

2014 REGISTRATION DOCUMENT
INCLUDING ANNUAL FINANCIAL REPORT



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PROFILE

For over 50 years, GTT has been developing technological expertise in the liquefied natural gas industry (LNG). It is the world leader in containment systems for the transport and storage of LNG in cryogenic conditions, providing engineering services, consultancy, training, support, maintenance and technical studies.

GTT offers proven technology, approved by all the main classification societies for the industry. These systems are continuously improved to meet its customers' demands for operational efficiency and safety and to keep pace with changes in international maritime regulations. As part of its close support for its customers, GTT also continuously develops its range of high value added services.

GTT is heavily focused on innovation and runs its own testing laboratory. The company does its own research and also builds partnerships with engineering companies, research institutes, laboratories and universities.

Its substantial portfolio of patents and continuous investment in R&D has earned GTT a unique position in the industry. They have allowed it to build trusting relationships and lasting partnerships with players throughout the LNG logistics chain: the world's leading shipyards, shipowners, terminal operators, classification societies and gas companies.

Today, thanks to the know-how of its experienced team of engineers, GTT is well positioned to expand its offering into new and promising markets, providing bespoke technological and engineering solutions for multi-gas vessels and small and mid-scale carriers, as well as new applications for the market in bunkering, using LNG as a propulsion fuel.

227

million euros
of revenues in 2014

690

patents active
or being filed

25%

Nearly
of operating expenses
devoted to R&D



Pursuant to its General Regulations, including Article 212-13, the Autorité des Marchés Financiers (the "AMF") registered the original version of this Registration Document in French on April 27, 2015 under No. R.15-022. This document may only be used in connection with a financial transaction if supplemented by an information notice authorized by the AMF. It has been drawn up by the issuer and its signatories are liable for its contents.

It was registered in accordance with Article L. 621-8-1-I of the French Monetary and Financial Code after the AMF had checked that the document was clear and complete and the information it contained was consistent. This does not imply that the AMF has verified the accuracy of the accounting and financial items it contains.

Copies of this registration document are available, free of charge, from the registered office of GTT, 1 route de Versailles – 78470 Saint-Rémy-lès-Chevreuse, or on the website of the company (www.gtt.fr) and the Autorité des Marchés Financiers (www.amf-france.org).

CHAIRMAN'S MESSAGE

PHILIPPE BERTEROTTIÈRE



“ TECHNOLOGIES LAUNCHED
IN THE LAST THREE YEARS
ACCOUNTED FOR AROUND
THREE-QUARTERS OF GTT'S ORDER
BOOK AT END-2014. THEY ARE THE
REASON WHY GTT IS SO SOLIDLY
POSITIONED IN ITS MARKET. ”

How did GTT get on in 2014?

Very well. GTT booked a record volume of orders, which were remarkable for their diversity. This underlines the company's ability to break into new markets, outside the traditional LNG carrier segment, our core business. For instance, we won our first orders for ice-breaking LNG carriers and Very Large Ethane Carriers (VLECs). VLECs give us a stake in the highly promising segment of multi-gas transport. Earnings in 2014 were in line with the targets announced at the time of GTT's Initial Public Offering. We have improved visibility with a 114 unit order book at end-December 2014, which means secure revenue of around 590 million euros by 2020.

GTT is already solidly positioned in the LNG carrier segment. How do you plan to reinforce your market positions?

Innovation is the key. At the end of 2014 we had 690 patents either active or being filed. We devote nearly 25% of our workforce and operating expenses to R&D to make sure we are offering cutting edge technology and can meet the operational demands of our customers. Much of this R&D effort goes to continuously improve the performance of our existing systems. One example: our latest solutions reduce the boil-off rate of LNG during transport. This means significant savings for shipowners. We are also offering new services, including an innovative monitoring system to help shipowners manage the effects of LNG sloshing in the tanks of the carriers and our new training service. All this innovation is bearing fruit. Technologies launched in the last three years accounted for around three-quarters of GTT's current order book. They are the reason why GTT is so solidly positioned in its market.

What are your priority areas for diversification?

It is less a case of diversification than developing into adjacent areas. We have already done a lot of work on extending our containment applications into onshore tanks, offshore applications and multi-gas transport, and we have already won orders in all these segments. At the same time, we are developing solutions for LNG as a propulsion fuel and small scale LNG carriers, whose growth is going to be driven by the need to move LNG along coasts and up rivers and the development of the market for LNG as a propulsion fuel. This last has been boosted, since 1 January 2015, by regulations on the reduction of polluting emissions in Northern Europe and North America. GTT's technologies are perfectly positioned to capture this potential. Look, for instance, at the agreement just signed by GTT North America with

Conrad Shipyard, one of the biggest yards in the US, to design and build LNG bunker barges and tanks for LNG powered vessels. GTT was solely responsible for designing the first barge to be built and we have also developed a highly innovative bunker mast, which can transfer LNG to the customer's vessel simply and safely. This is an excellent demonstration of how we can leverage our expertise to expand our range of activities.

What has changed for the company since the stock market listing?

We are very proud of the initial public offering, which was a success. Since then, we have seen a change in our shareholder structure, with the Singapore fund Temasek taking a 10% stake. Temasek is a long-term investor, whose geographical location and knowledge of the LNG sector and the global shipping business is a perfect fit with the company's strategy. As a listed company, with a free float of nearly 50% and the support of GDF SUEZ, our controlling shareholder, we have gained extra momentum to consolidate our position as global leader and develop our growth dynamic.

So you are looking to the future with confidence?

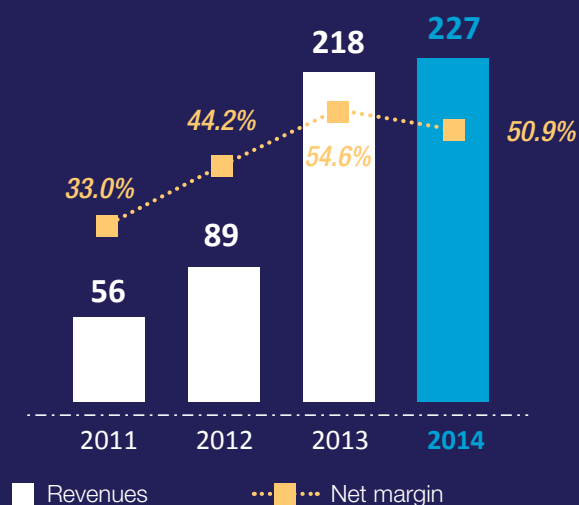
Exactly. We have a robust financial structure and a robust business model. Looking beyond the short-term uncertainties, forecasts suggest demand for natural gas will grow strongly over the coming decade. The resulting need for transport and storage will be massive, particularly as the source of LNG supply is shifting towards the US while the bulk of demand is still in Asia. The number of ships needed to supply LNG to Asia from the Gulf of Mexico is three times that needed for supply from Indonesia, for example. And, as regards our development into new areas of liquefied gas, our route map is ambitious but realistic.

KEY FIGURES AND HIGHLIGHTS

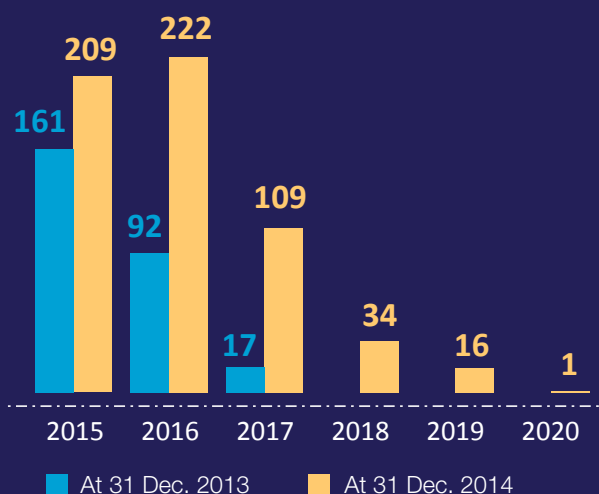
HIGHLIGHTS

- ▶ **February 2014**
Initial public offering of GTT shares on Euronext Paris Compartment A. The share was included in the SBF 120 index in June 2014.
- ▶ **March 2014**
Announcement of new developments in GTT's membrane technologies (Mark V and NO 96 Max).
- ▶ **June 2014**
Incorporation of GTT Training Ltd, a training subsidiary for LNG professionals.
- ▶ **July 2014**
Order for nine ice-breaking LNG carriers by Korean yard DSME.
- ▶ **September 2014**
First order for construction of six Very Large Ethane Carriers by Korean shipyard Samsung Heavy Industries.
- ▶ **December 2014**
GST technology® selected for an onshore liquid argon tank.
- ▶ **February 2015**
Conrad Industries orders an LNG bunker barge.

REVENUE (million euros)
AND NET MARGIN (%)



SECURED REVENUE
(million euros)



Gaztransport & Technigaz obtained ISO 9001-2008 certification in December 2010 from Lloyd's Register Quality Assurance

WORKFORCE AT
31 DECEMBER 2014

377

EMPLOYEES

R&D
WORKFORCE:

115

ENGINEERS AND TECHNICIANS

**ORDER BOOK
AT 31 DECEMBER 2014**

(Units in %)

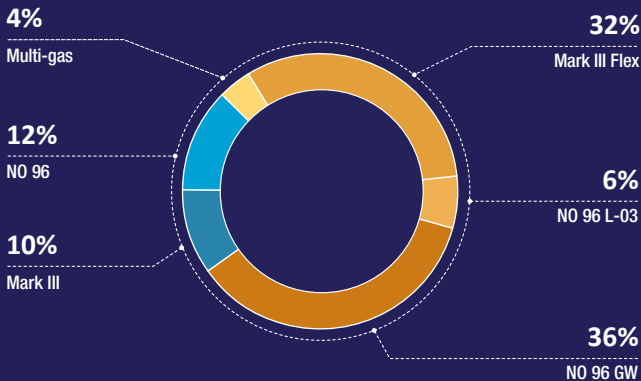


**SHAREHOLDER'S STRUCTURE
AT 31 MARCH 2015**

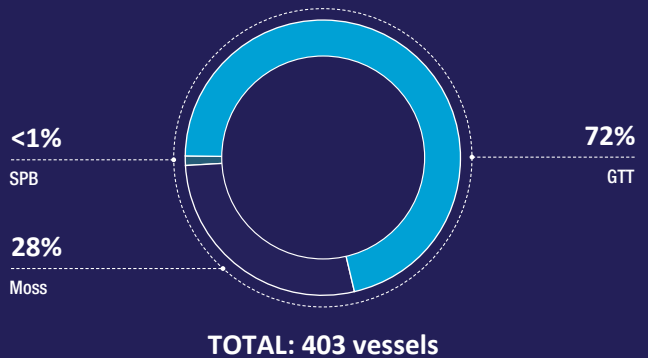


ORDER BOOK BY TECHNOLOGY ⁽¹⁾

Recently developed technologies represent more than three-quarters of the order book



**MARKET SHARE
(GLOBAL FLEET)**



(1) At 31 March 2015. Excluding onshore tanks and bunkering applications.

(2) "Vessels" includes LNG carriers, FLNGs and FSRUs. Source: company.

APPLICATIONS & SERVICES

Cutting edge solutions

▶ **GTT offers established, secure and efficient technologies for containment of liquefied gas at low temperatures or in cryogenic conditions during shipping or onshore and offshore storage.**

GTT originally developed its “membrane” technologies to cut the cost of shipping liquefied natural gas (LNG) and loading it, in bulk, into the vessel’s holds. To cope with the cargo, holds need to be coated with a cryogenic lining that can withstand the load. Envelopes, known as membranes, contain the LNG at a temperature of -163°C , sealing it with a totally impermeable layer between the liquid cargo and the vessel’s hull, while also limiting loss through evaporation.

GTT has two main membrane technologies, with its Mark and NO systems. These systems, which have been approved by the international classification companies responsible for maritime transport, are continuously improved in response to shipowners’ operational and financial needs and changes in regulations.

The systems designed by GTT use finer and lighter materials than rival systems. This gives them several advantages:

- ▶ optimisation of storage space;
- ▶ reduced vessel construction and operation costs.

26 shipyards around the world, mostly in Asia, have a GTT license. With cumulative experience of more than 50 years in the business, GTT is global leader in the LNG carrier market. More than 70% of the currently operating global fleet uses membrane technology invented by the company.

MULTIGAS TRANSPORT



▶ **GTT is excellently positioned to meet demand for transport and storage of gases other than LNG, including ethane, ethylene, propane, butane and propylene.**

Its technologies received five approval in principle from classification companies for the transport of non-LNG liquefied gas. The order for six VLECs shows the viability of its containment systems for transporting different types of cryogenic gas in liquid state.

APPLICATIONS FOR THE OFFSHORE INDUSTRY

- ▶ **Its sustained R&D drive led GTT to develop new applications for the offshore LNG segment,**
 - ▶ particularly for floating LNG production, storage and unloading facilities (FLNGs) and floating LNG storage and regasification units (FSRUs).

GTT's technology has major competitive advantages on cost, the possibility to optimise storage volumes and, in the case of FLNGs, space dedicated to an unit of liquefaction. All units currently under construction* will be equipped by GTT, whose systems have become the benchmark for this segment of the LNG offshore industry.

* At 31 March 2015.



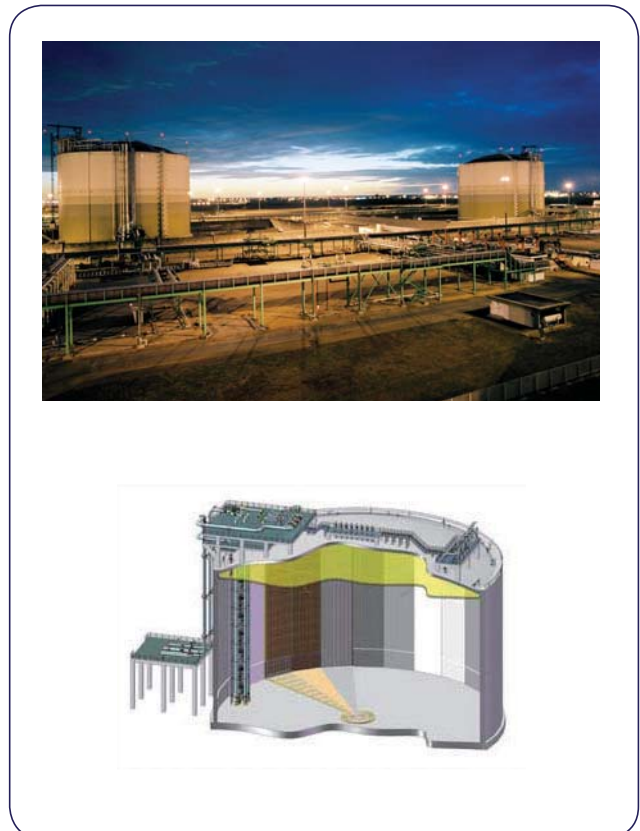
ONSHORE TANKS

- ▶ **Building on its unrivalled experience in LNG maritime containment systems, GTT has developed membrane solutions for onshore storage of liquefied gases.**

GST technology is highly efficient in operation. 16 EPC contractors are currently licensed to deploy GST technology.

Two tanks are under construction* in the Philippines and Indonesia. Moreover, in 2014, the scientific consortium looking at particle physics LBNO-DEMO, including CERN (European centre for nuclear research) and ETH Zurich (Zurich federal polytechnic school), selected the GTT system for a small tank to be filled with liquid argon, with a view to larger-scale application.

* At 31 March 2015.



APPLICATIONS & SERVICES



LNG as a fuel

- ▶ The logistics and installations needed to store large volumes of LNG are well established, with very large LNG terminals and a substantial LNG carrier fleet. However, distribution and storage of LNG in smaller volumes for use as a fuel are still at an early stage.

GTT offers highly competitive storage and handling solutions. These services cover the whole logistics chain, from the LNG liquefaction and export terminal in a producer country to the engine, generator or boiler on a commercial vessel.

GTT applications for LNG bunkering include:

- ▶ coastal storage, using small and mid-scale onshore tanks (1,000 m³ to 30,000 m³ or more);
- ▶ floating storage structures and tanks on the seabed (GBS: Gravity Based System);
- ▶ small and mid-scale LNG carriers, used as refuelling or transfer vessels, barges used for ship-to-ship transfers;
- ▶ tanks for commercial vessels (other than LNG carriers) fuelled by natural gas.

- ▶ **Technologies developed by GTT, originally designed for large-scale tanks, are being adapted for other applications serving the whole logistics chain for LNG as a fuel.**

SUPPORT SERVICES



- ▶ **As well as traditional engineering services, GTT and its subsidiaries have developed an extended supply of services to better support its customers and partners through their operations, focusing on the following operating issues:**

- ▶ assistance and intervention,
- ▶ monitoring and inspection,
- ▶ performance and optimisation.

Building on its extensive expertise in LNG related issues, GTT training offers a series of bespoke training programmes, using a state-of-the-art simulator.

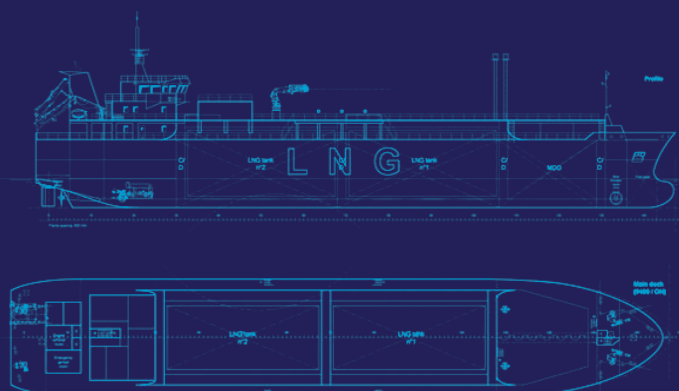
GTT's US subsidiary GTT North America took an order at the start of 2015 for an LNG bunker barge, the first of its type in the North American maritime market. The barge will be built using the innovative Mark III Flex containment technology which optimises the LNG evaporation rate and maximises the cargo volume available. The barge will also have an innovative bunker mast design, REACH₄ (Refuelling Equipment Arm, Methane [CH₄]), developed by GTT which allows LNG to be transferred safely and simply to the customer's vessel.



Example of a large coastal container ship converted through "jumboisation" and insertion of a vessel section containing the LNG fuel tank and the gas preparation unit.

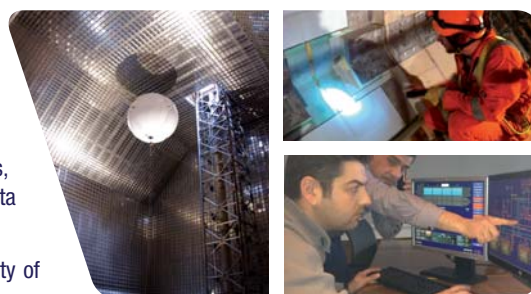
COASTAL LNG FUELLING AND FEEDERS

There are a number of advantages to offshore fuelling: the necessary water depth is constant, it is far away from residential dwellings, vessels do not need to dock in port, relative movements are less problematic than in a ship-to-ship transfer. GTT has also developed LNG transfer systems.



Main service offerings:

- ▶ HEARS, Hotline Emergency Assistance & Response Service, is an emergency hotline for shipowners and their crews to contact GTT's specialists 24/7 to report any incidents and get support;
- ▶ Sloshield is a solution for detecting the impact of liquid movements in the tanks, called sloshing. This tool analyses vibrations in the tank structure and feeds back data in real time. Shipowners can then optimise the vessel's operation;
- ▶ TAMI (Thermal Assessment of Membrane Integrity) is a way of testing the integrity of secondary membranes in LNG carriers that use GTT technology;
- ▶ MOON (Motorized Balloon) is a drone-like tool allowing quick and easy deployment of standard inspection methods for the tank's primary membrane.



Preliminary remarks

Unless stated otherwise, the term “**Company**” or “**GTT**” refers in the present Registration Document to Gaztransport & Technigaz, a *société anonyme* (joint stock limited liability company) having its registered office at 1 route de Versailles, 78470 Saint-Rémy-lès-Chevreuse, registered with the Versailles Trade and Companies Register under No. 662 001 403, and the term “**Group**” refers to the Company and its three subsidiaries.

This Registration Document and Chapters 12 and 13 in particular, contain guidance about the Company’s objectives and forecasts. This guidance may in certain cases be identified by the use of the future or conditional tense and prospective terms such as “believe”, “aim to”, “expect to”, “intend to”, “should”, “aspire to”, “estimate”, “think”, “wish”, “could”, etc. This information is based on data, assumptions and estimates regarded by the Company as reasonable. It may change or be modified as a result of uncertainties arising from the hazard attached to any business and from the economic, financial, competitive, regulatory and climate-related environments. The Company does not undertake to publish any updates of the objectives, forecasts and prospective information contained in this Registration Document, except where it has an obligation to do so in accordance with statutory and regulatory provisions. In addition, the occurrence of certain risk factors described in Chapter 4 – *Risk factors* of this Registration Document may have a material adverse effect on the Group’s activities and on its ability to meet its objectives. In addition, for the Company to meet its objectives, it entails success of its strategy presented in section 6.1 – *Group overview* of this Registration Document. The Company does not give any undertakings or make any warranties that the objectives presented in this Registration Document will be achieved.

Investors should carefully consider the risk factors described in Chapter 4 – *Risk factors* of this Registration Document before making their investment decision. The occurrence of all or some of these risk factors may have a material adverse effect on the Group’s business, situation, financial position or on its ability to achieve its objectives. In addition, other risk factors, not yet currently identified or not regarded as material by the Company may have the same adverse effect, and investors may lose part or all of their investment.

This Registration Document, and in particular Chapter 6 – *Overview of the activities of the Group*, contains information about the business segments in which the Group is present and its competitive position. Aside from the estimates prepared by the Group, the information on which statements concerning the Group’s competitive position are based is taken mainly from a study commissioned by the Company from Poten & Partners and from data provided by Wood Mackenzie and Clarkson Research, all of which are well-known consultants in either the shipping or energy industry. With regard to the information and data contained in this Registration Document concerning the LNG shipping industry taken from databases or other sources provided by Clarkson Research, Clarkson Research has stated that: (i) certain information taken from its databases is based on estimates or subjective assessments, (ii) information contained in databases belonging to other shipping industry data providers may differ from the information contained in Clarkson Research’s database, and (iii) while Clarkson Research has taken due care compiling the statistical and graphical data, and believes that it is correct and accurate, data compilation is subject to limited validation and audit procedures. The studies prepared by Poten & Partners, the Company and the data provided by Wood Mackenzie and Clarkson Research were conducted or provided independently (see Chapter 23 – *Third party information and statement by experts and declarations of any interest*). Certain information contained in this Registration Document is taken from publicly available sources that the Company considers to be reliable, but has not been verified by an independent expert. The Company cannot provide any guarantee that a third party using different methods to combine, analyse or calculate data for the business segments would obtain the same results. The Company cannot provide any guarantee that a third party using different methods to combine, analyse or calculate data for the business segments would obtain the same results. The Company and its shareholders do not give any undertakings or make any warranties as regards the accuracy of this information. Given the very rapid changes affecting the Group’s sector of activities in France and around the world, this information may contain errors or may no longer be up-to-date. The Group does not give any undertaking to publish updates of this information, except where it has an obligation to do so in accordance with statutory and regulatory provisions.

Definitions

In this Registration Document, the terms stated below have the following meaning:

Approval Application has the meaning attributed to it in section 6.7.4 – *New technology certification and approval process* of the present Registration Document.

Bcm means billion cubic metres.

BTU means British Thermal Units.

Bunkering means, concerning the LNG, the use of LNG as a fuel for the propulsion of vessels.

Clarkson Research refers to the company Clarkson Research Services Limited, having its registered office at St Magnus House, 3 Lower Thames Street, London EC3R 6HE, United Kingdom, a well-known shipping consulting specialist in offshore and energy sectors. Clarkson Research is a Clarksons group company, a world leader in services to the shipping industry.

Company means GTT.

ECA means Emission Control Areas comprised of the Baltic Sea, North Sea, the English Channel, North-American coasts and coasts of certain Caribbean Islands.

EPC contractor means engineering, procurement and construction contractor.

EPC License Agreement designates a License Agreement entered into between GTT and an EPC contractor in connection with the commercialization of GTT's technologies for onshore storage tanks.

FLNG (Floating Liquefied Natural Gas) refers to offshore platforms that receive the gas produced on remote sites, remove impurities from natural gas coming from offshore gas fields, process the gas, liquefy it and store it until it is offloaded on an LNG carrier.

FSRU (Floating Storage and Re-gasification Unit) means a stationary vessel capable of loading LNG from LNG carriers, storing and re-gasifying it.

GIIGNL is the International Group of LNG Importers.

g/kWh means grams per Kilowatt hour.

Group refers together to (i) the Company, (ii) Cryovision, a French *société par actions simplifiée unipersonnelle*, having its registered office at 114 bis rue Michel Ange, 75016 Paris, France, registered with the Trade and Companies Register of Paris under number 539 592 717 (iii) GTT North America, a company incorporated under the laws of the State of Delaware, having its registered office at Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle 19801, United States of America.

Group Company means the Company or any company or entity controlled directly or indirectly by the Company within the meaning of Article L. 233-3 of the French Commercial Code.

GT means gross tonnage.

GTT or the **Company** refers to Gaztransport & Technigaz, a French *société anonyme* having its registered office at 1 route de Versailles, 78470 Saint-Rémy-lès-Chevreuse, registered with the trade and companies register of Versailles under number 662 001 403.

IGC Code means the International Code for the construction and equipment of vessels carrying liquefied gases in bulk published by the IMO in 1983.

IMO means the International Maritime Organisation.

Innovation Plan refers to the plan presenting the Group's intellectual property and development innovation strategy.

LNG means liquefied natural gas.

LPG means liquefied petroleum gas.

LNGC (LNG Carriers) are vessels for transporting methane.

m³ means cubic metre.

MoU stands for Memorandum of Understanding, which is, notwithstanding its name, the final technical agreement laying down the detailed arrangements for either a TALA or an EPC Licence Agreement for a specific project.

Mtoe means million tonnes of oil equivalent.

Mtpy means million metric tonnes per year.

PERCOG refers to the Group-wide collective pension savings plan.

Poten & Partners refers to Poten & Partners, a company having its head office at 101 Wigmore Street, London W1U 1QU in the United Kingdom, a well-known shipping consulting specialist that has conducted an independent study of the LNG sector at the Company's request.

Sloshing refers to the motion of LNG inside LNG carriers' tanks caused by sea conditions, potentially damaging the tank walls, chamfers and ceilings.

TALA means a Technical Assistance and Licence Agreement, which is a framework agreement entered into between GTT and a shipyard to provide its technologies.

TIP means preliminary engineering work.

tpi means tonnes at deadweight.

TSa means a Technical Services, Agreement, which is a framework agreement entered into between GTT and a shipowner to provide operating, repair or maintenance services for its LNG carrier fleet.

TSAM means a Technical Services and Maintenance Agreement, a framework agreement entered into between GTT and a repair shipyard to maintain and repair LNG carriers equipped with GTT's containment technologies.

TSC means Technical Study Contract, a framework agreement entered into between GTT and a client to provide studies yielding useful results that can be protected.

TWC means a Technical Work Contract, an agreement entered into between GTT and a client to provide consulting, expertise and assistance services when no other agreement is suitable for the client's needs.

Vessels refers to all LNG carriers, ethane carriers, FLNGs and FSRUs.

VLEC means Very Large Ethane Carrier.

Wood Mackenzie refers to Wood Mackenzie, a company registered in Scotland, having its head office at 16 Charlotte Square, Edinburgh EH2 4DF, in the United Kingdom, a consulting specialist well-known in the research and in the energy, metal and mining sector.

1

PERSONS RESPONSIBLE FOR THE REGISTRATION DOCUMENT



1.1	PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT	14
1.2	DECLARATION BY PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT	14
1.3	PERSON RESPONSIBLE FOR REPORTING	14
1.4	INDICATIVE FINANCIAL REPORTING CALENDAR	14



PERSONS RESPONSIBLE FOR THE REGISTRATION DOCUMENT

1.1 PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT

1.1 Person responsible for the Registration Document

Philippe Berterroitière – Chairman and Chief Executive Officer of the Company.

1.2 Declaration by person responsible for the Registration Document

I declare that, having taken all reasonable steps to verify this, the information in this Registration Document, to the best of my knowledge, is accurate and free of any material omission.

I also declare that, to the best of my knowledge, the financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the Company's assets and liabilities, financial position and earnings, and that the management report whose headings are listed in Appendix 1.2 gives a true and fair view of the Company's business, profits or losses and financial position as well as describing the principal risks and uncertainties affecting the Company.

I have obtained from the Statutory auditors a letter confirming that they have completed their assignment, in the course of which they verified the information relating to the financial position and financial statements presented in this Registration Document and read the document in its entirety.

Historical information in this Registration Document is covered by the Statutory Auditors' reports. The corporate financial statements for the financial year ended 31 December 2013, presented in the updated base document approved by the AMF on 14 February under number I.13-052 and included by reference in this document, are covered by the Statutory Auditors' report. The corporate financial statements for the financial year ended 31 December 2014 are covered by the Statutory Auditors' report included in section 20.1.2 of this Registration Document.

Philippe Berterroitière –
Chairman and Chief Executive Officer

1.3 Person responsible for reporting

Cécile Arson

Chief Financial Officer

1, route de Versailles
78470 Saint-Rémy-lès-Chevreuse, France

Tel.: +33 1 30 23 47 89

Fax: +33 1 30 23 47 00

information-financiere@gtt.fr

www.gtt.fr

1.4 Indicative financial reporting calendar

Indicative dates for GTT's financial reporting are as follows:

Shareholders' Meeting	19 May 2015
H1 results	21 July 2015

STATUTORY AUDITORS



2.1	PRINCIPAL STATUTORY AUDITOR	16
2.2	DEPUTY STATUTORY AUDITOR	16



STATUTORY AUDITORS

2.1 PRINCIPAL STATUTORY AUDITOR

2.1 Principal Statutory Auditor

Ernst & Young Audit

Represented by Philippe Hontarrède

Member of the Compagnie Régionale des Commissaires aux Comptes of Versailles

1-2 place des Saisons

Paris La Défense

92400 Courbevoie, France

Nanterre Trade and Companies Register: 344 366 315

Appointment renewed at the Annual General Meeting of 25 June 2010 for a term of six financial years and due to expire at the end of the Annual Shareholders Meeting to be called to vote on the financial statements for the financial year ending on 31 December 2015.

2.2 Deputy Statutory Auditor

Auditex

Member of the Compagnie Régionale des Commissaires aux Comptes of Versailles

1-2 place des Saisons

Paris La Défense

92400 Courbevoie, France

Nanterre Trade and Companies Register: 377 652 938

Appointment renewed at the Annual General Meeting of 25 June 2010 for a term of six financial years and due to expire at the end of the Annual Shareholders Meeting to be called to vote on the financial statements for the financial year ending on 31 December 2015.

SELECTED FINANCIAL INFORMATION FOR THE FINANCIAL YEAR ENDED ON 31 DECEMBER 2014

3



The financial information presented below in tables “Income Statement data”, “Balance Sheet data”, “Cash Flow Statement data” and “Other Financial data” for the financial year ended 31 December 2014 have been taken from the financial statements prepared in accordance with IFRS in section 20.1.1 – *Financial statements prepared in accordance with IFRS for the year ended 31 December 2014* of this Registration Document and have been audited by the Company’s Statutory auditor (see section 20.1.3 – *Statutory Auditors’ report on the financial statements prepared in accordance with IFRS for the financial year ended*

31 December 2014 of this Registration Document). The information presented below in the table “Operating data” presents operating information prepared by the Company.

The selected financial information presented in this Chapter 3 should be read in parallel with (i) the complete financial statements in Chapter 20 of this Registration Document, (ii) the analysis of the Company’s financial position and earnings presented in Chapter 9 of the Registration Document and (iii) the analysis of the Company’s cash and capital in Chapter 10 of this Registration Document.

In this Registration Document, the term “Revenue” refers to “Revenue from operating activities” in the financial statements for the financial year ended 31 December 2014.

Income statement data (in thousands of euros)	2013	2014
Revenues	217,634	226,760⁽¹⁾
<i>Revenue from royalties⁽²⁾</i>	<i>210,280</i>	<i>216,363</i>
<i>Revenue from services</i>	<i>7,354</i>	<i>10,397</i>
EBITDA	143,995	142,243
<i>EBITDA margin</i>	<i>66.2%</i>	<i>62.7%</i>
Depreciation, amortisation and impairment	(3,520)	(3,399)
Operating profit (EBIT)	140,475	138,844
<i>EBIT margin</i>	<i>64.5%</i>	<i>61.2%</i>
Financial income	1,478	1,448
Income tax	(23,210)	(24,936)
Net income	127,167	123,302
IFRS net income	118,743	115,356

(1) On 14 April 2015, the Company reported 54.7 million euros in sales for the first quarter of 2015.

(2) This revenue is composed of engineering services, license fees, and technical assistance services.

SELECTED FINANCIAL INFORMATION FOR THE FINANCIAL YEAR ENDED ON 31 DECEMBER 2014

Balance sheet data (in thousands of euros)	2013	2014
Intangible assets	424	298
Property, plant and equipment	10,631	14,598
Non-current financial assets	18,891	12,936
Deferred tax assets	2,125	85
Total non-current assets	32,071	27,917
Customers	77,956	75,203
Other current assets	24,621	31,270
Cash and cash equivalents	87,180	64,705
Total current assets	189,757	171,177
TOTAL ASSETS	221,828	199,095
Equity	86,757	75,774
Non-current provisions	9,289	5,742
Other non-current financial liabilities	2,176	1,821
Total non-current liabilities	11,464	7,563
Current provisions	-	-
Suppliers	15,756	14,744
Other current liabilities	107,387	100,405
Current financial liabilities	464	609
Total current liabilities	123,607	115,758
TOTAL EQUITY AND LIABILITIES	221,828	199,095

Cash flow statement data (in thousands of euros)	2013	2014
Net cash flow from operating activities	120,925	113,325
Net cash flow allocated to investment operations	(10,651)	(6,211)
Net cash flow allocated to financing operations	(91,831)	(129,588)
Net change in cash and cash equivalents	18,443	(22,475)

Other financial data (in thousands of euros)	2013	2014
Capital expenditure (acquisition of fixed assets)	(11,035)	(11,436)
Dividends paid	(91,831) ⁽¹⁾	(130,948) ⁽¹⁾
<i>Dividend distribution rate (as % of French GAAP net income for the previous financial year)</i>	100.0% ⁽²⁾	99.9% ⁽²⁾
Net cash position	87,180	64,705

(1) Including a 51,678 thousand euro interim dividend paid in 2013 in respect of fiscal 2013. Including a 55,618 thousand euro interim dividend paid in 2014 in respect of fiscal 2014.

(2) Dividend payout ratio calculated on profit distributed (and possible distribution of reserves) as % of French GAAP net profit for the previous financial year.

SELECTED FINANCIAL INFORMATION FOR THE FINANCIAL YEAR ENDED ON 31 DECEMBER 2014

Operating data (in thousands of euros)	2013	2014
Information on the order book		
Order book at the end of the period (units)	99	114
<i>LNG carriers</i>	85	96
<i>FSRU</i>	10	6
<i>FLNG</i>	2	3
<i>Ethane carriers</i>	-	6
<i>Onshore storage</i>	2	3
Number of revenue-generating orders over the period	78	95
<i>LNG carriers</i>	66	77
<i>FSRU</i>	8	11
<i>FLNG</i>	2	3
<i>Ethane carriers</i>	-	1
<i>Onshore storage</i>	2	3
Operating data for LNG carriers		
Number of new orders over the period	36	36
<i>of which first vessels in series</i>	9	13
Average revenue from studies per LNG carrier (first vessel in each series only)	1,850	1,872
Average revenue excl. studies before discount	7,346	7,489
Average discount rate (%)	6.6%	6.7%
Average order capacity (m ³)	173,189	173,706
Secured revenue by orders (in thousands of euros)	263,583	277,095
Other operating data (in thousands of euros)		
LNG carriers revenue recognised in the period	174,387	183,008
FSRU revenue recognised in the period	27,830	24,627
FLNG revenue recognised in the period	5,780	7,871
Onshore storage revenue recognised in the period	2,282	857



SELECTED FINANCIAL INFORMATION FOR THE FINANCIAL YEAR ENDED ON 31 DECEMBER 2014

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RISK FACTORS

4.1 RISKS RELATED TO THE GROUP'S BUSINESS SECTORS AND MARKETS

The Group operates in an environment that is subject to, and may give rise to, numerous risks, some of which are beyond its control.

Before buying shares in the Company, investors are invited to carefully examine each of the risks presented below, along with all information contained in this Registration Document. These risks are, as of the date of filing this Registration Document, those that the Company believes may, if realised, have a material adverse impact on the Company or

its subsidiaries, their activities, financial positions, cash flow, results or prospects. The Company draws investors' attention to the fact that the risks and uncertainties presented below are not the only ones the Group faces. Other risks and uncertainties, of which the Group is not currently aware or which it does not consider as material as of the date of filing this Registration Document, could also have a material adverse impact on its activities, financial position, cash flow, results and prospects.

4.1 Risks related to the Group's business sectors and markets

4.1.1 RISKS RELATED TO THE LEVEL OF DEMAND FOR LNG CARRIERS, ETHANE CARRIERS, FSRUS, FLNGS AND ONSHORE STORAGE TANKS

The Company's revenues are not much diversified and for the 2014 financial year mainly result from (i) containment system design for LNG carriers, for 80.7%, and (ii) FSRU business for 10.9%.

Demand in containment systems used in LNG carriers, FSRUs, FLNGs and onshore storage tanks depends on the prospects for growth in LNG demand, and on the demand for shipping and onshore storage of LNG over the next few years. In recent years, growth in the LNG sector has varied, due in particular to the recession and rising of unconventional gas and in particular of shale gas production in the United States of America. The sector shrank in 2012 following a slump in LNG carrier orders in 2009 (see section 6.2.2.1(a) – *LNG segment – Historical trends and order book* of this Registration Document) but has revived since. Indeed, given the average construction period of a LNG carrier, operators in the LNG sector anticipate the level of LNG production over a three-year horizon in order to define their needs in LNG carriers.

The Company's current and future business depends to a large extent on current and future demand for LNG carriers, ethane carriers, FSRUs, FLNGs and onshore storage tanks, which may be negatively affected by any of the following factors:

- ▶ changes in the LNG price, whether as a direct result of slowing demand for LNG and/or as a knock-on effect of changing oil prices in regions where gas and oil prices are correlated, such as Asia and Europe. Such changes could affect the economic viability of some liquefaction projects;
- ▶ changes in the production, in domestic and international markets, of natural gas that has a lower cost than the gas obtained from LNG;
- ▶ the ability to obtain the administrative and environmental authorisations required to carry out liquefaction and import projects. Difficulties in obtaining these authorisations have led to temporary supervision of the construction of a storage tank (see section 9.2.1.2 – *Evolution and distribution of revenues* (see "operating activities" in income statement) of the present Registration Document);
- ▶ the ability to meet the respective needs of LNG buyers and sellers and to enter into LNG sales contracts which generally depends on obtaining the financing required to carry out these projects;
- ▶ increase in the cost of onshore liquefaction terminals, labour costs or the occurrence of other economic issues which may hinder the development of export LNG projects;
- ▶ decrease of the cost of onshore re-gasification terminals or the rising demand for such terminals, which may offer greater capacities than that provided by FSRUs, assuming that there is a demand for such capacities;
- ▶ decrease in the consumption of gas resulting from a decline in the cost of other energy sources or any other factor that makes the consumption of gas less attractive;

- ▶ increase in the availability of new alternative energy sources, or a decrease of their cost compared with the cost of LNG;
- ▶ deteriorating political conditions in regions in which gas export projects could be initiated; and
- ▶ deteriorating economic or political conditions in countries or regions where LNG demand is strong, since such a deterioration could reduce overall energy consumption or cause lower growth in energy consumption.

In general, any reduction in demand or slower growth in demand for LNG carriers, ethane carriers, FSRUs, FLNGs and onshore storage tanks could have a material adverse impact on the Group's activities, results, financial position and prospects.

By way of illustration, the recent change in crude prices since the second half of 2014 (the barrel of crude Brent went from over 100 US dollars in June 2014 to about 56 US dollars in early April 2015) has caused a lower price for liquefied natural gas, both in Asia (the LNG Asia spot price falling from 14 US dollars per Mbtu in September 2014 to about 7 US dollars in early April 2015) and in the United States (the Henry Hub price falling from 4.50 US dollars per Mbtu in June 2014 to 2.64 US dollars per Mbtu.) This drop may make LNG projects, depending on these prices, less profitable, which could mean delayed decisions as to the startup

of certain projects. Some of the larger investment projects in Australia, such as the Bonaparte project, have been suspended, being also impacted by competition from U.S. brownfield projects, where only the liquefaction trains remain unbuilt. Moreover, despite its low price, gas in the United States may be more expensive than the price of "Asian" LNG, after adding costs for liquefaction and transportation.

The major projects in the United States of America (Freeport, Cameron and Cove Point) received a Final Investment Decision (FID) in 2014, representing about 30 Mtpy of additional capacity, and four other U.S./Canadian projects could receive an FID by 2015, which would represent another 30 Mtpy of new capacity. The first projects to be decided on, depending on the Henry Hub price, could be located either in the United States of America or in Mozambique.

These factors, despite the increased demand for LNG and the fact that the Company benefits from the great distance between U.S. production areas and the Asian markets, could have the effect of putting off project decisions and thus decisions to invest in LNG ships and transport and storage platforms. As of the submission date of this Registration Document, these delays do not negatively affect the Group's medium and long term outlook; but they could delay when orders are placed and thereby the realisation of the associated revenues.

4.1.2 RISKS RELATED TO THE ECONOMIC SITUATION AND TO THE GROUP'S VARIATIONS IN REVENUES AND OPERATING RESULTS

Variations in quarterly or annual revenues and operating results, but also difficulties to anticipate them, could have an adverse impact on the Group's financial situation and prospects.

The Group's revenues and operating results are historically subjected to important variations which could recur in the future.

Indeed, the Company's business is currently largely dependent on the number of orders of LNG carriers, which can vary significantly from year to year depending on economic and regulatory factors and overall demand in the LNG shipping industry. While there has been a recent increase in demand for new LNG carriers, demand for these carriers is beyond the Company's control and may change suddenly and unexpectedly.

As a consequence, the comparison of revenues and operating results on successive periods could not be an indicator of future performances.

Although many market observers predict an increased demand for LNG and ethane carriers in the short and medium-term, such demand, if it develops, will likely fluctuate based on changes in the LNG sector or other conditions and the Company cannot guarantee a steady progression in annual revenue, which is only based on total LNG carrier orders over the next ten years. These fluctuations in LNG carrier demand could, in one or more financial years, materially affect the Group's businesses, financial position and prospects.

4.1.3 RISKS RELATED TO THE GEOPOLITICAL SITUATION AND THE DECISION-MAKING PROCESS THAT PRECEDES IMPLEMENTATION OF LIQUEFACTION PROJECTS

The Group's activities and growth prospects depend primarily on demand for the marine transportation of LNG from LNG exporting countries to LNG importing countries.

Any political instability, military action or terrorist-type attack affecting these countries or affecting sea routes used to transport LNG could reduce opportunities for the marine transportation of LNG, particularly through the



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4.2 RISKS RELATED TO THE GROUP'S TECHNOLOGY AND INTELLECTUAL PROPERTY RIGHTS

Panama Canal and have a material impact on the Group's results and financial prospects. The opportunity to use the Panama Canal enables shipowners to benefit from less expensive shipping routes between the United States of America and Asia.

The import and export of LNG also relies on the construction of, among other things, liquefaction facilities. Liquefaction projects are typically of national importance, and can only be carried out in compliance with a variety of regulatory constraints, such as public interest and environmental regulations. Any political instability could extend the decision-making

process that precedes the launch of any liquefaction project or increase uncertainty about the outcome of that process and limit the growth of LNG import and/or export capacity of the country in question.

As liquefaction projects create an increased need for the LNG shipping activity and thus the need for LNG carriers, any failure of liquefaction projects worldwide may also have a material adverse impact on the demand for LNG carriers, and may have an adverse impact on the Group's activities, results, financial position, cash flow and prospects.

4.1.4 RISKS RELATED TO THE COMPANY'S COMPETITIVE POSITION IN THE SECTOR FOR MEMBRANE CONTAINMENT SYSTEMS USED IN LNG CARRIERS, ETHANE CARRIERS, FSRUS AND FLNGS

Merger control regulations may apply to the Company in case it would try to acquire a competitor or another company in the LNG or LNG shipping industries.

Given the fact that, according to the Company, c. 90% of orders for LNG carriers, ethane carriers, FSRUs and FLNGs between 2008 and 2014 used GTT technologies and that, according to the Company, over 72% of the existing fleet as at December 2014 are equipped with GTT technologies and that a significant portion of containment systems for floating units is produced worldwide by the Company, obtaining unconditional

authorisation for any such acquisitions from the relevant competition authorities may be difficult in certain cases.

As a result, the Company may not be able in some situations to make acquisitions or investments (for example, acquire a competitor or a client) that it believes represent beneficial business opportunities, and those acquisitions and investments it would be able to make may be delayed, conditioned or limited by the relevant competition authorities. However, as of the date of filing this Registration Document, the Company does not have such acquisitions or investments projects.

4.2 Risks related to the Group's technology and intellectual property rights

4.2.1 RISKS RELATED TO ANY POSSIBLE DEFAULT IN THE GROUP'S TECHNOLOGIES

Although the Group has used its membrane and other technologies for many years, it cannot guarantee a total lack of defects when implementing these technologies or in the use of these technologies over time.

LNG, or any other liquefied gas, contained in the tanks of vessels equipped with the Company's technologies can, because of certain sea conditions, cause deformation in the containment membrane due to collision between the LNG cargo and the walls of the carriers' tanks (a phenomenon

known as "sloshing"). Although the Company has taken steps to limit the impact of sloshing on its membrane containment systems, incidents causing damage have occurred in the past (the primary barrier of four vessels equipped with the Mark III insulation system has been damaged and repaired with part of the costs – not supported by insurance – borne by the Company in 2009 up to 3 million euros and in 2010 up to approximately one thousand euros) as a result of sloshing in tanks

using the Company's technology and may occur again in the future. The occurrence or repetition of such events could damage the Group's image and reputation among shipowners, shipyards and gas companies.

Provisions booked against risks of damage to the primary barrier of the Mark III insulation system totalled 4.3 million euros at 31 December 2014.

Emergence of defaults with the Group's technology or its implementation in tank construction could expose the Group to claims and litigation from shipowners, shipyards, and owners and operators of storage tanks, FSRUs, FLNGs, LNGCs, ethane carriers or other users of the Group's technology. As a result, the Company may book provisions in its financial statements (see for instance Note 16 to the financial statements for the financial year ended on 31 December 2014 in section 20.1.1 – *Financial statements prepared in accordance with IFRS for the financial year ended on 31 December 2014* of this Registration Document). Such provisions may have a material impact on the Company's financial statements and its results, even if the claims or the underlying litigation are unsuccessful.

In addition, the Group benefits from a liability insurance policy seeking to indemnify the Company and its subsidiaries in the event that its liability may be sought for material or immaterial property damages or personal

injuries caused to third parties. This civil liability insurance is intended to cover the Group in the event of failure of its technologies.

The Group has developed, and continues to develop, many new technologies in the LNG shipping industry and the broader liquefied gas sector. The Company cannot guarantee that these technologies will be free of defects, and the Company may incur significant claims or liability as a result.

For example, the Company has developed a technology for testing the waterproofness of its membranes (particularly TAMI and MOON). As with all of its newly developed technologies, the Company cannot guarantee that this technology will work in the manner intended, or will be implemented correctly.

As of the date of filing this Registration Document, the Group has only limited feedback on this and its other newly developed technologies. If defects were to arise when implementing this or other newly developed technologies, the Group cannot guarantee that it will be able to develop adjustments enabling all defects to be cured.

The Group's activities, results, financial position and prospects could be materially affected if one or more of the risks described above materialises.

4.2.2 RISKS RELATED TO THE PROTECTION OF THE COMPANY'S INTELLECTUAL PROPERTY RIGHTS

A substantial portion of the Group's technology relies on its patent portfolio. On average, two major patents per technology (such as NO 96, Mark III and GST) are currently in force, with an average validity term of 15.5 years. For the purpose of its activities, the Group must obtain, maintain and enforce its patents in all countries in which it operates; its policy is to file patent applications in all these countries to ensure maximum protection. The main technologies currently marketed by the Group give rise to patents or patent applications (i) in countries where the headquarters of construction and repair shipyards are located, (ii) in emerging countries in the LNG sector (such as India and Russia), and (iii) in LNG exporting countries (such as Australia, Russia and Qatar) and gas importing countries (such as South Korea, China and Japan). However, the Group cannot guarantee that it will be able to obtain sufficient patents or other intellectual property rights in all relevant countries. Any failure to obtain the desired intellectual property rights could have a material impact on the Group's results and future growth.

In addition, the granting of a patent does not guarantee its validity or enforceability, which may be challenged by third parties, including the Group's competitors. As a result, the Group may be unable to assert, maintain or enforce its patents or other intellectual property rights in all of the jurisdictions in which it currently conducts business. Although the Group takes substantial steps to ensure the validity of its patents, the Company is not and cannot be aware of all patent applications or

filings that have been or will be made by third parties. The rights arising from a patent or other intellectual property may also provide incomplete protection of the Group's intellectual property, which could prove insufficient to maintain the Group's competitive advantages.

Procedures to secure compliance with the Group's patents may be lengthy, time-consuming and expensive, regardless of their merit, and there is no guarantee that the Group will benefit from a favourable outcome.

As a result, the Group cannot guarantee that:

- ▶ the Group's patent applications currently being examined will result in a patent being granted;
- ▶ patents granted to the Group, along with its other intellectual property rights, will not be challenged, invalidated or circumvented;
- ▶ the protection provided by patents is sufficient to protect the Group against competition and against the patents of third parties covering technologies with a similar purpose;
- ▶ its technologies and products do not infringe patents belonging to third parties;
- ▶ third parties will not claim ownership of patent rights or other intellectual property rights that the Group owns personally or jointly;

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- ▶ third parties that have entered into license or partnership contracts with the Group and having sufficient experience of technologies that are based on the patents owned by the Group are not developing and will not develop strategies to file applications for patents related to the Group's business and that may be an obstacle to the Group's patent filing strategy;
- ▶ court proceedings or proceedings before competent offices or jurisdictions will not be necessary to ensure compliance with the Group's patents or to determine the validity or extent of its rights in this regard.

The trademarks registered by the Group are important elements for the identification of its technologies. Despite the registration of the Mark III, NO 96, Mark Flex or GST trademarks, third parties could use or try to use these trademarks or other Group trademarks. Efforts to enforce the Group's trademarks may be unsuccessful in certain of the jurisdictions in which the Group operates. Such infringement may damage the Group commercially and damage its image.

The Group's activities, results, financial position and prospects could be materially affected if one or more of the risks described above materialises.

4.2.3 RISKS RELATED TO THE PROTECTION OF THE GROUP'S KNOW-HOW

The Group cannot guarantee that its technologies or their implementation, each of which is based in part on the Company's proprietary know-how, are sufficiently protected and cannot be misappropriated by third parties. When performing license contracts with clients or as part of its partnership contracts, the Group informs its contracting partners of certain elements of its know-how, particularly information relating to the implementation of membrane containment technologies.

Although the Group seeks to limit this communication to the information strictly necessary for its clients to implement its technologies or for the Group to perform its obligations under the aforementioned contracts, it cannot be guaranteed that additional non-essential information, including its proprietary know-how, will not be shared in the course of such activities. While the Group takes steps to ensure, through confidentiality agreements and other measures, that third parties who receive knowledge

of the Company's know-how or other such information undertake not to disclose, use or misappropriate it, the Company cannot guarantee that such steps will be successful or respected by its clients or partners.

In particular, the Group cannot guarantee that (i) its contracting partners will fulfil their commitments and not develop technologies inspired by those developed by the Group (see section 4.2.4.2 – *Risks related to competition from the SCA system developed by Samsung Heavy Industries* of this Registration Document) or (ii) in the event that these commitments are not fulfilled, the Group will be informed and be able to take appropriate measures or steps allowing it to gain full compensation for the damage suffered.

The Group's activities, results, financial position and prospects could be materially affected if one or more of the risks described above materialises.

4.2.4 RISKS RELATED TO THE APPEARANCE OF NEW TECHNOLOGIES AND THE COMMERCIAL DEVELOPMENT OF COMPETING TECHNOLOGIES

4.2.4.1 Risks related to the development of competing technologies to the detriment of the Group

Although the Group's technologies have a significant share in the LNG shipping industry, competing technologies and containment systems may be further developed to the detriment of the Group. In addition, competing technologies currently being developed, being approved by classification companies, such as those developed by Samsung Heavy Industries, Hyundai Heavy Industries, Kogas and Daewoo Shipbuilding and Marine Engineering (see section 6.2.2.1(c) – *GTT's technologies faced with competing LNG carrier technologies* of this Registration Document), or being referenced by gas companies, or which are currently unknown to the Company, could in the future be sold to shipyards and reduce the

Company's presence in the LNG shipping sector and ability to sell its own technologies successfully.

However, the Group believes that, as a result of the technologies developed by Samsung Heavy Industries, Hyundai Heavy Industries, Kogas and Daewoo Shipbuilding and Marine Engineering (see section 6.7.4 – *New technology certification and approval process* of this Registration Document) being in the relatively early stage of their development and of their credibility being still insufficient in the absence of feedback on these technologies, it is unlikely that these technologies will have an impact on the Group's presence in the maritime LNG sector in the long term. Regarding the technology developed by Samsung Heavy Industries: see section 4.2.4.2 – *Risks related to competition from the SCA system developed by Samsung Heavy Industries* of this Registration Document. Regarding the technology developed by KOGAS: see section 4.2.4.3 – *Risks*

related to the competing KC-1 system developed by the KOGAS of this Registration Document. Despite the large amount of resources it dedicates to R&D activities and active monitoring of the development of competing technologies, the Group cannot guarantee that new LNG containment technologies will not be successfully developed and marketed or that the Group's technologies will remain the leading technologies. The Group does not and cannot know all of the plans of its current and future competitors, and there is no guarantee that the Group will be able to successfully compete with these new technologies in the future.

The Group's activities, results, financial position and prospects could be materially affected if one or more of the risks described above materialises.

4.2.4.2 Risks related to competition from the SCA system developed by Samsung Heavy Industries

Since September 2011, Samsung Heavy Industries (SHI) has been publicising the development of a membrane containment technology named SCA (Smart Containment – System Advanced). Samsung Heavy Industries has significantly modified this technology in late 2012, and has since been publicising this modified version of the SCA technology, a competing technology to the Mark III technology developed by the Company. As far as the Group is aware, the SCA technology has received approval in principle from two classification societies. The Korean government has launched an initiative to rationalise some of the technological developments in LNG containment systems in South Korea. The SCA is said to have been abandoned in favour of KOGAS's KC-1 technology (see section 4.2.4.3 – *Risks related to the competing KC-1 system developed by KOGAS*), the Korean national natural gas company. This technology is to be brought into production by Samsung Heavy Industries. In light of these developments, the SCA is no longer considered a threat to the Company, even though development may be restarted at a later date, particularly if KC-1 runs into difficulties.

At the start of 2015, Samsung Heavy Industries is the shipyard that builds the largest number of vessels equipped with the Mark III technology (126 vessels ordered between 1996 and 2014: 90 in service and 36 on order). This shipyard was, at 31 December 2014, the Company's biggest client, representing 32% of the order book and generating 33% of 2014 revenue. If Samsung Heavy Industries starts to market a technology that

competes with the Group's technologies, it is likely to impair the current relationship with the Group. Furthermore, if Samsung Heavy Industries is successful in marketing its SCA technology, demand for the Mark III and other Group technologies may be impacted, or even severely altered, with a corresponding material negative impact on the Group's financial results, competitive position and growth opportunities.

The SCA technology seems to be derived from Mark III technology which is protected by intellectual property rights. If Samsung Heavy Industries does restart its SCA development programme and if the Group considered that it was necessary, it could implement all actions to protect its interests and assert its rights. However, the Group cannot guarantee that such proceedings would be successful, and their length and complexity would generate significant costs for the Group. Furthermore, such actions and proceedings could have a significant negative impact on the relationship between the Company and Samsung Heavy Industries.

4.2.4.3 Risks related to the competing KC-1 system developed by Kogas

Since 2008, Kogas, the Korean national natural gas company, has been developing its KC-1 membrane containment technology.

Initially designed as an onshore tank application – two tanks are currently in use at the Incheon plant in Korea – around 2006 the technology was redirected toward the marine tank and vessel market, but failed to secure any orders.

Since March 2014, Kogas has developed its technology to meet the needs of marine structures. It has since secured GASA (general approval for ship application) from various classification companies, including Lloyds Register, Bureau Veritas and the American Bureau of Shipping.

In January 2015, Kogas announced that Samsung Heavy Industries had ordered two 170,000 m³ vessels equipped with KC-1 technology.

The Company considers, on the basis of published information, that its technologies offer major advantages over KC-1. Specifically, KC-1 technology lacks any feedback from actual use at sea. The Company therefore does not expect KC-1 technology to pose a strong competitive threat.

The Group's business, results, financial position and outlook could be materially affected if KC-1 should prove successful.

4.3 Risks related to the Group and its commercial activities

4.3.1 RISKS RELATED TO THE GROUP'S COMMERCIAL DEVELOPMENT

Growth in the Group's business will depend on its ability to maintain its position in the sector of containment systems used in LNG carriers, ethane carriers, FLNGs and FSRUs, increase its presence in the sector of onshore storage tank containment systems and expand in the new segments it has identified (see section 6.2.2 – *Segments in which the Group is present of this Registration Document*).

This development will depend on various factors, including the Group's ability to retain the confidence of shipyards, shipowners and charterers (gas companies), along with the Group's ability to meet demand for its technologies and membrane containment systems if demand increases significantly.

Although the Group attaches great importance to relations with shipyards, shipowners and charterers (gas companies), it cannot guarantee that these relations will not deteriorate in the event of problems experienced by the Company or its subsidiaries in fulfilling their obligations towards shipyards, in particular if customers' demand is significantly higher than forecasted, which could have adverse consequences on the

entities that own or use the vessels built or scheduled to be built using GTT's technologies. Any difficulties in meeting demand for the Group's technologies may harm the Group's image in the sector and may encourage current and potential customers of the Company to seek alternatives to the Company's technology.

Moreover, while the Company has demonstrated its ability to meet a strong and rapid rise in demand in recent years by using subcontractors and by hiring additional staff on fixed-term employment contracts or temporary employment contracts for "production" works, the Company cannot guarantee that it will always be able to meet all increases in activity. Additional measures taken by the Group to meet increases in demand or other spikes in activity may involve additional costs to those typically experienced by the Group and may have a material impact on its financial results and position.

The Group's activities, results, financial position and prospects could be materially affected if one or more of the risks described above materialises.

4.3.2 RISKS RELATED TO THE GROUP'S DEPENDENCE ON THE LNG CARRIER BUSINESS AND UNCERTAINTIES ABOUT THE DEVELOPMENT OF OTHER DIVERSIFIED BUSINESSES

As of the date of filing this Registration Document, almost all of the Group's revenue is derived from activities related to the shipping of LNG, which itself depends on global demand for LNG.

Although the Group is taking steps to diversify its business in the medium term through technologies that are already developed or under development, there is no guarantee that the Group will be able to successfully commercialise any new technologies or continue to be successful in commercialising its current technologies. A lack of insufficient success in the marketing and commercialisation of the Company's new and current technologies could have a material adverse impact on the Group's activities, results, financial position and prospects.

The Group believes that a substantial part of its diversification efforts will depend on its ability to adapt its containment technologies to the

use of LNG as a vessel propulsion fuel, also known as "bunkering" (see section 6.3.5.2 – *Use of LNG for vessel propulsion ("LNG bunkering") of this Registration Document*). There is no guarantee, however, that the LNG bunkering sector will develop in the timeframe or at the rate anticipated by the Group, and any deviation from the projections set forth in this Registration Document may have a material impact on the Group's growth and diversification prospects and financial results.

Given the cost associated with adapting its technologies, their complexity and the cost of building the logistics infrastructure enabling the refuelling of vessels with LNG from smaller LNG carriers, the Group cannot guarantee the success of its technologies in the bunkering sector, or their adoption by the sector, which may prefer alternative, less complex technologies that require a lower level of operational control.

4.3.3 RISKS RELATED TO CLIENTS' CONCENTRATION AND DEPENDENCY ON A LIMITED NUMBER OF SHIPYARDS IN SOUTH KOREA

The Group's direct clients are primarily shipyards in South Korea, China and Japan, and its end-clients are shipowners and international gas companies. As of the date of filing this Registration Document, a significant proportion of the Company's revenue is generated by five shipyards in South Korea, Samsung Heavy Industries, Daewoo Shipbuilding & Marine Engineering, Hyundai Heavy Industries, Hyundai Samho Heavy Industries and STX.

As at 31 December 2014, 93% of the Company's revenue was generated by the five largest clients of the Company and 33% by the Company's largest client. On the same date, the Company's five largest clients accounted for (in numbers of orders ⁽¹⁾) 93% of the Company's order book and the Company's largest client (in number of orders) accounted for 32% of its order book. The Company believes that the makeup of its client base and revenue is unlikely to significantly change over the next few years, even though in 2014 two new non-Korean clients placed orders with the Company.

As a result, any event impacting South Korea may have an impact on the Group's financial position, cash flow, results and growth prospects. In addition, any event, including any political or military event affecting South Korea or other countries in Asia, could affect the activities of these clients and could lead them to stop or suspend the performance of their contracts with the Group.

Each of these five shipyards, particularly Samsung Heavy Industries, Daewoo Shipbuilding & Marine Engineering and Hyundai Heavy Industries (see also sections 4.2.4.1 – *Risks related to the increase of competing technologies to the detriment of the Company*, 4.2.4.2 – *Risks related to competition from the SCA system developed by Samsung Heavy Industries* and 4.2.4.3 – *Risks related to the competing KC-1 system developed by KOGAS* of this Registration Document), accounts for a significant percentage of the Company's order book (in number of orders) as of 31 December 2014. Although no Group company has experienced substantial difficulties in recovering its receivables, any event affecting the ability of these shipyards to pay their bills as they become due, including insolvency or other financial difficulties, may have a material impact on the Group's financial position, cash flow and order book.

In addition, South Korean labour costs have been increasing steadily recently, which increases South Korean industrial production costs. There is no guarantee that South Korean industrial production, in particular the FLNGs, will remain an acceptable solution for companies developing offshore LNG projects if the cost increase relating to offshore structures becomes significant. Such companies may consequently choose onshore solutions.

The loss of a significant client, the termination of a contract with a significant client or difficulties in recovering receivables due by any client could have a material adverse impact on the Group's results, financial position, cash flow and prospects.

4.3.4 RISKS RELATED TO DEFAULTS AND ORDER CANCELLATIONS BY SHIPOWNERS

Although the Group's direct clients are generally shipyards, its end-clients are shipowners, who order vessels from these shipyards, and gas companies who charter vessels to transport LNG.

Although the Group generally has no contractual link with the shipowners or gas companies with respect to construction projects, any failure or delay by the shipowners in performing their payment could make it impossible for the shipyards to pay for the services provided by the Group in accordance with the contract between the shipyard and the Group. In

addition, any failure by gas companies that have chartered vessels may impact the ability of the shipowners to fulfil their obligations, in particular obligations they may have towards shipbuilders. Any such failure or delay by shipowners or gas companies could have a material impact on shipyards, and hence on the Group's financial position, cash flow, results and growth prospects.

In addition, the Company may experience cancellations with respect to orders placed by shipyards. Although historically, and until the start of

(1) The five largest clients over this period in terms of revenue are not the same entities as the five largest clients in terms of number of orders as a result of the revenue recognition method (see section 9.1.2 – *Revenue recognition* of this Registration Document).

RISK FACTORS

4.3 RISKS RELATED TO THE GROUP AND ITS COMMERCIAL ACTIVITIES

the financial and economic crisis in 2008, orders for LNG carriers, ethane carriers, FSRUs, FLNGs and onshore storage tanks were rarely cancelled, order cancellations have, and may, occur in the LNG shipping market.

In the first quarter of 2014, a shipowner cancelled an order for an LNG carrier (second in the series) from Korean shipyard STX. The cancellation was covered by an agreement between the shipowner and shipyard and justified by the fact that the yard's delivery time had grown too long. This order totalled 6.7 million euros, and some bills had already been issued for which the Company had been paid 687 thousand euros at 31 December 2014. In addition, another order relating to an LNG-RV/FSRU in the STX yard was definitively cancelled at the end of 2014 having been suspended since spring 2013. For this 9.1 million euros order, the Company received 452 thousand euros at 31 December 2014. The cancellation was the result of the shipyard's financing difficulties.

During the first quarter of 2015, a shipowner cancelled an order for two LNG carriers from the DSME shipyard. This order had been made to GTT during the last quarter of 2014. The LNG carriers were not backed by an identified LNG project. The shipowner finally chose to have oil tankers built. That order, in the total amount of 17 million euros, had already been invoiced for 1.7 million euros for which the Company is still waiting payment.

Although order cancellations have historically taken place before the Company has incurred material expenditure in relation to these orders, the occurrence of one or more order cancellations in relation to LNG carriers could materially affect the Group's activities, results, financial position, cash flow and prospects, and there is no guarantee that order cancellations will not occur in the future.

4.3.5 RISKS OF DEPENDENCY ON THIRD PARTIES

The Group has approved some suppliers as qualified suppliers for its shipyard clients. These qualified suppliers provide the materials required to implement the Group's technologies, and sell these materials to shipyards that seek to implement GTT's technologies. They are located primarily in Asia and particularly in South Korea, where the Group's main shipyard clients are located.

Only a very small number of industrial actors supply some materials used in implementing the Mark III, NO 96 or GST technologies, and this has been true since the Company invented these technologies. As of the date of filing this Registration Document, Hankook Carbon (South Korea) is the sole supplier of secondary Mark III rigid membranes. With respect to the Company's NO 96 technology, as of the date of filing this Registration Document, Aperam (France) is the sole supplier of invar, a material used

to make the primary and secondary membranes used in implementing this NO 96 technology. However, the Company is working to expand its list of approved suppliers.

As a result, the use of Group technologies by shipyards (i) depends on the capacity of the Group's approved industrial companies to supply some of the materials needed, and (ii) may be affected by anything that impacts the countries or industrial plants where the approved industrial suppliers are located, events likely to restrict access to the materials required (political, military, weather events, etc.). In the event that the Group's qualified suppliers cannot supply the materials needed to implement its technologies, there is no guarantee that alternative suppliers can be found or found quickly enough, which could materially affect the Group's reputation, financial position and order book.

4.3.6 RISKS RELATED TO THE LOSS OF EXECUTIVES AND KEY STAFF

The Group's success depends to a very large extent on its ability to attract, retain, motivate and train highly qualified and experienced management, R&D and engineering staff.

Despite the actions put in place by the Group to ensure a versatility of positions identified as crucial, the departure of some key staff of the Group could lead to a loss of expertise or gaps in technical and scientific skills which could substantially weaken the Group's ability to conduct its business.

In addition, if the Group were unable to retain its existing staff, and particularly its management staff, it may have difficulties in implementing its current strategy and developing its business. Competition in the LNG sector for qualified staff is intense, and if the Group is unable to recruit and train new qualified and motivated staff, or compensate the qualified staff it has already recruited, its growth and its development prospects could be materially impacted. Any difficulties in identifying and retaining qualified staff could have an adverse impact on the Group's activities, results, financial position and prospects.

4.3.7 RISKS RELATED TO LABOUR DISPUTES

Although the Group has never experienced a strike or significant labour disputes, it cannot guarantee that its business will not be disrupted by strikes, industrial action or other labour disputes. The Group has not taken out any insurance for operating losses resulting from any business

disruption caused by labour disputes. As a result, the Group's activities, financial position and operating profit could be affected by the occurrence of such labour disputes.

4.4 Legal, regulatory, tax and insurance risks

4.4.1 RISKS RELATED TO THE REGULATORY ENVIRONMENT IN THE SHIPPING INDUSTRY

The LNG shipping sector is governed by a number of regulations, recommendations, codes and national, European and international standards.

In particular, the IGC Code provides an international framework for the safe shipping of LNG by prescribing design and construction standards for vessels carrying LNG, including standards for the equipment that those vessels must incorporate so as to minimise the risks for the ship, its crew and the environment.

These standards may change depending on feedback relating to vessels in use and on technological developments. These changes take place through reviews of international agreements with the involvement of national governments.

The IGC Code was amended by the Maritime Safety Committee in May 2014. The new code will come into force on 1 January 2016 and must be applied from 1 July 2016. The Company has not to date identified any adaptations to its technology that would be required to comply with the new regulations. Nevertheless, any later change in the rules contained in the IGC Code may require that the Company change or replace its technologies in order to remain compliant with the IGC Code's requirements.

Although as of the date of filing this Registration Document, the Company has always been able to prepare for and anticipate the implementation of changes required by the IGC Code, it cannot guarantee that it will always be able to adjust its technologies to meet the requirements of the IGC Code within the necessary timeframe and at a cost enabling it to maintain its profitability level.

The inability of the Group to adjust, profitably or otherwise, its technologies in line with new regulations, recommendations, codes and national, European and international standards, could have a material adverse impact on the Group's activities, results, financial position, cash flow and prospects, including the possibility that one or more of the Company's key technologies become commercially unusable. The loss of any of the Company's key technologies would have a substantial impact on the Company's business, results, financial position and prospects and even may threaten its ability to continue as a going concern.

At the date of filing this Registration Document, the Company is not aware of any other current or anticipated changes with regards to the rules applicable to the LNG shipping sector that would be likely to affect materially the Group's activities, results, financial position and prospects.

RISK FACTORS

4.4 LEGAL, REGULATORY, TAX AND INSURANCE RISKS

4.4.2 RISKS RELATED TO FUTURE AUTHORISATIONS

The commercial use of the Company's current and future technologies is dependent on the approval of classification societies, which prescribe standards for the design and construction of the vessels that make use of the Company's technologies. Each classification society maintains its own approval and authorisation process, and the Company cannot guarantee that it will be able to maintain the authorisations it has already received or obtain the authorisations it will need in the future. Any failure by the Company to maintain or obtain authorisations could have a material impact on its financial position, results and prospects and may result in one or more of its key technologies become commercially unusable. The loss of any of the Company's key technologies would have

a substantial impact on the Company's business, results, financial position and prospects and even may threaten its ability to continue as a going concern.

Changes in authorisation processes could increase the delays and difficulties and thus give rise to additional costs to be borne by the Company in relation to the authorisation and approval processes. Any such delay, difficulty or cost may have a material impact on the Company's reputation, financial results and growth prospects.

The Group's activities, results, financial position and prospects could be materially affected if the risks described above materialise.

4.4.3 RISKS RELATED TO THE TAX ENVIRONMENT

Changes in the Group's operating environment, including changes in tax regulations or their interpretation in countries where the Group operates, could affect the calculation of the Group's overall tax burden (tax and duties) and impact its financial position, cash flow and results.

The Group mainly operates in France, where it is subject to French corporate income tax among other taxes. The Company also pays withholding taxes on royalties from foreign sources, in particular in South Korea and China. These withholdings can, where applicable, give rise to tax credits in France. When calculating its final tax charge the Group takes into account withholdings on foreign earnings and whether these can be claimed back as tax credit for taxes paid abroad. To do this, the Group has to apply interpretations of local and French tax rules, international tax treaties, doctrine and administrative practice in each jurisdiction where it operates. The Group also needs to make assumptions on the scale of future business, the outcome of such business, how it will be done

and how the resulting profits will be booked. More generally, the Group cannot guarantee that such assumptions and interpretations will not be challenged by the tax authorities concerned.

Furthermore, changes in tax regulation and associated practices could have a material impact on the Group's tax charges.

The Company benefits from some specific tax arrangements. In France, the Company pays tax at a reduced rate of the corporate income tax on royalties from some industrial property rights, and receives tax credits in relation to some R&D spending and withholding taxes paid on royalties from foreign sources. These specific tax arrangements could be challenged or change in time.

The Group's activities, results, financial position, cash flow and prospects could be materially affected if one or more of the risks described above materialised.

4.4.4 RISKS RELATED TO POSSIBLE NON-COMPLIANCE WITH STATUTORY AND REGULATORY PROVISIONS

The supply of oil-related goods and services to some countries, particularly Iran and Russia, which may include LNG and LNG-related materials, is currently subject to several sanction regimes, particularly from the United States of America and the European Union.

As regards Iran, although, to the best of the Company's knowledge, Iran does not currently have an LNG import or export capacity, it has sought to develop such capacity and may develop such capacity in the future.

The Company entered into a Technical Assistance and Licence Agreement, or TALA, with an Iranian shipyard on 24 December 2002, which was

renewed by tacit agreement every five years. However, as of the date of filing this Registration Document, this TALA has not been used and is totally inactive. On 30 April 2013, the Company sent a letter to the Iranian shipyard terminating the TALA with effect on 23 December 2013. The TALA with the Iranian shipyard has never given rise to any orders, and therefore has never generated any revenue for the Company. The Company did not carry out any activities under this TALA before it was effectively cancelled. The Group does not plan to engage in commercial relationships related to Iran in the future, unless there is a real change in the legal and regulatory framework governing relations with Iran.

To date, US and EU sanctions on Russia and/or some Russian gas companies have had no material negative impact on the Group's activities in Russia and/or for Russian clients.

Specifically, the Company has been notified, at the date of filing this document, by Daewoo Shipbuilding & Marine Engineering, one of its licensed clients, of an order for 15 ice-breaking LNG carriers as part of the YAMAL LNG project. This project consists of the construction of a natural gas liquefaction plant in Sabetta (north-east of the Yamal peninsula) with annual capacity of 16.5 million tonnes of LNG drawn from the Yuzhny Tambei gas field. The project's operators, including Russian company Novatek which is subject to US sanctions, also plan to build an offshore LNG terminal and an airport by 2016 as well as an Arctic class fleet of LNG carriers.

At the date of filing this document, the Company was not aware of any issues likely to affect the orders it has booked in respect of the YAMAL LNG project. It cannot, however, rule out any possible tightening of current sanctions (either in nature or scope) against Russia and/or the Russian companies involved in the project, resulting in delays to or the suspension or abandonment of the project.

Also, other countries and/or current or potential customers of the Company could be subject to sanctions affecting LNG or related materials.

If the Group were to be directly or indirectly involved in selling LNG-related goods or services to countries or customers subject to sanctions, or parties to such activities, it could be liable for legal claims under one or more sanctions regimes, which could have a material negative effect on its business, earnings, financial position, cash flow, outlook and reputation.

4.4.5 RISKS RELATED TO DISPUTES AND LITIGATION

In the normal course of its business, the Group is involved or may be involved in administrative, judicial or arbitration proceedings. The most significant current and potential disputes are described in detail in section 20.3 – *Judicial and arbitration proceedings* of this Registration Document. In some of these proceedings, the amounts claimed, or potentially claimed, against the Company are significant. Any provisions booked in this respect by the Company in its financial statements could be insufficient, and this could have material adverse consequences on the Group's activities, results, financial position, cash flow and prospects, regardless of the merits of the underlying claim. It is noted that, as of the

date of filing this Registration Document, no provision is booked in the Company's financial accounts in relation to the proceedings described in section 20.3.2 – *Dispute between the Company and the company Les Chantiers de l'Atlantique (CAT)*.

In general, it is possible that, in the future, new proceedings connected or otherwise with those currently underway, will be brought against the Company or its subsidiaries. Such proceedings may involve the Company in protracted and costly disputes and, regardless of their outcome, may have adverse consequences on the Group's activities, results, financial position, cash flow and prospects.

4.4.6 ENVIRONMENTAL RISKS

Although the Group believes that its business does not involve substantial environmental risks, where necessary, the Group carries out studies using providers specialising in the health, safety and environment (HSE) aspects of its activities, some of which could present limited environmental risks related to the storage and (i) use of chemicals, gases, dry wood or similar combustible materials, (ii) the installed power of fixed machinery in workshops, (iii) the quantity of foam processed mechanically, (iv) the industrial production of cellular materials and (v) the storage of cellular materials.

In addition, in order to implement its waste management policy, the Company relies on companies authorised to take and process industrial

waste (such as foam, chemical waste, scrap metal and WEEE – waste electrical and electronic equipment). Should the companies fail to conduct their business in accordance with the current environmental rules and regulations, the Company may be exposed to environmental liability.

Although the Group is aware that it works in a sector exposed to the risk of environmental liability, it cannot guarantee that it will not incur such liability in the future or that its current activities have not already resulted in such liability. Such liability could have an adverse effect on the Group's image and reputation and on the Group's activity, results, financial position and prospects.



RISK FACTORS

4.4 LEGAL, REGULATORY, TAX AND INSURANCE RISKS

4.4.7 RISKS RELATED TO RISK MANAGEMENT PLANS

In 2011, as part of a project to set up a business continuity plan and a disaster recovery plan, if circumstances limited access to the site or to its human, material or IT resources, the Company carried out a risk mapping of the risks to which it may be exposed. The risks were assessed and the Company defined actions to mitigate or manage them. In 2014, the Company updated its business continuity and disaster recovery plans to allow it to restart critical infrastructure within a specified deadline after a major incident. More than 60 different risks were analysed to determine their probability and potential severity. Actions were put in place based on the potential impact and risks identified, covering both applications and infrastructure and organisation. As a result, it now has in place procedures for (i) crisis management (ii) activation of the disaster recovery plan, (iii) incident response and (iv) rescue plans.

There is no guarantee that the Company has correctly identified all the risks to which it may be exposed or correctly evaluated its exposure to the risks of which it is aware. Nor is there any guarantee that actions taken now or in future by the Company have mitigated or will mitigate the potential damage to the Company should these risks materialise. There is also no guarantee that its business continuity plan and disaster recovery plan will function correctly or allow the Company to recover effectively from a disaster and continue its business. Regardless of the success or failure of such plans, realisation of any of the risks identified by the Company or the occurrence of any disaster may have a material impact on the Group's financial results, cash flow, activities, prospects and reputation.

4.4.8 RISKS RELATED TO INSURANCE POLICIES

The Group has subscribed insurance policies covering the general and specific risks to which it believes it is exposed. The insurance policies subscribed by the Group contain franchises, caps and exclusions applicable, in case of significant claim, which may impact the Group's financial situation.

There is no guarantee that the insurance policies taken out by the Group cover all of the risks to which the Group is currently or may become exposed to. While the Group believes that its insurance policies have levels of coverage that are appropriate to the risks it faces, there is no guarantee that the Group has adequately or correctly estimated its risk exposure. In addition, the ability of these insurance policies to effectively mitigate the risks they cover depends on the financial capacity

of the counterparty insurers, and the Group cannot guarantee that such counterparty insurers will be able to perform adequately or at all their obligations under such insurance policies. Any failure or lack of coverage by the Group's insurance policies may have a material impact on the Group's financial results and position, cash flow or growth prospects.

In addition, the Group's insurance policies often exclude risks to which the Group may be exposed and may offer only partially or incomplete coverage of all risks which the Group may face. Insurers may also seek to limit or challenge claims that the Group makes, which may limit the Group's ability to receive full or timely compensation under its insurance policies. Any such limit, challenge or delay may have a material impact on the Group's financial results and position, cash flow or growth prospects.

4.5 Financial risks

4.5.1 CREDIT OR COUNTERPARTY RISK

The Group works with a limited number of clients. As of the date of filing this Registration Document, 27 shipyards have entered into TALAs with the Company. Seven of these shipyards were active as of the date of filing this Registration Document and have notified the Company of orders for vessels.

Regarding late payments on the Korean STX project, receivables recorded as more than 30 days overdue at 31 December 2014 totalled 2.6 million euros (compared to 9.2 million euros at 31 December 2013). The payment schedule agreed by the Company and STX has been respected by STX, except for a lag that began in July 2013, until the date of the current update to the Registration Document.

There were no other material cases of non-payment in 2014. In addition, when a shipyard's invoices become overdue, the TALA with such shipyard

may be terminated, which would prevent that shipyard from marketing the Group's technology to its clients. The loss of a client due to non-payment may have a material impact on the Group's financial results, cash flow and growth prospects.

If an order is cancelled, the sums relating to work already completed by the Group are due. The Group, however, may not be fully compensated for work which it has not fully completed. In addition, because the Company's invoices are scheduled in line with milestones in the ship's construction, any delay in construction typically results in a delay in invoicing by the Group. Such delay or inability to receive payment for work fully or partially completed may have a material impact on the Group's financial results and cash flow.

4.5.2 CURRENCY RISK

As of the date of filing this Registration Document, the Company believes that it has minimal exposure to currency risk.

The Company's expenses and revenues are almost entirely paid and received in euros, which is also the functional currency of the Company.

One order in the order book as at 31 December 2014 is priced in US dollars and most contracts with customers are denominated in euros.

4.5.3 INTEREST-RATE RISK

As of the date of filing this Registration Document, the Group has no debts. As a result, the Group takes the view that it has no exposure to the risk of changes in interest rates with respect to its own accounts.

4.5.4 LIQUIDITY RISK

The Group has not had to recourse to borrowing to meet its commitments in the past decade. Its cash position has historically been positive. Available cash of the Company is placed mainly on term deposit accounts with maturity dates between one month and five years, the capital being

guaranteed and early release being possible at any time. As of the date of filing this Registration Document, the Company takes the view that it has no significant exposure to liquidity risk, taking into account its current cash position.

4.5.5 RISKS RELATED TO SHARES

At the date of filing this Registration Document, the Group did not own any investment portfolio consisting of shares.

The only treasury shares held by the Company at 31 December 2014 are those related to the liquidity agreement managed by Exane BNP PARIBAS. On 10 November 2014, the Company signed a liquidity agreement with Exane BNP PARIBAS to make a market in GTT shares on the Euronext Paris regulated stock market. The liquidity agreement complies with the AMAFI Ethical Charter recognised by the *Autorité des Marchés Financiers* (French financial markets regulator).

1,800,000 euros was allocated to this agreement and credited to the liquidity account.

Under this liquidity agreement the Company held, at 31 December 2014, 6,980 shares with a value of 336,631 euros.

Consequently, the Company takes the view that it has no significant exposure to risk related to shares at the date of filing this Registration Document.

4.6 Risk management and insurance policies

4.6.1 RISK MANAGEMENT

In 2011, as part of a project to set up a business continuity plan and a disaster recovery plan, the Company mapped the risks to which it may be exposed. These risks were analysed through interviews with the Group's management. For each risk identified, the Company assessed its exposure and potential impact. The Company then defined actions to be taken to reduce or control these risks.

In 2014, the Company updated its business continuity and disaster recovery plans to allow it to restart critical infrastructure within a specified deadline after a major incident. More than 60 different risks were analysed

to determine their probability and potential severity. Actions were put in place based on the potential impact and risks identified, covering both applications, infrastructure and organisation.

As examples, the main risks identified, in terms of their potential severity, concerned (i) incidents in the IT rooms, (ii) vandalism or piracy affecting the Company's installations, (iii) technical faults or prolonged outages affecting the IT equipment, (iv) environmental events or (v) natural disasters.

4.6.2 INSURANCE POLICIES

The Group has insurance policies covering the general and specific risks to which it is exposed, taken out with insurers rated as highly solvent.

Given the specific nature of its activity and the insurance policies subscribed by the Group and described below, the Group takes the view that it has a level of coverage that is appropriate to the risks inherent in its business.

The Group's main insurance policies cover risks related to the Group's civil liability, directors and officers liability and damage to the Group's movable property and real estate.

The Group also has insurance policies covering other risks, such as policies covering its automobile fleet and those covering expatriate and seconded staff.

Civil liability insurance

Each of the Group's companies has a civil liability insurance policy that covers it against the financial consequences of any liability for personal injuries, material or immaterial property damages caused to third parties. This civil liability insurance policy was renegotiated with the insurer in 2010 to make it more appropriate to the Group's needs.

GTT North America and GTT Training Ltd also have a local civil liability insurance policy as required by law and practice in this market. In both cases, this local insurance is complemented by the Group's civil liability coverage.

Some risks are expressly excluded from the insurance policies described and so are not covered.

Premiums paid by the Group for civil liability insurance in the year ended 31 December 2014 totalled 2,145,000 euros excluding taxes.

Directors and officers liability insurance

The Group's directors and officers are covered by liability insurance to protect them against the pecuniary consequences of breaches of statutory or regulatory provisions or provisions of the by-laws of the Company, mismanagement, errors, omissions or negligence by them with respect to third parties (excluding intentional and wilful misconduct, criminal offences and breaches of tax or customs law). This insurance policy covers the cost of defence, prevention, psychological assistance, communication and efforts to restore the image of the Group's directors and officers.

As part of its initial public offering, the Company also subscribed a civil liability policy for its executive officers, with effect from 3 February 2014, to protect its executive officers against the pecuniary consequences of breaches of statutory or regulatory provisions or provisions of the by-laws of the Company, mismanagement, errors, omissions or negligence

by them, solely in respect to the public information documents filed in respect of the market transaction leading to the Company's listing (excluding, among other items, intentional or wilful misconduct, criminal offences and breaches of tax or customs law). This insurance policy, which expired on 3 February 2015, was not renewed but remains in effect for five years in accordance with Article L. 124-5 of the French Insurance Code.

Damage insurance

The Group has a "multirisks" insurance policy covering damage to its movable property and real estate, subject to exclusions stated expressly in the policy.

In the financial year ended 31 December 2014, the main ongoing claims made by the Company under its civil liability policy related to the dispute between the Company and *Les Chantiers de l'Atlantique* (CAT) described in section 20.3 – *Judicial and arbitration proceedings* of the present Registration Document, and to damages caused by the movement of LNG to the primary membranes of LNG carriers built with the Mark III insulation system (described in Note 16 to the financial statements for the period ended 31 December 2014, appearing in section 20.1.1 – *Financial statements prepared in accordance with IFRS for the financial year ended 31 December 2014*). No claims were made in 2014 and the Group is not aware, at the date of filing this Registration Document, of any events likely to generate a claim.

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INFORMATION ABOUT THE GROUP



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5.1 History and development of the Group

5.1.1 CORPORATE NAME

The Company's corporate name is Gaztransport & Technigaz. It operates under the commercial name of GTT.

5.1.2 PLACE OF REGISTRATION AND REGISTRATION NUMBER

The Company is registered at the Trade and Companies Register of Paris under the number 662 001 403.

5.1.3 DATE OF INCORPORATION AND DURATION OF THE COMPANY

The Company was incorporated on 3 November 1965 for duration, after extension, up until 10 January 2065.

5.1.4 REGISTERED OFFICE, CORPORATE FORM AND GOVERNING LAW

The Company's registered office is located at: 1 route de Versailles, 78470 Saint-Rémy-lès-Chevreuse. The phone number of the registered office is +33 (0) 1 30 23 47 89.

From 19 September 1994, the Company was incorporated as a *société par actions simplifiée* (simplified joint stock limited liability company). It was converted into a *société anonyme* (joint stock limited liability

company) with a board of directors governed by the provisions of the French Commercial Code on 11 December 2013.

The main provisions of the applicable by-laws are described in Chapters 14 – *Administrative, management and supervisory bodies and general management*, 16 – *Board and management practices* and 21 – *Additional information* of the present Registration Document.

5.1.5 SIGNIFICANT EVENTS IN THE DEVELOPMENT OF THE GROUP'S ACTIVITIES

Gaztransport & Technigaz is a French engineering company specialised in designing containment systems with cryogenic membranes used to transport LNG and for onshore and offshore LNG storage.

The Company was formed through a merger between two French maritime engineering companies specialised in designing insulation systems for tanks of LNG carriers, namely Gaztransport and Technigaz.

Incorporation of Technigaz

In 1963, Gazocean, a shipowner, created a subsidiary called Technigaz dedicated to developing a new technology for the transport in carriers of liquefied petrol gas and LNG.

The company Technigaz went on to develop the containment system known as Mark I.

Between 1968 and 1972, 12 LNG carriers using the Mark I system and two ethylene onshore storage tanks designed by Technigaz were built.

