetBooster SA is entitled to the research tax credit facility.
The research tax credit is similar to an operating subsidy recognised in results, depending on the type of eligible expenditure.

When the tax credit is in relation to operating charges for the year, it is posted under "Other operating income" on the income statement.

Note 3.13 Recognition of transactions as extraordinary profit/loss

Extraordinary profit or loss includes, where applicable, extraordinary items arising from major non-recurring events or transactions.

Note 3.14 Earnings per share

Earnings per share are calculated and presented in accordance with the principles set out by Opinion Nº 27 of the "Ordre des Experts-Comptables" (French Institute of Chartered Accountants).
The calculations are based on:

- net earnings - Group portion for the reporting period.
- the average number of shares in circulation during the period.

If earnings per share are negative, then the diluted EPS ought to be equal.

Note 3.15 Retirement severance benefits - individual training rights

The Group does not make any provision for retirement severance benefits. It treats these items as off-balance sheet commitments. These commitments totalled 16 K€ at 31 December 2014.

Pursuant to prevailing legislation, employees at the Group's French companies have been entitled to individual training rights since 2004. These rights cumulatively represented 5,009 hours at 31 December 2014, and constitute a potential charge the possible nature of which does not meet the present criteria for recognition of liabilities. Consequently the Group does not make any provision in this regard.

Note 3.16 Financial instruments

The Group does not avail itself of any financial instruments (currency hedges or interest rate hedges).

NOTE 4: Scope of consolidation

- Changes to the scope of consolidation

In 2014 the German company metapeople underwent a merger with its wholly-owned subsidiary metaapes Gmbh, backdated to 1 January 2014. The effects of this internal operation on the group were neutralised to prevent any impact on the consolidated financial statements.

Following purchase of non-controlling interests in the Guava group (+9.51%), the stake held in NetBooster Holding A/S was increased from 90.49% to 100%.

- Summary of the scope of consolidation:

Parent:
NetBooster SA (NBSA)
4/6 Passage Louis Philippe
75011 PARIS
Share capital: 1,601,963.90 euros
SIREN business code: 418 267 704

Italian subsidiary:
NetBooster Agency Italy srl
Via Sicilia, 43
43 00187 ROME - ITALY
Share capital: 10,000 euros
Reg. N° : 06972551003
Stake: 100%
Accounting method: Full consolidation

French subsidiary:
PIXIDIS SARL
4/6 Passage Louis Philippe
75011 PARIS
Share capital: 8,000 euros
SIREN business code: 493 019 731
Stake: 100%
Accounting method: Full consolidation

Finnish subsidiary:
NetBooster Finland
Bulevardi 2-4 A
00120 Helsinki
Finland
Share capital: 4,000 euros
Reg. N° : 1473785-5
Stake: 100%
Accounting method: Full consolidation

Spanish subsidiary:
NetBooster Spain SL
Plaza de Manuel Becerra, 15
28028 Madrid
Spain
Share capital: 3,010 euros
Reg. N° : B84421320
Stake: 100%
Accounting method: Full consolidation

German subsidiary:
NetBooster GmbH
Eschenheimer Anlage 31a
60318 Frankfurt
Share capital: 75,000 euros
Reg. N° : HRB74664 Frankfurt
Stake: 100%
Accounting method: Full consolidation

Danish subsidiary:
NetBooster Holding A/S
Pilestræde 52A, 3. sal
1112 Copenhagen K
Share capital: 49,705,000 DKK
Stake: 100%
Accounting method: Full consolidation

metapeople Gmbh
21 Philosophenweg
47 051 Duisburg
Share capital: 50,000 euros
Reg. N° : HRB 13954 (Duisburg)
Stake: 100%
Accounting method: Full consolidation

Dubai subsidiary:
NetBooster MENA
Middle East and North Africa FZ-LLC
3rd Floor Office 304 Building EIB 1 Dubai
Share capital: 50,000 AED
Reg. N° : 91366
Stake: 100%
Accounting method: Full consolidation

UK subsidiary:
NetBooster UK Limited
21st Floor, Portland House, Bressenden Place
London SW1E 5BH
Share capital: 75,158 GBP
Reg. N° : 5401134
Stake: 100%
Accounting method: Full consolidation

Subsidiaries held by NetBooster Holding A/S:
NetBooster Agency A/S
Pilestræde 52A, 3. Sal 1112 Copenhagen K
Share capital: 501,000 DKK
Stake: 100%
Accounting method: Full consolidation
NetBooster Affiliate A/S
Nordhavnsgade 1-3
8000 Aarhus C
Share capital: 500,000 DKK
Stake: 100%
Accounting method: Full consolidation

UK subsidiary:
Guava UK Ltd
Suite 1A, Gateway Business Centre
Barncoose Industrial Estate, Redruth
Cornwall TR15 3RQ
Share capital: 9,000 GBP
Stake: 100%
Accounting method: Full consolidation

Swedish subsidiary:
NetBooster Sweden AB
Sankt Eriksgatan 63
112 34 Stockholm
Sweden
Share capital: 100,000 SEK
Stake: 100%
Accounting method: Full consolidation

Subsidiaries held by metapeople Gmbh:
Swiss subsidiary:
metapeople Gmbh Zürich
26 Siewerdtstr.
8050 Zürich
Share capital: 20,000 CHF
Reg. N° : CH-020.1.039.622-4
Stake: 100%
Accounting method: Full consolidation

COMPANIES EXCLUDED FROM CONSOLIDATION

BUZZ LEMON holding

This company went into judicial liquidation in April 2008. It had not been consolidated since it was largely non-material, and is recognised as a zero asset in the Group's consolidated financial statements.