Technigaz then continued its research in containment system design, including for the onshore installations sector, which helped it to keep its business going during the 1980s even when it did not have any orders for LNG carriers.

In 1983, Gazocean sold Technigaz to Amrep, a manufacturer of equipment for the oil and gas sectors. One year later, the Amrep group, experiencing financial difficulties, sold Technigaz on to the Bouygues group.

Incorporation of Gaztransport

Following the merger between Ateliers et Chantiers Navals de la Seine-Maritime with Chantiers Navals de la Ciotat in 1965, the newly formed group did not want to take on within the scope of their activities the special studies unit, which conducted research on a membrane technology for future LNG carriers. The Worms group then decided to retain this research unit and entrusted it to Gaztransport, a specially created subsidiary owned jointly by Worms (51%), Forges et Chantiers de la Méditerranée (24%), Ateliers et Chantiers de Dunkerque et Bordeaux (15%) and Gaz de France (10%).

Gaztransport went on to develop containment systems the known as NO 82 and NO 85.

Between 1969 and 1978, ten LNG carriers were built using the NO 82 and NO 85 systems developed by Gaztransport.

During the 1980s, Gaztransport continued its research in containment system design, including for the onshore installations sector.

In 1986, Gaztransport's shareholding structure changed, first with Gaz de France increasing its interest, then following disappearance of Normed (Chantiers du Nord et de la Méditerranée), which had been formed through a merger between Forges and Chantiers de la Méditerranée and Ateliers et Chantiers de Dunkerque et Bordeaux in 1982, its entire shareholding was transferred to Total. As a result of these changes, the Company's share capital was owned by Gaz de France (51%), Total (39%) and the Worms group (10%).

Creation and development of GTT

GTT was founded in 1994 through a merger between Gaztransport and Technigaz's maritime operations division, and its share capital is owned by Gaz de France (40%), Total (30%) and Bouygues Offshore (30%).

In 2002, Saipem acquired Bouygues Offshore and thus became shareholder of GTT with 30% of its share capital.

In 2008, Saipem sold this shareholding to H&F Luxembourg 1 S.à.r.l.

Development of the Company's activities

Following the merger between Gaztransport and Technigaz in 1994, the Company continued to develop and market both companies' longstanding respective technologies, namely the Mark system and the NO system.

The first order for the Mark III system was received in 1992, and the NO 96 system won its first order in 1994.

In parallel of the continued development of the Company's longstanding technologies, GTT also developed the CS 1 system, a new containment technology incorporating the specific technical features of both existing technologies. This technology has been implemented only to a very limited extent. At the date of this Registration Document, only three LNG carriers incorporating CS 1 containment system technology are in service, since GTT has stopped marketing it.

At the time of the merger between Gaztransport and Technigaz's maritime operations division in 1994, the onshore storage technology developed by Technigaz during the 1960s was transferred to GTT, and GTT then granted an exclusive licence to SN Technigaz, an EPC contractor and Bouygues Offshore subsidiary. Under an agreement signed in 2006, GTT and SN Technigaz put a premature end to this exclusive licence to enable GTT to regain exclusive rights to this technology. The Company then resumed its research activities with a special emphasis on making the onshore storage technology compliant with European standards EN 14620-1 dated 2006 and EN 1473 dated 2007 and resumed the marketing of its technology for onshore storage tanks again in 2009.

During 2011 and 2012, GTT launched its Mark III Flex and NO 96 Evolution technologies, which are enhanced versions of Technigaz's and Gaztransport's original technologies. The first order for the Mark III Flex system was received in 2011, and the NO 96 Evolution system won its first order in 2011 for both of its versions, *i.e.* NO 96 L03 and the NO GW system (for more detailed information about these technologies, see sections 6.6.1 – *Mark III series systems and development of the Mark V technology* and 6.6.2 – *NO 96* of this Registration Document). In March 2014, at the 4th Innovation and Technology seminar closing the Gastech exhibition (international conference and exhibition event for the LPG and LNG industry) in Seoul, South Korea, the Company presented NO 96 Max (the latest development of its NO 96 system) and extensions of the Mark V system for LNG carriers.

In February 2012, GTT created a wholly-owned subsidiary, Cryovision, which provides innovative services to shipbuilders and terminal operators. These services are intended to complement its membrane containment technology using the innovative MOON and TAMI integrity testing systems.

In July 2013, GTT set up a second wholly-owned subsidiary, GTT North America, incorporated in the US state of Delaware. GTT North America offers the Company a route into the highly dynamic North American LNG market (with a particular focus on bunkering). In 2014, GTT North America earned revenue of 171.7 thousand US dollars with a first deal related to a study on converting a vessel for a US customer. In addition, the GTT

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5.1 HISTORY AND DEVELOPMENT OF THE GROUP

North America teams extended their marketing development activity to the US. GTT North America has received approval in principle from the classification companies DNV GL and ABS for an LNG fuelling barge design. This design is the first of its type to be reviewed and approved by the US Coast Guard. Conrad, a US naval yard, intends to promote the design with its customers and has launched a qualification programme which led to a TALA licensing agreement signed with GTT North America in January 2015, making it the Group's first licensee in the USA since the 1970s. Conrad is seeking to profit from the new opportunities for using LNG as a fuel in the North American market. On 25 February 2015, GTT North America booked an order from Conrad for an LNG bunker barge, the first of its kind in the North American offshore market. The barge will be built using the innovative Mark III Flex containment technology that optimises the LNG evaporation rate and maximises the cargo volume available. The barge will also have an innovative bunker mast, REACH₄ (Refuelling Equipment Arm, Methane [CH₄]), developed by GTT which allows LNG to be transferred safely and simply to the customer's vessel.

At end-2013, GTT set up an entity in the UK. In June 2014, this was closed down and replaced by GTT Training Ltd, a wholly-owned subsidiary created by the Company.

GTT Training Ltd has four British employees who promote training services for gas officers working on LNG carriers and the associated simulation tools. Since being created, GTT Training Ltd has organised a dozen training sessions delivered either on-site at Saint-Rémy-lès-Chevreuse or at their customers' premises. GTT Training is also a member of the SGMF (Society for Gas as Marine Fuel) and has a representative on the Technical Committee. The SGMF is an NGO which aims to promote safety and good practice in the use of LNG as a marine fuel.

In 2014, the Company received ten orders for ice-breaking LNG carriers, followed by another five in early 2015, which allow companies to transport LNG *via* a new route which eschews the warm Southern seas and Suez canal for a route through the Arctic. These new-generation LNG carriers will be built in the Daewoo Shipbuilding & Marine Engineering shipyard.

In 2014, the Company also took its first order for six VLECs (Very Large Ethane Carriers), to be built by Korea's SHI yard for an Asian group. These new multi-gas carriers will be designed to carry not just ethane but also other gases in liquid form, such as propane, butane and propylene. The Company was also granted five approvals in principle from classification companies (ABS, BV, CCS, DNV and LR) for the transport of non-LNG liquefied gases.

GTT has embarked on a diversification of its activities over the last seven years, leveraging its expertise in cryogenic technology to develop, among other innovations, navigation software that can detect sloshing risks and optimise the shipping routes taken by LNG carriers. GTT is currently continuing its research not only in LNG carriers, but also in other areas in which its technologies could be employed and in particular in the area of LNG propulsion systems for vessels. Bureau Veritas has granted it AIP (Approval in Principle) for its improved-design 4,000 m³ bunker barge and leading classification companies have approved the design of a 2,200 m³ bunker barge for the American market as well as the REACH₄ bunker mast for vessels.

In terms of services, the Company has expanded its offering: as well as its historical maintenance services for vessels in service, the Company is now offering HEARS, an emergency helpline service launched by GTT in 2013 (see section 6.3.3.1 – *Services performed by the Group* in this Registration Document), and has received several orders from various shipbuilders to provide backup for 26 vessels. The Company has also filled out its training offer, and launched a training centre in the GTT head office. Finally, GTT and its subsidiary Cryovision have launched SloShield™, a real-time solution that monitors for signs of sloshing in LNG carrier tanks, including excess boil-off of LNG due to sloshing in the vessel's tanks.

5.2 Investments

5.2.1 HISTORIC INVESTMENTS

The investments made by the Company for the financial years ended on 31 December 2012 and 2013 respectively amounted to 2,732 thousand euros (excluding 9,000 thousand euros for acquisition of fixed financial assets) and 3,379 thousand euros (excluding 7,656 thousand euros for acquisition of fixed financial assets). These investments are primarily devoted to purchase of software, equipment and tools, office and IT equipment, furniture and fittings and fixtures for installations.

Investments made by the Company in the financial year ended 31 December 2014 totalled 6,953 thousand euros. These investments were mainly for fixtures and fittings (particularly in the new buildings at its Saint-Rémy-lès-Chevreuse site: offices and laboratory), and purchases of software, IT and laboratory equipment and office furniture.

5.2.2 INVESTMENTS IN PROGRESS

In the financial year ending 31 December 2015, the Company's main planned investments will focus on:

- ▶ office equipment;
- ▶ purchases of IT hardware and software; and
- ▶ purchases of testing equipment and equipment related to development projects.

Together, these investments are expected to total a maximum of 5.8 million euros.

The expansion of the office and laboratory sites where work started in 2014 and will continue in 2015 could generate an exceptional investment expense in 2015 of up to 3.7 million euros.

5.2.3 FUTURE INVESTMENTS

Although the Company has not given any firm commitment, it plans to continue investing in industrial tools and equipment and in particular in laboratory facilities for non-material amounts.



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6.1 GROUP OVERVIEW

This Chapter presents the sector of activities and the activities of the Group. It contains information relating to the sector and the segments in which the Group is present which comes from independent studies conducted at the Company's request, by Poten & Partners ⁽¹⁾ and

information provided independently by Wood Mackenzie and Clarkson Research (see Chapter 23 – *Information from third parties, expert opinions and declarations of interest* from this Registration Document).

6.1 Group overview

The Company is the worldwide leading provider in the sector of very low temperature, or cryogenic, LNG containment systems technology for the LNG shipping industry. It was founded in 1994 by the merger of Gaztransport and Technigaz, which together had more than 50 years' experience in the field of cryogenics and storage of liquefied natural gas.

The Company's containment systems are based around its Mark, NO and GST membrane technologies. These membrane containment systems offer safe and reliable transport and storage of LNG in bulk. They use thinner, lighter materials than competing containment systems, optimising the LNG storage capacity and reducing construction and operational costs of vessels and tanks. The Company's systems are the most widely used among shipyards and shipowners worldwide: according to the Company, in December 2014, over 72% of the world's LNG carrier fleet was equipped with the Company's membrane containment systems and, according to the Company, 90% of new LNG carriers, FSRU and FLNG vessels ordered worldwide between January 2008 and December 2014 included or will include its membrane containment systems.

The Company has licensed its membrane technology to leading shipyards worldwide, such as Samsung Heavy Industries, Hyundai Heavy Industries, Daewoo Shipbuilding & Marine Engineering, STX and Hudong Zonghua. These shipyards use the Company's technologies in their LNG carrier construction. The primary purchasers of LNG carriers equipped with the Company's technology are major gas companies, such as Qatargas, Shell, BP, BG Group, TOTAL, GDF SUEZ, Chevron, Eni and Petronas, and shipowners, such as Gaslog, Golar LNG and Maran Gas Maritime, which place orders for LNG carriers based on the requirements of the major gas companies.

The Company also provides engineering services, consultancy, training, support, maintenance and technical studies at all stages of the LNG chain. It has also adapted its technologies to be able to cover new markets for LNG, including the use of LNG as a fuel for vessel propulsion ("bunkering") and the development of small or medium size marine and river LNG carriers.

The Company has established three subsidiaries, in 2012, 2013 and 2014 respectively: Cryovision, based in Saint-Rémy-lès-Chevreuse (France), offering innovative services to shipowners and terminal operators, GTT North America, based in Houston (United States), which allows it to access the burgeoning LNG sector in North America (particularly bunkering) and GTT Training Ltd., based in London (United Kingdom), which develops the training activity designed to train officers operating on LNG carriers, as well as simulation tools in connection with this activity.

In 2014, the Company had revenues of approximately 227 million euros and a net profit of 115 million euros, compared with 218 million euros and 119 million euros, respectively, in 2013. The dividend paid for FY 2013 represented 100% of the Company's distributable net profit. In addition, the Company paid an interim dividend of 55.6 million euros in 2014.

At the Shareholders' Meeting on 19 May 2015, a dividend of 2.66 euros per share for 2014 will be proposed. The ex-dividend balance and cash payment of the final dividend in the amount of 1.16 euros per share will take place on 26 May and 28 May 2015 respectively (ex-dividend balance on 26 May 2015). This proposed dividend corresponds to a payout ratio of 80% of the distributable net profit, which complies with the long-term policy announced by the Company at the time of its floating on the Paris Stock Exchange.

(1) "LNG Carrier Market & Terminal Storage Forecasts" studies dated September 2013 and October 2014.

6.1.1 SECTOR OVERVIEW

Natural gas is, and should remain, the fastest-growing fossil fuel worldwide, primarily due to the ample resources of natural gas around the world, its cost competitiveness and relatively low carbon footprint and the phasing-out of nuclear power in certain countries.

Although the LNG market declined in 2012 (because of the low number of new projects and production difficulties encountered by existing projects), global LNG demand has increased steadily over the 2004-2014 period, at an average annual rate per year of 6.4%, according to Wood Mackenzie. Thus, the LNG sector has grown rapidly over the past 12 years, resulting in a substantial growth of the worldwide LNG carrier fleet over the same period, from 111 vessels on 31 December 2002, according to the Company, to 383 vessels on 31 December 2014.

Global LNG demand growth forecasts confirm this trend, with an annual growth rate of 5.6% per year, according to Wood Mackenzie, of 5.4% according to Poten & Partners in their base scenario and 6.2% in their strong activity scenario.

The growth of the LNG shipping industry has been, and is expected to continue to be, driven by the structural need for storage and shipping of LNG between import and export markets, the increasing demand for

LNG worldwide and the lengthening and increasing complexity of global LNG shipping routes. Poten & Partners accordingly projects between 239 and 307 orders for LNG carriers between 2015 and 2024. In addition to the increase in the number of LNG carriers, new floating platforms, such as FSRUs and FLNGs are being developed. The small and medium-sized LNG carrier boom is helping to promote the use of LNG in countries where the land-based infrastructure has not been or cannot be developed. This facilitates the maritime and inland waterway LNG trade in areas that are not accessible by conventional LNG carriers.

In addition to the growth in LNG shipping, the Company believes that new emission regulations enacted in 2008 by the IMO, which require reductions in sulphur emissions from maritime shipping, will increase the use of LNG as a marine fuel (bunkering) and drive further demand for LNG containment systems. As such, the new regulations on emissions from ships operating in ECAs (Emission Control Areas) came into force on 1 January 2015. It limits the allowable proportion of sulphur in discharges from ships to 0.1%, as against 1% since 2010. A directive stipulating a rate of 0.5% globally (and more particularly in ECAs) is scheduled to come into force in 2020, but with a possibility of postponing its application to 2025.

6.1.2 BUSINESS STRENGTHS OF THE COMPANY

- ▶ **Well-positioned to capitalise on the expected growth of the LNG sector.** The Company is the leading supplier of containment systems for LNG carriers and one of only two membrane containment system providers in the LNG shipping industry, along with Korea Gas Corporation (KOGAS) and its KC-1 technology launched in January 2015. The Company estimates that approximately 270-280 new LNG carrier vessels ordered worldwide between 2015 and 2024 are or will be equipped with its membrane containment systems, and believes, as does Poten & Partners, that it will remain the dominant supplier of LNG containment systems in the short- and medium-term. In addition, the Company's membrane technology is currently used by over 80% of the world's existing FSRU fleet and it has become the number one choice for FLNGs. This unique position will allow the Company to continue to benefit from the growth of the global LNG sector.
- ▶ **Close and lasting relationships with major shipbuilders, shipowners, terminal operators, classification societies and LNG transportation companies, including gas companies.** The technologies developed by the Company have been recognised and recommended by all major gas production companies worldwide, enabling shipowners whose vessels are equipped with the Company's technologies to do business with these companies. The Company provides its shipyard clients with engineering, technical and construction services that enable them to make full use of its systems, while at the same time providing ongoing training and support services during the working lifetime of its products. For shipowner end-users of the Company's technology, the Company provides customised

in-service support and fleet maintenance. The Company has also established close relationships with the principal LNG classification companies in order to establish safety rules for vessels using its technology and assist in inspections during and after ship construction.

- ▶ **An industry-critical proprietary technology, strong patent portfolio and unparalleled know-how.** The Company's proven membrane containment systems, critical to the shipping industry, have met with indisputable success. The Company's membrane containment systems are less expensive to build and operate than those using competing technologies and allow more LNG to be stored per unit volume in a given vessel. In addition, the membrane technology developed by the Company has a modular design allowing for flexible assembly in vessels of all sizes without significant capital expenditures. The Company's unparalleled experience and know-how has allowed it to gain the confidence of shipyards and shipowners worldwide. The Company's technologies are protected by a strong patents portfolio. On 31 December 2014, there were 690 patents active or pending registration in nearly 78 countries. The Company's patents have an average validity period of 15.5 years. In addition, the Company continually invests in research and development in order to improve its technologies and protect its market-leading position. The Company believes that the risk that a competitor could rapidly launch the commercialisation of a new LNG containment technology and obtain orders immediately is not material. Indeed, the requirements of gas companies and those attached to the mandatory certification procedure of the classification companies in order to allow shipyards

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6.1 GROUP OVERVIEW

to build vessels integrating LNG containment technology are high and the process of certification and approval of a new technology may last several years. In addition, commercially, given the drastic consequences of the failure of an LNG containment system and the low cost of the Company's membrane technology relative to the cost of the LNG carriers in which it is installed, and the LNG cargo which they carry, the Company believes that its customers would continue to favour the long-standing success of the Company's membrane containment systems and the Company's industry expertise.

- ▶ **Attractive, cash-generative and high-dividend business model.** In 2014, approximately 95% of the Group's revenues are derived from licence fees paid by customers who use the Company's technology. Additionally, the Company's cost base is primarily fixed resulting in high operating leverage. The Company's activity generates high margins and requires relatively low capital expenditures. The Company's working capital is structurally negative as a result of the contractual payment structure most often used by the Company, with royalties paid in several instalments across the lifetime of the project. In addition, the Company's core business benefits from an attractive French tax regime with respect to royalty income that is designed to encourage research and development. The Company has no debt and, in 2014, generated total free cash from operations of 113 million euros. It has historically paid out all of its corporate net income as dividends to its shareholders, except (i) for 2009, when half of this net income was incorporated into reserves which were then distributed in December 2011 and (ii) in 2014, for which it is proposed to the Shareholders Meeting of 19 May 2015 that they declare a dividend of 2.66 euros per share, which equals a distribution rate of 80% of distributable corporate net income. The Company intends to continue to pay out a substantial portion of its profit available for distribution as dividends in the future (see section 12.2.5 – *Outlook for dividend policy* of this Registration Document).
- ▶ **Strong order book and high future revenue visibility.** As of 31 December 2014, 96 LNG carriers, 6 very large ethane carriers (VLEC), 6 FSRUs, 3 FLNGs and 3 onshore storage tanks, which are being built by 6 shipyards and 2 EPC contractors and are due to be delivered between 2015 and 2020, will be equipped with the Company's membrane containment systems. During 2014, 24 LNG carriers and 6 FSRUs were delivered and the Company recorded 36 new orders for LNG carriers, 6 VLECs, 3 FSRUs, 1 FLNG and 1 onshore storage tank. As at the date of filing this Registration Document, the Group has recorded 20 new orders for LNG carriers, 5 new orders for icebreakers and one order for a LNG bunkering barge. For illustrative purposes, for LNG carrier orders received during 2014 (with an average capacity of about 173,700 m³, the Company generated an average revenue per order of about 7.5 million euros, excluding feasibility studies (see Chapter 3 – *Selected financial information – Operating data for the LNG carriers* covered by this Registration Document). As of 31 December 2014, the Company believes that its current order book will result in secured revenues of approximately 209, 222, 109, 34 and 16 million euros in 2015, 2016, 2017, 2018 and 2019 respectively and 1 million euros in 2020. (see section 12.2.2 – *Outlook for the order book* with this update of the Registration Document).
- ▶ **Leader in the research and development of LNG storage and transport technologies.** During 2014, the Company spent 20.6 million euros on its research and development program. This program aims to develop the existing technologies of the Company to meet the needs of the bunkering, small and medium size tankers and onshore storage sectors. As of 31 December 2014, the Company's research and development team consisted of 115 engineers and technicians. The Mark III Flex technology was launched successfully in the second quarter of 2011 and had generated 60 orders as of 31 December 2014. The NO 96 Evolution technology was launched in the second quarter of 2011 and had generated 33 orders (23 NO 96 GW and 10 NO 96 L-03) as of 31 December 2014. The Company has also developed technical solutions to manage the "sloshing" of LNG in transit, including a monitoring software (SloShield™) intended to optimise the routes of ships depending on weather conditions and minimise LNG sloshing. Through its subsidiary, Cryovision, the Company has also developed innovative tools and services designed to complement its membrane technology, such as its innovative membrane integrity tests MOON and TAMI.
- ▶ **Experienced and capable engineering team.** The members of the Group's engineering team, graduated from leading French and international schools and are highly experienced in the containment systems industry, with significant experience in oil and gas as well. The expertise mastered by these engineers is most extensive: expertise in naval architecture, structural calculations, hydrodynamics and material sciences (metallurgy, polyurethanes, wood).

6.1.3 THE GROUP'S BUSINESS STRATEGY

- ▶ **Reinforce sustainable position in growing LNG industry by focusing on innovation to meet needs of shipowners, shipbuilders, EPC contractors, terminal operators and main LNG companies.** The Group's strategy is primarily focused on innovation. The Company believes that the benefits of its membrane technology will allow it to consolidate its position as world leader in the design of containment membrane systems for the LNG industry. Poten & Partners (i) forecasts that the Company will maintain its current position for LNG carrier orders until 2024 (see section 6.2.2.1(b) – *Forecasts for the LNG carrier segment* from this Registration Document), (ii) believes that GTT technologies will be used mainly to build new FSRUs, unless a credible technology appears (see section 6.2.2.2(b) – *Forecasts for the FSRU segment* from this Registration Document) and (iii) believes that GTT's experience in the industry and its relations with the various players in the sector will position GTT favourably in the FLNG segment over the long term (see section 6.2.2.4(b) – *Forecasts for the FLNG segment*

from this Registration Document). To maintain this leading position, the Company is highly committed to innovation in order to adapt to the needs of shipyards, shipowners and terminal operators at all key stages of the LNG chain. It offers particularly flexible storage solutions adaptable to changing LNG needs, while meeting the high security conditions in which LNG carriers and operators work. The Company also maintains close relationships with all major classification companies and major gas companies worldwide in order to support the approval and prescription of its membrane containment systems. This focus on innovation, reflected by the 53 million euros that the Company has invested in research and development from 2012 to 2014, has resulted in a significant ongoing renewal of its patent portfolio and has contributed to its substantial lead over its competitors in the LNG shipping industry.

- ▶ **Capitalise on the expected strong growth of LNG bunkering, small- and medium-size carrier, onshore storage and cryogenic pipelines markets.** The Company intends to further drive the adoption of its membrane technology in the LNG shipping and storage industry by developing its technologies and services in related markets, including LNG bunkering, small and medium-size carriers, onshore storage and cryogenic pipelines. It considers in particular that it is in an ideal position to increase its presence on the LNG bunkering market.

Its membrane technology offers patently superior efficiency, reliability and cost savings versus competing technologies and the Company expects that its first full LNG bunkering solutions will be implemented from 2015 onwards.

- ▶ **Expand the provision of related high value-add services.** The Company intends to increase its services revenue base through the consistent delivery of innovative market-leading engineering, training, consultancy and support services to shipowners, shipbuilders, terminal operators and gas companies. It offers training for users of its products and technologies at all levels of the LNG value chain, and has focused on providing engineering and consulting services designed to meet the needs of shipbuilders and shipowners in the LNG industry. The Company has focused in particular on the development of innovative tools and services, such as MOON, its monitoring software, and TAMI, which will allow it to meet better the needs of customers who use its membrane containment systems. During the preparation for a planned build, and then during the various project phases, the Company assists shipyards and shipowners with tank optimisation or *ad hoc* studies, as well as providing detailed engineering services, based on the main characteristics, hardware specifications and project approvals. The Group is also seeking to consistently emphasize the delivery of excellent service to terminal operators and gas companies.

6.2 Presentation of the sectors in which the Group operates

6.2.1 THE LNG SECTOR

LNG is natural gas (methane) which has been liquefied through cooling to a temperature of -163°C . LNG is odourless, colourless, non-toxic, non-corrosive and has a volume approximately 600 times smaller than gaseous methane. Natural gas is liquefied in LNG liquefaction plants, which allow it to be contained and shipped between regions in liquid form within LNG carriers. After shipping, LNG is returned to a gaseous state in re-gasification terminals which gradually warm the liquid until its temperature rises above 0°C , with the natural gas then typically transferred into distribution networks or consumed.

As gas, natural gas can only be transported by pipeline. Geopolitical, geographic and economic factors can deter investment into and operation of this infrastructure. LNG is an attractive alternative to natural gas (in gaseous form) in countries that want to avoid pipeline dependence given the associated geopolitical risks, as well as in regions where gas pipelines would be uneconomical (e.g. deepwater, Arctic and remote field locations). LNG also allows producers operating in saturated energy markets to export natural gas to more commercially attractive locations.

In 2014, the main LNG producing regions were Qatar, Malaysia, Australia, Nigeria and Indonesia.

The main LNG importing region in 2014 was Asia, which concentrates more than 75% of demand. Within this region, Japan, South Korea and China account respectively for about 37%, 16% and 8% of global demand. The second importing region is Europe, with 14% of world demand, with Spain, the United Kingdom, France and Italy accounting for more than 90% of this area in 2014.

6.2.1.1 Overview and trends in the natural gas sector

Natural gas is, and is expected to remain, the fastest-growing fossil fuel, with global consumption set to increase at an estimated average annual rate of 1.6% from 2012 to 2040 against 0.5% for coal and liquid fuels over the same period ⁽¹⁾. The share of gas in the global energy mix is set to rise from 21% in 2012 (against 31% for liquid fuels, 29% for coal, 5% for nuclear power and 14% for other energy sources, based on the primary energy total demand of 529 quadrillion Btu) to 24% by 2040 ⁽¹⁾ (based on 725 quadrillion Btu). Over the whole period from 2012 to 2040 ⁽¹⁾, gas is

expected to be the number three fuel consumed in the world, with about 860 quadrillion Btu in 28 years, after oil and coal.

The high growth of natural gas consumption relative to other fossil fuels is driven by a number of factors:

- ▶ abundant and well distributed resources: remaining resources are equivalent to more than 230 years of global consumption at current rates, with recent significant upward revisions to estimates of the amount of conventional/unconventional gas recoverable globally. In the US, unconventional gases, including shale gas, tight gas and coal bed methane also continue to account for a growing proportion of resources ⁽²⁾;
- ▶ competitive costs: natural gas is cheaper than oil in many regions despite the fall in oil prices. Natural gas is also an attractive fuel for new power generation plants due to its higher average thermal efficiency versus coal;
- ▶ a reduced carbon footprint compared to other hydrocarbon fuels: natural gas has a low carbon footprint compared to coal and oil. This makes it an attractive source of fuel in countries where governments are implementing policies to reduce emissions of greenhouse gases;
- ▶ progressive phasing-out of nuclear power: various countries, such as Germany, Switzerland, Belgium and Italy have accelerated the phasing-out of nuclear power since the Fukushima disaster, or have attempted to reduce the contribution of nuclear power within their domestic energy mixes.

6.2.1.2 LNG supply

LNG supply includes existing liquefaction projects, with growth driven by new liquefaction projects commencing operations as well as the expansion of existing installations. Global LNG supply has increased steadily from 2004 to 2014, with average annual growth of around 6%.

This growth reflects expansion in current core producing regions including Qatar, Malaysia and Australia, as well as supply increases in new growth areas such as Russia and Nigeria.

(1) *World Energy Outlook, EIA 2014.*

(2) *World Energy Outlook, EIA 2012.*

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LNG supply growth forecasts confirm this trend, with an expected annual average growth of 5.5% on average in Poten & Partners' base scenario, and 6.0% in the strong growth scenario.

The decline in the price of oil has no direct impact on the price of LNG in the United States and Canada, since in that region the price of natural gas is governed by the local market, *i.e.* where it balances supply and demand. The Henry Hub price remains the benchmark. In Asia, the decline in oil prices has caused a drop in LNG prices. The spot rate fell from \$14/Mbtu in September 2014 to about \$7/MBTU in early April 2015, due to the shift in demand from LNG to LPG, crude and petroleum products. Short-term contracts, which are directly indexed to the price of oil, have already been impacted by the price drop. Long-term contracts are directly indexed to the price of oil, but with a lag of a several months (6-9 months). This type of indexing is quite controversial. Discussions are under way to index the price of LNG to other products.

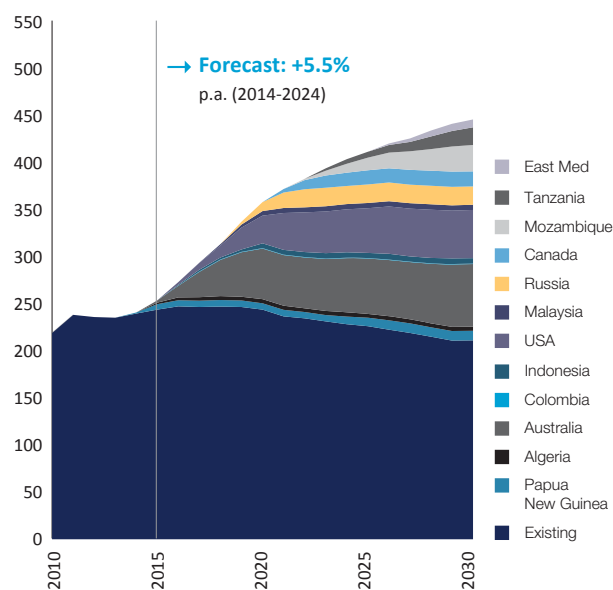
This drop may make LNG projects, depending as they do on these prices, less profitable, which could mean delayed decisions as to the startup of

certain projects. Some of the larger investment projects in Australia have been suspended, being also impacted by competition from U.S. brownfield projects, where only the liquefaction trains remain unbuilt. Moreover, despite its low price, gas in the United States may be more expensive than the price of "Asian" LNG, after adding costs for liquefaction and transportation. For this reason the investment decisions on a number of projects in the United States have been postponed.

Nonetheless, this does not cast doubt on the forecasts for increased supplies of LNG in the long term, which are driven by a growth in total demand (see section 6.2.1.3 of this Registration Document).

Furthermore, it is the Company's belief, since investment decisions about LNG terminal projects are not tied to annual decisions (as opposed to exploration or production projects, for example), that the decline in oil prices has no direct or indirect impact on the level of investment in LNG projects.

BASE CASE - GLOBAL SUPPLY FOR LNG BY POTEN & PARTNERS (IN MTPY)



Source : Poten & Partners.

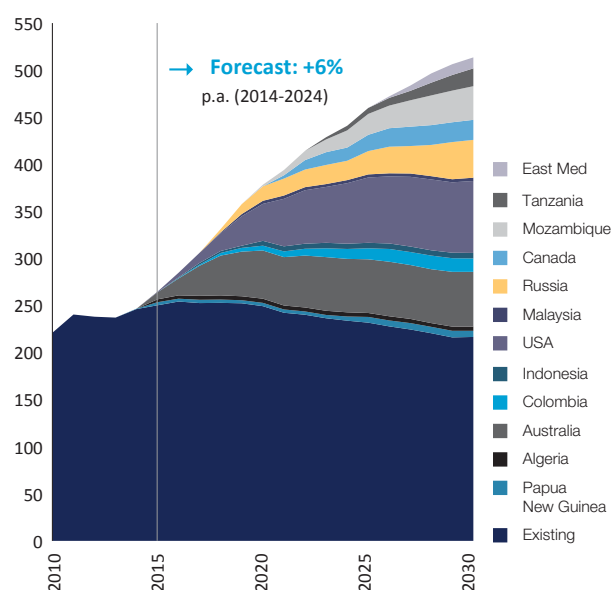
(a) Significant current LNG supply regions

(i) QATAR

Qatar accounted for approximately 32% of effective global liquefaction supply in 2014, 26% nominal, and continues to be the world's largest producer of LNG. The region is home to the North Field, the world's largest gas field. According to the Company, significant increases in Qatar supply from 2009 to 2012 (37 Mtpy to 77 Mtpy) reflect the start-up of Qatargas 2, 3 and 4, three enormous liquefaction projects, which are fully integrated in the North Field production site. This production has remained relatively stable since, reaching 77.2 Mtpy in 2014.

According to the Company, Qatari LNG production should remain stable in the medium term. However, debottlenecking of the facilities could lead

HIGH CASE - GLOBAL SUPPLY FOR LNG BY POTEN & PARTNERS (IN MTPY)



to an increase in supply of around 7 Mtpy, according to the Company, from 2019 onwards. Debottlenecking involves replacing and upgrading key equipment (such as compressors and turbines) within an existing liquefaction plant, to increase supply capacity. Such steps have been previously completed at Qatar projects, with the capacity of Qatargas 1 increased through debottlenecking in 2005.

In addition, two expansion projects should increase longer-term production capacity. By 2024, Qatargas-1 Extension, with production starting in 2022, and RasGas-1 Extension, by 2026, could add 9 and 6 Mtpy respectively at full operating capacity. However, the Company has noted that this increase in production, will probably not be enough for Qatar to hang onto its status as the world's leading LNG producer.

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(ii) MALAYSIA/INDONESIA

Significant legacy projects include the Malaysian MLNG complex (approximately 24 Mtpy supply in 2014) and the Indonesian Bontang project (10 Mtpy supply in 2014).

Future supply growth is planned from installation of a ninth LNG train at the existing MLNG facility in Malaysia. The state-owned gas company PETRONAS is also developing a FLNG solution to target offshore gas reserves, with this two-stage project receiving FID approval in June 2012.

In Indonesia, expected production for the period from 2014 to 2034 will fluctuate between 16 Mtpy in 2019 and 25 Mtpy in 2023, with an average of 21 Mtpy this period. New facilities will alleviate the fall in Bontang production – significant until 2019, when it is expected to reach its minimum at 6.4 Mtpy. These projects are planned from 2015 to 2030 and should provide an average of 2 Mtpy from 2015 to 2020, 7 Mtpy from 2021 to 2030 and 16 Mtpy beyond.

(iii) AUSTRALIA

Australia accounted for approximately 9.7% of global liquefaction supply in 2014 with the North West Shelf, Darwin and Pluto projects. The region has large reserves of conventional gas and coal bed methane.

According to the Company, approximately 65% of global liquefaction capacity under construction is located in Australia. This country should provide 18% of the increase in global LNG production capacity, from 242 Mtpy to 596 Mtpy over the period 2014-2024, and 22% over the next decade. Significant projects, such as Gorgon, Wheatstone, Ichthys, and the planned Prelude FLNG unit targeting gas-condensate fields in the offshore Browse Basin have a combined forecast supply of 39 Mtpy in 2025. Given this surge, Australia is expected to surpass Qatar and become the world's largest LNG producer in 2018 and 2019 before being overtaken by the United States of America.

Gorgon is located off the northwest coast of Australia, and will be supplied with gas from the Gorgon and Jansz-lo fields which will be tied back to three processing trains. The production volume is expected to reach 20 Mtpy in 2025. In 2014, most of this LNG production was sold under long-term contracts to Asian buyers, but this share is expected to decrease in the coming years.

Moreover, coal bed methane is the source of the Queensland Curtis LNG (QCLNG), Gladstone LNG (GLNG) and Australia Pacific LNG (APLNG) projects. The QCLNG project is a plan to convert CBM into LNG, which will include two processing trains, which will, initially, extract gas in the Surat Basin and then liquefy it on Curtis Island.

The GLNG and APLNG projects are also plans to convert CBM into LNG, but are smaller in size. Located on or facing Curtis Island in Queensland, the geographical proximity of the three projects and the possible expansion of their facilities could be used to link them together. For these projects, purchase contracts were signed with CNOOC, Tokyo Gas, Chubu Electric, Kansai Electric and Sinopec Group, as well as with British Gas – Singapore Gas Mark and British Gas. Production volumes are expected to reach about 20 Mtpy from 2018 to 2024 and 31 Mtpy after 2025.

(iv) NIGERIA

Nigeria accounted for about 7.8% of the world supply of liquefaction in 2014. However, LNG production is expected to remain stable over the period 2015-2020, on average 20 Mtpy, and then grow in two phases, first by developing the Brass LNG project, from 2021 to 2024, and then with a new extension of Nigeria LNG, "Seven Plus". This should bring Nigeria's production capacity to approximately 30 Mtpy from 2021 to 2024, then about 38 beyond, then accounting for between 6 and 7% of global capacity.

(v) RUSSIA

Russia accounted for approximately 6.5% of global liquefaction supply during 2014, mainly from the Sakhalin 2 project, located close the northern coast of Japan.

Three planned liquefaction plants are forecast at the date of this Registration Document. The Yamal LNG project, located on the Arctic coast of Russia, aims to use the gas from South Tambeiskoye field for LNG production. Operation should start in 2019 and provide about 15 Mtpy in 2022. The Vladivostok project is expected to start operating in 2022 and provide 10 Mtpy by 2025. Finally, the Far East LNG project is expected to offset the decline in productivity of Sakhalin 2 from 2026. Each of these projects faces individual complexities given the extreme Arctic temperatures. However, LNG projects are backed by responsible policies and the Russian government provides support to the region, including tax incentives, as well as through the partial funding of certain building projects, which are expected to encourage supply growth.

As at the date of this Registration Document, sanctions imposed by the United States of America and the European Union against Russia and/or some Russian gas companies have no material adverse effect on GTT's activities in Russia and/or on behalf of Russian clients.

Total production in Russia is expected to reach about 30 Mtpy in 2022 and to average 33 Mtpy beyond. New technology LNG icebreaker carriers are needed to ship this LNG into Asia and Europe.

(b) Emerging LNG supply regions

(i) UNITED STATES OF AMERICA AND NORTH AMERICA

US unconventional and shale gas production has grown rapidly since 2008 thanks to technological advances in horizontal drilling and hydraulic fracturing. The US is the world's leading shale gas producer, which has led to an abrupt reduction in gas imports and is expected to result in the region becoming a net LNG exporter in the medium term.

A number of US liquefaction export projects, mostly involving conversion of existing LNG re-gasification ("brownfield") terminals, are at an advanced stage. Sabine Pass (forecast capacity of 27 Mtpy in 2021) is the first US project to receive approval from both the American Department of Energy ("DOE") to export LNG to FTA / non-FTA regions and from the Federal Energy Regulatory Commission ("FERC") to construct and operate an LNG export project.

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Several projects have recently received final approval from FERC, including the Cameron, Cove Point and Freeport projects. Among other significant projects, it is worth mentioning the Corpus Christi Project and its three liquefaction trains, with equivalent total capacity of 13.5 Mtpy in 2021, according to the FERC. Corpus Christi received approval in January 2015 FERC and is awaiting DOE approval for export to countries

without a free trade agreement with the United States of America, should be noted.

The progress of LNG export projects in the US as of end January 2015 is summarised in the table below. It takes into account approval by the FERC in June, July and September 2014 of the Cameron, Freeport and Cove Point projects and, in January 2015, that of Corpus Christi.

STATUS OF LNG EXPORT PROJECT APPROVALS IN THE UNITED STATES OF AMERICA

Projects	Object	US Department of Energy				Federal Energy Regulatory Commission		Expected capacity (Mtpy) ⁽¹⁾ /year	Status ⁽²⁾
		Export to area with free trade agreement		Export to area with no FTA		Subject	Approved		
Gulf of Mexico (Main Pass McMoran Exp.)	Import	✓	✓	✓	✓	✓	✓	10.5/na	Not under construction
Offshore Florida (Hoëgh LNG – Port Dolphin Energy)		✓	✓	✓	✓	✓	✓	8.4/na	Not under construction
Gulf of Mexico (TORP Technology-Bienville LNG)		✓	✓	✓	✓	✓	✓	9.7/na	Not under construction
Corpus Christi (LNG), TX (Cheniere)		✓	✓	✓	✓	✓	✓	3/na	Not under construction
Sabine Pass LNG, LA (Cheniere)	Export	✓	✓	✓	✓	✓	✓	18/2019	Under construction (phases 1 and 2)
Cameron LNG – Hackberry, LA (Sempra)		✓	✓	✓	✓	✓	✓	13.5/2020	Under construction
Cove Point LNG, MD (Dominion)		✓	✓	✓	✓	✓	✓	5.25/2020	Under construction
Freeport LNG, TX (Dev/Expansion/FLNG Liqu.)		✓	✓	✓	✓	✓	✓	15/2020	Likely development
Corpus Christi LNG, TX (Cheniere)		✓	✓	✓	✓	✓	✓	13.5/2021	Likely development
Lake Charles, LA (Southern Union – Trunkline LNG)		✓	✓	✓	✓	✓	✓	2.5 ⁽³⁾ /2019	Likely development
Sabine Pass – Golden Pass, TX (ExxonMobil)		✓	✓	✓	✓	✓	✓	15/2021	Possible
Sabine Pass, LA (Sabine Pass Liqu.)		✓	✓	✓	✓	✓	✓	9/2020	Possible
Jordan Cove – Coos Bay, OR (J. Cove Energy Project)		✓	✓	✓	✓	✓	✓	6/2020	Possible
Astoria, OR (Oregon LNG)		✓	✓	✓	✓	✓	✓	9.6/2021	Speculative
Lavaca Bay, TX (Excelerate Liqu.) ⁽⁴⁾		✓	✓	✓	✓	✓	✓	4/2021	Speculative
Lake Charles, LA (Magnolia LNG)		✓	✓	n/a	✓	✓	✓	8/2020	Speculative
Pascagoula, MS (Gulf LNG Liqu.)		✓	✓	✓	✓	✓	✓	11.5/2023	Speculative
Plaquemines Parish, LA (Louisiana LNG)		✓	✓	✓	✓	✓	✓	2/2021	Speculative

Source: GTT summary, from DOE and FERC information. DOE information as at 31/12/2014, FERC as at 06/01/2015.

(1) Source: FERC, January 2015.

(2) Source: Wood Mackenzie.

(3) Application on hold until April 2015.

(4) +10 Mtpy in possible development.

Definition of status:

- Speculative: in reference to the state of a LNG supply proposal: either a) a draft that lacks any reasonable definition in terms of participants, structure and/or underlying gas resources or b) a defined project where, in the opinion of Wood Mackenzie, one or more questions or major challenges are preventing the project from moving forward substantially.
- Under construction: means a project in development.
- Possible: projects that have a high degree of uncertainty and are usually at a very early stage of development.
- Probable: field that has not yet begun its development, but is included in long-term plans and Wood Mackenzie expects their development in their basic assumption.
- Operational: reference to an asset that is put into production or commissioned.

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The Company notes that at the end of December 2014, some projects are listed by the DOE as proposed, but still subject to approvals (including Astoria, Lavaca Bay, Lake Charles, Pascagoula, and Plaquemines Parish) for a projected total potential production of approximately 36 Mtpy by 2025. The Company also notes that Exceleerate asked the DOE in early January 2015 to freeze applications for its Lavaca Bay project until April 2015, pending an improvement in market conditions or renewal of the interests of the counterparties. This project, for approximately 4 Mtpy in 2021, should have been Cheniere's first production centre in the United States of America for export.

US exports are currently expected to target distant, high demand Asian markets. US shale gas production levels led to a reduction in the price of natural gas in the United States of America (Henry Hub) of 8 US dollars/Mbtu on average over the period 2005-2008 to about 4 US dollars/Mbtu over the period 2009-2014⁽¹⁾. At the same time, natural gas price differentials in various markets were multiplied by 2.5. Gas prices in Japan rose from 8 US dollars/Mbtu on average over the period from 2005 to 2008 to about 14 US dollars/Mbtu over the period 2009 – 2014. In fact, despite the great distance, and beyond the current decline in spot prices (20 February 2015, the Henry Hub price closed at 2.7 US dollars/Mbtu and LNG Asia at 7.7 US dollars/Mbtu), the Company considers that these exports are expected to remain attractive in the medium term. According to Wood Mackenzie, excluding possible and speculative projects, and keeping only the projects under construction and likely developments, the overall effective supply of LNG from the United States of America is expected to reach about 38 Mtpy in 2019 and to stabilise at about 64 Mtpy beyond 2021. These projects, five in number, are those of Sabine Pass, Cameron, Cove Point, Lake Charles and Corpus Christi.

In Canada, among 29 export projects identified by the National Energy Board of Canada in late November 2014, nine have obtained their licences. Among these Kitimat LNG, LNG Canada, Pacific North-West LNG, Prince Rupert LNG and Woodfibre LNG, should generate overall over 50 Mtpy from 2025, the first four before then producing 12 Mtpy on average.

Located in British Columbia and Alberta, on the west coast of Canada, these projects will be supplied by gas from fields located in the Horn River, Montney, Duverney, Cordova Embayment and Liard basins. Kitimat was initially planned as a re-gasification terminal, with growth in US unconventional reserves leading to a change in planned use for the facility. The LNG produced is contracted with Apache and Chevron. LNG Canada is meanwhile under contract with KOGAS, Mitsubishi Corp., PetroChina and Shell. Pacific Northwest LNG is contracted primarily by Petronas, Sinopec Group and Indian Oil Corp. Finally, Prince Rupert should be fully contracted by British Gas.

(II) EAST AFRICA

Mozambique and Tanzania currently do not supply LNG, but new LNG projects are being evaluated following discoveries of significant offshore gas reserves since 2009.

Recent discoveries of gas deposits have increased Mozambique's natural gas reserves to approximately 2,830 bcm in January 2014, compared with 140 bcm last year. Prospecting continues and new discoveries have already placed proven gas reserves in Mozambique third in Africa, behind Nigeria and Algeria⁽²⁾, with nearly 4,245 bcm⁽³⁾. Production is expected to reach 20 Mtpy between 2022 and 2027 and then about 30 Mtpy after 2029.

In Tanzania, the country adjoining Mozambique, the country's total reserves are still being evaluated and its production was consumed locally until recently. However, since 2010, British Gas and Ophir, as well as Statoil and Exxon Mobil, have discovered gas fields that reach a total capacity of about 850 bcm⁽²⁾. The local government is working with these companies to develop liquefaction capacity for export. The production of this country should reach 10 Mtpy in 2024 and 20 Mtpy after 2029.

Following resource discoveries in Mozambique, significant offshore research campaigns have been undertaken in Kenya. Apache's Mbawa-1 well has recently demonstrated the presence of gas and many prospecting operations continue, led by Afren, Anadarko, British Gas and FAR. The Company notes however that, despite extensive prospecting programs up to 2012, confirmed gas resources of this country are still minor in the region.

(III) EASTERN MEDITERRANEAN

Cyprus and Israel currently do not supply LNG, but significant volumes of gas have *been discovered* off-shore in the Eastern Mediterranean. Significant fields discovered within the region include Tamar, Leviathan and Aphrodite, with total discovered gas resources estimated at 850 bcm.

A proportion of the gas volumes produced from the Eastern Mediterranean are expected to be reserved for Israeli consumption. The allocation of volumes reserved for domestic consumption is currently uncertain, however given the scale of the gas resource and Israeli energy requirements, there is potential for significant quantities of LNG to be exported to Asia and Europe.

Put into operation in 2013, the Tamar field supplies Israel with natural gas, and has replaced supplies from the Mari-B field, discovered in 2000 and in which production collapsed in 2012. Regarding the Leviathan field in the Levantine basin, ownership remains disputed by Lebanon, Cyprus and Israel. Given the size of this deposit, recently revised upward to about 620 bcm, an export solution will certainly be sought. Leviathan production could reach about 15 Mtpy by 2016.

Currently, the only gas discovery in Cyprus is the Aphrodite field which was found in December 2011. Domestic gas demand is limited, a viable solution for exporting the gas discovered will be necessary. Cyprus plans to have one train in the field's first phase, though additional trains could be added in subsequent phases. Aphrodite is expected to start production in 2017⁽⁴⁾.

(1) According to the EIA, the average monthly import price for LNG based on delivered ex ship prices.

(2) Energy Information Agency of the Ministry of Energy of the United States of America and BP Statistical review of world energy, June 2014.

(3) The Deloitte Guide to Oil and Gas in East Africa, Deloitte, 2014.

(4) Energy Information Agency of the Ministry of Energy of the United States of America.

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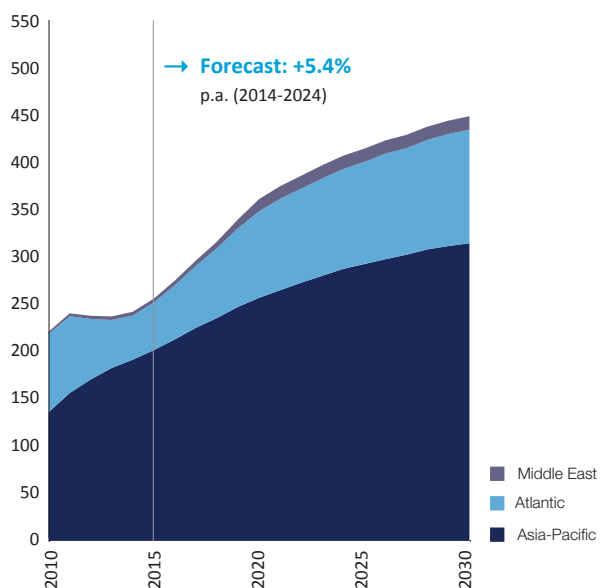
(IV) OTHER REGIONS

Another large LNG producing region, Papua New Guinea, has integrated production, liquefaction and gas storage facilities. Two projects, Gulf LNG and Papua New Guinea LNG Extension, should contribute about 4 Mtpy each by 2023. The main customers of these projects are ExxonMobil, National Petroleum Co. of Papua New Guinea, Oil Search and Total.

In West Africa, the Angola project commenced operations in Angola in 2013. Under contract with Chevron, Sonangol Gas Natural, ENI, Total and BP, it supplies Europe, Asia and Latin America. Its extension, Angola Additional, should start producing in 2027 and eventually contribute 5 Mtpy.

A separate liquefaction project in Equatorial Guinea, the EG LNG project, in operation since 2007, distributes LNG directly to BG under a long term supply contract. Its production has stabilised at about 3.5 Mtpy and should remain at this level until 2020. There is an extension project for another block of the basin, and this is expected to produce 2.5 Mtpy from 2021. In Cameroon, the Cameroon LNG project is expected to produce about 3.5 Mtpy from 2023 onwards. More than 75% of this is under contract to GDF SUEZ.

BASE CASE - GLOBAL DEMAND FOR LNG BY POTEN & PARTNERS (IN MTPY)



Source : Poten & Partners.

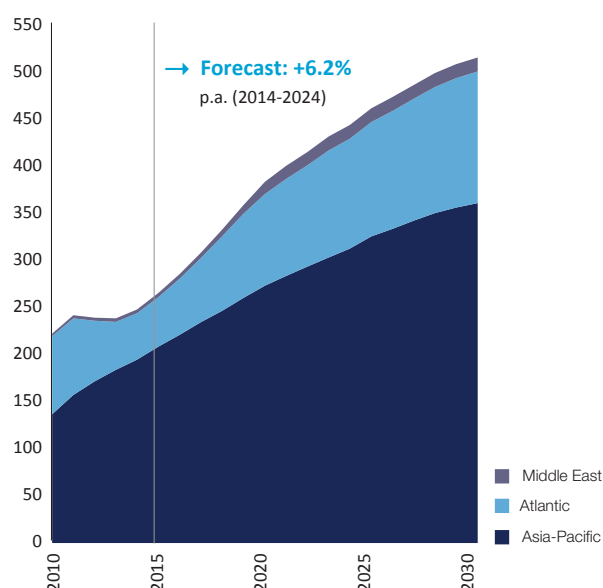
In Latin America, a single train liquefaction plant has been in operation in Peru since 2010 and produces about 4 Mtpy. In Trinidad & Tobago, a four train facility has been in operation since 1999, selling LNG into Spain and North America. These projects are expected to reach a maximum production volume of 19 Mtpy in 2016 ⁽¹⁾.

6.2.1.3 LNG demand

Global LNG demand has increased from 2000 onwards at an average annual growth of 6.3% in the period to 2014, from 100 Mtpy to 240 Mtpy. According to Poten & Partners' base scenario, this increase is expected to continue at a rate of 5.4% on average over the next ten years (2014-2024) or 6.2% under its strong growth scenario.

Around half of global demand comes from Japan and South Korea, according to the IEA's World Energy Outlook. Demand in China and India is rising fast.

HIGH CASE - GLOBAL DEMAND FOR LNG BY POTEN & PARTNERS (IN MTPY)



(1) Source Wood Mackenzie.

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(i) ASIA

Asia is the main importer of LNG and accounted for 75% of global demand in 2014. Demand is expected to continue to be driven by traditional importers such as Japan, South Korea and Taiwan, as well as growth regions including, China and India.

Japan is the world's largest LNG importer. The Fukushima disaster in 2011 appears to have had a major impact on long-term demand from Japan, as several nuclear power plants were damaged or closed for safety reasons following the incident. The return of nuclear to the country's energy mix, with the backing of operators involved in the sector, faces opposition from the Japanese population. The extent and timing of this delay is contributing to the demand for other energy sources, particularly for LNG.

The second largest importer of LNG South Korea has its own energy resources and a limited pipeline connectivity to the international network. This country is planning to increase its import capacities and expand the Taichung terminal to accommodate an increase in LNG import volumes and carrier sizes of up to 160,000 m³.

As a fast-growth economy, China has been actively increasing its import capacity. Chinese demand is forecast to increase at an annual average growth rate of 13% over the period from 2015 to 2024, with demand at the end of this period of 68 Mtpy.

India's LNG demand has increased by a factor of seven between 2004 and 2014, from 2 Mtpy to nearly 14 Mtpy. At the same time, the country has rapidly increased its regasification capacity – by a factor of five in ten years – to reach 20 Mtpy in 2014. Overall annual growth in Indian LNG demand is forecast at 8% from 2014 to 2024, with demand reaching 30 Mtpy at the end of this period, then accounting for 8% of global LNG demand, compared with 6% now.

Taiwan is reliant on LNG imports for gas supply, but may face supply shortage as supply contracts with Malaysia and Indonesia expire in 2014 and 2017 respectively and may not be renewed, given uncertainty over reserves. Taiwan has taken steps to secure supply from other LNG projects, including Ichthys and Papua New Guinea, to address the deficit. Taiwanese demand is expected to grow by an average 1% per year between 2014 and 2024; this country will then only account for 4% of global demand, compared with 6% in 2014.

Finally, beyond these countries that are distinguished by the large volume of their LNG demand, exceeding 10 Mtpy in 2014, other countries are distinguished by the size of the growth in their demand between 2014 and 2024. The average growth in demand for Thailand, Indonesia, Singapore and Malaysia between 2014 and 2024 is thus expected to be 21% and these countries will then account for 10% of global demand, as against 4% in 2014.

Overall strong growth in Asian demand has encouraged investment in Australian and East African liquefaction projects, as well as projects in the Atlantic basin (Gulf of Guinea) and Canada. Investors have also entered into long-term supply agreements covering projects under development in Australia, East Africa and the US.

The extension of the Panama Canal from the second half of 2015 should also encourage the creation of new trade routes, including exports to

Asia from the US. In particular, very large LNG carriers (up to 365 metres) could use the canal, after its conversion to transport LNG from the Gulf of Mexico and the eastern United States of America to Asia without having to bypass the southern tip of South America or Africa, reducing LNG travel time for the Sabine Pass, Cameron LNG or Freeport projects to Asia to 49 days, compared with 75 days including detours, *i.e.* a gain of 26 days.

(ii) EUROPE

Europe is the second largest importer of LNG geographical area after Asia-Pacific. In 2014, it accounted for 14% of LNG demand worldwide.

Per Poter & Partners, Spain was the leading European LNG importer during 2012 despite a decrease in imports during this period due to the economic crisis and operation of the Medgaz gas pipeline. This demand was one third of European demand in 2014, *i.e.* 4% of global demand. With 14 Mtpy in 2024, Spain should then no longer constitute 17% of European demand.

The UK was the second largest European importer of LNG in 2014, with demand amounting to 8 Mtpy. Despite forecast long term growth based on economic recovery, UK demand is forecast to fall in the short term, before rising again from 2016 onwards. It should therefore reach 10 Mtpy in 2019 before increasing again and stabilising at about 24 Mtpy between 2024 and 2026. It should be noted that this country's demand is expected to exceed that of Spain in 2020 and constitute 30% of European demand in 2024. Demand by this country is therefore expected to decrease by 4% annually on average over the period from 2014 to 2018 but grow by 33% annually between 2014 and 2024.

France was the third largest European importer of LNG in 2014. In the same way as those of Spain and the United Kingdom, this country's demand was affected by the economic crisis, down from 7 Mtpy in 2012 to 4 Mtpy in 2014. French demand is expected to grow again from 2018, to reach 7 Mtpy in 2019 and 13 Mtpy in 2024, an average annual growth of 12% from 2014 to 2024 but only 2% from 2007 to 2024. This market will then concentrate 15% of European demand and should continue to grow to become the second in terms of demand behind the UK in 2030.

The current situation in Italy is comparable to that of France and after having seen its demand fall, it should see it grow again from 2018. From 3 Mtpy in 2014, it is expected to reach 8 Mtpy in 2019. The average annual growth in demand of this country should be 8% between 2014 and 2024 and 9% between 2007 and 2024.

Within the remainder of Europe, including Germany, Switzerland and Belgium, considering phasing out or reducing their use of nuclear energy. If these projects are actually completed, there will be potential for increased LNG imports into these countries.

According to the IEA's 2014 World Energy Outlook, the share of LNG in European imports is poised to grow from 27% in 2013 to 32% in 2025, before declining to approximately 30% in 2040. Finally, to ensure these developments, ten regasification terminals are under construction or have been approved here, four in Italy and one in France, Lithuania, Poland, the Canary Islands and the United Kingdom. European regasification capacity is expected to rise from 150 Mtpy in 2014 to 218 Mtpy in 2024.

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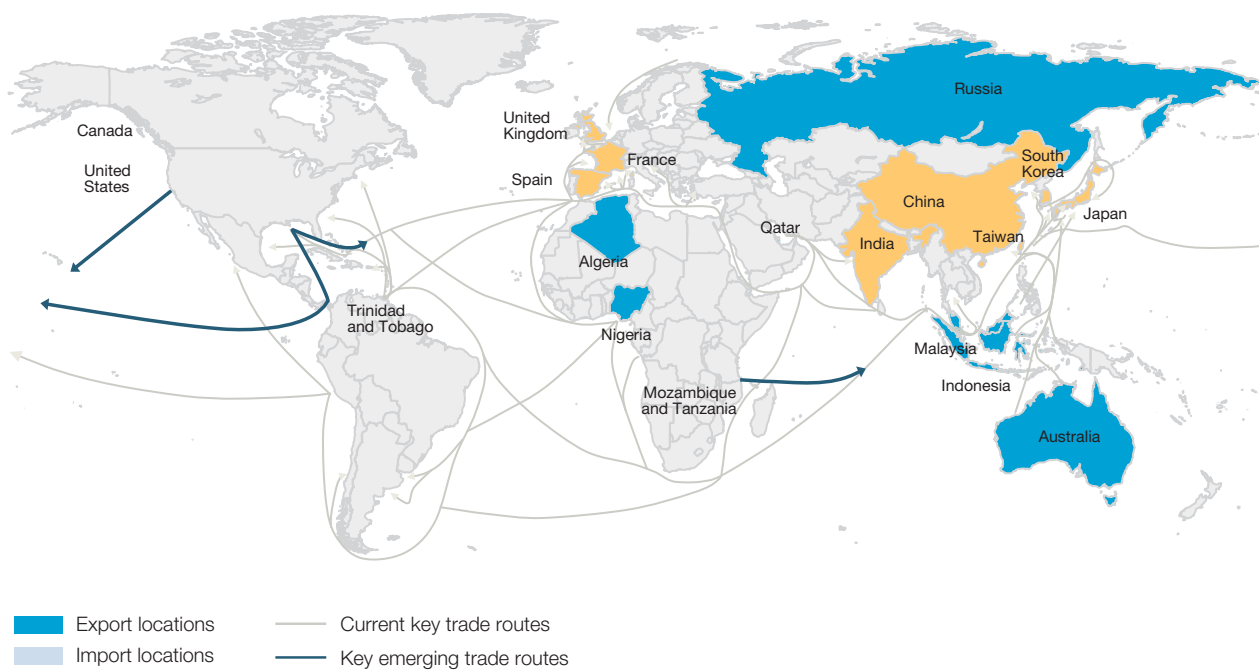
(III) AMERICAS

Demand for LNG within North America (including Canada) is forecast to continue to fall in each period to 2019 in response to the abundant domestic supply of natural gas from US shale production. US demand for LNG totalled 5 Mtpy in 2011, accounting for 2.1% of global demand at this time. In 2014, this demand was 1.49 Mtpy, representing 1.5% of world demand and is expected to stabilise at 0.99 Mtpy in 2019, accounting for only 0.3% of demand.

In Argentina, the Puerto Cuateros regasification project is also expected to increase LNG imports, serving a demand that was 4 Mtpy in 2014 and is expected to remain at this level until 2019 or so. Brazil's demand should itself decline from the start of 2015, from 5 Mtpy in 2014 to 2 Mtpy the following year and then remaining at that level. In Chile, demand has risen from zero in 2009 to 4 Mtpy in 2014.

6.2.1.4 Trend in demand for LNG transport and storage and in the shipping sector

LNG trade routes in 2014 are illustrated in the map below.

MAP OF LNG FLOWS

Source: Company.

With strong forecast growth in both LNG supply and demand, current and new liquefaction projects create a structural need for increased LNG shipping activity.

Current liquefaction projects typically have a fleet of vessels dedicated to the project, which may be supplemented by other vessels to respond to supply and demand. As vessels reach the end of their economic life (the average economic life of a vessel being of around 35 years to 40 years), replacement vessels will be required by existing projects to maintain supply.

New liquefaction projects also have dedicated vessels which are ordered in advance of liquefaction operations commencing. The number of vessels required for the project will depend upon the expected supply from the project and the likely targeted export area for the LNG (*i.e.* the shipping distance and time required to transport the LNG).

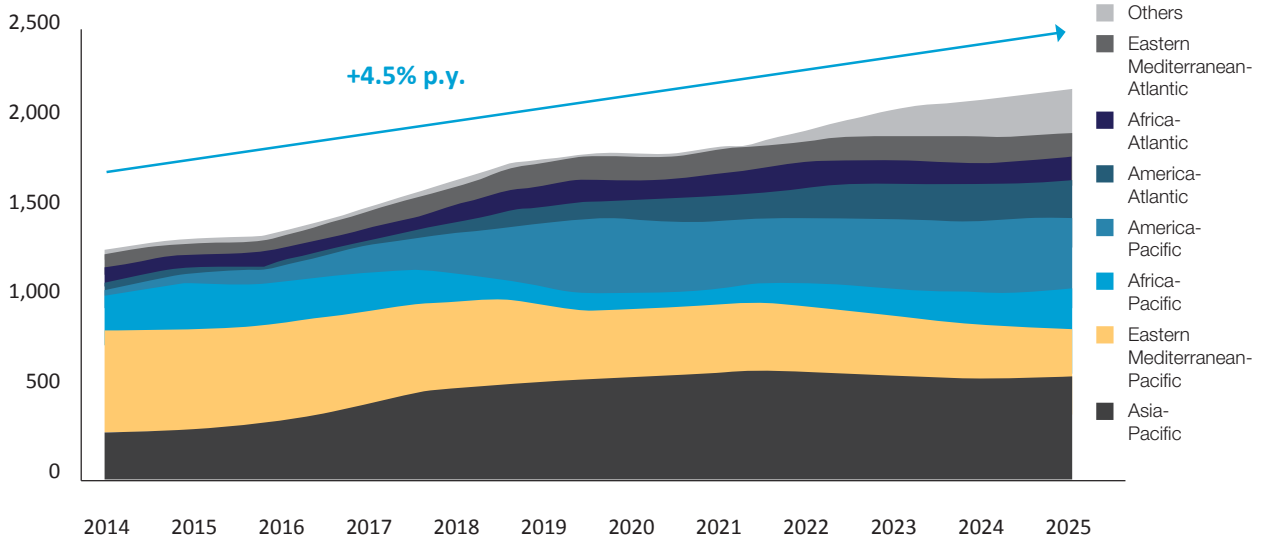
As a result of the underlying growth in the LNG market, the LNG transport market is forecast to grow from 1,266 bcm-miles transported in 2013 to 2,145 bcm-miles transported in 2025, representing an annual average growth rate of 4.5%.



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LNG TRANSPORTATION (BCM-MILES)

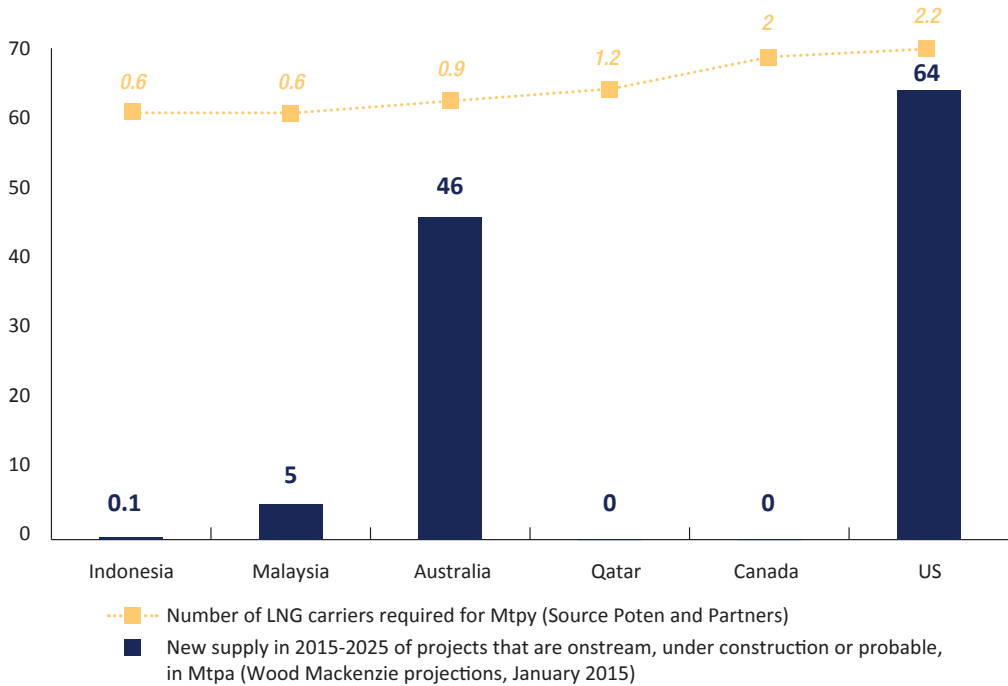


Source : Wood Mackenzie.

In addition to the underlying growth of LNG, a certain number of factors should increase the need for transport capacities. Medium term forecast growth of LNG exports from the US and Canada is a significant driver of increased shipping activity. The increase in US exports in response to

the high demand from Asian customers will naturally lead to increased distances and transport times. Therefore, an increased number of LNG carriers will be needed for these new liquefaction projects.

LNG CARRIERS REQUIRED BY REGION AND ADDITIONAL PRODUCTION ⁽¹⁾



(1) Future projects are based on the nominal capacity of Wood Mackenzie, in January 2015, and on forecasts of the vessels necessary; operational projects are based on estimates by Poten & Partners using 2012 transport and production figures.

In addition, trade routes are becoming more numerous and complex within the LNG shipping sector, with cross basin trade (including diversion in the short term of Atlantic Basin trades into Asia as a result of the current absence of LNG offer in the Atlantic Basin) a recent theme. LNG contracts also now include diversion clauses, which provide flexibility over the end destination of the LNG. Similarly to future US exports, these factors increase LNG shipping times and distances and the number of vessels therefore required for the LNG shipping.

Operational cost remains a key driver within the LNG shipping sector given lengthening and more complex trade routes, and ship-owners are seeking to overhaul their fleets through investment into highly efficient vessels. Vessels which offer a low boil-off rate can reduce operational costs to the operator, and hence offer competitive advantages within the sector.

Finally, the speed reduction by LNG carriers to decrease their energy consumption and to adapt themselves to potential diversions will increase the need in LNG carriers with cargos and at equal distances.

New international regulations and technological advances have also impacted LNG carrier design and construction, with recent developments including improved ballast water management and propulsion efficiency systems.

6.2.1.5 Principal players in the LNG sector

In the LNG carrier construction sector, gas companies drive demand for gas transport and thus the construction of LNG carriers. Gas companies charter shipowners' LNG carriers, which commission their construction by shipyards using high-reliability containment technologies, such as the membrane technology offered by the Company.

(a) Shipyards

South Korean shipyards, chiefly Samsung Heavy Industries, Hyundai Heavy Industries, Daewoo Shipbuilding & Marine Engineering, and STX have built 61% of the existing fleet, all vessels combined and 60% of LNG carriers.

Japanese shipbuilders have built around 23% of the existing LNG carrier fleet (KHI, Imabari/Koyo, MHI, MES) but have seen their orders decline heavily due to their lack of competitiveness (high labour costs, strong currency and limited capacity), irrespective of the vessel type. They account for 22% of the LNG carrier fleet, all vessels combined.

All LNG carriers in GTT's order book as at 31 December 2014 will be built in Korean shipyards, except for fourteen LNG carriers which will be built in the Chinese shipyard Hudong Zhonghua and 2 in the Japanese Imabari Group shipyard. Of the 36 LNG carriers ordered from GTT in 2014, 7 will be built by the Hyundai Heavy Industries shipyard, 4 by the Hudong Zhonghua shipyard, 5 by the Samsung Heavy Industries shipyard, 2 by the Imabari Group and 18 by the Daewoo Shipbuilding & Marine Engineering shipyard, including 10 LNG icebreaker carriers.

China is now actively focusing on building LNG carriers. The Chinese government increasingly requires at least half of the LNG carriers used for each LNG import contract signed by the Chinese gas companies to have been built by domestic shipyards. Several calls for tenders are underway in China in connection with LNG purchase contracts signed for production projects in Australia. Currently, only one shipyard, Hudong Zhonghua, has secured orders, but a number of others have ambitions in the Chinese LNG sector. As at the date of this Registration Document, GTT has signed licence agreements with eight shipyards in China and believes it is very well-placed in this segment, with excellent growth potential. For more information about the main shipyards, especially those that are GTT's customers, please refer to section 6.4.1 – *The Group's main shipyard customers* of this Registration Document.

(b) Shipowners

The LNG carrier fleet is mainly controlled by independent owners and governments. Independent owners typically have long-term charter contracts with public utilities companies or related to LNG production projects.

The principal shipowners are as follows ⁽¹⁾:

- ▶ MISC (Malaysia International Shipping Corporation Berhad): with its registered office in Kuala Lumpur and is one of the largest Asian carriers. This group delivers through its subsidiaries 10% of world LNG and its vessels may operate in 60 delivery terminals and 21 liquefaction terminals throughout the world. MISC has transported more than 380 million tonnes of LNG to date. The group itself owns 26 tankers and shares with 3 with NYK ⁽²⁾;
- ▶ Nakilat (Qatar Gas Transport Company Ltd.) is a Qatari shipping company owned by Qatar, which operates and manages LNG vessels and provides Qatar's hydrocarbon transportation services. Nakilat is an integral part of the chain of some of the largest projects undertaken by Qatar Petroleum, Qatargas and RasGas. Nakilat became a limited company owned 50% by its founding shareholders and 50% by the public in its initial public offering in 2005. This company owns 25 LNG carriers, and has shares in more than 30 others, including Maran Gas and Teekay ⁽²⁾;
- ▶ Gaslog provides gas transportation services and has its own fleet of 20 LNG carriers, including 11 ships in service and 9 on order for delivery between 2015 and 2017 and equipped with GTT technologies. In addition, through its service subsidiary, Gaslog LNG Service, this company operates 21 vessels, some shared with BG Group Gaslog, which was founded in 2003 and is based in Monaco. It belongs to the Ceres Hellenic group controlled by Peter Livanos and has been listed on the New York Stock Exchange since 2012. The Ceres group owns 15 LNG carriers and has 10 on order ⁽²⁾;

(1) Unless stated otherwise, information about shipowners has been taken from publicly available sources.

(2) The state of their fleet may where appropriate be complemented with the Company's data as at 31 January 2014.

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- ▶ Golar LNG owns and charters LNG carriers and FSRUs and possesses a fleet of 21 vessels, comprising 16 LNG carriers and 6 FSRUs ⁽¹⁾. As at 31 January 2014, Golar LNG had 3 LNG carriers and 1 FSRU equipped with GTT technologies on order. Golar LNG was founded in 1946 and is a Bermuda-based Norwegian company. John Fredriksen, investor, owns a 46% interest in this company, which has been listed since 2001;
- ▶ Teekay sees itself as the third largest independent owner of LNG carriers. This company was founded in 2004 and is headquartered in Bermuda. Teekay itself owns 12 LNG carriers and has 9 on order with GTT Technologies as at 31 January 2014. Teekay has an interest in 15 LNG carriers in service and in 6 on order. These interests are shared mainly with Nakilat, Mitsui & Co and NYK ⁽¹⁾;
- ▶ Mitsui OSK Line (MOL) participated in its first LNG transport project in 1983. MOL has played a key role in securing the largest LNG transport contract of the 20th century: the Qatar project, moving 6 million tonnes of LNG annually from the Middle East to the Japan. In 2003, MOL signed a support contract with the Sultanate of Oman. In 2010, MOL signed an agreement with Exxon Mobil for the construction and chartering of LNG carriers that will be used to transport LNG between Papua New Guinea, Australia and China. This agreement paves the way for MOL to become the first non-Chinese shipping company involved in the LNG market in China. MOL itself owns 10 LNG carriers and has 8 on order, as well as an FSRU, all equipped with GTT technologies. Furthermore, MOL has an interest in 18 other tankers in service and 3 on order, including NYK Line ⁽¹⁾;
- ▶ Maran Gas Maritime runs a fleet of LNG and LPG transport vessels. This company currently operates 11 LNG carriers⁽¹⁾, some with Nakilat, and has 15 on order, all equipped with GTT technologies. Maran Gas Maritime was founded in 2003 and is headquartered in Greece. It belongs to the Maritime Angelicoussis shipping group;
- ▶ Dynacom runs a large fleet of oil tankers and 8 LNG carriers⁽¹⁾. It also has 2 LNG carriers on order with GTT technologies. Dynacom was founded during 1991 in Greece where it continues to be headquartered. It belongs to George Procopiou and operates its LNG carriers *via* its Dynagas subsidiary;
- ▶ Oceanus LNG/Cardiff Marine currently operates 1 LNG carrier and has 4 on order. Cardiff Marine was founded during 1987 in Greece where it is still registered. It belongs to the Greek shipowner George Economou;
- ▶ Chevron owns crude, refined and liquefied oil, gas and liquefied gas transport vessels. It holds one-sixth of the shares in each of the seven LNG carriers it runs and owns 2 LNG carriers, and has 4 LNG carriers on order, all equipped with GTT technologies. Chevron was founded in 1906 and is headquartered in California. It has been listed on the New York Stock Exchange since 1963;
- ▶ BW Group operates a fleet of 108 fully controlled vessels that it owns either partially or fully. BW Group itself owns 12 LNG carriers and has 4 on order, as well as 2 regasification vessels, all equipped with GTT technologies. The LNG carriers are operated by BW Gas, a subsidiary of the BW Group. BW Group founded in 1998 and is headquartered in Singapore. It is owned by the Sohmen-Pao family;
- ▶ Awilco LNG owns and runs LNG transport vessels. It owns 5 LNG carriers. Awilco LNG is a subsidiary of Awilco ASA, which was founded in 2011. It is controlled by the Wilhelmsen family, which owns a 35% share. Awilco LNG has been listed on the Oslo Stock Exchange since 2011;
- ▶ Sovcomflot owns and runs a fleet consisting of 157 vessels (including six LNG carriers) used to transport crude and refined oil or liquefied gas. It owns 3 LNG carriers and has 3 currently on order. It also shares interests with NYK. Sovcomflot was founded in 1995 and is headquartered in Russia. It belongs to the Russian government;
- ▶ Mitsui OSK Lines owns and runs bulk carrier, LNG carrier and container vessels. It currently runs 10 LNG carriers in its own right and has 4 on order, as well as one FSRU. It shares 18 LNG carriers in service with NYK and other shipowners, as well as 5 on order. Mitsui OSK Lines was founded in 1964 and is headquartered in Tokyo. It has been listed on the Tokyo Stock Exchange since 1985;
- ▶ Nippon Yusen Kabushiki Kaisha one of the largest transport groups in the world. It runs a fleet of 838 vessels, aircraft and trucks. The group currently has an interest in 41 LNG carriers in service and 1 on order. It was founded in 1870 and is headquartered in Tokyo. NYK Group has been listed on the Tokyo Stock Exchange since 1949;
- ▶ SK Shipping runs a fleet of oil tankers, gas carriers and bulk carriers, including six LNG carriers. It currently has 2 on order, equipped with GTT technologies. It was founded in 1982 and is headquartered in Seoul. It is a subsidiary of the SK Group, a South Korean conglomerate owned by heir Chey Tae Won;

(c) Gas companies

Gas production companies also influence decisions in the LNG carrier construction sector as they have an ongoing need to transport the LNG produced in their liquefaction plants. They rely on shipowners that commission large LNG carriers using highly reliable technologies enabling them to reduce the risk of disruption to their gas production and the risk of reputational damage from a gas transportation accident.

As a result, the gas companies approve the various technologies used in LNG carrier construction which they believe to be effective and reliable. It is a fundamental process enabling a shipowner using approved technology to do business with gas companies.

The world's principal gas companies are ⁽²⁾:

- ▶ BP: a British company active in exploration, production, refining and distribution activities for natural gas, oil and other related products. The majority of its business interests are in the USA, Russia, Azerbaijan, Angola, the UK, North Africa, Canada, the Middle East and Asia. In 2013, BP reported turnover of 322 billion euros;
- ▶ British GAS: a UK-registered company founded in 1997 active in natural gas and oil exploration, development and production. BG Group has liquefaction, re-gasification, shipping, LNG purchasing and marketing activities. In 2013, BG Group reported turnover of 16 billion euros;

(1) The state of their fleet may where appropriate be complemented with the Company's data as at 31 January 2014 .

(2) Unless stated otherwise, information about gas companies has been taken from publicly available sources.

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- ▶ **GDF SUEZ:** a French gas and electricity company with gas exploration, production and distribution activities. The group is the world's leading independent power producer and the number two buyer of natural gas in Europe. It employs around 147,200 people in close to 70 countries. In 2013, GDF reported turnover of 81 billion euros;
- ▶ **Conoco Phillips:** a Texas-based company with a presence in more than 30 countries. It has exploration, production, transportation and marketing activities related to oil and natural gas. Conoco Phillips runs exploration activities in 19 countries and produces oil and gas in 13 countries. In 2013, Conoco Phillips reported turnover of 50 billion euros;
- ▶ **TOTAL:** French company organised into three main divisions: (i) the upstream division encompassing oil and natural gas exploration and production, (ii) the refining/chemicals division encompassing the refining, distribution, trading and shipping activities, and (iii) the marketing and services division combining the supply and marketing of petroleum products, as well as new energies activities. In 2013, TOTAL generated turnover of 189 billion euros;
- ▶ **ExxonMobil:** a US company based in Texas, active chiefly in natural gas and crude oil exploration and production. It also manufactures and markets petrochemical products and owns interests in various electricity generation facilities. In 2013, ExxonMobil reported turnover of 360 billion euros;
- ▶ **Chevron:** a US company based in California operating petrochemical, mining, energy generation and energy services activities *via* its subsidiaries in the oil sector. Natural gas is another growth segment for Chevron. In 2013, Chevron reported turnover of 195 billion euros;
- ▶ **Shell:** an Anglo-Dutch company producing oil and natural gas. The upstream division encompasses the exploration and production activities, as well as natural gas liquefaction. The downstream division handles the refining, transportation and distribution activities. Natural gas accounts for approximately half of Shell's production. In 2013, Shell reported turnover of 400 billion euros;
- ▶ **Tokyo Gas:** a Japanese company supplying gas to Japanese cities is working on expanding its presence across the LNG value chain by getting involved in upstream production projects, LNG transportation using its own fleet of LNG carriers and securing supplies to Japan by entering into long-term agreements. Tokyo Gas reported turnover of 15 billion euros in its financial year ended in March 2014;
- ▶ **Tepeco:** a Japanese company that produces and distributes energy, primarily in the Kanto region. Tepeco also has a smaller presence in telecoms, energy and environment activities and has businesses outside Japan. Tepeco reported turnover of 49 billion euros in its financial year ended in March 2014;
- ▶ **Osaka Gas:** a Japanese company that supplies natural gas to over seven million customers in the Kansai region, accounting for 25% of the volumes sold in Japan. Osaka Gas' main business segment involves the sale of gas and gas-related equipment, as well as the construction of gas pipelines. Osaka Gas reported turnover of 14 billion euros in its financial year ended in March 2014; and
- ▶ **Qatargas:** a Qatari company founded in 1984 running the main LNG-related projects in Qatar under joint ventures with other major gas companies, such as Qatar Petroleum, TOTAL, ExxonMobil, Shell and Conoco Phillips. Qatargas currently operates seven LNG trains, including the world's four largest, with a production capacity of over 40 million tonnes per year.

6.2.2 SEGMENTS IN WHICH THE GROUP IS PRESENT

For a number of years, GTT has offered its customers the two main membrane containment technologies that it has developed, *i.e.* Mark technology and NO technology, giving the Company a presence in three segments: (i) the construction of LNG carriers, (ii) the construction of FLNG and (iii) the construction of FSRU. The Company is also present in the onshore storage segment and has recently entered a new segment, that of building large-capacity LNG carriers.

The Group's presence has grown steadily over recent years, and it is now the leading supplier in the sector of containment systems used in LNG shipping, production and storage:

- ▶ according to the Company, 90% of new orders for LNG carriers over the period between 2008 and 2014 were placed for GTT's technologies

and almost 72% of the existing LNG carrier fleet was fitted with GTT's technologies in December 2014;

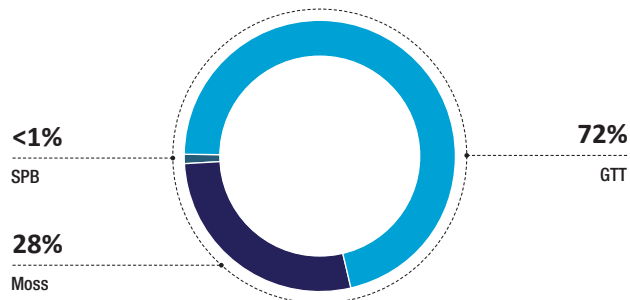
- ▶ with three new orders in 2014, including the world's largest (263,000 m³), 100% of new build FSRUs will be equipped with GTT's technologies and 89% of existing FSRUs are equipped with its technologies as at 31 December 2014, according to the Company;
- ▶ similarly, an FLNG order placed in 2014 is in addition to two existing orders, including Prelude, the largest in the world (326,000 m³): all three will be equipped with GTT technologies, ensuring a 100% market share to the Company in this segment;

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- ▶ having received the first six worldwide orders for large-capacity LNG carriers, the Company is well positioned to address the ethane carrier segment;
- ▶ drawing on its expertise in containment systems, GTT has also developed a special membrane technology for onshore storage tanks known as GST, which employs the same principle as its LNG carrier technologies, albeit with the choice of materials and general design optimised for onshore storage (see section 6.6 – *Technical description of the Company's membrane containment technologies* of this Registration Document). GST technology has enabled the Company to establish itself in the onshore storage tank construction market.

GTT'S MARKET SHARE IN THE LNG CARRIER, FLNG AND FSRU GLOBAL FLEET



Source: Company.

The Company's development recorded a strong growth, exceeding the threshold of 100 vessels equipped with GTT technologies in 2005, the threshold of 200 vessels in 2009 and achieving 300 vessels equipped with GTT technologies in early 2015, including 285 in operation.

GLOBAL LNG CARRIER ORDERS FROM 2008 TO 2014

LNG carriers	2008	2009	2010	2011	2012	2013	2014
GTT	4	-	7	38	20	36	36
Moss	-	-	-	3	2	8	5
SPB	-	-	-	-	-	-	4
ANNUAL TOTAL	4	0	7	41	22	44	45

Source: Company.

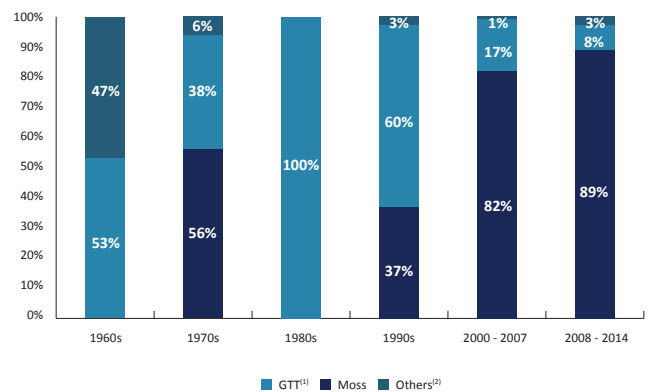
From 2008 to 2014, of 163 LNG carriers ordered globally, 141 use or will use GTT's containment systems and 18 use or will use Moss Maritime technology and are intended to serve Japan

At the end of 2014, according to the Company, 383 LNG carriers were in operation, of which 273 were equipped with the GTT technology, 108 with the Moss Maritime technology and 2 with other technologies.

6.2.2.1 LNG carrier segment

(a) Historical trends and order book

ALLOCATION OF GLOBAL LNG CARRIER ORDERS BY CONTAINMENT TECHNOLOGY



(1) Before 1994, GTT's position is based on those of Gaztransport and Technigaz.

(2) Includes SPB and abandoned technologies.

Source: Company.

The first LNG carriers were built and delivered in the early 1960s. After relatively sluggish growth in the LNG carrier construction sector during the 1960s and 1970s (average of just two orders per year) and a modest number of orders in the 1980s, the pace of deliveries speeded up during the 1990s (five orders per year on average).

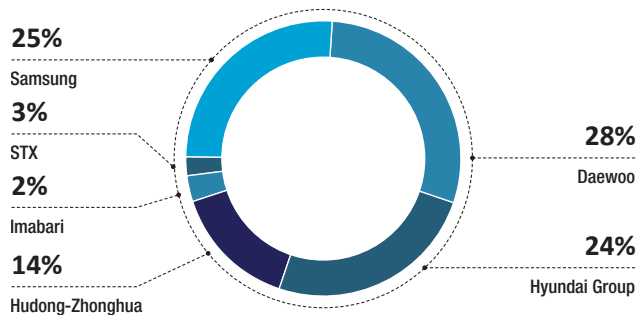
Throughout the 2000s, deliveries increased significantly (average of 23 orders per year) on the back of strong growth in global demand for natural gas and LNG. The number of orders declined between 2008 and 2010 due to the financial crisis and the non-recurring decline in exports linked to shale gas production in the USA before picking up again in mid-2010.

On average, it takes three years from the time an order is placed to deliver the LNG carrier, which accounts for the difference in any given year between the number of orders and the number of LNG carriers delivered. It is worth noting that orders placed with GTT have very rarely been cancelled (see section 4.3.4 – *Risks related to defaults and order cancellations by shipowners* of this Registration Document).

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GLOBAL LNG CARRIER ORDERS BY SHIPYARD AS AT DECEMBER 31, 2014



Source: Company. Total: 96 vessels.

(b) LNG carrier segment forecasts

At the end of 2014, Poten & Partners conducted an independent study of the LNG sector, at the request of the Company, and prepared order projections for LNG carriers. For the purpose of this study, its consultants:

- analysed current trends in the LNG and natural gas sector and prepared long-range forecasts of annual LNG demand by region;
- examined the LNG supply projects around the world and identified those most likely to go ahead based on economic data and industry demand;
- produced a yearly LNG carrier order forecast based on the commissioning of the new LNG production projects and the replacement of LNG carriers on existing LNG projects.

This consulting firm then prepared two sets of forecasts: a base-case scenario using assumptions they believed to be the most likely and a high-case scenario underpinned by assumptions that are more optimistic while still being considered realistic.

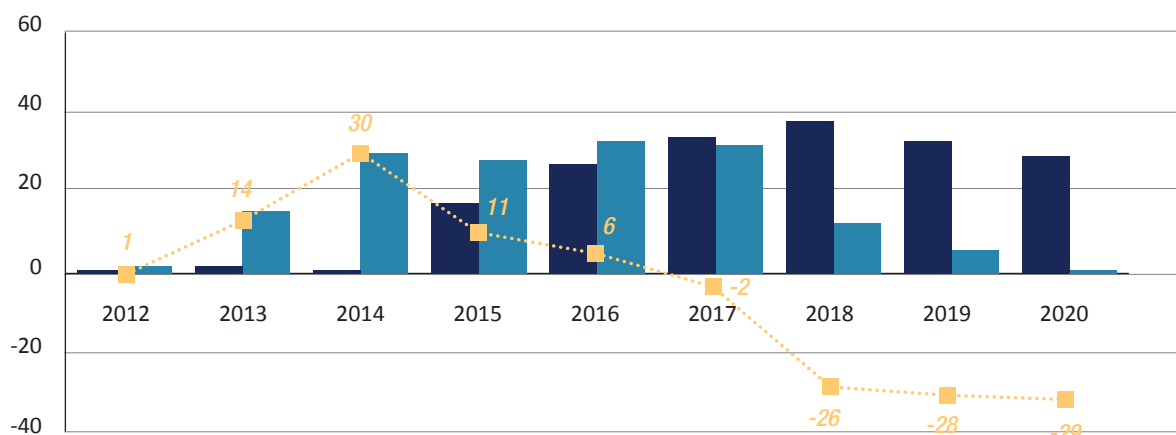
Poten & Partners produced forecasts for GTT. Poten & Partners takes the view in its base-case scenario that GTT should achieve an average annual share of around 84% of future LNG carrier orders over the 2015-2024 period and an average annual share of around 87% of future LNG carrier orders over the 2015-2024 period in its high-case scenario ⁽¹⁾.

The base-case and high-case scenarios drawn up by Poten & Partners imply 239 and 307 LNG carrier orders over the 2015-2024 period, which corresponds to an annual average of 24 and 31 orders respectively for GTT.

	Number of orders for LNGCs expected over the 2015-2024 period	GTT forecast market share
Base-case scenario	239	84%
High-case scenario	307	87%

Source: Poten & Partners.

During this period, the Company expects to receive a number of orders above the range resulting from the LNG carrier order forecasts prepared by Poten & Partners, and believes that the number of LNG carrier orders that it is likely to receive between 2015 and 2024 probably stands at between 270 and 280.

LNGC NEED FORECASTS ⁽¹⁾

(1) For projects that are onstream, under construction or probable. Sources: Wood Mackenzie for projects, Poten & Partners for the number of LNG carriers by Mtpy.

■ LNG carries needed for additional output ■ Expected deliveries (January 2015) - - - ■ - - - Need or surplus of LNG carriers (for an average intensity of 1.4)

(1) In its high-case scenario, the demand growth from Japan is less important compared to the growth in global demand. Poten & Partner assumed that Japanese shipyards will be the only one to build LNG carriers integrating the Moss technology. Therefore, the growth of the global demand will benefit GTT more in the high-case scenario.

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(c) GTT's technologies faced with competing LNG carrier technologies

In the LNG carrier market, the Company faces competition from certain rival technologies, already developed or under development.

MOSS MARITIME TECHNOLOGY

Moss Maritime is a subsidiary of the Eni-Saipem group based in Oslo (Norway). Moss Maritime developed its technology in the late 1960s and patented an LNG containment system in 1971 using spherical tanks supported by a single cylinder. The technology is a type B independent containment system (based on the IMO's international classification) (please refer to section 6.7.4 – *New technology certification and approval process* of this Registration Document) consisting of externally insulated welded aluminium spheres. The principal benefit of Moss technology derives from the fact that this system should be less vulnerable to sloshing than tanks using membrane technology.

The first vessels using this technology were ordered by Norwegian shipyards in 1969 and 1973. Although Moss Maritime was a major player in the sector in the 1980s and 1990s, its presence has diminished today, with, as far as the Company is aware, a market share of around 10% of LNG carriers ordered, compared with 26% of the fleet in service at the end of 2014. High labour costs and the strong yen have severely reduced the competitiveness of Japanese shipyards in all vessel types. Historically, Japanese shipyards were the main users of the Moss Maritime Technology. Only one Korean shipyard (Hyundai Heavy Industries) has used or is using this technology to the date of registration of this Registration Document.

The Company believes that Moss Maritime technology has several drawbacks compared with its own membrane technology:

- ▶ LNG carriers using Moss Maritime technology are more difficult to navigate due to their higher centre of gravity;
- ▶ LNG carriers using Moss Maritime technology are more costly to build as they need more steel and thick aluminium panels. The price of a LNG carrier with a capacity of 170,000 m³ will vary from 220 US dollars to 245 million US dollars if it is equipped with Moss Maritime technology and from 200 million US dollars to 215 million US dollars if it is equipped with GTT's membrane technology, representing an economy of 10% of the total price of the vessel;
- ▶ LNG carriers using Moss Maritime technology have a more limited capacity due to their form: the largest LNG carrier in operation using Moss Maritime has a capacity of 177,000 m³ (compared with 266,000 m³ for ships with GTT technology). In addition, carriers using Moss Maritime technology are also larger and heavier for the same LNG capacity. Accordingly, vessels using Moss Maritime technology do not have the same degree of access to certain ports, which represents a major handicap for them when using Panama Canal, and they incur higher port charges, Suez canal fees and fuel costs;
- ▶ the LNG spherical tank is heavy and this is detrimental to the vessel's energy efficiency.

SPB TECHNOLOGY

The SPB system was developed by Ishikawajima Harima Heavy Industries, a Japanese engineering and shipbuilding group, at the end of the 1970s. It was first tested on LPG carriers, and then adapted to LNG carriers.

Each tank is subdivided into four spaces by a watertight longitudinal bulkhead and a perforated bulkhead. The aluminium tanks are insulated externally with polyurethane foam panels. The principal benefit of SPB technology derives from the fact that this system should be less vulnerable to sloshing than tanks using membrane technology.

Only two small LNG carriers (87,500 m³) delivered in 1993 are fitted with SPB's technology. However, the Company noted a renewed interest in this technology for reasons of national preference, with four 165,000 m³ LNG carriers on order at the end of 2014 in a Japanese shipyard, Japan Marine United, for the Japanese shipowner, Mitsui O.S.K. Lines and Nippon Yusen Kaisha.

The Company believes that SPB technology has several drawbacks compared with its own membrane technology:

- ▶ less efficient use of space as an inspection space has to be provided all around the tanks;
- ▶ higher costs due to the thickness of the tanks' aluminium walls and the difficulty in designing tank supports;
- ▶ little experience in implementing and operating this technology, which is a drawback for the gas companies influencing decisions in this market.

SPB technology is now in the public domain and some copies are under development under various names.

Since 2007, Mitsubishi Heavy Industries has been developing a specific SPB-like system, SPB type B, and has obtained approval in principle from classification companies (see section 6.7.4 – *New technology certification and approval process* of this Registration Document).

In addition, in 2010, Daewoo Shipbuilding & Marine Engineering developed ACT-IB (Aluminium Cargo Tank-Independent Type B System), which is also similar to SPB's technology. This system has obtained approval in principle from classification societies (see section 6.7.4 – *New technology certification and approval process* of this Registration Document).

SCA TECHNOLOGY

In December 2007, Samsung Heavy Industries and Korea Advanced Institute of Science and Technology began the joint development of SCA (Smart Containment – *Advanced*) system. This technology obtained approval in principle in January 2009 and then became part of a joint project with the classification society Lloyd's Register. It obtained approval for vessels from Lloyd's Register in November 2010, and mock-up certification and general design approval from the American Bureau of Shipping (ABS) in 2011. Samsung Heavy Industries has modified this technology in 2012 and implemented an active communication plan for its marketing. Today, the development of this technology has been shelved in favour of the KC-1 technology developed by the state gas company

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(South Korea) KOGAS which plans to industrialise its technology through the Korean shipyard Samsung Heavy Industries.

If development of the SCA technology resumes, the Company believes that the containment system promoted by Samsung Heavy Industries has little chance of convincing the main gas companies and shipowners, which are the key parties influencing the choice of containment technologies. While these may decide to include SCA technology on vessels built by Samsung Heavy Industries and benefit from any cost reductions resulting from not having to pay royalties to the Company, they would without a doubt have numerous reservations about the fact that they are using a system that is not supported by independent technical expertise on the long term, such as the one provided by the Company. More generally, as many shipowners want to benefit from GTT's technologies as well as its technical assistance services, there is no incentive for shipyards to use a new technology, such as the SCA technology, for which they lack feedback and which is not provided along with an independent technical expertise. Furthermore, since the cost of the containment system is minimal compared with the overall cost of building a vessel (around 4% of the total price of a LNG carrier of 160,000 m³), the saving deriving from using a less expensive technology, such as the SCA technology, compared to the Company's technology may be counterbalanced by the risks stated above.

The SCA technology seems to be derived from Mark III technology, protected in particular by intellectual property rights. Furthermore, the Company does not believe that this SCA technology offers more benefits than those offered by the Mark III technology, although this has not been tested. If the Company considered that it was necessary, it could implement all actions to protect its interests and assert its rights. Please also refer to section 4.2.4.2 – *Risks related to competition from the SCA system developed by Samsung Heavy Industries* of this Registration Document.

KC-1 TECHNOLOGY

In South Korea, Kogas has been developing KC-1 technology since 2008. Initially designed as an onshore tank application – two tanks are currently in use at the Incheon plant in Korea – around 2006 the technology was redirected toward the marine tank and vessel market, but failed to secure any orders.

Since March 2014, KOGAS has developed its technology to meet the needs of marine structures. It has since secured GASA (general approval) from various classification companies, including Lloyds Register, Bureau Veritas and the American Bureau of Shipping.

In January 2015, KOGAS announced that Samsung Heavy Industries had ordered two 170,000 m³ vessels equipped with KC-1 technology.

The Company considers, on the basis of published information, that its technologies offer major advantages over KC-1. Specifically, KC-1 technology lacks any feedback from actual use at sea.

Please also refer to section 4.2.4.3 – *Risks related to competition from the KC-1 system developed by KOGAS* of this Registration Document.

OTHER COMPETING TECHNOLOGIES

As at the date of this Registration Document, other LNG containment technologies have been developed, such as the membrane containment technologies of Hyundai Heavy Industries (HMCCS) or of Daewoo Shipbuilding & Marine Engineering (SOLIDUS) but none of them has obtained final certification or secured any orders as far as the Company is aware.

Lastly, the Company also has to contend with competition from new technologies that are regularly marketed by maritime engineering companies, shipyards and independent businesses (Aluminium Double Barrier Tank “ADBT”, General Dynamics system), or FSP LNG system, partnering the Breamar LNG engineering company and the General Dynamics-NASSCO shipyard). The Company believes that these systems, generally based on type A or B self-supporting technologies (see section 6.7.5 – *International Maritime Organisation (IMO) classification of technologies* of this Registration Document) have drawbacks, including a lower LNG transport capacity and a higher cost owing to the large amount of metal required for their construction. Irrespective of the interest they have attracted, these new technologies do not represent a viable alternative in the Company's opinion.

6.2.2.2 Ethane/Multigas carrier market

“Multi-gas” ethane carriers are vessels designed to transport ethane in the liquid state at about -92°C. This feature also allows them to carry other gases in a liquid state, such as LPG (Liquefied Petroleum Gas), hence the concept of “multi-gas” ships. As for LNG carriers with natural gas, ethane carriers are an economically relevant alternative to transport by pipeline; they allow supply and demand for ethane to be met in a more flexible manner.

(a) Historical trends and order book

The first multi-gas ships were built in the 70's in Japan, primarily for the transport of ethylene, with a capacity of about 1,000 m³. This market expanded in the 80s, both the fleet and the vessel size, reaching capacities greater than 10,000 m³ and up to more than 20,000 m³ in the 2000s. As at the date of this Registration Document, there is a fleet of about 170 ships, growing strongly, with more than 60 ships to be delivered by 2017.

The market is also experiencing significant development of the capacity of vessels with the command of the largest ethane carriers in the world (six ships of 87,500 m³) on behalf of an Asian petrochemicals group. These vessels will be built by the Korean shipyard Samsung Heavy Industries with an expected delivery between 2016 and 2017. They will be equipped with GTT membrane containment systems, which places the Company favourably in the global competition in the emerging market for large-capacity LNG carriers.

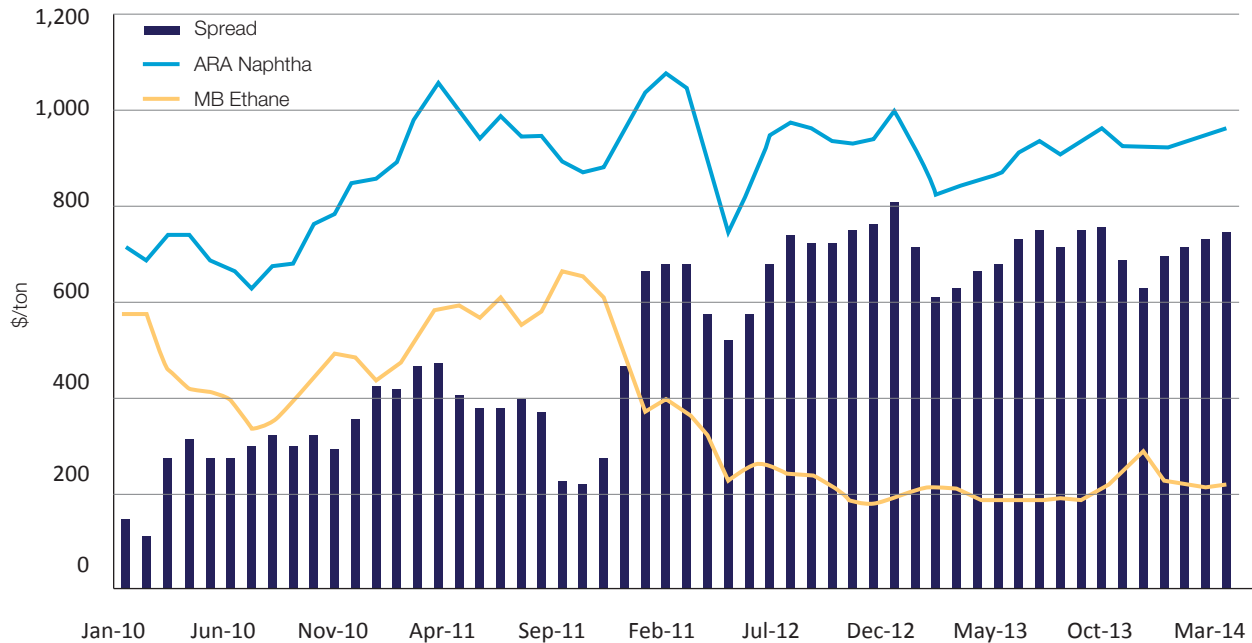
(b) Ethane carrier segment forecasts

Interest in ethane carriers (especially large-capacity LNG carriers) is amid a context of the increased economic competitiveness of ethane, co-produced from natural gas used in ethylene production plants, whose price has decreased significantly compared with naphtha (petroleum co-product and dominant raw material for the production of ethylene) thanks to the boom in the production of shale gas in the US.

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COMPARISON BETWEEN THE PRICE PER TONNE OF ETHANE AND NAPHTHA BETWEEN 2010 AND 2014



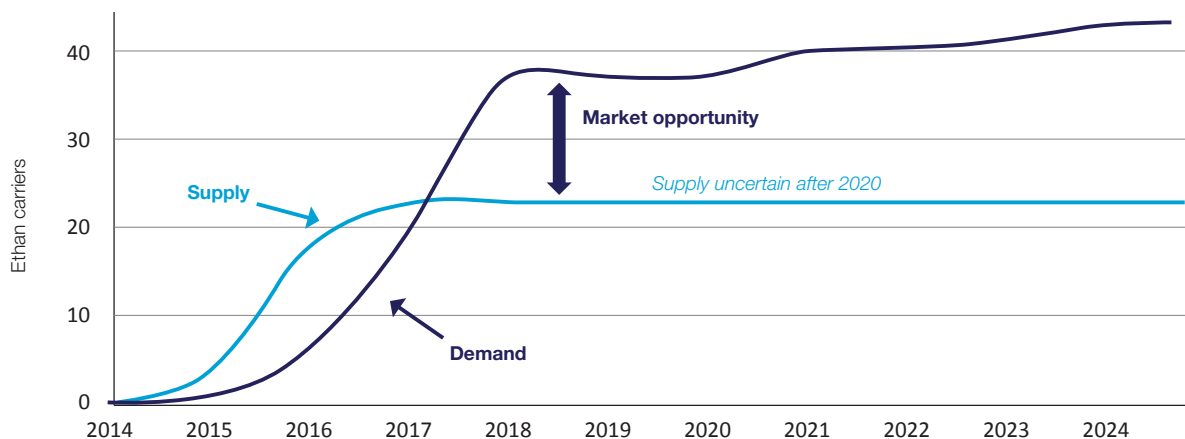
Source: Poten & Partners.

The recent oil price fall could be such as to reduce the gap, and thus the relative competitiveness of ethane, without necessarily compromising it, as the difference between the two prices is significant (mid-2014: 200 US dollars per tonne for US ethane vs. 1,000 US dollars per tonne for naphtha in Europe).

In this context, and given the expected demand for ethane in the next ten years, Poten & Partners estimates that between 40 and 45 ethane carriers could be ordered worldwide by 2025 to meet ongoing projects

to produce ethylene using ethane. At the end of 2014, there were 24 ethane carriers already on order (to recap, 6 equipped with the Company's membrane technologies), which presages a potential market of some 20 ships on which the Company could be positioned in the short term, knowing that these vessels should be ordered within the next two or three years, according to Poten & Partners. Two-thirds would be medium capacity ships (between 25,000 and 40,000 m³) and the remaining third would be large capacity vessels (≥80,000 m³).

OUTLOOK FOR CHANGES TO SUPPLY AND DEMAND WORLDWIDE FOR ETHANE CARRIERS BY 2025



Source: Poten & Partners.

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(c) GTT's ethane carrier technologies are confronted with competing technologies

Historically, Moss Maritime technologies, other type B and type C were dominant on multi-gas ships, especially given the small size of the vessels concerned (up to 20,000 m³). The advent of multi-gas and very large ethane carriers (VLEC class 80,000 m³) provides a favourable environment for market penetration by the Company's membrane containment technology.

Like other maritime segments in which the Company is positioned (LNG carriers, offshore, etc.), the GTT membrane has the advantage of optimising the cargo volume transported for vessels of the same size. The fact that it is married to the ship's hull allows it to take full advantage of the available space, while using the shell as a supporting structure, which reduces both investment costs and overheads. This advantage comes into its own on the very largest vessels, on which rests the relevance of the GTT membrane for this segment of the market for multi-gas vessels, especially for ethane carriers.

(a) Historical trends and order book

The FSRUs segment has emerged only recently, with the first unit entering service in 2005. Of the 18 FSRUs existing as at 31 December 2014, 5 are converted LNG carriers. The other 13 orders are for new units that will all be equipped with the GTT technology. These 13 orders were actually placed with the Company between 2011 and 2014.

Type B and type C systems are self-supporting, requiring additional structures which are costly to purchase and generate increased consumption (increased ballast), in addition to not maximising the quantity of liquid gas transported; this is particularly the case of Moss and Type C, in which the systems are spherical, and to a lesser extent the case of type B, which still requires an inspection space between the containment system and the ship's hull.

6.2.2.3 FSRU segment and re-gasification vessels

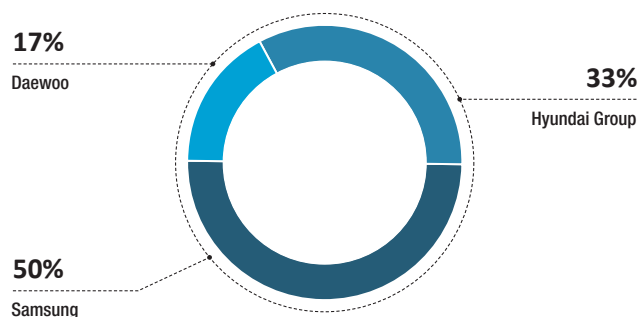
FSRUs are stationary vessels able to receive, store and re-gasify LNG from LNG carriers. They send the re-gasified natural gas to land through gas pipelines. Re-gasification vessels have the same re-gasification function but they directly distribute the gas in the network rather than storing it.

GLOBAL FSRU ORDERS FROM 2008 TO 2014

FSRU	2008	2009	2010	2011	2012	2013	2014
GTT	-	1 *	-	5	4	1	3
Moss	1 *	2 *	-	1 *	-	-	-
ANNUAL TOTAL	1	3	0	6	4	1	3
TOTAL NEW BUILDS	0	0	0	5	4	1	3

* Conversion.

Source: Company.

GLOBAL ORDERS FOR GTT FSRU AND RE-GASIFICATION VESSELS BY SHIPYARD AS AT 31 DECEMBER 2014

Source: Company.

Growth in FSRUs is driven by strong demand for LNG, greater acceptability levels among local populations, shorter construction times and a degree of flexibility:

- ▶ FSRUs take less time to build than onshore re-gasification terminals (about two years versus three and a half years);
- ▶ FSRUs can be used as an alternative to onshore storage terminals and onshore re-gasification terminals;
- ▶ due to their offshore locations, FSRUs are less likely to meet resistance from local communities than their onshore counterparts, making it easier to gain the requisite permits;
- ▶ FSRUs can be used on a seasonal basis. They can be chartered during peak demand periods and then used as trading vessels or at another terminal location for the rest of the year;

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- ▶ FSRUs are ideal for niche segments. FSRU capacities currently range from 1.9 to around 10 Mtpy, whereas onshore terminals have capacities of 7.5 Mtpy or more;
- ▶ FSRUs can be used as interim solutions in order to delay the need for onshore investment. Various countries interested in re-gasification vessels, in particular Bangladesh, Pakistan and Indonesia plan to use this technology as a quick-start solution until an onshore facility is completed.

The conversion of former LNG carriers was preferred to newbuilds in the past for cost reasons, but this trend has changed in the last couple of years. Thus, thirteen new builds had been ordered since 2011.

There are several reasons for the preference of shipowners for new units rather than the conversion of existing units: (i) a desire to increase storage capacities combined with the lack of availability and high price of large vessels; and (ii) high charter rates encouraging the re-commissioning of smaller, older LNG carriers, which are therefore no longer available for conversion.

(b) FSRU segment forecasts

In the third quarter of 2014, Poten & Partners drew up forecasts for the number of FSRUs that would be ordered in 2015-2024 by estimating the number of re-gasification projects and potential demand for FSRUs.

Poten & Partners expects 20 new purpose-built FSRUs to be ordered between 2015 and 2024 in the base-case scenario and 30 in the high-case scenario. Poten & Partners believes that GTT is likely to 80% of orders in this sector.

Anticipated number of FSRU orders over the 2015-2024 period		GTT forecast market share
Base-case scenario	20	80%
High-case scenario	30	80%

Source: Poten and Partners.

GTT Technologies were used in all newly built FSRUs.

Over the 2015-2024 period, GTT expects 25 to 35 FSRU orders, *i.e.* a level higher than the estimates of Poten & Partners. This is due to a more optimistic view concerning the choice of completion method of LNG import projects (choice of FSRUs versus an onshore facility). FSRUs, enabling a more flexible installation and at a controlled price respond to the needs of emerging markets and the needs of islands and seasonal needs.

(c) GTT's FSRU technologies faced with competing technologies

The Company believes that GTT's membrane technology has a strong advantage when used in the construction of FSRUs, as it is less expensive than either SPB or Moss Maritime technology.

The principal benefit of SPB technology derives from the fact that this system should be less vulnerable to sloshing than tanks using membrane technology. For this type of application, there may be an advantage if the FSRU has to operate in rough seas.

Currently, new builds are preferred to converting existing units for the reasons set out in section 6.2.2.3(a) – *FSRU segment and re-gasification vessels – Historical trends and order book* of this Registration Document.

6.2.2.4 FLNG segment

FLNGs are offshore platforms that receive the gas produced on remote sites, remove impurities from natural gas coming from offshore gas fields, process the gas, liquefy it and store it until it is offloaded on an LNG carrier.

(a) Historical trends and order book

As at the date of this Registration Document, three LNG FLNGs were given the final investment decision in 2011 and 2014 respectively. The first project is led by Shell for the Prelude field in Australia and represents the first LNG FLNG order. It is due to be delivered in 2016. The second and third projects are led by Petronas and are due to be delivered in 2015 and 2017.

The "Prelude" FLNG is a double-hulled steel barge, 480 metres long and 70-80 metres wide, equipped with ten LNG/LPG membrane storage tanks with a total LNG/LPG storage capacity of 326,000 m³ and 3.6 Mtpy liquefaction capacity. The tanks will use GTT's Mark III system with two rows of tanks separated by a space called "cofferdam", which significantly decreases the impact of any sloshing inside the tanks. Shell's choice of GTT's containment system for the "Prelude" project reflects its satisfaction with membrane containment technology and preference for this system over others less sea-proven or less cost-effective.

The second FLNG ordered from GTT as part of the Petronas-led project will be built by a consortium comprising the French EPC contractor Technip and the South Korean shipyard Daewoo Shipbuilding & Marine Engineering. It will comprise 8 tanks using NO 96 technology, with a total storage volume of 177,000 m³ and a liquefaction capacity of 1.2 Mtpy.

The third FLNG, also on behalf of Petronas, will be built by a consortium formed by the Japanese Japan Gas Corporation and Samsung. The 8 tanks for this FLNG will be equipped with Mark III technology and have a total storage volume of 177,000 m³ and a liquefaction capacity of 1.5 Mtpy.

Demand for FLNGs is driven by the need to monetise "remote" offshore gas reserves or monetise smaller gas fields. FLNGs can be used to tap into deep water oil and gas resources that would not be cost effective with classic seabed pipelines.

(b) FLNG segment forecasts

In the third quarter of 2014, Poten & Partners prepared demand projections for FLNGs over the 2015-2024 period. Poten & Partners reviewed the various existing projects and those in progress and worked on the basis of a limited number of FLNG projects that appeared to be most likely to go ahead.

In its base-case scenario, Poten & Partners forecasts that one FLNG will be ordered over the 2015-2024 period for projects with launch dates out to 2028, assuming a period of five years between the placing of an FLNG order and its commissioning date. In its high-case scenario, Poten & Partners forecasts orders for 2 to 3 FLNGs over the 2015-2024 period. Poten & Partners assumes that 100% of these FLNG orders will be new builds equipped with GTT's membrane technology.

All FLNGs currently under construction use GTT technologies.

Anticipated number of FLNG orders over the 2015-2024 period		GTT forecast market share
Base-case scenario	2	100%
High-case scenario	3	100%

Source: Poten & Partners.

Over the 2015-2024 period, GTT expects between 3 and 7 FLNG orders. This is due to a more optimistic view concerning the choice of completion method of LNG export projects (choice of FLNGs versus an onshore facility), in the cases when the volume to be produced is smaller, the installation costs are controlled or when it is advisable to limit the political risks linked to obtaining the required authorisations.

(c) GTT's FLNG technologies are confronting competing technologies

The Company believes that GTT's membrane technologies offer significant competitive advantages compared with Moss Maritime technologies due to the large flat deck that can accommodate the liquefaction unit and other related equipment.

According to the Company, the technologies competing with GTT are not necessarily well-suited to floating platforms. The Moss Maritime containment system is unsuitable for floating platforms because its restricted deck space cannot accommodate the necessary liquefaction equipment.

Ishikawajima Harima Heavy Industries' SPB system also has a flat deck, but costs from 100 to 250 million US dollars more than GTT's membrane system as it requires a much larger quantity of expensive metal. The principal benefit of SPB technology derives from the fact that this system should be less vulnerable to sloshing than tanks using membrane technology.

6.2.2.5 Onshore storage segment

(a) Historical trends and order book

Technigaz developed a technology for onshore gas storage in the late 1960s. This technology was used for 33 tanks between 1970 and 2006, with five built by SN Technigaz (29 for LNG storage, two for ethylene storage and two for LPG storage).

In 1994, Technigaz and Gaztransport pooled their activities to create GTT. The onshore storage technology was then transferred to GTT, which then granted an exclusive licence to SN Technigaz (an EPC contractor that is a Bouygues Offshore subsidiary), enabling SN Technigaz to market the membrane containment technology belonging to GTT for onshore storage applications. In 2006, GTT regained exclusive rights to its onshore storage technology and resumed its research and development activities in onshore storage tanks. This research programme was needed to bring GTT's onshore storage technology into line with the EN 14620 and EN 1473 European standards, which entered force in 2006 and 2007 respectively. GTT began to market this type of technology again in 2009.

GTT won an initial order for onshore storage tanks in 2009 and then a second order in January 2012. Both orders came from Energy World Corporation, in Indonesia and in the Philippines. GTT is currently marketing its onshore storage technology, which delivers very strong advantages (see section 6.2.2.5(c) – *Onshore storage segment – GTT's onshore storage faced with competing technologies* of this Registration Document). This advantage was illustrated in 2014 by a CERN order for a small tank designed to contain liquid argon for application on a larger scale. This brings the Company's onshore storage tank order book to three, all of which should be delivered in 2015. GTT aims to strengthen its operations in this segment significantly over the next five years.

Demand for LNG onshore storage should continue to increase, supported by strong sector drivers:

- ▶ the need for additional storage capacity in connection with the development of new re-gasification and liquefaction projects (for example in Russia or Canada);
- ▶ the increase in the average size of LNG carriers requires larger storage tanks and the construction of new onshore storage capacity;
- ▶ growth in trading volumes is supporting the construction of numerous projects with lower utilisation rates to take advantage of the sector;
- ▶ the liberalisation of certain energy markets is encouraging new players to invest in their own infrastructure;
- ▶ the emergence of bunkering and the retail distribution of LNG, which may also justify the construction of new onshore storage facilities to offer re-export services;
- ▶ substantial demand for peak-shaving facilities, especially in China and India, where consumption is expected to grow very rapidly and significant additional storage will be needed by 2020.

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(b) Onshore storage segment forecasts

Poten & Partners studied demand for onshore tanks for gas liquefaction and re-gasification terminal projects. Their projections are shown in the following chart.

Poten & Partners forecasts that 49 new purpose-built onshore tanks will be ordered between 2015 and 2024 in the base-case scenario and 79 in the high-case scenario, representing an annual average of 5 to 8 orders respectively.

Number of orders for onshore storage tanks expected over the 2014-2024 period	
Base-case scenario	49
High-case scenario	79

Source: Poten and Partners.

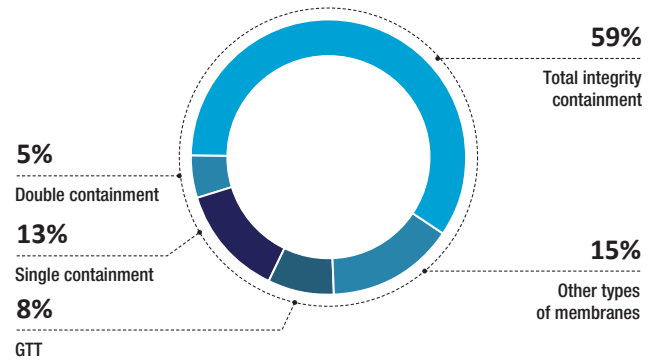
Over the period 2015-2024, GTT expects between 15 and 20 orders for large onshore storage tanks.

(c) GTT's onshore storage technologies faced with competing technologies

In relation to membrane containment tanks, GTT faces three main competitors: Ishikawajima Harima Heavy Industries and Kawasaki Heavy Industries, which developed their technologies in the 1970s, and KOGAS, which developed its technology in the 2000s.

There are currently four different types of onshore storage tank, with the most common types being full integrity containment and full integrity membrane containment (GTT and others).

INTERESTS IN ONSHORE STORAGE TANK TECHNOLOGIES AS AT 31 DECEMBER 2014, COVERING EXISTING TANKS WITH A CAPACITY OF MORE THAN 30,000 M³



Source: Company.

The four types of tank have different features and usages:

- ▶ single containment tanks (13% of existing storage tanks): small tanks or tanks located in remote areas. This comprises a single cryogenic container to store liquids, surrounded by a dike to contain possible product leakage;
- ▶ double containment tanks (5% of existing storage tanks): represented an improvement on single containment, but is no longer used for cost and size reasons. It is a liquid- and vapour-tight primary container, built inside a liquid-tight secondary container;
- ▶ full integrity containment tanks (59% of existing storage tanks) is the most common type of containment. The primary container is made of 9% nickel and the secondary container is made of concrete, with loose perlite insulation between the two;
- ▶ full integrity membrane containment vessels (23% of existing storage tanks): this consists of a stainless steel primary container (membrane) together with thermal insulation and a concrete outer tank jointly forming an integrated composite structure.

The following diagram shows the features of each type of tank.

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ONSHORE STORAGE TANKS

	SINGLE CONTAINMENT	DOUBLE CONTAINMENT	FULL CONTAINMENT	MEMBRANE (Equivalent to Full containment per EN 14620 standard)
OUTER STEEL TANK				
OUTER CONCRETE TANK				
LEAK CASE	Neither Liquid and vapour contained	Only Liquid contained	Liquid and vapour contained	Liquid and vapour contained
DIKE REQUIREMENT	YES	NO	NO	NO

- Steel designed for low temperature of liquid, acting as containment for liquefied gas
- Carbon steel not acting as containment for liquefied gas
- Concrete

Source: Company.

In relation to the full integrity containment, the main players are EPC contractors or designers, chief among which CB&I, Bechtel, Ishikawajima Harima Heavy Industries, Saipem, Entropose/Vinci, TGE Gas Engineering GmbH, Whessoe and Tokyo Kanetsu KK. The technology employed for the full integrity storage system no longer has any patent protection. The advantage of the so-called “9% Nickel” or “full integrity” technology lies in the fact that it is regarded as the benchmark technology by users because of its widespread use today. In addition, some users regard this technology as being safer because of the thickness of the metal panels used.

Although GTT has unparalleled experience in maritime LNG containment systems, as at 31 December 2014 it owned only approximately 8% of installed onshore storage tanks, having withdrawn from this sector between 1994 and 2006 after licensing its onshore storage technology to SN Technigaz.

This exclusive licence did not allow the development of this technology. Clients did not use much this technology regarded as reliant on a single EPC contractor, SN Technigaz, giving them almost no scope to harness the benefit from competition. Today, the Company has licensed its technology to 16 EPC contractors worldwide.

The regulations in force until 2006 classified aerial storage tanks using membrane technologies as single integrity tanks. Single integrity tanks

require a retention basin to be placed around the tank, making them a highly unattractive option. Accordingly, membrane technologies were restricted to in-ground storage facilities built in Japan and South Korea where SN Technigaz enjoyed some success—directly in South Korea and indirectly *via* its licence holder NKK in Japan. Since 2006, the regulations have classified membrane storage tanks as full integrity tanks. Since the retention basin is no longer required, aerial storage tanks using membrane technologies have become a more attractive option.

GTT is confident that it can regain sector share given its extensive know-how, the major competitive advantage deriving from its onshore storage technology and its revamped marketing efforts since 2009.

It believes that the GST containment system, GTT’s onshore storage solution, offers the following benefits:

- ▶ substantial cost savings for large capacities: GTT’s membrane system is less expensive than full integrity containment as less metal is required (saving of about 10% of the total quantity of steel required for a 200,000 m³ tank designed for a full integrity containment system) and is especially adapted to tanks with important storage capacity, 95% of materials used for the construction of GTT’s membrane tanks being independent from the tank capacity. As the current trend is to increase storage capacity, these savings represent a major competitive advantage

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for GTT. Membrane tanks can also be built much more rapidly than full integrity containment tanks as a result of the high level of material prefabrication and standardisation, leading to labour cost savings particularly in countries where labour costs are high (Australia, Canada);

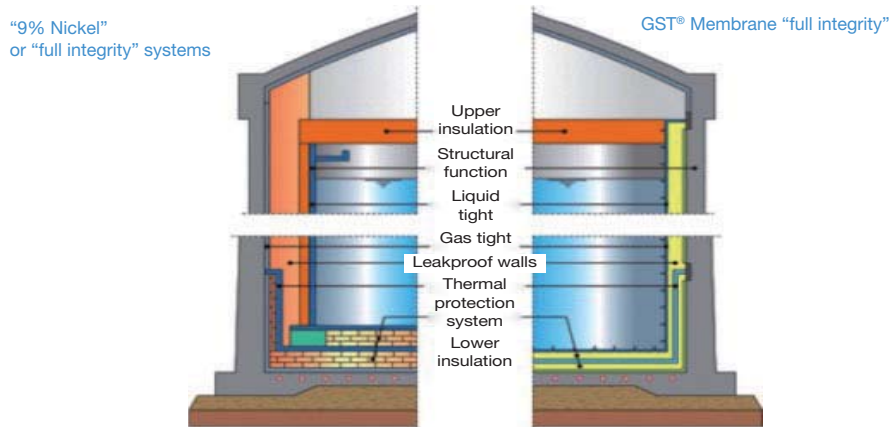
- ▶ faster and easier to build: the number of man-hours required to set up the membrane containment system is substantially lower than for full integrity containment systems. GTT's membrane tanks require much less welding than full integrity containment and welding is largely automated with about 85% of automatic welding. In addition, the overall construction process for a membrane tank is relatively flexible and can be combined with other tasks, such as installing insulation, bonding the secondary barrier and welding the primary barrier in parallel. This flexible construction process benefits the local labour force. Moreover, the material-handling equipment of GTT's membrane tanks is lighter, which contributes to save construction time. Compare to full integrity systems, the total amount of saved construction time is above three months;

- ▶ greater safety: membrane containment fulfils the same functions and provides the same level of safety as full integrity containment. The GST system, which complies with the EN 14620 European safety standard ⁽¹⁾, is the only membrane system approved by gas operators. GTT's GST system was developed taking inspiration from the existing systems used in LNG carriers. As a result, the Company's experience and technological proficiency have enabled it to add a partial secondary barrier and bring its technology into line with the EN 14620 European standard;

- ▶ greater operational efficiency: membrane containment does not require special maintenance. Membrane tanks are easily dismantled and the tanks' warming and cooling cycles are faster than competing products.

Overall, the GTT's membrane tanks lead to cost-savings of 10% to 35% of the total storage cost compared to full integrity systems.

COMPARISON OF "9% NICKEL" AND GST® MEMBRANE "FULL INTEGRITY" SYSTEMS



Source: Company.

(1) Standard covering requirements for the materials, design and installation of the isolation system for refrigerated liquefied gas storage tanks.

6.3 Detailed presentation of the Group's principal activities

GTT has developed proven technologies with the benefit of its 50 years of experience. With respect to vessels, it is, as at the date of filing this Registration Document, the only company marketing "membrane" containment systems that has received general approval for ship application (see section 6.7.4 – *New technology certification and approval process* of this Registration Document). Its technology enables LNG carriers to carry LNG "in bulk" by protecting the ship's hull with an insulated liner that keeps the LNG at a cryogenic temperature (-162°C at atmospheric pressure). The LNG is contained by a thin metallic primary surface called a membrane plus a secondary membrane to meet regulatory requirements.

GTT's two main technologies in the implementation of which the Company has tremendous experience, Mark and NO, are well-known for their excellence and reliability. They are protected by patents. These technologies and their upgraded versions (see section 6.6 – *Technical description of the Company's membrane containment technologies* of this Registration Document) are mainly used in LNG carriers. However, thanks to long-term investment in research and development of its long-standing technologies, GTT has developed new applications, including floating platforms (FSRUs and FLNGs) and onshore storage tanks.

According to Poten & Partners, given its global share of LNG carrier orders over the 2015-2024 period, estimated at between 84% and 87%, as well as 80% of FSRU and all FLNG orders over the same period, the Company ranks as the number one player in the sector for containment systems for transporting LNG.

GTT's clients can gain access to its technology by entering into a licence agreement giving them access to protected rights to the technology as well as access to GTT's know-how throughout their construction project.

GTT also offers its clients engineering services independently of the licence agreement.

The Company's sales broke down as follows:

ALLOCATION OF THE COMPANY'S REVENUES (IN %)

Activity	Financial year 2012	Financial year 2013	Financial year 2014
LNG carriers/Ethane carriers	76.1%	80.1%	80.7%
FSRU	9.4%	12.8%	10.9%
FLNG	3.0%	2.7%	3.4%
Onshore tanks	3.2%	1.0%	0.4%
Services	8.3%	3.4%	4.6%

Source: Company.

Finally GTT provides *ad hoc* services, such as training, maintenance assistance, approval assistance, emergency assistance and technical studies.

Cryovision, a subsidiary of GTT created in 2012, aims to pursue the development of this broad range of services and is currently marketing a new method of detecting membrane defects using a thermal imaging camera, known as Thermal Assessment of Membrane Integrity or "TAMI". Cryovision is also involved in the distribution of the tool SloShield™, an innovative monitoring system to help control the effects of sloshing in LNG carriers, as part of a package including class validations, supply, construction and commissioning. The SloShield™ package combines the unmatched expertise of GTT in the measurement and analysis of sloshing in tanks at sea, and Cryovision's experience on the ground and responsiveness. In 2014, Cryovision generated revenues amounting to 2.4 million euros.

GTT has created two other subsidiaries, in 2013 and 2014 respectively: GTT North America, based in Houston (United States), which allows it to access the burgeoning LNG sector in North America (particularly bunkering) and GTT Training Ltd, based in London (United Kingdom), which develops the training activity designed to train officers operating on LNG carriers, as well as simulation tools in connection with this activity.

GTT's technology has long been accepted and approved by the classification companies active in the marine industry. The Company, which gained ISO 9001 certification in December 2010, is now focusing on refining its quality management system, and this will enable it to achieve full compliance with the quality standards set by its clients.

Almost all of the Company's clients are located in Asia (China, South Korea, Japan) (see section 20.1. – *Financial statements prepared in accordance with IFRS for the year ended 31 December 2014 – Segment reporting* of this Registration Document).



OVERVIEW OF THE ACTIVITIES OF THE GROUP

6.3 DETAILED PRESENTATION OF THE GROUP'S PRINCIPAL ACTIVITIES

6.3.1 APPLICATIONS OF GTT'S MEMBRANE CONTAINMENT TECHNOLOGIES

6.3.1.1 LNG carriers

GTT is a key player in the market for LNG carrier containment systems.

The first small-size LNG carrier, equipped with Technigaz technology was delivered in 1964, while the first LNG carrier of a bigger size and equipped with Gaztransport technology was delivered in 1969.

In the 1960s, two vessels were built and delivered using Gaztransport and Technigaz technologies.

In the 1970s, 16 LNG carriers were built and delivered using Gaztransport and Technigaz technologies.

The 1980s brought a slowdown in activity, with nine LNG carriers using the technologies developed by Gaztransport and Technigaz being built and delivered. During this period, both companies concentrated on research and development and on support for vessels in service.

In the 1990s, 14 LNG carriers were built and delivered using GTT's technology.

During the 2000s, GTT became the leading operator in the LNG containment systems sector with 185 vessels built using its technology during the decade from 2000 to 2010 out of a total of 240 vessels ordered around the world.

In 2013, 36 of the 44 LNG carriers ordered around the world employed GTT's technologies.

In 2014, 36 of the 45 LNG carriers ordered around the world employed GTT's technologies.

The 96 LNG carriers on order with the Company as at 31 December 2014 will be built with GTT systems, broken down as follows:

- ▶ 7 LNG carriers are being built with the Mark III system;
- ▶ 44 LNG carriers are being built with the Mark III Flex system;
- ▶ 14 LNG carriers are being built with the NO 96 system;
- ▶ 23 LNG carriers are being built with the NO 96 GW system;
- ▶ 8 LNG carriers are being built with the NO 96 L-03 system.

6.3.1.2 Ethane carriers/Multigas carriers

"Multi-gas" ethane carriers are vessels designed to carry liquid ethane at approximately -92°C ; this feature also allows them to carry other gases in a liquid state, such as LPG (Liquefied Petroleum Gas) for example, hence the concept of "multi-gas" ships.

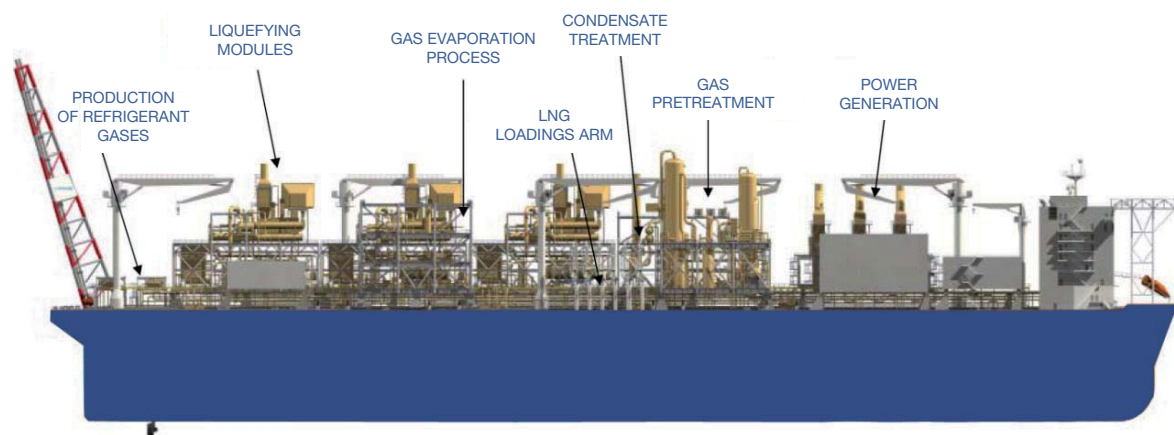
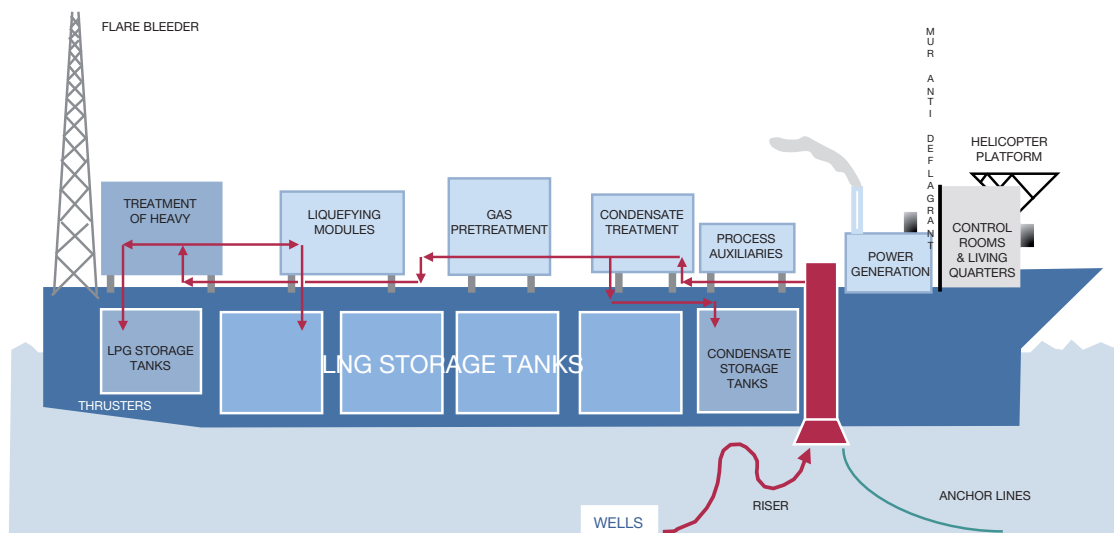
The Company received its first order in 2014 for the construction of six VLEC (Very Large Ethane Carriers) by the South Korean shipyard SHI for an Asian group. These new "multi-gas" vessels, equipped with the Mark III Flex technology, will be designed to transport ethane, as well as several other types of gas in liquid form, such as propane, butane and propylene. The Company has also received five agreements in principle from classification companies (ABS, BV, CCS, DNV and LR) for the transport of liquefied gases other than LNG.

OVERVIEW OF THE ACTIVITIES OF THE GROUP

6.3 DETAILED PRESENTATION OF THE GROUP'S PRINCIPAL ACTIVITIES

6.3.1.3 FLNG

FLNGs are offshore platforms that receive the gas produced on remote sites, remove impurities from natural gas coming from offshore natural gas fields, process and liquefy the natural gas and store it until it is offloaded to an LNG carrier.



Shell's Prelude project, the first FLNG to get the investment go-ahead, will use GTT's Mark III system. Construction by Samsung Heavy Industries started in 2012 with delivery due in 2016 and commissioning in 2017.

The second FLNG to get the investment go-ahead will be equipped with GTT's NO 96 system. It will be built by a consortium comprising Technip and Daewoo Shipbuilding & Marine Engineering and is scheduled for delivery to Petronas in 2015.

The third FLNG was ordered in 2014. It will be equipped with GTT's Mark III system. It will be built by Samsung Heavy Industries and Japan Gas Corporation and is scheduled for delivery to Petronas in 2017.

6.3.1.4 FSRUs and re-gasification vessels

FSRUs are stationary vessels able to receive, store and re-gasify LNG from LNG carriers. They send the re-gasified natural gas to land through pipelines. Compared with onshore reception terminals, the advantages of a FSRU are lower costs, shorter construction times and a smaller environmental footprint.

OVERVIEW OF THE ACTIVITIES OF THE GROUP

6.3 DETAILED PRESENTATION OF THE GROUP'S PRINCIPAL ACTIVITIES

The following table shows the technology used for each FSRU or re-gasification ship already built or ordered.

Vessel	Status	Start of operation ⁽²⁾	Type of vessel	Owner(s)	Technology
Accelerate	In service	2006	Regasification vessel	Exmar N.V. (50%) Accelerate Energy (50%)	GTT
Excellence	In service	2005	Regasification vessel	George Kaiser (100%)	GTT
Excelsior	In service	2004	Regasification vessel	Exmar N.V. (50%) Teekay (50%)	GTT
Exemplar	In service	2010	Regasification vessel	Accelerate Energy (70%) RWE (15%) George Kaiser (15%)	GTT
Expedient	In service	2010	Regasification vessel	Accelerate Energy (70%) RWE (15%) George Kaiser (15%)	GTT
Experience	In service	2014	FSRU	RWE (15%) George Kaiser (15%)	GTT
Explorer	In service	2008	Regasification vessel	Exmar N.V. (50%) Accelerate Energy (50%)	GTT
Express	In service	2009	Regasification vessel	Exmar N.V. (50%) Accelerate Energy (50%)	GTT
Exquisite	In service	2009	Regasification vessel	Accelerate Energy (70%) RWE (15%) George Kaiser (15%)	GTT
GDF Suez Neptune	In service	2009	Regasification vessel	Hoegh LNG (50%) MOL (48.5%) Tokyo Gas (1.5%)	GTT
GDF Suez Cape Ann	In service	2010	Regasification vessel	Hoegh LNG (50%) MOL (48.5%) Tokyo Gas (1.5%)	GTT
Golar Eskimo	In service	2014	FSRU	Golar LNG (100%)	GTT
Golar Freeze	In service	2010 (1977)	FSRU	Golar LNG (100%)	Moss
Golar Igloo	In service	2014	FSRU	Golar LNG (100%)	GTT
Golar Spirit	In service	2010 (1981)	FSRU	Golar LNG (100%)	Moss
Golar Winter	In service	2004	FSRU	Golar LNG (100%)	GTT
Hoegh Gallant	In service	2014	FSRU	Hoegh (100%)	GTT
Independence	In service	2014	FSRU	Hoegh (100%)	GTT
Nusantara Regas Satu	In service	2012 (1977)	FSRU	Golar LNG (100%)	Moss
PGN Lampung	In service	2014	Regasification vessel	Hoegh (100%)	GTT
TOSCANA ⁽¹⁾	In service	2013 (2004)	FSRU	Golar LNG (100%)	Moss
Golar Tundra	On order	2015	FSRU	Golar LNG (100%)	GTT
Hoegh Challenger	On order	2015	FSRU	Hoegh (100%)	GTT
TBN SHI 2074	On order	2015	FSRU	BW Group 100%	GTT
TBN SHI 2118	On order	2016	FSRU	BW Group 100%	GTT
TBN DSME Uruguay	On order	2016	FSRU	GDF Suez	GTT
TBN HHI Hoegh	On order	2017	FSRU	Hoegh (100%)	GTT

(1) Permanently stationary FSRU, not included in the global vessel fleet.

(2) Start of operation of FSRU (launch date of hull for conversions).

OVERVIEW OF THE ACTIVITIES OF THE GROUP

6.3 DETAILED PRESENTATION OF THE GROUP'S PRINCIPAL ACTIVITIES

6.3.1.5 Onshore storage

Onshore storage tanks are installed next to LNG loading and unloading terminals in order to transport, re-gasify and distribute LNG. The installed tanks have a volume of approximately 150,000 m³ (larger capacities are available, particularly with membrane type tanks) and there are usually several tanks per terminal, depending on the capacity of the facility. Tanks are designed to withstand cryogenic temperatures, maintain the liquid at a low temperature and minimise evaporation.

After resuming commercialisation of its onshore storage tanks in 2009, GTT booked its first order in 2009 and its second order in January 2012, both from Energy World Corporation. GTT's current commercial strategy is to license the onshore storage technology to EPC contractors enabling project sponsors to benefit from competition and lower project costs.

This advantage was illustrated in 2014 by a CERN order for a small tank designed to contain liquid argon for application on a larger scale. This brings the Company's onshore storage tank order book to three, all of which should be delivered in 2015. GTT aims to strengthen its operations in this segment significantly over the next five years. As at the date of this Registration Document, GTT has 18 licensees, 2 of whom were new in 2014, reflecting the interest generated by its technology.

The 36 onshore storage tanks built or on order employing the technology developed by Technigaz and by GTT (known as GST) are all located in Asia (Japan, Taiwan and South Korea), except for four onshore tanks in France. 17 of these tanks are above-ground tanks, three of which are under construction, with 19 tanks in the ground and tank is a "pilot cavern" that is entirely below-ground. The largest LNG onshore storage tanks in service around the world are equipped with GTT's membrane technology. These are three 200,000 m³ in-ground tanks in Japan that belong to Tokyo Gas, the first tank being delivered in 1996.

6.3.1.6 The Company's order book as at 31 December 2014

The table below presents the order book of the Company as at 31 December 2014 for all business segments in which it is present.

The Company records an order upon receipt of notification from a shipyard to notify the order and provide its main characteristics or at the execution date of a MoU.

Type	Technology	Shipyard/ Manufacturer	Shipowner	Delivery
FLNG	Mark III	Samsung	Petronas	2017
FLNG	Mark III	Samsung	Shell Group	2016
FLNG	NO 96	Daewoo	Petronas	2015
FSRU	Mark III	Hyundai Group	Hoegh LNG	2017
FSRU	NO 96	Daewoo	Mitsui OSK Line	2016
FSRU	Mark III	Hyundai Group	Hoegh LNG	2015
Large Capacity Ethane Carrier	Mark III	Samsung	Not released	2017
Large Capacity Ethane Carrier	Mark III	Samsung	Not released	2017
Large Capacity Ethane Carrier	Mark III	Samsung	Not released	2016
Large Capacity Ethane Carrier	Mark III	Samsung	Not released	2016
Large Capacity Ethane Carrier	Mark III	Samsung	Not released	2016
Large Capacity Ethane Carrier	Mark III	Samsung	Not released	2016
LNG carrier	NO 96 GW	Daewoo	Teekay LNG/China LNG Shipping LNG	2020
LNG carrier	NO 96 GW	Daewoo	Teekay LNG/China LNG Shipping LNG	2020
LNG carrier	NO 96 GW	Daewoo	Mitsui OSK Line/China Shipping LNG	2019
LNG carrier	NO 96 GW	Daewoo	Teekay LNG/China LNG Shipping LNG	2019
LNG carrier	NO 96 GW	Daewoo	Teekay LNG/China LNG Shipping LNG	2019
LNG carrier	NO 96	Hudong-Zhonghua	Teekay LNG	2019
LNG carrier	Mark III Flex	Samsung	MBK	2018
LNG carrier	Mark III Flex	Samsung	MBK	2018
LNG carrier	Mark III Flex	Samsung	MBK	2018

OVERVIEW OF THE ACTIVITIES OF THE GROUP

6.3 DETAILED PRESENTATION OF THE GROUP'S PRINCIPAL ACTIVITIES

Type	Technology	Shipyard/ Manufacturer	Shipowner	Delivery
LNG carrier	NO 96 GW	Daewoo	Mitsui OSK Line/China Shipping LNG	2018
LNG carrier	NO 96 GW	Daewoo	Mitsui OSK Line/China Shipping LNG	2018
LNG carrier	NO 96 GW	Daewoo	Teekay LNG/China Shipping LNG	2018
LNG carrier	NO 96 GW	Daewoo	Teekay LNG/China Shipping LNG	2018
LNG carrier	NO 96	Hudong-Zhonghua	Teekay LNG	2018
LNG carrier	NO 96	Hudong-Zhonghua	Teekay LNG	2018
LNG carrier	NO 96 GW	Daewoo	Not released	2017
LNG carrier	NO 96 GW	Daewoo	Not released	2017
LNG carrier	NO 96 GW	Daewoo	Not released	2017
LNG carrier	NO 96 GW	Daewoo	Not released	2017
LNG carrier	Mark III Flex	Hyundai Group	HYPROC Shipping	2017
LNG carrier	NO 96 GW	Daewoo	BW Gas	2017
LNG carrier	NO 96 GW	Daewoo	BW Gas	2017
LNG carrier	Mark III Flex	Hyundai Group	GasLog	2017
LNG carrier	Mark III Flex	Hyundai Group	GasLog	2017
LNG carrier	Mark III Flex	Samsung	Flex LNG	2017
LNG carrier	Mark III Flex	Samsung	Flex LNG	2017
LNG carrier	NO 96	Hudong-Zhonghua	Teekay LNG	2017
LNG carrier	Mark III Flex	Imabari	Elcano	2017
LNG carrier	Mark III Flex	Imabari	Elcano	2017
LNG carrier	Mark III Flex	Samsung	SK Shipping	2017
LNG carrier	Mark III Flex	Samsung	SK Shipping	2017
LNG carrier	Mark III Flex	Samsung	GasLog	2017
LNG carrier	Mark III Flex	Samsung	GasLog	2017
LNG carrier	NO 96 GW	Daewoo	Teekay LNG	2017
LNG carrier	NO 96	Hudong-Zhonghua	China Shipping LNG/Mitsui OSK Line/China Petroleum and Chemicals Corp., Ltd.	2017
LNG carrier	NO 96	Hudong-Zhonghua	China Shipping LNG	2017
LNG carrier	NO 96	Hudong-Zhonghua	China Shipping LNG	2017
LNG carrier	Mark III Flex	Hyundai Group	Hyproc Shipping	2016
LNG carrier	NO 96 GW	Daewoo	Sovcomflot	2016
LNG carrier	Mark III Flex	Hyundai Group	Petronet	2016
LNG carrier	Mark III Flex	Hyundai Group	Knutsen OAS Shipping	2016
LNG carrier	Mark III Flex	Hyundai Group	Knutsen OAS Shipping	2016
LNG carrier	NO 96-L-03	Daewoo	Maran Gas Maritime	2016
LNG carrier	NO 96-L-03	Daewoo	Maran Gas Maritime	2016
LNG carrier	NO 96-L-03	Daewoo	Maran Gas Maritime	2016
LNG carrier	NO 96-L-03	Daewoo	Maran Gas Maritime	2016
LNG carrier	Mark III Flex	Hyundai Group	Tsakos	2016
LNG carrier	Mark III Flex	Samsung	BGT (Bonny Gas Transport)	2016

OVERVIEW OF THE ACTIVITIES OF THE GROUP

6.3 DETAILED PRESENTATION OF THE GROUP'S PRINCIPAL ACTIVITIES

Type	Technology	Shipyard/ Manufacturer	Shipowner	Delivery
LNG carrier	Mark III Flex	Samsung	BGT (Bonny Gas Transport)	2016
LNG carrier	Mark III Flex	Samsung	GasLog	2016
LNG carrier	Mark III Flex	Samsung	GasLog	2016
LNG carrier	Mark III Flex	Samsung	GasLog	2016
LNG carrier	Mark III Flex	Samsung	GasLog	2016
LNG carrier	Mark III Flex	Hyundai Group	Maran Gas Maritime	2016
LNG carrier	Mark III Flex	Hyundai Group	Maran Gas Maritime	2016
LNG carrier	Mark III Flex	Hyundai Group	Maran Gas Maritime	2016
LNG carrier	Mark III Flex	Hyundai Group	Maran Gas Maritime	2016
LNG carrier	NO 96 GW	Daewoo	Teekay LNG	2016
LNG carrier	NO 96 GW	Daewoo	Teekay LNG	2016
LNG carrier	NO 96 GW	Daewoo	Teekay LNG	2016
LNG carrier	NO 96	Hudong-Zhonghua	China Shipping LNG	2016
LNG carrier	NO 96	Hudong-Zhonghua	China Shipping LNG	2016
LNG carrier	NO 96	Hudong-Zhonghua	China Shipping LNG	2016
LNG carrier	Mark III	Samsung	Chevron	2016
LNG carrier	Mark III	Samsung	Chevron	2016
LNG carrier	NO 96	Hudong-Zhonghua	Mitsui OSK Line	2016
LNG carrier	Mark III Flex	Hyundai Group	BGT (Bonny Gas Transport)	2015
LNG carrier	Mark III	Samsung	Golar LNG	2015
LNG carrier	NO 96 GW	Daewoo	Teekay LNG LNG	2015
LNG carrier	Mark III Flex	Samsung	BGT (Bonny Gas Transport)	2015
LNG carrier	Mark III Flex	Hyundai Group	BGT (Bonny Gas Transport)	2015
LNG carrier	Mark III Flex	Hyundai Group	Maran Gas Maritime	2015
LNG carrier	NO 96	Hudong-Zhonghua	Mitsui OSK Line	2015
LNG carrier	NO 96 L03	Daewoo	Maran Gas Maritime	2015
LNG carrier	Mark III Flex	Samsung	BGT (Bonny Gas Transport)	2015
LNG carrier	NO 96 L03	MBK	Alpha Tankers & Freighters International Ltd	2015
LNG carrier	Mark III Flex	Hyundai Group	Maran Gas Maritime	2015
LNG carrier	Mark III Flex	Hyundai Group	Maran Gas Maritime	2015
LNG carrier	NO 96 L03	Daewoo	Maran Gas Maritime	2015
LNG carrier	NO 96 L03	Daewoo	Maran Gas Maritime	2015
LNG carrier	Mark III	Hyundai Group	Brunei LNG	2015
LNG carrier	NO 96	Hudong-Zhonghua	Mitsui OSK Line	2015
LNG carrier	Mark III Flex	Hyundai Group	Dynagas (Dynacom)	2015
LNG carrier	NO 96 GW	MBK	Sovcomflot	2015
LNG carrier	Mark III	Samsung	Chevron	2015
LNG carrier	Mark III Flex	Hyundai Group	Maran Gas Maritime	2015
LNG carrier	Mark III	Samsung	GasLog	2015
LNG carrier	Mark III Flex	Hyundai Group	BW Maritime	2015

OVERVIEW OF THE ACTIVITIES OF THE GROUP

6.3 DETAILED PRESENTATION OF THE GROUP'S PRINCIPAL ACTIVITIES

Type	Technology	Shipyard/ Manufacturer	Shipowner	Delivery
LNG carrier	Mark III Flex	Hyundai Group	Dynagas (Dynamcom)	2015
LNG carrier	Mark III Flex	Samsung	Thenamaris	2015
LNG carrier	Mark III Flex	Hyundai Group	BW Maritime	2015
LNG carrier	NO 96	Hudong-Zhonghua	Mitsui OSK Line/ExxonMobil	2015
LNG carrier	Mark III Flex	Samsung	Golar LNGr	2015
LNG carrier	NO 96 GW	MBK	Sovcomflot	2015
LNG carrier	Mark III	Samsung	Chevron	2015
LNG carrier	Mark III Flex	Hyundai Group	Golar LNG	2015
Regasification vessel	Mark III	Samsung	BW Maritime	2015
Regasification vessel	MARK III	Samsung	Golar	2015
Regasification vessel	Mark III	Samsung	BW Maritime	2016
Onshore storage tank	GST	Gabadi	CERN	2015
Onshore storage tank	GST	EWC	EWC	2015
Onshore storage tank	GST	EWC	EWC	2015

6.3.1.7 Orders received by the Company since 1 January 2015

The table below sets out the orders received by the Company since 1 January 2015 for all business segments in which it is present.

Type	Number ordered	Technology	Shipyard	Shipowner	Delivery
LNG carrier	4	NO 96 GW	Daewoo	Teekay LNG	2017-2018
LNG carrier	4	NO 96 GW	Daewoo	Maran Gas Maritime	2017-2018
LNG icebreaker carrier	5	NO 96 GW	Daewoo	Yamal Trade	2017-2019
LNG carrier	1	NO 96 GW	Daewoo	Chandris (Hellas) Inc.	2018
LNG carrier	6	NO 96 GW	Daewoo	Not released	2018-2019
LNG carrier	1	NO 96 GW	Daewoo	Mitsui OSK Lines	2018
LNG carrier	2	NO 96 GW	Daewoo	K-line	2016-2017
LNG carrier	2	NO 96 GW	Daewoo	Hyundai LNG	2017

6.3.1.8 Orders received by GTT North America since 1 January 2015

Type	Number ordered	Technology	Shipyard	Shipowner	Delivery
Bunkering barge	1	Mark III Flex	Conrad Industries	Wespac Midstream	2016

6.3.2 ENGINEERING ACTIVITIES

In addition to licensing its technology, GTT also provides its clients with various engineering services based on its experience and know-how in membrane containment systems.

GTT provides specific pre-project studies for engineering projects and supports its clients in their construction projects for LNG carriers, floating platforms or onshore storage tanks from the pre-project phase through the final construction phase.

6.3.2.1 Pre-project construction studies and *ad hoc* pre-project studies

The Company mainly provides pre-project studies for shipyards and EPC contractors for their construction projects.

It is also approached to provide its expertise directly to shipowners, charterers, oil and gas companies, engineering companies and classification societies. They seek engineering support for projects such as:

- ▶ vessel modification;
- ▶ feasibility studies; and
- ▶ front end engineering design (FEED) studies for vessels (LNG carriers, ethane carriers, FSRUs and FLNG) and onshore storage facilities.

As a recognised expert in containment systems, process engineering and cryogenic engineering, GTT provides specific *ad hoc* studies for these projects.

The performance of these services enables GTT to forge stable, long-term relationships with all the leading sector players and thus build trust in its technologies, its know-how and its teams.

6.3.2.2 Detailed engineering services

(a) Design studies

GTT contributes globally to LNG carrier, floating platform and onshore storage tanks construction projects by providing design studies.

The purpose of these design studies is to analyse and describe the main characteristics of these projects: tank measurements, boil-off rate, operating conditions, liquid motion studies, design of the LNG containment systems, and preliminary cost and construction time estimates.

When the order for an LNG carrier, a floating platform or an onshore storage tank is signed, GTT provides engineering details for the containment and cargo handling systems:

- ▶ in the case of containment systems: format and types of insulation and membrane components, detailed drawings for assembly;

- ▶ with regard to handling systems: materials involved in handling the cargo of a vessel or an onshore storage unit and tank safety, layout of decks and cargo hold, design of the pump support mast (for LNG carriers).

During the design phase, GTT also provides detailed information relating to:

- ▶ construction material specifications (glass wool, reinforced polyurethane foam, plywood, stainless steel, perlite, mastic or aluminium): GTT provides detailed specifications for all the materials required to build its membrane systems. GTT also performs tests on the materials used to ensure that they meet GTT's rigorous standards. Suppliers of materials used by the shipyards or EPC contractors to build the membrane systems must be approved by GTT and comply with a demanding approval process. Approval is given for a limited period of time and is subject to renewal. During the approval process, GTT's teams perform tests by random sampling and on-site inspections;
- ▶ the documentation required to prepare for construction: GTT's engineers provide explanatory technical notes relating to containment and cargo handling systems (structure, naval architecture, notes on issues related to liquid motion, as well as processes and instrumentation notes), together with specifications for construction items. These notes and specifications are provided to the licensee, shipowner and classification companies. The documentation is specific to each project.

(b) Construction assistance

GTT assists its clients during the construction of vessels and onshore storage tanks. GTT's representatives provide on-site technical and organisational guidance and ensure that the necessary information is provided to the shipyard or the EPC contractor for the construction of the membrane tank. They also make sure that GTT's technology is implemented properly by the licensee and supervise the tank's final construction phase.

As GTT's experts work closely with the shipyards or the EPC contractors, the Company benefits from constant feedback. This allows GTT to improve its methodology and systems continuously and therefore to contribute to its clients' productivity.

Client feedback may also be a source of innovation to create the design of *ad hoc* equipment for the shipyards and the EPC contractors such as welding robots or forming tools.

To broaden its range of products, GTT also designs tooling to be used by shipyards and EPC contractors to assemble GTT's systems for vessels and storage tanks and to keep production times as short as possible.

OVERVIEW OF THE ACTIVITIES OF THE GROUP

6.3 DETAILED PRESENTATION OF THE GROUP'S PRINCIPAL ACTIVITIES

6.3.3 THE GROUP'S SERVICE ACTIVITIES

6.3.3.1 Services performed by the Group

GTT provides *ad hoc* services related to its technologies that its clients regard as a key component of GTT's commercial offering, reinforcing their trust in GTT's technologies.

These *ad hoc* services consist of:

- ▶ assistance from its supporting contractors in connection with the maintenance of ships by shipyards: GTT is involved in the maintenance of the fleet as well as that of the storage tanks. The Company is contractually linked to a number of shipyards worldwide for repairs. It provides technical expertise as well as maintenance and repair procedures to be followed under its supervision;
- ▶ training: GTT offers a dedicated training programme to its new licensees so they can understand and master the technologies, as well as their construction methodologies. In addition, four times a year for the past 15 years, GTT has offered training courses to engineers representing ship owners, classification companies and shipyards in the repair of membrane technologies, LNG operations and new applications such as LNG propulsion. Additionally, a recent program, the "LNG cargo operations" program has been offered since 2014 to gas officers operating on LNG carriers in accordance with the shipping competency standards SIGTTO ⁽¹⁾ (management level). This training is very specific and technical and is conducted on a simulator developed by GTT. It has been audited and validated by a Norwegian qualification company. The simulator allows officers to experience many situations extremely realistically;
- ▶ for emergency assistance: GTT's specialists provide a 24/7 hotline ("HEARS") *via* which the Company's specialist can answer questions from shipowners and their crews about incidents encountered with GTT's systems. These incidents are classified into six different types: (i) gas or liquid infiltration in insulated spaces, (ii) water presence in insulated spaces, (iii) LNG spreading on the deck with breakage of steel and cargo collecting supports, (iv) cargo allocation for emergency

departures, (v) extended loss of nitrogen production and (vi) extended loss of the bulkhead heat circuits.

6.3.3.2 Services performed by Cryovision

Cryovision aims to provide additional services to owners of LNG carriers equipped with GTT membranes (266 ships of more than 70,000 m³ at the end of 2014, according to Clarkson Research).

Cryovision has developed a Thermal Assessment of Membrane Integrity (TAMI) service which tests the secondary barrier of Mark III, NO 96 and CS 1 membranes using a thermal imaging camera. This technology makes it possible for various membrane features to be tested while the ship is at sea, significantly reducing dry dock time and offering various applications for both primary and secondary barriers.

The TAMI procedure is a very efficient replacement for the compulsory secondary barrier test, which has to be undertaken every five years by shipowners in accordance with the international code for the construction and equipment of vessels carrying liquefied gases in bulk. The system provides significant advantages in terms of ease of implementation as the tests can be carried out while at sea. It also offers significant cost savings.

The tests are particularly important for certain vessels equipped with Mark III membranes as their secondary barrier can sometimes be affected by bond defects following defective installation of the technology by shipyards. It is also relevant for some older versions of NO 96 vessels (whose secondary barriers were reinforced with metallic welding).

All other existing secondary barrier tests require the ship to be in dock.

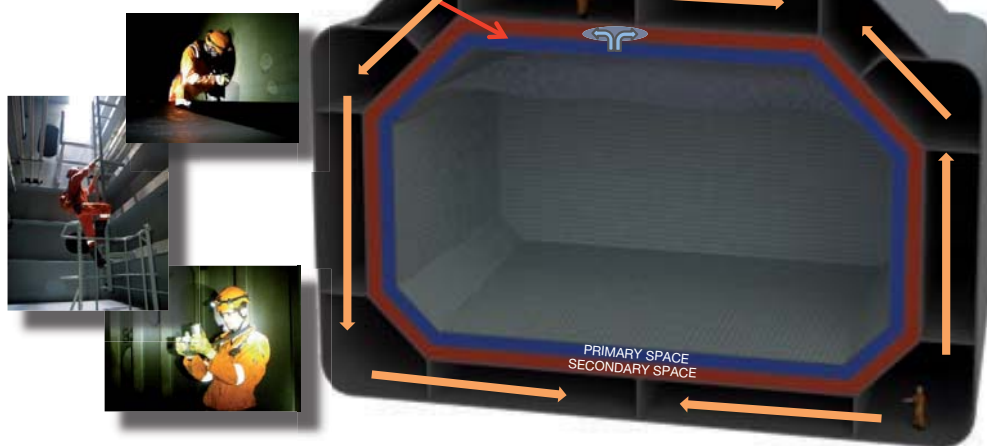
The TAMI procedure was successfully tested on 11 tanks in 2011. Marketing of the TAMI procedure was launched in late 2011. In 2013, Cryovision conducted 57 TAMI tests on 17 vessels and in 2014 50 TAMI tests on 15 vessels. Cryovision also performs other tests, including acoustic testing.

(1) Society of International Gas Tanker and Terminal Operators.

TESTING PRINCIPLE

Under normal conditions, the pressure of the primary space is lower than the pressure of the secondary space. The test consists of increasing the pressure of the primary chamber to be higher than the pressure of the secondary space.

Under these conditions in case of failure of the membrane a cold nitrogen substance flows from the primary space to the secondary space



Finally, since 2014, GTT and Cryovision offer an innovative monitoring system, SloShield™, to help control the effects of sloshing in LNG carrier tanks, including excess LNG boil-off related to sloshing inside the vessel's tanks. This new tool, SloShield™, uses an advanced algorithm that monitors vibration due to sloshing impacts in the structure of each tank, in real time, and returns, *via* a user-friendly interface, real time sloshing activity indicators. This allows operators to make critical decisions based on objective indicators, to optimise the operation of the ship.

SloShield™ will be distributed in a “turnkey” format by Cryovision, in a package including studies, validations by classes, supply, construction and commissioning. In addition, GTT's experts will be able to analyse the sloshing data, correlated with environmental and operational parameters, to capitalise on the feedback specific to each ship. The SloShield™ package combines the unmatched expertise of GTT in the measurement and analysis of sloshing in tanks at sea with Cryovision's experience on the ground and its responsiveness.

6.3.4 BUSINESS MODEL AND COMMERCIALISATION OF THE GROUP'S TECHNOLOGIES AND SERVICES

GTT markets its Mark III, NO 96 and GST systems and associated upgrades by licensing the technologies for the construction of LNG carriers, floating platforms or onshore storage tanks to their users.

The type of licence agreement entered into with the users of GTT's technologies depends mainly on the application for which the technologies

are to be used, and the choice of the contract will thus vary according to whether the technology is applied to a liquefied gas carrier, an offshore platform or an onshore storage tank.

Engineering or other *ad hoc* services may be included in licence agreements or be subject to a separate service level agreement.

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6.3.4.1 Commercialisation of GTT's technologies

(a) Commercialisation of GTT's technologies for LNG carriers

GTT grants its clients access to its technologies for the construction of LNG carriers under a Technical Assistance and Licence Agreement (TALA). A TALA is a framework agreement entered into between GTT and a shipyard for an initial term of six years, renewable for periods of five years thereafter.

Under a TALA, GTT grants a non-exclusive licence to the rights to GTT's containment systems and associated expertise for a given territory (generally, the area in which the shipyard is located).

When a licensed shipyard has signed a contract for an LNG carrier order received from a shipowner, it enters into a Memorandum of Understanding (MoU). Generally, the MoU applies the TALA for a specific project. The MoU lays down the details of the engineering services to be provided for each LNG carrier order or for a series of LNG carriers. The MoU also provides the construction schedule and amount of royalties to be paid to GTT, which are calculated on the basis of the formula set out in the TALA.

The fee is calculated based on the size of the membrane: licensees are charged a fixed rate per m². The basic fee currently stipulated in the TALA is 288.96 euros/m² at December 2008.

As GTT enters into many TALAs that may not be implemented for several years (inactive TALAs), the fee calculation formula includes an indexation rate based on the labour cost index for the manufacturing, construction and services industry published by the French national institute of statistics and economic studies (*Institut National de la Statistique et des Études Économiques*) applicable to the basic fee from the date on which the shipyard notifies GTT that it has entered into a construction contract with a shipowner. As at 31 December 2014, the fee per m² of membrane was 329.13 euros.

For example, based on the fee per m² as at 31 December 2014, for a LNG carrier with a capacity of approximately 173,400 m³, the required membrane surface to cover a LNG carrier tank is approximately 28,670 m², which amounts to a fee of approximately 9.4 million euros, for a first LNG carrier of a series, of which 1.9 million is payable for the feasibility study.

Lastly, the fee may vary according to the number of vessels ordered, with the price of each vessel contingent upon its rank in the series (see the *Table showing "the size of rebates according to the number of identical LNG carriers ordered"* below).

A vessel construction project has the following stages:

- ▶ order: signature of the MoU laying down the technical specifications;
- ▶ vessel's steel cutting: generally 18 months after the order is placed;
- ▶ laying of the keel: generally five months after the vessel's plate cutting date;
- ▶ launch: generally three months after the keel is laid;
- ▶ delivery: generally ten months after launch.

Royalties are paid in five instalments as follows:

- ▶ instalment 1: 10% of the total amount on the effective date of the order;
- ▶ instalment 2: 20% of the total amount on the vessel's plate cutting date;
- ▶ instalment 3: 20% of the total amount on the vessel's keel laying date;
- ▶ instalment 4: 20% of the total amount on the vessel's launch date;
- ▶ instalment 5: 30% of the total amount on the vessel's delivery date.

Licensees receive a discount for a series of identical vessels ordered from the same series within a three-year period.

DISCOUNT RATE BASED ON THE NUMBER OF IDENTICAL LNG CARRIERS ORDERED

Identical LNG carriers ordered	1	2	3	4	5	6	7	8	9
Discount (%) applied to the order of the relevant LNG carrier	0%	20% ⁽¹⁾	20% ⁽¹⁾	36%	36%	36%	36%	48%	48%

Source: Company.

(1) The 20% discount corresponds to the cost of studies only required for the first vessel in each series.

Most of the TALAs entered into since 2005 contain standard contractual terms that are not negotiated separately with each contracting party. Among the contractual terms, the key provisions are:

- ▶ improvements to the technology: the licence rights automatically cover any improvements made by GTT to its technology without payment of additional royalties. In return, the licensee must disclose any improvement made to GTT's licensed technology as soon as a patent application is published or no later than 18 months after first implementation of the improved technology and grant GTT a worldwide licence to and including a right to sub-license this improvement;
- ▶ preferred client terms: if GTT enters into a TALA with any other shipyard on more favourable terms or amends an existing TALA through a rider to add more favourable terms, it must notify all other licensees, who may choose to replace their current agreed terms with the more favourable terms;
- ▶ confidentiality undertaking: a mutual confidentiality undertaking is applicable for ten years, beginning on the date of expiry or termination of the agreement. The confidentiality undertaking is also applicable to any sub-contractors of the licensees;

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- ▶ provision of a two-year warranty after delivery relating to the membrane cryogenic performance defined as the absence of cold points on the hull and the respect of the boil-off contractual rate.

(b) Commercialisation of GTT's technology for the construction of floating platforms

GTT makes its floating platform technologies available to its clients under a TALA entered into with a shipyard, with a standard form supplemental agreement taking into account the specific rights licensed by GTT for the construction of floating platforms.

The standard contractual terms of the TALA entered into with a shipyard for the construction of an FLNG offshore platform or FSRU are very similar to those applicable to TALAs entered into for the construction of an LNG carrier. A MoU similar to the one entered into for the construction of an LNG carrier is also entered into with the shipyard once an order has been placed, the only difference being the technical specifications related to construction of floating platforms.

(c) Commercialisation of GTT's technology for the construction of onshore storage tanks

GTT grants access to its technology for the construction of onshore tanks to its clients under a Licence Agreement (LA). The terms and conditions of this licence agreement are similar to those of TALAs. What sets this type of agreement apart from a TALA is that it is signed with an EPC contractor for an initial term of 10 years and the licence granted is valid worldwide and not restricted to a given territory.

When an EPC contractor receives an order from a third party for an onshore storage tank, it enters into a MoU with GTT laying down the detailed engineering services required for construction of the onshore storage tank(s). It also provides the amount of royalties to be paid to GTT, which are calculated on the basis of the formula set out in the EPC licence agreement applied to the surface for which GTT's containment system will be used.

6.3.4.2 Commercialisation of engineering services

GTT's services under the TALA and EPC Licence Agreements include pre-project studies and technical assistance for the construction of an LNG carrier, floating platforms or onshore storage tanks.

The pre-project studies are not invoiced specifically to the client unless they require more than 100 work days. It is worth noting that the pre-project phase is not implemented systematically. When the shipyard has already built an identical structure, a pre-study does not need to be carried out. However, it may be required if the shipowner asks the shipyard to make design changes, which have to be approved by GTT before being implemented.

The design assistance royalties payable under the TALAs include a certain number of on-site technical assistance days. 300 days of on-site technical assistance are allotted for the construction of an LNG carrier. For FLNGs and FSRUs, the TALA as amended for the specific needs of these facilities includes 100 additional days compared with the construction of an LNG carrier for the first FLNG or FSRU unit ordered and 50 additional days for the second unit ordered. The EPC licence agreement includes 400 days of technical assistance for the construction of an onshore storage tank.

If the shipyard or EPC contractor also asks GTT to provide services not covered by the royalties payable under the TALA or the EPC licence agreement, specific rates per unit are set out respectively in the TALA or EPC licence agreement.

Any engineering services provided by GTT outside the TALA or EPC licence agreement at the request of a shipowner, oil and gas company or engineering company are invoiced under a Technical Services Agreement described in greater detail in section 6.3.4.3 – *Commercialisation of the Group's services* – contractual framework of the present base document.

6.3.4.3 Commercialisation of the Group's services – Contractual framework

Apart from the services included in the TALA or EPC licence agreement, which may give rise to additional billing, GTT also relies on its experience to offer a broader range of services either directly or through its subsidiaries.

These services are provided under four types of standard contract depending on their nature and the contracting party. GTT uses four categories of contracts.

Technical Services Agreement for Maintenance and Repair

Repair shipyards call upon GTT's expertise in maintaining and repairing LNG carriers equipped with GTT's containment systems and to this end enter into a contract known as Technical Services Agreement for Maintenance and Repair (TSAM).

LNG carriers require technical inspections at least every five years in accordance with the applicable maritime regulations. They also require regular maintenance as well as specific repairs.

Shipyards that are not active in the LNG carrier construction sector have specialised in the repair and maintenance of these vessels and offer these services to shipowners.

By entering into a TSAM and after an audit confirming its expertise, the repair shipyard is approved by GTT to maintain and repair LNG carriers under sole supervision of the shipyard.

GTT advises the repair shipyard technicians, performs technical inspections to detect any membrane defaults and an overall tank inspection.

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Under the terms of the TSAM, GTT provides the repair shipyard with experienced consultants, trains the shipyard teams in its technologies for maintenance and repair purposes and provides any information or technical assistance required for these projects to run smoothly.

GTT receives an annual fixed fee for a specified number of days and an additional fee beyond that at the rate per work-day set out in the TSAM. As the TSAM is entered into for an unlimited period of time, rates per day are revised annually on the basis of the labour cost index for the manufacturing, construction and services industry published by the French national institute of statistics and economic studies (*Institut National de la Statistique et des Études Économiques*).

Technical Services Agreement

If a shipowner asks GTT to provide operating, repair or maintenance services directly for its fleet of LNG carriers, GTT enters into an agreement known as a Technical Services Agreement (TSA).

The services most often requested by shipowners are fleet maintenance, selection of repair shipyards or coordination with certification authorities in relation to maintenance work. By entering directly into an indefinite term contract with GTT, the shipowner benefits from preferential rates and guaranteed availability of GTT's engineers.

There are two levels of TSA:

- ▶ Gold, which is charged on the basis of a flat annual fee for a given number of vessels covered by the agreement. Once the fleet exceeds five vessels, the fee is capped at five times the annual fee for one vessel, regardless of the fleet size. The services provide access to the twice-yearly training provided by GTT at its premises, limited to two people per session, and carry the right to a limited number of days of free assistance each year and per ship. Beyond this limited number of days of free assistance, services are charged on a work-day rate, the amount of which may vary according to certain criteria, for example whether the services are provided at the shipyard or at GTT's premises and whether or not the shipyard is approved by GTT;
- ▶ Silver, for which there is no annual fee and no assistance free of charge. Services are charged on a work-day rate, the amount of which may vary according to certain criteria, for example whether the services are provided at the shipyard or at GTT's premises and whether or not the shipyard is approved by GTT. However, it does include access to the twice-yearly training provided by GTT in its premises, limited to two people per session.

The flat fee and daily charge-out rates are revised annually in line with the labour cost index for the manufacturing, construction and services industry published by the French national institute of statistics and economic studies (*Institut National de la Statistique et des Études Économiques*).

Technical Work Contract

A Technical Work Contract (TWC) is an agreement used by GTT when none of its other standard contracts are suitable for the client's needs, which is the case in the following circumstances:

- ▶ the client needs a specific *ad hoc* advisory service relating to maintenance and repair works;
- ▶ the client asks GTT to undertake an expert assignment or provide assistance relating to GTT's containment technology; and
- ▶ for internal organisational reasons, the client works with GTT *via* another business unit even though it has already entered into a service agreement with GTT.

A TWC is a framework contract under which order forms are signed when the client requires a service. The order form sets out the services to be provided and details of the price. A TWC usually involves GTT's engineers and technicians working directly at the client's premises.

Technical Study Contract

A Technical Study Contract (TSC) is used in the same circumstances as the TWC and works in the same way, with a purchase order for each service. The only difference lies in the type of service provided by GTT.

Under a TSC, GTT conducts studies yielding useful results that can be protected. It therefore includes a specific contractual clause covering title to intellectual property rights arising from the results of the study. The principle of the clause is the fact that the results of the study and the resulting intellectual property rights are the exclusive property of GTT only regarding the results attached to the field of GTT activity. The field of GTT activity as defined in the TSC is that of the techniques of application or integration on ship tanks or for an onshore storage tank of a cryogenic membrane which may contain liquefied gas at low temperature and limits the gas boil-off rate.

The contract also contains a stronger confidentiality clause than the TWC to limit the disclosure of confidential information belonging to GTT to a more restricted circle of people working for GTT's client.

6.3.5 DEVELOPMENT OF NEW ACTIVITIES BY THE GROUP

In addition to the services it provides, the Company has also developed a navigation software to optimise routes of ships depending on weather conditions and to reduce buffeting (“sloshing”) of LNG.

Moreover, the Group devotes special attention to adapting its membrane technology to use LNG as a fuel for the propulsion of vessels (“bunkering”) and the development of small- and medium-sized maritime and river carriers.

6.3.5.1 Sloshing prevention techniques

Sloshing is a major concern for shipowners and LNG carrier operators around the world. It is, in effect, generating liquid impacts on tank walls that can damage the membrane and is also considered to be a factor which exacerbates the boil-off rate in tanks. Possessing the right tools to control this phenomenon, is thus a major technical and business priority for companies involved in shipping LNG.