NetBooster Hong Kong holding

At 31 December 2014 the Group held 19% of the shares of NetBooster Hong Kong. At 31 December 2014 shareholders' equity stood at (55) K€, with earnings of 213 K€ in 2014. The Group also holds 175 K€ in financial claims on the company. The claims were fully amortised at the reporting date.

Media Diamond shareholding

At 31 December 2014 the Group held 10% of the shares of Media Diamond.

NOTE 5: ADDITIONAL INFORMATION

Note 5.1 Intangible assets

Changes in the gross figures were as follows:

Thousands of €	31/12/2013	Increase	Decrease	31/12/2014
Software	648	332	556	423
Other intangible assets	272	263	48	489
TOTAL	**919**	**595**	**604**	**911**

Changes in amortisations were as follows:

Thousands of €	31/12/2013	Increase	Decrease	31/12/2014
Software	599	39	556	82
Other intangible assets	227	203	48	381
TOTAL	**825**	**242 (1)**	**604**	**463**

(1) Including 176 K€ from transfer of assets between NetBooster UK and Guava UK.

Changes in the net figures were as follows:

Thousands of €	31/12/2013	Increase	Decrease	31/12/2014
Software	49	293		341
Other intangible assets	45	60		108
TOTAL	**94**	**353**		**448**

The increase in intangible assets was due to recognition of the Ground Control tool in the amount of 224 K€ and the new website in the amount of 56 K€.

Note 5.2 Goodwill

The table below shows the main items determining the goodwill booked for new consolidations.

Company	Purchase price	Acquisition price	Incl. acquisition costs	% acquired	Amount of shareholders equity acquired	Goodwill	Amortis period.	Amortis. method
Time To Buy	15/11/2006	5 736	133	100%	855	4 881	10 yrs	linear
Profil One	15/11/2006	1 477	38	100%	366	1 111	7 yrs	linear
NB Italy	30/04/2007	2 550	94	100%	(8)	2 558	8 yrs	linear
NB Finland	01/07/2007	9 547	274	100%	1 640	7 907	15 yrs	linear
Evolnet	01/07/2008	9 055	135	100%	321	8 734	10 yrs	linear
Guava	15/05/2009 25/02/2010 31/12/2010 01/01/2011 01/05/2011 31/10/2014	2 938 4 081 414 1 072 2 615 727	227 165 61 49 27	29,89% 38,37% 5,01% 13,85% 3,37% 9.51%	(76) 1 135 (106) (294) 2 284 (117)	3 014 2 946 520 1 366 332 843	8 yrs 8 yrs 8 yrs 8 yrs 8 yrs 8 yrs	linear
metapeople	01/06/2011	15 545	545	100%	1 157	14 388	10 yrs	linear
IMW	21/12/2011	140	140	100%	179	(39)	immed	NA

Changes to gross goodwill were as follows:

Thousands of €	31/12/2013	Increase	Decrease	31/12/2014
Time to buy	4 881	-	-	4 881
Profil one	1 111	-	-	1 111
NetBooster Italy	2 558	-	-	2 558
NetBooster Finland	7 907	-	-	7 907
Evolnet Média	8 734	-	-	8 734
Guava	8 178	843	-	9 021
metapeople	14 388	-	-	14 388
TOTAL	**47 756**	**843**	**-**	**48 599**

The additional goodwill on Guava was due to purchase of the 9.51% non-controlling interest.
Changes in amortisations were as follows:

Thousands of €		31/12/2013	Increase	Decrease	31/12/2014
Time to buy	15/11/2006 - 10 yrs	3 478	489	-	3 966
Profil one	15/11/2006 - 7 yrs	1 111	-	-	1 111
NetBooster Ita	30/04/2007 - 8 yrs	2 215	257	-	2 472
NetBooster Fin.	01/07/2007- 15 yrs	6 864	123	-	6 986
Evolnet	01/07/2008- 10 yrs	5 218	781	-	5 999
Guava	15/05/2009 - 8 yrs	2 242	228	-	2 470
	25/02/2010 - 8 yrs	1 411	368	-	1 779
	31/12/2010 - 8 yrs	197	65	-	262
	01/01/2011 - 8 yrs	511	171	-	682
	01/05/2011 - 8 yrs	126	42	-	168
	31/10/2014 – 8 yrs	-	18	-	18
metapeople	01/06/2011 - 10 yrs	3 570	1 458	-	5 028
	TOTAL	**26 942**	**3 999**	**-**	**30 941**

The annual depreciation tests based on a DCF method (Discounted Cash Flow) were carried out for the following main hypotheses:

- Projection period: 5 years
- Weighted average cost of capital (discount rate): 8.1% (Finland); 6.1% (Guava); 8.9% (Spain); 9.7% (Italy)
- Discount rate of the last regulatory flow to infinity: 1.50%
- The tests revealed no depreciation in addition to the past amortisation plyrs.