Since 2009, GTT has developed various technical solutions to meet this need, which can be broken down into two categories:

- ▶ monitoring solutions for detecting impacts caused by sloshing of the liquid cargo: these include the various tank instrumentation technologies providing the crew with real-time information about tank impacts caused by sloshing-related phenomena. After an exploration phase during which GTT worked on different concepts through prototypes (in cooperation with ship owners and instrumentation experts on board), a concept could be retained and put into production. This is how GTT launched its sloshing monitoring solution, called SloShield™, on the market in summer 2014, a concept that combines simplicity (installation is even possible at sea on a ship in operation) and high performance in detecting sloshing impacts. Discussions are under way with several shipowners and one or more pilot projects should be launched in 2015. To allow shipowners to access this technology under the best conditions, GTT is promoting with shipyards its “SloShield-ready” concept, so that new ships are fitted prior to leaving the yard;
- ▶ prediction solutions: these software modules help the crew to make decisions to reduce the level of sloshing. Based on GTT’s rich databases of experimental data, these are capable of providing efficiency indicators for the various alternative scenarios for reducing the level of sloshing by the liquid cargo. GTT hopes to incorporate its sloshing prediction modules into its existing navigation decision support systems. GTT is setting up partnerships with vendors of this type of software so that it can offer to the sector effective solutions harnessing the best of each partner’s know-how. The class A-001 SPP (Sloshing Prediction Program), the first in its category, will be available via Amaron’s Octopus navigation advisory suite from the beginning of 2014. Designed to cover the majority of conventional LNG carriers (standard-capacity GTT membrane LNG carriers: 137-155 km³), it will

be followed up by other developments to provide complete coverage of the membrane LNG carrier fleet. A pilot project is currently under study with a large gas tanker.

It should be noted that GTT has made sure that these two types of solutions, which provide a complementary vision, are fully compatible with each other.

6.3.5.2 Use of LNG for vessel propulsion (“LNG bunkering”)

Of the LNG sector segments to which GTT has devoted particular attention in its research programme, “bunkering” (the use of LNG as a marine fuel) has significant potential due to a legal and regulatory environment conducive to its development as well as to the attractive cost of LNG compared with fuels currently used by vessels.

Bunkering involves developing storage solutions for the entire logistics chain supplying LNG to merchant vessels other than LNG carriers (which mostly use LNG as a fuel). It also entails the development of (i) LNG fuel storage solutions for the same merchant vessels, with the majority potentially using LNG as a bunker fuel to replace the conventional fuel oils derived from fuel distillation, and (ii) related systems.

This logistics chain comprises onshore tanks (bunkering redistribution terminals located in or close to ports), which are supplied by small LNG carriers from existing terminals and bunkering vessels, used in some cases to supply merchant vessels. Small LNG carriers are also used to supply merchant vessels.

In order to comply with the introduction of regulations to reduce sulphur dioxide emissions, vessels will be required to switch to low sulphur fuel oil or process the sulphur oxide (SO_x), nitrogen oxide (NO_x) and particle emissions.

LNG propulsion is one of the most competitive propulsion methods which is expected to be in compliance with emission restrictions under the new regulations.

(a) New regulations encouraging the use of LNG

Ship emissions of sulphur dioxide (SO₂) are covered by regulations based on EU directives and agreements adopted by the International Maritime Organisation (IMO). Directive 1999/32/EC as amended by Directive 2012/33/EU regulates the sulphur content of exhausts emissions produced by shipping and has enacted certain rules adopted by the IMO into European Union law.

As part of the global efforts to reduce emissions, the IMO introduced measures in 2008 to reduce ship emissions of SO₂ that will gradually enter force around the world.

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The gradual entering into force of these measures is summarised in the table below:

Effective date	Limitations of sulphur oxide emissions (% mass/total mass)	
	ECA ⁽¹⁾	Outside the ECA
2010	1.5%	4.5%
2010 (July)	1.0%	
2012		3.5%
1 January 2015	0.1%	
2020 *		0.5%

(1) Emission Control Areas comprising the Baltic Sea, North Sea, English Channel, North American coasts and the coasts of certain Caribbean islands as at 1 January 2014.

* Subject to a review in 2018 that may delay the date to 2025.



Note: Areas in dark blue are the current ECAs in force within these limiting sulphur levels in discharges from ships set at 0.1% since 1 January 2015 (against 1% previously since 2012). Areas in light blue could experience the same level of limitation, and all global water could be subject to a limit of 0.5% (against 3.5% currently), with an effective enforcement expected for 2020, subject to a review in 2018 that could postpone the date to 2025.

To comply with the new measures imposed by the IMO, ships have the option to use one of the following three solutions: (i) be fitted with catalytic converters (“smoke scrubbers”), (ii) convert to LNG propulsion or (iii) switch to low sulphur fuel oil, such as marine gasoil or methanol/ethanol.

LNG propulsion has been used successfully since 1964. Using LNG as a fuel almost totally eliminates sulphur oxides (SO_x) by comparison with fuel oil propulsion.

Using LNG is also expected to ensure compliance with the regulations regarding nitrogen oxide (NO_x), CO₂ and particle emissions and in particular the Marpol international convention. The regulations applicable to certain new vessels in relation to NO_x emissions are due to be tightened up in the ECA. The rules (called “Tier” rules) on the limitation of emissions of NO_x, summarised in the table below, depend on the engine speed of the vessel.

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Applicable Tier Rules	Date	Limitations to nitrogen oxide emissions in g/kWh		
		n ⁽¹⁾ < 130	130 n < 2000	n 2000
Tier I	2000	17.0	45 x n ^{-0.2}	9.8
Tier II	2011	14.4	44 x n ^{-0.23}	7.7
Tier III	2016*	3.4	9 x n ^{-0.2}	1.96

(1) n corresponding to the engines speed of the vessels (turns per minute).

* In ECA (rules Tier II will remain applicable outside ECA).

In July 2011, the IMO adopted strict measures to reduce the emission of greenhouse gases from international shipping. LNG combustion reduces CO₂ emissions by approximately 20% compared with combustion using products derived from fuel oil distillation.

Lastly, regulations on particle emissions are likely to be extended to other areas, and LNG propulsion has the advantage of totally eliminating particle emissions by comparison with fuel oil-based propulsion.

The Company believes that both smoke scrubbers and low sulphur fuel oil have major drawbacks.

Smoke scrubbers, coupled with catalytic converters to reduce NO_x, make it possible to continue using heavy fuel oils or marine oil as a fuel. This technology is proven in power plant situations, but has a limited track record in vessels. Catalytic converters are expensive, consume a high amount of energy, take up vessel space, require maintenance as well as methods of chemical injections, disposal of chemical wastes (acid sludge) and are considered to have a low level of reliability.

(b) A strong financial incentive

Apart from the ecological and regulatory reasons for using LNG as a fuel for vessels, the forecasts drawn up by the International Energy Agency ⁽¹⁾, Danish Maritime Authority ⁽²⁾, Det Norske Veritas ⁽³⁾ and Germanischer Lloyd ⁽⁴⁾ for fuel prices show that the price per energy unit of LNG is set to remain below that of other fuels such as Marine Diesel Oil (MDO) or Marine Gas Oil (MGO) for the next 30 years, despite the fall in oil and gas prices since mid-2014, with levels now judged to be temporary. These

are estimates of global economic growth in the short term (especially in Asia), revised downward, which explain the current situation on prices; the trend is that this economic growth and energy demand will continue on a basis similar to those underlying the energy markets for several decades: scarcity of land oil resources forcing the industry to explore and produce in deep sea (offshore "subsea" and "deep-sea"), and at increasingly high costs, which impacts directly in rising oil prices.

Due to the implementation of stricter limitations relating to SO_x emissions at a global level (0.5% instead of the current rate of 3.5% ⁽⁵⁾) in 2020 or no later than in 2025, the availability of heavy fuel (Heavy Fuel Oil – HFO) with a very low sulphur content might become a problem, which would result in an automatic increase in prices and would potentially be similar to that of MDO, or even of MGO, making its use unprofitable for long routes and thus leaving shipowners a limited choice between smoke scrubbers, selective catalytic reductions and LNG.

(c) Significant opportunity for GTT

From an operating cost perspective, the LNG propulsion is one of the most competitive methods for complying with the SO_x emission regulations. Accordingly, GTT is developing various innovations to adapt its membrane containment technology for use in bunker tanks within merchant vessels.

The following charts provide some examples of membrane tanks being installed to store LNG fuel for this type of propulsion system.

(1) *The Contribution of Natural Gas Vehicles to Sustainable Transport (IEA 2010) and Medium Term Oil and Gas Markets (2010).*

(2) *Danish Maritime Authority, Baseline Report, "North European LNG Infrastructure Project" dated 20 October 2011, page 80.*

(3) *DNV Serving the energy industry, "LNG fuel for ships. A chance or a must?", dated June 2010, page 2, Michal Bagniewski.*

(4) *Germanischer Lloyd SE, "EEDI and its impact on Ship Finance" dated 23 February 2012, page 4, and "Costs and benefits of LNG as ship fuel for container vessels dated 2011, page 7.*

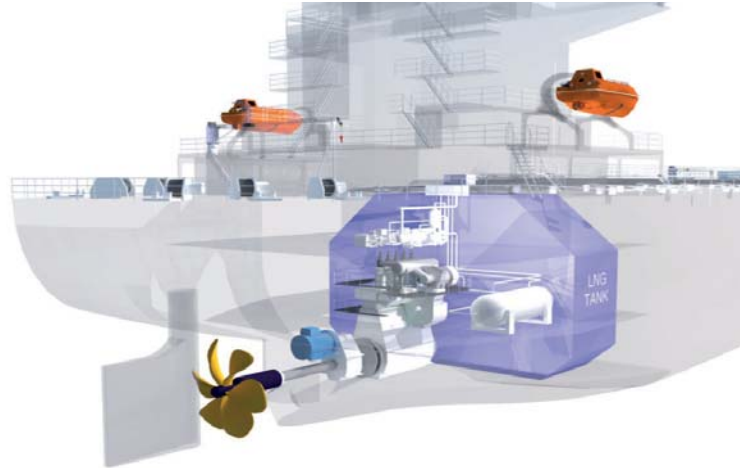
(5) *In percentage of the mass on the total mass.*



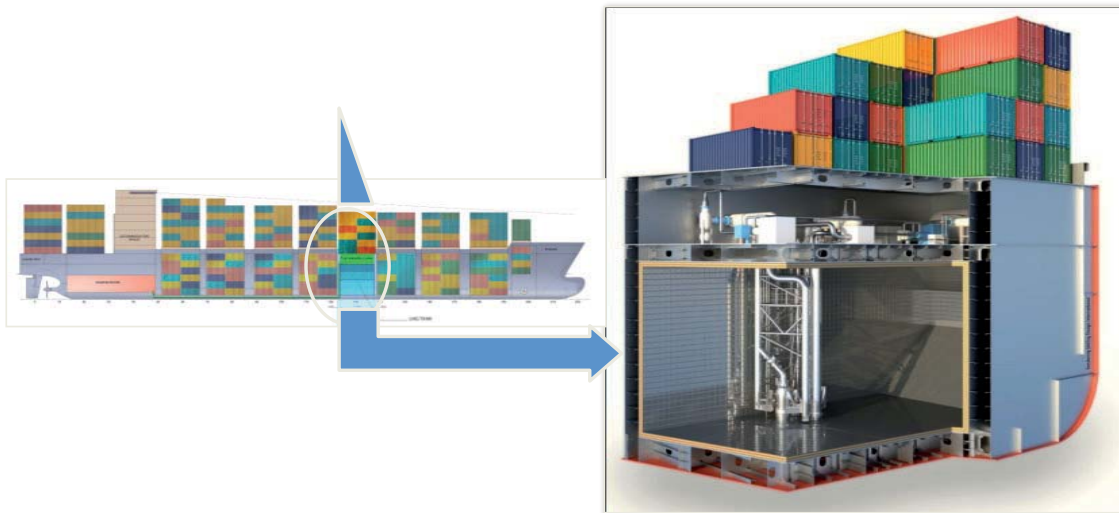
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1. EXAMPLE OF AN LNG TANK INTEGRATED ON A MERCHANT VESSEL (TYPICALLY A BULK CARRIER OR OIL TANKER OR A REFINED/CHEMICAL PRODUCTS CARRIER). VOLUME OF BETWEEN 2,000 AND 5,000 M³



2. EXAMPLE OF A LARGE COASTAL CONTAINER SHIP CONVERTED THROUGH "JUMBOISATION" AND INSERTION OF A VESSEL SECTION CONTAINING THE LNG FUEL TANK AND THE GAS PREPARATION UNIT. TANK VOLUME OF TYPICALLY BETWEEN 2,000 AND 5,000 M³



GTT is also currently developing technical solutions for "small" onshore tanks, small LNG carriers to act as *feeders* or bunker vessels/barges and a "ship-to-ship" transfer system.

GTT's membrane technology offers superior efficiency, reliability and cost savings compared with competing technologies.

In particular, the Company believes that GTT's membrane containment tanks can also fit into unused parts of the ship and optimise cargo volumes with a low level of reduction in the vessel capacity unlike type C tanks which, given their long cylindrical shape, are generally not as efficient in their use of space as membrane tanks. Conversely, type B prismatic tanks (IHI's SPB) theoretically allow the use of a broader range of shapes than membrane tanks, however this type of tank is more expensive than the GTT membrane tanks.

GTT plans to charge for its services depending on the surface area of the tank membrane. For the first tank, this business is expected to generate a margin well below that observed with LNG carriers. Even so, GTT believes that given the large number of vessels that may be fitted with a standard tank, this business will then generate a comfortable level of margins although not comparable to those seen with the installation of tanks on LNG carriers.

To comply with the new sulphur emission regulations, shipowners will have to choose between refitting the propulsion system of their existing vessels and purchasing a newbuild vessel. GTT is already looking to position itself in these two segments, both conversions and new builds.

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As of 1 September 2013, Clarkson Research estimates that the global fleet of merchant vessels of 2,000 tpl or GT and above comprises approximately 43,000 vessels. This fleet is estimated to have increased ⁽¹⁾ at an annual growth rate of 3.6% between 2008 and 2013 (in terms of the number of vessels), 3.5% between 2003 and 2013, and 2.6% between 1998 and 2013. This relatively strong growth in recent years is in part the result of increased shipbuilding deliveries during, and immediately after the shipping market boom of the last decade. According to estimates from Clarkson Research, the fleet will continue to grow during the coming decade, albeit at a reduced rate compared to the past five years.

Future demand for additional ships is based on several factors: (i) the current supply-demand balance; (ii) future tonnage requirement growth, which is determined by the growth in world seaborne trade and tonne-miles, (iii) future tonnage replacement requirements; and (iv) additional vessel productivity factors.

According to the Company projections, and given the global economy growth during the last ten year, the global merchant fleet over 2,000 tpl or GT is expected to increase by adding at least 15,000 ships by 2020, and 25,000 ships by 2024. To obtain the overall estimation of the newbuild orders, the renewing to compensate the scrapping of old or uneconomical vessels has to be added into the account.

The Company is expecting that LNG as a fuel, as every new technology, will progress slowly in the first stages of its development, with the involvement of a small amount of players. Nevertheless, as the solution gains in expertise, efficiency and know-how, the Company anticipates that the LNG as a fuel option will be adopted by a greater number of players. Its relatively slow development since 2000 should consequently speed up, in particular thanks to increasing financing of the European Union, the Norwegian No_x fund or the US Maritime Administration (Marad) and political support. In the longer term, this solution could become increasingly economical and viable for the shipowners, and free itself gradually from these regional supports and reach other non-subsidised markets. The LNG as a fuel solution, subject to past and present considerable rapid expansion in the North European countries, is now seriously considered by major industrial countries such as the USA and China. LNG as a fuel for short sea and deep sea transport is from now on a considered economical solution for the next years. According to DNV, as at 1st September 2014, about 50 other types of ships in service that are equipped with LNG propulsion, almost 70 currently under construction or conversion and use LNG as a fuel, and some 30 other LNG conversion loans, totalling nearly 150 ships which are or will be operational by 2018 must be added to that number.

The Company has developed two scenarios: a base-case scenario and a high-case scenario. The base-case scenario is more conservative and assumes that enforcement of the IMO regulations will be delayed until 2025. According to the high-case scenario, the regulations will be applied in 2020.

CONVERSIONS

According to a Clarkson Research estimate dated 1 September 2013, the average ship in the merchant fleet spends approximately 15% of its operational time at sea in active ECAs. The level of exposure varies greatly depending on ship type. For example, the bulk carrier fleet spends relatively small amounts of its time in ECAs, while ships in sectors such as multi-purpose vessels, "Ro-Ro", cruise ships, ferries and offshore support vessels have a relatively higher level of exposure to ECAs. Given the current location of ECAs, another important consideration is the area in which vessels typically operate: ships that trade principally in the Atlantic basin are likely to have a higher level of exposure to ECAs than those that operate in the Middle East and the Asia-Pacific. If 'potential' ECAs (for example, in the Mediterranean and Japan) enter into force in the future, the exposure of the world merchant fleet to ECAs will increase significantly.

According to the Company, the abovementioned 15% might be seen as a first order approximation indicator of the proportion of large and small ships that may be impacted by the ECA regulation. Pushing this simplistic reasoning further, a rough estimation of at least 5,000 time-equivalent ships have been impacted by the ECA regulation since 1 January 2015.

According to Clarkson Research, while there has been increasing interest in converting vessels to becoming LNG-fuelled, there has only been relatively limited conversion activity to date. As at the date of filing this Registration Document, six large vessels have been converted to run on LNG: the chemical tanker "BIT VIKING", ferries "TRESFJORD". and "OSTFRIESLAND", ROROs "MIDNIGHT SUN" and "NORTH STAR" and the FLNG "Petrojarl I".

There has been a notable increase in the interest surrounding the conversion option during 2013, with several companies announcing their intentions to convert ships to become LNG-fuelled. Another trend that has emerged recently is for the construction of "LNG fuel conversion-ready ships", which will run on traditional marine fuels when they are delivered into the fleet, but which are designed to be easily converted to run on LNG a fuel when necessary. For example, General Dynamics NASSCO concluded a contract to build four 50,000 tpl LNG as a fuel conversion-ready product tankers for American Petroleum Tankers in mid-2013, and a further two for Seabulk Tankers Inc. in September 2013.

In 2014, Brazil's Vale has confirmed its interest in the idea to build a series of large bulk carriers ("Valemax") class, ready for conversion to LNG. According to the Company, the number of orders and projects of this type show the increasing importance of the LNG as a fuel conversion-ready designs for America.

(1) Growth rates are calculated from the fleet as at 1 January for each of the years in question.

OVERVIEW OF THE ACTIVITIES OF THE GROUP

6.3 DETAILED PRESENTATION OF THE GROUP'S PRINCIPAL ACTIVITIES

These events indicate that there is some potential for ships to be converted to be LNG-fuelled moving forwards. Despite a number of advantages, there is still considerable uncertainty surrounding the widespread adoption of the conversion option, with its uptake subject to a wide range of factors. These factors include, but are not limited to: the financial feasibility of its construction, the price of LNG relative to traditional marine fuels, timely implementation of regulations (for example, implementation of the global sulphur cap), the development of a wider LNG supply chain and bunkering network at major ports, and the relative effectiveness of alternative solutions to meet environmental regulations.

In 2015, the Company has noted that the market is starting more slowly than expected because of the current low level of oil prices and the amount of fines for non-compliance.

NEW BUILDS

As of 1 September 2013, approximately 1% of these will be LNG fuel-capable (in terms of the number of ships). The majority of these will be LNG carriers, with a small number of Ro-Ros and Ferries. Based on Clarkson Research's analysis as at 1 September 2013, of global new build contracts (to be delivered between 2014 and 2017), approximately 3% of the orders placed in 2013 were for LNG as a fuel capable ships. The majority of these have been orders for LNG carriers, with a small number of general cargo ships, ferries, passenger vessels and offshore support vessels. A number of government organisations, classification companies and research organisations, including Clarkson Research, have estimated the potential for the use of LNG as a marine fuel moving forwards. Scenarios for LNG-fuelled new build deliveries, including LNG carriers, typically range from a base-case of approximately 5%, to a high-case of 15% of the total number of deep-sea cargo vessels to be built between 2014 and the middle of the next decade. Estimates of the application vary significantly between different size and different sectors of the shipping fleet. However, there is still considerable uncertainty surrounding these scenarios and the widespread adoption of the use of LNG as a marine fuel and its uptake is subject to a wide range of factors. It remains subject to various factors: These include, but are not limited to the financial feasibility of its construction, the price of LNG relative to traditional marine fuels, timely implementation of regulations (for example, implementation of the global sulphur cap), the development of a wider LNG supply chain and bunkering network at major ports, and the relative effectiveness of alternative solutions to meet environmental regulations.

The Company believes that the economic and environmental benefits of LNG coupled with those of membrane technologies, including optimum use of vessels' volumes, will pave the way for the sector to embrace its technologies rapidly, both for vessel refits and for newbuilds. The Company will thus be in a position to satisfy a higher number of tank design requests for different vessel types. Within this target fleet, the

Company considers that between 2015 and 2024, its technology will be chosen for the construction of 28 vessels per year on average in its base-case scenario and 44 vessels per year on average in its high-case scenario. In addition, these requests are likely to come from shipyards located in a variety of geographical regions and in particular, outside Asia. It should be noted that the number of newbuilds at the start of this period will probably be lower than these averages. Although the French Brittany Ferries Pegasus project has been frozen since October 2014 for funding reasons, its choice of the Company's membrane technology illustrates the interest that the key players in the market can bring to the solutions proposed by the Company for this type of LNG propulsion.

POTENTIAL EMERGENCE OF SMALL LNG CARRIERS

The sector's great potential has prompted GTT to devote some of its research efforts to developing a version of its containment technologies specially geared to LNG transportation in small LNG carriers, which are crucial for supplying merchant vessels with LNG. Currently, certain LNG carriers are not suitable for all types of port facility.

As of 1 September 2013, there are a number of factors that suggest there is development potential for small LNG carriers in the following geographical regions/countries:

- ▶ *Caribbean:* in addition to the two re-gasification facilities currently in operation, a further four (one of which is already under construction in the Dominican Republic) are expected to enter service in the Caribbean in the short-term, powered by LNG imported from the United States or Trinidad & Tobago. Distribution of LNG to the smallest islands is planned *via* the Dominican Republic or Puerto Rico;
- ▶ *China:* Chinese imports of LNG, boosted by rising energy use and desire to diversify its energy mix, have increased rapidly since 2006 when China's first re-gasification plant began operations. China currently has 11 LNG carrier receiving terminals in operation ⁽¹⁾ To these are added twelve regasification plants in operation, the ongoing construction of six additional plants, and potentially nine more future plants. The Yangtze Delta, one of the most populated and industrialised regions of China, represents a strong growth potential for small LNG carriers. There are also preliminary discussions to establish an ECA in the Pearl River Delta region, which could potentially increase demand for small LNG carriers further;
- ▶ *South-East Asia:* Singapore, which has the largest ship bunkering port in the world, is in the process of developing its LNG bunkering capabilities and expects to have installations for small LNG carriers aimed at serving local markets, principally Indonesia and Malaysia. There are also import projects in Vietnam and the Philippines which could potentially provide additional demand for short haul LNG imports. Draft plans exist for coastal trade in LNG in Vietnam, although the start-up of deep-sea re-gasification capacity will be required first;

(1) Source: International Group of LNG Importers (GIIGNL).

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6.3 DETAILED PRESENTATION OF THE GROUP'S PRINCIPAL ACTIVITIES

- ▶ *India:* at the end of 2014, there were four LNG re-gasification terminals operating in India. Nine new terminals are envisaged. Most of these terminals are expected to be operational by 2016. Their entry into service would lead to an increase in demand for LNG imports;
- ▶ *Middle East/Mediterranean:* A number of re-gasification projects are also planned in the Middle East and eastern Mediterranean with the possible use of small LNG carriers to transport LNG from Israel to Turkey and Lebanon;
- ▶ *North America:* the advent of considerable shale gas production in the United States has led to a decline in its LNG imports. The country is tipped as one of the major future LNG exporters. The North American ECA has already encouraged some cargo vessel owners subject to the Jones Act regulations, which govern merchant ship sailings to the United States (and in areas beyond the coasts) and in particular restrict navigation in these regions to vessels manufactured in the United States, to order LNG-fuelled and LNG as a fuel conversion-ready ships. The fleet of offshore supply vessels fuelled with LNG should also increase;
- ▶ *South America:* there is also potential for growth in South America, particularly in Argentina and Brazil where there are already a number of offshore re-gasification terminals.

The fleet of LNG carriers of less than 40,000 m³ as at 31 December 2014 numbered 24 vessels in service and 16 vessels under construction. According to the Company, due to its low costs, China should maintain its current rank of leading manufacturer of small LNG carriers in its domestic market with strong potential for growth globally. According to Clarkson Research, if the projects and regions that may require small LNG vessels for coastal distribution and shuttling proceed, this will result in additional requirement for tonnage in this size range. However, it is important to note that these projects are subject to delays, postponements and cancellations.

The Company believes that smaller LNG carriers (*i.e.* with a capacity of less than 40,000 m³) will therefore have to be built that are able to transport LNG and to refuel merchant vessels.

GTT's technologies can be used for small tanks and make it possible to build smaller carriers to meet this need. Even so, the use of GTT's technologies in smaller LNG carriers is less cost-efficient and thus less competitive than in larger LNG carriers. Accordingly, GTT aims to develop its technologies to make them more competitive for the transportation of small LNG volumes.

6.4 The Group's customers

6.4.1 THE GROUP'S MAIN SHIPYARD CUSTOMERS

Direct customers of GTT are essentially shipyards. As at the date of this Registration Document, the Company has 26 licensee shipyards. These shipyards are mainly located in South Korea, China, Japan and the United States.

As at the date of this Registration Document, eight shipyards are currently active and have notified GTT of LNG carrier orders. Of the 18 inactive shipyards, five already have experience in the construction of LNG carriers equipped with GTT's technologies and could return to this type of construction.

Based on GTT's order book as at 31 December 2014, the seven active shipyards are building or will be building 96 LNG carriers equipped with GTT's technology. These LNG carriers will be delivered between 2014 and 2020. The seven shipyards involved are:

- ▶ **Samsung Heavy Industries:** Samsung Heavy Industries builds tankers, bulk carriers, LNG carriers, container and passenger ships worldwide, as well as FSRUs and FLNGs. The Company has received an initial order from Samsung Heavy Industries for FLNGs (including one for the Prelude project in Australia). Founded in 1974 and headquartered in Seoul, the company has been listed on the Korea Stock Exchange since 1994. SHI posted 12 billion euros in sales in 2013;
- ▶ **Hyundai Heavy Industries:** Hyundai Heavy Industries: headquartered in Ulsan (South Korea), Hyundai Heavy Industries builds ships, offshore platforms, plants and engines. HHI was founded in 1972 and is currently headquartered in Seoul. It has been listed on the Korea Stock Exchange since 1999. HHI posted 42 billion euros in sales in 2013;
- ▶ **Hyundai Samho Heavy Industries:** Hyundai Samho Heavy Industries builds oil tankers, bulk carriers, container ships, LNG carriers, chemical tankers and transport equipment. HSHI was founded in 1998 and is currently headquartered in Yong Am-Gun (South Korea). It is a subsidiary of Hyundai Heavy Industries;
- ▶ **Daewoo Shipbuilding & Marine Engineering:** the range of Daewoo Shipbuilding & Marine Engineering includes merchant ships such as LNG carriers, LPG carriers, bulk carriers and tankers, offshore structures and drilling vessels. DSME was founded in 1978 and is headquartered in Seoul (South Korea). It has been listed on the Korea Stock Exchange since 2001 and is controlled by the South Korean government, which owns 65% of its capital. Daewoo Shipbuilding & Marine Engineering posted 12 billion euros in sales in 2013;
- ▶ **STX:** STX operates in shipbuilding and machinery (including LNG carriers and large oil tankers), shipping and trading, and energy. It was founded in 1967 and is headquartered in Gyeongsangnamdo (South Korea). STX has been listed on the Korea Stock Exchange since 2003. STX posted sales of 20 billion euros in 2013;
- ▶ **Hudong Zhonghua:** builds bulk carriers, oil tankers, offshore production units, offshore storage and unloading units, marine diesel engines and provides engineering services. It was founded in 1952 and is headquartered in Shanghai. It is a subsidiary of the state-owned China State Shipbuilding Corporation conglomerate;
- ▶ **IMABARI:** Imabari Shipbuilding Company builds and repairs container vessels, bulk carriers, roll-on/roll-off ships, ferries and chemical tankers. The business was founded in 1901 in Imabari, Japan, and was consolidated under its current name in 1942.

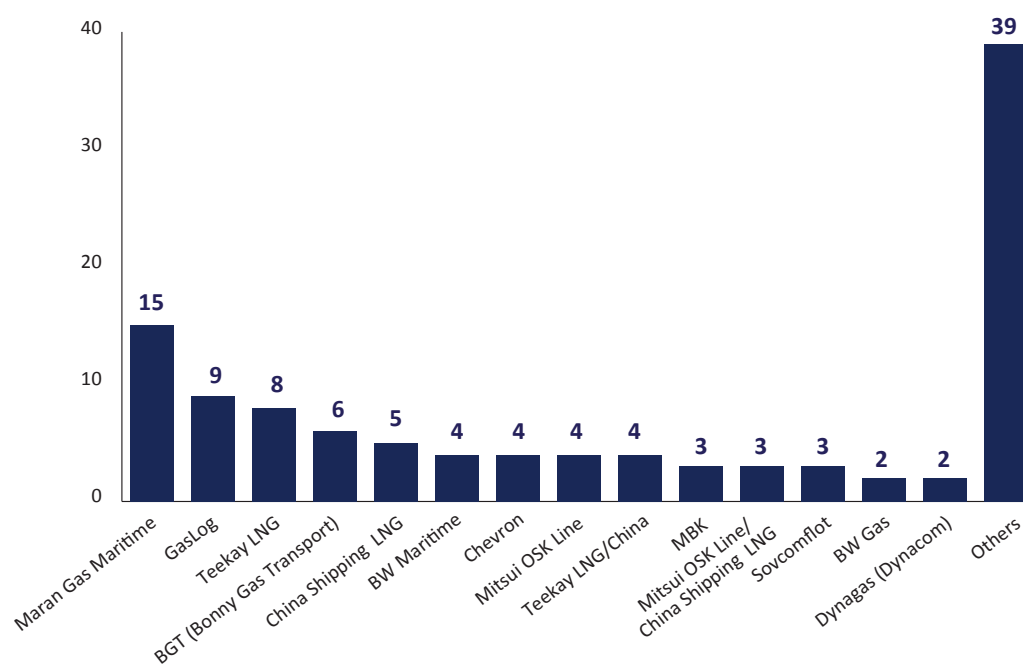
For further information on the share represented by these shipyards in GTT's order book, see section 6.2.2.1(a) – *LNG carrier segment – Historical trends and order book* of this Registration Document.

6.4.2 COMMERCIAL RELATIONSHIP WITH THE PRINCIPAL SHIPOWNERS

The Company's end-users are shipowners that themselves place orders for LNG carriers from shipyards depending on the requirements of the major gas companies. Among them, eleven owners, namely Maran Gas Maritime,

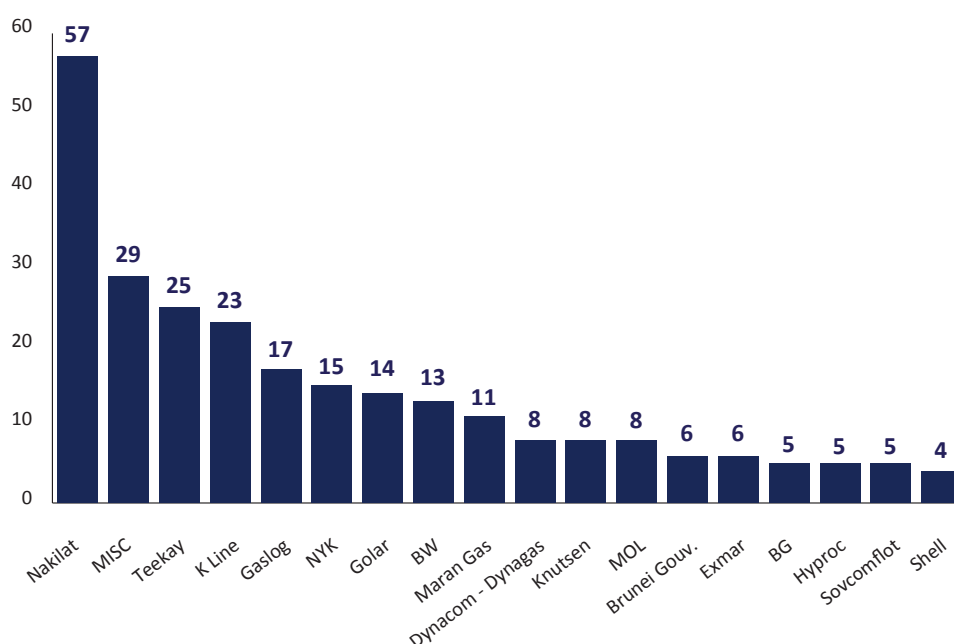
Gaslog, Teekay, BGT (Bonny Gas Transport), China Shipping LNG, BW Maritime, Chevron, Mitsui OSK Line, MBK, Sovcomflot and Dynagas represent in order terms around 65% of GTT's current order book for LNG carriers.

ORDER BOOK FOR SHIPS EQUIPPED WITH GTT TECHNOLOGIES, BY SHIPOWNER, AS AT 31 DECEMBER 2014



As at 31 December 2014, more than 30 shipowners use or have used GTT technology.

VESSELS EQUIPPED WITH GTT TECHNOLOGY BY SHIPOWNER AT 31 DECEMBER 2014



Source: Company. Vessels that are jointly owned by two or more ship-owners are counted individually under each shipowner.



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6.4 THE GROUP'S CUSTOMERS

GTT has a long-standing and close relationship with these shipowners and gas companies (including Shell for 30 years and GDF for 40 years).

For more information about shipowners see section 6.2.1.5 (b) – *The main players in the LNG sector – shipowners* of this Registration Document.

6.4.3 THE PRINCIPAL CUSTOMERS OF THE SERVICES OFFERED BY THE GROUP

The principal customers using the services offered by the Group are as follows:

Construction shipyards

The Company offers construction shipyards pre-project studies related to plans to build LNG carriers, FSRUs, FLNGs and onshore storage tanks or miscellaneous *ad hoc* projects (see section 6.3.2.1 – *Pre-project construction studies and ad hoc feasibility studies*) and engineering services related specifically to implementation of construction projects involving LNG carriers, FSRUs, FLNGs and onshore storage tanks (see section 6.3.2.2 – *Detailed engineering services*).

Shipowners

The Group can provide support to shipowners with the operation of their vessels. To do this, it offers them assistance with maintaining their vessels, especially during the mandatory five-year technical inspections and the TAMI and MOON tests marketed by Cryovision. In addition, for the past few months the Company has run the “HEARS” hotline enabling shipowners and in particular their crews to call up the Company's specialists 24/7 and receive operational guidance. Finally, GTT launched on the market in the summer of 2014 its sloshing monitoring solution called SloShield™,

a concept that combines considerable simplicity (installation is even possible at sea on a ship in operation) and high performance detection of sloshing impacts (see section 6.3.3 – *Group Service activities*).

Repair shipyards

Given their special expertise, certain shipyards are entrusted by shipowners with maintaining vessels employing GTT's containment systems. The Company enters into service contracts under which these shipyards can perform maintenance with the support of GTT's specialists (see section 6.3.4.3 – *Commercialisation of the Group's services – Contractual framework – Technical Services Agreement for Maintenance and Repair*).

Suppliers of the materials used by the Group's technologies

Materials suppliers seeking to provide shipyards with the materials used to manufacture GTT's systems require the Company's approval. As a result, the Company has set up a materials assessment service charged with ensuring that the supplier complies with the various criteria laid down in the materials specifications and the procedures approved by GTT (see section 6.3.2.2(a) – *Detailed engineering services – Design studies*).

6.5 Research and development

6.5.1 INVESTMENT POLICY IN RESEARCH AND DEVELOPMENT

GTT has a sharp focus on developing new technologies and refining its existing technology.

GTT's innovative and research activities are intended to deliver groundbreaking technological solutions to shipowners and terminal operators' existing and future needs. They also aim to maintain the Company's engineering excellence.

The Company's research and development policy has been aimed at achieving a better understanding of potential ways of improving its technologies, especially with regard to the sloshing phenomenon in tanks and the thermal efficiency of the materials used. This policy has been implemented through research into these phenomena and materials, as well as through the development of systems intended to predict or control their effects and new more effective containment systems.

The Company spent 18.8 million euros on research and development activities in the financial year ended 31 December 13 and 20.6 million euros in the financial year ended 31 December 2014. The Company's research and development activities are funded primarily using its free cash flow.

The amount of research and development expenses represents 23% of the total amount of the Company's operating expenses ⁽¹⁾ in 2014, *i.e.* an identical percentage to that in 2013. The amount of research and development investments represents 18% of the aggregated total amount of the Company's investments for the financial years 2012, 2013 and 2014 ⁽²⁾.

In 2014, newly developed products (Mark III Flex, Mark III Flex High Density, NO 96 GW and NO 96 L03) have generated 57.5% of the Company's sales, it being specified that, as at 31 December 2014, no order has been recorded for the NO 96 L03+ technology. As of 31 December 2014, ongoing orders for LNG carriers, ethane carriers, FSRU and FLNG orders, the number of orders integrating the Mark III Flex technology (including High Density) represents 40% of the Company's order book, those integrating Mark III technology 18% of the Company's order book, those integrating NO 96 technology 14% of the Company's order book, those integrating NO 96 GW technology 21% of the Company's order book and those integrating NO 96 L03 technology 7% of the Company's order book.

Under the research tax credit 2013, the Company was able to benefit from an amount of 4.1 million euros, while 3.6 million euros had been provisioned.

At end December 2014, in view of the activity of research and development conducted over the 2014 financial year and amounts previously reported, the Company estimated at 3.8 million euros the amount of the research tax credit for the year plus the unfunded research tax credit supplement in 2013 unfunded for 544 thousand euros.

In addition, the Company received repayable advances from the *Fonds de soutien aux hydrocarbures* (French fund supporting oil and gas activities) between 1987 and 2001 covering some of its research programmes. The advances are repayable by the Company based on a so-called internal valuation, reflecting the improvement in the Company's knowledge and representing 25% to 30% of the amounts received and a so-called external valuation reflecting sales, rentals and licensing of technical products or patents registered in connection with projects that received assistance from the *Fonds de soutien aux hydrocarbures*. Repayment of the internal valuation is made in equal instalments over the five-year period following completion of the research work and that of the external valuation is a function of the actual or projected sales, where appropriate, generated by the new or technical products. Advances vest definitively with the Company at the end of the 20th year following the year in which the research programmes are approved and the corresponding advance is granted. As at 31 December 2014, repayable advances amounted to 2,229 thousand euros. Redeemable advances granted to the Company are described in Note 2.17 to the financial statements for the financial year ended 31 December 2014 as shown in section 20.1.1 – *Financial statements prepared in compliance with IFRS* of this Registration Document.

In the past, the Company received external financing on an exceptional basis in connection with the development of the NO 96 and CS 1 systems. Between 1985 and 1997, Gaz de France provided technical and financial support for the development of these technologies under several partnership agreements. The aggregate amount of this support came to 4,594,965.83 euros (see section 19.2.1 – *Agreement between the Company, GDF and some of the GDF Group's affiliated companies to divide the costs of launching the Company on the French Stock Exchange among them* of this Registration Document).

(1) The operating expenses comprise the personnel expenses, external expenses, consumed purchases and taxes and fees.

(2) Acquisitions of financial assets were subtracted from total capital expenditure.

6.5.2 RESEARCH INTO NEW CONTAINMENT TECHNOLOGIES AND RELATED TECHNOLOGIES AND SERVICES

The Company is working on several new versions of its LNG and other liquefied gases containment technologies, which may fully or partly revitalise the technologies currently being commercialised. Some developments are in the research phase, while others are at the trial stage. The Company will not necessarily market all these developments, but may focus on a few of them geared to sector demand and best suited to fending off competition.

The Company is also working on its containment technologies for onshore storage tanks to optimise its current technology and increase the cost differential between GTT's technologies and those implemented by its competitors.

Development of technologies and services related to the use of GTT's technologies is part of the Company's strategy of business diversification and expansion.

As stated in section 6.3.5.2 – *Use of LNG for fuelling vessels* ("LNG bunkering"), the Company is working on various developments related to the so-called "bunkering" logistics chain: this is the technology used for LNG bunker tanks on merchant vessels, LNG resupply carriers and LNG tanks located in port facilities. Although a number of these developments use GTT's current technologies, they need to be adapted to meet the specific constraints of the bunkering sector.

In this context, the Company received an AIP (Approval In Principle) for its bunker vessel of 4,000 m³, with optimised design, from Bureau Veritas and approvals from the major classification companies for the design of a bunkering barge of 2,200 m³ for the US market, and for the design of the REACH₄ bunker mast, designed to accommodate supply ships.

6.5.2.1 Research laboratories and equipment

The Company owns research laboratories and equipment enabling it to perform dynamic fluids tests in real conditions using "hexapods"⁽¹⁾. GTT is a recognised expert in this field and participated in many co-development programs such as "*Slashe*" which involved classification companies, oil and gas companies and universities and which aims at evidencing and describing hydro-elastic effects of the Company's containment systems during the solicitation of liquid impacts at full scale. GTT has performed around 110,600 hours of cumulative testing on its "hexapods".

The Company also owns a test laboratory dedicated to thermal and mechanical properties of materials and subsets, in particular in cryogenic conditions, to thermomechanical tests of materials and to the assembly in cryogenic conditions. In addition, the Company has 1/8 scale models to test its containment systems in cryogenic conditions and perform simulations of mechanical and thermal stresses of membranes (HaTILA – Half Tank Instrumented Laboratory models).

6.5.2.2 Research into new containment technologies

The Company is constantly working on its membrane containment systems with a view to improving its existing containment systems and to designing new containment systems.

One means of improving its existing systems has come from the observations made by construction shipyards during the assembly phase of GTT's containment systems in vessels' tanks. The aim of this type of improvement is to simplify the system assembly procedures and possibly reduce the associated costs.

Another avenue of improvement derives from the needs of shipowners seeking a containment system with a higher thermal performance or even allowing tanks to be filled partially, which may be necessary when a LNG carrier is filled up while docked alongside an FLNG (*i.e.* LNG carriers used to load the LNG from the FLNGs).

The primary means of improving onshore tanks is to cut the associated costs through various optimisations of GST technology.

GTT is also working on new membrane containment systems. These research avenues aim to, on the one hand, reduce the cost of the technology and on the other hand, boost the mechanical resistance and thermal performances of these systems.

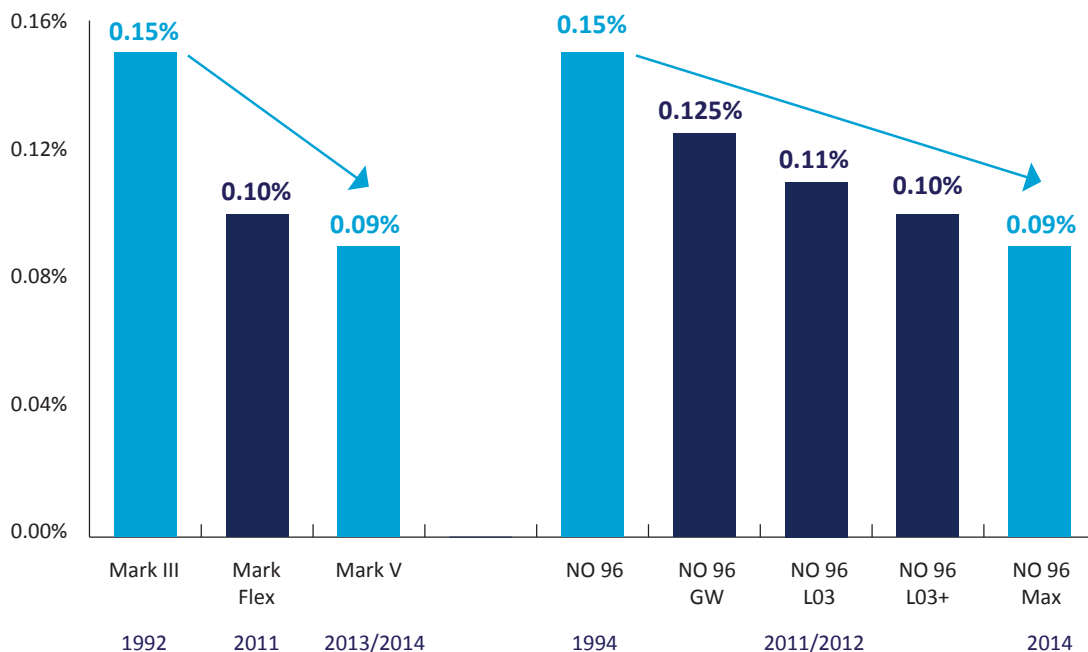
For illustrative purposes, since 2010 the Company has worked on developing new versions of its Mark III and NO 96 technologies in order to, in particular, reduce significantly the boil-off rate of LNG during its transportation.

The daily boil-off rate for each of the Company's technologies is presented in the chart below.

(1) Parallel mechanical system enabling the positioning and the motion of objects in space in accordance with the six degrees of freedom.

Performance of technologies since 2010

BOIL-OFF RATE PER DAY



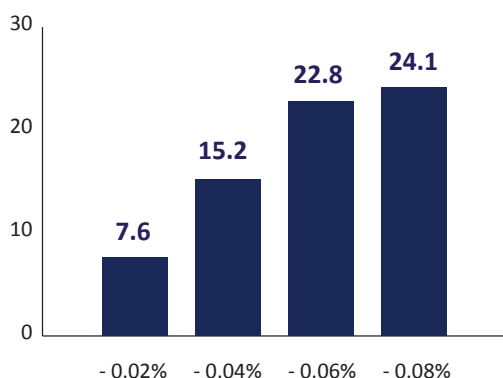
Source: Société

The boil-off rate of LNG on a vessel is one of the parameters for assessing the operating performance of the LNG containment system that it integrates. The decrease of the boil-off rate of LNG represents a real saving for gas companies and shipowners to the extent that such a decrease reduces the operating costs of vessels.

The chart below presents the net present value of savings generated over 10 years by reducing the boil-off rate for a vessel of 160,000 m³, equipped with technology having an initial daily boil-off rate of 0.15%. The assumptions made are: a gas price of 16.45 per million US dollars Btu (price on the Asian market) used and a discounted cash flow rate is 10%.

NET PRESENT VALUE OF THE SAVINGS GENERATED BY IMPROVING THE BOIL-OFF RATE FROM A LNG CARRIER FOR A PERIOD OF 10 YEARS

Millions of dollars



Improving the boil-off rate

Beyond the development of new containment systems, the Company has sought to adapt itself to the challenges of the LNG industry. The construction of LNG carriers with a larger capacity, or operated in more demanding conditions, or the establishment of liquefaction, storage and re-gasification offshore platforms, represented technical challenges for containment solutions over the last years.

GTT conducted the necessary studies to demonstrate to prescribers and players of the sector that its technologies, combined with a suitable naval architecture, offered the guarantees of reliability required by these new applications.

Thus, the exploitation project of the gas field “Yamal”, located in the Russian Arctic ocean, will result in the construction of LNG carriers, so-called of “Arctic class”, which are suitable for navigation at these latitudes. GTT has conducted extensive engineering studies demonstrating the ability of its technologies to address the constraints of navigation in the Arctic, such as vibrations due to collisions with ice or sloshing problems. The fifteen orders received by GTT in 2014 and 2015 show that at least some of the vessels to be built for this “Yamal” project will use its membrane technologies.

6.5.2.3 Research into new technologies and services

The Group offers additional services that reinforce the trust shown by its customers in its technologies.

Indeed, Cryovision offers a testing service of its secondary membrane, called the “TAMI” (see section 6.3.3.2 – *Services performed by Cryovision of this Registration Document*).

6.6 Technical description of the Company's membrane containment technologies

Prior to the merger which created GTT in 1994, Gaztransport and Technigaz had both developed their own technology in the 1960s. GTT has pursued research and development studies to improve both technologies and is currently marketing chiefly the NO 96 system resulting from the technology initially developed by Gaztransport and the Mark III system resulting from the system initially developed by Technigaz.

Since shipyards have traditionally chosen one or other of these technologies proposed respectively by Technigaz and Gaztransport, GTT has pursued the development and improvement in parallel of both technologies in order to maintain a contractual relationship with both Technigaz's and Gaztransport's long-standing clients.

Once the shipyards have selected the most appropriate technology, they have an incentive to continue using it as the construction of an LNG carrier requires lengthy technical training specific to the selected technology and investment in special tools. This training is part of the long term and is specific to the chosen technology. As GTT can provide shipowners with a choice between the two state-of-the-art systems, the Company can also adapt to the shipowner's specific needs.

In addition, harnessing its expertise in containment systems, Technigaz developed a special membrane technology for onshore tanks based on the containment systems used for LNG carriers, a development since continued by GTT.

6.6.1 MARK III SYSTEMS AND DEVELOPMENT OF MARK V TECHNOLOGY

The Mark systems containment technology was originally developed by Technigaz in the 1960s.

The first version of the Mark systems, Mark I, used balsa wood as the insulating material, sugar maple plywood for the secondary barrier and corrugated stainless steel for the primary barrier. With the arrival and rapid development of synthetic materials, balsa and sugar maple plywood were considered to be "exotic" materials, particularly balsa which is produced only in Ecuador. The available quantity of balsa is also limited and it takes 7 to 10 years for a tree to reach maturity for commercial purposes.

The design of the Mark III version improves the insulation coefficient and uses various cellular materials that can be sourced from several suppliers. Expanded polyurethane foam reinforced with glass fibre replaced the balsa for the insulation structure and Triplex for the secondary membrane was developed to replace the sugar maple plywood. In December 2014, according to the company, 132 LNG carriers, representing some 34% of the global fleet, were equipped with GTT's Mark technology as at July 2014, including 128 with Mark III technology.

The primary membrane is made of corrugated stainless steel 304 L, 1.2 mm thick, which is directly supported by and fixed to the insulation system. The standard size of the corrugated sheets is 3 meters x 1 meter. The secondary membrane is made of a laminated composite material: a thin sheet of aluminium between two layers of glass fibre and resin. It is positioned inside the prefabricated insulation panels between the two insulation layers.

The insulation consists of a load-bearing system made of prefabricated panels in reinforced polyurethane foam. This includes both primary and secondary insulation layers and the secondary membrane. The standard size of the panels is 3 m x 1 m. The thickness of the insulation is adjustable from 250 mm to 350 mm. The panels are bonded to the inner hull by means of resin ropes which serve two purposes: anchoring the insulation and spreading the loads evenly.

The Mark III technology has an optimized cost structure as the containment system is integrated in the vessel's hull which enables to transfer the efforts on the hull and separate the sealing and insulating functions. In addition, costs are lower as a result of a high level of prefabrication and the ease of assembly. Its modular nature adapts to different tank forms and to different capacities. The technology is particularly well suited for series construction.

The membranes have proven their excellent reliability in the light of feedback on all of the fleet in service: no loss of cargo is to be deplored as the first ships were built in the early 1970s. This reliability is partly due to the intrinsic characteristics of the materials and technical choices developed to protect the defaulting cargo. The Mark III technology was approved by all major classification companies and gas companies.

OVERVIEW OF THE ACTIVITIES OF THE GROUP

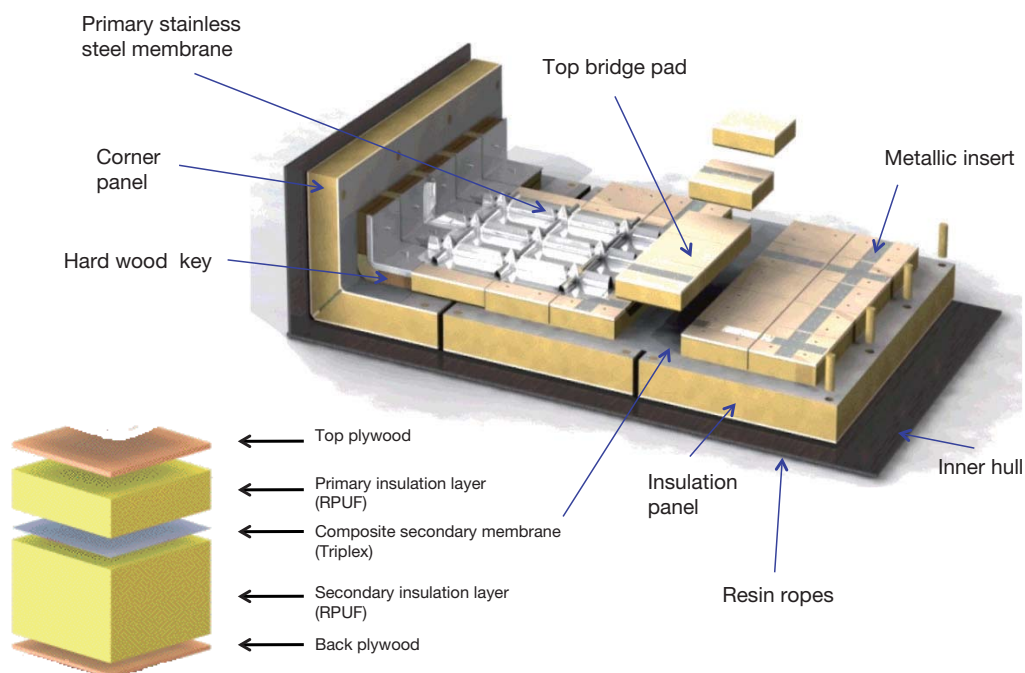
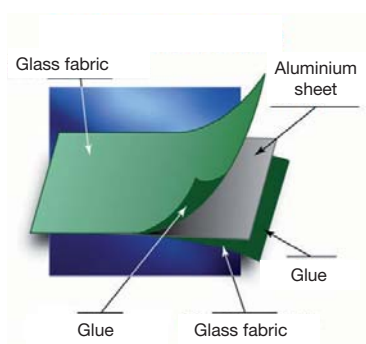
6.6 TECHNICAL DESCRIPTION OF THE COMPANY'S MEMBRANE CONTAINMENT TECHNOLOGIES

The membranes are designed to remain in operation for 40 years without requiring any particular maintenance. The insulated system has a high resistance and a good insulation capacity due to the insulation foam high density and the used insulation materials thermal properties.

The Company introduced the Mark III Flex, a revision of the Mark III range, in 2011. Since the polyurethane foam is thicker (400 mm rather than 270 mm) and more resilient, Mark III Flex boasts a lower boil-off rate and a system that can withstand sloshing more effectively for vessels operating in difficult conditions. Selecting Mark III Flex system over Mark III system represents an additional cost of 2 to 4 million US dollars. However, this new version reduces the cargo boil-off rate by 0.05% per day (0.10% per day rather than 0.15% for a vessel of 170,000 m³). Based

on the assumption that a LNG carrier may operate 310 days per year (*i.e.* 155 days per year loaded with cargo), this reduction of 0.05% represents an annual saving of 7.75% of the value of the cargo, *i.e.* a saving for the shipowners of approximately 3.1 million US dollars based on an annual cargo value of 40 million US dollars.

As at 31 December 2014 on current orders for LNG carriers, ethane carriers, FSRU and FLNG, the number of orders incorporating Mark III Flex technology (including High Density) represented 40% of the Company's order book and those incorporating Mark III technology 18% of the Company's order book. The following charts show the various elements and components of Mark III technology.





OVERVIEW OF THE ACTIVITIES OF THE GROUP

6.6 TECHNICAL DESCRIPTION OF THE COMPANY'S MEMBRANE CONTAINMENT TECHNOLOGIES

GTT is continuing the development of a new containment system, called Mark V, based on the Mark technology. Like Mark III and Mark III Flex, Mark V includes double insulation in reinforced polyurethane foam. The innovation of the system is based on two main elements: introducing a secondary iron-nickel alloy corrugated membrane, in place of the Mark III composite membrane, and improved thermal performance (Boil Off Rate), enabled by an increase in the thickness of the system.

This system is intended for all LNG storage and transport applications: LNG carriers, "small scale" LNG carriers, tanks for LNG powered ships.

The Company believes that the advantages of the system (improved thermal performance, use of a metal membrane, which enables easier industrialisation with new shipyards to be contemplated) will support the commercial deployment and adoption by shipowners and shipyards.

The Company has therefore taken steps with its industrial partners and customers to support the introduction of this new system. Development work continued in 2014 and will continue in 2015. The Company aims to allow redundant shipyards commercialise this technology during 2015.

6.6.2 NO 96

The NO systems containment technology was originally developed by Gaztransport in the 1960s.

The first version of the NO system, NO 82, was launched in 1965 and was successfully used to build ten vessels with capacity ranging from 40,000 m³ to 125,000 m³.

The second version of the NO system, NO 85, was launched in 1975, its principal improvements being a thicker Invar membrane and a 20% reduction in the components used to make the thermal membranes. It was therefore less costly and was used to build eight 125,000 m³ vessels. NO 88, the third version of the NO system, was launched in 1978 and is an upgrade of the previous two versions. The northern pine girders in the secondary space were replaced by mechanical "couplers", and the membranes were made of 0.7 mm Invar like the NO 85. This third version, which was more effective in terms of both insulation and construction costs, was used to build seven 130,000 m³ vessels.

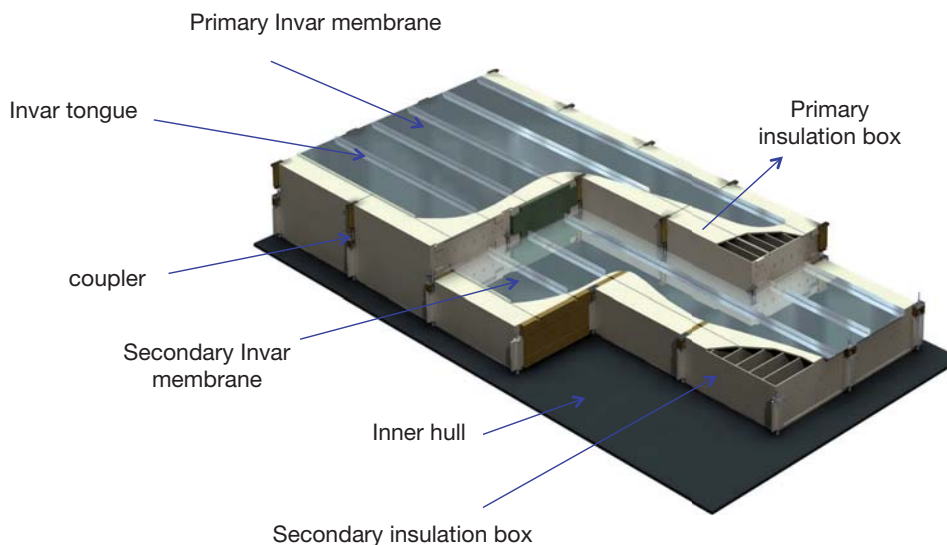
The NO 96, the fourth version of the NO systems, was launched in 1983, first ordered in 1994 and represented a major technological advance, with improved thermal and mechanical performance, better fatigue resistance and lower construction costs.

According to the company, 138 LNG carriers, representing around 36% of the global fleet, were equipped with GTT's NO technology as at 31 December 2014, including 121 with NO 96 technology.

The NO 96 membrane system is a cryogenic liner directly supported by the ship's inner hull. This liner comprises two identical metallic membranes and two independent insulation layers. The primary and secondary membranes are made of Invar, a 36% nickel-steel alloy, 0.7 mm thick. The primary membrane seals in the LNG cargo, while the secondary membrane, identical to the primary, provides 100% redundancy should leakage occur. Each of the 500 mm wide Invar strakes is fitted continuously along the tank walls and is evenly supported by the primary and the secondary insulation layers. The primary layer is secured by means of the primary couplers and fixed to the secondary coupler assembly.

The primary and secondary insulation layers in the load-bearing system are made of prefabricated plywood boxes filled with expanded perlite. The standard size of the boxes is 1 m x 1.2 m. The thickness of the primary layer is adjustable from 170 mm to 250 mm while the typical thickness of the secondary layer is 300 mm. The secondary layer is laid and evenly supported by the inner hull through load-bearing resin ropes, and fixed by means of the secondary couplers anchored to the inner hull.

The following charts show the various elements and components of NO 96 technology:



The NO 96 technology has an optimised cost structure as the containment system is integrated in the vessel's hull which enables to transfer the efforts on the hull and separate the sealing and insulating functions. In addition, costs are lower as a result of a high level of prefabrication and the ease of assembly. Its modular nature adapts to different tank forms and to different capacities. The technology is particularly well suited for series construction.

The membranes have proven their excellent reliability in the light of feedback on all of the fleet in service: no loss of cargo is to be deployed as the first ships were built in the early 1970s. This reliability is partly due to the intrinsic characteristics of the materials and technical choices developed to protect the defaulting cargo. The NO 96 technology was approved by all major classification companies and gas companies.

The membranes are designed to remain in operation for 40 years without requiring any particular maintenance. The insulated system has a high resistance and a good insulation capacity due to the excellent mechanical resistance of plywood boxes and perlite insulation capacities.

In 2011, GTT introduced the NO 96 Evolution system, the NO equivalent of the Mark III Flex, for which it has already received a number of orders. NO 96 Evolution offers better resistance to sloshing, where required, thanks to its stronger plywood boxes. It also achieves lower boil-off rates: 0.125% per day in a 170,000 m³ vessel for the NO 96 GW system, for which the perlite insulation was replaced with glass wool, and 0.108% per day in a 170,000 m³ vessel for the NO 96 L03 system, for which the perlite insulation was replaced with a mix of glass wool and polyurethane

foam. These two refinements, stronger boxes and better insulation, can be combined.

The NO Evolution program has been ongoing in 2012 and 2013, with the development of the NO 96 L03+ system. This system extends the use of technical improvements introduced by NO 96 L03, and should result in a lower boil-off rate (see section 6.5.2.2 – *Research into new containment technologies* of this Registration Document). The process of general approval for ship application of this system by classification companies is in progress.

As at 31 December 2014, in respect of LNG carrier, ethane carriers, FSRU and FLNG orders, the number of orders incorporating the NO 96 technology represented 14% of the Company's order book, those incorporating NO 96 GW technology 21% of the Company's order book and those integrating NO 96 L03 technology 7% of the Company's order book.

GTT has continued in 2014 the development of a new containment system based on the NO 96 technology. The system architecture is based on a pillar supporting structure, providing a better compromise between mechanical strength and thermal efficiency. Providing in this way an improved boil-off compared with current NO 96 systems, NO 96 Max is expected to be used in the next generation of LNG carriers. In addition, the system would be well suited for demanding applications such as the transport of liquefied gases heavier than methane. The Company is in contact with its industrial partners and its customers to prepare for the introduction of this new system, subject to the outcome of current developments. Marketing could begin in 2015.

OVERVIEW OF THE ACTIVITIES OF THE GROUP

6.6 TECHNICAL DESCRIPTION OF THE COMPANY'S MEMBRANE CONTAINMENT TECHNOLOGIES

6.6.3 MEMBRANES ADAPTED TO "MULTI-GAS" TRANSPORT

"Multi-gas" ships are vessels designed to transport ethane in the liquid state at about -92°C . They are also designed to carry several different types of gas in liquid form, such as ethylene, propane, butane, or even propylene. In October 2014, GTT received an agreement in principle (AIP) from the Chinese Classification Society (CCS) for its "multi-gas" ship

design. This new AIP confirms that membrane containment systems are not limited to LNG transport.

In total, the Company has received five AIP from classification companies (ABS, BV, CCS, DNV and LR) for the transport of liquefied gases other than LNG.

6.6.4 MEMBRANE ADAPTED TO ONSHORE STORAGE TANKS

Capitalising on its expertise in containment systems, Technigaz developed a specific membrane technology for onshore tanks in the 1960s.

GTT's membrane tanks apply the same principle as its LNG carrier technologies (two containers separated by an insulation layer) while the choice of materials and general design has been optimised for onshore storage.

GTT's cryogenic containment system is directly positioned on the bottom slab and walls of the concrete structure. In addition to the stainless steel membrane, a partial secondary barrier made of a composite laminated material is placed inside the insulating panel.

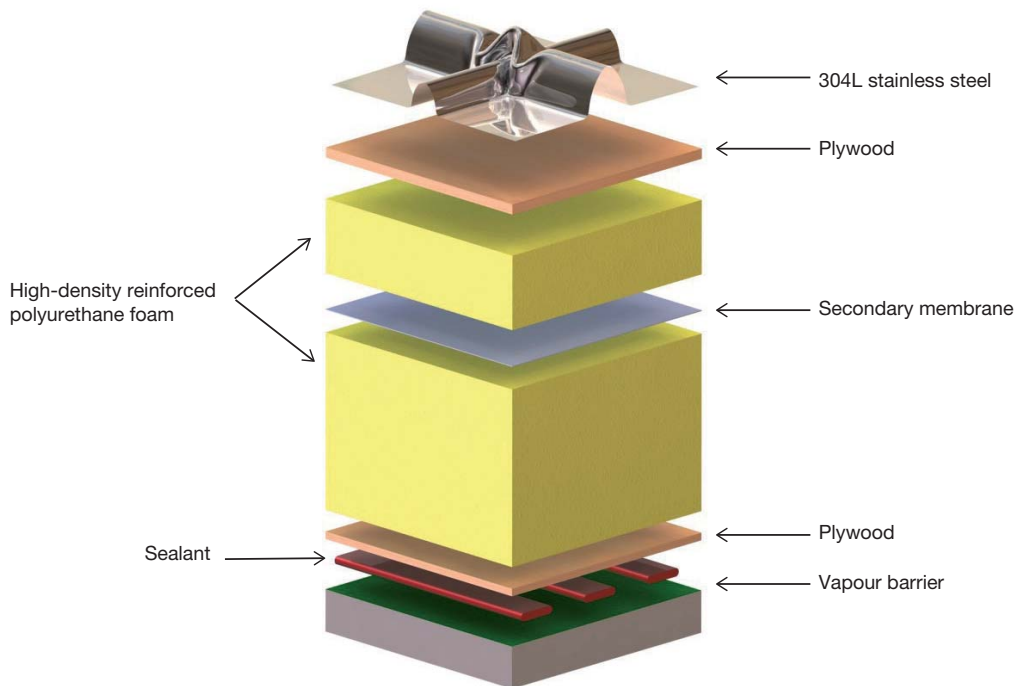
There is a clear distinction between the main functions of the containment system. The membrane inner container provides a gas and liquid seal. The

insulating panel provides thermal protection and transfers the hydrostatic charge to the concrete structure. Lastly, the pre-stressed concrete walls provide structural resistance to inner and outer loads.

Each function is optimised, avoiding multiple simultaneous failures and enhancing the reliability and efficiency of the membrane. As the membrane has no structural function, its thickness does not increase with tank capacity.

A wide range of configurations is available, from above-ground to in-ground tanks, as well as gravity-based structures and cryogenic caverns.

The following charts show the various elements and components of GST membrane technology.



6.7 Certification of GTT's technologies

There are a number of guidelines and recommendations intended to ensure the safe operation of LNG facilities, personnel and carriers. The LNG industry's exemplary safety record is underpinned by strict adherence to international, European and local regulations, recommendations, codes

and standards. Since the first LNG carriers were delivered in 1964, over 45,000 shipments have been made without a single incident of LNG being lost through a breach or failure of the ship's tanks.

6.7.1 REGULATORY AUTHORITIES

The IMO is the United Nations agency which draws up international regulations governing shipping and international maritime trade.

The primary purpose of the IMO is to develop and maintain an up-to-date regulatory framework for shipping. Its mission statement includes promoting safety, environmental protection, technical co-operation, maritime security and shipping efficiency.

All member states apply the IMO rules including:

- ▶ the International Code for the Construction and Equipment of Ships Carrying Liquefied Gases in Bulk (IGC code) published by the IMO in 1983 and currently being revised;

- ▶ the International Management Code for the Safe Operation of Ships and for Pollution Prevention (ISM code); and

- ▶ the 1978 International Convention on Standards of Training, Certification and Watchkeeping for Seafarers.

Non-compliance with the IGC code or other applicable IMO regulations may expose a shipowner or bareboat charterer to increased liability, lead to decreases in available insurance coverage for affected vessels and result in the denial of access to or detention in some ports.

The government of the country in which the ship is registered may also impose additional requirements over and above these international codes.

6.7.2 REGULATORY REQUIREMENTS

The IGC code provides an international standard for the safe shipping of liquefied gases and certain other substances in bulk, by prescribing the design and construction standards of the vessels involved and the equipment they should be fitted with so as to minimise the risk to the

ship, its crew and the environment, taking into account the nature of the products involved.

Compliance with the IGC code must be evidenced by a certificate of fitness for the carriage of liquefied gases in bulk.

6.7.3 CLASSIFICATION SOCIETIES

Classification companies are non-governmental organisations that form an integral part of the shipping industry, and are often referred to as "Class". They play two roles:

- ▶ they establish safety rules for vessels and make sure that they are implemented through periodic visits and inspections on behalf of shipowners during the construction and then during the service life of vessels; and
- ▶ they may also be mandated by the government in the registration country to issue certificates of compliance with the rules, which they have sometimes established themselves.

In the course of performing their duties, each classification society establishes and maintains standards for the construction and classification of vessels, confirms that construction designs and calculations meet these rules, checks the quality of a ship's key components on shipyards' sites (in particular steel, engines and generators) and takes part in trials at sea before issuing a classification certificate, which is required by the insurers. Classification companies also periodically inspect vessels in service to ensure that they continue to comply with the rules and required codes.

Classification companies are grouped in the International Association of Classification Societies ((IACS) which comprises 13 members.



OVERVIEW OF THE ACTIVITIES OF THE GROUP

6.7 CERTIFICATION OF GTT'S TECHNOLOGIES

MEMBERS OF THE INTERNATIONAL ASSOCIATION OF CLASSIFICATION SOCIETIES

American Bureau of Shipping	Polish Register of Shipping
Korean Register of Shipping	Det Norske Veritas
Bureau Veritas	RINA
Lloyd's Register	Germanischer Lloyd
China Classification Society	Russian Maritime Register of Shipping
Nippon Kaiji Kyokai (ClassNK)	Indian Register of Shipping
Croatian Register of Shipping	

Among these classification companies, the Company uses the services of the American Bureau of Shipping, Bureau Veritas, Lloyd's Register and Det Norske Veritas, which have a particularly strong reputation in LNG carriers.

6.7.4 NEW TECHNOLOGY CERTIFICATION AND APPROVAL PROCESS

The new technology certification and approval process implemented by classification companies comprises two main steps:

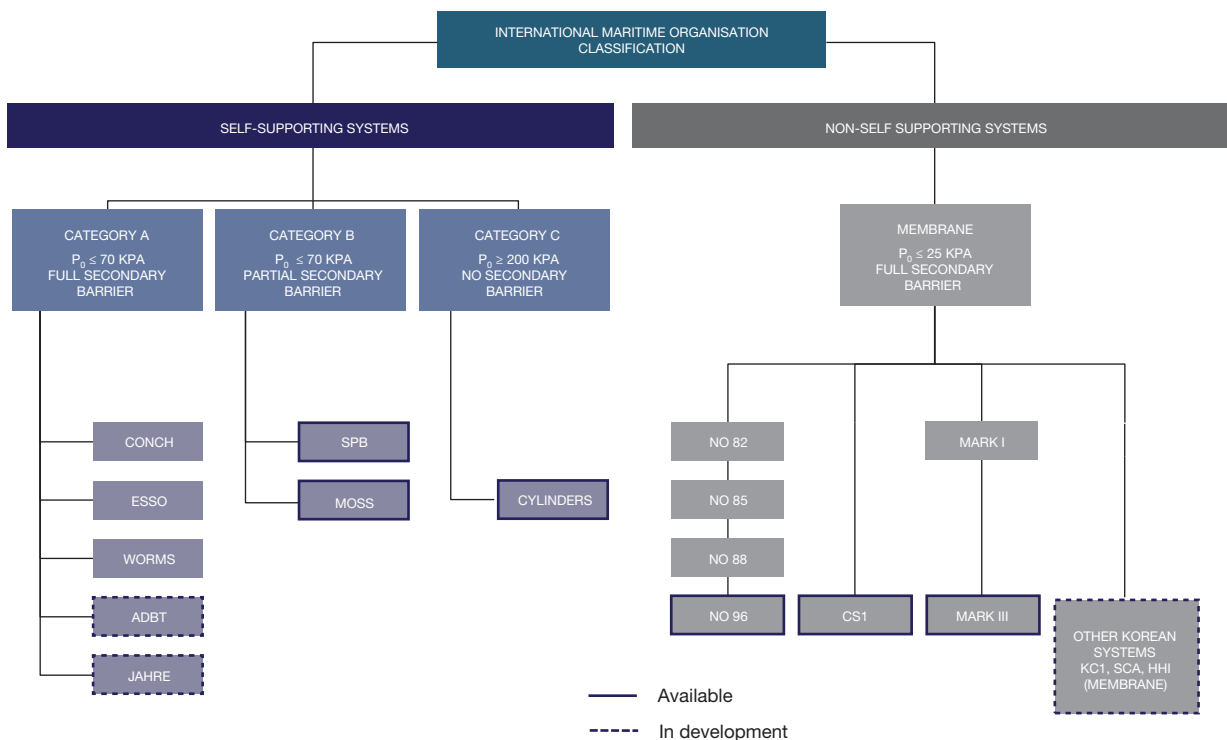
► **Type Approval or Approval In Principle.** This procedure is optional except in a limited number of circumstances and is intended to approve the design of new materials, components, products and systems for vessels or offshore units and to verify their compliance with classification society standards. Each classification society has its own approval process, and the procedures and documents to be provided may vary from one society to another. Broadly speaking, the designer files an application with the classification society for approval based on a number of documents (plans and designs of the material, product or system, technical specifications, features, functional description, etc.). The classification company then examines the application, ensures that the design complies with international standards and in particular the IGC code, as well as its own internal requirements, and verifies the product quality (inspection of production lines and quality control of the manufacturer, testing of a representative sample of the product) before issuing a Type Approval Certificate or Design Appraisal Document;

► **General Approval for Ship Application** to obtain approval for the new development once the feasibility study has been completed and Approval In Principle obtained. This process aims to approve the installation of the new material, component, product or system in the ship. The approval application covers either a generic vessel or a specific project. The approval process is longer, more in-depth and requires more technical details (detailed designs, tests, in-depth calculations and analysis structures, (e.g. liquid dome or gas dome) than the Approval in Principle. At the end of this process, the classification company issues a Design Appraisal Document or Final Class Approval.

Many approvals in principle are issued by classification companies for technologies under development, including those which are at a relatively early stage of development, while few technologies (such as the GTT's technologies, Moss Maritime and SPB system) are subject to a general approval for ship application which is a longer and more thorough certification. Certain suppliers of containment technologies offer them for sale during the certification and approval process, however, the building shipyards may only build tanks that have obtained a general approval for ship application on vessels.

6.7.5 INTERNATIONAL MARITIME ORGANISATION (IMO) CLASSIFICATION OF TECHNOLOGIES

Technologies for LNG carriers are classified in the IGC code as follows:



Source: Société.

Source: Company.

The IMO distinguishes between (i) integrated tank systems (integral tanks) which includes all the technologies developed by GTT and the SCA technology being developed by Samsung Heavy Industries, and (ii) independent self-supporting tanks that do not form part of the ship's hull structure (includes technologies developed by Ishikawajima Harima Heavy Industries and Moss Maritime and older technologies from Conch, Esso and Worms, which are no longer used). The independent self-supporting tanks are divided into three types of tanks that are:

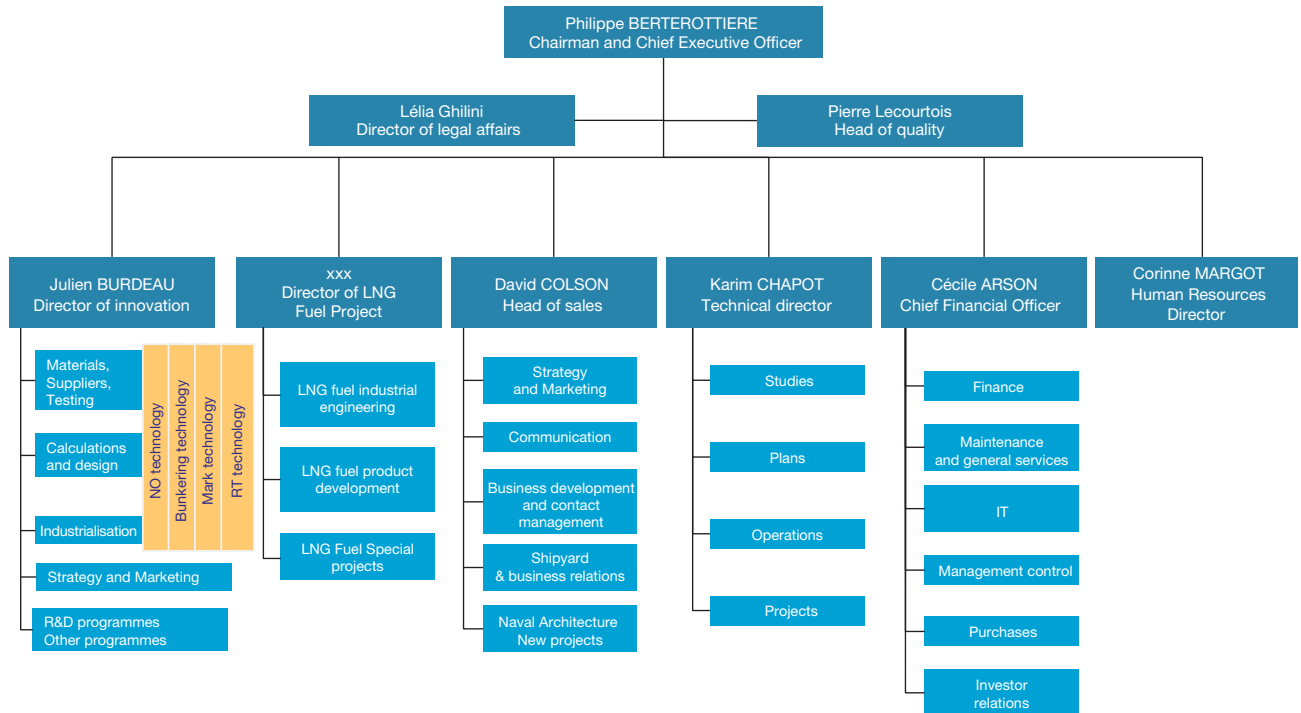
- ▶ the type A self-supporting tank which has a prismatic shape, a full secondary barrier (this tank has a gauge design pressure of less than 70 kPa (700 mbar) and rests on supports in the ship's hold. The thermal insulation of this type of tank is placed on its outer faces;

- ▶ the type B tank, which may take two forms: (i) the spherical shape supported on the hull at its equator (this tank has a gauge design pressure of less than 200 kPa (2 bars)) and (ii) the prismatic shape supported by the ship's hold (this tank has a gauge design pressure of less than 70 kPa (700 mbar)). The thermal insulation of this type of tank is placed on its outer faces;
- ▶ the type C self-supporting tank which has a cylindrical or lobed shape, no secondary barrier and is supported by the ship's hold or deck (the tank has a gauge design pressure in excess of 200 kPa (2 bar)). The thermal insulation of this type of tank is placed on the outer face of its wall or consists of a vacuum between the inner wall and an additional outer wall.

6.8 Organisation of the Company

GTT's senior management team is highly experienced in the containment system industry.

An organisation chart of the Company is shown below.



Key employees of the Company include:

- ▶ Philippe Berterottière, Chairman and Chief Executive Officer, joined GTT in 2009. He has 32 years of experience of working in advanced technology sectors. Previously, he served in various senior positions with aerospace companies: At Airbus, he was a contract negotiator, before being appointed head of business development. He was sales director at Matra's defence division and held various sales and marketing responsibilities at Arianespace, before being named Sales and Marketing Director and an Executive Committee member. He is a graduate of the prestigious HEC business school and of the IEP (Institut d'Études Politiques);
- ▶ Cécile Arson, Chief Financial Officer, joined GTT in 2010 and has worked in the energy sector for 19 years. She began her career in 1995 in the accounts department of a TOTAL subsidiary and joined TOTAL's Finance Department in 1999. From 2003 to 2007, she was in charge of accounting and taxation for TOTAL's overseas holding companies in the refining and marketing sector. Before joining GTT in 2010, she was head of internal audit and risk assessment in TOTAL's refining and marketing division. She is a graduate of ESCP business school (*École Supérieure de Commerce de Paris*);
- ▶ Pierre Lecourtois, organisation and quality officer, joined GTT in 2009 and boasts 13 years of experience in the industrial and energy sector.

During his career with GTT, he was Naval Hydrodynamics Engineer from 2009 to 2010 and head of the Industrialisation department in the Innovation Division from 2010 to 2013, then the Company's Chief Production Process Quality Officer. He has been Organisation and Quality Officer since the beginning of 2015. He previously held various positions in an automotive design office. He graduated from the School of Aerospace and Automobile Construction Technology (ESTACA) and has a naval architecture diploma gained from the *École Nationale Supérieure d'Architecture* de Nantes;

- ▶ David Colson, Commercial Director, joined GTT in 2004 and has 25 years of experience gained primarily in the chemicals industry and automobile sector. During his career with GTT, he was a shipyard project manager until 2008 and head of the business development department until 2010, when he was appointed Commercial Director. Previously, he held several positions at APV, ACOME and Valeo Filtration Systems. He graduated in mechanical engineering and business administration from the University of Birmingham (Bachelor of Engineering and Bachelor of Commerce);
- ▶ Julien Burdeau, Innovation Director, joined GTT in 2013. His career began with the French ministry for Industry, before he moved into the steelmaking sector in 2002. He gained 12 years of industrial

experience and held various operational responsibilities at Arcelor, then ArcelorMittal and Aperam. From 2009 to 2013, he managed the Aperam group's Alloys and Specialties division. He is a former pupil of the prestigious École Normale Supérieure, holds a PhD in mathematics and is a Corps des Mines engineer (see Chapter 11 of this Registration Document);

- ▶ Karim Chapot, Technical Director, joined GTT as an engineer in 2000 and has worked in the shipping industry for 17 years. In 2002, he became Head of Structural Calculations and was then promoted to Development Director in 2007. Previously, he held various positions at the Cherbourg and Le Havre shipyards. He graduated in naval and offshore architecture from ENSTA Bretagne (*École Nationale Supérieure de Techniques Avancées Bretagne*) and completed the Executive MBA programme at HEC (*Hautes Études Commerciales*);
- ▶ Lélia Ghilini, Legal Director, joined GTT after two years of experience at the Ministry of Economy and Finance as a policy officer (European

Affairs). Former counsel to the bars of Paris and New York, she had previously worked for nearly 10 years in mergers/acquisitions in several prominent law firms. Lélia holds a DESS in business law and a legal consultant's degree in business (DJCE) from the University Paris II (Panthéon-Assas). She also holds an LLM from New York University.

- ▶ Corinne Margot, Human Resources Director, who joined GTT in April 2015 and who has 26 years of experience in Human Resources, notably in the high technology industry. She began in 1989 as manager of recruiting and career management at Matra MHS, a company specializing in semiconductor design, then from 1993 to 1996 she worked for a human resources advising agency as Human Resources Director on a time share basis with several companies, in high technology. Thereafter she was employed by Soitec as group Human Resources Director before taking on additional duties as Director of Corporate Communications in 2008. Corinne Margot holds a DEA diploma in European law and DESS in company management.

6.8.1 ORGANISATION OF THE INNOVATION DIVISION

For a detailed description of the organisation of the innovation department, see section 11.1.1.1 – *Innovation Division* of this Registration Document.

6.8.2 ORGANISATION OF THE SALES DIVISION

The general role of the sales division is to conduct the Company's sales activity and to ensure that the customer agreements are properly implemented. It develops tools required for the sales activity and coordinates the promotion of the corporate technologies with the support of other divisions. The commercial director proposes to the Company's general management a sales policy and implements the selected policy. He supports the general management in the preparation of the business strategy and implements it through the actions he undertakes with prescribers and licensees.

The sales division is organised into five departments whose role is described below:

- ▶ strategy and marketing department: it is attached to both the sales and innovation divisions. Its mission is to create and consolidate a vision and a coherent strategy on GTT's current and future markets, through the facilitation of a strategic marketing process. It provides business intelligence on the LNG sector and its environment: tracking the activity of the competition, market analysis (players and trends), identification of opportunities and threats, anticipating the needs and expectations of the market. This department also prepares modelling documents: analysis of competitiveness of GTT solutions, market sizing of the various identified target markets, forecasting and economic forecasting, business plans. Finally, this team is responsible for developing the marketing

tools: marketing plan for new offers, coaching/guidance in promoting commercial offers, developing promotional and communication media;

- ▶ communication department: it is responsible for preparing and implementing the Company's external communications policy. To this effect, it selects conferences and exhibitions for the Company to attend, manages its website, organises training sessions with shipowners and other players in the LNG sector and runs the Group's advertising;
- ▶ business development and contract management department: it is responsible for developing and maintaining the Company's relationships with prescribers (shipowners, operators, gas companies, EPC contractors, engineering companies, classification companies etc.) and potential licensees until the signature of a licence agreement. It is organised into 10 geographic areas: North America, South America, Europe, Russia, Middle East and Africa, India, China, South-Eastern Asia, Oceania, South Korea and Japan. It identifies in each of these regions entities and persons which required promotional activity. It identifies potential licensees and supports them until the execution of a license agreement (TALA or License Agreement). It also identifies repair shipyards and supports them until the execution of a technical assistance agreement. It manages the promotion of the GTT services package (technical support to shipowners, Hotline (HEARS), feasibility studies, pre-project engineering, etc.);

OVERVIEW OF THE ACTIVITIES OF THE GROUP

6.8 ORGANISATION OF THE COMPANY

► projects and business relations department: it is responsible for developing and maintaining relationships with licensees and the performance of contracts. It coordinates the exchanges between the Company and licensees, in particular obtaining data on projects and sending deliverables and ensures that the services that are provided by other departments comply with contracts and undertakings of the Company. In coordination with the business and contract management

department, it may also provide support to licensees for their own marketing plans;

► naval architecture department – new projects: it is responsible for technical and sales promotion of new concepts in order to penetrate growing segments identified by the Company and helps clients to specify their needs in order to draw up preliminary project specifications that are executable by the technical division.

6.8.3 ORGANISATION OF THE TECHNICAL DIVISION

The general role of the technical division is to manage the technical activity that comes into play after the innovation phase. It participates both in projects where products need to be adapted to a new context or a new segment, and in engineering projects with which it is already familiar and masters the required skills. It may occasionally participate in the industrialisation phase or in other specific assignments. The director of the technical division is responsible for the supply of technical services for each project and for compliance with cost restrictions, time limits and service quality. He is responsible for providing written justification for technical decisions on solutions delivered to shipyards.

The technical division is organised into four departments whose role is described below:

► Studies sub-division: its role covers projects that have reached maturity in the development phase. It provides research reports at the pre-project, project and “after-sales” phases on matters of naval architecture, liquid motion or tank instrumentation and cargo transfer systems. It may potentially supply technical services to prescribers;

► Planning sub-division: it supplies the sales division with plans at the pre-project, project and “after-sales” phases. In association with the studies department, it sets minor developments in technologies that have reached maturity in their development phase. In association with the sales division, it provides technical services to prescribers;

► Projects sub-division: it is in charge of coordinating standard projects and ensures that cost, quality and time targets are met. It monitors the key project management indicators and proposes actions to correct any shortcomings or optimise the cost structure: it works to formalise and share methods, practices and standards in project management;

► Operations sub-division: it provides technical support to clients during the construction, maintenance or processing of products under licence and provides on-site technical support during the construction of products under licence in accordance with contractual requirements. It also ensures that the licensee uses the products in accordance with the license agreement (non-diversion of licences). It takes part in the analysis of clients’ functional needs and, alongside the sales division, in the design of service offerings in order to meet best these needs.