Thousands of €	Original Value	Extraordinary Amort	Linear Amort	Net Value
Time to buy	4 881		(3 966)	915
Profil one	1 111		(1 111)	0
NetBooster Italy	2 558	(166)	(2 306)	86
NetBooster Finland	7 907	(5 409)	(1 578)	920
Evolnet Média	8 734	(773)	(5 226)	2 735
Guava	9 021		(5 378)	3 643
metapeople	14 388		(5 028)	9 360
TOTAL	**48 599**	**6 348**	**24 593**	**17 658**

Note 5.3 Property, plant and equipment

Changes in the gross figures were as follows:

Thousands of €	31/12/2013	Increase	Decrease	31/12/2014
Constructions and facilities	283	1	243	41
Fixtures, office equipment and furnishings	2 454	240	872	1 822
TOTAL	**2 738**	**241**	**1 115**	**1 864**

Changes in depreciation were as follows:

Thousands of €	31/12/2013	Increase	Decrease	31/12/2014
Constructions and facilities	176	63	222	17
Fixtures, office equipment and furnishings	1 639	318	893	1 064
TOTAL	**1 815**	**381 (1)**	**1 115**	**1 081**

(2) Including 20 K€ from transfer of assets between NetBooster UK and Guava UK.

Adjustments were made to PP&E following the NetBooster UK/Guava UK asset transfer.

Changes in the net figures were as follows:

Thousands of €	31/12/2013	Decrease	31/12/2014
Constructions and facilities	107	83	24
Fixtures, office equipment and furnishings	815	57	758
TOTAL	**923**	**140**	**783**

Note 5.4 Long-term assets

Changes in the gross figures were as follows:

Thousands of €	31/12/2013	Increase	Decrease	31/12/2014
Investments (1)	16	78	10	84
Other long-term assets	1 374	101	269	1 206 (2)
TOTAL	**1 390**	**179**	**278** (3)	**1 291**

(1) The 16 K€ account for shares in NetBooster Hong Kong and Buzz Lemon. The increase was caused by Media Diamond shares.
(2) These assets break down as follows:

- Guarantee deposits and other receivables: 416 K€, including 215 K€ in financial advances engaged at the end of 2013 by NetBooster Spain pursuant to a partnership commencing at the beginning of 2014 with Media Diamond.
- Financial assets pledged as a guarantee against the bank endorsement obtained for the lease of the premises at 4/6 Passage Louis Philippe: 164 K€ (see Note 5.26 - Off-balance sheet commitments).
- The other guarantee deposits were in relation to Denmark in the amount of 82 K€, Germany in the amount of 65 K€, and Switzerland in the amount of 3 K€.
- Financial claims on non-consolidated entities:
  - NetBooster Brazil: 290 K€
  - NetBooster Hong Kong: 175 K€.
- Funds capitalised under the liquidity contract and the share buyback programme: 162 K€.

(3) These increases were chiefly the result of the following:

- reimbursement of receivables by NetBooster Hong Kong during the year - 125 K€.
- the sale of shares in Same Same: 10 K€ (see Note 2 Highlights during the year and Note 5.20 on Extraordinary profit/loss).
- loss of the guarantee deposit previously created for the former premises at 11 Rue Dieu (140 K€). Return of this deposit was challenged by the owner in 2013 at the end of the lease. The loss arising was booked as an extraordinary charge for the year (see Note 5.20 on Extraordinary profit/loss), but was neutralised by reversal of the depreciation allowance made the preceding year (see table below).

Impairment of long-term assets was as follows:

Thousands of €	31/12/2013	Increase	Decrease	31/12/2014
Investments (1)	4	-	-	4
Other long-term assets	580	25	140 (2)	465 (1)
TOTAL	**584**	**25**	**140**	**470**

(1) Impairment of financial claims on NetBooster Brazil: 290 K€; impairment of financial claims on NetBooster Hong Kong: 175 K€.
(2) See table above (table footnote 3). The reversal of depreciation was deployed in full.

Changes in the net figures were as follows:

Thousands of €	31/12/2013	Increase	Decrease	31/12/2014
Investments (1)	12	78	10	80
Other long-term assets	794	76	129	741
TOTAL	**806**	**154**	**139**	**821**

Note 5.5 Trade receivables and related accounts

Trade receivables and related accounts are due at less than one year, and break down as follows at 31 December 2014:

Trade receivables and related accounts (Thousands of €)	31/12/2014	31/12/2013
Trade receivables and related accounts Receivables assigned (factoring) Prov. for doubtful receivables	32 338 - (611)	32 489 (4 057) (855)
TOTAL	**31 727**	**27 578**

The factoring contract drawn up by NetBooster SA expired on 30 April 2014, and was replaced by non-secured facilities with the group's banking partners.
Trade receivables are composed of sums payable by the Group's customers for purchase of search engine space. Pursuant to French law concerning agency contracts, these flows are not posted as either revenue or external charges.

Trade receivables excluding the factoring contract were steady against 2013, and also steady in terms of gross margin.

The changes to impairment of trade receivables break down as follows:

Trade receivables and related accounts (Thousands of €)	31/12/2013	Increase	Decrease	31/12/2014
Prov. for doubtful receivables	**855**	**145**	**389**	**611**

Improvements to customer risk management, introduced two years ago, eliminated any significant depreciation in the course of 2014.

Note 5.6 Other receivables

Other receivables are due at less than one year (with the exception of deferred tax assets - see Note 5.7), and break down as follows at 31 December 2014:

(Thousands of €)	31/12/2014	31/12/2013
Tax on profits Deferred tax assets Other operational receivables	596 (1) 2 039 912	512 1 252 5 252 (2)
TOTAL	**3 547**	**7 016**

(1) This item includes the parent's tax credits in France:
- Competitiveness tax credits 2013 and 2014 : 261 K€
- Research tax credits : 252 K€

Excluding the application to corporation tax payable by the company, these tax credits (513 K€) are due at more than one year.

(2) Includes receivables from the factoring contract drawn up by NetBooster SA: 2,080 K€ of outstanding debt and 636 K€ in a guarantee fund. These items no longer exist at 31 December 2014 because the NetBooster SA factoring contract was discontinued in the first half of 2014.

Following the liquidation of companies in the Trade Doubler Search group, receivables with Bidbuddy were written off in the amount of 2.3 M€. This debt was offset by a 2.3 M€ write-off with Bidbuddy. Extraordinary income of 224 K€ was posted.

Note 5.7 Deferred tax assets

(Thousands of €)	31/12/2013	Increase	Decrease	31/12/2014
NetBooster SA	1 007	509		1 516
NetBooster Italy	80		3	77
NetBooster Spain	81		81	-
NetBooster Finland	74			74
Guava	9	363		372
TOTAL	**1 252**	**872**(1)	**84**	**2 039**

(1) Capitalisation of deferred tax assets in France and Denmark.

At 31 December 2014 deferred tax asset schedules were as follows (K€):

(Thousands of €)	Less than 1 year	2 to 3 years	4 to 5 years	Total
NetBooster SA	284	1 232	-	1 516
NetBooster Italy	31	46	-	77
NetBooster Finland	40	34	-	74
Guava	121	251	-	372
TOTAL			**-**	**2 039**

Most deferred tax assets are accounted for by expected tax savings from loss carryforwards held by Group companies.

Table of Group companies' tax loss carryforwards

Thousands of €	Deferred tax rate (%) (liability method)	Deployment rate of tax losses (%) 31/12/2014	Deployment rate of tax losses (%) 31/12/2013	Loss carry forward
NetBooster SA	33,33%	49%	35%	9 288 K€
NetBooster Italy	31,40%	60%	100%	388 K€
NetBooster Finland	20,00%	35%	80%	1 061 K€
NetBooster Holding A/S	24,50%	11%	0%	13 916 K€
NetBooster Sweden	22,00%	0%	0%	1 370 K€
NetBooster UK	21,00%	0%	0%	7 237 K€

- With the exception of results in previous years, featuring non-recurring extraordinary losses, NetBooster SA has posted positive tax results since 2004. It has also been consolidated for tax purposes with its subsidiary Pixidis since 1 January 2013, a substantial tax beneficiary. At the reporting date, the Group limited the probability of attribution of tax losses to three years after the current year.

- The GUAVA Group elected to deploy fiscal integration for all the Danish companies within its scope of consolidation.
- NetBooster Italy has undergone considerable restructuring since 2009 to rectify its operational profitability. The company's projected earnings will probably lead to the deployment of tax loss carryforwards over two or three years.
- In the first half of 2012 NetBooster Spain underwent a merger with Evolnet, a company that has made substantial gains since it joined the Group in 2008. This operation enabled it to use a portion of its tax loss carryforwards in 2012, 2013 and 2014.
- NetBooster Finland has undergone considerable restructuring since 2010. Its projected earnings will probably lead to the deployment of a portion of tax loss carryforwards over two or three years.

Note 5.8 Marketable securities - Cash

(Thousands of €)	31/12/2014	31/12/2013
Marketable securities Cash	18 5 549	18 7 491
TOTAL	**5 567**	**7 509**

The cash position was adversely affected at the reporting date by the late arrival of a bank tryrsfer from a customer in the amount of 1.3 M€, which fell due after the normal fashion and had been expected at the end of December.

Note 5.9 Prepaid expenses

Prepaid expenses totalled 605 K€ at 31 December 2014, as against 658 K€ at 31 December 2013. They are composed of the usual adjustments to operating expenses.

Note 5.10 Shareholders' equity

Operations on the parent company's equity during the reporting period

NetBooster's equity was 1,601,963.90 € at 31 December 2014, represented by 16,019,639 shares with a par value of 0.10 €. Movements in equity were as follows:

En €	Number of shares	Nominal	Amount
Beginning of year	**15 430 207**	**0,10**	**1 543 020,70**
Share capital increase in cash (21/01/2014)	81 932	0,10	8 193,20
Share capital increase (free shares) (31/03/2014)	7 500	0,10	750,00
Conv. convertible bonds (07/05/2014)	100 000	0,10	10 000,00
Conv. convertible bonds (31/12/2014)	400 000	0,10	40 000,00
End of year	**16 019 639**	**0,10**	**1 601 963,90**

At 31 December 2014 NetBooster held 178,843 of its own shares, worth 466 K€.

These shares were purchased on the market on the liquidity contract (20,268) for the sum of 53,855 € and an average price of 2.66 € and a share buyback programme (158,575) for the sum of 411,724.85 € and an average price of 2.60 €.

The main conditions of the buyback programme are as follows:

- Maximum per-share purchase price: ten euros (excluding acquisition costs).
- Maximum overall amount allocated to the programme: 15,519,639 euros
- Maximum number of shares that may be purchased by the company: 10% of the number of shares making up the equity at the date of purchase.
- On 12 May 2014 the Company's Board of Directors took up this authorisation and decided to initially limit to 500,000 € the maximum overall amount allocated to the programme, to a maximum of 1% of share capital.
- On 7 October 2014 the Board decided to increase the maximum number of shares that could be purchased to 5% of share capital.