6.8.4 ORGANISATION OF THE LNG FUEL PROJECT

Management of the LNG Fuel Project is involved in new related markets that GTT has decided to explore, such as the market for small scale LNG carriers and that of the emerging LNG as a fuel market in which GTT hopes to play a key role.

Its main missions are to define the development strategy, in particular to develop the commercial offering, the business model and the partnership strategy, to transform initial commercial opportunities into projects, to identify industrial and technical challenges, and to execute a plan for technical development allowing to respond thereto.

6.8.5 ORGANISATION OF THE ADMINISTRATION AND FINANCE DIVISION

The administration and finance division is responsible for support functions (other than human resources) required for the business to run smoothly (finance, financial control, purchasing, investor relations, IT and

general services). The administration and finance director also proposes an overall management policy to the general management.

The administration and finance division is organised into six departments, whose roles are described below:

- ▶ management audit department: it implements and monitors budget control and management accounting, supports the operators in defining the needs in terms of financial, human and technical resources (in particular by preparing budgets and monitoring reports). It contributes to various economic research reports, particularly on improving cost awareness within the business and the cost of the Company's developed or future technologies for its clients, calculating cost prices and assessing projected and actual returns on investments. It makes an active contribution to strengthening the Company's internal control system;
- ▶ finance department: it performs all accounting operations (book-keeping, receivables and payables, fixed assets, payments) and prepares the Company's financial statements. It implements accounting and tax standards and procedures, and is responsible for cash management. It provides various payroll services such as calculating salaries and social security payments, as well as accounting for paid leave;
- ▶ maintenance and general services department: it manages the premises of the Company's registered office on a day-to-day basis, and in particular liaising with contractors working (construction or installation) on the premises and with insurance companies in the event of a claim (reporting, repairs, compensation);
- ▶ IT systems department: is responsible for the consistency and efficient operation of systems and networks, hardware and software maintenance, IT security and IT system upgrades. It supervises new developments and manages relations with suppliers in its areas of competence. It ensures that IT systems comply with regulations;
- ▶ purchasing department: it manages the Company's purchasing strategy and sets up the main contracts;
- ▶ investor relations department: it meets the regulatory requirements of GTT as a listed company, working with the Legal Director. This department is responsible for setting up financial communication systems in collaboration with the Communication Department of the Commercial Division, monitoring the market behaviour of the GTT share, organisation of events giving shareholders, potential investors, analysts and financial journalists access to GTT management. This department is also involved in internal communication and transmission of good internal practices.

6.8.6 ORGANISATION OF THE HUMAN RESOURCES DEPARTMENT

The general mission of Human Resources management is to enable consistency between the Company's talent needs and the skills available among employees, and to organize professional growth and training of employees.

The Human Resources Director defines, proposes and implements the human resources policy in connection with the development strategy and the Company's values, as well as the organisation of human resources. The Director prepares, with the Executive Management, meetings with employee representative bodies. The Director also manages the Company's internal communication.

6.9 Basis for any statements made by the Company regarding its competitive position

See the section *Preliminary Remarks* of this Registration Document.

6



OVERVIEW OF THE ACTIVITIES OF THE GROUP

ORGANISATION CHART



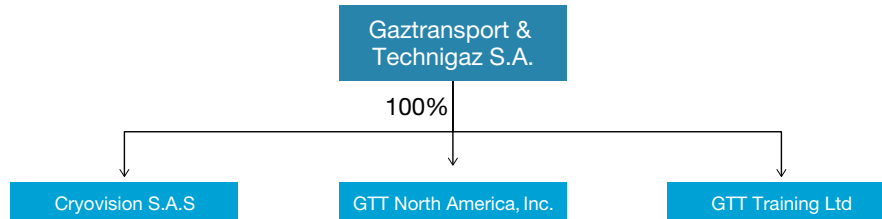
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ORGANISATION CHART

7.1 SIMPLIFIED GROUP ORGANISATION CHART

7.1 Simplified Group organisation chart

The simplified organisation chart presented below shows the Company's situation at the date of filing this Registration Document.



As at the date of this Registration Document, the Company owns the entire share capital and voting rights of Cryovision, GTT North America and GTT Training Ltd.

The Group's business activities are presented in Chapter 6 – *Overview of the Group's activities* of this Registration Document.

The duties performed by the Company's managers in its subsidiaries are described in section 14.1 – *Members of the administrative, management, supervisory and general management bodies* of this Registration Document.

7.2 Recent acquisitions and disposals

None.

PROPERTY, PLANT AND EQUIPMENT



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PROPERTY, PLANT AND EQUIPMENT

8.1 SIGNIFICANT, EXISTING OR PLANNED PROPERTY, PLANT AND EQUIPMENT

8.1 Significant, existing or planned property, plant and equipment

8.1.1 PROPERTY

The Company and Cryovision use the premises located at the Saint-Rémy-lès-Chevreuse (France) site, which is owned by the Company and where the registered office is located.

The Company is the owner of two plots of land of 84,628 m² and 122 m² in surface area, representing a total of 84,750 m² located at 1 route de Versailles in Saint-Rémy-lès-Chevreuse. A property complex comprising laboratories, offices, stores, workshops and corporate restaurants has been built on these plots of land. The property complex has an aggregate

of 18 buildings in total. The land also contains parking lots, roadways for vehicles, a river water retention pond, green spaces and cultivated areas.

The total space occupied by the Company's premises stands at around 14,735 m².

In addition, the Company has leased office space to Cryovision under a commercial lease signed on 31 December 2012 (see section 19.1.1 – *Commercial lease between GTT and Cryovision* of this Registration Document).

8.1.2 OTHER PROPERTY, PLANTS AND EQUIPMENT

Aside from the land and property complex located at Saint-Rémy-lès-Chevreuse described above, other property, plant and equipment consist primarily of office and IT equipment and installations, equipment and tools used in the laboratories and fixtures and fittings for the premises.

The property, plant and equipment owned by the Company are described in Note 7 to the financial statements for the financial years ended 31 December 2013 and 2014 as shown in section 20.1.1 of this Registration Document.

8.2 Environment and sustainable development

Information relating to the environment and sustainable development contained in Appendix 2 of this Registration Document.

REVIEW OF FINANCIAL POSITION AND RESULTS



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9.1 Financial statement prepared in accordance with IFRS

Readers are invited to examine the information which follows on the review of the Group's financial position and results, as well as the financial statements for the financial year ended on 31 December 2014, and the notes to these financial statements, as shown in section 20.1 – *Financial information under IFRS* in this registration document.

The financial statements for the financial year ended on 31 December 2014 have been prepared in accordance with IFRS (*International Financial Reporting Standards*) and have been audited by the Company's statutory auditors, whose report can be found in section 20.1.3 – *Statutory auditors' report on the financial statements prepared according to IFRS for the financial year ended on 31 December 2014* in this registration document.

The parent company financial statements prepared in accordance with IFRS are provided by the Company to anyone wishing to see them. Only the parent company financial statements prepared in accordance with French GAAP, and appearing in Note 4 of the Appendix to this Registration Document, have legal force.

Unless otherwise stated, the figures for the financial years ending on 31 December 2011, 2012, 2013 and 2014 are presented based on the accounts restated for IFRS as shown in section 20.1- *Financial information under IFRS* in the base document and the updated base document filed with the AMF on 13 December 2013 and 14 February 2014, respectively, under number I.13-052.

The Company's consolidated financial statements do not include its subsidiaries Cryovision (established on 2 February 2012), GTT North America (established in September 2013) or GTT Training Limited (established in June 2014), due to their low level of business activity in the period covered by these financial statements.

Cryovision had revenue of 3,022 thousand euros in 2013 and 2,394 thousand euros in 2014, net profit of 965 thousand euros in 2013 and 420 thousand euros in 2014. Its balance sheet totalled 3,035 thousand euros in 2013 and 2,162 thousand euros in 2014 (figures taken from the corporate financial statements at 31 December 2013 and 2014 and prepared in accordance with French accounting standards). In 2014, GTT North America saw revenue of 172 thousand US dollars with third parties. Net income thus amounted to 15 US dollars in 2014.

GTT Training Limited had revenue of 69 thousand pounds sterling with third parties and net income of 10 thousand pounds sterling in 2014.

The development of these subsidiaries' activity in 2015 is not expected to reverse this position in the short term.

The comments on the financial statements for the financial year ended on 31 December 2014 presented in chapters 9 and 10 of this registration document are prepared on the sole basis of the accounts and financial statements prepared in line with the IFRS and which appear in section 20.1 – *Financial information under IFRS* in this registration document.

9.1.1 ACTIVITY

The Company is an engineering company specialising in the design of cryogenic membrane containment systems for LNG carriers, VLECs, FLNG, FSRUs and LNG onshore storage tanks, solutions for the use of LNG as a fuel and in engineering services linked to membrane containment technologies and maintenance/repair services.

Since its creation, the Company has focused its efforts on:

- ▶ continuous improvement of its two main technologies, Mark III and NO 96, which are protected by patents and whose implementation is mastered by GTT; and
- ▶ the conquest of new markets by pursuing a process of diversification of its activities for several years, looking for applications that would capture new market segments, generating growth in the short and medium term.

9.1.2 REVENUE RECOGNITION

Revenue is recognised in accordance with the provisions of the TALA (see section 6.3.4.1 – *Commercialisation of GTT's technologies* in this registration document) and is booked in advance in line with the vessel construction period, *i.e.* around three to five years (see note 2.4 of the financial statements for the financial year ended on 31 December 2014 in section 20.1.1-*Financial statements prepared in accordance with IFRS for the financial year ended on 31 December 2014* of this registration document).

Revenue consists primarily of royalties received from shipyards, customers of the Company, in consideration of the use of the technology available for the construction of vessel and LNG onshore storage tanks under license agreements. These royalties include engineering study services, license fees and technical assistance services.

REVIEW OF FINANCIAL POSITION AND RESULTS

9.1 FINANCIAL STATEMENT PREPARED IN ACCORDANCE WITH IFRS

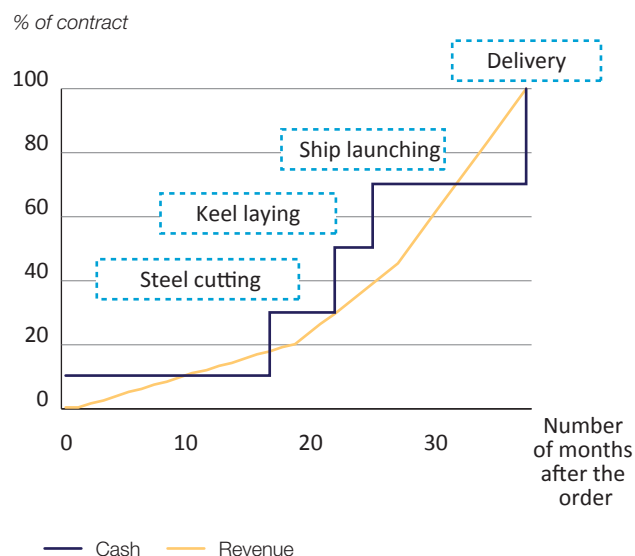
Revenue related to engineering study services, which, for the first vessel in a series of LNG carriers, represents about 20% of the total royalties paid, is recognised 14 to 20 months following the signing date of the order.

Revenue from license fees, which represent the major part of royalties is recognized only from the start of steel-cutting and until final acceptance of the LNG carrier, a time-lag of about 15 to 24 months from the signing date of the order.

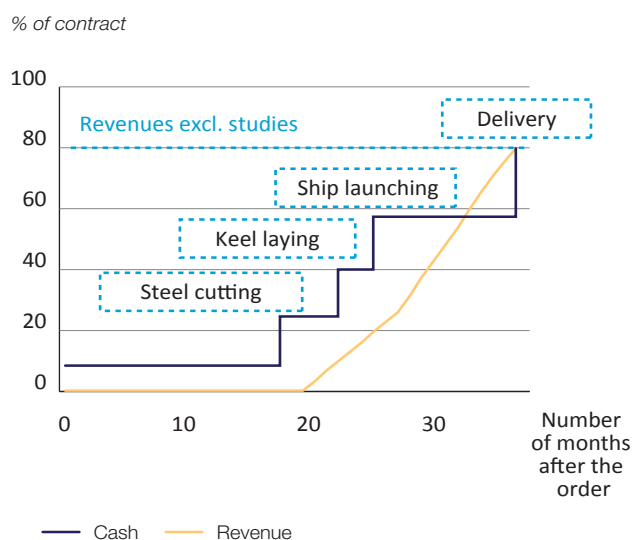
Finally, GTT receives royalties for the provision of technical project assistance which is recognized over the last 300 days before the delivery date of the LNG carriers.

These charts illustrate the recognition of revenue provided by royalties according to (i) the first vessel of a series or (ii) the second vessel or following vessels of a series:

FIRST VESSEL



SECOND VESSEL



REVIEW OF FINANCIAL POSITION AND RESULTS

9.1 FINANCIAL STATEMENT PREPARED IN ACCORDANCE WITH IFRS

9.1.3 FACTORS AFFECTING THE NET INCOME

Information relating to the order book	2011	2012	2013	2014
Order book at the end of the period (number of orders)	52	77	99	114
<i>LNG carriers</i>	45	65	85	96
<i>FSRU</i>	5	8	10	6
<i>FPSO</i>	1	2	2	3
<i>Ethane carriers</i>	-	-	-	6
<i>Onshore storage</i>	1	2	2	3
Number of orders during the year or previous years generating revenues for the period	26	44	78	95
<i>LNG carriers</i>	22	35	66	77
<i>FSRU</i>	3	5	8	11
<i>FPSO</i>	1	2	2	3
<i>Ethane carriers</i>	-	-	-	1
<i>Onshore storage</i>	-	2	2	3

Generation of income for LNG carriers	2011	2012	2013	2014
(A) Number of orders over the period	38	21	36	36
(B) <i>of which first vessels in series</i>	10	6	9	13
(C) Average turnover generated by the studies (only for the first vessel of the series) (in thousands of euros) ⁽¹⁾	1,688	1,673	1,850	1,872
(D) Average turnover excluding study before discount (in thousands of euros) ⁽¹⁾	6,694	7,026	7,346	7,489
(E) Average discount rate (%)	7.0%	9.8%	6.6%	6.7%
Total turnover secured under taking order (in thousands of euros) ⁽²⁾	253,319	143,187	263,583	277,095
Average order capacity (m ³)	159,137	164,371	173,189	173,706

(1) Revenues over the order lifetime.

(2) Defined as (A) x (D) x (1-E) + (B) x (C).

The main factors affecting the Company's business and net income are:

► *The global level of orders for vessels*: as the Company is the leading operator of cryogenic systems for LNG carriers, its business is directly linked to the number of LNG carriers ordered, which in turn depends on worldwide LNG supply and demand. A large part of the revenues and cash flow of the Company is dependent on the global level of vessels orders, even if the provision of other service activities provides another source of revenues.

Given the average turnaround time for contracts, to the order of three to five years depending on the type of vessel, the revenues and net income of any one financial year are largely dependent on the orders booked in previous years. The order book at the beginning of the financial year, being another important indicator, strongly affects the level of activity and results of the current year and subsequent years.

GTT's order book has grown regularly, from 45 LNG carriers at 31 December 2011 to 96 LNG carriers at 31 December 2014, its highest level since 2007;

► *The nature of the orders*: the income received by GTT is calculated according to the membrane surface area. In addition, because of the system of trade discounts, the Company's revenues depend on the number of orders of identical vessels received.

The average revenue expected per series LNG carrier has increased since 2011, from 6,694 thousand euros to 7,489 thousand euros as at 31 December 2014. This is mainly due to an increase in the average capacity of the vessels ordered – from 159,137 m³ at 31 December 2011 to 173,706 m³ as at 31 December 2014.

Given the relatively low number of orders, the Company has not carried out this analysis for the FSRUs, FLNG and onshore tanks. Capacity and average incomes for FSRU are however similar to those of LNG carriers.

- ▶ *Personnel expenses and the cost of the use of subcontracting, which is needed to cope with the heavy work-load of activity.*
- ▶ *Expenditure and investment in research and development:* although, structurally, the Company is constantly working to improve its technologies, it also conducts research and development work in order to develop new technologies.
- ▶ *The fiscal environment,* particularly as regards certain specific tax regimes from which the Company may benefit, such as taxation of royalties from licensing of certain intellectual property rights at a reduced rate in France, or the benefit of tax credits derived from certain research and development expenditure, and regarding withholding taxes on royalties from foreign sources where applicable tax treaties allow.

9.1.4 LONG TERM BUSINESS OUTLOOK

In this chapter 9, EBIT corresponds to the operating profit (IFRS) and EBITDA corresponds to the EBIT to which depreciation of assets is added (IFRS). The table below shows the evolution of the order book, revenue, EBITDA, EBIT, net income and the amount of dividends distributed.

In thousands of euros	2011 ⁽¹⁾	2012 ⁽¹⁾	2013 ⁽¹⁾	2014 ⁽¹⁾
Order book for the period (number of orders)	52	77	99	114
Revenues	55,758	89,486	217,634	226,760
Annual growth (%)	(25.3%)	60.5%	143.2%	4.2%
EBITDA	20,453	48,448	143,995	142,243
<i>EBITDA margin (%) – EBITDA ratio to revenue</i>	<i>36.7%</i>	<i>54.1%</i>	<i>66.2%</i>	<i>62.7%</i>
EBIT/Operating profit	17,151	45,310	140,475	138,844
<i>EBIT margin (%) – EBIT or operating profit ratio to revenue</i>	<i>30.8%</i>	<i>50.6%</i>	<i>64.5%</i>	<i>61.2%</i>
Net profit	15,700	40,158	127,167	123,302
<i>Net margin (%) – net income ratio to revenue</i>	<i>28.2%</i>	<i>44.9%</i>	<i>58.4%</i>	<i>54.4%</i>
IFRS net income	18,386	39,577	118,743	115,356
<i>IFRS net margin (%) – IFRS net income ratio to revenue</i>	<i>33.0%</i>	<i>44.2%</i>	<i>54.6%</i>	<i>50.9%</i>
Dividends paid	52,997	15,714	91,831 ⁽²⁾	130,948 ⁽²⁾
<i>Dividend distribution rate (as % of net profit for the previous financial year)</i>	<i>233.0%</i>	<i>100.1%</i>	<i>100.0%</i> ⁽³⁾	<i>99.9%</i> ⁽³⁾

⁽¹⁾ Information taken from the IFRS financial statements: revenue, operating income, net profit. EBITDA = Operating income + amortisation (IFRS financial statements).

⁽²⁾ Including a 51,678 thousand euro interim dividend paid in 2013 in respect of fiscal 2013, including a 55,618 thousand euro interim dividend paid in 2014 in respect of fiscal 2014.

⁽³⁾ Dividend payout ratio calculated on distributed profit (and possible distribution of reserves) as % of French GAAP net profit for the previous financial year.

9.2 Analysis of the annual results for the financial year ended on 31 December 2014

9.2.1 ANALYSIS OF THE 2014 ANNUAL RESULTS

9.2.1.1 Condensed income statement

In thousands of euros	At 31 December	
	2013	2014
Revenue from operating activities	217,634	226,760
Costs of sales	(2,016)	(2,108)
External charges	(40,799)	(37,800)
Personnel expenses	(34,924)	(47,226)
Taxes	(3,874)	(5,670)
Depreciation and provisions	972	(132)
Other operating income and expenses	3,481	5,020
Operating profit (EBIT)	140,475	138,844
EBIT margin (%)	64.5%	61.2%
Financial income	1,478	1,448
Profit before tax	141,953	140,292
Income tax	(23,210)	(24,936)
Net income	118,743	115,356
Net margin (%)	54.6%	50.9%
Basic earnings per share	3.21	3.11
Calculated indicator		
EBITDA	143,995	142,243
EBITDA margin (%)	66.2%	62.7%

The net margin on revenue fell from 54.6% to 50.9% between 2013 and 2014.

This decrease, like the decrease in EBIT margin, which fell from 64.5% in 2013 to 61.2% in 2014, is directly related to the increase in personnel expenses (35.2%) and to a lesser extent to the increase in taxes (46.4%), while other operating expenditure (sum of the purchases consumed,

external costs, amortisation, depreciation and provisions and other operating income and expenditure) only fell 8.5% over the period.

The decrease in the net margin on revenue is mainly due to the 7.4% rise in income tax.

9.2.1.2 Evolution and distribution of revenues (see “operating activities” in income statement)

In thousands of euros	2013	2014
Revenues	217,634	226,760
Annual growth (%)	143.2%	4.2%
<i>Royalties</i>	<i>210,280</i>	<i>216,363</i>
<i>of which LNG/ethane carriers</i>	<i>174,387</i>	<i>183,008</i>
<i>FSRU</i>	<i>27,830</i>	<i>24,627</i>
<i>FLNG</i>	<i>5,780</i>	<i>7,871</i>
<i>Onshore storage</i>	<i>2,282</i>	<i>857</i>
<i>Other services</i>	<i>7,354</i>	<i>10,397</i>

Revenues increased from 217,634 thousand euros in 2013 to 226,760 thousand euros in 2014, a rise of 4.2% over the period. This increase is a direct result of the increase in revenue from royalties, which increased by 6,083 thousand euros (*i.e.* 2.9%) and, to a lesser extent, the revenue from other services, which increased by 41.4%.

The LNG/ethane carrier revenue represents 183,008 thousand euros, *i.e.* 80.7% of revenue at 31 December 2014 (compared with 80.1% 31 December 2013). At 31 December 2013, 66.5% of the revenue from LNG carriers was generated by vessels ordered in 2011. At 31 December 2014, 69.7% of this revenue came from vessels ordered in 2011 and 2012, 17.9% from vessels ordered in 2013 and 6% from vessels ordered in 2014.

The revenue from FSRU (Floating Storage and Regasification Unit) orders fell 11.5% between 31 December 2013 and 31 December 2014, while the

number of orders generating the revenue rose from 8 to 11 orders within the same timeframe. This is a result of the vessel construction milestones.

The revenue from FLNG (Floating Liquefied Natural Gas) rose 36.2% between 31 December 2013 and the same date in 2014, due to the progress in the construction of the two FLNG units ordered in 2011 and 2012, and a third order which was notified in 2014.

The revenue from other services also grew by 41.4% compared with 31 December 2013. This growth essentially comes from assistance to shipowners for vessels in operation, which represented 53% of services revenue in 2014 and increased by 32.4% compared with 2013, as well as the supplier materials approval work, which represented 15% of the services revenue and which rose 238.48% compared with 2013.

REVIEW OF FINANCIAL POSITION AND RESULTS

9.2 ANALYSIS OF THE ANNUAL RESULTS FOR THE FINANCIAL YEAR ENDED ON 31 DECEMBER 2014

9.2.1.3 Composition of operating income

9.2.1.3.1 External charges

In thousands of euros	2013	2014
Tests and studies	21,778	17,661
Leasing, maintenance & insurance	4,342	4,862
External Staff	968	740
Fees	5,266	4,803
Transport, travel and reception expenses	7,061	7,791
Postal & telecommunication charges	159	177
Others	1,225	1,766
TOTAL	40,799	37,800
% of revenues from operating activities	19%	17%

The Company's external charges fell from 40,799 thousand euros in 2013 to 37,800 thousand euros in 2014.

The 7.4% drop in external charges over the period is mainly due to changes under the tests and studies item. The cost of studies and subcontracting fell by 18.9%. This drop should be viewed in parallel to the recruitments in 2013 (see below). The "Others" item is essentially made up of the cost of filing patent applications.

The change seen in other items between 2013 and 2014 is less significant in absolute values.

External charges represented 19% of revenue in 2013 and 17% in 2014.

9.2.1.3.2 Personnel expenses

(in thousands of euros)	2013	2014
Wages and salaries	17,699	22,246
Social security costs	10,574	15,178
Share-based payments	-	3,042
Profit-sharing and incentives scheme	6,651	6,759
PERSONNEL EXPENSES	34,924	47,226
% of operating activities	16%	21%

Personnel expenses rose from 34,924 thousand euros in 2013 to 47,226 thousand euros in 2014, an increase of 35.2% over the period, due to the growth in activity. At the same time, the Company's headcount increased (an average of 334 people in 2013 compared with an average of 380 people in 2014).

Note that at 31 December 2014, 3,042 thousand euros were booked as share-based payments. This amount corresponds to the decisions taken in the first quarter of 2014, when the Company was floated on the stock market:

- ▶ 207 thousand euros: free share plan allocated to all employees;
- ▶ 2,379 thousand euros: performance share plan for the Company's Management; and

- ▶ 456 thousand euros: capital increase reserved for Company employees.

In addition to the items above, other personnel expenses were booked as a result of the Company being floated on the stock exchange. These items include premiums, social security costs, exceptional taxes and the Company contribution to the capital increase reserved for employees, for a total amount of around 3.6 million euros.

Employee profit sharing and incentive scheme costs increased slightly over the period to the extent that they are directly related to the Company's increased net income (profit sharing) and to its activity in general (incentives).

REVIEW OF FINANCIAL POSITION AND RESULTS

9.2 ANALYSIS OF THE ANNUAL RESULTS FOR THE FINANCIAL YEAR ENDED ON 31 DECEMBER 2014

9.2.1.3.3 Amortisations and provisions

In thousands of euros	2013	2014
Amortisation of fixed assets	3,520	3,399
Provisions	427	413
Reversal of provisions	(4,918)	(3,679)
PROVISIONS (REVERSAL) OF AMORTISATION AND PROVISIONS	(972)	132

Depreciation, amortisation and provisions correspond to expenses over the period: they went from a reversal of 972 thousand euros at 31 December 2013 to an allocation of 132 thousand euros at 31 December 2014. The change is essentially due to the reversal of provisions for risks, which fell between 2013 and 2014 (a direct result of the number of vessels inspected over the period due to possible damage caused by the "sloshing" phenomena detected in LNG carriers built according to the Mark III system: 10 vessels inspected in 2014 compared with 15 in 2013). The depreciation allowance remained relatively stable over the period.

9.2.1.3.4 Other operating income and expenses

In thousands of euros	2013	2014
Research tax credit	3,625	4,344
Employment and competitiveness tax credit (CICE)	226	231
Other operating income	(401)	(67)
Investment subsidies	32	512
OTHER OPERATING INCOME AND EXPENSES	3,481	5,020

Other operating income and expenses consist primarily of the research tax credit, for which the amount estimated by the Company at the end of 2013 was 3,625 thousand euros, compared to 4,344 thousand euros at the end of 2014. During the year, these amounts are estimated in terms of the projects considered eligible according to the research tax credit criteria and the amounts historically recorded.

9.2.1.3.5 Changes in operating income (EBIT) and EBITDA

In thousands of euros	2013	2014
EBITDA	143,995	142,243
<i>EBITDA margin (%)</i>	<i>66.2%</i>	<i>62.7%</i>
EBIT / Operating income	140,475	138,844
<i>EBIT margin / Operating margin (%)</i>	<i>64,5 %</i>	<i>61,2 %</i>

The Company's EBIT fell from 140,475 thousand euros in 2013 to 138,844 thousand euros in 2014. The EBIT to revenue ratio fell from 64.5% in 2013 to 61.2% in 2014. The change in EBITDA is in line with the EBIT change over the same period, falling from 143,995 thousand euros in 2013 to 142,243 thousand euros in 2014. The EBITDA to revenue ratio also fell, from 66.2% in 2013 to 62.7% in 2014.

REVIEW OF FINANCIAL POSITION AND RESULTS

9.2 ANALYSIS OF THE ANNUAL RESULTS FOR THE FINANCIAL YEAR ENDED ON 31 DECEMBER 2014

9.2.1.4 Composition of financial income of GTT

In thousands of euros	2013	2014
Exchange rate gains and losses	-	(10)
Other financial charges	(11)	(12)
Short term deposit income	1,496	1,450
Discounting of subsidies (Hydrocarbon Support Fund)	(52)	(53)
Proceeds on disposal of investment securities	41	63
Changes in the fair value of net retirement plan assets (see note 15.2)	3	9
FINANCIAL INCOME	1,478	1,448

Financial income and expenses consist primarily of:

Financial income from cash investments: these fell slightly, from 1,496 thousand euros in 2013 to 1,450 thousand euros in 2014, due to a slight fall in cash invested over the period (103,680 thousand euros at the end of 2013, including 87,180 thousand euros in cash/cash equivalents and 16,500 thousand euros in assets available for sale, compared with

74,205 thousand euros at the end of 2014, including 64,705 thousand euros in cash/cash equivalents and 9,500 thousand euros in assets available for sale).

Net proceeds from disposal of short-term investments grew from 41 thousand euros at the end of 2013 to 63 thousand euros at the end of 2014.

9.2.1.5 Income tax

9.2.1.5.1 Analysis of Income Tax

In thousands of euros	2013	2014
Current income tax	(15,503)	(18,982)
Deferred tax	(4,952)	(2,025)
Income Tax on profit	(20,455)	(21,007)
Distribution tax	(2,755)	(3,928)
TOTAL INCOME TAX	(23,210)	(24,936)

GTT operations taxed at the ordinary rate generate deficits every year as, essentially, it is a taxation on services and charges for the financial year. Given its activity, GTT is mostly taxed at the reduced rate applicable to long-term capital gains applied to its net revenue from licence royalties. The tax losses generated at the normal rate are offset against profits taxed at the reduced tax rate in accordance with French tax rules.

9.2.1.5.2. Current tax expenses

The increase in the income tax charge payable between 2013 and 2014 (15,503 thousand euros compared with 18,982 thousand euros) is directly linked to the offsetting in 2013 of a higher amount of prior

deficits (35,712 thousand euros deficit used in 2013 compared with 12,835 thousand euros in 2014, which corresponds to the Company's prior deficit balance), to which a tax rate of 15% is applied.

9.2.1.5.3. Deferred tax

Deferred tax recorded in profit or loss for the period dropped from an expense of 4,952 thousand euros at the end of 2013 to an expense of 2,025 thousand euros at the end of 2014.

This change is mainly due to the deferred tax assets relating to the tax deficits in December 2013 (5,365 thousand euros in 2013 compared with 1,925 thousand euros in 2014).

9.2.1.6 Composition of net income and earnings per share

	2013	2014
Net income (in euros)	118,743,318	115,355,848
Average number of shares (excluding treasury shares)	37,028,800	37,071,377
Number of diluted shares	37,028,800	37,327,122
Basic earnings per share (in euros)	3.21	3.11
Diluted earnings per share (in euros)	3.21	3.09

The Company's net income fell slightly from 118,743 thousand euros at 31 December 2013 to 115,356 thousand euros at 31 December 2014, given the factors above.

Earnings per share at 31 December 2013 was calculated based on share capital made up of 37,028,800 shares, which corresponds to the number of shares following division of the nominal value of the shares in December 2013. At 31 December 2014, earnings per share was calculated based on share capital comprising to date 37,071,377 shares

following the capital increase reserved for employees, which resulted in 49,557 shares being created on 11 April 2014, excluding the 6,980 treasury shares.

On these bases, earnings per share fell from 3.21 euros to 3.11 euros over the period.

Diluted earnings is calculated taking into account the free share allocations decided by the Company in February 2014. Diluted earnings per share fell from 3.21 euros to 3.09 euros.

9.2.2 BALANCE SHEET ANALYSIS

9.2.2.1 Non-current assets

In thousands of euros	2013	2014
Intangible assets	424	298
Property, plant and equipment	10,631	14,598
Non-current financial assets	18,891	12,936
Deferred tax assets	2,125	85
NON-CURRENT ASSETS	32,071	27,917

The change in non-current assets between 31 December 2013 and 31 December 2014 mainly comes from (i) the increase in property, plant and equipment, which rose from 10,631 thousand euros at 31 December 2013 to 14,598 thousand euros at 31 December 2014 (extension to the Company's registered office), (ii) the decrease in deferred tax assets over the period, which moved from 2,125 thousand euros at 31 December

2013 to 85 thousand euros at 31 December 2014, and (iii) the decrease in non-current financial assets, which fell from 18,891 thousand euros at 31 December 2013 to 12,936 thousand euros at 31 December 2014.

The change observed in non-current financial assets corresponds to movements (sales and acquisitions) on long-term cash investments.

9.2.2.2 Current assets

In thousands of euros	2013	2014
Trade and other receivables	77,956	75,203
Other current assets	24,621	31,270
Cash and cash equivalents	87,180	64,705
CURRENT ASSETS	189,757	171,177

REVIEW OF FINANCIAL POSITION AND RESULTS

9.2 ANALYSIS OF THE ANNUAL RESULTS FOR THE FINANCIAL YEAR ENDED ON 31 DECEMBER 2014

Current assets fell between 31 December 2013 and 31 December 2014, from 189,757 thousand euros to 171,177 thousand euros.

This change is mainly due to the fall in cash as a result of the payment in September 2014 of an interim dividend of 55,618 thousand euros

from the 2014 profit and the reclassification of 5 million euros in cash investments from non-current assets to other current assets.

9.2.2.3 Equity

In thousands of euros	At 31 December	
	2013	2014
Share capital	370	371
Share premium	1,109	2,932
Reserves	(34,620)	(42,965)
Profit for the year	118,743	115,356
Other items of comprehensive income	1,155	80
EQUITY	86,757	75,774

The fall in equity between 31 December 2013 (86,757 thousand euros) and 31 December 2014 (75,774 thousand euros) is a result of the slight decrease in profit for the year of 2.9% and the dividend distribution in 2014 (interim payment for 2014 and 2013 balance: 130,948 thousand euros) being higher than the amount distributed in 2013 (2013 interim payment and 2012 balance: 91,831 thousand euros).

Note that:

- ▶ the impact of the capital increase related to the allocation of free shares to personnel, which translates into an issue premium of 1,823 thousand euros;
- ▶ the impact on reserves of IFRS restatements, including 3 million euros from the share plans;
- ▶ the impact on reserves of treasury shares under a liquidity contract concluded in November 2014 for 337 thousand euros.

In thousands of euros	Share capital	Reserves	Net result	Equity
At 31 December 2012	370	18,743	39,577	58,691
Profit for the year	-	-	118,743	118,743
Other items of comprehensive income	-	-	1,155	1,155
Total comprehensive income	-	-	119,898	119,898
Allocation of profit from the previous financial year	-	39,577	(39,577)	-
Distribution of dividends	-	(40,153)	-	(40,153)
Interim dividend payment	-	(51,678)	-	(51,678)
At 31 December 2013	370	(33,511)	119,898	86,757
Profit for the year	-	-	115,356	115,356
Other items of comprehensive income	-	-	80	80
Total comprehensive income	-	-	115,436	115,436
Allocation of profit from the previous financial year	-	119,898	(119,898)	-
Capital increase	1	1,823	-	1,824
Treasury shares	(0)	(337)	-	(337)
Share-based payments	-	3,042	-	3,042
Distribution of dividends	-	(130,948)	-	(130,948)
At 31 December 2014	371	(40,033)	115,436	75,772

9.2.2.4 Non-current liabilities

In thousands of euros	2013	2014
Non-current provision	9,289	5,742
Financial liabilities – non-current part	2,176	1,620
Other non-current financial liabilities	-	201
NON-CURRENT LIABILITIES	11,464	7,563

Provisions at the end of 2014 consist of:

- ▶ mainly the provision for litigation as a result of any Mark III damage: this amounted to 7.5 million euros at the end of 2013. This provision was reversed, in line with the number of vessels inspected, for 3.3 million euros in 2014. At the end of 2014, the provision amounted to 4.3 million euros;
- ▶ other provisions are intended in particular to cover potential risks in disputes between GTT and former employees, as well as a claim

made against GTT by a legal expert involved in an action brought by a third party against a repair shipyard. These provisions amounted to 1.5 million euros at 31 December 2014.

Other non-current liabilities comprise the balance of advances from the Hydrocarbon Support Fund, which are not yet due. They have reduced due to being reclassified under current financial liabilities in advance of falling due in 2015.

9.2.2.5 Current liabilities

In thousands of euros	2013	2014
Current provision	-	-
Suppliers	15,756	14,744
Current financial liabilities	464	609
Other current non-financial liabilities	107,387	100,405
CURRENT LIABILITIES	123,607	115,758

In thousands of euros	2013	2014
Trade and other payables	15,756	14,744
Tax and social security payables	24,251	26,292
Other debts	905	833
Deferred income	82,231	73,280
Total other current non-financial liabilities	107,387	100,405
Current financial liabilities	464	609
TOTAL	123,607	115,758

This balance sheet item fell from 123,607 thousand euros at the end of 2013 to 115,758 thousand euros at the end of 2014. This change is essentially due to (i) the decrease in supplier liabilities, from 15,756 thousand euros to 14,744 thousand euros over the period, (ii) the fall in other current liabilities, with a sharp drop in deferred income as a result of the delay between invoicing and recording of the revenue and

an increase in tax and social security payables (corporation tax and tax on high salaries).

Current financial liabilities correspond to a repayment of advances from the Hydrocarbon Support Fund being classified as payable in under one year.



REVIEW OF FINANCIAL POSITION AND RESULTS

10

EQUITY AND CASH



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10.1 Debt and Equity

The Company's equity amounted to 75,774 thousand euros at 31 December 2014, compared with 86,757 thousand euros at 31 December 2013. The changes in equity during this period are presented in sections 9.2.2.3 – *Equity* of this reference document.

The Company has no financial debt in the short, medium or long term.

Activities of the Company generate significant cash-flow from operating activities, which enable it to finance its investments. The structure of the Company's business is such that it has a cash surplus which is placed in short-term deposit accounts.

In thousands of euros	At 31 December	
	2013	2014
Short-term investments	83,931	35,884
Cash and cash equivalents	3,249	28,821
Cash in balance sheet	87,180	64,705
Bank overdrafts and equivalent	-	-
CASH	87,180	64,705

10.1.1 FINANCING BY CAPITAL

No capital increase or issuance of securities giving or capable of giving access to capital is expected in the short and medium term, to finance the development of the Company.

10.1.2 FINANCING BY REFUNDABLE CASH SUBSIDIES (HYDROCARBONS SUPPORT FUND)

In thousands of euros	At 31 December	
	2013	2014
Advances repayable to the FSH	2,640	2,229

The Company has received between 1987 and 2001 refundable subsidies from the Hydrocarbons Support Fund (FSH). These subsidies were intended to finance investment projects in the framework of research programs approved by the French Government.

The repayment of these advances is based on the sales generated by the relevant projects which have been funded. They are recognized in "Other non-current liabilities" with subsidies due for repayment being recognized progressively according to the funded projects revenues generation and using an annual discount rate of 2%. This should lead to a gradual settlement of the liability.

10.1.3 FINANCING BY RESEARCH TAX CREDIT

In thousands of euros	At 31 December	
	2013	2014
Research tax credit	3,625	4,344
Employment and competitiveness tax credit (CICE)	226	231

The amounts booked as research tax credits are provisional amounts which differ from the amounts actually declared to the tax authorities after year-end.

The Company received 4,144 thousand euros in research tax credits for 2013, although only 3,600 thousand euros had been provisioned.

At the end of December 2014, in light of the research and development activity in the 2014 financial year and the amounts already declared, the Company estimated the research tax credit (CIR) for the year at 3,800 thousand euros, to which additional unprovisioned CIR for 2013 of 544 thousand euros is added.

10.1.4 OFF-BALANCE SHEET COMMITMENTS

The Company had no off-balance-sheet commitments in 2013 or 2014.

Cryovision, a non-consolidated subsidiary of the Company, had no off-balance-sheet commitments in 2013 or 2014.

At 31 December 2014, an advance was granted by GTT SA to GTT North America for 1,138 thousand euros. This advance is a downpayment on

the supplier invoice to be issued by GTT NA in early 2015 for services rendered to GTT SA.

GTT North America, a non-consolidated subsidiary, had no other off-balance sheet commitments as of end-2014.

GTT Training Ltd, a non-consolidated subsidiary, had no other off-balance sheet commitments as of end-2014.

10.2 Cash-Flow of the Group

10.2.1 AN ECONOMIC MODEL WITH STRONG CASH FLOW GENERATION

The Group's business model is characterized by its strong ability to generate cash flow mainly due to:

- ▶ high levels of operating margin;
- ▶ minimum capital expenditure requirements, focusing essentially on research and development; and
- ▶ a structurally negative working capital requirement, as a result of an advantageous sequence of revenue collection (see section 6.3.4.1(a) – *Commercialisation of GTT's technologies for LNG carriers* in this reference document).

The working capital requirement is structurally negative due to the combination of several factors:

- ▶ recognition of income that occurs on an average of 3 to 4 years (duration of construction of the vessel);
- ▶ a payment schedule that is based on five construction milestones of the vessel:

- upon firm order (signing of the MoU): 10% of the royalties,
 - steel-cutting: about 18 months after the MoU: 20% of the royalties,
 - keel laying: about 5 months after the date of cutting steel: 20% of the royalties,
 - launching: 3 months after the date of the laying of the keel: 20% royalties, and
 - delivery: about 10 months after the date of launching: 30% of the royalties;
- ▶ this payment schedule creates a structurally negative working capital requirement for a large part of the construction of the vessel because the amounts are billed and collected prior to recognition in the accounts as revenue. This is particularly the case when the Company has recorded stable and important orders for several consecutive years.

10.2.2 CASH-FLOW FROM OPERATING ACTIVITIES

The following table presents the reconciliation of the net income of the Company to cash flow from operations.

In thousand of euros	At 31 December	
	2013	2014
Net income	118,743	115,356
Removal of income and expenses with no cash impact		
■ Depreciations, amortisations and provisions	(1,214)	(253)
■ Proceed on disposal of assets	-	-
Free shares	-	3,042
Other income and expenses	48	43
Tax expense (income) for the financial year	23,210	24,936
Cash flow from consolidated companies	140,788	143,123
Tax paid out in the financial year	(18,258)	(22,911)
Change in working capital requirement:		
■ Trade and other receivables	(37,228)	2,755
■ Trade and other payables	6,847	(1,012)
■ Other operational assets and liabilities	28,777	(8,631)
NET CASH FLOW FROM OPERATING ACTIVITIES (TOTAL I)	120,925	113,325

Between 2013 and 2014, operating cash-flow fell by 6.3%, mainly due to the drop in deferred income.

Other revenue and expenditure correspond to the financial income of the financial year expected from the surplus of plan assets, less (i) the

financial expenses relating to the payment of retirement benefit plans, and (ii) the reverse discounting expense of advances from the Hydrocarbon Support Fund.

10.2.3 CASH-FLOW FROM INVESTING ACTIVITIES

In thousands of euros	At 31 December	
	2013	2014
Investing activities	-	-
Acquisitions of property, plant and equipment	(11,035)	(11,436)
<i>of which financial investments</i>	<i>(7,656)</i>	<i>(3,854)</i>
Proceeds from disposal of property, plant and equipment	272	5,225
<i>of which disposals of financial investments</i>	<i>4,000</i>	<i>4,932</i>
Decrease in other financial assets	112	-
NET CASH FLOW FROM INVESTMENT ACTIVITIES (TOTAL II)	(10,651)	(6,211)

Between 2013 and 2014, the net flows allocated to investment activities fell from 10,651 thousand euros to 6,211 thousand euros (including 7,656 thousand euros in 2013 and 3,854 thousand euros in 2014 of financial investments).

Acquisitions of property, plant and equipment in 2014 amounted to 1,099 thousand euros in acquisitions of materials (compared with 764 thousand euros in 2013) and 5,423 thousand euros in fittings and building work at the Company's registered office (compared with 1,803 thousand euros in 2013).

10.2.4 CASH-FLOW FROM FINANCING ACTIVITIES

In thousands of euros	At 31 December	
	2013	2014
Financing activities	-	-
Dividends paid to shareholders	(91,831)	(130,948)
Capital increase	-	1,824
Change in FSH advances	-	(464)
Interest paid	-	-
NET CASH FLOW FROM FINANCING ACTIVITIES (TOTAL III)	(91,831)	(129,588)

Cash-flow from financing activities was 129,588 thousand euros in 2014 compared with 91,831 thousand euros in 2013, essentially due to a larger

dividend payment in 2013 than in 2012 (balance from the previous year and interim dividend payment for the year in progress).



EQUITY AND CASH

10.3 RESTRICTION TO USE OF CAPITAL HAVE MATERIALLY AFFECTED OR COULD MATERIALLY AFFECT, DIRECTLY OR INDIRECTLY, THE ACTIVITIES OF THE COMPANY AND CRYOVISION

10.3 Restriction to use of capital have materially affected or could materially affect, directly or indirectly, the activities of the Company and Cryovision

None.

10.4 Expected sources of financing for future investments

The Company expects to finance its future investments with the cash generated from its operating activities.

RESEARCH AND DEVELOPMENT, PATENTS AND LICENCES



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11.1 Innovation policy

GTT's research and innovation activities aim to strengthen the position of the Company as a leading technology provider for the LNG chain.

Accordingly, its innovation policy pursues three main objectives:

- ▶ to remain receptive to the needs of LNG chain participants and their expectations and develop innovative technological solutions by enhancing the performance and value in use of the technologies provided by the Company;
- ▶ establish the excellence of the Company's expertise in key areas such as how materials behave at cryogenic temperatures, thermodynamic system modelling and liquid motion in tanks;
- ▶ promote innovation by ensuring processes, organisation and skills of the highest level within the Company.

GTT's innovation policy is based on:

- ▶ upstream, a development strategy deriving from relationship with clients, shipowners, gas companies and academic partners, ideas resulting from an in-house policy promoting creativity and internal or external specific expertises; and
- ▶ downstream, a development projects management drawn up according to methods and practices accepted by innovation management experts.

The Company has thus chosen to invest resolutely in developing its skills and motivating its employees as means of fostering innovation.

In particular, an incentive-based policy of rewarding inventions has been introduced to foster innovation within the Company. It has been promoted significantly towards employees and facilitates the emergence and maturing process for new ideas.

11.1.1 INTERNAL ORGANISATION OF THE COMPANY'S RESEARCH AND DEVELOPMENT ACTIVITIES

The Company has a division specifically dedicated to innovation, which had a workforce of 94 employees as at 31 December 2014, with external consultants brought in when required.

11.1.1.1 Innovation division

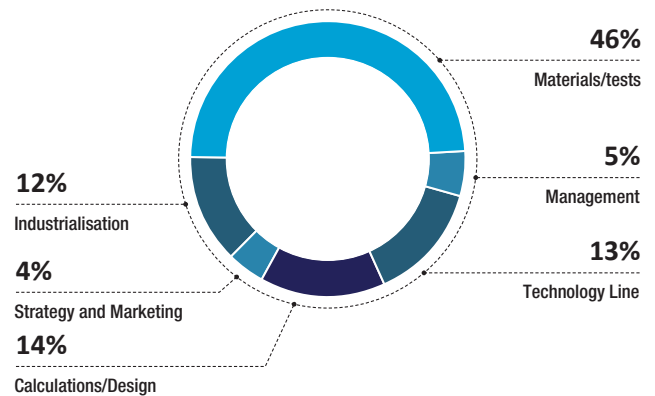
The Company's research and development activities are mainly managed by the Company's innovation division, which is responsible for developing its technology.

The innovation division has two main tasks: first, enhance existing technologies and develop new technologies and, secondly, maintain and expand its business expertise. This second objective consists of maintaining the requisite levels of expertise and business resources for developing new technology. The Company's innovation division covers every phase of development, from design through to generic industrialisation.

The innovation division is headed by the innovation director, who is responsible for planning technological developments, working together with the other divisions and with the Company's general management. He/she proposes to the general management an intellectual property strategy and draws up the plan to develop innovation (the "Innovation Plan").

As at 31 December 2014, the innovation division is organised into five departments with the following composition and roles.

STRUCTURE OF THE INNOVATION DIVISION – 31 DECEMBER 2014



Total: 94 GTT employees, including 66 engineers

Source: Company.

- ▶ management: five employees who control the management, resource management and methods, and running the development plan;
- ▶ strategy and marketing department: composed of four employees, together reporting to the innovation division and the commercial

division; this team (i) ensures the management of intellectual property, particularly that of the patent portfolio, (ii) stimulation of the innovation dynamic within the Company (stimulation of creative approaches, fertilisation of ideas), (iii) strategic marketing of new products and services. This department ensures that the innovation project portfolio reflects the needs of the Company's customers and its target markets;

- ▶ calculations and design department: 14 employees whose tasks are: (i) as part of the calculations unit, performing the various calculations for technological developments, assisting the materials, certifications and testing department with digital validation and ensuring the consistency of the computing, modelling and design resources for the design unit, and (ii) as part of the design unit, implementing the plans in principle for technological developments, assisting the materials, certifications and testing department and the industrialisation department with the design of test and machine assemblies;
- ▶ materials, certifications and testing department: 46 employees responsible for maintaining a list of approved suppliers of materials (certification and tracking), technology monitoring and development of the new materials required for new technologies. The department has testing resources (laboratory) for specialised thermal, mechanical and liquid motion applications, supporting its development initiatives and its supplier certification and tracking activities;
- ▶ industrialisation department: 12 employees responsible for evaluating the cost of producing new technologies and major developments, ensuring that the lead time, cost and quality imperatives of new tool developments are met and being in charge of the process of transferring pre-industrialisation developments through to actual production under the authority of the technical division;
- ▶ technology lines: the 13 employees concerned conduct innovation projects, harnessing the resources and expertise needed within the division departments.

11.1.1.2 Research Committee

In 2010, the Company also set up a Research Committee responsible for guiding GTT's teams with the development and implementation of research and development activities. It is composed of eminent scientists from outside the Company and holds three or four seminar sessions every year. It draws up a report at the end of the year intended for members of the Board of Directors. The Research Committee members also work simultaneously on certain of the Company's research and development projects.

(a) Composition

The Research Committee has at least four members, who are appointed by GTT's Chief Executive Officer for a tacitly renewable term of 18 months.

The Research Committee members perform their task under a cooperation agreement entered into with GTT or under an agreement entered into between GTT and their employer.

As part of their task, each Research Committee member enters into a confidentiality and industrial property agreement with the Company, under which he or she undertakes to treat as confidential the information to

which he or she is privy during the performance of his or her duties. Every member also undertakes not to use this confidential information for any purpose other than the smooth running of the Research Committee and to refrain in particular from filing or having filed any patent application related to this confidential information.

As at the date of this Registration Document, the Research Committee has the following four members:

- ▶ Henri-Paul Lieurade, a member of the Research Committee since 2010, has 43 years' experience in steelmaking and materials design sectors. Previously, he held various positions as head of department at the French steelmaking research institute (Institut de Recherche de la Sidérurgie Française) and as head of department and unit manager responsible for the French mechanical engineering industry technical centre (Centre Technique des Industries Mécaniques), where he also held a management function as a member of the Executive Committee. In addition, he was a lecturer at several French higher education institutions, such as the prestigious École Nationale des Ponts et Chaussées engineering school, and published articles in a number of scientific reviews. He graduated as an engineer at the CESTI (Centre d'Études Supérieures des Techniques Industrielles) and the ISMCM (Institut Supérieur des Matériaux et de la Construction Mécanique), then obtained a post-graduate diploma in metallurgy from the University Paris VI and holds a PhD in physical science;
- ▶ Bernard Molin, a member of the Research Committee since 2010, has 38 years' experience in the marine science sector. He began his career as a research scientist in the drilling and production department of the French petroleum institute (Institut Français du Pétrole), where he led the "marine unit hydrodynamics" project. Since 1994, he has been a scientific advisor to Principia company. He has also taught in several higher-education institutions, such as the École Supérieure d'Ingénieurs of Marseille and the École Centrale of Marseille, and has published articles in numerous scientific reviews. He is a graduate of the prestigious École Polytechnique, Berkeley (MSc in Naval Architecture) and ENSM Nantes (PhD in engineering) and was authorised by the University Aix-Marseille II to direct research projects;
- ▶ Jean-Michel Ghidaglia, a member of the Research Committee since 2010, has 31 years' experience of working in the mathematics research and digital fluid mechanics sectors. Previously, he held various positions as a research scientist with INRIA (Institut de Recherche Français en Mathématiques et Informatique) and at the École Polytechnique's applied mathematics centre and as a research officer at the CNRS working in the digital analysis laboratory. He has also been a member of numerous scientific committees, including the Internet Use Committee of the French research Ministry's technology department. Furthermore, he published articles in various scientific reviews. He is a professor at the prestigious École Normale Supérieure of Cachan and at ENSTA (École Nationale Supérieure de Techniques Avancées). He graduated from the École Polytechnique, University of Paris XI (PhD in engineering and PhD in mathematical sciences) and is associate professor in mathematics;
- ▶ Pierre Besse, a member of the Research Committee since 2013, has 31 years' experience in the marine science sector. He began his career as a geotechnical engineer working with the Menard group. He

RESEARCH AND DEVELOPMENT, PATENTS AND LICENCES

11.1 INNOVATION POLICY

then joined Bureau Veritas to work in the construction sector, before switching to oceanographic engineering, becoming deputy director of certification of offshore development projects. He is now Vice-President of the Research & Development department of Bureau Veritas' marine division. He graduated from the École Centrale of Paris.

(b) Duties of the Research Committee

The task of the Research Committee is to provide its opinion on issues of interest to research and on which general management asks for its input. To this end, the Research Committee's duties are as follows:

- ▶ guide and approve GTT's Innovation Plan. The goal is to provide a technical opinion on the content of the projects integrated to the Innovation Plan, without providing a strategic opinion;
- ▶ assist GTT's teams in a number of more fundamental research areas, such as studying the motion of liquids or conducting materials research;
- ▶ track the progress of the implementation of the Company's Innovation Plan and research activities and provide its opinion concerning possible readjustments; and
- ▶ recommend any external partners for GTT's research and innovation activities.

The Committee advises the Company's management on how to conduct its innovation policy and on the research work undertaken that should enable it to refine a number of innovations.

(c) The operation of the Research Committee

The Research Committee generally meets in full session four times a year. The dates and agenda for these meetings are proposed by the innovation director in his capacity as secretary of the Research Committee.

Aside from these full sessions, the members of the Research Committee hold regular theme-related meetings with GTT's engineers.

Every year, the Research Committee draws up a report for the Board of Directors on the Company's research and development activities including a number of recommendations. It may also be asked to provide the Company's general management with a report on a specific issue.

11.1.1.3 Protection of the Company's rights and incentive to innovate

(a) Protection of the inventions made by the Company's employees

The employment contracts of GTT employees assigned to the Company's research and development activities contain a standard clause concerning the ownership of inventions arising from their work. This clause states that their duties entail studies and research assignments and hence include permanent invention-based activities.

The ownership of the inventions arising from their work automatically lies with the Company pursuant to Article L. 611-7 of the French Intellectual Property Code. The specific clause related to inventions arising from their work incorporated in the employment contracts of GTT's employees

restates the legal principles attributing to the employer ownership of the intellectual property rights arising from their work and the employee's undertaking to report any invention in line with the internal procedure implemented by GTT. It is being specified that, in accordance with the provisions of the French Intellectual Property Code, the employee has the right in return for additional compensation for any patentable invention, which takes the form of one or more flat-rate payments.

(b) Internal organisation promoting innovation

A cross-departmental process called "Innovation Dynamic", driven by the Innovation Division, promotes the proliferation of ideas and their transformation into new products and services or patents (101 patents filed in 2014). This idea management process involves 16 employees throughout the organisation and enabled 211 new ideas to be identified in 2014.

The Company has also drawn up an internal document entitled "Management and protection of ideas – procedure", which aims to define a method common to all of the GTT's divisions for patent applications.

This procedure aims to achieve the following objectives:

- (i) make creations, inventions and patents traceable to promote technical advances within the Company;
- (ii) patent inventions relevant to GTT's strategy, choose the most suitable patent application filing date and countries in which it is to be filed or extended, etc.;
- (iii) and have decisions concerning the possible filing of a patent approved by a Patent Committee (see section 11.3.1 – *Patents and patent applications* of this Registration Document).

(c) Protected know-how

(i) Company's information system security

The activities of the Company, which are predicated on its know-how and expertise, require protection of all the working documents and information created, classified and exchanged internally *via* its IT network.

The Company implements the appropriate human, physical and technical resources to ensuring safety and fair use of the information system and backing up its IT data. All the applicable rules are shared in an internal memo entitled "Charter for use of GTT's information system", which has been signed by all of the Company's employees and is annexed to its internal rules. The information systems department is responsible for controlling and overseeing the smooth operation of the information system and ensures that the rules in the charter are applied.

The Group's employees are not allowed to connect equipment to both the internal IT network and the internet at the same time to avoid any unlawful intrusions into GTT's internal network.

(ii) Contractual protection of the Company's know-how

Aside from the protection of new inventions, the Company monitors the protection of its know-how very carefully. It systematically adds a confidentiality clause to its contracts with third parties. In particular, a confidentiality clause is added to TALAs under which GTT grants its clients rights to its technologies and to a large portion of its know-how.

The confidentiality clause stipulated in most TALAs prohibits licensees using GTT's intellectual property rights and know-how from disclosing technical information communicated by the Company without the latter's prior consent. This obligation must be satisfied for the whole term of the TALAs and for a further period of 10 years after it is terminated.

Furthermore, the Company's general policy is to add to engineering services or *ad hoc* services contracts, or cooperation, research or partnership agreements confidentiality clauses protecting the Company against the disclosure of information, technical documents, designs or other written or oral information communicated by GTT in connection with these services and research works.

11.1.2 RESEARCH AND DEVELOPMENT PROJECTS

GTT's research and development projects comprise both:

- (i) projects aimed at achieving an improvement – incremental or disruptive – in the performance of GTT's technologies. These are short- or medium-term projects with an objective of offering new technical solutions to LNG chain participants;
- (ii) exploratory research projects in the Company's areas of expertise. These are longer-term projects with an objective of developing new technological building blocks likely to be integrated into the Company's future generations of technologies.

11.1.2.1 Short- and medium-term development projects

The objectives of these short- and medium-term projects are:

- ▶ improving the performance of the technologies offered by the Company: superior competitiveness by cutting implementation costs, improved thermal performance of systems, greater reliability of the systems designed using GTT's technologies, fewer operating constraints;
- ▶ developing new solutions adapted to specific segments, such as promising areas such as bunkering;

- ▶ extending the range of services offered by the Group, for example by developing tank inspection or maintenance systems.

The aim of these developments is to enhance the reliability of the systems designed with GTT's technologies and to broaden their spectrum of uses by relaxing a number of the operational constraints imposed on vessels or offshore platforms (FLNGs or FSRUs).

11.1.2.2 Exploratory research

This work includes:

- ▶ improving the thermo-mechanical properties of materials in cryogenic conditions: insulating materials, metal alloys and other materials;
- ▶ the behaviour of large thermodynamic systems;
- ▶ a study of sloshing and liquid motion phenomena in various operational conditions encountered in the LNG chain (LNG carriers, moored platforms, very high-capacity storage, etc.).

11.2 Cooperation and research agreements

11.2.1 COOPERATION, RESEARCH AND TECHNICAL WORK AGREEMENTS AND LICENCES GRANTED BY THE COMPANY OR TO THE COMPANY

As part of its research and development activities, the Company has entered into cooperation agreements with various players in the LNG sector, including universities, research centres, engineering companies, classification societies, shipyards and shipowners. Under these cooperation agreements, the Company performs or participates in technical, research or engineering work. It may also call upon the services of its partners to perform such work.

None of the agreements entered into by the Company has given rise to the transfer of title to the intellectual property rights to GTT's technologies and know-how. Overall, intellectual property rights in relation to GTT's area of activity resulting from the work performed under these cooperation agreements belong to GTT. With certain partners, GTT may

undertake to grant a licence to use these rights, free of charge in most cases. Intellectual property rights of the Company's contractual partner that existed before the parties entered into the cooperation agreement remain the property of the contractual partner and those resulting from the work performed under the cooperation agreement, but falling outside the Company's area of activity, become the property of the contractual partner. Exceptionally, intellectual property rights resulting from the work performed under cooperation agreements may be held in joint ownership or become the property of the contractual partner.

The aim of most of these cooperation arrangements is to work on the Company's long-term areas of research or they relate to highly specific areas in which GTT's partners have particular expertise.

11.2.2 LICENSES GRANTED BY THE COMPANY

The grant of intellectual property rights by the Company to shipyards and EPC contractors represents one of the Company's business activities and is one of its largest generators of revenue: see section 6.3.4.1 –

Commercialisation of GTT's Technologies and section 9.1.2 – *Revenue recognition* of this Registration Document.

11.2.3 LICENSES GRANTED BY THIRD PARTIES

As at the date of this Registration Document, no licence agreement other than short-term software licence agreements has been granted by third parties to GTT.

11.3 Intellectual property

11.3.1 PATENTS AND PATENT APPLICATIONS

The Company has filed patent applications covering its principal technologies in (i) countries in which shipbuilding and repair companies have their registered office, (ii) emerging countries in the LNG sector (such as India and Russia) and (iii) LNG exporting countries (such as Australia, Russia and Qatar) and gas-importing countries (such as South Korea, China and Japan). GTT's technologies are protected by an extensive portfolio of patents. As at 31 December 2014, GTT held 690 patents, of which 309 had been issued and another 381 patent applications were under review in close to 80 countries.

In its desire to consolidate its position, GTT enhances its patent portfolio through innovations. Each year, GTT files new patents following changes to its technologies and new developments. The Company submitted filings for 122 new patents in 2012, 105 patents in 2013 and 101 patents in 2014, primarily in relation to recent developments in GTT's technologies to keep pace with the latest trends.

The Company has established an internal procedure that aims to identify and protect inventions and enables the Company to file new patents on a very regular basis.

The Company's objective is to maintain a high level of protection for its intellectual property rights, in particular by increasing the number of patent applications and giving up patents regarded as ineffective, which no longer correspond to its customers' needs and requests.

11.3.1.1 Nature and coverage of the patents held by the Company

The number of patents and patent applications reflects the efforts made by the Company to refine its existing technologies and make new inventions. Almost 110 different inventions are covered by the 690 patents and patent applications in force as at 31 December 2014, encompassing the technologies already commercialised by GTT and the additional technologies that may be used by the Group to commercialise its future products.

11.3.1.2 Protected territory

Most of the patent applications filed by the Company in France have been extended to other countries, initially, by means of international filings under "Patent Cooperation Treaties" for countries that are signatories of the World Intellectual Property Organisation's Madrid Agreement, or in the form of national filings for other countries. Subsequently, depending on the results of the various international research reports and the actual technical and strategic benefits of the patent application, international patent filings may be backed up by national filings in numerous countries, both in and outside Europe.

European patents are generally validated in the main European countries, including Spain, Italy and Germany. Outside Europe, most of the Company's patent applications are filed in Asia, especially South Korea, China and Japan, as well as Australia, Russia and Persian Gulf countries.

Overall, patent applications are extended to countries with installations or constructions using GTT's technologies, countries with repair shipyards and, more generally, countries where licensee companies are based. In addition, patent applications are filed in several strategic countries that produce or import LNG.

11.3.1.3 Litigation

The Company is currently in dispute with Les Chantiers de l'Atlantique in connection with the filing by Les Chantiers de l'Atlantique of a patent relating to the technological improvements made to the bonding method for CS 1 technology (see section 20.3.2 – *Dispute between the Company and Les Chantiers de l'Atlantique (CAT)* of this Registration Document).



RESEARCH AND DEVELOPMENT, PATENTS AND LICENCES

11.3 INTELLECTUAL PROPERTY

11.3.2 TRADEMARKS AND DOMAIN NAMES

11.3.2.1 Trademarks

The portfolio of trademarks predominantly comprises the “GTT” and “GAZTRANSPORT & TECHNIGAZ” signs and the names of the major technologies developed by the Company, *i.e.* “GST”, “CS 1”, “MARK III”, “NO 96”, “MARK FLEX” and product diversifications such as “SLOSHIELD” and “REACH₄”. The Company also owns some figurative marks comprising the Company’s logo. Cryovision owns the “TAMI” and “Cryovision”

trademarks. Whenever an application is accepted in these jurisdictions, the Company registers its trademarks in France, in shipbuilding and LNG importing and exporting countries and in countries that it has identified as having substantial potential in the LNG sector.

The “GTT”, “GAZTRANSPORT & TECHNIGAZ” and “GST” signs are generally registered for the products and services listed below covering the Company’s business activities.

Category	Description
Class 6	Metal products for handling and storing gas in a liquid, gaseous or solid state, metal bottles, metal containers, metal floating containers, metal tanks, metal gas pipes, metal vats, metal recipients for gas under pressure, metal handling pallets, metal storage tanks, metal recipients for liquid gas, metal pipes, metal valves (other than machine parts).
Class 7	Handling devices (loading and unloading) for gas in a liquid, gaseous or solid state, loading bridges, pressure regulators (machine parts), valves (machine parts).
Class 11	Gas liquefaction devices, gas condensers, gas solidification devices.
Class 12	Devices for transporting gas in a liquid, gaseous or solid state by land, by rail, by waterway or by sea, vessels for shipping liquid gas, tank barges, barges, wagons for transporting gas in a liquid, gaseous or solid state.
Class 37	Shipbuilding, technical assistance in the event that a ship breaks down (repair), sealing and thermal insulation (construction) service; supervision (management) of shipbuilding work, shipbuilding consulting.
Class 39	Transportation by inland waterway or by sea, transportation by land and by air, transportation in barges; storage of gas in a liquid, gaseous or solid state, storage-related and shipping information.
Class 42	Marine engineering, marine expertise (engineering work); industrial design, preparation of plans for construction, technical studies and research for storage, transportation of gas in liquid, gaseous or solid form, thermal insulation and sealing technical research and engineering work on ships, tank barges, metal containers, materials testing and quality assurance.

The signs covering the technologies (“CS 1”, “MARK III”, “NO 96” and “MARK III FLEX”) are generally registered only for products and services falling within classes 6, 12 and 42 referred to above.

11.3.2.2 Domain names

The Company has a policy of registering and managing domain names required to conduct its business activities. As at 31 December 2014, the Company owned a portfolio of around 15 domain names.

The employment contracts of GTT’s employees state that ownership rights to the software created by employees in the course of their employment or pursuant to the instructions of the Company belong to the latter, in accordance with the provisions of Article L. 113-9 of the French Intellectual Property Code.

When the Company calls on the services of external service providers to develop software or enhance existing software, it ensures that the related intellectual property rights are transferred to it.

12

INFORMATION ON TRENDS AND TARGETS



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INFORMATION ON TRENDS AND TARGETS

12.1 BUSINESS TRENDS

12.1 Business trends

For a detailed presentation of the Company's results for the financial year ended 31 December 2014, see section 9.2 of this registration document ⁽¹⁾.

12.2 Medium-term outlook

The objectives presented in this section do not represent forecasts or revenue estimates of the Company. They are predicated on the guidelines laid down by the Company in its future business plan. These objectives are based on data, assumptions and estimates deemed to be reasonable by the Company on the date this registration document was filed. These data, assumptions and estimates may change due to uncertainties arising from the economic, geopolitical or regulatory environment. In addition,

the occurrence of one or more risks factors described in Chapter 4 – *Risk factors* of this registration document may have a material adverse effect on the Company's activities, results, financial position and prospects and, accordingly, on its ability to achieve the objectives presented below. The Company does not give undertakings or make any warranties that it will achieve the objectives presented in this section.

12.2.1 MARKET OUTLOOK AND GLOBAL LEVEL OF ORDERS

As stated in section 9.1.3 – *Factors affecting the net income for the year* of this registration document, one of the main factors influencing the Company's business activities and results is the global level of orders for LNG carriers, ethane carriers, FLNGs, FSRUs and onshore storage tanks.

The studies performed by Poten & Partners providing (i) projections (with a base-case and a high-case scenario) for LNG carrier, FLNG, FSRU and onshore storage tank orders for the 2015-2024 period, as well as the proportion of these orders that would relate to the Company (except for ethane carriers and onshore storage tanks) and (ii) projected ethane carrier orders for 2015-2024, are presented in sections 6.2.2.1 (b) – *LNG carrier segment forecasts*, 6.2.2.2 (b) – *FSRU segment forecasts*, 6.2.2.3 (b) – *ethane carrier segment forecasts*, 6.2.2.4 (b) – *FLNG segment forecasts*, and 6.2.2.5 (b) – *Onshore storage tank segment forecasts* in this registration document.

Over this period, the Company expects to receive a number of orders at the top end of the range resulting from the LNG carrier order forecasts prepared by Poten & Partners, and believes that the number of LNG carrier orders that it is likely to receive between 2015 and 2024 probably stands at between 270 and 280. Furthermore, the Company believes that the number of FLNG and FSRU orders that it expects to receive between 2015 and 2024 is likely to stand at between 3 and 7 FLNG orders and between 25 and 35 FSRUs. As indicated in sections 6.2.2.3 (b) – *FSRU segment forecasts* and 6.2.2.4 (b) *FLNG segment forecasts* in this registration document, GTT anticipates FSRU and FLNG orders to be higher than those estimated by Poten & Partners.

The Company estimates that the onshore storage tank segment in which the Company has been active in the past, with 33 onshore storage tanks and in which it has, at the time of drafting this registration document, 3 orders in progress, is expected to represent around 110 units ordered globally between 2015 and 2024. The Company expects to obtain 15 to 20 orders over the period.

Finally, on the ethane carriers segment, which the Company penetrated in 2014, thanks to the appearance of VLECs, the Company believes that it has the necessary competitive edge to win new orders in the next ten years. As this is a new market, the Company is unable to make forecasts on possible order numbers.

"Bunkering" is still a marginal market, which is expected to gain considerable momentum over the next years. The Company expects to gain a significant position on this market for both the construction and conversion of LNG-propelled vessels, and for the design and construction of LNG bunkering barges.

(1) On 14 April 2015, the Company reported € 54.7 in sales for the first quarter of 2015.

12.2.2 OUTLOOK FOR THE ORDER BOOK

As stated in section 6.1.2 – *Business strengths of the Company*, GTT has strong visibility on its future revenue on the basis of the size of its order book as at 31 December 2014. At 31 December 2014, it consisted of 96 LNG carriers, 6 VLECs, 6 FSRUs, 3 FLNGs and 3 onshore storage tanks due to be delivered between 2015 and 2020 and which were ordered from the Company between 2009 and 2014.

The Company believes that its order book as at 31 December 2014 will result in secured revenues of approximately 209 million euros in 2015, 222 million euros in 2016, 109 million euros in 2017, 34 million euros in 2018, 16 million euros in 2019 and 1 million euros in 2020.

TIMETABLE OF DELIVERIES AND SECURED REVENUES

	2015	2016	2017	2018	2019	2020
Deliveries	37	36	26	9	4	2
Revenue (€ m)	209	222	109	34	16	1

Source: Company.

New orders received by the Company since 1 January 2015 (see section 6.2.2.1 (b) – *LNG carrier segment forecasts* in this registration document) support the Company's expectation that it will receive a

number of yearly orders from 2015 to 2024 above the range provided in the LNG carrier order forecasts made by Poten & Partners.

12.2.3 REVENUE OUTLOOK

As regards the order levels expected over the medium-term and the Company's current order book, and working on the assumption of (i) no major change in average revenue, as applicable, per LNG carrier and FSRU, from that observed during the 2013 and 2014 financial years (beyond any variation caused by indexation based on the labour cost index for the manufacturing, construction and services industry – see section 6.3.4.1 (a) – *Marketing of GTT technologies applied to LNG carriers*), and (ii) no major change in the average rebate rate from the rate observed in the 2013 and 2014 financial years, the Company expects revenue of around 227 million euros for the 2015 financial year (*i.e.* a level roughly equivalent to that of 2014), and for the 2016 financial year, it expects revenue of over 250 million euros (*i.e.* an increase of over 10% compared with 2015) (see section 13.1.2 – *Forecasts for the 2015 and 2016 financial years* in this registration document).

Finally, this outlook may have to be revised in the event of geopolitical or economic changes resulting in the cancellation or delay of LNG projects or major orders for LNG carriers.

However, the Company's revenue has traditionally been subject to significant fluctuations due to the number of LNG carrier orders (see section 4.1.2 – *Risks related to the economic situation and to the Group's variations in revenues and operating results* of this registration document) and the method used to recognise the Company's revenue, pursuant to which the most significant portion of the revenue generated by an order is recognised in the second and third financial years following the year in which the order was booked. To illustrate this point, 2% of the total revenue from a standard order for a series of four vessels⁽¹⁾ is recognised in the year in which the order is booked, 4% in the following year, 38% in the third year and 56% in the fourth year.

GTT should benefit over the longer term from the expected growth in the LNG sector and the need for LNG carriers, for FLNGs and for FSRUs accompanying such growth (between approximately 300 and 320 orders over the 2015-2024 period).

(1) Based on the assumption, for illustrative purposes, that the order was placed on 30 June.



INFORMATION ON TRENDS AND TARGETS

12.2 MEDIUM-TERM OUTLOOK

12.2.4 OUTLOOK FOR PROFITABILITY LEVEL

Owing to the Company's substantial operating leverage, it anticipates that a significant increase in its revenue will generally translate into an improvement in its net margin (ratio to revenue). Conversely, a significant

decline in revenue would be expected to result in a decline in the net margin (ratio to revenue).

12.2.5 OUTLOOK FOR DIVIDEND POLICY

In accordance with legal and regulatory provisions, the Company's general meeting may decide to pay out a dividend upon recommendation and based on the report of the Board of Directors.

As the Company's investment, research and development requirements represent a relatively moderate proportion of its net profit, the Company paid out 100% of its income available for distribution for the 2013 financial year.

For the 2014 financial year, an interim dividend of 55,617,535.50 euros was paid, *i.e.* 1.50 euro per share on 29 September 2014. Based on the proposal made by the Board of Directors on 12 February 2015 to the Shareholders' Meeting due to be held on 19 May 2015, a dividend of 2.66 euros per share is expected to be paid for the 2014 financial year. The cash payment of the dividend balance of 1.16 euro per share will take place on 28 May 2015 (*ex-dividend* date 26 May 2015). This proposed dividend corresponds to a distribution rate of 80% of the Company's distributable net income, in line with the long-term policy announced by the Company when it was floated on the stock market.

As regards the following financial years, the Company intends to pursue a dividend policy of paying out to shareholders at least 80% of its income

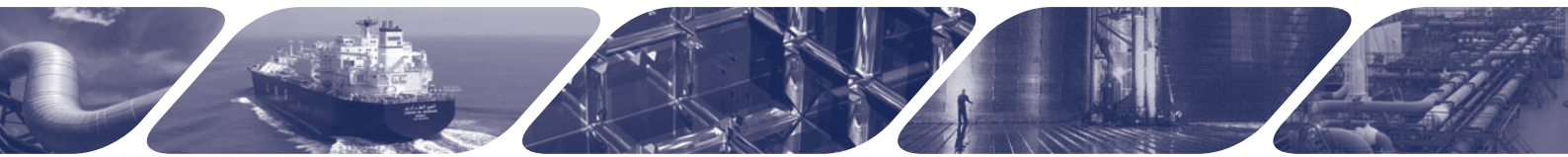
available for distribution. Dividend payments are expected to be made twice a year, with an interim dividend being paid in the autumn of each financial year and the remainder in the following spring at the time of the Shareholders' Meeting to approve the financial statements for the relevant financial year.

The dividends may, if the Shareholders' Meeting so decides, pursuant to the provisions of the by-laws of the Company, be paid in Company shares or in cash, in accordance with each shareholder's choice (see section 21.2.3.4 – *Statutory allocation of profits* of this registration document).

Objectives and dividends payment arrangements presented above do not bind the Company. The actual amount of the dividends and payment arrangements will be determined by taking into consideration various factors, including the conduct of business of the Company and in particular, its strategic objectives, financial position, contractual obligations, opportunities that it may wish to take, the applicable legal provisions or any other factor that the Board of Directors would consider relevant.

13

INCOME FORECASTS



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INCOME FORECASTS

13.1 FORECASTS

13.1 Forecasts

13.1.1 ASSUMPTIONS

The Company has prepared the forecasts presented below on the basis of:

- (i) its order book as at 31 December 2014, which comprised 96 LNG carriers, 6 VLECs, 6 FSRUs, 3 FLNGs and 3 onshore storage tanks;
- (ii) its usual revenue recognition method (see section 9.1.2 – *Revenue recognition* in this registration document);
- (iii) the condensed financial statements as at 31 December 2014 prepared according to IFRS.

13.1.2 FORECASTS FOR THE 2015 AND 2016 FINANCIAL YEARS

Based on the items described above, in the 2015 financial year the Company expects to achieve:

- ▶ revenue of around 227 million euros, made up of:
 - 209 million euros corresponding to its orders book as at 31 December 2014;
 - approximately 11 million euros in respect of services proposed by the Company, an area in which the Company has demonstrated resilience in the past, since this activity bears no relation to new orders and is a strategic area of development for the Company (see section 6.1.3 – *The Group's business strategy* in this reference document);

- income from orders recorded by the Company during the 2015 financial year will also be added to these amounts;
- ▶ a net margin (ratio to revenue) of around 50%.

On the same basis, for the 2016 financial year the Company expects to achieve revenue at least 10% higher than in the 2015 financial year. This represents revenue of over 250 million euros, including 222 million euros corresponding to its order book as at 31 December 2014.

13.2 Statutory auditor's report on the forecasts

This is a free translation into English of the original report issued in French language and is provided solely for the convenience of English speakers users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the President,

In our capacity as statutory auditors and in compliance with the EU Regulation 809/2004, we hereby report on the forecasts of net income margin and net income (forecast net income as a percentage of forecast total revenues) for Gaztransport & Technigaz which is included in chapter 13 of its registration document for the year ended 31 December 2014.

In accordance with EU Regulation 809/2004 and the relevant ESMA guidance, you are responsible for the preparation of these forecasts and its principal underlying assumptions.

It is our responsibility to express our conclusion, pursuant to Appendix 1, paragraph 13.2 of the EU Regulation 809/2004, as to the proper compilation of these forecasts.

We performed the procedures we deemed necessary in accordance with the professional auditing standards set out by the Compagnie national des commissaires aux comptes applicable in France for this type of engagement. Our work consisted in an assessment of the preparation process implemented by Management for the forecasts, as well as the procedures implemented to ensure that the accounting methods applied

are consistent with those used for the preparation of the historical financial information of Gaztransport & Technigaz. We also gathered all the relevant information and explanations that we deemed necessary to obtain reasonable assurance that the forecasts have been properly compiled on the basis stated.

It should be noted that, given the uncertain nature of forecasts, the actual figures are likely to be significantly different from those forecasts and that we do not express a conclusion on the achievability of these figures.

We conclude that:

- ▶ The forecasts have been properly prepared on the basis stated;
- ▶ The accounting methods applied in the preparation of these forecasts are consistent with the accounting principles adopted by Gaztransport & Technigaz.

This report is issued for the sole purposes of registering the registration document with the AMF and cannot be used for any other purpose.

Paris-La Défense, 14 April 2015

The statutory auditors

Ernst & Young Audit
Philippe Hontarrède



ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT



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ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT

14.1 MEMBERS OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT

14.1 Members of the administrative, management and supervisory bodies and general management

Unless stated otherwise, references to the by-laws and Internal Regulations of the Board of Directors in this Chapter and in Chapter 16 – *Board and management practices* of this Registration Document may be assumed to be the Company's by-laws and the Internal Regulations of the Board of Directors adopted respectively by the Shareholders' Meeting and the meeting of the Board of Directors on 11 December 2013? subject to the non-retroactive condition precedent of the settlement and delivery of the Company's shares allotted as part of the initial public offering on NYSE Euronext's regulated market in Paris.

The Company is a *société anonyme à conseil d'administration* (joint stock limited liability company with a Board of Directors) governed by the applicable laws and regulations and by its by-laws.

At the time of its initial public offering, the Company was managed by a Board of Directors comprising eight directors, including three independent

directors, four directors appointed upon proposal of GDF, GDF International and GDF Armateur 2 (including Philippe Berterottière, Chairman of the Company since 2009, who has a casting vote in the event of a tied vote) and one director appointed upon proposal of Total Gas & Power Actifs Industriels, H&F Luxembourg 1 S.à.r.l., H&F Luxembourg 2 S.à.r.l. and H&F Luxembourg 3 S.à.r.l. (which no longer have a stake in the Company as at the filing date of this Registration Document). GDF has informed the Company that it may propose that an additional Board member be elected at the occasion of a future Ordinary Shareholders' meeting convened by the Company in the ordinary course of its affairs.

A description of the main provisions of the by-laws and Internal Regulations of the Board of Directors, its Committees and General Management of the Company, in particular their operation and their powers, are provided in Chapter 16 of this Registration Document.

ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT

14.1 MEMBERS OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT

14.1.1 BOARD OF DIRECTORS

14.1.1.1 Composition of the Board of Directors

The Board of Directors of the Company has eight members, three of whom are independent. As of the filing date of this document, the composition of the Board of Directors is as follows:

Philippe BERTEROTTIÈRE ⁽¹⁾

Chairman of the Board of Directors and Chief Executive Officer

Date of initial appointment

Appointed by the Shareholders' Meeting dated 11 December 2013

Term of office

End of term following the Shareholders' Meeting convened to approve the annual accounts for financial year ended 31 December 2017

Mandates and other offices held within the Group over the past five years

Chairman of the Board of Directors and Chief Executive Officer of GTT

Mandates and offices held outside the Group over the past five years

Current mandates

- Manager of:
 - SARL SOFIBER
 - SCI MATHIAS DENFERT
 - SCI MATHIAS LABROUSTE
 - SCI FIVE PARTICIPATION
 - SARL SOFISTE
 - SARL SOFIKI

Past mandates

- Director of:
 - SOFREMI, a GNT group company
 - STARSEM-ARIANESPACE Inc.

ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT

14.1 MEMBERS OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT

Laurent MAUREL

Director

Date of initial appointment

Appointed by the Shareholders' Meeting dated 11 December 2013

Term of office

End of term following the Shareholders' Meeting convened to approve the annual financial statements for the financial year ended 31 December 2016

Mandates and other offices held within the Group over the past five years

Director of GTT

Mandates and offices held outside the Group over the past five years

Current mandates

- *President & CEO of:*
 - Total E&P Canada
 - Deer Creek Pipelines Limited
- *Executive Vice President of the Fort Hills Energy Corporation*
- *Director of:*
 - Total E & P Canada Ltd
 - Fort Hills Energy Corporation
 - Deer Creek Pipelines Limited

Past mandates

- *Director of:*
 - TOTAL ÉNERGIE GAZ
 - TOTAL LNG ANGOLA
- *Director of:*
 - TOTAL GAS & POWER HOLDING SERVICES, INC
 - TOTAL GAS PIPELINE USA INC
 - TOTAL LNG ANGOLA LIMITED
 - TOTAL PARS LNG LIMITED
 - YEMEN LNG
- *Commissioner/Member of TOTAL HOLDINGS NEDERLAND BV*
- *Vice President of LNG TOTAL GAS & POWER HOLDING SERVICES, INC*
- *CEO of:*
 - TOTAL GAS & POWER BUSINESS SERVICES
 - TOTAL E&P SAUDI
 - TOTAL ENERGIES NOUVELLES VENTURES

Jacques BLANCHARD ⁽¹⁾

Director

Date of initial appointment

Appointed by the Shareholders' Meeting dated 11 December 2013

Term of office

End of term following the Shareholders' Meeting convened to approve the annual accounts for financial year ended 31 December 2014

Mandates and other offices held within the Group over the past five years

Director of GTT

Mandates and offices held outside the Group over the past five years

Current mandates

- Chairman of the Board of Directors of GAZOCEAN SA
- President of GDF ARMATEUR 2 SAS
- Representative of:
 - GDF ARMATEUR 2 SAS, Managing Partner of GDF ARMATEUR SNC
 - GDF ARMATEUR 2 SAS, Manager of MESSIGAZ SNC
- Member of the Board of Directors of NYK ARMATEUR SAS
- Chairman of NEPTUR LNG HOLDING SAS
- Director and Vice-President of FSRU NEPTUNE LNG URUGUAY SA (Uruguay)
- Member of the Board of Directors of PARTREDERIE BW GAS – GDF SUEZ EMT (Norway)

Past mandates

- President of GDF INVESTISSEMENTS 24 SAS
- President of GDF INVESTISSEMENTS 29 SAS
- President of GNL MARINE INVESTISSEMENTS SAS
- Representative of:
 - GDF INVESTISSEMENTS 29 SAS, Managing Partner of GDF METHANE INVESTISSEMENTS 3 SNC
 - GDF ARMATEUR 2 SAS, Managing Partner of GDF METHANE INVESTISSEMENTS 2 SNC
 - GNL MARINE INVESTISSEMENTS SAS, Manager of MESSIGAZ SNC
 - GNL MARINE INVESTISSEMENTS SAS, Managing Partner of GDF ARMATEUR SNC
- Director of METHA-BAIL G.I.E.
 - Chairman and Chief Executive Officer of GAZOCEAN SA

ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT

14.1 MEMBERS OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT

Secil TORUN ⁽¹⁾**Director****Date of initial appointment**

Appointed by the Shareholders' Meeting dated 10 February 2014

Term of office

End of term following the Shareholders' Meeting convened to approve the annual accounts for financial year ended 31 December 2016

Mandates and other offices held within the Group over the past five years

Director of GTT

Mandates and offices held outside the Group over the past five years**Current mandates**

- Chairman of the TECHNICAL STUDY GROUP of the GIIGNL (International Consortium of LNG Importers)
- Member of the Scientific Council of PRINCIPIA
- President of the National Bureau Gas 282 relating to LNG

Past mandates

None

Olivier JACQUIER ⁽¹⁾**Director****Date of initial appointment**

Co-opted at the Board of Directors meeting on 12 February 2015, replacing Benoît Mignard, who resigned
Co-opting subject to ratification by the Combined General Meeting of 19 May 2015

Term of office

End of term following the Shareholders' Meeting convened to approve the annual accounts for financial year ended 31 December 2015

Mandates and other offices held within the Group over the past five years

None

Mandates and offices held outside the Group over the past five years**Current mandates**

- Director of:
 - GDF SUEZ E&P International
 - GDF SUEZ E&P Norge (Norway)
 - Aguas Andinas (Chile)

Past mandates

- Director of:
 - GDF SUEZ ENERGIA ITALIA SPA (Director and CEO) (Italy)
 - HERON THERMOELECTRIC SA (Greece)
 - SUEZ ENVIRONNEMENT Ré SA (Luxemburg)
 - GDF SUEZ ENERGY SPA (Director and Chairman of the Board) (Italy)
 - GDF SUEZ GAS SUPPLY & SALES SPA (Italy)
 - GDF SUEZ ITALIA HOLDING PARTECIPAZIONI SPA (Italy)
 - GDF SUEZ PRODUZIONE SPA (Italy)
 - GDF SUEZ RINNOVABILI SPA (Italy)
 - HERON II VIOTIA THERMOELECTRIC STATION SA (Greece)
 - GS NEWCO SRL (Italy)
 - ROSELECTRA SPA (Italy)
 - TIRRENO POWER SPA (Italy)
 - VOGHERA ENERGIA SPA (Director and Vice-Chairman of the Board) (Italy)
- Chairman of the Board of Directors of ROSEN SPA (Italy)
- Chairman and CEO of GDF SUEZ ENERGY MANAGEMENT SPA (Italy)
- Member of the Executive Committee of:
 - GDF SUEZ PRODUZIONE SPA (Italy)
 - GDF SUEZ Energia Italia (Italy)
 - SUEZ ENVIRONNEMENT SA



ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT

14.1 MEMBERS OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT

Marie-Pierre BAILLIENCOURT

Independent Director

Date of initial appointment

Appointed by the Shareholders' Meeting dated 10 February 2014

Term of office

End of term following the Shareholders' Meeting convened to approve the annual accounts for financial year ended 31 December 2015

Mandates and other offices held within the Group over the past five years

Director of GTT

Mandates and offices held outside the Group over the past five years

Current mandates

- Independent director of LA BANQUE POSTALE
- Deputy General Manager Development DCNS

Past mandates

- None

Jean-Luc GOURGEON

Independent Director

Date of initial appointment

Appointed by the Shareholders' Meeting dated 10 February 2014

Term of office

End of term following the Shareholders' Meeting convened to approve the annual accounts for financial year ended 31 December 2014

Mandates and other offices held within the Group over the past five years

None

Mandates and offices held outside the Group over the past five years

Current mandates

- Director of SAUDI RE

Past mandates

- Director of:
 - EVEREST ADVISORS Ltd
 - PARIS RE SA
 - CUNNINGHAM LINDSEY GROUP
 - Paris Diderot University

ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT

14.1 MEMBERS OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT

Philippe SALLE

Independent Director

Date of initial appointment

Appointed by the Shareholders' Meeting dated 10 February 2014

Term of office

End of term following the Shareholders' Meeting convened to approve the annual accounts for financial year ended 31 December 2017

Mandates and other offices held within the Group over the past five years

None

Mandates and offices held outside the Group over the past five years

Current mandates

- Chairman of the Board of Directors of ELIOR

Past mandates ⁽²⁾

- Chief Executive Officer, Director and member of the Investment and Acquisition Committee of ALTRAN TECHNOLOGIES
- President of:
 - the Altran Foundation for Innovation
 - FINELAS SAS
- Director of:
 - the BANQUE TRANSATLANTIQUE
 - ALTRAN INTERNATIONAL BV
 - ALTRAN ITALIA SpA
 - ALTRAN (SINGAPORE) Pte Ltd
 - ALTRAN MALAYSIA sdn. Bhd.
 - ALTRAN-BEYONDSOFT (BEIJING) – TECHNOLOGIES Co., Ltd.
 - CAMBRIDGE CONSULTANTS Limited
 - FLIGHT FOCUS Pte Ltd
- Chairman of the Supervisory Board of ALTRAN DEUTSCHLAND HOLDING GmbH
- President ARTHUR D. LITTLE SERVICES
- Manager of:
 - ALTRAN INDUSTRIELHANSA MANAGEMENT GmbH
 - IndustrieHansa Consulting & Engineering GmbH
 - IndustrieHansa GmbH
 - Altran Aviation Engineering GmbH)
 - IndustrieHansa Holding GmbH
 - Ingenieurbüro Bockholt
- Director and Chairman and CEO of Géoservices
- Director of:
 - Altran Sverige AB
 - Altran Technologies Sweden AB
 - Altran Norge AS
 - Altran SA/NV
 - Altran Shangai Limited
 - Altran AG
 - Altran UK Holding Limited
 - Altran USA Holdings, Inc.
 - Altran India Private Limited
 - Altran Luxembourg SA
- Representative of Altran Technologies
- Co-manager of GMTS SNC

(1) Directors appointed upon proposal of GDF SUEZ, GDF International and GDF Armateur 2.

(2) All Philippe Salle's offices within the Group are due to end on 30 April 2015.

For purposes of their mandates, the members of the Board of Directors are domiciled at the Company's registered office.



ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT

14.1 MEMBERS OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT

14.1.1.2 Biographies of the members of the Board of Directors

Mr Philippe Berterottière

For the biography of Philippe Berterottière: see section 6.8 – *Organisation of the Company* of this Registration Document.

Mr Laurent Maurel

Laurent Maurel is a graduate of the École Polytechnique and a graduate of the École Nationale Supérieure du Pétrole et des Moteurs (National School of Oil and Engines).

After entering the Total group in 1987, he held various positions in the fields of economics, finance, LNG and trading oil contracts alternately in France and Indonesia. From 2002 to 2007 he was responsible, in the Middle East Branch, for Total's interests in various gas projects in Abu Dhabi and Qatar before being appointed Director of Growth Strategy for Exploration Production in 2007, LNG Director of the Gaz Énergies Nouvelles branch in December 2009 and then Strategy Director, Markets and Liquefied Natural Gas (LNG) in July 2012.

He was a member between 2011 and 2014 of the Total group's Ethics Committee.

Laurent Maurel has been Chairman and CEO of Total E&P Canada Ltd. since 5 January 2015.

Mr Jacques Blanchard

Jacques Blanchard, 62 years old, is a graduate of the École Nationale Supérieure de Techniques Avancées de Paris et du Génie Maritime (National School of Advanced Techniques of Paris and Maritime Engineering).

After a first experience in shipbuilding, he specialised in the field of ship repair and has been for many years managing director and then Chairman of the Board of Directors of a shipyard in Saint-Nazaire.

He was also director of SIGTTO (Society of International Gas Tanker and Terminal Operators) for SIX years.

Jacques Blanchard is Executive Vice President Maritime Transportation at GDF SUEZ LNG, at the head of the Maritime Transportation Department since 1994, managing 17 LNG carriers chartered by the GDF SUEZ group, including 5 owned by the Group; in addition, Jacques Blanchard is Chairman of the Board of Directors of GAZOCEAN (ship management company in charge of five LNG carriers), member of the French Committee of Bureau Veritas and officer in several affiliated shipping companies.

Mrs Secil Torun

Secil Torun, 42 years, is an engineer from the National School of Advanced Technologies of Paris and graduated in Industrial Economics from Paris-Dauphine University.

She joined the GDF SUEZ group in 1997 to work on issues related to the transport of gas by pipeline and in 2004 moved to activities related to liquefied natural gas (LNG). She then worked on the development of business plans for French regasification terminals and then joined Elengy's Engineering Department.

In 2010, Secil Torun joined the Centre de Recherches et Innovation Gaz Énergies Nouvelles as manager of the Liquefied Gases, Industrial and Environmental Safety skills section. Since 2013, she has been Director of LNG and LPG Research Programmes at GDF SUEZ. She is also Chair of the Technical Working Group of the GIGNL (International Group of LNG Importers) and member of the Scientific Council of Principia.

Mr Olivier Jacquier

Olivier Jacquier, 44 years, graduated from ESCP-Europe (École Supérieure de Commerce de Paris) – finance option.

Olivier Jacquier began his career at Paribas Corporate Banking as Deputy Representative of the Beijing Representative Office (China) and then as Associate in the Asia Division and Associate in the Americas Division.

He joined the Suez group in 1999 and held various positions in the Finance Department where he was successively in charge of Financial Operations, Head of Finance, Director, Mergers and Acquisitions Group and Director, Mergers & Acquisitions and Investments Group.

Olivier Jacquier managed GDF SUEZ' Italia Division in Rome from 2008 to 2012.

In 2012, he was appointed Deputy Chief Financial Officer and Member of the SUEZ ENVIRONNEMENT group Executive Committee.

Since 2014, he is deputy director and Chief Financial Officer of the GDF SUEZ Global Gas and LNG Branch.

Mrs Marie-Pierre Bailliencourt

Marie-Pierre Bailliencourt holds a PhD in Geopolitics from Paris-Sorbonne University and in International Business from Johns Hopkins University.

Marie-Pierre Bailliencourt has been, since December 2014, Deputy CEO of DCNS, where she is responsible for leading the Group's international development and to ensure consistency of policies and projects that contribute to it. She began her career at the United Nations Organisation as Sherpa to the Secretary General (Messrs. Boutros Boutros-Ghali and Kofi Annan 1995-1997). She developed a strong expertise in strategy and international acquisitions during her four years at Rexel, then in the high-tech sector in consulting, with McKinsey and through her own firm. Within Dassault Systèmes Group, she was then Chief of Staff to the General Manager and Vice President, Industry. From 2004 to 2010, she defined and operated the global multi-brand strategy for Dassault Systèmes industrial solutions; she worked on the integration and development of the Group, through the management of strategic partnerships and the transformation of the company's business model. Until recently, Marie-Pierre Bailliencourt had been Deputy General Manager with Bull since 2012.

Mr Jean-Luc Gourgeon

Jean-Luc Gourgeon, 52 years, is a graduate of IEP Paris and holds a mechanical engineering degree awarded jointly by the École Centrale de Lyon, Claude Bernard University and Lyon INSA.

He began his career as a computer scientist at AXA Re, the reinsurance subsidiary of the AXA group, in Paris and London. In 1992, he joined the underwriting division, initially in American civil liability and then formed the new products department of Axa Corporate Solutions in 1999. Since 2002 his scope of responsibility has expanded gradually to all industries.

ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT

14.1 MEMBERS OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT

He joined the Executive Committee in 2004 and was promoted to global head of underwriting in 2005. In 2006 he participated in the creation of PARIS RE, where he became CEO in France and the world underwriting manager, and its launch on the Paris stock exchange in 2007. He left the company after its merger with Partner Re in 2010 and joined the Everest group in 2011 as European General Manager. He is currently a consultant.

He was a director of the Cunningham Lindsey group for three years and is currently a director of Saudi Re.

Mr Philippe Salle

Philippe Salle, 47 years, is a graduate of the École des Mines de Paris and holds an MBA from the Kellogg Graduate School of Management, Northwestern University (Chicago, USA).

He started his career at Total in Indonesia then joined Accenture. Project Manager at McKinsey (strategy consulting) between 1995 and 1999, he then joined Vedior (now Randstad, listed on the Amsterdam stock exchange). He became CEO of Vedior France in 2002 and President of the Southern Europe region in 2006 (France, Spain, Italy and Switzerland). He held the latter position until 2007, when he joined the Geoservices group (technology company in the oil sector), operating in 52 countries, with nearly 7,000 employees, first as Chief Operating Officer and then as Chairman and CEO until March 2011. From June 2011 to 30 April, he served as CEO of the Altran group. Since 10 March 2015, he has been the Chairman of Elior's Board of Directors and should be appointed CEO of Elior by the end of his duties within the Altran group.

Evaluation of the independence of independent directors

The Board of Directors meeting on 26 March 2015, evaluated the independence of directors in light of all the criteria set by the AFEP-MEDEF Code and the rules of procedure for the Board of Directors. The Board of Directors has accordingly held that Mrs Marie-Pierre de Baillencourt, Mr Jean-Luc Gourgeon, Mr Philippe Salle and Mr Christian Germa, whose appointment will be proposed at the General Meeting of the Shareholders on 19 May 2015, could be classed as independent directors.

14.1.2 GENERAL MANAGEMENT

By a decision made on 11 December 2013, the Board of Directors decided not to separate the functions of Chairman of the Board of Directors and of Chief Executive Officer and to entrust the management of the Company to the Chairman of the Board of Directors, who thus carries the title of Chairman of the board and Chief Executive Officer.

As at the date of filing this Registration Document, Philippe Berterotière performs the duties of Chairman and Chief Executive Officer.

14.1.1.3 Directors whose term expires at the end of the meeting of the General Meeting of Shareholders to approve the financial statements for the year ended 31 December 2014

The terms of office of Messrs. Jacques Blanchard and Jean-Luc Gourgeon will end after the next meeting of the General Meeting of Shareholders to approve the financial statements for the year ended 31 December 2014.

It will be proposed at the General Meeting of Shareholders of 19 May 2015 to (j) ratify the appointment of Mr Olivier Jacquier replacing Mr Benoît Mignard, resigned, (ii) to renew the mandate of Mr Jacques Blanchard (iii) to appoint Mr Christian Germa as director to replace Mr Jean-Luc Gourgeon, and (iv) to appoint Mrs Michèle Azalbert as a new director (see the resolutions and the report of the Board to the meeting, contained in Annex 3 of this Reference Document). The proposal to appoint Mrs Michèle Azalbert is made pursuant to the option that is reserved to GDF SUEZ to propose the election of an additional director (see section 14.1 – *Members of the administrative, management and supervisory bodies and general management* of this Registration Document).

14.1.1.4 Declarations concerning members of the Board of Directors

To the Company's knowledge, there are no family ties between the members of the Board of Directors of the Company identified above.

Over the past five years, none of the members of the Board of Directors identified above:

- ▶ have been convicted of fraud, of a criminal offence or had an official public sanction issued against them by the statutory or regulatory authorities;
- ▶ have been involved in a bankruptcy, receivership or liquidation as manager or officer;
- ▶ have been prevented by a court from acting in his or her capacity as a member of an administrative, management or supervisory body or from being involved in the management or conduct of an issuer's business affairs.

The Board of Directors considered that the unified accounting mode was best for the organisation, operation and activity of the Company and allowed it to create a direct link between management and the shareholders. Furthermore, the current composition of the Board of Directors and its Committees, ensures a balance of power within the Company's bodies, given the high proportion of independent directors on the Board and the Committees, of the full involvement of the directors in the work of the Board and its Committees and of the diversity of their profiles, skills and expertise.



ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT

14.2 CONFLICTS OF INTEREST AFFECTING THE BOARD OF DIRECTORS AND GENERAL MANAGEMENT

14.2 Conflicts of interest affecting the Board of Directors and general management

As at the filing date of this Registration Document and to the Company's knowledge, there is no current or potential conflict of interest between the duties to the Company of the persons referred to in this section 14.1 of this Registration Document and their private interests and other duties.

Nevertheless, it should be noted that:

- ▶ in accordance with the provisions of Article 7 of the Internal Regulations of the Board of Directors and Proposal 22 bis of AMF Recommendation No. 2012-05, all directors are required to declare any conflict of interest, potential or otherwise, and shall, in such circumstances, refrain from taking part in deliberations and voting. For further details, please refer to Section 16.1.1.2 - Directors' duties of this Registration Document;
- ▶ four directors were appointed on the proposal of GDF SUEZ, GDF International and GDF Armateur 2 (including Philippe Berterottière, the Chairman of the Company since 2009, who may cast the deciding vote in the event of a tie);

There are no restrictions accepted by the members of the Board of Directors as regards the sale of their shareholding in the Company, except for the rules laid down in section 16.1.1.2 – *Directors' duties* of the Registration Document relating to the prevention of insider trading.

Philippe Berterottière is bound by a lockup agreement covering the GTT shares that he acquired from H&F Luxembourg S.à.r.l. and Total Gas & Power Actifs Industriels as part of the Company's IPO. This lockup agreement is for a period of four years from the date of settlement-delivery of shares allocated under the IPO on the NYSE Euronext Paris regulated market, unless he leaves early or there is a public offer for the Company's capital. In addition, Philippe Berterottière is bound by the lockup agreements described in section 15.1.4 – *Allocation of free shares and performance shares* of this Registration Document.

COMPENSATION AND BENEFITS



15.1	COMPENSATION AND BENEFITS OF ANY KIND ALLOTTED TO EXECUTIVE OFFICERS AND MEMBERS OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2014	164	15.2	AMOUNTS SET ASIDE BY THE GROUP TO COVER PAYMENT OF PENSIONS, RETIREMENT AND OTHER BENEFITS TO EXECUTIVE OFFICERS	170
15.1.1	Compensation and benefits of any kind allotted to executive officers	164	15.3	AGREEMENTS ENTERED INTO BY THE COMPANY OR ITS SUBSIDIARIES WITH EXECUTIVE OFFICERS	171
15.1.2	Compensation and benefits of any kind allotted to non-executive officers and directors	165	15.4	LOANS AND GUARANTEES GRANTED TO EXECUTIVE OFFICERS	171
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COMPENSATION AND BENEFITS

15.1 COMPENSATION AND BENEFITS OF ANY KIND ALLOTTED TO EXECUTIVE OFFICERS AND MEMBERS OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

15.1 Compensation and benefits of any kind allotted to executive officers and members of administrative, management and supervisory bodies during the financial year ended 31 December 2014

To recap, the Company is guided by the AFEP-MEDEF Code.

The following information shows the compensation and benefits granted to the Chairman of the Board and Chief Executive Officer of the Company and the non-executive officers (i.e. the other members of the Board of Directors) who are members of the Board of Directors on the date of this Registration Document (in respect of their office held within the Company during the financial year ended 31 December 2014).

15.1.1 COMPENSATION AND BENEFITS OF ANY KIND ALLOTTED TO EXECUTIVE OFFICERS

The tables below show the compensation and benefits in kind paid to the Chairman and CEO by (i) the Company, (ii) its subsidiaries, (iii) controlled companies within the meaning of Article L. 233-16 of the French Commercial Code, by the Company or companies that control(s) the Company and (iv) the company or companies that control(s) the Company within the meaning of the same article.

TABLE 1 – SUMMARY OF THE COMPENSATION AND OF THE OPTIONS AND SHARES ALLOTTED TO THE CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER

Summary table of compensation and options and shares allotted to the Chairman and CEO (in euros)

	Financial year ended 31 December 2013	Financial year ended 31 December 2014
Philippe Berterottière		
Compensation payable for the financial year (<i>broken down in Table 2</i>)	404,886	931,538
Valuation of the options allotted during the financial year	None	None
Valuation of the performance shares allotted during the financial year	None	1,189,837
TOTAL	404,886	2,121,375

COMPENSATION AND BENEFITS

15.1 COMPENSATION AND BENEFITS OF ANY KIND ALLOTTED TO EXECUTIVE OFFICERS AND MEMBERS OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

TABLE 2 – BREAKDOWN OF COMPENSATION AND BENEFITS ALLOTTED TO THE CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER**Summary table for compensation allotted to Chairman of the Board and Chief Executive Officer**

In euros	Financial year ended at 31 December 2013		Financial year ended at 31 December 2014	
	Amount due	Amount paid	Amount due	Amount paid
Philippe Berterroitière				
Fixed compensation ⁽¹⁾	251,148	251,148	270,000	270,000
Variable compensation ⁽²⁾	138,759	108,190	255,750	141,622
Non-recurring compensation ⁽³⁾	-	-	360,000	360,000
Directors' attendance fees	-	-	17,510	-
Benefits in kind ⁽⁴⁾	14,979	14,979	28,278	28,278
TOTAL	404,886	374,317	931,538	799,900

(1) The gross fixed compensation before tax includes the fixed remuneration received by the Chairman and CEO under his mandate.

(2) Payment of variable remuneration is subject to the achievement of targets determined by the Board based on the performance criteria set at the end of the previous year by the Board.

The variable component of the compensation of the Chairman and Chief Executive Officer for 2014 was set at a maximum yearly gross amount of 330,000 euros or about 122% of the fixed compensation for the same period, of which 110% was for quantitative objectives and 12% for the qualitative objective.

The amount paid in variable compensation for the 2014 year was subject to the achievement of quantitative objectives, which primarily included:

- orders taken by the Company for LNG carriers, FRSUs, FLNGs and onshore storage tanks, and for bunkering operations. Achieving this objective can represent as much as 42.5% of the variable compensation;
- revenue recognised for services. Achieving this objective can represent as much as 7.5% of the variable compensation;
- the Company market share for certain technologies. Achieving this objective can represent as much as 15% of the variable compensation;
- the Company's net margin on revenues. Achieving this objective can represent as much as 25% of the variable compensation.

In addition, payment of the variable compensation also depends on a qualitative objective, the achievement of which can represent as much as 10% of the variable compensation.

Fulfillment of these performance conditions was examined and approved at the end of FY 2014 by the Board of Directors at its meeting on 12 February 2015 on the basis of recommendations made by the Compensation and Nominations Committee which met on 14 January 2015.

The targets set were achieved up to 77.5% for the year ended 31 December 2014.

The Chairman and CEO does not receive any annual variable deferred compensation arrangement or multi-year variable compensation.

(3) As part of the IPO of the Company, the Board of Directors on 10 February 2014, granted Mr Philippe Berterroitière an exceptional bonus for work performed in connection with the preparation of the IPO.

(4) Benefits in kind are of two types:

- GSC (Garantie Sociale des chefs et dirigeants d'entreprise) loss of employment insurance (social guarantee for business managers and executives) defined according to the declared compensation and options chosen; and
- a company car.

15.1.2 COMPENSATION AND BENEFITS OF ANY KIND ALLOTTED TO NON-EXECUTIVE OFFICERS AND DIRECTORS

Members of the Board of Directors did not receive any compensation (directors' attendance fees, other compensation or benefits) during the financial years ended 31 December 2013, it being stipulated that until 11 December 2013, the Company was a société par actions simplifiée (simplified joint stock limited liability company) with a Board of Directors.

The General Meeting of 10 February 2014 decided to cap at 270,000 euros the annual global maximum amount allotted to the Board of Directors for the year beginning 1 January 2014.

The distribution of this sum was adopted by the Board on 26 March 2015, according to the distribution rules defined by its Internal Regulations (see section 16.1.1.5). Pursuant to these arrangements, the total amount of

attendance fees to be distributed for the year ended 31 December 2014 was reduced to 162,000 euros.

The General Meeting of the Company to be held on 19 May 2015 is required to rule on fixing at 300,000 euros the total annual amount of attendance fees allocated to the Board of Directors for the financial year beginning on 1 January 2015 (see Appendix 3 to this Registration Document). If this proposal is rejected, the maximum overall amount allocated to the Board of Directors at the General Meeting of 10 February 2014 (i.e. 270,000 euros) will be maintained for the year beginning 1 January 2015 and for subsequent years until the adoption of a new decision by the General Meeting.



COMPENSATION AND BENEFITS

15.1 COMPENSATION AND BENEFITS OF ANY KIND ALLOTTED TO EXECUTIVE OFFICERS AND MEMBERS OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

TABLE 3 – SUMMARY OF COMPENSATION OF EACH MEMBER OF THE BOARD OF DIRECTORS

Members of the Board of Directors In euros	Gross amounts paid during FY 2013	Gross amounts due for FY 2014	Gross amounts paid during FY 2014
Philippe Berterottière			
Directors' attendance fees	-	17,510.29	-
Other compensation	-	(1)	-
Marie-Pierre de Baillencourt			
Directors' attendance fees	-	27,198.53	-
Other compensation	-	-	-
Jacques Blanchard			
Directors' attendance fees	-	19,098.53	-
Other compensation	-	-	-
Jean-Luc Gourgeon			
Directors' attendance fees	-	24,498.53	-
Other compensation	-	-	-
Laurent Maurel			
Directors' attendance fees	-	19,098.53	-
Other compensation	-	-	-
Benoît Mignard			
Directors' attendance fees	-	19,098.53	-
Other compensation	-	-	-
Philippe Salle			
Directors' attendance fees	-	21,798.53	-
Other compensation	-	-	-
Secil Torun			
Directors' attendance fees	-	13,698.53	-
Other compensation	-	-	-

(1) Refer to summary tables 1 and 2 at point 15.1.1.

15.1.3 STOCK OPTIONS AND PURCHASE OPTIONS DURING FY 2014

No of stock options or share purchase options were granted to the Chairman and CEO or members of the Board during the year 2014.

TABLE 4 – OPTIONS TO SUBSCRIBE FOR OR PURCHASE SHARES GRANTED DURING THE YEAR TO EACH CORPORATE OFFICER BY THE ISSUER AND ANY GROUP COMPANY

Not applicable.

TABLE 5 – SUBSCRIPTION OR PURCHASE OPTIONS EXERCISED DURING THE YEAR BY EACH CORPORATE OFFICER

Not applicable.

15.1.4 ALLOCATION OF FREE SHARES AND PERFORMANCE SHARES

The General Meeting held on 10 February 2014 authorised the Board of Directors, which may delegate under legal conditions, to proceed, according to Articles L. 225-197-1 et seq. of the French Commercial Code, on one or more occasions, with a bonus issue of shares in the Company (existing or to be issued) to salaried employees of the Company or related companies within the meaning of Article L. 225-197-2-I, paragraph 1^e of the French Commercial Code and certain of the Company's executive officers, capped at 0.69% of the share capital, provided that bonus shares allotted to the Chairman and CEO may not represent more than 50% of all allotted shares.

The Board of Directors meeting held on 10 February 2014, on the basis of the authorisation of the General Meeting of 10 February 2014, decided:

- (i) To allot bonus shares in the Company to salaried employees of the Company or related companies within the meaning of Article L. 225-197-2-I paragraph 1 of the French Commercial Code excluding corporate officers.**

The Board of Directors approved the terms and conditions for the allocation of bonus shares at its meeting of 10 February 2014 and adopted the rules of the GTT bonus share allocation plan (the ***GTT Bonus Share Allocation Plan***).

The list of beneficiaries and the number of shares allocated to each of them was approved by the Board of Directors in its meeting of 10 February 2014. The GTT Bonus Shares Allocation Plan involves 370 employees, each of whom was allocated 15 shares.

The shares are allocated finally subject to compliance with the presence condition (except special cases) after a period of two years from the allocation date, i.e. 10 February 2016. During the vesting period, the beneficiaries do not own the shares and do not have any rights attached to them, whether voting or dividend rights.

Except in cases of disability or death of the beneficiary, the bonus shares may be sold on the expiry of a lockup period of two years from the final vesting of the shares. The bonus shares may be sold on or after 10 February 2018.

(ii) Allocation of bonus shares (Performance Shares)

The Board of Directors approved the criteria and conditions of the ***Performance Shares Plan***, as well as the beneficiaries.

Under this Performance Shares Plan, five people, including the Chairman and CEO, were granted a total of 250,000 Performance Shares (including 125,000 shares allocated to the Chairman and CEO), subject to (i) presence⁽¹⁾ during the vesting period, which will end with 50% Performance Shares on 10 February 2016, 25% Performance Shares on 10 February 2017, and the balance, 25% of Performance Shares on 10 February 2018, and (ii) performance criteria related to the increase in GTT's share price, the Company's net margin and the relative performance of the GTT share price against the Stoxx 600 Oil & Gas index (in euros).

The Chairman and CEO must keep in his own name at least 25% (after taxes and costs) of Performance Shares that are assigned to him until the date of termination of his mandate as Chairman and CEO in GTT. The Chairman and CEO has undertaken not to use hedging on Performance Shares until the end of the lockup period of the shares.

The Chairman and CEO, as well as the four other participants in the Performance Shares Plan have acquired from H&F Luxembourg 1 S.à r.l. and Total Gas & Power Actifs Industriels, as part of the IPO of the Company, a total of 20,000 shares in the Company at the price of the IPO. These shares cannot be sold by each of the participants for a period of four years following their acquisition, except early departure or in the event of a public offer for the Company's capital.

(1) In the event of termination of service before the end of the vesting period, shares may be allocated, in some circumstances, based on a pro rata period.



COMPENSATION AND BENEFITS

15.1 COMPENSATION AND BENEFITS OF ANY KIND ALLOTTED TO EXECUTIVE OFFICERS AND MEMBERS OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

As at the date of filing this document, the bonus share plans in place and allocations made under these plans to directors and certain employees may be summarised as follows:

	Bonus share allocation plan
Meeting date	10 February 2014
Date of the decision of the Board	10 February 2014
Total number of shares allocated	250,000
Number of shares allocated to:	
■ Mr Philippe Berterottière	125,000
■ Mrs Cécile Arson	31,250
■ Mr David Colson	31,250
■ Mr Julien Burdeau	31,250
■ Mr Karim Chapot	31,250
Vesting period	<p>The performance shares will be vested as the end of the following four periods:</p> <ul style="list-style-type: none"> ■ up to 25% of the Performance Shares will be vested on 10 February 2016, based on fulfilment of a presence condition and performance conditions, assessed at the end of the financial year ended 31 December 2014; ■ up to 25% of the Performance Shares will be vested on 10 February 2016, based on fulfilment of a presence condition and performance conditions, assessed at the end of the financial year ended 31 December 2015; ■ up to 25% of the Performance Shares will be vested on 10 February 2017, based on fulfilment of a presence condition and performance conditions, assessed at the end of the financial year ended 31 December 2016; and ■ up to 25% of the Performance Shares will be vested on 10 February 2018, based on fulfilment of a presence condition and performance conditions, assessed at the end of the financial year ended 31 December 2017.
End date of the lockup period	<ul style="list-style-type: none"> ■ 10 February 2018 (Series 1 and 2) ■ 10 February 2019 (Series 3) ■ 10 February 2020 (Series 4)
Performance conditions	<p>Performance conditions related to:</p> <ul style="list-style-type: none"> ■ the increase in the GTT share price; ■ the Company's net margin; and ■ the relative performance of GTT's share price against the Stoxx 600 Oil & Gas index (in euros).
Number of shares acquired on the date of registration of this Registration Document	None
Cumulative number of shares cancelled or expired	None
Performance shares remaining on the date of date of filing this Registration Document	250,000

COMPENSATION AND BENEFITS

15.1 COMPENSATION AND BENEFITS OF ANY KIND ALLOTTED TO EXECUTIVE OFFICERS AND MEMBERS OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

TABLE 6 – PERFORMANCE SHARES ALLOCATED DURING THE YEAR TO EACH CORPORATE OFFICER BY THE ISSUER OR BY ANY GROUP COMPANY

Members of the Board of Directors	No. and date of plan	Number of shares allocated during the year	Valuation of shares according to the method used for the IFRS financial statements	Date of acquisition	Availability date	Performance conditions
Philippe Berterottière	AGA plan no. 2	125,000	1,189,837	<ul style="list-style-type: none"> ■ 62,500 shares on 10 February 2016 ■ 31,250 shares on 10 February 2017 ■ 31,250 shares on 10 February 2018 	2 years from the date of acquisition	Performance criteria related to: <ul style="list-style-type: none"> ■ the increase in the GTT share price; ■ the Company's net margin; and ■ the relative performance of GTT's share price against the Stoxx 600 Oil & Gas index (in euros).

TABLE 7 – PERFORMANCE SHARES THAT BECAME AVAILABLE DURING THE YEAR 2014 FOR EACH EXECUTIVE

No performance shares became available during FY 2014.

15.1.5 RECORD OF ALLOCATIONS OF STOCK OPTIONS OR SHARE PURCHASE OPTIONS

There was no allocation of stock options or share purchase options during the years ended 31 December 2011, 2012 and 2013.

No plan to award stock options or share purchase options is in progress as at the date of filing of this Registration Document.

TABLE 8 – HISTORY OF ALLOCATIONS OF STOCK OR SHARE PURCHASE OPTIONS – INFORMATION ON STOCK OR SHARE PURCHASE OPTIONS

Not applicable.

15.1.6 STOCK OR SHARE PURCHASE OPTIONS ALLOCATED TO THE FIRST TEN EMPLOYEES

There was no allocation of stock options or share purchase options during the years ended 31 December 2011, 2012 and 2013.

No plan to award stock or share purchase options is in progress at the date of this document.

TABLE 9 – STOCK OR SHARE PURCHASE OPTIONS ALLOCATED TO THE FIRST TEN EMPLOYEES

Not applicable.



COMPENSATION AND BENEFITS

15.1 COMPENSATION AND BENEFITS OF ANY KIND ALLOTTED TO EXECUTIVE OFFICERS AND MEMBERS OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

15.1.7 EMPLOYMENT CONTRACTS, PENSION BENEFITS AND COMPENSATION IN THE EVENT OF TERMINATION OF EXECUTIVE MANAGEMENT FUNCTIONS

TABLE 10 – EMPLOYMENT CONTRACTS, PENSION BENEFITS AND COMPENSATION IN THE EVENT OF TERMINATION OF EXECUTIVE MANAGEMENT FUNCTIONS

Executive officers	Employment contract		Supplementary pension regime		Indemnities or benefits due or likely to become payable as a result of the cessation or change in duties		Indemnity under a non-compete clause	
					Yes ⁽³⁾	No	Yes ⁽⁴⁾	No
	Yes	No	Yes ⁽²⁾	No	Yes ⁽³⁾	No	Yes ⁽⁴⁾	No
Philippe Berterottière (Chairman and CEO)		X ⁽¹⁾	X		X		X	

(1) In accordance with the AFEP-MEDEF Code, the Chairman and CEO no longer has an employment contract with the Company since the IPO of the Company.

(2) On 10 February 2014, the Company's Board of Directors also authorised Philippe Berterottière's membership of the supplementary pension plan. This supplementary pension plan resulted in the posting of a charge of 99,828 euros for FY 2014.

(3) On 10 February 2014, the Board approved the award of compensation in the event of a forced departure to Mr Philippe Berterottière subject to compliance with three performance conditions assessed over several years, each condition tied to one third of the total amount of compensation and related to (i) a target for the Company's market share, (ii) a net margin target on sales and (iii) the level of Mr Philippe Berterottière's variable compensation in the 12 months preceding the date of his departure. The maximum amount of this compensation is equal to twice the total gross compensation (fixed and variable) received by Mr Philippe Berterottière in the 12 months preceding the date of his departure.

(4) On 10 February 2014, the Board of Directors approved, as consideration for a non-competition undertaking given by Mr Philippe Berterottière, the principle of paying, from that date of his ceasing to be a corporate officer, monthly compensation equal to 5/10 (increased to 6/10 in case of dismissal, except in case of gross misconduct) of the monthly average of salaries and benefits and contractual payments received during his last 12 months with the Company (the non-competition undertaking is for 2 years from the effective cessation date of Mr Philippe Berterottière's mandate as Chairman and CEO). If his severance pay and non-competition compensation described above are both applicable, the combination of these two indemnities shall not exceed two years of compensation (fixed and variable received over the last 12 months preceding the date of his departure) by Philippe Berterottière.

The commitments made by the Company in favour of Mr Philippe Berterottière and referred to in points (2) to (4) above – (maintenance of membership of the supplementary pension regime, severance pay and non-competition compensation) will be submitted for approval by the General Meeting of Shareholders of the Company to be held on 19 May 2015. They are covered in the 4th, 6th and 5th resolutions respectively, which are presented in Appendix 3 to this Registration Document.

15.2 Amounts set aside by the Group to cover payment of pensions, retirement and other benefits to executive officers

None.

15.3 Agreements entered into by the Company or its subsidiaries with executive officers

None.

15.4 Loans and guarantees granted to executive officers

None.



COMPENSATION AND BENEFITS

16

BOARD AND MANAGEMENT PRACTICES



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The practices of the Board of Directors are governed by statutory and regulatory provisions, the Company's by-laws and the Internal Regulations of the Board of Directors, the key provisions of which are described in this Chapter 16.

16.1 Board and management practices

16.1.1 BOARD OF DIRECTORS

16.1.1.1 Composition of the Board of Directors

Number of directors and number of independent directors (Article 14 of the by-laws, Article 2 of the Internal Regulations of the Board of Directors)

The Company is governed by a Board of Directors comprising no less than 3 and no more than 18 members. The maximum number of 18 members may be increased, where applicable, by the number of directors representing the employee shareholders, appointed in accordance with Article 14.8 of the Company's by-laws.

The composition of the Board of Directors seeks to achieve a balanced representation of men and women as required in particular by the provisions of Article L. 225-17 of the French Commercial Code.

In accordance with the AFEP-MEDEF Code, the Internal Regulations of the Board of Directors state that a director is independent when he or she has no relationship of any kind whatsoever with the Company, any company or entity directly or indirectly controlled by the Company within the meaning of Article L. 233-3 of the French Commercial Code (a **Group Company**) or their management, that might affect his or her freedom of judgement. The Internal Regulations of the Board of Directors also requires, each year, the Compensation and Nominations Committee to discuss the independent status of each individual director and the Board of Directors to review it on a case-by-case basis in light of the independence criteria set out below. In addition, the qualification as independent director is also discussed when an independent director is appointed and re-appointed. The Board of Directors' conclusions on the qualification as independent director are reported to the shareholders in the Chairman's report to the Annual Shareholders' Meeting of the Company.

The criteria to be reviewed by the compensation and nominations committee and the Board of Directors and that shall be cumulatively fulfilled to qualify a director as independent, are as follows:

- ▶ is not and has not been in the past five years an employee or corporate officer (*dirigeant mandataire social*) of the Company or an employee or director of its parent company or one of its consolidated companies;
- ▶ is not a corporate officer (*mandataire social*) of a company in which an employee appointed as such or a corporate officer of the Company (current or over the past five years) is a director or a member of the Supervisory Board;
- ▶ is not a material customer, supplier, investment banker or commercial banker for the Company or the Group, or for which the Company or the Group accounts for a significant part of the business;
- ▶ in respect of directors holding mandates in one or more banks, has not participated in (i) preparing or soliciting an offer of services by one of those banks to the Company or a Group Company, (ii) the work done by one of those banks pursuant to a mandate given to the bank by the Company or a Group Company or (iii) voting on any resolution involving a project in which the relevant bank has or could have an interest as adviser;
- ▶ is not related by close family ties to a corporate officer of the Company or a Group Company;
- ▶ has not been an auditor of the Company over the past five years;
- ▶ has not been a director of the Company for more than 12 years, although the loss of independent status will only occur at the end of the term of office during which the 12-year limit was reached.

For directors holding ten per cent or more of the Company's share capital or voting rights, or representing a legal entity that holds ten per cent or more of the Company's share capital or voting rights, the Board of Directors shall, based on a report prepared by the compensation and nominations committee, decide whether or not the director is independent in the light of the Company's ownership structure and the existence of any potential conflicts of interest.

The Board of Directors may however consider that a particular director, although meeting all the above criteria, cannot be considered as independent due to his or her specific situation.

Directors' term of office (Article 16 of the by-laws)

Subject to the provisions of the applicable laws and regulations in case of temporary appointment by the Board of Directors, the directors are appointed for a term of four years.

Certain directors may exceptionally be appointed by the Shareholders' Meeting for a term of less than four years for the purpose of organising the gradual renewal of the terms of directors. Such gradual renewal system has been decided by the meeting of the shareholders on 11 December 2013 pursuant to section 14.1.1.1 – *Composition of the Board of Directors* above.

A director's term of office ends at the close of the Annual Shareholders' Meeting called to approve the financial statements for the previous financial year and held during the year in which his or her term expires.

Directors may be re-appointed.

Age limit (Article 16 of the by-laws)

The number of directors (whether individuals or representatives of legal entities) over the age of 70 may not be more than one quarter of the total number of directors in office, rounded up where necessary to the next whole number.

No person over the age of 70 may be appointed as director if it would cause the number of directors over the age of 70 to be more than one quarter of the total number of directors in office, rounded up where necessary to the next whole number.

If the proportion of one quarter is exceeded and none of the directors over the age of 70 resigns, the oldest director shall automatically be deemed to have resigned.

Number of shares of the Company owned by the directors (Article 11 of the Internal Regulations of the Board of Directors)

Each director, other than the representatives of employee shareholders is required to hold at least 100 shares of the Company in pure registered form.

16.1.1.2 Directors' duties

The Internal Regulations of the Board of Directors supplements the provisions of the law and the by-laws on the rights and duties of directors and takes into account the recommendations made in the AFEP-MEDEF Code. Directors are bound by the duties summarised below.

General duties (Article 6 of the Internal Regulations of the Board of Directors)

Before accepting the office, each member of the Board of Directors shall ensure that he or she is acquainted with the general and specific duties

incumbent to him or her. In particular, he or she shall be acquainted with the laws and regulations governing the office of director, the Company's by-laws and the Internal Regulations of the Board of Directors' Internal Regulations of the Board of Directors in all its provisions which are applicable to him or her.

Each director shall abide by all the laws and regulations governing the office of a member of the Board of Directors of a société anonyme, the provisions of the Company's by-laws and the Internal Regulations of the Board of Directors, in particular the rules relating to:

- ▶ powers of the Board of Directors;
- ▶ multiple offices;
- ▶ incompatibilities and incapacities;
- ▶ agreements entered into directly or indirectly between a member of the Board of Directors and the Company; and
- ▶ possession and use of inside or confidential information.

Duty of loyalty and conflicts of interest management (Article 7 of the Internal Regulations of the Board of Directors)

The members of the Board of Directors shall under no circumstances seek their own personal benefit instead of that of the Company.

Any member of the Board of Directors is bound to inform the Board of Directors of any current or potential conflict of interest situation between him or her (or any related person with whom he or she has family ties) and the Company or any company in which the Company has an equity interest or any company with which the Company plans to enter into an agreement of any kind.

The relevant member of the Board of Directors shall not attend or take part in the Board of Directors discussions or vote on the resolutions involving the conflict of interest, except where it involves an ordinary business agreement entered into on arm's length basis.

Duty of non-competition (Article 8 of the Internal Regulations of the Board of Directors)

Throughout their term of office, each director shall not occupy any position in a competing entity with the Company or a Group Company without the prior consent of the Chairman of the Board of Directors.

General duty of disclosure (Article 9 of the Internal Regulations of the Board of Directors)

In accordance with the French and European Union statutory and regulatory provisions, each member of the Board of Directors is required to provide the Board of Directors with full information about any compensation and any benefits received from the Company or a Group Company, their directorships or offices in other companies or legal entities, and any previous convictions.

Duty of confidentiality (Article 10 of the Internal Regulations of the Board of Directors)

As a general rule, all documents and matters discussed at Board of Directors' meetings and all information obtained during or outside Board of Directors' meetings about the Group, its business and prospects are, without exception, strictly confidential even if they have not been expressly presented as such. Beyond the simple duty of discretion laid down by the applicable statutory and regulatory provisions, each member of the Board of Directors shall consider himself or herself to be bound by a genuine duty of professional secrecy.

Duty regarding the disclosure of holdings of financial instruments issued by the Company (Article 11 of the Internal Regulations of the Board of Directors)

In accordance with the applicable statutory and regulatory provisions, each director shall abide by the rules on disclosures to be made to the AMF.

In addition, directors and their related persons within the meaning of the applicable statutory and regulatory provisions may not perform any transaction on the Company's securities during the 30 calendar days preceding publication of the annual and half-yearly consolidated results and during the 15 calendar days preceding publication of the quarterly revenues.

Duty of due diligence (Article 12 of the Internal Regulations of the Board of Directors)

Directors shall devote the time and attention necessary to fulfil their duties. Save in case of unavoidable unavailability, each director undertakes to attend all Board meetings, Shareholders' Meetings and relevant Board Committee meetings of which he or she is a member, either in person or, if permitted, by videoconferencing or other means of electronic communication.

Duty to obtain information (Article 13 of the Internal Regulations of the Board of Directors)

Directors have a duty to inform themselves. The Board of Directors and all directors may request or otherwise obtain all information or documents they believe useful or necessary to fulfil their duties. They should address their requests for information to the Chairman of the Board of Directors, who is responsible for ensuring that their requests have been satisfied.

16.1.1.3 Powers of the Board of Directors (Article 19 of the by-laws, title II of the Internal Regulations of the Board of Directors)

The Board of Directors is responsible for defining the Company's business strategy and monitoring their implementation. Subject to those powers expressly vested in the Shareholders' Meetings and within the limits of the Company's corporate purpose, the Board of Directors

considers and settles all matters involving the proper functioning of the Company through the adoption of resolutions. It performs all controls and verifications it considers appropriate within the limit of its duties.

In addition to the Board of Directors' duties under the applicable laws, regulations and by-laws, the Internal Regulations of the Board of Directors provide that, as part of the Group's internal organisation, the following transactions and decisions require the Board of Directors' express prior approval before being implemented by the Company's Chief Executive Officer or, if applicable, a deputy Chief Executive Officer:

- ▶ decisions to set up a significant operation in France or abroad either directly, by creating an establishment, a business, branch, direct or indirect subsidiary or indirectly by acquiring an equity interest;
- ▶ decisions to close down such operations in France or abroad;
- ▶ any merger, demerger, partial contribution of assets or any similar transaction;
- ▶ entering into, amending or terminating any commercial or industrial cooperation agreement, joint venture, consortium or alliance with a third party (except for agreements entered into in the ordinary course of business) likely to have a significant impact on the Group's business or a significant impact in the event of a future restructuring of the Company's capital (in particular with regard to change of control clause(s) or otherwise);
- ▶ significant transactions likely to affect the Group's strategy and alter its financial structure or the scope of its business;
- ▶ sale of patents used for the Company's key technologies, grant of licences related to those key technologies outside the ordinary course of business;
- ▶ acquisitions or disposals of equity interests in any existing or future company, participation in the creation of any company, consortium or organisation, subscriptions to issues of stock, shares or bonds, excluding treasury transactions;
- ▶ grant of security interests over the Company's assets.

The assessment of the significant impact of the transactions referred to above is made, under his responsibility, by the Chief Executive Officer or any other person duly authorised to implement such transactions:

- ▶ each of the following transactions and decisions resulting in an investment, divestment, expense or guarantee commitment by the Company or a Group Company ⁽¹⁾ equal to or more than 1 million euros:
 - acquiring or selling properties,
 - exchanges, with or without a cash balance, of any goods, securities or financial instruments, excluding treasury transactions,
 - in case of a dispute, signature of any agreements and settlements, arbitrations and arrangements;

(1) This prior approval procedure does not apply however to transactions and decisions that will lead to the conclusion of agreements involving exclusively entities controlled by the Company and the Company –itself.

- ▶ each of the following transactions and decisions resulting in an investment, divestment, expense or guarantee commitment by the Company or a Group Company equal to or more than 1 million euros:
 - entering into loans, borrowings, credits or advances,
 - acquiring or selling receivables by any means;
- ▶ any industrial or commercial project considered to be material by the Company's Chief Executive Officer.

16.1.1.4 Board of Directors meetings (Article 18 of the by-laws, title IV of the Internal Regulations of the Board of Directors)

The Board of Directors' meeting is held as often as the interests of the Company require and at least once a quarter upon convening notice of its Chairman or, in the event of his death or temporary unavailability, of at least one third of the directors, by any written means, ten calendar days before the date of the meeting, this period may be shortened in case of duly justified emergency. The Board of Directors may nevertheless validly deliberate even in the absence of notice of meeting if all members are present or represented.

At least one third of the directors may request the Chairman to convene the Board of Directors, or directly convene the Board of Directors on a specific agenda, if the meeting of the Board of Directors has not been held for more than one month. The Chief Executive Officer or, if appropriate, the deputy Chief Executive Officer may also request the Chairman to convene the Board of Directors on a specific agenda. In both cases, the Chairman is bound by the requests he receives and shall convene the Board of Directors within the seven following days of the request, this period being shortened in the case of duly justified emergency.

The Board of Directors meetings are held at the registered office or at any other place specified in the notice of meeting.

The Board of Directors meetings are chaired by the Chairman of the Board of Directors. In his absence, the Board of Directors appoints, among its directors, a Chairman of the meeting.

At least half of the directors shall be present in order for the Board of Directors to validly deliberate. Decisions of the Board of Directors are adopted by simple majority voting of the directors present or represented, each director may represent only one director. In the event of a tied vote, only the current Chairman of the Board of Directors shall have a casting vote. If the Chairman of the Board of Directors does not attend the meeting of the Board of Directors, the ad hoc Chairman of the meeting shall not have a casting vote.

Directors attending the meeting by videoconferencing or other electronic means that satisfy legal and regulatory requirements shall be deemed to be present for the purposes of calculating the quorum and majority, in accordance with the terms and conditions set out in the Internal Regulations of the Board of Directors.

16.1.1.5 Directors' fees (Article 17 of the by-laws, Article 23 of the Internal Regulations of the Board of Directors)

The Board of Directors allocates the aggregate annual amount of directors' attendance fees voted by the Shareholders' Meeting. The allocation rules specified in the Internal Regulations of the Board of Directors are as follows:

- ▶ a fixed component equal to 40% of the aggregate amount, allocated between the directors as follows:
 - the Chairman is entitled to one and a half share,
 - the other directors are each entitled to one share,
 - the fixed component is allocated among the directors on the basis of the number of shares they are entitled to;
- ▶ an initial variable component, on the basis of the membership and equal to 30% of this amount, allocated to members of the Board of Directors' committees on the following basis:
 - for each seat of Chairman of a Board of Directors' committee, the director is entitled to one and a half shares,
 - for each seat within another committee to that in which the director is a Chairman, the director is entitled to one share.

The initial variable component is allocated among the committee members of the Board of Directors on the basis of the number of shares they are entitled to;
- ▶ a second variable component, on the basis of attendance at the meetings of the Board of Directors and committees of the Board of Directors, as the case may be, and equal to 30% of this amount, allocated to the members of the Board of Directors on the following basis:
 - any director is entitled to one share at the start of the financial year,
 - in the event she/he do not attend to at least half of, the meetings of the Board of Directors, and the meeting of the relevant committees of the Board of Directors to which he belongs, held during the year, any director would forfeit the share to which he is entitled, however, in accordance with the provisions of Article 12 of the Internal Regulations of the Board of Directors, meetings which the director has been unable to attend for unavoidable reasons will not be taken into account for the purposes of the above calculation,
 - the second variable component is allocated among the directors on the basis of the number of shares held.

Furthermore, under the Internal Regulations of the Board of Directors, each member of the Board of Directors is entitled to be reimbursed for all travel expenses he or she incurs in the course of his or her duties, subject to presentation of supporting documents.

16.1.1.6 Activities of the Board during the year ended 31 December 2014

The Company's Board of Directors met six times during FY 2014: 3 February, 10 February (two meetings), 11 April, 24 July and 27 October 2014. The average attendance in person or by proxy of the Board of Directors during the year was 100%. During these meetings, the Board

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16.1 BOARD AND MANAGEMENT PRACTICES

discussed the following topics: review of the 2013 annual financial statements and the interim financial statements for the first half of 2014, information on turnover for the first and third quarters of 2014 and the corresponding financial communications plans. Furthermore, the Board of Directors convened the Combined General Shareholders' Meeting and adoption of the reports and draft resolutions to be submitted to it. It also noted the arrangements for the planned initial public offering of the Company on the Euronext Paris regulated market and reviewed the Company policy on pay and bonus share allocations, as well as the base document and its update. It also appointed the members of the Audit Committee and the Compensation and Nominations Committee and reviewed the minutes of said committees. It also reviewed the Company's strategy, budget and business plan for the 2015-2024 period.

16.1.1.7 Self-assessment of the Board of Directors

In accordance with Article 10 of the AFEP-MEDEF Code, the Board of Directors at the beginning of FY 2015 assessed its ability to meet the expectations of shareholders on the basis of a questionnaire on the

following topics: general assessment of the governance, composition, organisation and functioning of the Board and its committees, the Board's areas of competence, communication and quality of information, discussion within the Board, personal contribution by directors and the Board's relationship with the committees and general management.

The Board reviewed its operating procedures, checking that important issues are properly prepared and discussed and measured the actual contribution of each director to the Board's work resulting from his/her competence and involvement in discussions.

It is clear from this evaluation that GTT's governance practices are among the best, both in terms of the Board's operation and the organisation of discussions during its meetings. The frequency and duration of Board meetings, as well as the composition of its committees are considered very satisfactory by its members. Similarly, the information supplied and presentations made by general management are among points with which the directors are satisfied. The attendance rate was 100%, at meetings of both the Board and its committees. Some areas for improvement, including discussions relating to the work of the committees, have been identified and the Board has made proposals in this direction.

16.1.2 GENERAL MANAGEMENT

Under the by-laws and the Internal Regulations of the Board of Directors, the person responsible for the general management of the Company is either the Chairman of the Board of Directors who shall bear the title of Chairman and Chief Executive Officer, or another person appointed by the Board of Directors among or its members or outside, who shall bear, in this case, the title of Chief Executive Officer.

The Board of Directors decides which of the two options it wishes to adopt by a majority vote of the directors present or represented.

If the Board of Directors decides to separate the offices of Chairman of the Board of Directors and Chief Executive Officer, it appoints a Chief Executive Officer.

When the Chairman of the Board of Directors is responsible for the Company's general management, all of the provisions applying to the Chief Executive Officer also apply to the Chairman.

At the proposal of the Chief Executive Officer, the Board of Directors may appoint, among its members or outside of the board, one or two persons to assist the Chief Executive Officer, who bear the title of deputy Chief Executive Officer.

16.1.2.1 Chairman of the Board of Directors (Article 15 of the by-laws, Article 14 of the Internal Regulations of the Board of Directors)

The Chairman of the Board of Directors is appointed for a term that may not exceed his term of office as director. He may be re-appointed. The Chief Executive Officer may be removed at any time by the Board of Directors.

The age limit for serving as Chairman of the Board of Directors is 70.

The Chairman of the Board of Directors organises and manages the work of the Board of Directors and reports thereon at the Shareholders' Meetings. He is responsible for ensuring that the Company's corporate governance structures, including the Board of Directors committees, function correctly and, more particularly, that the directors are capable of fulfilling their duties, in particularly within the Board of Directors committees.

The Chairman is available at all times for the directors to answer any questions they may have about their duties and he is responsible for ensuring that the directors devote the necessary time to issues involving the Company and Group Companies.

16.1.2.2 Observers (Article 20 of the by-laws and Articles 21.5 to 21.8 of the Internal Regulations of the Board of Directors)

Appointment of the observers

The Ordinary Shareholders' Meeting may appoint, among shareholders or outside, up to three observers to the Board of Directors.

The number of observers may not exceed three members.

Observers are appointed for a term of three years, but they may be removed at any time by the Ordinary Shareholders' Meeting. Their term ends at the close of the Annual Ordinary Shareholders' Meeting called to approve the financial statements for the previous financial year and held during the year in which their term expires.

The observers may be re-appointed.

Any observer who reaches the age of 70 while in office is deemed to have resigned.

The observers' duties and, if applicable, compensation, fall within the competence of the Board of Directors and are described in the Internal Regulations of the Board of Directors.

Observers' powers and duties

The observers are notified to attend all the meetings of the Board of Directors. They attend the meetings of the Board of Directors as scrutiner and may be consulted by the Board of Directors. The Board of Directors may ask the observers to carry out specific assignments.

They participate in the deliberations of the Board of Directors in a consultative capacity only.

The observers are required to abide by the duty of confidentiality referred to in Article 10 of the Internal Regulations of the Board of Directors.

16.1.2.3 Chief Executive Officer (Articles 21, 22, 24, 25 and 26 of the by-laws and Article 5 of the Internal Regulations of the Board of Directors)

The Chief Executive Officer is appointed by the Board of Directors for a term determined by the Board of Directors but which may not exceed his term of office as director, where applicable, as well as his compensation. The Chief Executive Officer may be removed at any time by the Board of Directors.

The age limit for serving as Chief Executive Officer is 70.

The Chief Executive Officer has the broadest powers to act in the name of the Company at all times and in all circumstances. He exercises

these powers within the limits of the Company's corporate purpose and subject to those powers expressly vested by the applicable statutory and regulatory provisions in the Shareholders' Meeting and the Board of Directors, and subject to any prior authorisations of the Board of Directors required pursuant to the provisions of the Internal Regulations of the Board of Directors.

The Board of Directors may also set restrictions on the Chief Executive Officer's powers upon his appointment and specific restrictions to his powers for a given transaction, which are recorded, if applicable, in the minutes of the meeting of the Board of Directors authorising the transaction.

The Chief Executive Officer represents the Company vis-à-vis third parties.

16.1.2.4 Deputy Chief Executive Officers (Articles 23 to 26 of the by-laws and Article 5 of the Internal Regulations of the Board of Directors)

At the proposal of the Chief Executive Officer, the Board of Directors may appoint, among its members or outside of the board, one or two Deputy Chief Executive Officers. He may be removed at any time by the Board of Directors, at the proposal of the Chief Executive Officer.

The age limit for serving as Deputy Chief Executive Officer is 70.

In agreement with the Chief Executive Officer, the Board of Directors sets the term of office and scope of powers of each Deputy Chief Executive Officer. The Board of Directors may also set specific restrictions on their powers for a given transaction, which are recorded, if applicable, in the minutes of the meetings of the Board of Directors authorising the transaction.

The Deputy Chief Executive Officers have the same powers as the Chief Executive Officer vis-à-vis third parties.

16.2 Service agreements between members of the administrative, management or supervisory bodies and the Company or its subsidiaries

To the Company's knowledge, at the date of filing this Registration Document, there is no service agreements between the Company or its subsidiaries and any of the directors identified at section 14.1.1 – *Board of Directors* of this Registration Document.

16.3 Committees

The Board of Directors has created an Audit and Risk Management Committee and a Compensation and Nominations Committee, which will become operational subject to fulfilment of the non-retroactive condition precedent of settlement and delivery of the Company's shares allotted as part of the Company's initial public offering on the NYSE -Euronext's regulated market in Paris.

It may also decide to create any other Board of Directors' committee it deems appropriate to examine issues referred to it by the Board of Directors or its Chairman for examination.

The duties of the committees are to prepare the decisions of the Board of Directors, make recommendations and issue opinions in their areas of competence.

The composition, procedures and powers of the committees are set out in the Internal Regulations of the Board of Directors.

16.3.1 AUDIT AND RISK MANAGEMENT COMMITTEE

16.3.1.1 Composition of the Audit and Risk Management Committee (Articles 25 and 28 of the Internal Regulations of the Board of Directors)

The Audit and Risk Management Committee is composed of at least three members, including its Chairman. They are selected from among the non-executive directors other than the Chairman of the Board of Directors.

Two thirds of the Committee's members, including its Chairman, shall be independent directors on the basis of the criteria described in section 14.1.1.1. – *Composition of the Board of Directors* of this Registration Document.

Members of the Audit and Risk Management Committee shall have specific expertise in finance or accounting.

All Audit and Risk Management Committee members shall, upon their appointment, be given information about the Company's specific accounting, financial and operational features.

The composition of the Audit and Risk Management Committee, which will become operational upon the settlement and delivery of the shares allotted as part of the Company's initial public offering on the Euronext

regulated market in Paris, is composed of the three following members: Marie-Pierre Bailliencourt, Jean-Luc Gourgeon and Benoît Mignard, Marie-Pierre Bailliencourt being the Chairman of the Committee.

16.3.1.2 Powers of the Audit and Risk Management Committee (Articles 25 and 26 of the Internal Regulations of the Board of Directors)

The main duties of the Audit and Risk Management Committee are to review the financial statements and monitor issues relating to the preparation and control of accounting and financial information.

This includes:

- ▶ reviewing the draft annual and half-yearly corporate and consolidated financial statements before they are presented to the Board of Directors, and in particular:
 - ensuring that the relevance and consistency of accounting methods used to prepare the corporate and consolidated financial statements,
 - examining any difficulties encountered in applying the accounting methods, and

- examining in particular significant transactions in connection with which a conflict of interest could have arisen;
- ▶ reviewing the financial documents disclosed by the Company for the annual and half-yearly statements of accounts;
- ▶ reviewing the draft financial statements prepared for specific transactions such as contributions, mergers, demergers or interim dividend payments;
- ▶ reviewing the financial aspects of various transactions submitted by the Chief Executive Officer including:
 - capital increases,
 - acquisitions of equity interests,
 - acquisitions or disposals,
 and that are referred to the Board of Directors, some for prior approval;
- ▶ assessing the reliability of systems and procedures used to prepare the financial statements and forecasts, and the validity of positions taken for the treatment of significant transactions;
- ▶ ensure the external audit of the corporate and consolidated financial statements by the Statutory Auditors;
- ▶ reviewing reporting and restating methods and procedures of accounting information from the Group's foreign subsidiaries.

The Audit and Risk Management Committee is also responsible for verifying the effectiveness of the Company's internal control and risk management systems.

This includes:

- ▶ assessing the Group's internal control systems in conjunction with the persons responsible for these activities;
- ▶ reviewing the following, in conjunction with the persons responsible for these activities at the Group level and with the assistance of internal audit:
 - internal control objectives, audit and action plans,
 - outcome of audits and actions taken by the relevant responsible persons in the Group, and
 - recommendations and follow-up to these audits and actions by the relevant responsible persons;
- ▶ reviewing internal audit methods and results;
- ▶ verifying whether internal audit procedures contribute to ensuring that the Company's financial statements:
 - give a true and fair view of the Company's position, and
 - comply with accounting rules;
- ▶ reviewing the relevance of analysis procedures and risk monitoring, and ensuring the implementation of a process for identifying, quantifying and preventing the main risks inherent to the Group's business;

- ▶ reviewing and controlling the rules and procedures applicable to conflicts of interest; and
- ▶ reviewing the draft report of the Chairman of the Board of Directors on internal control and risk management.

The Audit and Risk Management Committee is also responsible for verifying the effectiveness of the Company's external audit and the independence of the Statutory Auditors.

This includes:

- ▶ reviewing the following with the Statutory Auditors on an annual basis:
 - their audit plan and conclusions, and
 - their recommendations and follow-up;
- ▶ issuing a recommendation on the proposed Statutory Auditors to be appointed at the Shareholders' Meeting of the Company;
- ▶ verifying the independence of the Statutory Auditors of the Company;
- ▶ reviewing the Statutory Auditors' fees, which shall not be of a nature to jeopardise their independence and objectivity.

In order to enable the Committee to monitor, throughout the term of the Statutory Auditors, the independence and objectivity rules of the latter, the Audit and Risk Management Committee shall in particular be provided each year:

- ▶ a statement of independence from the Statutory Auditors;
- ▶ the amount of fees paid to the Statutory Auditors' network by companies controlled by the Company and its parent company for services not directly related to the duties of the Statutory Auditors; and
- ▶ information on all directly audit-related services provided by them.

The Audit and Risk Management Committee shall also review with the Statutory Auditors any risks to their independence and the measures taken to mitigate them. This involves making sure that the amount of fees paid by the Company and the Group, or the proportion of the firm's and network's revenue they represent, is not of a nature to jeopardise the Statutory Auditors' independence.

The statutory audit engagement shall be exclusive of any other work that is not directly audit-related. The selected Statutory Auditors shall renounce for themselves and the network to which they belong to provide advisory services (legal, tax, IT, etc.) directly or indirectly to the Company that appointed them or the companies controlled by it. However, with prior approval from the Audit and Risk Management Committee, incidental work or work directly complementary to the statutory audit may be carried out, such as acquisition or post-acquisition audits, but excluding any assessment or advisory work.

Lastly, the Audit and Risk Management Committee shall periodically ensure that its practices and procedures effectively assist the Board of Directors in taking decisions in its area of competence.

16.3.1.3 Audit and Risk Management Committee practices and procedures (Articles 25, 27 and 29 of the Internal Regulations of the Board of Directors)

The Audit and Risk Management Committee meets as often as required and in any event at least four times a year at the request of its Chairman, a majority of its members, the Chairman of the Board of Directors or one third of the directors.

The Audit and Risk Management Committee has a quorum if more than half of its members are present or represented. Its opinions, proposals or recommendations are adopted by simple majority vote of the Committee members present. In the event of a tie vote, the Chairman of the Committee shall not have a casting vote.

In order to fulfil its duties, the Audit and Risk Management Committee, in general and each of its members in particular, may request to be provided with any information it considers relevant, useful or necessary to fulfil its duties.

The Audit and Risk Management Committee may request to interview the Statutory Auditors or hear other responsible persons in the Company, including members of general management of the Company and in particular the Chief Financial Officer. Any interviews with the Statutory

Auditors may take place, if required, without the presence of general management members.

The Committee may also initiate any independent investigation it considers appropriate.

The Audit and Risk Management Committee reports regularly to the Board of Directors on its work and informs the Board of Directors promptly of any difficulties it encounters. Its reports are either inserted in or attached to the minutes of the relevant meetings of the Board of Directors.

16.3.1.4 Activities of the Audit and Risk Management Committee during the year ended 31 December 2014

The Audit and Risk Management Committee met twice during FY 2014: on 11 June and 22 July 2014. The attendance of Committee members was 100%.

During these two meetings, the Audit and Risk Management Committee has addressed matters relating to the accounting and tax impacts of the performance actions' plan decided in 2014, the accounting standards for revenue recognition, and reviewed the interim financial statements (as well as related press releases).

16.3.2 COMPENSATION AND NOMINATIONS COMMITTEE

16.3.2.1 Composition of the Compensation and Nominations Committee (Articles 25 and 32 of the Internal Regulations of the Board of Directors)

The Compensation and Nominations Committee is composed of at least three members, including its Chairman.

The Chairman of the Board of Directors and the Chief Executive Officer, in the event the duties of the Chief Executive Officer are performed by a director other than the Chairman of the Board of Directors, may not be members of the compensation and nominations committee.

The majority of the Committee's members, including its Chairman, shall be independent directors on the basis of the criteria described in section 14.1.1.1 – *Composition of the Board of Directors* of this Registration Document.

The Compensation and Nominations Committee, which became operational upon settlement and delivery of the shares allotted as part of the Company's initial public offering on the NYSE-Euronext's regulated market in Paris, is composed of the five following members: Marie-Pierre Baillencourt, Jean-Luc Gourgeon, Philippe Salle, Laurent Maurel and Jacques Blanchard, with Philippe Salle as Chairman.

16.3.2.2 Powers of the Compensation and Nominations Committee (Articles 25 and 30 of the Internal Regulations of the Board of Directors)

As regards nominations, the compensation and nominations committee's duties are as follows:

- ▶ assist the Board of Directors in its choice of:
 - the members of the Board of Directors,
 - the members of the Board of Directors' committees, and
 - the Chief Executive Officer and, if applicable, the deputy Chief Executive Officer(s);
- ▶ select potential members of the Board of Directors who meet the independence criteria and submit the list to the Board of Directors;
- ▶ consider each year, prior to publication of the Company's annual report, the independence of each director and submit its opinion to the Board of Directors for the board's own independence review; and
- ▶ succession planning for:
 - members of the Company's general management, and
 - the Chairman of the Board of Directors, the Chief Executive Officer and, if applicable the deputy Chief Executive Officer(s).

As regards compensation, the committee's role is to make recommendations and proposals to the Board of Directors on the components of compensation received by the directors that would benefit from it, including:

- ▶ allocation of attendance fees;
- ▶ all other components of compensation, including any termination benefits;
- ▶ fees allocated to the observers, if any;
- ▶ changes to or potential developments in the pension, health and protection schemes;
- ▶ benefits in kind and other miscellaneous pecuniary benefits; and
- ▶ if applicable:
 - stock-options or options to purchase shares,
 - allocation of free shares.

The compensation and nominations committee also makes recommendations and proposals to the Board of Directors on:

- ▶ executive officers compensation policy, including the criteria for determining their variable compensation, which shall be consistent with the Group's strategy; and
- ▶ incentive mechanisms, by any means, for employees of the Company and, more broadly, Group Companies, including:
 - employee savings schemes,
 - additional pension plans,
 - reserved issues of transferable securities giving access to the capital,
 - granting stock or share subscription options, and
 - allocation of bonus shares.

The compensation and nominations committee will also make recommendations to the Board of Directors on the performance conditions used, if applicable, to determine the variable component of the compensation of executives, for the grant or exercise of any options to subscribe or purchase shares and any potential allocation of free shares.

These performance conditions shall be simple to establish and explain, satisfactorily reflect the Group's performance and business development targets at least in the medium-term, be clear and transparent for shareholders in the annual report and at the Shareholders' Meeting and meet the Company's corporate objectives and customary practices with regard to executive compensation.

The compensation and nominations committee considers each year, prior to publication of the Company's annual report, the independence of each director and submit its opinion to the Board of Directors for the Board of Directors' own independence review.

Lastly, the Internal Regulations of the Board of Directors require the Compensation and Nominations Committee to ensure periodically that its practices and procedures assist the Board of Directors effectively in adopting decisions in its area of competence.

16.3.2.3 Compensation and Nominations Committee practices and procedures (Articles 25, 31 and 33 of the Internal Regulations of the Board of Directors)

The meeting of compensation and nominations committee is held as often as necessary and in any event at least three times a year at the request of its Chairman, the majority of its members, the Chairman of the Board of Directors or one third of the directors.

The meeting of compensation and nominations committee is validly held if more than half of its members are present. Its opinions, proposals or recommendations are adopted by simple majority vote of the committee members present. In the event of a tie vote, the committee Chairman does not have a casting vote.

In exercising its duties, the Compensation and Nominations Committee may propose to the Board of Directors to undertake, at the Company's expense, any external or internal studies which are likely to inform the deliberations of the Board of Directors.

It may interview one or more members of general management of the Company, including the Chief Executive Officer and, if applicable, the deputy Chief Executive Officer(s).

The compensation and nominations committee reports to the Board of Directors on its work at each meeting of the Board of Directors.

16.3.2.4 Activities of the Appointments and Compensation Committee during the year ended 31 December 2014

The Compensation and Nominations Committee met once during FY 2014: on 11 June 2014. The attendance of committee members was 100%.

During this meeting, the Appointments and Compensation Committee discussed topics relating to the Performance Shares Plan.

16.4 Statement on corporate governance

For the sake of transparency and public information the Company intends upon its initial public offering to comply with the corporate governance principles set out in the recommendations issued by the Association Française des Entreprises Privées (AFEP) and the Mouvement des Entreprises de France (MEDEF) in the AFEP-MEDEF Code.

In particular, the Company intends to ensure that it has the requisite number of independent directors within its Board of Directors, create special Board of Directors' committees responsible for making recommendations in the area of accounting control and executive

compensation, and require the prior approval of the Board of Directors for a number of decisions likely to have a material impact on the business, assets and liabilities and results of the Company or a Group Company.

In this context, the Board of Directors therefore adopted the Internal Regulations of the Board of Directors on 11 December 2013 setting out the composition, organisation and practices of the Board of Directors and its Committees, the rights and duties of the directors. The key terms of the Internal Regulations of the Board of Directors are described in this Chapter.

16.5 Internal control and corporate governance

Since the listing of the Company's shares on the NYSE-Euronext regulated market in Paris, the Company has put in place internal audit procedures and compliance with corporate governance principles pursuant to the statutory and regulatory provisions applicable to listed companies. In particular, the Chairman of the Board of Directors has compiled, in accordance with Article L. 225-37 of the French Commercial Code, the report on internal audit reproduced below.

Report of the Chairman of the Board compiled in accordance with Article L. 225-37 of the French Commercial Code

This report was prepared by the Chairman of the Board of Gaztransport & Technigaz (the Company or GTT) pursuant to the provisions of Article L. 225-37 of the French Commercial Code and is intended to reflect the composition of the Board of Directors, the principle of equal representation of women and men in it, the conditions of preparation and organisation of the Board's work, any limitations that the Board of Directors has made to the powers of the CEO, as well as the internal

audit and risk management procedures instituted by the Company, including those relating to the preparation and processing of financial and accounting information. It covers the period between 1 January and 31 December 2014.

This report, by the Chairman of the Board of Directors, was presented to the Appointments and Compensation Committee regarding its elements relating to the composition, application of the principle of equal representation of women and men, the conditions for preparation and organisation of the Board's work, the limitations that the Board of Directors placed on the powers of the CEO and other information related to corporate governance, and the Audit and Risk Management Committee in respect to its elements relating to internal audit procedures and risk management.

Pursuant to the provisions of Article L. 225-37 of the French Commercial Code, this report was submitted for approval by the Board of Directors on 26 March 2015.

16.5.1 CORPORATE GOVERNANCE

16.5.1.1 Corporate Governance Code

In terms of corporate governance, the Company refers to and complies with the corporate governance code for listed companies published by AFEP and MEDEF (the AFEP-MEDEF Code).

The AFEP-MEDEF Code is available for viewing on the AFEP (www.afep.com) and MEDEF (www.medef.com) websites.

16.5.1.2 Composition and operation of the Board of Directors

16.5.1.2.1 Composition

The Company's by-laws stipulate that the Board of Directors will comprise between 3 and 18 members; the maximum number of 18 members may be increased, if need be, by the number of directors representing employee shareholders, appointed in accordance with Article 14.8 of the Company's by-laws.

Directors are appointed for a four-year renewable term. No person over the age of 70 may be appointed as director if it would cause the number of directors over the age of 70 to be more than one quarter of the total number of directors in office, rounded up where necessary to the next whole number.

As at the date of filing the 2014 Registration Document, the composition of the Company's Board of Directors and the nature of the other mandates of the Directors are described in section 14.1.1.1 – *Composition of the Board of Directors* of the 2014 Registration Document.

During FY 2014, the composition of the Board has not changed. Changes in the composition of the Board occurred in early 2015, and the identity of the directors whose terms expire at the end of the meeting of the General Meeting of Shareholders called to approve the financial statements for the year ended 31 December 2014 are described in sections 14.1.1.1 – *Composition of the Board of Directors* and 14.1.1.3 – *Directors whose term expires at the end of the meeting of the General Meeting of Shareholders to approve the financial statements for the year ended 31 December 2014*, of the 2014 Registration Document. Proposals to ratify co-opted members, renewal of directorships and appointment of new directors subject to approval by the General Meeting of Shareholders on 19 May 2015 are described in Appendix 3 to the 2014 Registration Document.

16.5.1.2.2 Independence of the members of the Board of Directors

In accordance with the AFEP-MEDEF Code, the Internal Regulations of the Board of Directors state that a director is independent when he or she has no relationship of any kind whatsoever with the Company, any company or entity directly or indirectly controlled by the Company within the meaning of Article L. 233-3 of the French Commercial Code (a **Group Company**) or their management that could compromise the exercise of his freedom of judgement.

The Internal Regulations of the Board of Directors also requires the Appointments and Compensation Committee to discuss each year the independent status of each individual director and the Board of Directors to review this on a case-by-case basis in light of the independence criteria set out below. In addition, the qualification as independent director is also discussed when an independent director is appointed and re-appointed.

The criteria to be reviewed by the Appointments and Compensation Committee and the Board of Directors, given that these criteria must be fulfilled cumulatively to qualify a director as independent, are as follows:

- ▶ is not and has not been in the past five years an employee or corporate officer (*dirigeant mandataire social*) of the Company or an employee or director of its parent company or one of its consolidated companies;
- ▶ is not a corporate officer (*mandataire social*) of a company in which an employee appointed as such or a corporate officer of the Company (current or over the past five years) is a Director or a member of the Supervisory Board;
- ▶ is not a material customer, supplier, investment banker or commercial banker for the Company or the Group, or for which the Company or the Group accounts for a significant part of the business;
- ▶ in respect of directors holding mandates in one or more banks, has not participated in (i) preparing or soliciting an offer of services by one of those banks to the Company or a Group Company, (ii) the work done by one of those banks pursuant to a mandate given to the bank by the Company or a Group Company or (iii) voting on any resolution involving a project in which the relevant bank has or could have an interest as adviser;
- ▶ is not related by close family ties to a corporate officer of the Company or a Group Company;
- ▶ has not been an auditor of the Company over the past 5 years; and
- ▶ has not been a director of the Company for more than 12 years, although the loss of independent status will only occur at the end of the term of office during which the 12-year limit is reached.

For directors holding ten per cent or more of the Company's share capital or voting rights, or representing a legal entity that holds ten per cent or more of the Company's share capital or voting rights, the Board of Directors shall, based on a report prepared by the Compensation and Nominations Committee, decide whether or not the director is independent in the light of the Company's ownership structure and the existence of any potential conflicts of interest. The Board of Directors may, however, consider that a particular director, although meeting all the above criteria, cannot be considered as independent due to his or her specific situation.

The annual assessment of the independence of the three independent directors of the Board of Directors was conducted at its meeting of 26 March 2015 on the recommendations of the Compensation and Nominations Committee. It is described in the subsection entitled

BOARD AND MANAGEMENT PRACTICES

16.5 INTERNAL CONTROL AND CORPORATE GOVERNANCE

Assessment of the independence of the three independent directors of section 14.1.1.2 – *Biography of the members of the Board of Directors* of the 2014 Registration Document.

16.5.1.2.3 Balanced representation between men and women

During FY 2014, the Board of Directors consisted of eight members, including two women, Mrs Secil Torun and Marie-Pierre Bailliencourt. Board feminisation rate is currently 25% and in line with the provisions of Law no. 2011-103 of 27 January 2011 on the balanced representation of women and men on the Board of Directors and professional equality (20% in 2014 and 40% in 2017).

The proposal by GDF SUEZ, GDF International and GDF Armateur to name Ms. Michèle Azalbert as a new Director is in keeping with our goal of continuing to add women to the Board.

16.5.1.3 Condition of preparation and organisation of the Board of Directors' work

16.5.1.3.1 Internal Regulations

The Board of Directors has Internal Regulations adopted on 11 December 2013 and intended to clarify the Board's procedures, in addition to the applicable laws and regulations and the Company's by-laws. Also included in the rules are the rules of operation for the Board's committees.

16.5.1.3.2 Duties and powers of the Board of Directors

The duties and powers of the Board of Directors are described in section 16.1.1.3 – *Powers of the Board of Directors (Article 19 of the by-laws, volume II of the Internal Regulations)* of the 2014 Registration Document.

16.5.1.3.3 Frequency of Board meetings, the average attendance rate of the directors and summary of the Board's business in 2014

Under its internal rules, the Board meets at least once per quarter and as often as the interests of the Company require (Article 15 of the Board's Internal Regulations).

The Board's activities during FY 2014 are described in section 16.1.1.6 – *Activity of the Board of Directors during the year ended 31 December 2014* of the 2014 Registration Document.

16.5.1.4 Committees established by the Board of Directors

The Board of Directors has set up an Audit and Risk Management Committee and an Compensation and Nominations Committee. The duties of the committees are to prepare the decisions of the Board of Directors, make recommendations and issue opinions in their areas of competence. The composition, procedures and powers of the committees are set out in the Internal Regulations of the Board of Directors.

16.5.1.4.1 Audit and Risk Management Committee

The composition of the Audit and Risk Management Committee is described in section 16.3.1.1 – *Composition of the Audit and Risk Management Committee (Articles 25 and 28 of the Internal Regulations)* of the 2014 Registration Document.

The responsibilities of the Audit and Risk Management Committee are described in section 16.3.1.2 – *Powers of the Audit and Risk Management Committee (Articles 25 and 26 of the Internal Regulations)* of the 2014 Registration Document.

The operation of the Audit and Risk Management Committee is described in section 16.3.1.3 – *Audit and Risk Management Committee practices and procedures (Articles 25, 27 and 29 of the Internal Regulations)* of the 2014 Registration Document and its activities in section 16.3.1.4 – *Activity of the Audit and Risk Management Committee during the year ended 31 December 2014* of the 2014 Registration Document.

Each member of the Audit and Risk Management Committee has recognised financial or accounting expertise, given their training or their careers described in section 14.1.1.2 – *Biographies of the members of the Board of Directors* of this Registration Document.

16.5.1.4.2 Compensation and Nominations Committee

The composition of the Appointments and Compensation Committee is described in section 16.3.2.1 – *Composition of the Compensation and Nominations Committee (Articles 25 and 32 of the Internal Regulations)* of the 2014 Registration Document.

The duties of the Appointments and Compensation Committee are described in section 16.3.2.2 – *Powers of the Compensation and Nominations Committee (Articles 25 and 30 of the Internal Regulations)* of the 2014 Registration Document.

The operation of the Appointments and Compensation Committee is described in section 16.3.2.3 – *Compensation and Nominations Committee practices and procedures (Articles 25, 31 and 33 of the Internal Regulations)* of the 2014 Registration Document and its activities in section 16.3.2.4 – *Activity of the Compensation and Nominations Committee during the year ended 31 December 2014* of the 2014 Registration Document.

16.5.1.5 Evaluation of the operation of the Board of Directors

The Chairman recalled that, in accordance with Article 10 of the AFEP-MEDEF Code, the Board of Directors shall discuss its operation each year and make a formal assessment every three years.

At the beginning of FY 2015, the Board of Directors evaluated its ability to meet the expectations of shareholders on the basis of a questionnaire on the following topics: general assessment of the governance, composition, organisation and functioning of the Board and its committees, the Board's areas of competence, communication and quality of information, discussion within the Board, personal contribution by directors and the Board's relationship with the committees and general management.

The Board reviewed its operating procedures, checking that important issues are properly prepared and discussed and measured the actual contribution of each director to the Board's work resulting from his/her competence and involvement in discussions.

It is clear from this evaluation that GTT's governance practices are among the best, both in terms of the Board's operation and the organisation of discussions during its meetings. The frequency and duration of Board meetings, as well as the composition of its committees are considered very satisfactory by its members. Similarly, the information supplied and presentations made by general management are among points with which the directors are satisfied. The attendance rate was 100%, at meetings of both the Board and its Committees. Some areas for improvement, including discussions relating to the work of the Committees, have been identified and the Board has made proposals in this direction.

16.5.1.6 General management practices and limitations of authority

General management practices and limitations to its authority are described in sections 14.1.2 – *General Management* and 16.1.2.3 – *Chief Executive Officer (Articles 21, 22, 24, 25 and 26 of the by-laws, Article 5 of the Internal Regulations)* of the 2014 Registration Document.

16.5.1.7 Principles and rules for determining the compensation of corporate officers for the year ended 31 December 2014

The principles and rules for determining compensation of corporate officers for the year ended 31 December 2014 are described in Chapter 15 – *Compensation and benefits of the 2014 Registration Document*.

16.5.2 INTERNAL AUDIT AND RISK MANAGEMENT PROCEDURES

16.5.2.1 Organisation of internal audit

Within the Company, there is an internal audit system which aims in particular to clarify the roles and responsibilities for different functions of the employees. This device (i) deploys goals through control indicators, (ii) establishes the delegation of powers and (iii) develops a baseline with regard to the description of the process and the drafting of procedures applicable to the Group.

In addition, a procurement procedure was put in place. It provides the framework and operational tools for procurement of goods and services by specifying the responsibilities of stakeholders. Regular monitoring, conducted by the Company's purchasing manager, ensures compliance with this procedure.

Finally, critical operations, including payment of bills and employees are subject to appropriate controls. There is also an internal document which specifies, for each accounting control termed "priority", the person responsible, the person who controls, and how often.

16.5.2.2 Definition, objectives and framework

GTT, by its leading global position and because of its consulting business with global players in the LNG industry, is exposed to various types of risks.

These are either purely exogenous (changes to the LNG market, geopolitical risks, shipping activity, etc.) or endogenous (organisation, information systems, technology failure, protection of know-how, etc.).

To address these potential risks inherent in its business, GTT has established an internal control system tailored to its activity and its size.

This device is also a management tool for its strategy and its business model that contributes to the reliability of the data and deliverables provided to its customers as well as to team effectiveness.

The internal audit system is specifically intended to ensure that:

- ▶ activities are performed in accordance with the law, regulations and internal procedures;
- ▶ management acts correspond to the guidelines set by the governing bodies;
- ▶ tangible and intangible assets have adequate protection;
- ▶ risks arising from the activities are properly assessed and adequately controlled; and
- ▶ that internal procedures, which contribute to the formation of financial reporting, is reliable.

This internal audit system provides effective protection against major risks identified, even if it does not ensure comprehensive coverage of all risks to which the Group may be exposed.

16.5.2.3 Internal audit and risk management procedures

The internal audit and risk management plan applies to GTT as well as to its Cryovision, GTT North America and GTT Training Ltd. subsidiaries. However, as GTT North America and GTT Training Ltd were formed very recently (2013 and 2014 respectively), and their activity is still limited, they do not have an internal audit and risk management plan specific to them.

GTT relies primarily on a set of internal procedures intended to cover all the Company's activities and implemented during the ISO 9001 certification process in 2010. The Company has actually been ISO-9001 certified since December 2010, and this certification was renewed in November 2014.

This is complemented by a business continuity plan and disaster recovery plan updated in 2014 to allow the Company to restart its critical infrastructures within a specified period in the event of a major incident. More than 60 risks were analysed in this way to determine the probability of occurrence and their potential severity. Actions were taken based on the potential impacts of the assessed risks, both from the application and from the infrastructure and organisational points of view. Crisis management procedures, activation of the disaster recovery plan for dealing with incidents and the emergency plan are therefore in place.

The internal audit plan is based on different components.

16.5.2.3.1 Delegations of powers and responsibility

Delegations of powers are in place and are updated as the organisation evolves.

This delegation system allows better organisation of the Company and a greater balance between "field" and legal responsibilities in criminal matters. It also establishes a separation of powers inherent in ensuring segregation of duties and therefore an internal quality audit. The system of delegation of powers concerns in particular:

- ▶ banking signature authority (to make bank transfers and payments to third parties);
- ▶ commitment delegations (purchases, orders, contracts);
- ▶ signatures of accident prevention plans during work by subcontractors on site, and fire permits.

16.5.2.3.2 Effective and secure information systems

A new general and cost accounting software was implemented in 2013. It provides teams with features tailored to the Company's activity and organisation, which in particular includes the ability to meet strict management and reporting requirements.

In addition, the security of financial transactions is ensured by:

- ▶ separation of the scheduling and launching of disbursements;
- ▶ individual payment ceilings (limited to members of the Company's Executive Committee and a few managers) and a double signature above the ceilings;
- ▶ validation of disbursements from the Company's main bank only by digital signature with authentication using personal electronic certificates.

There is a data backup plan. It overcomes a major incident on the computer system (network failure, malicious act, cyber attack, etc.). IT managers can, depending on the nature of the incident, resolve

incidents related to the central systems (if need be, with support from the supplier concerned), treat a virus if necessary by contacting a computer security expert and/or decontaminating infected systems, and in the event of destruction or corruption of data, perform data restorations. Periodic backups are performed specifically for this purpose.

A business continuity plan can also be activated in the event of fire or water damage in the Datacenter or the Company's offices, or on the occurrence of any other event resulting in evacuation of the premises (pollution, alarm, sabotage, etc.). In 2014, the Company updated the business continuity plan and disaster recovery plan for the information system. More than 60 risks were analysed in this way to determine the probability of occurrence and their potential severity. Actions have been taken or are planned based on the potential impacts of the assessed risks, both from the application and infrastructure and organisational points of view.

For example, the main risks identified in terms of potential severity are related to incidents in the computer rooms or vandalism or hacking to the Company's facilities, as well as technical failures, or prolonged unavailability of IT resources, and environmental events or natural disasters.

Finally, an electronic document management system was developed in 2009 and makes the document validation process more reliable via workflows defined in advance and secure access by employees or contractors to the Company's documents.

16.5.2.3.3 Updated, disseminated and accessible procedures

The procedures in place are the responsibility of their writers and the quality team.

Anyone in the Group may, through the Quality team, request the creation of a procedure. The Quality team decides the relevance and validity of the request and also creates or modifies, if necessary, the procedure. It may be assisted or delegate the task by agreement with the writer's line manager and/or the applicant. The writer of the document is responsible for its content, application of the model and the application of this procedure. The workflow actors are determined by the quality team and the line manager. The writer and validating person cannot be one and the same. Any procedure is signed by a writer, a validating person, guarantor of compliance with business rules, and a member of the Quality team, who ensures that the document complies with ISO 9001 V2008.

When a procedure is approved, it becomes accessible to all Group employees. The Quality team usually distribute procedures and forms by email, but also via the Company's intranet.

Procedures common to the Group are available for viewing in a common quality directory in the Company's Electronic Document Management System. Procedures associated with a given process are also available in the Company's Document Management System. All these procedures are accessible to all people working in the Group. However changes are limited to duly appointed persons (including one person from the Quality team).

The procedures are reviewed at least every two years by the same functions as when they were created. They are also updated due to:

- ▶ recommendations from audit tasks or new risks identified;
- ▶ transposition of new processes, or new rules in existing processes.

Processes and procedures in place are generally presented in an awareness session dealing with the Quality Management System for new employees and organised by the Quality team every two months.

Within each Division, a Quality officer is also responsible for presenting in detail the procedures that apply in particular in the entity in question.

The intranet portal enables all staff to access validated procedures. A link is made with the Electronic Document Management System.

16.5.2.3.4 Best practices

In addition to the procedures outlined above, and to define the behaviour and best practices to be adopted, the Company has various charters:

- ▶ an IT charter defining access conditions and rules for the use of IT resources and GTT communication systems. This charter also aims to make users aware of risks related to the use of these resources in terms of integrity and confidentiality of the data processed. It appears in an appendix to the Company's Internal Regulations that each employee receives on his arrival in the Group;
- ▶ information sessions are organised internally with the Group employees covering their obligations relating to the holding, communication and use of information that may have an appreciable impact on the Company's share price. Employees who have access to inside information have at their disposal a presentation on the Intranet regarding the obligations in a listed company and more specifically covering insider trading;
- ▶ the Board of Directors' Internal Regulations also include provisions on the prevention of insider trading.

Furthermore, a ethics charter has been adopted and disseminated to all the Group's employees. It defines the principles according to which GTT conducts its business, and must be, for each, a standard for behaviour and action, whether collective or individual. This charter is applied to all GTT's employees (whether permanent or temporary), as well as to any person seconded to GTT by a third party provider. It reflects GTT's vision and values for the behaviour of its employees, officers and directors.

16.5.2.3.5 Dissemination of information

To allow the flow of information necessary for the smooth running of the Group, there are various meetings in the functional and operational entities: team meetings, monthly meetings of the Company's Executive Committee, regular meetings with the Chairman and CEO in front of all employees in order to present the Group's situation, major developments and results, meetings with management to present strategy, action plans and achievements.

As the case may be, presentations are made available to participants for relaying the information provided.

16.5.2.3.6 Risk management

In accordance with the governance rules, the most important decisions, above certain amounts, are within the jurisdiction of the Board of Directors:

- ▶ acquisitions and disposals;
- ▶ significant cooperation agreements;
- ▶ patent title assignments;
- ▶ conclusion of loans;
- ▶ approval of business plans and budget targets;
- ▶ major strategic decisions.

Other decisions fall to the Chairman and CEO.

In 2011, as part of a planned institution of a business continuity plan and a disaster recovery plan, the Company mapped the risks to which it may be exposed. These risks were analysed through interviews with the Group's management. For each risk identified, the Company assessed its exposure and potential impact. The Company then defined actions to be taken to reduce or control these risks.

In 2014, the Company updated the business continuity plan and disaster recovery plan for the information system to enable the Company to restart its critical infrastructures within a specified period in the event of a major incident. More than 60 risks were analysed in this way to determine the probability of occurrence and their potential severity. Actions were taken based on the potential impacts of the assessed risks, both from the application and from the infrastructure and organisational points of view.