The company issued certain equity entitlements. The table below provides a summary of the entitlements in circulation at 31 December 2014:

	Number of securities or entitlements	Initial year/date of options	Term of validity	Maximum exercise parity (nº shares for 1 bond)	Subscription or conversion price	Maximum share in equity (financial rights) (1)
Free shares	35 000	07 & 10/15	-	NA	0 €	0,16%
Free shares	112 000	03/02/2016	-	NA	0 €	0,53%
Free shares	12 500	12/11/2017		NA	0 €	0,06%
Convertible bonds	161	23/03/2012	4 yrs	25 000 pour 1	2,50 €	18,91%
BSA management (2)	81 931	2013/2014	1 an	1 pour 1	2,73 €	0,38%
BSA 2014 (3)	1 175 000	12/11/2015	4 yrs	1 pour 1	2,42 €	5,52%

(1) The percentages in the table are determined on the assumption that all rights will actually be exercised.
(2) 81,932 BSA management warrants were exercised in January 2014. The 81,931 warrants shown in the table above were subscribed by holders in January 2015 (see Note 6 Events subsequent to the reporting date).
(3) The BSA 2014 warrants were fully subscribed in 2014 by beneficiaries for a total price of 235 K€ (see Note 2 Highlights during the year).

Changes to shareholders' equity were as follows:

Thousands of €uros	Capital	Premiums	Consolidated reserves	Profit/loss for the year	Tryrslation adjustments	Shareholders ' equity
Position at 31/12/2012	**1 461**	**27 676**	**(14 083)**	**(3 966)**	**(57)**	**11 031**
Changes to capital (parent company)						
Share capital increases	68	1 692	-	-	-	1 760
Costs of capital increases	-	(7)	-	-	-	(7)
Transfers and levies on premiums	14	(14)	-	-	-	-
Reclassification of profit/loss during the previous year	-	-	(3 966)	3 966	-	-
Consolidated profit/loss for the period	-	-	-	(5 242)	-	(5 242)
Changes to translation adjustments	-	-	-	-	(14)	(14)
Changes to treasury shares	-	21	-	-	-	21
Other movements	-	-	(22)	-	-	(22)
Position at 31/12/2013	**1 543**	**29 368**	**(18 071)**	**(5 242)**	**(71)**	**7 526**
Changes to capital (parent company)						
Share capital increases (1)	58	1 651	-	-	-	1 709
Costs of capital increases	-	-	-	-	-	-
Transfers and levies on premiums	1	(1)	-	-	-	-
Reclassification of profit/loss during the previous year	-	-	(5 242)	5 242	-	-
Consolidated profit/loss for the period	-	-	-	21	-	21
Changes to translation adjustments	-	-	-	-	118	118
Changes to treasury shares	-	(411)	-	-	-	(411)
Other movements	-	-	-	-	-	-
Position at 31/12/2014	**1 602**	**30 606**	**(23 314)**	**21**	**47**	**8 963**

Including the proceeds of share capital increases: 1,474 K€ and the proceeds of subscription of warrants: 235 K€.

Note 5.11 Financial information in terms of a single share

	31/12/2014	31/12/2013
Weighted average number of shares (excluding own shares)	15 399 438	15 309 195
Net earnings per share - Group portion	**0,00 €**	**(0,34) €**

	31/12/2014	31/12/2013
Weighted average number of shares (/dilution)	20 597 822	20 085 656
Diluted earnings per share - Group portion	**0,02 €**	**(0,34) €**

The weighted average number of shares takes account of conversion of convertible bonds, BSAs and free shares. The diluted earnings per share include interest on the convertible bonds.

	31/12/2014	31/12/2013
Number of shares in circulation at end of period (excluding treasury shares))	15 840 796	15 404 497
Shareholders' equity per share (1)	**0,57 €**	**0,49 €**

(1) Including net earnings - Group portion for the period.

Note 5.12 Provisions

Thousands of €uros	31/12/2013	Increase	Add-backs /Decreases	31/12/2014
Provision for risks	***653***	**-**	***653***	**-**
Provision for non-conversion of convertible bonds (1)	653	-	653	-
Provision for charges	***66***	***50***	***66***	***50***
Litigation (2)	66	50	66	50
TOTAL	**720**	**50**	**720** (3)	**50**

(1) At the reporting date, in view of the favourable trajectory of the share listing at the end of 2014 and the beginning of 2015, NetBooster reviewed its estimate of the risk that the convertible bonds would not be converted into shares by March 2016 (see Note 2 Highlights during the year). The financial debt thus created was treated as an off-balance sheet commitment and the provision for risks created the preceding year was reversed in the finance income for the year (see also Note 5.13 on the treatment of share-convertible bonds and Note 5.19 on financial profit/loss).
(2) See also the last paragraph of Note 2 Outcome of litigation with tax authorities and Note 5.20 on Extraordinary profit/loss. Provision for litigation of 50 K€ at the reporting date concerns litigation between NetBooster SA and one of its suppliers.
(3) Add-backs on provisions used: 66 K€; add-backs unused: 653 K€.

At 31 December 2014, in view of the favourable trajectory of the share listing at the end of 2014 and the beginning of 2015, the NetBooster group felt it was likely that the convertible bonds would be converted into shares, and this led it to recognise all liabilities arising from non-conversion of the bonds as off-balance sheet commitments (see Note 2 Highlights during the year).

The table below sets out the impact that would have been caused by actuarial updating of provision for redemption premiums on convertible bonds on liabilities in the consolidated balance sheet, and financial profit in 2014 if treatment of the risk of non-conversion had not been reviewed by the group.

Thousands of €	Total Liabilities for non-conversion at 31/12/2014	Actuarial liabilities recognised at 31/12/2013	Actuarial liabilities to be recognised at 31/12/2014	Financial expenses in 2014	Commitments off balance sheet at 31/12/2014
Redemption premium on share-convertible bonds	1 375	653	928	275	447

This meyrs the review of treatment of the risk of non-conversion had a positive impact on the consolidated earnings for the year, with financial profit of 928 K€.