16.5.2.3.7 Audit activities

The operational (Sales Management, Engineering and Innovation Divisions) and functional (Administration and finance, human resources and legal affairs divisions) divisions are subject to regular reviews via suitable indicators aimed at monitoring:

- ▶ the quality of services provided to customers both in terms of quality of the deliverables provided and in terms of time;
- ▶ the correct allocation of human and financial resources based on completed projects;
- ▶ monitoring of the research and development projects portfolio;
- ▶ monitoring of commercial prospecting;
- ▶ monitoring of key risks and ongoing and potential litigation;
- ▶ control of expenditure and compliance with their budget.

Control of differences between the "actual" budget, estimates, indicators as well as reports are reviewed at quarterly business meetings at which members of the Executive Committee participate.

16.5.2.4 Internal audit players

Board of Directors: In accordance with the provisions of Article L. 225-37 of the French Commercial Code, the Chairman of the Board of Directors is the person who is accountable for the internal audit and risk management procedures implemented by the Company.

Audit and Risk Management Committee: The main duties of the Audit and Risk Management Committee are to review the financial statements and monitor issues relating to the preparation and control of accounting and financial information. The Audit and Risk Management Committee is also responsible for verifying the effectiveness of the Company's internal control and risk management systems. Its duties are described in section 16.3.1.2 –*Audit and Risk Management Committee* of the Registration Document.

The Chairman and CEO: he sets up the organisation he believes to be the most effective to adapt the internal audit system to the missions entrusted to it.

The Executive Committee: consisting of the Company's Chairman and CEO and its Managers, it provides coordination and consultation among its members for each decision or important operation for the general running of the Group.

The Quality team: composed of the Company's organisation and quality officer and four Quality officers it ensures that the requirements of ISO 9001 V2008 are met through the following tasks:

- ▶ to manage the GTT Quality Management System and monitor its improvement;
- ▶ to describe the interactions between processes and monitor their cross-departmental operation;
- ▶ to organise the control, process reviews and the annual management review;
- ▶ to plan internal audits (all members of the team are internal auditors).

Staff: employees have a monitoring and proposal role for updating the internal audit system and processes applicable to their activities.

The Data Processing and Personal Freedoms representative: GTT has a Data Processing and Personal Freedoms representative accredited by the CNIL. His role is to spread a culture of protection of personal data based on compliance with the specific regulations for data processing and storage and respect for the individual freedoms of natural persons: customers, partners, visitors and staff. This representative is responsible for:

- ▶ keeping the data processing register;
- ▶ ensuring application of the law:
 - he must be consulted before any personal data is processed,
 - he receives complaints and requests from persons affected by said processing,
 - he disseminates the “data protection and personal freedom culture”,
 - he notifies failings detected to the head of personal data processing,
 - he reports his action by an annual report presented to the head of personal data processing. This report is made available to the CNIL.

16.5.2.5 Audit procedures relating to the preparation and processing of financial and accounting information

Internal audit of accounting and financial reporting by GTT and its subsidiaries is one of the major elements of the internal audit system. It aims to ensure:

- ▶ compliance with applicable regulations for the accounts and the accounting and financial information;
- ▶ the reliability of the published financial statements and the information provided to the market;
- ▶ implementation of the instructions given by General Management;
- ▶ prevention and detection of fraud and accounting irregularities.

16.5.2.5.1 Scope

As at the date of this Registration Document, GTT will not be presenting consolidated financial statements including its subsidiaries (Cryovision, established on 2 February 2012, GTT North America, established in September 2013, and GTT Training Limited established in June 2014), due to the low activity of these during FY 2014.

This situation may change and will therefore be assessed each year in order to decide on the possible production of consolidated financial statements.

Therefore, GTT is in an atypical situation because it is one of the few listed companies with subsidiaries not producing consolidated financial statements. As such, the AMF was consulted about whether IFRS accounts could constitute “primary” accounts (instead of the financial statements), which have been validated.

However, the scope of internal and financial audit of the Group includes GTT and its affiliates.

16.5.2.5.2 Audit players

As parent company, GTT defines and oversees the processes to prepare the accounting and financial information for the Group entities. The direction of this process is the responsibility of the Chief Financial Officer, and is provided by the Finance departments and the Management Control department.

Two players are particularly concerned:

- ▶ **the Chairman and CEO** is responsible for the organisation and implementation of internal and financial audit, as well as the preparation of the financial statements. He presents the financial statements (interim and annual) to the Audit and Risk Management Committee and the Board of Directors, which approves them. He ensures that the process of preparing accounting and financial information produces reliable information and gives a fair picture of the results and the financial position of the Company;
- ▶ **the Audit and Risk Management Committee** performs the checks and audits it deems appropriate.

Furthermore, within the **Administrative and Financial Division**:

- ▶ **the Finance Department** has, among other tasks:
 - to perform all accounting operations: bookkeeping, receivables and payables, fixed assets, making payments,
 - to draw up the annual and quarterly financial statements and deal with tax matters,

- to supervise the financial statements of subsidiaries, and
- to implement accounting and tax standards and procedures, and monitor cash management;
- ▶ the **Management Control Department** has, among other tasks:
 - to implement and monitor budget control and cost accounting,
 - to assist the operational divisions in defining the financial, human and technical resources to be provided, including setting up the management information system (budgeting and monitoring reports),
 - to participate in the implementation of various economic studies, and
 - to contribute actively to strengthening the Group's internal audit by providing and updating the internal audit procedures within the Financial and Administrative Division.

16.5.2.5.3 Risks concerning the production of accounting and financial information

The quality of the financial statements production process comes from:

- ▶ formalisation of the accounting procedures adapted to recurring jobs, and closing the accounts. The documentary baseline consists of:
 - a business chart identifying each accounting activity, which players are involved and what documents are used,
 - a list of priority accounting checks made, validated periodically by the duly appointed persons,
 - procedures and methods for the players involved in the Finance Department or elsewhere in the Group;
- ▶ accounting software for managing records and producing financial statements;
- ▶ validation and updating of accounting procedures;
- ▶ the justification of balances and the usual reconciliations for validation and controls, in conjunction with management audit;
- ▶ cost accounting reviews that validate with the operational divisions changes to the main line items in the balance sheet and income statement;
- ▶ the separation of tasks requiring commitment authority (bank authorities or spending commitment authority) from those related to

bookkeeping activities; if need be, compensating controls are put in place;

- ▶ periodic audit of each subsidiary to ensure that the accounting policies observed are correct; and
- ▶ review of tax impacts and litigation.

16.5.2.5.4 Reviews and audit of financial and accounting information

Within the Finance department, bookkeeping by employees is reviewed by the Head of Department. The accounting treatment of complex operations and the accounts closing work are submitted to an independent public accountant (who is not the statutory auditor) and approved by the Chief Financial Officer at meetings to prepare the establishment of the financial statements.

The CEO coordinates the financial statements and forwards them to the Board of Directors, which notes the report by the Chairman of the Audit and Risk Management Committee.

The Chief Executive Officer defines the financial communication strategy. Press releases relating to the financial and accounting information in the interim and annual financial statements are subject to approval by the Board.

The financial and accounting information is shaped by the Investor Relations Department of the Administrative and Financial Division, which ensures compliance with AMF recommendations on the matter.

16.5.2.6 Description of progressive approaches

In 2015, the Company will ensure in particular:

- ▶ that it continues to update and simplify these procedures where possible;
- ▶ ensure implementation of the action plans from recommendations made as a result of internal or external audits;
- ▶ develop the risk identification process.

16.5.3 OTHER INFORMATION

16.5.3.1 Arrangements for shareholders' participation at the General Meeting

The arrangements for participation by shareholders in the General Meeting of the Company are described in Article 30 of the Company's by-laws, available on the website (www.gtt.fr).

16.5.3.2 Information referred to in Article L. 225-100-3 of the French Commercial Code

The information referred to in Article L. 225-100-3 of the French Commercial Code relates to elements that may have an impact in the event of a public offer, which must be stated in the annual report prepared by the Company's Board of Directors covering FY 2014 and appear in Section 18.6 – *Factors likely to have an impact in case of a public offering* of the 2014 Registration Document.

16.6 Statutory Auditors' report on the report by the chairman of the board of directors

This is a free translation into English of the original report issued in French language and is provided solely for the convenience of English speakers users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Statutory Auditors' report, prepared in accordance with Article L. 225-235 of the French Commercial Code, on the report of the Chairman of GTT's Board of Directors

To the Shareholders,

In our capacity as GTT's Statutory Auditors and pursuant to the provisions of Article L. 225-235 of the French Commercial Code, we hereby present our report on the report prepared by the Chairman of your company in accordance with Article L. 225 37 of the French Commercial Code for the year ended 31 December 2014.

It is for the Chairman to prepare and submit to the Board for approval a report describing the internal audit and risk management procedures implemented in the Company and providing the other information required by Article L. 225-37 of the French Commercial Code, relating in particular to the corporate governance plan.

It is our responsibility:

- ▶ to report to you our observations on the information contained in the Chairman's report on internal audit and risk management procedures relating to the preparation and processing of accounting and financial information; and
- ▶ to certify that this report contains the other information required by Article L. 225-37 of the French Commercial Code, it being specified that it is not our responsibility to verify the accuracy of such other information.

We conducted our review in accordance with the professional standards applicable in France.

Information concerning the internal audit and risk management procedures relating to the preparation and processing of financial and accounting information

Professional standards require that we plan and perform the audit to assess the accuracy of the information concerning the internal audit and risk management procedures relating to the preparation and processing of financial and accounting information contained in the Chairman's report. These procedures include:

- ▶ reviewing the internal audit and risk management procedures relating to the preparation and processing of financial and accounting information underlying the information presented in the Chairman's report and the existing documentation;
- ▶ reviewing the work done to prepare this information and the existing documentation;
- ▶ determining whether the major deficiencies in internal audit relevant to the preparation and processing of accounting and financial information that we have identified in the course of our task are properly disclosed in the Chairman's report.

Based on this work, we have no comment to make on the information concerning the Company's internal audit and risk management procedures relating to the preparation and processing of accounting and financial information in the report by the Chairman of the Board of Directors, compiled pursuant to the provisions of Article L. 225 37 of the French Commercial Code.

Other information

We certify that the report by the Chairman of the Board of Directors includes the other information required by Article L. 225 37 of the French Commercial Code.

Paris-La Défense, April 14, 2015

The Statutory Auditor

Ernst & Young Audit

Philippe Hontarrède

EMPLOYEES



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EMPLOYEES

17.1 HUMAN RESOURCES POLICY

17.1 Human resources policy

17.1.1 EMPLOYMENT POLICY

17.1.1.1 GTT's employment policy

The employment policy of the Company aims at promoting and developing, particularly through professional training, the skills of each employee and hiring highly qualified, motivated people in order to provide high-quality services.

The Company encourages internal staff mobility, with a view to retaining all the key skills required for its business using various tools for this purpose. All employees are informed about vacant positions. Employees may be given the opportunity to be seconded abroad. They may also become GTT representatives on construction sites for several years.

Internal mobility enables, while securing the loyalty of the employees, to offer them a career within the Company through which they learn various new skills.

Career interviews are also available for employees who so wish. It gives the employee the opportunity to meet a member of the management team or the human resources manager to discuss their career prospects.

The Company also hires externally, particularly when faced with an increase in its order book. It seeks both people with a technical background (engineers or technicians in areas of instrumentation process, fluids mechanics, calculation, etc.) and people with a general background. Engineers are mainly graduates of the top French engineering schools or scientific universities. Technicians have qualifications in computer-assisted design, drawing or laboratory work.

Employees are recruited through the Company's internet website, LinkedIn, specialised recruitment sites, advertisement in specialised press, partnerships with certain engineering schools, or head hunting firms for some specific skills.

An action plan was implemented in 2011 to foster equality in the workplace. The Company is a great believer in gender equality, which it sees as a source of momentum, balance and efficiency essential to the business. The plan aims to ensure equal treatment of men and women in the recruitment process and to develop actions to promote a healthy balance between professional, family and personal life.

Lastly, pursuant to applicable laws, an action plan on senior employment was implemented within the Company in 2009. It covers various measures

to encourage the hiring or continued employment of senior employees and to continue providing them with career opportunities.

17.1.1.2 Working hours

The Company has a working time arrangement agreement under which all employees based in France, except for executives, benefit from the reduced working week.

Employees who have no autonomy to organise their schedule and for which working time can be predetermined in advance, work 35 hours a week on average over the year and benefit from 14 days off, after one full year within the Company. These employees work to a variable timetable, which includes fixed time periods when their presence is compulsory and variable time periods when their presence is optional.

For the autonomous managers who do not work a set standard week, working time is computed in days. They have 14 days off earned under the reduced working time arrangements. In an average year, the number of effective working days is 214, plus the "solidarity day", which makes 215 days in total.

A time savings account (CET) was introduced in 2011, enabling employees to save up to 14 days on the CET under certain conditions (see section 17.1.2 – *Compensation policy* of this Registration Document).

17.1.1.3 Training

The Company has an annual training plan including training programmes designed to support its strategic development. It also offers training in personal development, project management and for acquiring or improving technical skills. In 2014, the Company focused on management training through a programme aimed at all employees in managerial positions.

Training related to business practices (such as training in the electronic document management system or renewal of operator safety competency certificate) is usually done at the Company's request and can be compulsory. Lastly internal mentoring is also available.

The aggregate training budget for the 2014 financial year is in excess of the minimum legal requirement. More than 1.46% of payroll ⁽¹⁾ was allocated to training, compared to the legal requirement of 0.9%, without including salary costs in the training budget. The administration and

finance department of the Company is responsible for monitoring training costs and making sure that the aggregate training budget is appropriate for the annual training plan.

17.1.2 COMPENSATION POLICY

GTT's staffing needs increased significantly as a result of sustained business activity, making it necessary to provide an attractive compensation package.

The "GTT package" is based on the Company's results.

Employee compensation comprises:

- ▶ a fixed component comprising a gross annual salary:

The situation of each employee is reassessed each year following the individual annual performance review.

An overall envelope for salary increases is determined. The sum allocated to each division is proportional to the percentage of payroll it represents and the division managers allocate the amount between the employees which report to them, in line with the instructions issued by the Chief Executive Officer. The budget for the financial year ended 31 December 2014 represented almost 2.02% of payroll;

- ▶ an individual performance-related bonus:

Each year, the Chief Executive of GTT determines an overall bonus envelope expressed as a percentage of payroll. The sum allocated to each division is proportional to the percentage of payroll it represents and the division managers allocate the amount between the employees which report to them, in line with the instructions issued by the Chief Executive Officer. For the financial year ended 31 December 2014, the budget assigned for the allocation of one-off bonuses represented 9.46% of payroll.

The salary increase and bonus are designed to reward individual performance and are consistent with practices in the oil and gas engineering sector;

- ▶ a time savings plan (CET) coupled with a collective retirement savings scheme (PERCO):

The introduction of the CET in 2011 encourages employees who so wish to work more hours. Under certain conditions, they may work up to 14 additional days and the corresponding salary is deposited in the CET, which is then coupled with the employer's complementary contribution (*abondement*), which amounted to 35% for 2014.

GTT also introduced a Group retirement savings plan (PERCOG) on 26 March 2012, enabling employees who so wish to build up an extra pension benefit. It replaces the previous GTT company agreement dated 5 September 2011. Under certain conditions, employees may transfer the equivalent of up to 14 days from their CET to the PERCOG, which is then coupled with the employer's complementary contribution, which is fixed at 25% in 2014. The contribution for the following years will be set by a rider to the agreement, and otherwise will be 25% of the amounts paid. The complementary contribution specified, moreover, for the voluntary payments of employees is 100% of the amounts paid, limited to 100 euros for 2014;

- ▶ an individual profit-sharing bonus introduced by unilateral decision:

During 2014, the Company decided to pay a profit-sharing bonus of 40 euros gross per employee present on at least one day during the 2013 financial year.

17.1.3 EMPLOYEE REPRESENTATION

GTT has three employee representative bodies:

- ▶ Works Council;
- ▶ Health, Safety and Working Conditions Committee;
- ▶ employees' representatives.

Management has built up a constructive, open dialogue with the works council representatives.

Cryovision does not have a works council or a staff representative but its employees benefit from the social welfare activities provided by the GTT works council.

(1) Aggregate gross payroll subject to contributions (source DADS): 20,783,390 euros.

17.2 Employee data

17.2.1 HEADCOUNT

At 31 December 2014, the Company employed 377 employees, representing an increase of 1.9% in employees over 2013.

Of 377 workers at the end of 2014, 309 were in permanent positions (CDI), representing 82% of employees (compared to 79% at the end of 2013). The Company also counted 43 workers with fixed-term contracts (CDD), 21 with construction site contracts (CDC) and 4 with work experience contracts. In addition, at 31 December 2014, executives represented 69%

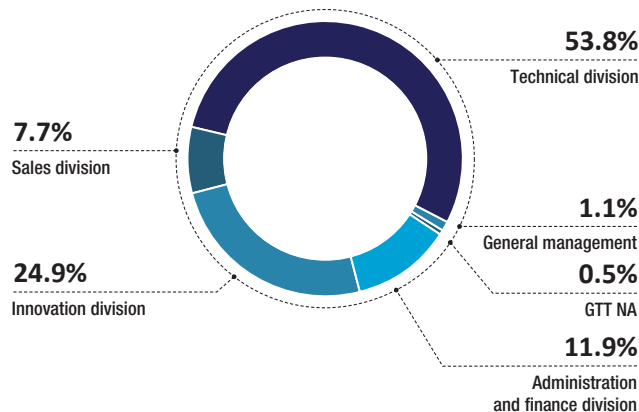
of employees. At 31 December 2014, employees of the three subsidiaries of the Company break down as follows:

- ▶ Cryovision, created in 2012: five employees (based in France);
- ▶ GTT North America, created in 2013: two GTT expatriates, one employee and one temporary worker (based in Houston, United States). The two expatriates are included in the GTT employees;
- ▶ GTT Training Ltd, created in 2014: four employees (based in United Kingdom).

17.2.2 ORGANISATION CHART

An operational organisation chart is provided in section 6.8 – *Organisation of the Company* of this Registration Document.

At 31 December 2014, the employees are divided into different departments of the Company as follows:



17.2.3 GEOGRAPHICAL BREAKDOWN

Between 2011 and 2014, some employees of the Company were seconded to the sites of clients in South Korea and China.

At 31 December 2014, in addition to the 2 expatriates of GTT North America, 43 employees of the Company were seconded outside of France (including 37 employees in South Korea and 6 employees in China).

17.2.4 STRUCTURE AND TRENDS IN HEADCOUNT AT THE COMPANY AND CRYOVISION

The tables presented below show the structure and recent changes in the workforce of the Company and of Cryovision in the past four financial years.

Overall trends in the number of employees of the Company and Cryovision

17.2.4.1 Breakdown of headcount by contract type

GTT (as a percentage)	31/12/2013	31/12/2014
Permanent (CDI)	79%	82%
Non-permanent (temporary, fixed-term, construction site, internships)	21%	18%

The main reason for use of fixed-term and temporary contract staff between 2011 and 2014 was the temporary increase in business activity.

At 31 December 2014, the five employees of Cryovision have permanent contracts.

17.2.4.2 Breakdown of headcount by grade at the Company and Cryovision

GTT	Executive	Non-executive
At 31 December 2014	261	116
At 31 December 2013	251	119

Cryovision	Executive	Non-executive
At 31 December 2014	3	2
At 31 December 2013	3	2

GTT North America	Executive	Non-executive
At 31 December 2014	1	1

GTT North America was created in July 2013. At 31 December 2013, GTT North America did not have any employees. At 31 December 2014, employees included in addition two expatriated GTT executives.

GTT Training Ltd	Executive	Non-executive
At 31 December 2014	4	-

GTT Training Ltd was created in June 2014.

The executive employees are covered by the collective agreement for engineers and managers in the metallurgy industry. Non-executive

The tables presented below show the changes over the past four financial years in employees, by type of contract (see section 17.2.4.1), by grade (see section 17.2.4.2), by new hires (see section 17.2.4.3) and by reason for departure (see section 17.2.4.4).

employees are covered by the collective agreement for metallurgy industries (workers, technicians and supervisors) applicable to the Paris region.



EMPLOYEES

17.3 STOCK OR PURCHASE OPTIONS

17.2.4.3 Company hires by type of contract

	31/12/2012	31/12/2013	31/12/2014
Permanent (CDI)	32	52	22
Non-permanent (CDD ⁽¹⁾ /CDC)	65	87	64 ⁽²⁾
TOTAL	97	139	86

(1) Including work experience contracts.

(2) 15 interns, 45 fixed-term contracts, 3 apprentices and 1 construction site contract.

Five new employees were hired by Cryovision during 2012 financial year. These five employees were transferred by GTT. Under their transfer agreement, GTT has agreed to take them back should Cryovision cease its business.

17.2.4.4 Dismissals, resignations and retirements at the Company

	31/12/2012	31/12/2013	31/12/2014
Dismissals	2	1	2
Resignations	9	7	12
End of non-permanent contracts	37	45	59
Retirement/death	2	2	2
Contractually agreed termination	3	-	4
TOTAL	53	55	79

17.3 Stock or purchase options

The Shareholders' Meeting of 10 February 2014 authorised the Board of Directors, pursuant to Articles L. 225-197-1 et seq. of the French Commercial Code, to increase the Company's capital, on one or more times, by allocating free shares that already exist or by issuing new shares reserved for employees.

The Board of Directors, meeting on 10 February 2014, granted 15 free shares to each Company employee, representing a total of 5,745 shares (the **Free Shares**).

Moreover, the Board of Directors of 10 February 2014 allocated Performance Shares to certain Company employees. The characteristics of the Performance Share Scheme are described in section 15.1.4 of this Registration Document.

17.4 Employee incentive and profit-sharing plans

17.4.1 EMPLOYEE INCENTIVE AGREEMENT

Both GTT and Cryovision have an employee incentive agreement.

17.4.1.1 Within GTT

GTT entered into an incentive agreement on 25 June 2009 which was replaced by an agreement dated 6 June 2012, amended on 21 September 2012.

All employees with at least three months service are entitled to benefit from the incentive agreement. The aggregate incentive entitlement is allocated on the basis of salary corresponding to an effective length of service.

It is allocated to the beneficiaries provided that the Company reports a positive net profit and at least one of the three following objectives is met:

- ▶ orders totalling at least 85,000 sq.m. of insulating primary membrane are booked during the year;
- ▶ a portion of the orders for GTT vessels (including FSRU and FLNG) over the year greater than 80% if the number of orders worldwide is greater than four or a portion of orders for GTT vessels (including FSRU and FLNG) over the year greater than or equal to 50% if the number of orders worldwide is less than or equal to four, with the precision that the portion of GTT orders is determined by the Company's sales department on the basis of (i) the number of orders completed by GTT

as validated by the GTT Board of Directors and (ii) the number of orders worldwide determined from data provided by the Company's sales department, crossed with the data from Poten & Partners and Wood Mackenzie, consultants specialised in the subject;

- ▶ more than 15 ideas validated by the Technical Committee, organised by the patent engineer who is responsible for analysing the technical and strategic aspects of ideas that might result in a patent application.

The basic amount of the incentive is equal to:

- ▶ 3% of aggregate gross base salaries of beneficiaries if one of the three targets is met;
- ▶ 5% of aggregate gross base salaries of beneficiaries if two of the three targets are met;
- ▶ 10% of aggregate gross base salaries of beneficiaries if all three targets are met.

The initial incentive amount is then increased or decreased according to the average score achieved in the annual "active shipyards" satisfaction survey.

In application of the agreement dated 25 June 2009 and in application of the agreement dated 6 June 2012 and the rider of 21 September 2012, the amount of the incentive for the financial year ended 31 December 2013 reached a gross amount of 1,611,442 euros.

Gross base salaries	I: Gross incentive (3 objectives)	Increase (work site surveys)	Decrease (individual ceiling excess)	Total gross incentive: IF
€13,574,649	€1,357,465	€271,493	(€17,516)	€1,611,442

As part of the offer reserved for employees (ORS), 260 employees have expressed a desire to receive an advance on the incentive to finance the acquisition of GTT securities, without cash advance, while benefiting from the 300% complementary contribution offered by GTT.

The net amount paid as part of this advance totals 339,020 euros and the net amount of the complementary contribution on the advance on incentive paid totals 792,919 euros.

GTT received a summary statement of the handling of transactions from BNP PARIBAS on 18 March 2014 as well as a call for funds. The funds transfer was made on 1 April for the entirety of the funds.

The table below shows the summary of the amounts paid by GTT:

Net advance/incentive paid	Net complementary contribution on incentive	Voluntary payments	Net complementary contribution on voluntary payments	Total amount paid on behalf of GTT
€339,020	€792,919	€278,185	€392,855	€1,802,979

EMPLOYEES

17.4 EMPLOYEE INCENTIVE AND PROFIT-SHARING PLANS

The inclusion of quantitative data of the rights holders, for the balance of the incentive, was sent via the Internet site to BNP Épargne & Retraite Entreprises on 21 March 2014. BNP PARIBAS sent employees option sheets inviting them to enter their choices for allocation prior to 18 April 2014.

The table below shows the summary of the amounts paid by GTT:

Net incentive amount	Net complementary contribution	Net amount paid to BNP	Amount paid to employees (68 employees)	Net amount allocated to the company savings scheme (PEE) (308 employees)
€1,143,506	€73,833	€1,217,339	€132,950	€1,084,389

The transfer of funds to BNP PARIBAS was made on 23 April 2014 in view of an issue of payment instruments to employees on 30 April 2014.

17.4.1.2 Within Cryovision

Cryovision entered into an incentive agreement on 7 June 2012 for a period of three years from 1 January 2012. The amount of incentive recognised for the period ended 31 December 2014 totals 13,362 euros net.

All employees with at least three months service are entitled to benefit from the incentive agreement. The aggregate incentive entitlement is allocated on the basis of salary corresponding to an effective length of service.

It is allocated to the beneficiaries provided that Cryovision reports a positive net profit after deduction of the incentive bonus. The amount is

A summary statement of the handling of the transactions was sent to GTT by BNP PARIBAS on 22 April 2014 as well as a call for funds for the net amount of the incentive and the complementary contribution.

based on the TAMI testing activity, on the one hand, and all Cryovision's other activities, on the other hand.

Any beneficiary employee may allocate all or part of their incentive bonus to the group employee savings scheme (PEG) or the Group retirement savings plan (PERCOG).

The implementation of the agreement is monitored by a special committee whose members include employee representatives appointed for that purpose, who have access to the documents required to calculate the incentive bonus and ensure that it is correctly allocated.

The annual incentive results are determined by Cryovision after review by the special committee and are subject to a joint report on the mechanism, which is made available to be displayed for information for all the staff.

17.4.2 PROFIT-SHARING AGREEMENT

GTT entered into a voluntary profit-sharing agreement on 6 March 2000. An alternative formula to the legal benchmark formula is used to calculate the amount of the special profit-sharing reserve.

The agreement was amended on 26 March 2012 to transform the company agreement into a group agreement to include Cryovision. On 13 April 2012, after a referendum, Cryovision became a party to the profit-sharing agreement as established pursuant to the amendment dated 26 March 2012, it being effective for the first time as of 2012.

For the period ended 31 December 2014, the amount recognised for the creation of an investment reserve reached 5,125,279 euros gross, of which 5,017,848 euros for GTT and 107,431 euros for Cryovision.

The employees concerned must, as for the incentive entitlement, have been present in the Company in 2013 and benefit from a minimum of three months of seniority. Beneficiaries represent 376 employees at GTT and 5 employees at Cryovision.

The breakdown of the amount of the Special Profit-sharing Reserve between the beneficiaries was made in proportion to the gross salaries reported to the administration by the two entities (GTT and Cryovision).

The breakdown thus made corresponds to slightly more than 31% of the amount of salaries thus recorded for each beneficiary.

Salary is subject to the limit of four PASS and the amount thus allocated cannot exceed 75% of the PASS.

Undistributed excess amounts are divided among all beneficiaries who have not reached the limit.

The inclusion of quantitative data of the rights holders was sent via the Internet site to BNP Épargne & Retraite Entreprises on 21 March 2014. BNP PARIBAS sent employees option sheets inviting them to enter their choices for allocation prior to 18 April 2014.

A summary statement of the handling of the transactions was sent by BNP PARIBAS on 22 April 2014 as well as a call for funds for the net amount of the profit sharing and the complementary contribution.

The table below shows the summary of the amounts paid by GTT:

Profit-sharing net amount	Net complementary contribution	Net amount paid to BNP	Amount paid to employees (40 employees)	Net amount allocated to the company savings scheme (PEE) (336 employees)
€4,616,421	€8,132	€4,624,553	€335,433	€4,289,120

The funds transfer to BNP PARIBAS was made on 23 April 2014 in view of an issue of payment instruments to employees on 30 April 2014.

17.5 Group employee savings scheme

A Group employee savings scheme was set up on 26 March 2012 pursuant to the provisions of Articles L. 3331-1 et seq. of the French Labour Code. It cancelled and replaced the previous scheme dated 26 May 2000.

The scheme covers GTT and all Group companies in which GTT directly or indirectly holds or will hold 50% of the share capital.

All employees with at least three months service with the Company and any retirees or early retirees who still hold shares may participate in the scheme.

Employees who have left the Company (other than retirees or early retirees) may no longer make voluntary contributions to the scheme but may still contribute their incentive bonus or profit-sharing entitlement. In this case, neither the incentive bonus nor the profit-sharing entitlement will be eligible for the employer's top-up.

The Group employee savings scheme may be used to invest the following sums:

- (i) voluntary payments of beneficiaries;
- (ii) amounts contributed by the Company, i.e. expenses related to custody accounts and the participants' individual accounts and a complementary contribution payment equal to less than 8% of the annual Social Security ceiling per year and per employee, and less than three times the amount of the beneficiary's voluntary contributions. The savings scheme dated 26 March 2012 includes an annual employer's contribution equal to 300% of voluntary payments made by the beneficiary (including the incentive bonus and profit-sharing entitlement). However, GTT and Cryovision may decide on different contribution rules;

- (iii) transfer of sums held on another employee savings scheme or time savings account.

Sums deposited in the Group employee savings scheme are invested in shares of a corporate mutual fund (FCPE). Employees may choose between five FCPEs, including one socially responsible fund as required by the provisions of Article L. 3332-17 of the French Labour Code.

The shares of corporate mutual fund are locked up for a period of five years although early release is possible in certain specific circumstances set out in the applicable laws and regulations.

The Group employee savings scheme was amended in order to allow the implementation of the capital increase reserved for employees, the procedures of which are described in the prospectus accompanying the Company's initial public offering.

In particular, Article 6 of the Group saving scheme on the use of amounts paid to the Group saving scheme was completed to include a Company-dedicated FCPE entitled "GTT ACTIONNARIAT". A new article relating to the capital increase proposed to employees at the Company's market introduction was created. Article 7 on the capitalisation of revenue was modified to specify the consequences of the employee's choice for the payment of dividends or their capitalisation in the FCPE in Company shares.

As part of its initial public offering, the Company carried out a capital increase reserved for employees. 86.65% of employees who are members of the GTT Group savings scheme subscribed for the capital increase on the base of a subscription price of 46 euros per share less a discount of 20% or 36.80 euros per share. This capital increase reserved for employees resulted in the creation of 49,557 new shares for an overall amount of 1.8 million euros.



EMPLOYEES

17.6 DIRECTORS' AND OFFICERS' SHAREHOLDINGS AND DEALINGS IN THE COMPANY'S SHARES

17.6 Directors' and officers' shareholdings and dealings in the Company's shares

DIRECTORS

Pursuant to Article 11 of the Company's Internal Regulations, each director is required to hold at least 100 shares of the Company in pure registered form. The table below indicates the holding of each director in the share capital of the Company on the date of filing this Registration Document:

Director	Number of shares	Percentage of the share capital	Percentage of voting rights
Philippe Berterottière – Chairman and Chief Executive Officer ⁽¹⁾	10,000	0.03%	0.03%
Marie-Pierre de Baillencourt	100	0.00%	0.00%
Jacques Blanchard	100	0.00%	0.00%
Jean-Luc Gourgeon ⁽²⁾	600	0.00%	0.00%
Laurent Maurel	100	0.00%	0.00%
Olivier Jacquier	200	0.00%	0.00%
Philippe Salle	1,000	0.00%	0.00%
Secil Torun	100	0.00%	0.00%
TOTAL	12,200	0.03%	0.03%

(1) Of which 3,587 shares acquired at the time of the Company's initial public offering.

(2) Shares held by Jean-Luc Gourgeon and persons linked to him.

The transactions on the Company's securities made by the directors are summarised in section 18.7 of this Registration Document.

GENERAL MANAGEMENT

The commitment of the Chairman and CEO to acquire shares of the Company is described in section 15.1.4 – *Allocations of free shares and performance shares* in this Registration Document.

MAJOR SHAREHOLDERS



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MAJOR SHAREHOLDERS

18.1 IDENTITY OF SHAREHOLDERS

18.1 Identity of shareholders

18.1.1 BREAKDOWN OF THE CAPITAL AND VOTING RIGHTS AT 31 JANUARY 2015

To the knowledge of the Company, the breakdown of capital and voting rights of the Company is as follows, at 31 January 2015:

Shareholder	Number of shares	% of capital	% of voting rights
GDF SUEZ	14,858,380	40.07%	40.08%
GDF International	121,600	0.33%	0.33%
GDF Armateur 2	1,600	0.00%	0.00%
Sommerville Investments B.V. ⁽¹⁾	3,849,968	10.38%	10.39%
Executive officers and employees of the Company	70,137	0.19%	0.19%
Public	18,169,692	49.00%	49.01%
Treasury shares	8,170	0.02%	0.00%
TOTAL	37,078,357	100.0%	100.0%

(1) Somerville Investments B.V. (ex Sheares Investments B.V.) is a Dutch incorporated company controlled by Temasek. Temasek is an investment company based in Singapore. With 11 offices around the world, Temasek managed as of 31 March 2014 an asset portfolio worth \$223 billion (Singapore), or US \$177 billion, built on the following areas: emerging economies, middle-income population growth, companies enjoying significant competitive advantages, and companies with high expansion potential. Its investments are made in many segments: financial services, telecommunications, media and technologies, transportation, consumer goods, healthcare and real estate, plus energy and commodities.

By letter, received 30 September 2014 by the AMF, H&F Luxembourg 1 S.à.r.l. ⁽¹⁾ H&F Luxembourg 1 S.à.r.l. is a Luxembourg company managed by its directors and controlled by an investment fund managed by Hellman & Friedman. It has been a shareholder in the Company since 2008, and declared that on 26 September 2014, in an off-market transaction, its ownership fell below the 10% and 5% thresholds in Company equity and in voting rights and that it held 1,849,968 shares of Company equity, representing as many voting rights, or 4.99% of share capital and voting rights in Company.

In a letter received by the AMF on 10 December 2014, Somerville Investments B.V. (ex Sheares Investments B.V.) declared that on 9 December 2014, in an off-market transaction, its ownership fell below the 5% and 10% thresholds in Company equity and in voting rights and that it held 3,849,968 shares of Company equity, representing as many voting rights, or 10.38% of share capital and voting rights in Company. This acquisition was part of the agreement between Somerville Investments B.V. and Total Gas & Power Actifs Industriels SAS, signed on 7 December 2014 and reported to the market on 8 December 2014.

In a letter received by the AMF on 11 December 2014, Total Gas & Power Actifs Industriels ⁽²⁾ declared that on 9 December 2014 it had fallen below the 10% and 5% thresholds of Company equity and voting rights and no longer held any shares in the Company.

By letter received on 22 December 2014, in a market acquisition of shares, Mondrian Investment Partners Limited declared that it had exceeded the threshold of 5% of the capital and voting rights of GTT and held 1,872,093 GTT shares, representing 5.05% of the capital and voting rights. To the Company's knowledge, there is no other shareholder holding either directly or indirectly, alone or in concert, more than 5% of the Company's share capital.

On 27 January 2015, H&F Luxembourg 1 S.à.r.l. sold its entire holding in GTT, as part of a private placement with institutional investors. Following that transaction, the share of floating capital in the Company's capital went from 44% to 49%.

At 31 March 2015 the Company's share capital consisted of 37,078,357 shares representing as many potential voting rights ⁽³⁾ and 37,063,327 net voting rights ⁽⁴⁾.

(1) H&F Luxembourg 1 S.à.r.l. is a Luxembourg company managed by its directors and controlled by an investment fund managed by Hellman & Friedman. It has been a shareholder in the Company since 2008.

(2) Total Gas & Power Actifs Industriels is incorporated under French law and controlled by Total S.A.

(3) This total number of voting rights is calculated from all the shares with attached voting rights, including shares stripped of voting rights.

(4) After deducting treasury shares.

18.1.2 CHANGES IN THE ALLOCATION OF SHARE CAPITAL AND VOTING RIGHTS DURING THE PAST THREE YEARS

At the end of financial years 2014, 2013 and 2012, the share capital and voting rights were allocated as follows:

Shareholder	Position at 31/12/2014			Position at 31/12/2013			Position at 31/12/2012		
	Number of shares	% of share capital	% of voting rights	Number of shares	% of share capital	% of voting rights	Number of shares	% of share capital	% of voting rights
GDF SUEZ	14,858,380	40.07	40.08	14,688,000	39,666	39,666	9,180	39,666	39,666
GDF International	121,600	0.33	0.33	121,600	0.328	0.328	77	0.333	0.333
GDF Armateur 2	1,600	0.00%	0.00	1,600	0.004	0.004	-	-	-
TOTAL Gas & Power Actifs Industriels				11,108,800	30.00	30.00	6,943	30	30
Sheares Investments B.V. ⁽¹⁾	3,849,968	10.38	10.39						
H&F Luxembourg 1 S.à.r.l.	1,849,968	4.99	4.99	11,108,798	30.00	30.00	6,943	30	30
H&F Luxembourg 2 S.à.r.l.	-	-	-	1	n.s.	n.s.	-	-	-
H&F Luxembourg 3 S.à.r.l.	-	-	-	1	n.s.	n.s.	-	-	-
Executive officers and employees of the Company	70,137	0.19	0.19	-	-	-	-	-	-
Public	16,319,724	44.01	44.02	-	-	-	-	-	-
Treasury shares	6,980	0.02	0.00	-	-	-	-	-	-
TOTAL	37,078,357	100.00	100.00%	37,028,800	100.00	100.00	23,143	100.00	100.00

(1) Ex Sheares Investments B.V

The nominal value of the Company's shares was split up by 1,600 on 11 December 2013.

18.2 Voting rights

Each share of the Company confers one voting right. In response to the Florange Law, a resolution will be submitted to the Combined Shareholders' Meeting of 19 May 2015 in order to maintain the "one share, one vote" principle.



MAJOR SHAREHOLDERS

18.3 SHAREHOLDERS' AGREEMENTS, LOCK-UP COMMITMENTS AND CONCERT PARTIES

18.3 Shareholders' agreements, lock-up commitments and concert parties

On 11 December 2013, a shareholders' agreement was entered into between GDF SUEZ, GDF International, GDF Armateur 2, TOTAL Gas & Power Actifs Industriels, H&F Luxembourg 1 S.à.r.l., H&F Luxembourg 2 S.à.r.l. and H&F Luxembourg 3 S.à.r.l.

The purpose of this agreement was to govern the relations between the Company's shareholders and its corporate governance practices while the Company's shares were not admitted to trading on a regulated market.

This agreement was terminated automatically upon the settlement-delivery of the Company's shares allotted pursuant to the Company's initial public offering on the NYSE Euronext Paris market.

To the knowledge of the Company, there is no currently valid shareholder's agreement.

18.4 Control of the Company

At the time of the initial public offering of the Company, GDF SUEZ acquired equal portions of shares from H&F Luxembourg 1 S.à.r.l. and Total Gas & Power Actifs Industriels amounting to 170,380 shares of the Company such that GDF SUEZ, GDF International and GDF Armateur 2 together hold 40.1% of the shares of the Company on a fully diluted basis after taking into account the new shares issued as part of the offer reserved for employees and free shares allocated in application of the two schemes approved by the Board of Directors on 10 February 2014 (see section 15.1.4 – *Allocation of free shares and performance shares* and section 17.3 – *Stock options or purchase options, free shares* of the current update of this Registration Document).

GTT believes that GDF SUEZ is able to exercise de facto control. However, it considers that there is no risk that such control may be exercised in an

abusive way. In this respect, it is reminded that GTT complies with the recommendations of the AFEP-MEDEF Code, as applicable to controlled companies. Therefore, pursuant to such recommendations, at least one-third of GTT's members on the Board of Directors are independent directors. Compliance with the AFEP-MEDEF recommendations relating to corporate governance and in particular to the composition of the Board of Directors' committees protects minority shareholders' interests.

GDF SUEZ indicated, at the time of the Company's initial public offering that, as part of its LNG strategy, it would continue to support and promote the development of the Company and more generally its strategy, under the direction of its managers, who have proven in past years their skill and their ability to make the Company grow.

18.5 Arrangements that could result in a change of control of the Company

To the Company's knowledge, at the date of this Registration Document, there are no arrangements, whose implementation could subsequently result in a change of control.

18.6 Items likely to have an impact in the event of a public offer

None.

18.7 Transactions by Executive Directors in Company shares

The transactions carried out in the 2014 financial year for GTT and the related financial instruments, created by the company officers, executive directors and other persons in charge and those related to them, as mentioned in paragraphs a) to c) of Article L. 621-18-2 of the French Monetary and Financial Code and of which the Company has knowledge, are the following:

Declarer	Type of transaction	Value date	Number of securities	Average unit price per share (in euros)
Philippe Salle	Acquisition	26 February 2014	1,000	50.00
Jean-Luc Gourgeon	Acquisition	26 February 2014	300	46.00
Physical person linked to Jean-Luc Gourgeon	Acquisition	26 February 2014	300	46.00
Jacques Blanchard	Acquisition	27 February 2014	100	46.60
Philippe Berterroitière	Acquisition	3 March 2014	3,587	46.00
Laurent Maurel	Acquisition	3 March 2014	100	46.00
Cécile Arson	Acquisition	3 March 2014	2,500	46.00
Physical person linked to Sofiber, manager	Acquisition	3 March 2014	6,413	46.00
David Colson	Acquisition	5 March 2014	2,500	46.00
Karim Chapot	Acquisition	7 March 2014	2,500	46.00
Marie-Pierre de Bailliencourt	Acquisition	10 March 2014	100	45.80
Secil Torun	Acquisition	21 March 2014	100	47.10
Cécile Arson	Acquisition	4 April 2014	153	36.80
Julien Burdeau	Acquisition	4 April 2014	248	36.80
Aziz Bamik	Acquisition	4 April 2014	425	36.80
Karim Chapot	Acquisition	8 April 2014	153	36.80
David Colson	Acquisition	9 April 2014	316	36.80
David Colson	Acquisition	15 October 2014	200	43.57



MAJOR SHAREHOLDERS

RELATED-PARTY TRANSACTIONS



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RELATED-PARTY TRANSACTIONS

19.1 INTRA-GROUP AGREEMENTS

This chapter describes agreements existing between, on the one hand, the Company and its subsidiaries and, on the other hand, between the Company or one of its subsidiaries and a related-party, as of the date of filing this Registration Document. Agreements signed between the Company and Philippe Berterrothière on the payment of a departure

indemnity, non-compete indemnity and retirement benefits are described in section 15.1.7 – *Employment contracts, pension benefits and compensation in the event of termination of executive management functions* of this Registration Document.

19.1 Intra-group agreements

19.1.1 COMMERCIAL LEASE BETWEEN GTT AND CRYOVISION

Under a lease agreement dated 31 December 2012, effective until 31 December 2022, the Company has granted Cryovision a lease over 45.70 sq.m. of office space and 7.3 sq.m. of storage space in the Company's head office along with a space for a container and six

parking places. The premises are used for a business providing inspection services for LNG carriers tanks. The annual rent for the first three years is 6,360 euros excluding taxes but including service charges, payable monthly with VAT charged at the prevailing rate for the first three years.

19.1.2 CURRENT ACCOUNT ADVANCE AGREEMENT

19.1.2.1 Current account advance agreement between GTT and Cryovision

The Company and Cryovision entered into a current account advance agreement on 6 February 2012 for a period of two years renewable by mutual agreement between the parties, under which the Company granted a loan of 750,000 euros. The funds were made available to Cryovision as of 14 February 2012 so that it could finance the start-up of its business. The loan bears interest at the maximum tax-deductible rate for shareholder's current account payable annually on the drawdown anniversary date.

As at 31 September 2014, the current account of Cryovision was in debit towards the Company by 180,659 euros.

On 4 February 2015, the loan was repaid in full, including the interest accrued or capitalised and not yet paid. The current account advance agreement was not extended.

19.1.2.2 Current account advance agreement granted by GTT to GTT North America

On 13 December 2013, the Company and GTT North America entered into a current account advance agreement for an unlimited time that may be terminated at any time by either party upon 30 days' advance notice, by which the Company can grant a loan of a nominal amount that cannot exceed 2,500 thousand US dollars to GTT North America. The funds are made available to GTT North America to finance the start-up of its business. The loan bears interest at the maximum tax-deductible rate for shareholder's current account payable annually on the drawdown anniversary date.

The loan will be repaid in full, including interest accrued or capitalised and not yet paid, on the date of termination of the agreement by either party or on the date of termination of the agreement by GTT, which may end the agreement with immediate effect (i) in the case that GTT North America fails for 30 consecutive days to adhere to the stipulations of the agreement or (ii) in the event of breaches by GTT North America of certain of its obligations, including its obligation to pay interest.

At 31 December 2014, the amount of the advance granted by GTT to GTT North America totalled 19,044 euros.

19.1.2.3 Cash advances between GTT and GTT Training Ltd

On 23 December 2014 the Company and GTT Training Limited signed, for a term of two (2) years with possibility of extension by joint agreement of the parties, a loan agreement by which the Company can grant to GTT Training Limited a loan of a nominal amount not to exceed 800,000 pounds sterling. The funds are made available to GTT Training Limited to finance the start-up of its business. The loan bears interest at the maximum tax-deductible rate for shareholder's current account payable annually on the drawdown anniversary date.

The loan will be repaid in full, including any accrued or capitalised interest not yet paid, upon expiry of the agreement, i.e. on 22 December 2015, unless the agreement is renewed. GTT can end the agreement early with immediate effect (i) in the case of breaches by GTT Training Limited of certain obligations, including its obligation to pay interest under the agreement, or (ii) in the event of a recovery procedure, receivership or liquidation of GTT Training Limited.

At 31 December 2014, the amount due in respect of the loan granted by GTT to GTT Training Limited totalled 249,999 pounds sterling.

19.1.3 SERVICE AGREEMENTS

19.1.3.1 Service agreements between GTT and Cryovision

Under an agreement dated 20 January 2012, entered into initially for a period of three years but renewable automatically for further periods of one year, GTT provides Cryovision with support in areas such as accounting management, tax returns, payroll management, legal affairs, human resources and intellectual property matters. These services are invoiced on a time basis.

This agreement resulted in the payment of 17,962 euros by Cryovision for 2014, excluding interest on loans.

19.1.3.2 Service agreement between GTT and GTT Training Limited

On 23 December 2014, GTT and GTT Training Limited entered into an agreement by which GTT Training Limited will provide to GTT the following services (i) training of customers and employees of GTT, (ii) software development and (iii) commercial promotional services during participation in trade shows. The services were delivered at the request of GTT, and remunerated quarterly at cost plus 7% interest.

This agreement, which took effect starting 9 June 2014, was entered into until 31 December 2015 and is thereafter automatically renewable for periods of one year.

This agreement did not result in any payment by GTT for the year 2014.

19.2 Related-party agreements

19.2.1 AGREEMENT CONCERNING THE ALLOCATION OF COSTS RELATED TO THE COMPANY'S INITIAL PUBLIC OFFERING, CONCLUDED BETWEEN THE COMPANY, GDF SUEZ AND CERTAIN SUBSIDIARIES OF THE GDF SUEZ GROUP

As part of the Company's initial public offering, the historical shareholders agreed to cover part of the charges incurred by the Company, particularly the fees paid for legal counsel and accounting services, as well as those paid to communications agencies. On 24 July 2014, the Company entered into an agreement notably with GDF SUEZ SA, GDF International SAS and GDF Armateur 2 SAS, for a term of two months from its signature, in order to define the methods for allocating the costs between the parties.

This agreement is outlined in the special annual report of the Statutory Auditors on the related-party agreements provided in section 19.3 – *Special reports of the Statutory Auditors on related-party agreements* in this Registration Document. It resulted in the payment to GTT of 19,440 euros excluding tax for the year ended 31 December 2014.

19.2.2 AGREEMENT BETWEEN THE COMPANY AND GDF SUEZ

Starting in 1985, GDF SUEZ SA, formerly Gaz de France, provided the Company with technical and financial support for its development of watertight, thermally insulating liquefied gas storage systems designed for shipping LNG. The partnership between GTT and Gaz de France resulted in several agreements whereby the Company paid GDF SUEZ a royalty for commercial operation of these systems in relation to the construction of LNG carriers equipped with such systems.

On 4 November 2008, the Company and GDF SUEZ entered into a new agreement cancelling and replacing all the previous agreements entered into between 1985 and 1995. The new agreement sets out the fees to be paid by the Company to GDF SUEZ in consideration for the technical and financial support provided during the development of the NO 96 and CS 1 technologies. These fees comprise the following amounts:

- ▶ for the NO 96 technology and provided the Company receives the associated royalties: 3% of the amount of the royalties excluding taxes accounted for as "sales of services" for the construction of LNG carriers equipped with the technology for the financial year ended 31 December 2008 and 3% of the aggregate amount of royalties excluding taxes accounted for as "sales of services" for the construction of LNG carriers equipped with the technology in respect of all firm orders placed before 30 June 2008 until extinction of the royalties due to GTT by the

shipbuilders in respect of those orders. Under the new agreement, the Company ceased paying fees in respect of the NO 96 technology at the end of the financial year ended 31 December 2011;

- ▶ for the CS 1 technology and provided the Company receives the associated royalties: 10% of the aggregate amount of the royalties excluding taxes accounted for as "sales of services" for the construction of LNG carriers equipped with the CS 1 technology in respect of the first five-firm orders for vessels and 3% in respect of firm orders booked for subsequent vessels (up to a maximum of twenty) and until 31 December 2016, until extinction of the royalties due to GTT in respect of those orders. On the date of this Registration Document, the CS 1 technology was no longer sold and the Company has no further liability for fees in this regard.

The new agreement specifies that GTT has exclusive title to the results of all research carried out with GDF SUEZ's support on the NO 96 and CS 1 technologies, and all the associated intellectual and industrial property rights. GTT has undertaken to pay all the costs of maintaining the patents and other intellectual property rights over the two technologies and to take any infringement action related to them.

This agreement did not result in any payment by GTT for the year ended 31 December 2014.

19.2.3 FRAMEWORK AGREEMENT BETWEEN THE COMPANY AND CRIGEN

On 28 April 2014, a framework cooperation agreement was concluded between the Company and CRIGEN, a research and operational expertise centre within the GDF SUEZ group focused on business activities in gas, new-energy and emerging energy sources. This agreement concerns CRIGEN's research and evaluation of products and solutions in the LNG chain. This agreement was established for a term of five years, and defines the principles for evaluation and commercialisation of patents,

software and other expertise developed by CRIGEN, as well as products, software and technology that the parties develop jointly.

This agreement, addressed in the special annual report of the Statutory Auditors on related-party agreements shown in section 19.3 – *Special report of the Statutory Auditor on related-party agreements* of this Registration Document, did not result in any implementing agreement, thus there was no payment by GTT, for the year ended 31 December 2014.

19.2.4 AGREEMENT BETWEEN THE COMPANY AND CRIGEN

On 18 November 2014, the Company and CRIGEN, a research and operational expertise centre within the GDF SUEZ group focused on business activities in gas, new energy and emerging energy sources, entered into a service agreement. This agreement concerns a number of research studies by CRIGEN on producing and commercialising products and services based on nanotechnology for a total of 320,000 euros, excluding taxes. This agreement stipulates that GTT will be assigned certain intellectual property rights for the development and

commercialisation of systems for transporting, transferring or storing liquefied gases, specifically fixed and mobile cryogenic storage tanks, pipelines and bunkering masts.

This agreement addressed by the special annual report of the Statutory Auditors on related-party agreements shown in section 19.3 – *Special report of the Statutory Auditors on related-party agreements* of this Registration Document did not result in any implementing agreement, thus there was no payment by GTT, for the year ended 31 December 2014.

19.2.5 TECHNICAL WORK CONTRACT BETWEEN GTT AND GDF SUEZ

GTT and GDF SUEZ entered into a Technical Work Contract (TWC) on 7 April 2010. As part of this agreement, during 2014, a work order for a study of gas evaporation and high pressure gas delivery was approved by GDF SUEZ in view of a project for the installation of a FSRU for an amount of 51,000 euros excluding tax. This agreement resulted in the lump sum

payment of 35,500 euros, excluding tax, by GDF SUEZ for the year ended 31 December 2014.

A second work order for a pre-design study of a bunkering vessel, for an amount of 175,000 euros excluding tax is in negotiation at the date of this Registration Document.

19.2.6 TECHNICAL WORK CONTRACT ENTERED INTO BY GTT AND GAZOCEAN

On 11 December 2007, GTT entered into a Technical Work Contract (TWC) with GAZOCEAN, a company in which 80% of the share capital is held by

GDF SUEZ. Seven work orders have been placed by GAZOCEAN under the contract for the supply of technical support services.

This agreement did not result in any work order in 2014.

19.2.7 AGREEMENT BETWEEN GTT AND GDF SUEZ

On 14 October 2014, GTT and GDF SUEZ signed a service agreement for GTT to carry out an LNG delivery study as a fuel for a gas driven vessel, in

the total amount of 155,000 euros, excluding tax.

RELATED-PARTY TRANSACTIONS

19.2 RELATED-PARTY AGREEMENTS

19.2.8 AGREEMENT BETWEEN GTT AND GDF SUEZ BONAPARTE PTY LTD

On 4 March 2014, GTT and GDF SUEZ Bonaparte Pty Ltd, an Australian company 60% held by GDFSUEZ, entered into a service agreement so that GTT would carry out a study on the sloshing of LNG in the tanks of

an LNG carrier. This agreement resulted in the payment of 18,000 euros, excluding tax, to GTT for the year ended 31 December 2014.

19.2.9 TSA ENTERED INTO BETWEEN THE COMPANY, ON THE ONE HAND, AND GDF ARMATEUR, GDF ARMATEUR 2 AND NYK ARMATEUR REPRESENTED BY GAZOCEAN, ON THE OTHER HAND

GTT and GAZOCEAN (representatives of GDF Armateur, GDF Armateur 2 and NYK Armateur), a company in which 80% of the share capital is held by GDF SUEZ, entered into a framework contract on 18 July 2013 for the provision of technical services (Technical Services Agreement) in relation to the provision of technical assistance for maintenance, repair and, if necessary, the resolution of incidents on vessels tanks that may contain LNG. The agreement was entered into for a period of five years, renewable by tacit agreement for one-year periods.

As part of the annual royalties covering the period from 1 July 2014 to 30 June 2015, the Company received a total amount of 30,304.58 euros for three vessels (Gaselys, Provalys and GDF SUEZ Global Energy). The agreement also resulted in three work orders for the supply, by GTT, of technical support services in the total amount of 383,229.66 euros, excluding tax.

19.2.10 A GUARANTEE AND INVESTMENT AGREEMENT AS PART OF THE COMPANY'S INITIAL PUBLIC OFFERING ENTERED INTO BETWEEN THE COMPANY AND TOTAL GAS & POWER ACTIFS INDUSTRIELS, H&F LUXEMBOURG 1 S.À.R.L, H&FLUXEMBOURG 2 S.À.R.L, H&F LUXEMBOURG 3 S.À.R.L, MORGAN STANLEY PLC, LAZARD FRÈRES BANQUE SA, NATIXIS SA, DEUTSCHE BANK AG AND SOCIÉTÉ GÉNÉRALE CIB

As part of the Company's initial public offering, the Company entered into a guarantee and investment agreement with Total Gas & Power Actifs Industriels, H&F Luxembourg 1 S.à.r.l, H&F Luxembourg 2 S.à.r.l, H&Fluxembourg 3 S.à.r.l (the **Selling Shareholders**), Morgan Stanley Plc, Lazard Frères Banque SA, Natixis SA, Deutsche Bank AG and Société Générale CIB (the **Underwriters**).

The purpose of this agreement was to define the conditions for the guarantee, acquisition and distribution of GTT shares offered by the Selling Shareholders to the public as part of the Company's initial public offering.

In addition to the usual declarations and guarantees for this type of transaction carried out by the Company, the Selling Shareholders and the Underwriters, the contract set the conditions for the performance guarantee for the initial public offering, including the guaranteed share of each Underwriter, as well as the corresponding compensation.

This agreement is outlined in the special annual report of the Statutory Auditor on related-party agreements shown in section 19.3 – *Special report of the Statutory Auditor on related-party agreements* in this Registration Document.

19.3 Special report of the Statutory Auditor on related-party agreements for the year ended 31 December 2014

This is a free translation into English of the original report issued in French language and is provided solely for the convenience of English speakers users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Dear Shareholder,

In our capacity as Statutory Auditors to your company, we hereby present our report on the related-party agreements and commitments.

Our role is to report to you, based on the information provided to us, on the key terms and conditions of the agreements and commitments that have been disclosed to us or of which we have become aware during our audit, without commenting on their relevance or substance or enquiring about the existence of other agreements and commitments. It is your responsibility, pursuant to Article R. 225-31 of the French Commercial Code, to assess the interest attached to the conclusion of these agreements and commitments in order to approve them.

Moreover, it is our responsibility, as required, to provide to you the information stipulated in Article R. 225-31 of the French Commercial Code on the execution, in the year ended, of the agreements and commitments already approved by the Shareholders' Meeting.

We performed the procedures we deemed necessary in accordance with the professional auditing standards set out by the Compagnie nationale des commissaires aux comptes applicable in France for this type of engagement. Those procedures consisted of verifying the consistency of the information provided to us with the source documents.

Agreements and commitments submitted to the Shareholders' Meeting for approval

Agreements and commitments approved in the past year

In application of Article L. 225-40 of the French Commercial Code, we have been informed of the following agreements and commitments that have already been authorised by your Board of Directors.

1. WITH THE GDF SUEZ GROUP, A SHAREHOLDER HOLDING 40.07% OF GTT

Framework agreement for the study and evaluation of products and solutions for the LNG chain

On 11 April 2014, the Board of Directors authorised the signing of a cooperation agreement between GTT and CRIGEN, centre for research and operating expertise of the GDF SUEZ group dedicated to the gas, renewable energies and emerging energies businesses. This framework agreement was signed on 28 April 2014.

This agreement did not result in any implementation agreement and thus there was no payment by GTT for the financial period.

Service agreement to carry out studies

On 18 November 2014, GTT and CRIGEN signed a services agreement in the amount of 320,000 euros, for CRIGEN to carry out studies on the development and commercialisation of products and services based on nanotechnologies. The Board of Directors of 27 October 2014 gave prior authorisation to sign the draft contract.

This agreement did not result in any payment by GTT for the year 2014.

Agreement bearing on the sharing of expenses related to the initial public offering of your company

The Board of Directors of 24 July 2014, authorised an agreement between GTT and GDF SUEZ S.A., GDF International S.A.S., GDF Armateur 2 S.A.S. determining the method for sharing the expenses by the parties, in particular the fees for legal advice and accounting, as well as communications agencies.

This agreement resulted in the payment of an indemnity of 19,440 euros excluding taxes to GTT.

2. WITH PHILIPPE BERTEROTTIÈRE, CHAIRMAN AND CHIEF EXECUTIVE OFFICER SINCE 11 DECEMBER 2013

Indemnities that may be due to Philippe Berterottière in the case of forced departure leading to the cessation of duties of a company officer

The Board of Directors of 10 February 2014 authorised your Chairman and Chief Executive Officer to receive an indemnity in the event of forced departure leading to the cessation of his functions as company officer.

The departure can be linked to (i) a change in shareholding either when GDF SUEZ, GDF International and GDF Armateur 2 cease to hold a combined fraction of voting rights greater than 40% and when a shareholder holds directly or indirectly a fraction greater than theirs, or (ii) when there is a disagreement over strategy.

The amount of this remuneration is set at twice the amount of the overall gross remuneration (fixed and variable parts) received by Philippe Berterottière for the financial year for his duties executed in your company in the twelve last months preceding the date of his departure.

RELATED-PARTY TRANSACTIONS

19.3 SPECIAL REPORT OF THE STATUTORY AUDITOR ON RELATED-PARTY AGREEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

In addition, the payment of this indemnity will be subject to respect of the following conditions of performance:

- ▶ one third of the indemnity will be paid if the Company's share of the LNG carrier, FSRU and FLNG market is greater than 90% in the previous 24 months, it being further specified that if this rate is between 85% and 90%, the percentage of indemnity will be determined in a straight-line manner between 0% and one third;
- ▶ one third of the indemnity will be paid in the event that a net margin rate on revenue (IFRS) greater than 50% is reached in the eight previous quarters available preceding the departure;
- ▶ one third of the indemnity will be paid if the variable portion of Philippe Berterottière's remuneration in the two years preceding the departure is at least equal to two thirds of its maximum amount.

Non-competence commitment made by Philippe Berterottière in the event of the cessation of his term as Chairman and Chief Executive Officer

The Board of Directors of 10 February 2014 recorded the non-competition undertaking given by Philippe Berterottière under which he commits, in the case of the cessation of his term as Chairman and Chief Executive Officer, regardless of the circumstances of the cessation and for a period of two years starting from the effective date of cessation of duties, not to provide his assistance, directly or indirectly, to any French or foreign company that develops or is likely to develop business activities in competition with those of your company and its subsidiaries.

In return for this commitment, the Board of Directors authorised, on the non-retroactive condition precedent of the settlement-delivery of shares of your company allocated as part of the initial public offering on the Euronext Paris regulated market, the principal of the payment of a monthly indemnity of 5/10 (brought to 6/10 in the case of revocation of notwithstanding serious misconduct) of the monthly average of salaries and benefits and contractual payments received in the previous 12 months.

If his severance pay and non-competition compensation are both applicable, on 10 February 2014 the Board of Directors decided that the total amount received by Philippe Berterottière in this regard will be limited to two years of gross fixed and variable remuneration received in the 12 months preceding his departure for the duties carried out in your company.

Membership of supplementary pension scheme

On 10 February 2014, the Board of Directors of your company moreover authorised the membership of Philippe Berterottière to the mutual collective, health and protection and supplementary top-up pension schemes known as "Article 83".

This supplementary pension scheme resulted in the recognition of an expense of 99,828 euros for 2014.

3. WITH TOTAL GAS & POWER ACTIFS INDUSTRIELS, H&F LUXEMBOURG 1 S.À.R.L, H&F LUXEMBOURG 2 S.À.R.L, H&F LUXEMBOURG 3 S.À.R.L, MORGAN STANLEY PLC, LAZARD FRÈRES BANQUE S.A., NATIXIS S.A., DEUTSCHE BANK AG AND SOCIÉTÉ GÉNÉRALE CIB

On 10 February 2014, the Board of Directors authorised the signing of a guarantee agreement in order to define the procedures for acquisition and investment of shares offered to the public as part of the initial public offering.

This investment and guarantee agreement was signed by your company, Total Gas & Power Actifs Industriels, H&F Luxembourg 1 S.à.r.l, H&F Luxembourg 2 S.à.r.l, H&F Luxembourg 3 S.à.r.l (Selling Shareholders), Morgan Stanley Plc, Lazard Frères Banque S.A., Natixis S.A., Deutsche Bank AG and Société Générale CIB (the Underwriters).

In addition to the usual declarations and guarantees for this type of transaction carried out by your company, the Selling Shareholders and the Underwriters, the contract set the conditions for the performance guarantee for the initial public offering, including the guaranteed share of each Underwriter, as well as the corresponding compensation.

Agreements and commitments previously approved by the Shareholders' Meeting

Agreements and commitments approved in prior years

With GDF SUEZ S.A., holding 40.07% of GTT.

Fees paid by your company to GDF SUEZ in respect of royalties and licence fees for the use of the NO 96 and CS 1 technologies, corresponding to sales of vessels by your company

The partnership between GTT and GDF SUEZ (formerly Gaz de France) resulted in several agreements whereby your company paid GDF SUEZ a royalty for commercial operation of these systems as part of the construction of LNG carriers equipped with such storage systems. On 4 November 2008, your Company and GDF SUEZ entered into a new agreement cancelling and replacing all the previous agreements entered into between 1985 and 1995.

Your company has agreed to pay GDF SUEZ:

- ▶ 3% of the amount of net royalties and licence fees on all firm orders for vessels using NO 96 technology booked in 2008. This first provision was contractually applicable only in 2008;
- ▶ 3% of the amount of net royalties and licence fees on all firm orders for vessels using NO 96 technology booked prior to 30 June 2008;
- ▶ 10% of the net royalties on the first five LNG carriers built using CS 1 technology and 3% on firm orders for subsequent vessels (limited to 20 vessels booked until 31 December 2016).

In 2014, the Company did not pay any amount in for royalties and licence fees.

Paris-La Défense, April 14, 2015

The Statutory Auditor

Ernst & Young Audit

Philippe Hontarrède

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FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS



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20.1 Financial information under IFRS

The financial statements prepared in accordance with IFRS for the year ended 31 December 2013 are included by reference in this registration document. They are available in the updated version of the base document registered with the AMF on 14 February 2014 under number I.13-052. The updated base document is available on the Company's website (www.gtt.fr) and on the website of the Autorité des marchés financiers (www.amf-france.org).

The parent company financial statements prepared in accordance with IFRS are provided by the Company to anyone who wishes to see them. Only the parent company financial statements prepared in accordance with French GAAP, and appearing in Note 4 of the Appendix to this Registration Document, have legal force.

20.1.1 FINANCIAL STATEMENTS PREPARED ACCORDING TO IFRS FOR THE FINANCIAL YEAR ENDED ON 31 DECEMBER 2014

Balance sheet

In thousands of euros	Notes	31 December 2014	31 December 2013
Intangible assets	6	298	424
Property, plant and equipment	7	14,598	10,631
Non current financial assets	8	12,936	18,891
Deferred tax assets	17.5	85	2,125
Non-current assets		27,917	32,071
Customers	9.1	75,203	77,956
Other current assets	9.1	31,270	24,621
Cash and cash equivalents	10	64,705	87,180
Current assets		171,177	189,757
TOTAL ASSETS		199,095	221,828

In thousands of euros	Notes	31 December 2014	31 December 2013
Share capital	11	371	370
Share premium		2,932	1,109
Reserves		(42,965)	(34,620)
Net income		115,356	118,743
Other items of comprehensive income		80	1,155
Equity		75,774	86,757
Non-current provision	16	5,742	9,289
Financial liabilities – non-current part		1,620	2,176
Other non-current financial liabilities		201	-
Non-current liabilities		7,563	11,464
Current provision	16	-	-
Suppliers	9.2	14,744	15,576
Current financial liabilities		609	464
Other current liabilities	9.2	100,405	107,387
Current liabilities		115,758	123,607
TOTAL EQUITY AND LIABILITIES		199,095	221,828

FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS

20.1 FINANCIAL INFORMATION UNDER IFRS

Income statement

In thousands of euros	Notes	31 December 2014	31 December 2013
Revenue from operating activities	18	226,760	217,634
Costs of sales		(2,108)	(2,106)
External charges	4.2	(37,800)	(40,799)
Personnel expenses	4.1	(47,226)	(34,924)
Taxes		(5,670)	(3,874)
Depreciations, amortisations and provisions	4.3	(132)	972
Other operating income and expenses	4.4	5,020	3,481
Current operating income		138,844	140,475
Other non-current income and expenses		-	-
Operating profit		138,844	140,475
Financial income	5	1,448	1,478
Profit before tax		140,292	141,953
Income tax	17	(24,936)	(23,210)
Net income		115,356	118,743
Basic earnings per share (in euros)	12	3.11	3.21
Diluted earnings per share (in euros)	12	3.09	3.21

In thousands of euros	Notes	31 December 2014	31 December 2013
Net income		115,356	118,743
Items that will not be reclassified to profit or loss:		-	-
Actuarial Gains and Losses		-	-
Gross amount		(326)	378
Deferred tax		49	(57)
Total amount, net of tax		(277)	321
Items that may be reclassified subsequently to profit or loss:		-	-
Fair value changes on equity investments		-	-
Gross amount	8	420	981
Deferred tax		(63)	(147)
Total amount, net of tax		357	834
Other comprehensive income for the year, net of tax		80	1,155
TOTAL COMPREHENSIVE INCOME		115,436	119,898
Basic comprehensive income per share (in euros)		3.11	3.24
Diluted comprehensive income per share (in euros)		3.09	3.24



FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS

20.1 FINANCIAL INFORMATION UNDER IFRS

Cash flow statement

In thousands of euros	Notes	31 December 2014	31 December 2013
Company profit for the year		115,356	118,743
Cancellation of income and expenses with no effect on cash-flow:		-	-
Allocation (Reversal) of amortisation, depreciation, provisions and impairment		(253)	(1,214)
Tax expense (income) for the financial year	17	24,936	23,210
Free shares	17	3,042	-
Other income and expenses		43	48
Cash-flow		143,123	140,788
Tax paid out in the financial year		(22,911)	(18,258)
Change in working capital requirement:		-	-
■ Trade and other receivables	9.1	2,755	(37,228)
■ Trade and other payables	9.2	(1,012)	6,847
■ Other operational assets and liabilities	9.3	(8,631)	28,777
Net cash-flow generated by the business (Total I)		113,325	120,925
Investment operations		-	-
Acquisitions of non-current assets	6 and 7	(7,245)	(3,379)
Disposal of non-current assets	6 and 7	292	272
Financial investments	8	(3,854)	(7,656)
Disposal of financial assets	8	4,932	-
Treasury shares	11.4	(337)	-
Change in other fixed financial assets		-	112
Net cash-flow from investment operations (Total II)		(6,211)	(10,651)
Financing operations		-	-
Dividends paid to shareholders		(130,948)	(91,831)
Capital increase		1,824	-
Change in FSH advances		(464)	-
Interest paid		-	-
Change in bank lending		-	-
Net cash-flow from finance operations (Total III)		(129,588)	(91,831)
Change in cash (I+II+III)		(22,475)	18,433
Opening cash	10	87,180	68,737
Closing cash	10	64,705	87,180
Effect of changes in currency prices		-	-
Cash change		(22,475)	18,433

FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS

20.1 FINANCIAL INFORMATION UNDER IFRS

Statement of changes in equity

In thousands of euros	Number of shares	Share capital	Reserves	Profit for the year	Equity
At 31 December 2012	37,028,800	370	18,743	39,577	58,691
Profit for the period	-	-	-	118,743	118,743
Other items of comprehensive income	-	-	-	1,155	1,155
Total comprehensive income	-	-	-	119,898	119,898
Allocation of the profit from the previous financial year	-	-	39,577	(39,577)	-
Distribution of dividends	-	-	(40,153)	-	(40,153)
Interim dividend payment	-	-	(51,678)	-	(51,678)
At 31 December 2013	37,028,800	370	(33,511)	119,898	86,757
Profit for the period	-	-	-	115,356	115,356
Other items of comprehensive income	-	-	-	80	80
Total comprehensive income	-	-	-	115,436	115,436
Allocation of the profit from the previous financial year	-	-	119,898	(119,898)	-
Capital increase	49,557	1	1,823	-	1,824
Treasury shares	(6,980)	(0)	(337)	-	(337)
Share-based payments	-	-	3,042	-	3,042
Distribution of dividends	-	-	(130,948)	-	(130,948)
AT 31 DECEMBER 2014	37,071,377	371	(40,033)	115,436	75,774

20.1.2 NOTES TO THE FINANCIAL STATEMENTS

DETAILED SUMMARY OF NOTES

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NOTE 1 GENERAL PRESENTATION

Gaztransport et Technigaz-GTT (the "Company" or "GTT") is a simplified limited company under French law, whose registered office is in France, at 1 route de Versailles, 78470 Saint-Rémy-lès-Chevreuse.

The Company is specialized in the production of services related to the construction of storage facilities for transporting liquefied natural gas (LNG). It offers engineering services, technical assistance and patent licenses for the construction of LNG carrier tanks installed mainly on LNG carriers.

The Company is based in France and operates mainly with shipyards in Asia.

These financial statements are presented for the period beginning on 1 January and ending 31 December 2014.

The Company's consolidated financial statements do not include its subsidiaries Cryovision (established on 2 February 2012), GTT North America (established in September 2013) or GTT Training Ltd (established

in June 2014), due to their low level of business activity in the period covered by these financial statements. For its third financial year, the revenue of Cryovision SAS was 2,394 thousand euros, its net income was 420 thousand euros and its total balance sheet was 2,162 thousand euros (figures taken from the corporate financial statements at 31 December 2014 prepared in accordance with French accounting standards). For its first financial period, which lasted 6 months, GTT Training Limited had revenue of 75 thousand pounds sterling with third parties, its profit was 10 thousand pounds sterling and its total balance sheet was 402 thousand pounds sterling (figures taken from the financial statements prepared in accordance with the applicable standards in the United Kingdom). Revenues from third-parties for GTT North America amounted to 172 thousand US dollars, profit for the year was 15 thousand US dollars and the balance sheet total was 126 thousand US dollars (figures taken from the financial statements prepared in accordance with US GAAP).

NOTE 2 ACCOUNTING RULES AND METHODS

2.1 Basis of Preparation of the Financial Statements

The financial statements for all periods presented have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and in force on 31 December 2014.

These standards are available on the website of European Commission: http://ec.europa.eu/internal_market/accounting/ias/index_fr.htm

The standards, amendments or interpretations presented below have been applicable to the Group since 1 January 2014. The application of these standards had no significant impact on the financial statements of the Group.

Standard No.	Name
IAS 27 revised	Separate financial statements
IAS 28 revised	Investments in associates and joint ventures
IFRS 10	Consolidated financial statements
IFRS 11	Joint arrangements
IFRS 12	Disclosures of interests in other entities
Amendments to IFRS 10, 11 and 12	Transitional arrangements
Amendments to IAS 32	Offsetting financial assets and financial liabilities
Amendments to IAS 36	Recoverable Amount Disclosures for Non-Financial Assets

The Group has elected not to apply early the following standards, interpretations and amendments, which are not yet compulsory.

Standard No.	Name
IFRIC 21	Levies
Amendment to IAS 19	Employee benefits
Amendment to IFRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendment to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendment to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Annual improvement cycle 2010-2012	IFRS 2 – IFRS 3 – IFRS 8 – IFRS 13 – IAS 16 and IAS 38 – IAS 24
Annual improvement cycle 2011-2013	IFRS 1 – IFRS 3 – IFRS 13 – IFRS 40
Annual improvement cycle 2012-2014	IFRS 5 – IFRS 7 – IAS 19 – IAS 34

The Group does not apply the standards, amendments and interpretations published by the IASB but not yet adopted by the European Union.

Standard No.	Name
IFRS 9	Financial Instruments: Classification and Measurement
IFRS 15	Revenue from Contracts with Customers

Management anticipates that the application of these standards will have no significant impact on the IFRS financial statements.

The financial statements are presented in thousands of euros, rounded to the nearest thousands euros, unless otherwise indicated.

IFRS financial statements of the Company are prepared in accordance with the going concern principle and on a historical cost basis except for certain financial instruments and financial assets available for sale that are measured at fair value.

The financial statements were approved by the Board of Directors on 12 February 2015.

2.2 Use of judgments and estimates

In preparing these interim financial statements in accordance with IFRS, management has made judgments, estimates and assumptions that affect the book value of assets and liabilities, income and expenses, and the information mentioned in the notes.

Certain financial accounting information has required significant estimations to be made: mainly deferred tax assets, provisions for risk and retirement benefit plans.

2.3 Significant events during the period

The securities of GTT were listed on Euronext Paris (compartment A) on 27 February 2014.

2.4 Functional and presentation currency

The financial statements are presented in euros, which is the Company's functional currency.

Almost all of the Company's transactions are denominated in euros.

2.5 Revenue recognition

Contracts between GTT and shipyards are based on royalties, whereby the shipyards pay royalties for the use of the Company's technology. GTT also provides experts (engineers and technicians) in order to accompany shipyards (GTT's customers) to apply its technology.

A general contract/TALA, (Technical Assistance and License Agreement) defines the general relationship between the parties. The contract sets out the basis for calculating the royalties (based on the number of vessels built by the shipyard) and also indicates the terms of payment of royalties.

Subsequently, for each vessel, a special contract/MoU, (Memorandum of Understanding) is signed which defines the specific conditions of application of the general contract.

Under licensing agreements for the construction of LNG tanks with shipyards, GTT:

- ▶ realize engineering analysis for the implementation of its patents, and deliver to the shipyard detailed specifications (including plans and nomenclature necessary to build the tanks using GTT's patented technology) at the moment of steel cutting;
- ▶ grants a non-exclusive licence to use patents with the support of its engineers and technicians for the construction of tanks (from the steel-cutting phase); and
- ▶ carries out technical assistance services by providing skilled engineers and technicians, whereby the number of man days are contractually defined from the "launching" phase until receipt of the final LNG tanks which comply with GTT technology as ordered by the ship-owner, being the shipyard's customer.

All of these services are invoiced on a "recurring royalties" basis; the invoice amounts are proportional to the number of square metres of tanks

under licensed construction and based on a man/day rate for technical assistance, which may be adjusted for example, if a series of identical LNG carriers is to be constructed. The billing is payable following a contractual schedule based on the key phases of the construction of the LNG carrier:

- ▶ effective date of the contract;
- ▶ steel cutting;
- ▶ keel laying;
- ▶ launching;
- ▶ delivery.

Billing is recognized as revenue from operating activities as and when the services are performed:

- ▶ the part corresponding to the presentation of the specifications, which is only applicable to the first LNG carrier in a series, is recognized "prorata temporis" from the date of signature of the license agreement (which marks the beginning of activity with the shipyard for the fabrication of the tanks), to delivery of the final specifications at the moment of steel-cutting;
- ▶ the part corresponding to the non-exclusive license to use the patents with the support of GTT engineers and technicians is recognized "prorata temporis" from the moment of steel-cutting until the final delivery of the final LNG carrier;
- ▶ finally, the part corresponding to the technical assistance provided during the project is recognized as such assistance is performed, generally on-site, by GTT's engineers and technicians from the launch of the LNG carrier until final delivery and acceptance by the customer.

Beyond the volume of contractual technical assistance, GTT can offer further technical assistance, upon request, which is recognized as revenue when such assistance is effectively performed by the engineers and technicians on-site.

2.6 Other revenues

Other revenues include the amounts for the Research Tax Credit (CIR) granted to companies by the French Tax Authorities in order to encourage technical and scientific research activities.

Companies that justify eligible expenses receive a tax credit that can be credited against the income tax due for the period in which the expenditure was incurred. Any unutilized amount may be carried forward for offset in the following three years, with any excess beyond this date, being reimbursed. Only research expenditure is taken into account for the basis of calculating the research tax credit.

2.7 Intangible assets

Intangible assets are recorded at their acquisition cost less any accumulated amortization and any accumulated impairment losses. Intangible assets with finite lives are amortized over their useful economic life, using the straight-line method.

FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS

20.1 FINANCIAL INFORMATION UNDER IFRS

Research and development costs

The Company regularly incurs research and development costs. Research costs are expensed as incurred. Development expenditures are recognized as an intangible asset when the Company can demonstrate:

- ▶ the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- ▶ its intention to complete and its ability to use or sell the asset;
- ▶ capacity to use the intangible asset;
- ▶ the probability of future economic benefits being generated;
- ▶ the availability of technical, financial and other resources to complete the project and;
- ▶ the ability to reliably measure the expenditure during development.

At the date these financial statements were prepared, the Company considered that these criteria had not been met before the costs were incurred.

As a result, development costs have been recognized as an expense in the period in which they were incurred.

The Company spent 20.6 million euros on research and development during the financial year ended on 31 December 2014, compared with 18.8 million euros in the financial year ended 31 December 2013.

Software

Software acquired from third parties are capitalized and amortized over a period of one year.

At the year-end, intangible assets recorded in the balance sheet comprise exclusively of software.

2.8 Property, plant and equipment

Property, plant and equipment are initially accounted for at their acquisition cost.

With regard to the building used since 2003 as the headquarters of the Company, its historical cost under the first time application of IFRS, has been determined using the transfer price paid by GTT in January 2003 to the previous tenant in order to obtain the rights and obligations relative to the leasing contract of this building, increased by the outstanding capital element of the lease at the date of the lease transfer, to be amortized over the remaining term of the lease contract. GTT became the owner of this building at the end of contractual lease period in December 2005.

Amortization, calculated from the date of commissioning of the building, is recognized as an expense to reduce the book value of assets over their estimated useful lives, on a straight-line basis over the following period:

▶ Constructions	20 years
▶ Leased assets	15 years
▶ Technical installations	5 and 10 years
▶ Other assets	
— Transport material	3 years
— Computer and office equipment	3 years
— Office furniture	6 years and 8 months

Amortization expense is recognized within the Income Statement as "Amortizations".

2.9 Leases

Assets financed through finance lease contracts which transfer substantially all the risks and rewards due to ownership of the leased item to the Company, are recognized in the balance sheet at the lower of (i) the fair value of the assets or (ii) the present value of the minimum lease payments. The corresponding debt is recognized as a liability. At the date of closing the financial statements, there were no contracts of this nature.

Leases where the lessor retains substantially all the risks and rewards of ownership of the asset are operating leases. The operating lease payments are recognized as an expense in the income statement over the lease term on a straight-line basis, corresponding to the useful life of the asset.

2.10 Impairment of non-financial assets

An impairment test is performed:

- ▶ at least once a year, for assets with indefinite lives, mainly non depreciable intangible assets and also assets under construction;
- ▶ if an indicator of impairment exists for assets with an indefinite or finite economic useful life.

The Company does not have assets with an indefinite useful life that require an impairment test. Furthermore, no indicators of impairment have been identified which would justify an impairment test of the other assets with a finite life.

2.11 Financial assets and liabilities

Financial assets include financial investments; loans and other financial receivables; and financial derivative instruments.

Financial liabilities include borrowings, bank overdrafts and financial derivative instruments.

Financial assets and liabilities are presented in the balance sheet as current assets/liabilities or non-current liabilities depending on whether or not they fall due more than one year, with the exception of derivatives which are classified as current.



FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS

20.1 FINANCIAL INFORMATION UNDER IFRS

Financial assets recorded at fair value, with movements taken to the income statement

Financial assets and liabilities measured at fair value, for which movements in fair value are booked to the income statement, are designated as such when the transaction is initiated. These assets are initially recognized at fair value and are remeasured at each reporting date. The change in fair value is recognized in the income statement under "Other financial income" or "Other financial expenses".

The fair value is determined using the following hierarchy:

- ▶ listed prices (unadjusted) on "liquid" markets for identical assets or liabilities (Level 1);
- ▶ other data than market prices included within Level 1 that can be observed either directly or indirectly (Level 2); and
- ▶ data relative to the asset or liability that are not based on observable market data (Level 3).

Held to maturity investments

These financial assets are investments, other than loans and receivables, that the Company intends to hold to maturity and has the capacity to do so. These investments have fixed or determinable income streams. These financial assets are initially booked at fair value and subsequently measured at amortized cost using the effective interest method.

Loans and receivables

Loans and receivables are measured at amortized cost less any necessary impairment charge.

Available for sale financial assets

Available for sale financial assets correspond to non-consolidated equity securities and any other debt instruments not classified under other categories.

Trade payables and financial liabilities

Financial liabilities and trade payables are measured at amortized cost. Interest is calculated using the effective interest rate and is recognized as financial expenses in the income statement.

2.12 Trade and other receivables

A provision for depreciation is recognized when there are objective indicators which indicate that the amounts due cannot be recovered fully or partially. In particular, the process of assessing the recoverable amount of receivables balances due at the balance sheet date is subject to individual consideration and the necessary provisions are recognized if there is a risk of non-recovery.

2.13 Cash and cash equivalents

The caption "Cash and cash equivalents" includes cash and readily available money market investments, subject to a negligible risk of

change in fair value, which can be readily used to meet existing cash outflow requirements.

Monetary investments are valued at their market value at the balance sheet date. Changes in value are recorded in "Other financial income" or "other financial liabilities".

2.14 Share capital

Ordinary shares are classified as equity instruments.

2.15 Employee Benefits

Retirement indemnities

The Company applies the relevant legal obligations or provides customary supplementary pension schemes or other long-term benefits to employees. The Company offers these benefits through defined contribution plans.

Contributions relating to defined contribution plans are expensed as and when they become due for services rendered by employees.

Indemnities within the collective agreement which apply to the Company relate to retirement indemnities or indemnities due in the case of voluntary departure or their forced retirement. Such indemnities are considered to be defined benefit plans.

Liabilities arising from defined benefit plans and their costs are determined using the projected unit actuarial valuation method. Valuations are carried out annually. Actuarial calculations are provided by external consultants.

These plans are funded, and the residual obligation may be recognised as a pension asset in the balance sheet.

The main plan concerns retirement benefits paid upon retirement. The change in the liability and the plan assets includes:

- ▶ the cost of the services rendered and the amortisation of the cost of past services recognised as operating expenses;
- ▶ the reduced financial cost of the return on plan assets, recognised as financial income;
- ▶ the actuarial gains and losses directly recognized in "Other comprehensive income".

The actuarial differences come from changes in the assumptions and the difference between the estimations according to the actuarial assumptions and the actual results of the revaluations.

2.16 Other provisions

A provision is recognized when, at the end of the period, the Company has a present obligation (legal or implied) arising from past events and it is probable that an outflow of future economic benefits will be required to settle the obligation.

Litigation is provided for when an obligation of the Company to a third party exists at the balance sheet date. The measurement of provision is based on the best estimate of projected expenditure.

Contingent liabilities represent potential obligations arising from past events whose existence will be confirmed only by the occurrence of uncertain future events which are not under the control of the entity or existing obligations where an outflow of resources is not probable. With the exception of those recognized as a result of a business combination, contingent liabilities are not recognized in the accounts but are described in a note to the financial statements.

2.17 Government grants and conditional advances

Between 1987 and 2001, the Company received advances subject to reimbursement conditions from Hydrocarbons Support Fund (FSH). These advances were intended to finance investment projects in the framework of research programs approved by the French State.

The repayment of these advances is based on the sales generated by the relevant projects which have been funded. They are recorded in "Other non-current liabilities" at their present value discounted at a rate of 2%, being amortized as reimbursements are made.

No refunds will be required at the end of the 20th year following the year of approval of the funding, the amount of non-refundable advances being recognized as other income on that date.

2.18 Income Tax

"Income tax expense" includes current income taxes payable and deferred tax.

Deferred tax is recognized, using the liability method, for temporary differences existing at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts; and unused tax losses.

A deferred tax asset is recognised for tax losses and unused tax credits when it is probable that the Company will have future taxable profits against which these tax losses and unused tax credits can be utilised.

Deferred tax assets & liabilities are measured at the tax rates expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been adopted or substantively adopted at the balance sheet date.

Deferred taxes are recognized as income or expense in the income statement except where it relates to a transaction or event that is recognized directly in equity.

Deferred tax assets and liabilities are presented in specific balance sheet items included in non-current assets and liabilities.

Given its activity, GTT is taxed at the reduced rate applicable to long-term capital gains applied on its net revenue from license royalties. The tax losses available at the normal rate are offset against profits taxed at the reduced tax rate in accordance with French tax rules. The valuation of deferred taxes generated by temporary differences takes into account this allocation mechanism to reflect the charge or tax savings that will actually be supported or obtained (at the normal rate or at the reduced rate) when the liability is settled or the asset is realized.

2.19 Segment reporting

The Company is active in only one operational sector: the provision of services relating to the construction of liquefied natural gas storage and transport facilities.

Assets and liabilities are located in France. Fees and services rendered are invoiced to companies predominantly based in Asia.

2.20 Other items of comprehensive income

Income and expenses of the period which are not recognized in the income statement are presented as "Other comprehensive income" in total comprehensive income.

2.21 Earnings per share

Earnings per share is calculated by dividing net income by the weighted average number of Company shares in circulation after restatement for treasury shares.

Diluted earnings per share is calculated by dividing net income by the weighted average number of shares in circulation after restatement for treasury shares, taking into account the maximum number of shares that could be in circulation given the probability of current or future dilutive instruments being converted.