Possible liabilities - Ongoing litigation

In addition to the aforementioned litigation, a 1.7 million euro compensation claim was also made against the company by Mr. Raphaël ZIER (Former CEO). The claim concerns non-issuance of financial instruments in his favour during exercise of his functions.
At the reporting date of the financial statements, the Board considers there is little risk of an adverse ruling. Therefore no provisions were made in this regard.

Note 5.13 Borrowing and financial debt

"Borrowing and financial debt" were as follows:

Thousands of €uros	31/12/2014	A moins d'un an	De 1 à 5 yrs	Plus de 5 yrs
Convertible bond issue (1)	10 144	81	10 063	-
Other financial debt (2)	2 101	1 071	1 030	-
TOTAL	***12 245***	***1 152***	***11 093***	**-**

(1) See also the additional information below.
(2) Including borrowing in the amount of 1,024 K€ in Denmark (interest rate 9.25%) and 173 K€ in France (interest rate 2.8%), and overdrafts totalling 904 K€.

Characteristics of convertible bonds in circulation at 31 December 2014

NetBooster renegotiated the main terms of the contract for convertible bonds maturing on 25 March 2012:
Number of bonds: 232 (admitted for trading and listed on the Alternext market since 28 March 2007)
Par value of one bond: 62,500 €
Issue price of one bond: 62,500 €
Term of borrowing: 4 years
Annual interest rate: 3%
Gross actuarial yield rate in the event of non-conversion: 6.12%
Redemption in the event of non-conversion to shares:
on 23 March 2016 at the issue price of 62,500 € plus a redemption premium of 8,543 € per bond, i.e. a

total of 71,043 € per bond.
Conversion parity: 1 bond entitles the holder to 25,000 shares (i.e. 2.50 € per share).
Beyond the volume average weighted price (VAWP) exceeding 4.75 € per share, one bond entitles the holder to a number of shares equal to 25,000 x 4.75 / VAWP.

In 2012 and the first six months of 2013, 51 bonds were converted into shares. 20 convertible bonds were converted in 2014. The number of bonds was 161 at 31 December 2014, for total redemption premiums due on maturity of the shares in the amount of 1,375,423 €.

Note 5.14 Trade payables and related accounts

Trade payables and related accounts are due at less than one year. They were as follows at 31 December 2014:

Thousands of €uros	31/12/2014	31/12/2013
Trade payables and similar	23 212	28 385
TOTAL	**23 212**	**28 385**

Trade payables are composed of sums payable by the group for purchase of search engine space for its customers. Pursuant to French law concerning agency contracts, these flows are not posted as either revenue or external charges.

Note 5.15 Tax and social security payables - Other debt

Other debt is due at less than one year. This item breaks down as follows at 31 December 2014:

Thousands of €uros	31/12/2014	31/12/2013
Social Security payables	**2 148**	**1 907**
Tax payables	**3 918**	**3 300**
Tax payables excluding profit tax	3 513	2 954
Tax on profit	258	346
Deferred tax liabilities	147 (1)	-
Other debt	**2 790**	**5 419**
Debt on management	223	447
Advances incoming on trade receivables	76	92
Other operating debt (2)	2 491	4 880
TOTAL	**8 856**	**10 626**

(1) The deferred tax liabilities of NetBooster Spain are composed of a balance of deferred tax liabilities of 279 K€ for extraordinary amortisation of goodwill recognised in the non-consolidated accounts of the Spanish subsidiary and deferred tax assets in relation to 132 K€ in loss carryforwards.

(2) Following the liquidation of companies in the Trade Doubler Search group, debts with IMW were written off in the amount of 2.6 M€. This debt was offset by a 2.3 M€ write-off of receivables with Bidbuddy. Extraordinary income of 224 K€ was booked.

Note 5.16 Deferred income (7,832 K€)

Deferred income is composed of revenue spread out over the audit, operational and maintenance phases, consultancy services billed but still pending, media revenue and affiliation billed in advance. In 2014 this increased, as a large order come in at the back end of the year, which will be executed in 2015.

NOTE CONCERNING THE INCOME STATEMENT

Note 5.17 Distribution of Revenue and gross margin

Thousands of €uros	31/12/2014	31/12/2013	Var
Revenue	*116 008*	*132 755*	*(16 748)*
Cost of Sales	*(81 783)*	*(98 368)*	*(16 585)*
GROSS MARGIN	***34 225***	***34 387***	***(162)***

2014 Group Revenue amounted to 116,008 K€ and was primarily earned in PPC, Affiliate, Media, Data and SEO, with growth booked in Data and Affiliate in particular, while PPC volumes dropped, principally through restructuring and less pass through of third party invoices.

REVENUE	FR	D	UK	DK	S	FIN	I	E	MENA	CH	TOTAL 2014	%	TOTAL 2013	%
PPC	4083	44989	7224	2301	4057	1814	701	1072	1200	4921	72 362	62%	**87 902**	***66%***
SEO	1616	368	2383	261	702	162	105	129	284	0	6 010	5%	**8 064**	***6%***
MEDIA	3315	3341	0	0	139	84	674	4069	542	0	12 164	10%	**11 825**	***9%***
DATA	4481	0	97	1764	74	16	33	142	117	0	6 724	6%	**5 726**	***4%***
AFFILIATE	1633	4807	-2	6696	713	516	781	0	38	0	15 181	13%	**14 517**	***11%***
DESIGN	1948	0	0	684	1	74	21	15	7	0	2 750	2%	**2879**	***2%***
SOCIAL MEDIA	0	1552	49	0	0	202	100	276	100	0	**2 279**	**2%**	**1 511**	***1%***
CONSULTING													**331**	***0%***
Exchange rate											**-1 463**			
TOTAL 2014	**17 076**	**55 057**	**9 751**	**11 706**	**5 685**	**2 868**	**2 415**	**5 703**	**2 288**	**4 921**	**116 008**	**100%**		
TOTAL 2013	**18 680**	**62 078**	**20 272**	**10 284**	**5 034**	**2 558**	**2 628**	**3 608**	**2 571**	**5 042**			**132 755**	***100%***

NetBooster's revenue does not reflect the company's actual volume of business, as NetBooster invoices clients in certain instances for their purchase of advertising space with third party suppliers (Google, MSN, Yahoo) and then pays this out of cost of sales without earning margin on the transaction. As such Gross Margin is the main indicator of the performance of the operational business, as pass through costs are stripped out.

2014 reflects the potential for fluctuation in the Revenue line, as less pass through of third party costs led to an approximate €17M reduction in Revenue, but also a similar reduction in the Company's Cost of Sales.

2014 Gross Margin amounted to €34.2M and was primarily earned in PPC, Data, Affiliate, SEO and Media, with strong growth being booked in Data and Affiliate compensating for a slight fall off in SEO and Media in particular.

MARGE BRUTE	FR	D	UK	DK	S	FIN	I	E	MENA	CH	TOTAL 2014	%	TOTAL 2013	%
PPC	2191	5060	1211	697	748	733	237	311	724	1248	**13 160**	**38%**	**12 913**	***38%***
SEO	1216	254	1988	246	621	162	104	105	124	0	**4 821**	**14%**	**5 794**	***17%***
MEDIA	1330	514	1	0	19	19	239	1188	0	0	**3 310**	**10%**	**3 405**	***10%***
DATA	3681	0	36	1631	62	16	12	51	74	0	**5 563**	**16%**	**4 487**	***12%***
AFFILIATE	390	1653	0	1636	293	174	117	0	0	0	**4 263**	**12%**	**4 247**	***12%***
DESIGN	1873	0	0	583	1	74	19	3	1	0	**2 554**	**7%**	**2 537**	***7%***
SOCIAL MEDIA	0	513	32	0	0	70	35	107	6	0	**763**	**2%**	**737**	***2%***
CONSULTING													**266**	***1%***
Exchange rate											**--209**			
TOTAL 2014	**10 681**	**7 994**	**3 269**	**4 793**	**1 744**	**1 248**	**763**	**1 765**	**929**	**1 248**	**34 225**	**100%**		
TOTAL 2013	**10 804**	**8 587**	**3 674**	**4 438**	**1 504**	**1 131**	**799**	**1 357**	**919**	**1 174**			**34 387**	***100%***

Development of the Data and Analytics business is expected to continue to expand in 2015, and represent a key driver of growth for the Group.

Note 5.18 Other operating income

Thousands of €uros	31/12/2014	31/12/2013
Capitalised production	280 (1)	-
Operating subvention	51 (2)	-
Release of provisions for clients (3)	394	1 312
Release of provision	60	1
Operating expenditure transfers	21	10
Other Income	330	139
TOTAL	**1 136**	**1 462**

(1) Includes company websites (56 K€) and production software tools (224 K€).
(2) Includes research tax credits in 2014: 50 K€.
(3) Release of provision linked to an accrual made in the past.

Note 5.19 Other external expenditure

Thousands of €uros	31/12/2014	31/12/2013	Var
Rental charges	2 270	2 112	158 (1)
Travel and expenses	893	985	(92)
Marketing	422	400	22
Dues and subscriptions	240	226	14
Telephone and internet	654	585	69
Maintenance	148	175	(27)
Insurance	138	82	56
Fees	1 147	1 022	125 (3)
Recruitment costs	131	50	81
Bank fees	103	117	(14)
Loss on bad debt	263	16	247 (2)
Other expenses	442	458	(16)
TOTAL	**6 852**	**6 228**	**624**

(1) The increase in rental outlays was due to higher rent for the London office, which had been free of charge up to March 2014.
(2) Bad debt offset by reversal of provision of 394 K€ booked on other income.
(3) Higher lawyer fees following restructuring processes.

Note 5.20 Personnel costs

Thousands of €uros	31/12/2014	31/12/2013	Var
Staff salaries	18 658	19 807	(1 149)
Social and fiscal charges	4 142	4 467	(325)
Other personnel expenses	297	385	(88)
TOTAL	**23 097**	**24 659**	**(1 562)**

The lower personnel costs were mainly due to the restructuring plan carried out in France in the course of the year.

The restructuring plan carried out in 2013 in the UK and Nordic countries also had a significant impact on costs in 2014.

Note 5.21 Other expenditure

Thousands of €uros	31/12/2014	31/12/2013
License fees (1)	267	130
Loss on bad debt	130	1 334
Other	31	49
TOTAL	**428**	**1 513**

(1) Increased cost of licences (Google Analytics) in the Data and Analytics department.

Note 5.22 Financial profit/loss

Thousands of €uros	31/12/2014	31/12/2013
Finance income	**886**	**166**
Income on cash investments	22	21
Other financial income	15	6
Currency Gain	196	139
Release of financial provision	653 (1)	
Finance expenses	**(1 181)**	**(1 708)**
Prov. for non-conversion of bonds	-	653 (1)
Interest on medium/long term borrowing	553	604
Other finance expenses	11	18
Currency losses	591	311
Impairment of financial receivables and securities	25	122
Financial profit/loss	**(295)**	**(1 542)**

(1) See Note 2 Highlights during the year and Notes 5.12 and 5.13 on provisions and treatment of premiums of share-convertible bonds.

Note 5.23 Extraordinary profit/loss

Thousands of €uros	31/12/2014	31/12/2013
Extraordinary income	**3 479**	**20**
Income from sales of assets	353(1)	-
Extraordinary income from management operations and previous years	63	20
Release of provision	148	-
Other extraordinary income	358 (3)	-
Waiver of debt tradedoubler search	2 557	
Extraordinary expenditure	**(3 193)**	**(868)**
Net carrying amount of assets sold	10 (1)	60
Provision for exceptional risks	50	315
Loss of securit deposit	140	
Tax control	140	323
Restructuration costs	431 (2)	170
Waiver tradedoubler search	2 332	-
Extraordinary expenditure from management operations	90	
Extraordinary profit / loss	**286**	**(848)**

(1) These items include calculations of the capital gains earned by the group on the sale of Same Same shares (344 K€) (see Note 2 Highlights during the year).
(2) Damages, interest and restructuring costs break down as follows:
- At 31 December 2014 / Miscellaneous compensation paid out for negotiated departures of Group employees:
  - NetBooster SA (178 K€)
  - NetBooster Finland: (72 K€)
  - NetBooster Spain: (10K€)
  - NetBooster Sweden (67 K€)
  - NetBooster UK (33 K€)
  - NetBooster Denmark (71 K€)

(3) Research tax credit 2011 to 2013, 225 K€.

Note 5.24 Profit tax expense (17 K€)

Profit tax expense breaks down as follows:

Total tax payable on profits	**(642) K€**
Total variation in taxes calculated (deferred tax)	**626 K€**
Tax on profits for the year	***(17) K€***

Tax for 2014 breaks down as follows:

Theoretical tax burden (4,036 x 33.33%):	**(1,345) K€**
Impact of tax rate differences:	95 K€
Final tax base differences:	105 K€
Capitalisation or utilisation of loss carryforwards not previously capitalised (NetBooster SA, NB Finland, GUAVA, NB Gmbh, Metaswitz, NetBooster UK)	1,128 K€
Effective tax expense	***(17) K€***

OTHER INFORMATION

Note 5.25 Headcount at the reporting date and average headcount

- The headcount of the NetBooster Group at 31 December 2014 was 431 (vs. 444 at 31 December 2013).
- The Group's average headcount in 2014 was 432 (vs. 440 in 2013).

Note 5.26 Members of administrative and management bodies

- Remuneration paid out for their functions at the parent company: 51 K€
- Remuneration paid out for their functions at controlled companies: 311 K€
- Pension commitments and other compensation: none.
- Advances and loyrs granted: none.

Note 5.27 Auditors' fees

- Statutory audit fees : 169 K€
- Fees for directly related diligence : none.

Note 5.28 Off-balance sheet commitments - associated debt with collateral

Commitments issued

- Redemption premiums to be paid out for non-conversion of bonds to shares

At the beginning of 2012, NetBooster SA renegotiated a share-convertible bond issue originally arranged in 2007 (see Note 5.13).

In the event these bonds were not converted to shares before due date on 23 March 2016, the company undertook to pay a redemption premium of 8,543 € per share in addition to the par value.

At 31 December 2014, in view of the favourable trajectory of the share listing at the end of 2014 and the beginning of 2015, the NetBooster group felt it was likely that the convertible bonds would be converted into shares, and this led it to recognise all liabilities arising from non-conversion of the bonds as off-balance sheet commitments (see Note 2 Highlights during the year).

The maximum redemption premiums to be paid out pursuant to this conditional commitment totalled 1,375,423 €.

- Pledge on financial instruments drawn up as a guarantee against the bank endorsement for the lease drawn up by NetBooster SA

NetBooster SA arranged a pledge on marketable securities to a total value of 164 K€. This collateral stands against a 328 K€ bank guarantee for the company in connection with the lease drawn up by NetBooster for the premises at 4/6 Passage Louis Philippe, 75011 PARIS.
This item was recognised as long-term assets on the balance sheet.

- Equipment lease

Cost price of leased equipment:		147 K€
Fees paid during the year:	51 K€	
Commitments at 31/12/2014:		67 K€
Less than 1 year:		*20 K€*
Residual values of goods:		*1 K€*

Commitments received

- Clawback clause

On 11 August 2005 NetBooster SA wrote off receivables of 41,500 € from one of its customers, with a clawback repayment clause.
The clawback criterion is understood as achievement of the customer's annual revenue target by 31 December 2015 at the latest.
NetBooster SA did not benefit from clawback in the course of 2014.

NOTE 6: EVENTS SUBSEQUENT TO THE REPORTING DATE

SHARE CAPITAL INCREASE THROUGH TO EXERCISE OF SHARE SUBSCRIPTION WARRANTS ON 14 JANUARY 2015

On 14 January 2015 the company's Board of Directors declared the capital increase for the year of 81,931 management share subscription warrants (see Note 5.10).
81,931 new shares were created for a total subscription of 223,671.63 € and a capital increase of 8,193.10 €. These subscriptions were paid up as compensation against company receivables outstanding to the parties concerned for the extra payments due in connection with purchase of the metapeople company