2.22 Free shares

The plans agreed after 7 November 2002 result in the recognition of an expense relating to the projected benefit granted to beneficiaries of the plans. The expense is offset by an increase in reserves.

For free share plans, the valuation is based on the share price on the date of allocation, weighted or not by the reasonable estimate of share allocation criteria being met. The benefit is distributed over the vesting period (2 to 4 years).



FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS

20.1 FINANCIAL INFORMATION UNDER IFRS

NOTE 3 EVENTS AFTER THE REPORTING PERIOD

There are no significant events after year-end to report.

► INFORMATION RELATING TO THE INCOME STATEMENT

NOTE 4 OPERATING INCOME

4.1 Personnel expenses

The amount of personnel expenses for the period is detailed below:

In thousands of euros	31 December 2014	31 December 2013
Wages and salaries	22,246	17,699
Social security costs	15,178	10,574
Share-based payments ⁽¹⁾	3,042	
Profit-sharing and incentives scheme	6,759	6,651
PERSONNEL EXPENSES	47,226	34,924

(1) The method for calculating share-based payments can be found in Note 11.3.

4.2 External charges

In thousands of euros	31 December 2014	31 December 2013
Tests and studies	17,661	21,778
Leasing, maintenance & insurance	4,862	4,342
External Staff	740	968
Fees	4,803	5,266
Transport, travel and reception expenses	7,791	7,061
Postal & telecommunication charges	177	159
Others	1,766	1,225
TOTAL	37,800	40,799

4.3 Amortisations and provisions

In thousands of euros	31 December 2014	31 December 2013
Amortisation	3,399	3,520
Provisions	413	427
Reversal of provisions	(3,679)	(4,918)
AMORTISATION AND PROVISIONS (REVERSAL)	132	(972)

Allocations and reversals to provisions mainly concern litigation and current asset risks.

FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS

20.1 FINANCIAL INFORMATION UNDER IFRS

4.4 Other operating income and expenses

In thousands of euros	31 December 2014	31 December 2013
Research tax credit	4,344	3,625
Employment and competitiveness tax credit (CICE)	231	226
Other	446	(370)
OTHER OPERATING INCOME AND EXPENSES	5,020	3,481

NOTE 5 FINANCIAL INCOME

In thousands of euros	31 December 2014	31 December 2013
Exchange gains and losses	(10)	-
Other financial charges	(12)	(11)
Financial income on short term investments	1,450	1,496
Discounting of Support Fund Hydrocarbons cash advances	(53)	(52)
Proceeds on disposal of securities	63	41
Changes in the fair value of retirement plan assets (see note 15)	9	3
FINANCIAL INCOME	1,448	1,478

► INFORMATION RELATING TO THE BALANCE SHEET**NOTE 6 INTANGIBLE ASSETS**

In thousands of euros	Gross Value	Amortisation	Net value
Values as at 31/12/2012	3,456	3,404	52
Acquisitions	715	343	372
Disposals	-	-	-
Values as at 31/12/2013	4,172	3,748	424
Acquisitions	680	805	(126)
Disposals	-	-	-
Values as at 31/12/2014	4,852	4,553	298

Intangible assets are mainly comprised of software.



FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS

20.1 FINANCIAL INFORMATION UNDER IFRS

NOTE 7 PROPERTY, PLANT AND EQUIPMENT

In thousands of euros	Land and Buildings	Technical Installations	Leased assets	Others	Total
Gross values as at 31/12/2012	3,757	24,895	3,593	4,444	36,689
Acquisitions	-	2,119	-	545	2,664
Disposals	-	5	-	267	272
Gross Book Value as at 31/12/2013	3,757	27,008	3,593	4,723	39,081
Acquisitions	1,273	1,984	-	3,756	7,014
Disposals	-	73	-	668	741
Gross values as at 31/12/2014	5,030	28,920	3,593	7,812	45,355
Accumulated depreciation as at 31/12/2012	464	19,906	1,796	3,350	25,516
Depreciation	85	2,500	180	411	3,176
Reversal	-	2	-	240	242
Accumulated depreciation as at 31/12/2013	549	22,405	1,976	3,521	28,450
Depreciation	86	1,880	180	447	2,593
Reversal	-	68	-	219	287
Accumulated depreciation as at 31/12/2014	635	24,217	2,156	3,750	30,757
Net values as at 31/12/2012	3,293	4,988	1,796	1,095	11,173
Net Book Value as at 31/12/2013	3,208	4,604	1,617	1,202	10,631
NET VALUES AS AT 31/12/2014	4,396	4,703	1,437	4,062	14,598

In the absence of external debt related to the construction of property, no interest expense was capitalized in accordance with IAS 23 – Borrowing Costs.

Assets acquired under finance leases correspond to the building used since 2003 as the headquarters of the Company described in Note 2.10.

For the first time application of IFRS, the historical cost of the building was determined using the transfer price paid by GTT in January 2003 to the previous tenant in order to obtain the rights and obligations relative to the leasing contract of this building, increased by the outstanding capital element at the date of the lease transfer, to be amortized over the remaining term of the lease contract. GTT became the owner of this building at the end of contractual lease period in December 2005.

FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS

20.1 FINANCIAL INFORMATION UNDER IFRS

NOTE 8 NON-CURRENT FINANCIAL ASSETS

In thousands of euros	Loans and receivables	Held-to-maturity financial assets	Available for sale assets	Financial assets at fair value through profit or loss	Total
Values as at 31/12/2012	1,020	5,000	4,050	121	10,190
Acquisitions	156	-	7,500	-	7,656
Disposals	112	-	-	-	112
Changes in scope	-	-	-	-	-
Other variations	-	(5,000)	5,981	176	1,157
Values as at 31/12/2013	1,064	-	17,531	297	18,891
Acquisitions	335	-	3,519	-	3,854
Disposals	932	-	4,000	-	4,932
Other variations	-	-	(4,580)	(297)	(4,877)
VALUES AS AT 31/12/2014	466	-	12,470	-	12,936

The increase in "Loans and receivables" in 2014 mainly corresponded to an advance to the subsidiary GTT Training Ltd for 313 thousand euros. The decrease comes from the repayment of the advance granted to Cryovision in 2012 of 750 thousand euros and the reclassification of the advance accorded to GTT NA under supplier advances.

The increase in "assets available for sale" corresponds to a 2,000 thousand euro cash investment subscribed over three years, as

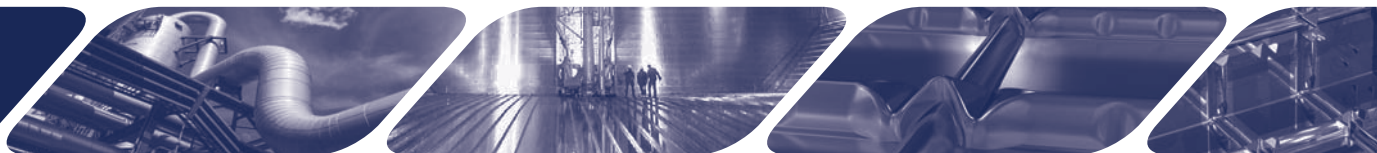
well as SICAV subscriptions under a liquidity contract (Note 11.4) pending investments in GTT securities. The disposal corresponds to the sale of a cash investment of 4,000 thousand euros. Other changes correspond to a reclassification as current assets and the fair value of equity investments.

The change in "fair-value financial assets with change in profit for the year" corresponds to the reversal of excess assets to cover retirement indemnities for 2013. No surplus was recorded in 2014.

NOTE 9 WORKING CAPITAL**9.1 Trade receivables and other current assets**

Gross book value (In thousands of euros)	31 December 2014	31 December 2013
Trade and other receivables	75,301	77,956
Trade and other operating receivables	-	-
Tax and social security receivables	23,308	21,849
Other receivables	5,728	821
Prepaid expenses	2,234	1,951
Total other current assets	31,270	24,621
TOTAL	106,571	102,577

Depreciation (In thousands of euros)	31 December 2014	31 December 2013
Trade and other receivables	98	-
TOTAL	98	-



FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS

20.1 FINANCIAL INFORMATION UNDER IFRS

Net book value (In thousands of euros)	31 December 2014	31 December 2013
Trade and other receivables	75,203	77,956
Trade and other operating receivables	-	-
Tax and social security receivables	23,308	21,849
Other receivables	5,728	821
Prepaid expenses	2,234	1,951
Total other current assets	31,270	24,621
TOTAL	106,473	102,577

The breakdown of trade receivables by maturity as at 31 December is presented below:

	31 December 2014	31 December 2013
Not yet falling due (In thousands of euros)	65,345	55,008
Due since 2 months or more	2,310	6,203
Due since 2 months but less than 6 months	4,157	6,827
Due since 6 months but less than 1 year	1,089	8,787
Due since 1 year	2,302	1,131
Total amount falling due	9,858	22,948
TOTAL	75,203	77,956

9.2 Trade payables and other current liabilities

In thousands of euros	31 December 2014	31 December 2013
Trade and other payables	14,744	15,756
Tax and social security payables	26,292	24,251
Other debts	833	905
Deffered income	73,280	82,231
Other current liabilities	100,405	107,387
TOTAL	115,149	123,143

9.3 Other operational assets and liabilities

In thousands of euros	31 December 2014	31 December 2013	Change 2014/2013
Tax receivables	23,299	21,845	1,454
Accrued income	179	81	99
Prepaid expenses	2,234	1,951	283
Current account assets	557	745	(188)
Deffered revenue	(73,280)	(82,231)	8,951
Tax and social security payables	(26,292)	(24,251)	(2,041)
Advance payments from Customers	(833)	(905)	72
TOTAL	(74,135)	(82,766)	8,631

NOTE 10 CASH AND CASH EQUIVALENTS

In thousands of euros	31 December 2014	31 December 2013
Short-term investments	35,884	83,931
Cash and cash equivalent	28,821	3,249
Cash in balance sheet	64,705	87,180
Bank overdrafts and equivalent	-	-
NET CASH POSITION	64,705	87,180

Short term deposits and other cash instruments consist of deposits which meet the criteria of classification as cash equivalents.

Cash and cash investments are recognised at fair value (Level 1).

NOTE 11 EQUITY

11.1 Share capital

The Company's Shareholders' Meeting of 10 February 2014 decided to increase the Company's capital by issuing shares reserved for employees. At the end of the subscription period, the share capital had been increased on 11 April 2014 by 49,557 shares with a nominal value of 0.01 euro.

As at 31 December 2014, the share capital was composed of 37,078,357 shares with a nominal unit value of 0.01 euro.

11.2 Dividends

The Shareholders' Meeting of 10 February 2014 approved the payment of an ordinary dividend of 3.43 euros per share for the year ended 31 December 2013, payable in cash. As an interim dividend payment had been made on 5 September 2013; the balance was paid on 26 May 2014 for 75,330,465 euros.

The Board of Directors, meeting on 24 July 2014, decided to make an interim dividend payment of 1.50 euro for each of the 37,078,357 shares. The interim dividend was paid on 29 September 2014.

11.3 Share-based payments

Allocation of free shares (AFS)

Date of allocation ⁽¹⁾	Plan no.	Vesting period	Minimum lock-up period	Shares originally allocated	Fair value of the share on the allocation date	Expired shares	Shares allocated at the end of the vesting period	Existing shares at 31 December 2014
10 February 2014	AFS 1:	2 years	2 years	5,745	€46	n/a	n/a	5,745
10 February 2014	AFS 2:	2 to 4 years	2 years	250,000	€24	n/a	n/a	250,000

(1) The allocation date corresponds to the date of the meeting of the Board of Directors having decided on the allocation of these plans.



FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS

20.1 FINANCIAL INFORMATION UNDER IFRS

For both these plans, the Board of Directors has set the following acquisition conditions:

- ▶ AFS plan no. 1: 100% of shares allocated subject to presence at the end of the vesting period;
- ▶ AFS plan no. 2: 100% of shares allocated subject to:
 - presence at the end of the vesting period,
 - attainment of the performance criteria measured at the end of the financial year prior to the end of the vesting period. These criteria concern:
 - the stock market performance of GTT shares,
 - the ratio of net profit to revenue,
 - the performance of GTT shares on the Stoxx 600 Oil & Gas index (Price).

CALCULATING THE CHARGE FOR THE FINANCIAL YEAR

Pursuant to IFRS 2, an expense representative of the benefit granted to beneficiaries of these plans is recorded under "Personnel expenses" (Operating income) (Note 4.1).

For free share plans open to all employees, the unit value is based on the share price on the allocation date and takes into account the change in the beneficiary headcount.

For free share plans for members of the management committee, the unit value is based on the share price on the allocation date weighted by the reasonable estimation of attaining the share allocation criteria.

The expense is calculated by multiplying these unit values by the estimated number of free shares to be allocated. It is distributed over the vesting period from the date of the board meeting which decided on each plan, in accordance with the likelihood of the performance criteria being met.

For the period from 10 February to 31 December 2014, the expense recognised for the free share allocation plans was 2,586 thousand euros, distributed as follows:

- ▶ AFS plan 1: 207 thousand euros;
- ▶ AFS plan 2: 2,379 thousand euros.

Offer reserved for employees

The mixed Shareholders' Meeting of 10 February 2014 granted power to the Board of Directors in its ninth resolution, to carry out on one or more occasions within a period of twenty-six months, capital increases reserved for employees belonging to one or more employee savings plans implemented within the Company and its subsidiaries.

As part of these powers, the Board of Directors, meeting on 10 February 2014, decided on a capital increase reserved for employees, which resulted in the subscription of 49,557 shares with a nominal value of 0.01 euro at a unit price of 36.80 euros, the creation of which was recorded on 11 April 2014.

The expense for the capital increase reserved for employees, corresponding to the discount calculated between the share trading value (46 euros) on the date of the offer and the proposed price (36.80 euros), multiplied by the number of shares subscribed (49,557), is 456 thousand euros.

11.4 Treasury shares

The Company entered into a liquidity agreement on 10 November 2014. In accordance with IAS 32, the buyback of treasury shares is deducted from equity. Treasury shares held by the entity are not taken into account when calculating earnings per share. At 31 December 2014, the Company held 6,980 treasury shares.

NOTE 12 EARNING PER SHARE

In euros	31 December 2014	31 December 2013
Net income (in euros)	115,355,848	118,743,318
Average number of shares (excluding treasury shares)	37,071,377	37,028,800
■ AFS plan no. 1	5,745	
■ AFS plan no. 2	250,000	
Number of diluted shares	37,327,122	37,028,800
Net earnings per share	3.11	3.21
Diluted earnings per share	3.09	3.21
Total comprehensive income	115,436,078	119,898,121
Average number of shares	37,071,377	37,028,800
Number of diluted shares	37,327,122	37,028,800
Basic comprehensive income per share	3.11	3.24
Diluted comprehensive income per share	3.09	3.24

Earnings per share for 2014 was calculated on the basis of share capital comprising 37,071,377 shares, excluding treasury shares.

To date, the Company has allocated 255,745 free shares taken into account when calculating the diluted earnings per share.

NOTE 13 INFORMATION ON FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

Information relative to the fair value of financial instruments concerns only cash and short-term investments that are measured at fair value (Level 1).

NOTE 14 MANAGEMENT OF FINANCIAL RISKS

14.1 Credit risk

Direct customers of GTT are essentially shipyards. As at 31 December 2014, the Company has 25 shipyards under licence, located mainly in China, Japan and South Korea. Of these 25 sites, seven sites are active and have notified GTT of orders for LNG carriers.

Due to the limited number of customers, the majority of which are historical customers with which the Company has built strong links, being business partners for which there has been no incidents of unpaid billings for 10 years – with the exception of those related to the dispute between the Company and Chantiers de l'Atlantique (CAT), nor has the Company historically recorded any bad debt, or faced significant difficulties in recovering payment from its customers.

Furthermore, in the case of late payment the TALA (license agreement) may be cancelled, which prevents the shipyard to commercialize the Company's technologies.

In case of order cancellation, the amount corresponding to the services performed are due and payable by the client. From this point of view, the fact of billing in accordance with five milestones helps to spread the risk. Billing is aligned with construction milestones of the vessel; any delay in the construction automatically causes a postponement of billing.

The Company therefore considers that it is not exposed to any significant credit risk.

14.2 Interest rate risk

The Company has no debt and therefore is not exposed to a risk of change in interest rates.

14.3 Exchange rate risk

Purchases and sales are carried out almost entirely in euros, which is also the functional currency of the Company. Most contracts are denominated in euros.

The Company therefore considers that it is not exposed to significant exchange rate risk.

14.4 Liquidity risk

At the date of this base document, the net cash position of the Company allows it to face its commitments. The Company considers that it is not exposed to any significant liquidity risk.

NOTE 15 EMPLOYEE BENEFITS

15.1 Commitments under defined benefit plans

Provisions for retirement indemnities are as follows:

In thousands of euros	31 December 2014	31 December 2013
Closing balance of the value of the commitments	(1,629)	(1,110)
Closing balance of the fair value of the assets	1,428	1,407
Financial plan assets	(201)	297
Cost of unrecognised past services	-	-
Others	-	-
PROVISIONS AND PREPAID EXPENSES	201	(297)

FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS

20.1 FINANCIAL INFORMATION UNDER IFRS

The change in the value of the commitments and the fair value of the retirement plan assets is as follows:

In thousands of euros	31 December 2014	31 December 2013
Opening balance of the commitment value	(1,110)	(1,272)
Normal cost	(182)	(205)
Interest expense	(35)	(34)
Cost of past services	-	-
Actuarial (gains) and losses	(314)	378
Services paid	12	24
Transfer	-	-
Acquisitions/disposals	-	-
Others	-	-
CLOSING BALANCE OF THE VALUE OF THE COMMITMENTS	(1,629)	(1,110)

In thousands of euros	31 December 2014	31 December 2013
Value of the commitments of fully non-financed plans	-	-
Value of the commitments of fully or partially financed plans	(1,629)	(1,110)

In thousands of euros	31 December 2014	31 December 2013
Opening balance of the fair value of the assets	1,407	1,393
Expected yield	45	37
Actuarial (losses) and gains	(12)	(0)
Employer contribution	-	-
Participant contribution	-	-
Services provided	(12)	(24)
Acquisitions/disposals	-	-
CLOSING BALANCE OF THE FAIR VALUE OF THE ASSETS	1,428	1,407

15.2 Cost for the period

In thousands of euros	31 December 2014	31 December 2013
Normal cost	(182)	(205)
Interest expense	(35)	(34)
Expected yield of assets	45	37
Cost of past services	-	-
Transfers	-	-
Acquisitions/disposals	-	-
Others	-	-
CHARGE FOR THE PERIOD	(173)	(201)

FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS

20.1 FINANCIAL INFORMATION UNDER IFRS

The actuarial assumptions used are as follows:

Assumptions	31 December 2014	31 December 2013
Discount rate ⁽¹⁾	1.49%	3.17%
Expected asset yield rate ⁽¹⁾	3.17%	2.69%
Salary increase rate	2.02%	2.60%

(1) Discount rates are determined using the yield rate of bonds issued by AA++ rated companies with the same maturity as the commitments.

15.3 Monitoring of actuarial gains and losses

Actuarial differences have been recognised under "Other items of comprehensive income" since the 2013 financial year. They accumulate as follows:

In thousands of euros	31 December 2014	31 December 2013
Cumulative actuarial differences at the start of the financial year	378	-
Actuarial differences generated on the commitment	(314)	378
Actuarial differences generated on the assets	(12)	(0)
CUMULATIVE ACTUARIAL DIFFERENCES AT THE END OF THE FINANCIAL YEAR	76	378

The actuarial differences are analysed as follows:

In thousands of euros	31 December 2014	31 December 2013
Actuarial (losses) and gains	76	378
Experience differences	496	(11)
Differences due to change in assumptions	(419)	389

15.4 Analysis of dedicated assets

At 31 December 2014, plan assets were placed in a euro fund of the Company governed by the QUATREM insurance code and belonging to the Malakoff Médéric Group. The breakdown of the fund is as follows:

Asset categories	31 December 2014	31 December 2013
Shares		7.20%
Bonds	items not available on the date the financial statements were prepared	76.30%
Funds		-
Property		4.70%
Others		11.80%

15.5 Sensitivity

The following table shows a sensitivity study to the discount rate on the actuarial debt and on the expense:

	31 December 2014	31 December 2013
Effect of a half-percentage-point increase in discount rates on:	-	-
■ The normal cost and financial cost	(34)	(45)
■ The value of the commitment	(153)	137
Effect of a half-percentage-point decrease in discount rates on:	-	-
■ The normal cost and financial cost	(34)	(45)
■ The value of the commitment	173	389

	31 December 2014	31 December 2013
Effect of a percentage-point increase in discount rates on:	-	-
■ The normal cost and financial cost	(34)	(45)
■ The value of the commitment	(288)	32
Effect of a percentage-point decrease in discount rates on:	-	-
■ The normal cost and financial cost	(34)	(45)
■ The value of the commitment	369	540

NOTE 16 OTHER PROVISIONS

In thousands of euros	Provisions for litigation	Others	Total	Current	Non current
Values as at 31/12/2012	13,984	-	13,984	-	13,984
Allocation	222	-	222	-	222
Reversal	4,918	-	4,918	-	4,918
Values as at 31/12/2013	9,289	-	9,289	-	9,289
Allocation	132	-	132	-	132
Reversal	(3,679)	-	(3,679)	-	(3,679)
Values as at 31/12/2014	5,742	-	5,742	-	5,742

Provision for disputes consists mainly of provision for a dispute initially recognised in 2009 for 15 million euros in anticipation of costs to be incurred because of the probable damage caused by the movement of LNG on the primary membranes of LNG carriers constructed using the Mark III insulation system technology.

It is based on the probable rate of damage to the fleet of ships equipped with the Mark III insulation system which will be inspected up until 2015, and an average cost of repair that GTT may have to assume.

The provision amounted to 7.5 million euros at the end of 2013. It was subject to a reversal of 3.3 million euros in 2014, bringing the provision to 4.3 million euros at the end of 2014.

Since 2011, in the absence of the use of the provision, the provision is released in proportion to the boats inspected up until 2015.

Other provisions are intended to cover potential risks in disputes between GTT with former employees, as well as a claim made by a legal expert involved in an action brought by a third party against a repair shipyard.

NOTE 17 INCOME TAX

17.1 Analysis of Income Tax

In thousands of euros	31 December 2014	31 December 2013
Current tax	(18,982)	(15,503)
Deferred tax	(2,025)	(4,952)
Income Tax on profit	(21,007)	(20,455)
Distribution tax	(3,928)	(2,755)
Total income tax	(24,936)	(23,210)
Research tax credit	4,344	3,625
CICE	231	226
TOTAL TAX BURDEN NET OF TAX CREDITS	(20,361)	(19,359)

The distribution tax is the tax on dividends paid in 2014, amounting to 3% of the total amount distributed.

17.2 Income and Deferred Tax

The current tax expense is equal to the income tax due to the tax authorities for the fiscal year, based on the rules and tax rates present in the various countries.

The applicable tax rates are:

- ▶ royalties are taxed at a reduced rate of 15%;
- ▶ other operations are taxed at the ordinary tax rate of 33.33%.

At the end of the period, the eventual fiscal deficit at the rate of 33.33% is offset on income taxable at 15%.

The current tax liability is obtained by reducing the tax expense by the amount of withholding tax levied on payments received for activities performed in China and South Korea, in accordance with agreements concluded between France and these countries.

Deferred taxes identified in the balance sheet and income statement are calculated at the reduced tax rate of 15% which corresponds to the tax rate of GTT's principal activity.

17.3 Tax on added value

The specific French tax based on the added value generated by the Company (CVAE) is recognized as an operating expense under "Taxes".

17.4 Reconciliation of income tax charge

	31 December 2014	31 December 2013
Net income	115,356	118,743
Income tax charge	24,936	23,210
Profit before tax	140,292	141,953
Ordinary tax rate	15.00%	15.00%
Theoretical tax burden	21,044	21,293
Permanent differences	227	(482)
Tax group adjustments	(200)	(301)
3.3% tax supplement	588	488
Tax on dividends	3,928	2,755
Research tax credit	(652)	(544)
TOTAL INCOME TAX CHARGE	24,936	23,210



FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS

20.1 FINANCIAL INFORMATION UNDER IFRS

The valuation of deferred tax assets and liabilities is based on the way that the Company expects to recover or settle the carrying amount of assets and liabilities, using tax rates expected to apply to the year in which the asset is realized or the liability settled.

A deferred tax asset is recognized only if it is probable that the Company will have future taxable profits against which the asset can be utilized.

Tax loss carry forwards are recorded as assets when the business plan envisaging a recovery of these losses over a maximum period of five years.

17.5 Deferred Tax assets and liabilities

The following table presents the deferred tax assets and liabilities in the balance sheet:

In thousands of euros	31 December 2014	31 December 2013
Deferred tax assets		
On deficits	-	1,925
On other temporary difference	811	1,342
Buildings acquired via financial lease	162	135
On retirement obligation	30	40
On fair value of short-term investments	5	6
Deferred tax liability		
On regulated provisions	(315)	(688)
On retirement plan assets	-	(85)
Effect of discounting advances from Hydrocarbons Support Fund	(19)	(27)
Buildings acquired via financial lease	(377)	(377)
On revaluation of non-consolidated investments	(210)	(147)
DEFERRED TAX ASSETS/(LIABILITIES)	85	2,125

Other temporary differences relate mainly to non-deductible provisions (provision for vessel risk, employee profit sharing scheme).

NOTE 18 SEGMENT INFORMATION

The Company has only one operating segment as defined in IFRS 8 – “Operating Segments”.

Information on products and services

The activities of the Company are closely related, being services performed in the construction of storage and transport facilities of liquefied natural gas. Currently, there is no “principal operating decision maker”, who receives specific reporting with several types of products and services.

In thousands of euros	31 December 2014	31 December 2013
Revenues	226,760	217,634
Royalties	216,363	210,280
of which LNG/ethane carriers	183,008	174,387
FSRU	24,627	27,830
FLNG	7,871	5,780
Onshore storage	857	2,282
Other services	10,397	7,354

FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS

20.1 FINANCIAL INFORMATION UNDER IFRS

Information relating to geographical areas

Almost all customers are located in Asia. Total revenue is broken down geographically as follows:

	31 December 2014	31 December 2013
South Korea	88%	92%
China	8%	4%
Hong Kong	0%	1%
Malaysia	0%	1%
Japan	1%	0%
Others	3%	2%

Information relating to major customers

Concentration within the shipbuilding sector reduces the number of customers.

In 2014, one customer contributed more than 30% of total Company sales, and five customers contributed over 90%.

	31 December 2014	31 December 2013
One customer	33%	34%
The next 4 customers	60%	61%
TOTAL	93%	95%

NOTE 19 RELATED-PARTY TRANSACTIONS**19.1 Transactions with related parties**

The GTT financial statements are consolidated according to the equity method in the consolidated financial statements prepared by GDF SUEZ.

Transactions with shareholder companies are detailed below:

	GDF SUEZ	H&F	31 December 2013
Suppliers	9	-	9
Customers	-	-	-
External staff (expenditures)	-	-	-
Outsourced tests and studies	(107)	-	(107)

	GDF SUEZ	H&F	31 December 2014
Suppliers	-	-	-
Customers	-	-	-
External staff (expenditures)	-	-	-
Fees and expenses (Products)	73	1,728	1,801
Outsourced tests and studies	-	-	-



FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS

20.1 FINANCIAL INFORMATION UNDER IFRS

19.2 Remuneration of Executive Directors

	31 December 2014	31 December 2013
Wages and bonuses	751	374
Payment in shares (IFRS 2)	3,000	-
Expenses for payments in shares (IFRS 2)	900	-
Other long-term benefits	100	47

The remuneration shown above is the remuneration of Mr Philippe Berterottière, Chairman and Chief Executive Officer of the Company.

The total remuneration allocated (unpaid in 2014) to members of the Board of Directors in Directors' attendance fees was 162 thousand euros at 31 December 2014. There were none in 2013.

NOTE 20 PROVISIONS AND CONTINGENT LIABILITIES

20.1 Commitments related to operating lease

Operating lease payments are not significant.

20.2 Obligations under other contracts

In the event of the CS1 technology being commercialized in the future, GTT is committed to pay royalties to GDF SUEZ relative to the CS1 technology in accordance with the following conditions:

- ▶ 10% of total royalties (excluding taxes) recognised by GTT in Sold Service Production, the construction of LNG carriers equipped with CS1 technology, subject to receipt of said royalties by GTT, for firm orders

placed for the first five LNG carriers equipped with CS1 technology until the end of the royalties owed to GTT for these orders, it being specified that, to date, there are already three firm orders for LNG carriers with CS1 technology;

- ▶ 3% of total royalties (excluding taxes) recognised by GTT in Sold Service Production, the construction of LNG carriers equipped with CS1 technology, subject to receipt of said royalties by GTT, for firm orders placed until 31 December 2016 for the following LNG carriers (i.e. as of the sixth vessel) equipped with CS1 technology, it being specified that the payments to GDF SUEZ will take place up to the twentieth LNG carrier (i.e. from the 6th to the 20th vessel) until the end of the royalties due to GTT for these orders.

20.1.3 STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH IFRS STANDARDS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

This is a free translation into English of the original report issued in French language and is provided solely for the convenience of English speakers users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Statutory Auditor's report on the financial statements prepared in accordance with IFRS as adopted by the European Union

To the President,

In our capacity as Statutory Auditor of the company Gaztransport & Technigaz and in response to your request, we have conducted an audit of its financial statements prepared in accordance with IFRS standards as adopted by the European Union, for the financial year ended 31 December 2014, as attached to this report.

The preparation of these financial statements is the responsibility of your board of directors. Our role is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves

performing procedures, by audit sampling and other means of testing, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of the accounting principles used and the reasonableness of accounting estimates, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements, prepared for the financial communication needs of your company, present fairly in all material aspects and with regard to the IFRS standards as adopted by the European Union, the assets and the financial position of the company as at 31 December 2014, as well as the profit from its operations for the financial period ended at that date.

Paris-La Défense, April 14, 2014

The Statutory Auditor

Ernst & Young Audit

Philippe Hontarrède



20.2 Dividends

20.2.1 DIVIDENDS PAID IN THE LAST SIX FINANCIAL YEARS

Dividends paid by the Company for the past six financial years were as follows:

In euros	Financial year ended 31 December					
	2013	2012	2011	2010	2009	2008
Total dividend payout	127,008,784	40,153,105	15,714,097	23,004,142 ⁽¹⁾	30,247,901	161,005,851
Net dividend per share	3.43	1,735	679	994	1,307	6,957

(1) This amount includes 260,565 euros of distributable reserves.

In the financial year ended 31 December 2011, the Company also paid an exceptional distribution of 29,993,328 euros drawn from distributable reserves, corresponding to a net amount of 1,296 euros per share, pursuant to a resolution adopted by the shareholders at the extraordinary shareholders meeting dated 12 December 2011.

An interim dividend distribution of 51,678,319 euros was decided on 29 July 2013.

Pursuant to the Company's dividend distribution policy (see section 12.2.5 of this registration document), as decided by the Board of Directors on 24 July 2014, an interim dividend payment in the amount of 55,543,200 euros, or 1.50 euro per share was paid entirely in cash. This interim dividend payment was detached on 24 September 2014 and paid on 29 September 2014.

20.2.2 DIVIDEND DISTRIBUTION POLICY

See section 12.2.5 – *Outlook for dividend policy* of this registration document.

20.2.3 DIVIDEND LAPSE DATE

Dividends that have not been claimed within five years of their payment date will lapse and become the property of the State.

20.3 Judicial and arbitration proceedings

20.3.1 LITIGATION MANAGEMENT POLICY

The Group may be involved in legal, administrative or arbitration proceedings in the ordinary course of its business. Group companies create a provision where it is probable that such proceedings will trigger costs for one of the Group companies and a reliable estimate can be made of the amount (see section 9.2.2.4 – *Non-current liabilities* of this registration document).

Subject to the proceedings described in this section, on the date of this registration document, the Company is not aware of any legal, governmental, administrative or arbitration proceedings involving the Company or its Subsidiaries, either pending or threatened, which may have or have had in the past twelve months significant effects on the financial situation or profitability of the Company or its Subsidiaries. The Company could take any action it considers necessary to protect its interests and enforce its rights.

20.3.2 DISPUTE BETWEEN THE COMPANY AND THE COMPANY LES CHANTIERS DE L'ATLANTIQUE (CAT)

Under a licence agreement entered into on 17 December 2001, the Company granted CAT a licence to use its membrane containment technologies for the transportation of LNG. As required by the license agreement, CAT notified GTT of three orders placed by three shipbuilding companies, two of which are 100% owned by Gaz de France, for the construction of LNG carriers using the CS 1 system, a technology newly developed by GTT.

The CS 1 containment system comprises a primary barrier that contains the liquefied gas and a secondary barrier for protection against leakage of the primary barrier. The CS 1 secondary barrier is practically identical to that of the Mark III technology, GTT's historical and proven technology that has been used on many vessels. In fact, on 31 December 2014, 64 vessels equipped with Mark III technology have been ordered.

The dispute between CAT and the Company arose when disorders of the secondary barrier were reported in November 2004. During 2005, the two parties sought a technical solution to remedy the disorders (the **Technical Solution**). The Technical Solution was described in appendix to an agreement entered into on 19 July 2005 between CAT, GTT and GTT's insurers, under which GTT and its insurers agreed to pay CAT a lump-sum compensation of 18,335,000 euros.

Further disorders appeared during implementation of the Technical Solution, which led CAT to refer the matter to the International Chamber of Commerce's International Court of Arbitration on 28 July 2006, in accordance with the terms of the licence agreement entered into between GTT and CAT.

Despite the construction difficulties encountered, CAT was able to deliver, with some delay, the three LNG carriers known as M32, N32 and P32 on 12 November 2006, 22 December 2006 and 5 March 2007 respectively.

20.3.2.1 Company's analysis and assessment of the risk

The dispute between the Company and CAT has resulted in a large number of legal proceedings both in England and France.

It is worth noting that since the beginning of the litigation stage initiated by CAT, the courts have confirmed the Company's positions. The key ruling arising from these actions was that of the London court of arbitration of 3 February 2009, which validated GTT's technology and rejected CAT's claims.

Whilst CAT was claiming approximately 300 million euros from the Company, the court of arbitration ruled that GTT was not at fault as there was no evidence of any design fault, economic fault or any failure by GTT to meet its contractual obligations. The court therefore ordered CAT to pay GTT the sums of 3,345,278 euros for unpaid royalties and 1,087,048 euros for unpaid services.

The arbitration ruling was confirmed on 20 December 2011 by the High Court of London following an action for annulment of the arbitration ruling sought by CAT based on an alleged fraud on the part of the Company. The High Court moreover sentenced CAT to pay GTT 60% of the expenses it incurred, amounting to 3,883,000 euros including 193,000 euros in late interest. As all possible legal remedies against this arbitration ruling have been exhausted, the London High Court's decision has become final and binding and the subject matter of the action has now the force of *res judicata*.

Due to the risk assessment, deemed non-material by the company, disputes opposing the Company to CAT have not been provisioned in the Company's accounts.

In France, two types of legal actions are still in progress: criminal and civil actions.

► **Criminal action filed by CAT for attempted fraud**

On 19 October 2009, CAT filed a complaint against GTT and brought a civil action. This complaint is based on the allegation of CAT that GTT falsified reports on certain tests and concealed other tests, thereby committing forgery, use of false documents and obtaining a ruling through fraud in the context of the arbitration.

In particular, CAT filed a complaint to obtain a ruling of fraud and the Company and two of the Company's former executives were referred to the Criminal Court. CAT sought the sentencing in full (*in solidum*) of the Company and two of its former managers to pay it approximately 9.5 million euros and 250,000 euros pursuant to Article 475-1 of the French Criminal Procedure Code. On 4 October 2013, the Paris Criminal Court acquitted the Company and its two former executives, rejected CAT's claims and held its civil action inadmissible. CAT and the public prosecutor appealed against this ruling on 11 October 2013. The appeal hearing was held on 12 February 2015 and the deliberation was set for 15 May 2015.

► **Criminal action filed by GTT for theft of confidential documents**

During the High Court proceedings, CAT produced many documents belonging to GTT and partially revealed the identity of the GTT employees who had supplied them and how they had come to be in CAT's possession. On 21 June 2010, therefore, GTT filed a complaint against CAT for theft and brought a civil action.

CAT and several other people, including a former Alstom executive and former employees of GTT, were investigated by the district court (Tribunal de grande instance) of Nanterre. By order of the investigating judge dated 29 October 2013, all the investigated parties were referred to the Nanterre criminal court for most of the counts (theft, complicity and handling stolen goods). The hearing was set for 11 and 12 June 2015.

► **Civil action brought by CAT for late delivery of the LNG carriers**

As CAT had delivered three LNG carriers with delay, the shipbuilding companies filed a claim against CAT and its parent company Alstom Holdings, as guarantor, in the commercial court (*Tribunal de commerce*) of Paris for the payment of late delivery penalties. On 28 March 2008, Alstom Holdings petitioned to bring GTT as guarantor into the proceedings on the grounds of the alleged design faults reported during construction of the LNG carriers. GTT's position was that this action was both inadmissible and unfounded.

The Paris Commercial Court and then the Paris Appeal Court rejected Alstom Holdings' petition against GTT and ordered CAT and Alstom Holdings to pay the contractual late penalties to the shipbuilding companies (i.e. 46,962,162.66 euros with interest). CAT and Alstom Holdings have appealed to the Court of cassation (*Cour de Cassation*) against this ruling. By a judgment of 5 December 2013, the Court of cassation rejected CAT and Alstom Holdings' appeal.

In parallel, in December 2012, CAT and Alstom Holdings applied for a review of the Appeal Court's order for them to pay the late penalties

alleging that the ruling was obtained fraudulently because the shipbuilding companies had submitted statements to the Appeal Court after the closing date for submissions which contained new information on which the court based its ruling.

In July 2014, CAT and Alstom filed submissions for dismissal of the proceedings and the case. In its decree of 9 January 2015, the Paris Appeal Court ordered CAT to pay 50,000 euros to GTT pursuant to Article 700 of the French Civil Procedure Code. The dispute is now closed.

► **Action in the commercial court (Tribunal de commerce) of Paris for fraud**

On 16 February 2012, CAT called GTT before the Commercial Court of Paris alleging that GTT had concealed test results demonstrating the defectiveness of the CS 1 technology in order to lead CAT to sign the transaction dated 19 July 2005. CAT thus demands payment of additional indemnities estimated at approximately 133 million euro and 250,000 euros pursuant to Article 700 of the French Civil Procedure Code.

GTT is pleading inadmissibility of the claims for compensation that have already been judged in the arbitration ruling of 3 February 2009. On the substance of the matter, GTT claims that CAT has suffered neither fraud nor loss. CAT made new official submissions for the hearing of the Commercial Court of Paris of 18 November 2013, to which GTT responded. The case was sent to a new procedural hearing to set the next steps of the action to allow CAT to file any new submissions and set a date for presentation of pleas. By order of the Presiding Judge of the Commercial Court of Paris dated 11 December 2014, the case was moved to the Commercial Court of Bobigny. As of the date of this registration document, the schedule for the next hearings has not yet been set.

► **Action for cancellation of a patent registered by CAT**

Furthermore, in November 2005, CAT filed a patent for a gluing method for the CS 1 technology. GTT contests the inventiveness of this patent on the ground that the improvements patented by CAT arose from the Technical Solution. In France GTT made a request for cancellation and a request for opposition to the European Patent Office (OEB). After having lost the first time in France, GTT was successful before the OEB. GTT appealed the decision rejecting its request for cancellation but the ruling was confirmed by a decree of the Paris Appeal Court on 23 September 2013. GTT is studying the possibility of an appeal for with the French Supreme Court. On its side, on 31 August 2012, CAT lodged an action against the decision of the OEB to cancel its patent. Submissions have been exchanged but no hearing date has been set to date.

CAT has filed applications to extend the patent in several countries worldwide. Some of these applications have been granted and some refused for lack of inventiveness. GTT continues to contest the patent applications in the various countries. In any event, GTT has developed an alternative gluing method, which means that it no longer has to use the method for which CAT has filed a patent. The Company therefore considers that the patent does not pose any particular threat to its business.

20.4 Significant change in the Company's financial or trading position

None.

20.5 Fees paid by the Group to the Statutory Auditor and members of its network

In euros	Ernst & Young			
	Amount (excluding taxes)		%	
	2014	2013	2014	2013
Audit				
Statutory audit, certification and review of the separate IFRS financial statements				
■ Issuer	€158,431	€92,432	37.42%	63.70%
■ Subsidiaries	-	-	-	-
Other audit-related work (initial public offering) and services directly related to the Statutory Auditor's mission				
■ Issuer	€242,753	€50,000	57.34%	34.46%
■ Subsidiaries	-	-	-	-
Sub-total	€401,184	€142,432	94.76%	98.16%
Other services provided by the networks				
■ Legal, tax, employee-related	€22,161	€2,675	5.24%	1.84%
■ Other	-	-	-	-
Sub-total	-	€2,675	-	1.84%
TOTAL	€423,345	€145,107	100%	100%



FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS

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ADDITIONAL INFORMATION



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ADDITIONAL INFORMATION

21.1 SHARE CAPITAL

At the date of filing this Registration Document, the Company is a French *société anonyme à conseil d'administration* (joint stock limited liability company with a Board of Directors) governed by applicable laws and regulations and its by-laws.

A Shareholders' Meeting was held on 11 December 2013 to adopt the by-laws applicable to the Company since the Company's initial public offering on the NYSE Euronext Paris market.

This chapter presents the information concerning the by-laws and the financial authorisations applicable to the Company.

21.1 Share capital

21.1.1 AMOUNT OF THE SHARE CAPITAL

At the date of filing this Registration Document, the Company's share capital is 370,783.57 euros, divided into 37,078.357 shares with a nominal value of 0.01 euro each, fully subscribed and paid up, and all of the same class.

21.1.2 NON-EQUITY SECURITIES

At the date of filing this Registration Document, the Company has not issued any securities not representing the share capital.

21.1.3 PLEDGE OF SHARES

To the knowledge of the Company, no shares of the Company are pledged at 31 December 2014:

21.1.4 TREASURY SHARES HELD BY THE COMPANY

The Combined Shareholders' Meeting of 10 February 2014 authorised the Board of Directors, with the option to sub-delegate, to undertake or arrange to undertake the buyback of Company shares, pursuant to the conditions and obligations set by Articles L. 225-209 et seq. of the French Commercial Code, European Regulation 2273/2003 of 22 December 2003 in application of Directive 2003/6/EC of 28 January 2003, the General Regulation of the *Autorité des Marchés Financiers* (the **AMF**), the market practices allowed by the AMF, as well as any other applicable laws which might apply.

This authorisation is envisaged to allow:

- ▶ the cancellation of the acquired shares;
- ▶ the allocation or sale of shares to employees or executive officers of the Company or Group companies under the conditions and in accordance with the procedures allowed by law, notably with respect to company profit-sharing, or the allocation of free shares, or in the case of share purchase options, or as part of a group savings scheme or any other company savings scheme existing in the Group;
- ▶ the delivery of shares upon the exercise of rights attached to securities giving right to repayment, conversion, exchange, presentation of a warrant, or any other means of allocating shares of the Company;
- ▶ more generally, to honour the obligations linked to share option programmes or other plans for allocation of shares to employees or company officers or those of an associated company;
- ▶ the delivery of shares as part of the exercise of rights attached to securities giving access to the capital by repayment, conversion, exchange, presentation of a warrant or in any other manner;
- ▶ the retaining and later delivery, either in payment as part of an acquisition transaction or in exchange as part of merger or demerger or contribution transaction, limited to 5% of the capital;

- ▶ the stimulation of the secondary market or the liquidity of the shares by an investment services provider acting under a liquidity contract in compliance with the code of ethics recognised by the *Autorité des Marchés Financiers*.

This share buyback programme is also intended to allow the Company to operate for any other authorised purpose or purpose that would be authorised by any applicable laws or regulations in force and to implement any practice that would be allowed by the *Autorité des Marchés Financiers*. In such an event, the Company would inform its shareholders through a press release.

The acquisition, transfer or disposal of shares may be carried out, on one or more occasions, by any means authorised by applicable laws or regulations, including over-the-counter transactions, the trading of blocks of securities for all or part of the programme and the use of any derivative financial instrument.

The Board of Directors may use this authorisation at any time, within the limits authorised by applicable laws and regulations and carry out the share buyback programme in the case of a public offering in strict compliance with the provisions of Article 231-41 of the General Regulation of the AMF and of Article L. 225-209 of the French Commercial Code.

The number of shares that are liable to be acquired under this authorisation cannot exceed 10% of the number of shares composing the shareholder capital, or, for indicative purposes 3,707,835 shares on the basis of the capital at 31 December 2014, with the precision that when the shares are bought back to stimulate trading as part of a liquidity contract, the number of shares taken into account for the calculation of the 10% limit corresponds to the number of shares purchased, less the number of shares sold back over the period of the authorisation.

The Company cannot directly or indirectly own more than 10% of its capital.

The maximum purchase price per unit cannot exceed 180% of the initial listed price of the Company's share on the Euronext Paris market (82.80 euros excluding acquisition costs) and the overall amount of the funds that can be assigned to the completion of this share buyback

programme cannot exceed 20,000 thousand euros. The Shareholders' Meeting has granted to the Board of Directors in the event of a change in the nominal value of the share, of a capital increase by incorporation of reserves, of allocations of free shares, of division or grouping of securities, of distribution of reserves or of any other assets, of capital depreciation, or of any other transaction bearing on the equity, the power to adjust the maximum purchase price in order to take account of any impact of these occurrences on the value of the share.

The Shareholders' Meeting has given full powers to the Board of Directors, with the option to sub-delegate under the conditions set by law, to decide upon and carry out the implementation of this share buyback programme, to determine its terms if necessary, to decide upon the procedures, carry out any adjustments necessary related to capital transactions, to issue trading orders, enter into all agreements, especially for keeping records of purchases and sales of shares, to make any statements to the *Autorité des Marchés Financiers* or any other body, to carry out any formalities, and generally, to do everything necessary.

This authorisation was granted for a period of 18 months starting from the date of the settlement-delivery of shares of the Company allocated as part of the initial public offering on the regulated Euronext Paris market.

By virtue of this authorisation, the Board of Directors of the Company met on 27 October 2014 and decided to implement the buyback programme according to the procedures authorised by the Shareholders' Meeting. The description of this programme, prepared in application of Article 2 41-2 I of the AMF General Regulation, was published by the Company in a press release dated 27 October 2014.

In November 2014, GTT entered into a liquidity contract with Exane and BNP PARIBAS to promote the liquidity of its securities and the regularity of their listings on the NYSE Euronext Paris market. A liquidity account in the amount of 1.8 million euros was thus opened to allow Exane BNP PARIBAS to carry out the interventions specified in the liquidity contract.

At 31 December 2014, The Company held 6,980 GTT shares pursuant to its liquidity contract.

21.1.5 POTENTIAL SHARE CAPITAL

None.

ADDITIONAL INFORMATION

21.1 SHARE CAPITAL

21.1.6 UNISSUED AUTHORISED SHARE CAPITAL, UNDERTAKINGS TO CAPITAL INCREASE

The table below shows the financial resolutions that were approved by the Combined Shareholders' Meeting of 10 February 2014.

Purpose of the resolution	Maximum nominal amount (in euros)	Term of the authorisation	Use of the authorisation (nominal amount in euros)
Authorisation to allow the Board of Directors to proceed to the allocation of existing free shares or shares to be issued to employees and executive officers of the Company	2,557.45	26 months starting from the date of the Shareholders' General Meeting of 10 February 2014	2,555.5
Delegation of authority to the Board of Directors to carry out a capital increase by issuing shares, with elimination of the preferential subscription right, in favour of employees of the Company adhering to the Group savings scheme	760	26 months starting from the date of the Shareholders' General Meeting of 10 February 2014	495.57
Overall limitation of issue authorisations	3,317.45	-	-

21.1.7 INFORMATION CONCERNING THE COMPANY'S OR ITS SUBSIDIARIES' SHARE CAPITAL SUBJECT TO AN OPTION OR A CONDITIONAL OR UNCONDITIONAL AGREEMENT TO BE SUBJECT TO AN OPTION AND DETAILS OF SUCH OPTIONS (INCLUDING THE IDENTITY OF THE RELATING BENEFICIARIES)

None.

21.1.8 CHANGES IN THE SHARE CAPITAL OVER THE PAST THREE FINANCIAL YEARS

The amount of the Company's share capital has not changed over 2012 and 2013. The only changes occurring in the breakdown of share capital of the Company in this period were the following: (i) GDF International sold one share of the Company to GDF Armateur 2 on 7 November 2013 and (ii) H&F Luxembourg 1 S.à.r.l. sold one share of the Company to H&F Luxembourg 2 S.à.r.l. and one share of the Company to H&F Luxembourg 3 S.à.r.l. on 11 December 2013.

The nominal value of the Company's shares was split by 1,600 on 11 December 2013.

As part of the Company's initial public offering, on 4 April 2014, the Company completed a capital increase reserved for employees of the Group in the amount of 1,823,697.60 euros through the issue of

49,557 new shares of 0.01 euro in nominal value, reflecting a capital increase in the nominal amount of 495.57 euros and an issue premium of 1,823,202.03 euros.

In September 2014, the entities Hellman and Friedman disposed of 5.39% of the capital of GTT as part of a private placement with institutional investors.

On 8 December 2014, Total disposed of, as part of an off market transaction, its entire holding in GTT to Temasek, representing approximately 10.4% of the Company's capital.

On 27 January 2015, H&F Luxembourg 1 S.à.r.l. disposed of the balance of its holding in GTT, as part of a private placement with institutional investors.

21.2 By-laws

21.2.1 CORPORATE PURPOSE (ARTICLE 3 OF THE BY-LAWS)

The Company's purpose, directly or indirectly, in France and abroad, is:

- ▶ to conduct research and development on all processes, patentable or not, in the field of liquefied gases;
- ▶ to commercialise such processes in all fields;
- ▶ to provide services associated with such processes and sell services derived from the technologies developed by the Company in all sectors;
- ▶ to participate directly or indirectly in any transactions or activities of any kind associated to one of the foregoing objects or which might contribute to developing the Company's assets, including research and engineering activities, by means of creation of new companies or entities, contributions, subscription or purchase of shares or other corporate rights, acquisition of equity interests of any kind in any entities or companies whether existing or to be created, mergers, partnerships or any other means;
- ▶ to create, acquire, rent and management lease any movable, immovable, or businesses, lease, equip and operate all premises, businesses, plants or workshops associated to one of the foregoing objects;
- ▶ to take, acquire, exploit, license or sell any processes, patents and patent licences relating to activities associated to one of the foregoing objects;
- ▶ more generally, to conduct all industrial, commercial, financial, real or personal or research transactions and activities of any kind associated directly or indirectly, wholly or partly with one of the foregoing objects, any similar, complementary or related objects and any objects that might foster the development of the Company's business.

21.2.2 ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The key provisions of the by-laws and the Internal Regulations of the Board of Directors and general management are described in Chapter 16 – *Board and management practices* of this Registration Document.

21.2.3 RIGHTS, PREFERENCES, RESTRICTIONS AND OBLIGATIONS ATTACHED TO THE SHARES

21.2.3.1 Ownership rights and obligations attached to shares (Article 12 of the by-laws)

Each share confers a right of ownership in the assets, sharing the profits and the liquidation premium, in proportion to the amount of the share capital it represents.

Shareholders are only liable for the Company's liabilities up to the amount of their capital contribution.

Ownership of share automatically entails full acceptance of the by-laws and the decisions of the Shareholders' Meeting.

Whenever it is necessary to hold several shares in order to exercise any right, particularly in the event of a share exchange, consolidation, split or allotment or as a result of a capital increase or reduction, merger,

partial asset transfer, distribution or any other transaction, shares held in a number below the requisite number of shares do not entitle their holder to any right against the Company. The shareholders are personally responsible for pooling together the required number of shares or rights, and, if necessary, for purchasing or selling the required number of shares or rights.

21.2.3.2 Voting rights and information rights attached to shares (Article 12 of the by-laws)

Each share entitles the holder to attend the Shareholders' Meetings and vote on resolutions, under the terms and conditions provided for in the applicable laws and regulations and in the Company's by-laws.



ADDITIONAL INFORMATION

21.2 BY-LAWS

Each share also entitles the holder to receive information relating to the Company's operation and obtain the disclosure of certain corporate documents at the times and under the terms and conditions provided for in the applicable laws and regulations.

The rights and obligations attached to a share are transferred with title to the shares.

21.2.3.3 Exercise of voting rights in cases of dismemberment of ownership and joint-ownership of shares (Article 10 of the by-laws)

Where a usufruct is attached to the shares, the voting right shall belong to the beneficial owner at the Ordinary Shareholders' Meetings and to the bare owner at the Extraordinary Shareholders Meetings.

However, the bare owner and the beneficial owner may agree among themselves to any other distribution for exercising the voting right at Shareholders' Meetings. In this case, they shall notify their agreement by registered letter with acknowledgment of receipt to the Company which shall apply the terms of this agreement to all Shareholders' Meetings held as of one month after receipt of notice.

Shares shall be indivisible with respect to the Company. Joint owners of undivided shares shall be represented at Shareholders' Meetings by one of them or by a joint representative. In the event of disagreement, the representative is appointed by court order at the request of the most diligent joint owners.

The right to information or consultation may be exercised by each of the joint owners of undivided shares by the beneficial owner and bare owner.

21.2.3.4 Statutory allocation of profits (Article 38 of the by-laws)

Distributable profits, as defined in the by-laws and the applicable laws and regulations, are available for allocation by the Shareholders' Meeting.

Save for any exceptions provided by applicable legal and regulatory provisions, the Shareholders' Meeting shall decide on the appropriation of profits at its own discretion.

The Shareholders' Meeting may also resolve to grant each shareholder the option of receiving all or part of the dividend (including any distribution of reserves) or interim dividend in cash or in shares in accordance with the applicable laws and regulations.

21.2.4 CHANGES IN SHAREHOLDERS' RIGHTS

The rights of the shareholders may be modified under the terms and conditions in accordance with the applicable legal and regulatory

provisions. Upon the proposal of the Board of Directors, the Shareholders' Meeting of the shareholders may also decide a distribution of profits or reserves, in the form of assets, including negotiable securities, in which case the shareholders shall group their shares together to obtain a whole number of the assets or securities distributed. As part of the delivery of securities not admitted to trading on a regulated market or on an organised multilateral trading system or whose admission to trading on such a market or multilateral trading system would not be carried out for this distribution, the choice of payment in dividend or in cash and the delivery of the securities will be offered to shareholders.

No distribution may be made if it would cause the Company's equity to fall below one half of the share capital plus any statutory or legal reserves.

21.2.3.5 Form of securities issued by the Company (Articles 9 and 11 of the by-laws)

Fully paid up shares may be held in registered or bearer form at the holder's option, subject, however, to any legal or regulatory provisions and Internal Regulations of the Board of Directors, governing the form of shares held by certain persons.

The shares, in registered or bearer form, shall be freely transferable, subject to any legal or regulatory provisions to the contrary.

They are registered in an account and transferred from one account to another in accordance with the applicable legal and regulatory provisions.

21.2.3.6 Double voting rights (Article 31 of the by-laws)

Any mechanism automatically conferring double voting rights to the shares registered in the name of the same shareholder for at least two years is expressly excluded by the by-laws in accordance with the applicable legal provisions.

21.2.3.7 Limitation on voting rights

The by-laws do not contain any provisions limiting voting rights.

provisions. There are no specific provisions governing the changes in the shareholders' rights which are more stringent than the law requirements.

21.2.5 SHAREHOLDERS' MEETINGS (TITLE IV OF THE BY-LAWS)

21.2.5.1 Ordinary Shareholders' Meeting (Article 33 of the by-laws)

The Ordinary Shareholders' Meeting deliberates on any issues which do not fall within the exclusive authority of the Extraordinary Shareholders Meeting.

The Ordinary Shareholders' Meeting shall:

- ▶ hear reports of the Board of Directors and the Statutory Auditors presented at the Annual Shareholders' Meeting;
- ▶ discuss, approve, amend or reject the financial year annual accounts and consolidated accounts and determine the dividends to be allocated and the amounts to be transferred to retained earnings;
- ▶ resolve to create any reserve funds, determine any deductions from them or their distribution;
- ▶ set the aggregate amount of the Board of Directors' attendance fees which will be allocated by it in accordance with provisions of the internal regulation of the Board of Directors;
- ▶ appoint, re-elect or dismiss the directors;
- ▶ ratify the temporary appointments of directors made by the Board of Directors;
- ▶ appoint the Statutory Auditors and vote, if applicable, on the special report issued by them in accordance with the law.

21.2.5.2 Extraordinary Shareholders' Meeting (Article 35 of the by-laws)

The Extraordinary Shareholders' Meeting deliberates on any proposals relating to the amendment of any provisions of the by-laws, and the conversion of the Company into a company of any other form.

However, the Extraordinary Shareholders' Meeting may not, under any circumstances, increase the shareholders' commitments or alter the equality of their rights, unless the shareholders unanimously approve such decision.

21.2.5.3 Notices, attending and holding Shareholders' Meetings (Articles 28 and 31 of the by-laws)

The Shareholders' Meetings are convened under the terms and conditions provided for in the applicable legal and regulatory provisions.

The Shareholders' Meetings shall be held at the registered office or at any other place in mainland France indicated in the notice of meeting.

Meetings are chaired by the Chairman of the Board of Directors or, in his absence, by a director specially empowered to that effect by the Board. Failing that, the Shareholders' Meeting shall elect its own chairman.

The duties of tellers are fulfilled by the two members of the Shareholders' Meeting, present and accepting such duties, who hold the largest number

of shares. The officers of the Shareholders' Meeting appoint a secretary, who may be chosen from outside the shareholders.

An attendance sheet duly initialled by the shareholders is certified as correct by the officers of the Shareholders' Meeting.

The resolutions of the Shareholders' Meetings are recorded in accordance with the legal provisions. The minutes are signed by the officers of the Shareholders' Meeting. Copies or extracts of the minutes may be validly certified by the Chairman of the Board of Directors or the secretary of the Shareholders' Meeting.

21.2.5.4 Attendance at Shareholders' Meetings (Article 30 of the by-laws)

Any shareholder is entitled to attend Shareholders' Meetings and vote under the terms and conditions provided for in the by-laws and in accordance with applicable legal and regulatory provisions.

A shareholder may also under the terms set by applicable regulations, send a proxy form and a mail voting form for any Shareholders' Meeting either in paper form or, if agreed by the Board of Directors and published in the notices of meeting, by electronic form. In the case of an electronic form, the shareholder's signature must either be in secured digital form or in the form of a reliable means of identification of the relevant shareholder such as a user ID and password.

The holders of shares for which amounts due have not been paid within thirty days of notification to this effect made by the Company, may not attend the Shareholders' Meeting or exercise their voting rights attached to the shares held. Their shares are deducted from the total number of existing shares for the purpose of calculating whether or not a *quorum* is present.

21.2.5.5 Quorum and majority

The general or special meetings deliberate pursuant to the *quorum* and majority requirements provided by law.

Ordinary Shareholders' Meetings (Article 32 of the by-laws)

On first notice, the Ordinary Shareholders' Meeting of the shareholders validly deliberates if the shareholders present or represented hold at least one fifth of the shares with voting rights. On second notice, the deliberation is valid regardless of the number of shares held by the shareholders present or represented.

Resolutions shall be adopted by a simple majority vote of the shareholders present or represented.

Extraordinary Shareholders' Meetings (Article 34 of the by-laws)

On first notice, the Extraordinary Shareholders' Meeting validly deliberates if the shareholders present or represented hold at least one fourth of the shares with voting right, or on second notice, one fifth of the shares with voting rights.



ADDITIONAL INFORMATION

21.2 BY-LAWS

Resolutions are passed by a two-third majority vote of shareholders present or represented.

If the extraordinary shareholders meeting deliberates on the approval of a contribution in kind or the grant of a specific benefit, the contributor or

beneficiary, who is a shareholder of the Company, may not vote either personally or as proxy for another shareholder. The relevant shares are not counted for calculating either the *quorum* or the majority.

21.2.6 PROVISIONS OF THE BY-LAWS THAT MAY HAVE AN IMPACT ON THE OCCURRENCE OF A CHANGE OF CONTROL

The by-laws do not contain any provisions that would have the effect of delaying, deferring or preventing a change of control of the Company.

21.2.7 THRESHOLDS CROSSING (ARTICLE 13 OF THE BY-LAWS)

In addition to the thresholds crossing notifications expressly provided for by the applicable legal and regulatory provisions, any person or legal entity acting either alone or in concert that comes to own, directly or indirectly through companies it controls as defined in Article L. 233-3 of the French Commercial Code, a fraction of the share capital or voting rights equal to or more than 1% of the share capital or voting rights, or any multiple thereof, is required to inform the Company, by registered letter with acknowledgment of receipt, of the total number of shares and voting rights held and the number of securities giving future access to the Company's share capital held directly or indirectly, alone or in concert, and any associated voting rights, no later than four trading days from the occurrence of the threshold crossing.

The Company's obligation to inform also applies in the same times and in the same conditions, when the shareholder's participation in capital

or in voting rights calculated in accordance with Articles L. 233-7 and L. 233-9 of the French Commercial Code, becomes lower than one of the thresholds mentioned in the previous paragraph.

In the event of non-compliance with the above mentioned provisions, the sanctions provided by law in the event of non-compliance with the requirement to notify the legal thresholds crossing shall only apply to thresholds defined by the by-laws upon request of one or more shareholders holding at least 1% of the Company's share capital or voting rights, duly recorded in the minutes of the Shareholders' Meeting.

Subject to the above mentioned provisions, the same provisions applicable to the legal requirement apply to the statutory requirement, including the cases of assimilation to shares held as provided by applicable laws and regulations.

21.2.8 IDENTIFICATION OF SECURITIES HOLDERS (ARTICLE 9 OF THE BY-LAWS)

The Company may ask for identification of holders of securities conferring the right to vote at Shareholders' Meetings either immediately or in the future, as well as the number of securities held, in accordance with the applicable legal and regulatory provisions.

If the person who is asked to provide this information fails to do so within the time period prescribed by the applicable laws and regulations, or

provides incomplete or false information about its capacity, the holders of the securities or the number of securities held by each of them, the shares or securities giving immediate or deferred access to the share capital and for which this person is registered will be deprived from voting rights for all Shareholders' Meetings held until the correct information has been provided, and any dividend payments will be suspended until that date.

21.2.9 SPECIAL PROVISIONS GOVERNING CHANGES TO THE SHARE CAPITAL (ARTICLE 7 OF THE BY-LAWS)

The share capital may be increased, reduced or redeemed under the terms and conditions provided by law. The Company's by-laws do not contain any special provisions in that respect.

21.2.10 FINANCIAL YEAR (ARTICLE 36 OF THE BY-LAWS)

The financial year begins on 1 January and ends on 31 December each calendar year.



ADDITIONAL INFORMATION

21.3 GTT SHARES

21.3 GTT shares

The GTT share (ISIN code FR0011726835 – ticker: GTT) has been continuously listed on the NYSE Euronext Paris market Compartment A since 27 February 2014. Since 23 June 2014, the GTT share is part of the SBF 120, CAC Mid 60, CAC Mid & Small and CAC All-tradable indices.

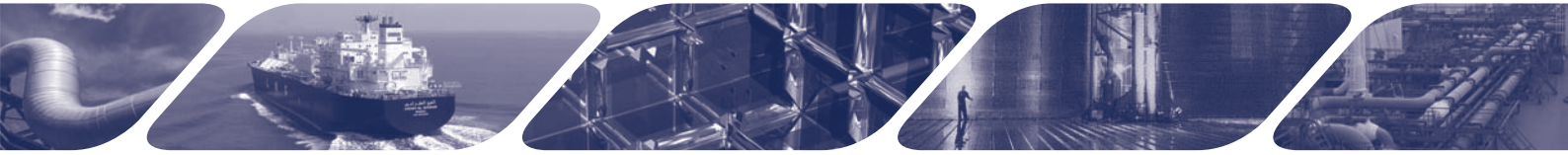
Main market data	2014
Number of shares at 31 December	37,078,357
Share price (in euros)	48.90
High (in euros)	52.08
Low (in euros)	41.30
Closing price of the financial year (in euros)	48.90
Market capitalisation at 31 December (in millions of euros)	1,813

Change in market price from March 2014 to February 2015	Average price ⁽¹⁾ (in euros)	High (in euros)	Low (in euros)	Average daily transaction (number of securities)	Average market capitalisation ⁽²⁾ (in millions of euros)
March 2014	46.98	49.90	44.44	52,276	1,741
April	46.90	49.94	45.15	33,905	1,739
May	49.30	51.40	46.24	25,632	1,828
June	47.32	48.79	46.08	36,167	1,754
July	46.17	48.55	43.55	22,404	1,712
August	48.03	50.02	45.60	20,057	1,781
September	49.37	52.08	45.28	45,977	1,831
October	44.90	47.78	42.38	41,570	1,665
November	44.58	46.73	41.30	35,415	1,653
December	46.14	49.25	41.30	34,022	1,711
January 2015	48.66	50.08	47.25	62,753	1,804
February	53.50	57.38	50.65	47,325	1,984

(1) Arithmetic average of closing prices.

(2) Of 37,078,357 shares comprising the share capital from 4 March 2014 to 31 December 2014.

MATERIAL CONTRACTS



The Group has not entered into any material contracts in the past two years (other than in the ordinary course of its business).



MATERIAL CONTRACTS

THIRD PARTY INFORMATION AND STATEMENTS BY EXPERTS AND DECLARATIONS OF ANY INTEREST

23



This Registration Document contains information relating to the activities and segments in which the Group operates (see in particular Chapter 6 – *Overview of the activities of the Group* in this Registration Document) that derives from independent studies or information provided independently by the following consultants at the Company's request:

- ▶ Wood Mackenzie, having its registered office at 16 Charlotte Square, Edinburgh EH2 4DF, United Kingdom, a well-known consultant in the shipping field and a world leader in research and consulting in the energy, metals and mining sectors;
- ▶ Poten & Partners, having its registered office at 101 Wigmore Street, London W1U 1QU, United Kingdom, a well-known consultant in the shipping field and a world leader in research and consulting in the energy sector;

- ▶ Clarkson Research, having its registered office at St Magnus House, 3 Lower Thames Street, London EC3R 6HE, United Kingdom, a well-known consultant in the shipping and the offshore and energy sectors. Clarkson Research is a Clarksons group company, a world leader in services to the shipping industry.

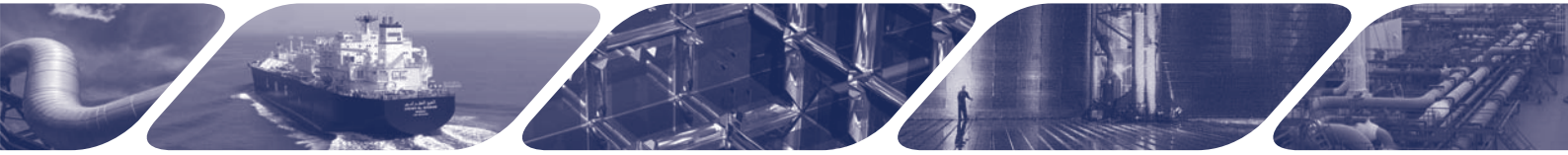
The information provided in this Registration Document derived from reports on the LNG sector prepared by Poten & Partners ⁽¹⁾ and the information provided by Wood Mackenzie and Clarkson Research has been drawn up from information held in their internal databases, research carried out by independent third parties and publicly available information from well-known organisations in the shipping sector.

(1) "LNG Carrier Market & Terminal Storage Forecasts" studies dated September 2013 and October 2014.



THIRD PARTY INFORMATION AND STATEMENTS BY EXPERTS AND DECLARATIONS OF ANY INTEREST

PUBLICLY AVAILABLE DOCUMENTS

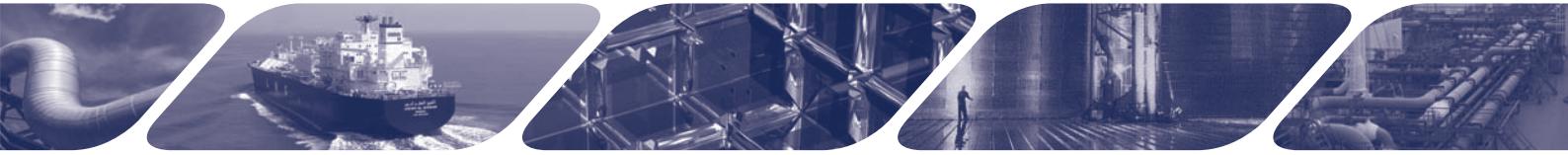


The Company's by-laws, this registration document and other corporate documents to be made available to the shareholders in accordance with the applicable provisions, may be consulted at the Company's registered office.

Copies of this registration document are available, free of charge, from the registered office of GTT (1 route de Versailles – 78470 Saint-Rémy-lès-Chevreuse – Tel.: +33 1 30 23 47 89), or on the website of the Company (www.gtt.fr) and the Autorité des Marchés Financiers (www.amf-france.org).



INFORMATION ON HOLDINGS



Information relating to the companies in which the Company holds a portion of the capital which is likely to have a significant impact on the assessment of its own assets and liabilities, financial position or profits and losses is provided in Chapter 7 – *Organisation Chart* of this Registration Document.



INFORMATION ON HOLDINGS

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APPENDIX 1

CONCORDANCE TABLES

1.1 Concordance table with the annual financial report

This Registration Document includes the items from the annual financial report stipulated in I. of Article L. 451-1-2 of the French Financial and Monetary Code and Article 222-3 of the AMF General Regulation.

The following table establishes the concordances between the two documents.

Items in the annual financial report	2014 Registration Document
Attestation of the person responsible	1.2
Board of Directors' management report	Please refer to the concordance table in Appendix 1.2
Analysis of the Company's results, financial position and risks (Art. L. 225-100 of the French Commercial Code)	4.9
Information with regard to the capital structure and items likely to have an impact in the event of a public offer (Art. L. 225-100-3 of the French Commercial Code)	18
Information with regard to share buybacks (Art. L. 225-211, paragraph 2 of the French Commercial Code)	21.1
Report by the Chairman of the Board of Directors	16.5
Financial statements and reports	20.1; Appendix 4
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Significant change in the Company's financial or trading position	20.4
Report by the Statutory Auditors	13.2; 16.6; 19.3; 20.1.3 and Note 5
Fees paid to the Statutory Auditors	20.5

1.2 Concordance table with the board of directors' management report

This Registration Document includes the items from the Board of Directors' management report stipulated in Articles L. 225-100 and L. 225-2 of the French Commercial Code.

The table below shows the references to extracts from the Registration Document corresponding to the different sections of the management report, as approved by the Board of Directors.

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1.3 Concordance table with the information for the shareholders' general meeting

This Registration Document includes the main items stipulated in Article R. 225-83 of the French Commercial Code.

The following table establishes the concordances between the two documents.

Sections of Article R. 225-83 of the French Commercial Code	2014 Registration Document
Management, supervisory and control bodies	14.1
Agenda of the Shareholders' General Meeting	Please refer to Appendix 3
Board of Directors' management report	Please refer to the concordance table in Appendix 1.2
Report by the Chairman of the Board of Directors on the proposed resolutions	Please refer to Appendix 3
Report by the Chairman of the Board of Directors	Please refer to the concordance table in Appendix 1.1
Corporate financial statements	20.1; Appendix 4
Resolutions submitted to the Shareholders' General Meeting	Please refer to Appendix 3
Report by the Statutory Auditors	13.2; 16.6; 19.3; 20.1.3 and Note 5

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This Registration Document includes the social, environmental and societal information stipulated in Article R. 225-105-1 of the French Commercial Code outlined below.

Vision

GTT's vision is to allow ever increasing safe and economic access to a cleaner energy: LNG.

Thanks to its innovative technologies, GTT is today the world leader in the design of membrane containment systems for the maritime transportation and storage of LNG.

With this expertise, GTT continues its economic development, based on two powerful drivers: the optimisation of its human capital, a key

asset at GTT, and responsible management of its direct and indirect environmental impact.

The Company's organisation and values are developed around this commitment: anticipate major technological and environmental breakthroughs by accompanying the change in the energy landscape and the new demands from customers.

GTT'S VALUES

Safety

We operate in the sector of LNG transportation and storage technologies, and as a result we attach high importance on safety. We have a duty to ensure the safety of our employees, our technologies, our services and our customers.

Excellence

We need to constantly strive for excellence in all our processes, in order to remain present in our markets and maintain our market advantage by satisfying our customers.

Innovation

GTT was born from innovation. We need to continue our innovation approach at all levels (technologies, organisation) to create a company of opportunities.

Teamwork

GTT can only succeed through constant teamwork internally, and also with our customers, our customers' customers and our suppliers.

Transparency

By strengthening the transparency in our relations, we have established long-term trust-based relationships with our direct customers, final customers and within our workforce.

Admitted to trading on the Euronext Paris regulated exchange in February 2014, GTT is required – in accordance with the law of 12 July 2010 (known as “Grenelle 2”) and its Article 225 on obligations of transparency for companies with regard to social and environmental matters – to publish a report to inform shareholders and the general

public about actions undertaken by GTT (the “Company”) and its subsidiaries (the “Group”) to promote sustainable development.

This is the first report presented by the GTT Group to be checked by an independent third party. The Group's CSR commitment is part of a continuous improvement approach.

Method and scope of reporting

METHOD

The social indicators are subject to a precise, uniform definition. These indicators are constantly being gathered and stored in an Excel database, under the responsibility of the Human Resources Department.

The health and safety indicators are also stored in an Excel database. In addition to statistics on accidents in accordance with current standards, this database includes a spreadsheet shared between the departments

concerned (general services, human resources and accounts) to facilitate monitoring and exchanges.

Environmental data is obtained from supplier data (invoices, supporting documentation, etc.) and is consolidated in an internal Excel-based reporting system, that enables regular monitoring. The reporting of health and safety and environmental indicators is carried out under the responsibility of the General Services Department.

SCOPE

The scope of social reporting covers the GTT Company only. The workforces of the subsidiaries Cryovision, GTT North America and GTT Training Ltd are provided separately. The workforce does not take into account temporary workers.

The scope of health and safety reporting includes the GTT Group (the Company and its three subsidiaries). Temporary workers are included in the health and safety reporting.

The scope of environmental reporting includes the GTT site at Saint-Rémy-les-Chevreuse.

1. Employee data

The Group's employment policy aims to promote and develop the skills of each employee, in particular through professional training, and to hire highly qualified, motivated people in order to provide highly technical services.

Over the past few years, GTT has achieved strong growth in its activity, reflected in a continuous recruitment policy. The highly qualified profile of its teams, linked to the specific nature of its activities, is a Group strength. The HR policy aims to serve this ambition by offering teams opportunities for rapid advancement, a complete training system and an attractive remuneration package.

1.1 EMPLOYMENT

1.1.1 A workforce dynamic reflecting the Group's good health

At 31 December 2014, the Company had 377 employees, representing an increase of 1.9% in the workforce compared to 2013.

Of 377 workers at the end of 2014, 309 were in permanent positions (CDI), representing 82% of employees (compared to 79% at the end of 2013).

The Company also counted 43 workers with permanent contracts (CDD), 21 with project duration contracts (CDC) and 4 with rotating contracts. In addition, at 31 December 2014, executives represented 69% of employees.

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At 31 December 2014, employees of the three subsidiaries of the Company broke down as follows:

- ▶ Cryovision, created in 2012: 5 employees (based in France);
- ▶ GTT North America, created in 2013: 2 GTT expatriates, 1 employee and 1 temporary worker (based in Houston, United States). The two expatriates are included in the GTT Company employee headcount;

- ▶ GTT Training Ltd, created in 2014: 4 employees (based in United Kingdom).

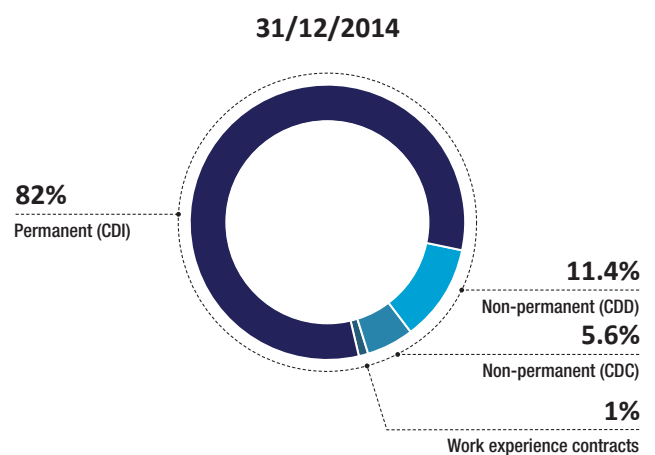
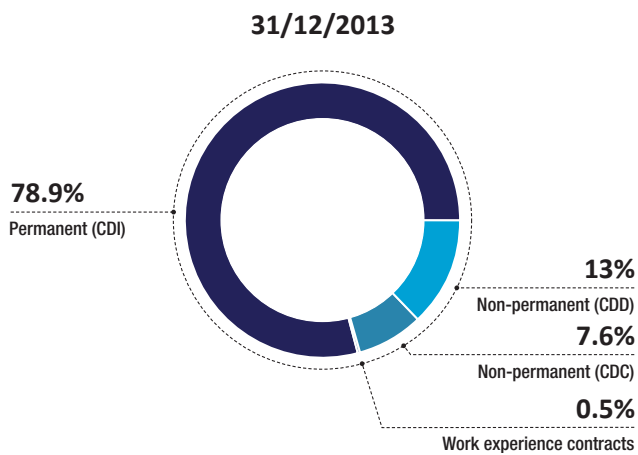
Geographical breakdown

At 31 December 2014, in addition to the 2 expatriates at GTT North America, 37 Company employees were seconded to South Korea and 6 employees to China.

Change in Company headcount by contract type

	31/12/2013	31/12/2014	Change
CDI (permanent contract)	292	309	+5.8%
CDD (fixed-term contract)	48	43	-10.4%
CDC (project duration contract)	28	21	-25.0%
Work experience contracts	2	4	+100.0%

Breakdown in Company headcount by contract type



It is important to distinguish between fixed-term (CDD) contracts used by the Company to meet a temporary increase in activity and CDC ("project duration contract") destined to support ship-building projects.

The Company also hires externally, particularly when faced with an increase in its order book or when it is necessary to acquire skills linked to planned technological developments. It seeks both people with a technical background (engineers or technicians in areas of instrumentation process, fluids mechanics, calculation etc.) and people with a general background.

Engineers are mainly graduates of the top French engineering schools or scientific universities. Technicians have qualifications in computer-assisted design, drawing or laboratory work.

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Breakdown of headcount by socio-professional category (GTT and subsidiaries).

GTT	Executive	Non-executive
At 31 December 2014	261	116
At 31 December 2013	251	119

Cryovision	Executive	Non-executive
At 31 December 2014	3	2
At 31 December 2013	3	2

GTT North America	Executive	Non-executive
At 31 December 2014	1	1

GTT North America was created in July 2013. At 31 December 2013, GTT North America did not have any employees. At 31 December 2014, employees counted in addition 2 expatriated GTT executives.

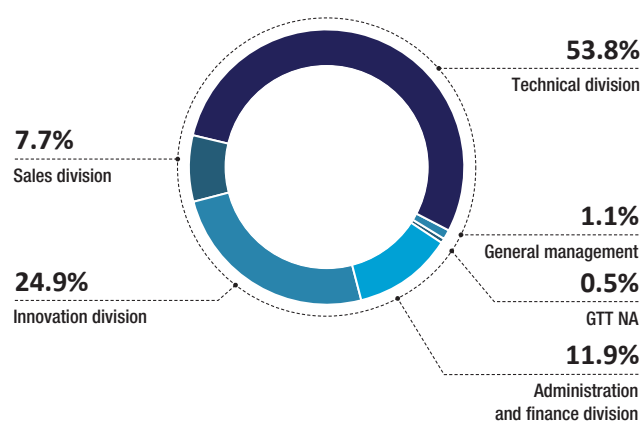
GTT Training Ltd	Executive	Non-executive
At 31 December 2014	4	-

GTT Training Ltd was created in June 2014

The executive employees are covered by the collective agreement for engineers and managers in the metallurgy industry. Non-executive employees are covered by the collective agreement for metallurgy industries (workers, technicians and supervisors) applicable to the Paris region.

GTT Organisation chart

At 31 December 2014, GTT's employees are divided into different departments of the Company as follows:



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R&D: a key asset at GTT

High level engineers make up a significant proportion of the teams, whose expertise and experience constitutes the Group's added value. 94 people, or 25% of the workforce work within the innovation division. In 2014, research and development expenditure represented 23% of GTT's

operating expenditure. A cross-departmental process called "Innovation Dynamic", driven by the Innovation Division, promotes the proliferation of ideas and their transformation into new products and services or patents (101 patents filed in 2014). This idea management process involves a network of 16 employees throughout the organisation, and enabled 211 new ideas to be identified in 2014.

1.1.2 Recruitments and dismissals

GTT recruitments by type of contract

	31/12/2012	31/12/2013	31/12/2014
Permanent (CDI)	32	52	22
Non permanent (CDD ⁽¹⁾ /CDC)	65	87	64 ⁽²⁾
TOTAL	97	139	86

(1) Including work experience contracts.

(2) 15 interns, 45 fixed-term, 3 apprentices and 1 project duration contract.

GTT dismissals, resignations and retirement

	31/12/2012	31/12/2013	31/12/2014
Dismissals	2	1	2
Resignations	9	7	12
End of non-permanent contracts	37	45	59
Retirement/death	2	2	2
Contractually agreed termination	3	-	4
TOTAL	53	55	79

The number of departures is explained by the natural attrition inherent to the Group's occupations, and the end of non-permanent contracts (CDD/CDC). To avoid the departure of permanent contract workers, the Group has implemented a recruitment and skills retention programme which enabled it to have a fairly low turnover of 4.73% ⁽¹⁾ in 2014, compared to the average in the engineering sector of 15% ⁽²⁾.

1.1.3 Compensation and social benefits

To attract and retain its talents, GTT has implemented an attractive compensation system.

The compensation of employees is made up of a fixed component comprising a gross annual salary, an individual performance-related bonus, an employee savings scheme (profit-sharing and incentives) and a time savings plan coupled with a collective retirement savings plan. Through the profit-sharing and incentives, GTT wishes to associate its employees with the Company's results and strengthen their involvement in the Company's project.

In addition, employees working on other sites benefit from a distance premium and subsistence allowances.

Change in compensation

The situation of each employee is reassessed each year following the individual performance review. An overall budget for salary increases is determined.

The budget for the financial year ending 31 December 2014 represented almost 2.02% of payroll ⁽³⁾.

This budget is complemented by an individual performance-related bonus. For the financial year ending 31 December 2014, the budget assigned for the allocation of one-off bonuses represented 9.46% of payroll.

The salary increase and bonus are designed to reward individual performance and are consistent with practices in the oil and gas engineering sector.

(1) The departures taken into account are resignations, contractually agreed terminations and dismissals. (Number of departures/Average monthly headcount) x 100).

(2) Source Syntec Ingénierie: Socio-demographic study of the digital, engineering and consulting branch. Summary report on the engineering sector, September 2014.

(3) Total payroll considered is the sum of the total gross employee salaries (15,012,353 euros in 2014).

Incentive and profit-sharing agreements

Please refer to section 17.4 of the 2014 Registration Document.

CET ("Time savings plan") system associated with a collective retirement savings plan

The introduction of the CET in 2011 encourages employees who so wish, and under certain conditions, to place up to 14 holiday or rest days into the CET, matched by the Company, i.e. an additional grant of days by the employer of 35% for 2014.

In keeping with this CET and to enable employees who wish to build up an extra pension benefit, GTT introduced a Group retirement savings plan (PERCOG) on 26 March 2012.

Under certain conditions, employees may transfer the equivalent of up to 14 days from their CET to the PERCOG, which is then coupled with the employer's complementary contribution, fixed at 25% in 2014. The contribution for the following years will be set by a rider to the agreement, and otherwise will be 25% of the amounts paid. Moreover, the contribution provided for the voluntary payments of employees is 100% of the amounts paid, limited to 100 euros for the year 2014.

1.2 WORK ORGANISATION

1.2.1 Organisation of working time

	31/12/2013	31/12/2014	Change
Number of full-time contracts Women	61	70	+14.8%
Number of full-time contracts Men	297	294	-1.0%
Number of part-time contracts Women	8	10	+25.0%
Number of part-time contracts Men	4	3	-25.0%

The Company has a working time arrangement agreement under which all employees based in France, except for executives, benefit from the reduced working week.

Employees who have no autonomy to organise their schedule and for which working time can be predetermined in advance, work 35 hours a week on average over the year and benefit from 14 days off, after one full year within the Company. These employees work to a variable timetable, which includes fixed time periods when their presence is compulsory and variable time periods when their presence is optional.

For the autonomous managers who do not work a set standard week, working time is computed in days. They have 14 days off earned under

the reduced working time arrangements. In an average year, the number of effective working days is 214, plus the "solidarity day", which makes 215 days in total.

1.2.2 Absenteeism

The rate of absenteeism at GTT was 1.6% in 2014 ⁽¹⁾.

The absences taken into account are: illness, exceptional holiday, workplace and travel accidents, paternity leave, maternity leave, sick children.

1.3 SOCIAL DIALOGUE

Dialogue bodies

To promote dialogue and the exchange of information, GTT has three representative dialogue bodies, within which are organised numerous formal meetings:

- ▶ a works council (CE);
- ▶ a Health, Safety and Working Conditions Committee (CHSCT);

- ▶ employee representatives.

The works council and employee representatives meet at least once a month, as required by legislation. Extraordinary meetings can take place on request by the personnel bodies or management.

To prepare the plenary meetings of the works council, commissions have been created for the following subjects: training, mutual insurance, equal opportunities, CET/PERCOG and wage policy.

⁽¹⁾ Calculation of this rate: total number of days of absence in 2014 in working days / (average monthly headcount x total days normally worked). The number of days normally worked corresponds to 251 days in 2014.



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Management has built up a constructive, open dialogue with the works council representatives.

In 2014, the CHSCT met four times.

There are no employee representative bodies within GTT subsidiaries, but the employees of Cryovision benefit from the GTT works council social initiatives.

1.4 HEALTH AND SAFETY

1.4.1 Safety: an essential pillar of the Group's CSR policy

Whilst the risk of serious accident is limited and the frequency rate low due to the type of activity in GTT (engineering studies carried out in offices using IT tools), as in all activities, the Group is responsible for identifying the potential dangers and risks present on each of its sites, and evaluating their impact on the health of employees.

The Group's HSE management system – hygiene, safety and environment – includes all aspects necessary to prevent work-related accidents and protect its employees and those of subcontractors. The CHSCT works, in particular, to identify and assess high-risk activities. These checks include procedures, work instructions, specific risk training, reports – lighting, acoustic – and regular HSE meetings. An annually updated single risk assessment document identifies the type of danger for each work unit, process or machine. Preventive measures associated with action plans are implemented for each work unit.

Specific safety procedures are implemented within the departments and activities most exposed to risks, including:

- ▶ the research and testing laboratories designed to carry out fluid dynamics tests in real conditions using hexapods;
- ▶ the test laboratory dedicated to the thermal and mechanical properties of materials and sub-assemblies, in particular in cryogenic conditions, thermomechanical tests of materials and assembly in cryogenic conditions;
- ▶ the joinery and metallurgy workshops;
- ▶ the industrialisation tooling development laboratory;
- ▶ foreign shipyards.

To prevent risks of accidents or injuries, the Group implemented action plans in 2014 including:

- ▶ safety sheets providing operating instructions for machines, in particular in the joinery and metallurgy workshop. On each of the sheets, the Group has identified the level of direct and indirect risk;
- ▶ the requirement to wear individual protective equipment for certain tasks: wearing safety goggles, non-slip gloves, hearing protection and ear plugs if necessary;
- ▶ specific training on handling or using chemical products or machines. On average, 20% of GTT's employees follow an HSE training session during the year;
- ▶ workplace structures modified according to the level of identified risk (automatic cut-off of temperature regulation in the event of an incident during a cryogenic test);
- ▶ in 2014, GTT carried out an assessment audit for chemical products related to hazardous substances and preparations and the exposure of employees to these products. A prevention sheet was drafted following this audit.

At 31 December 2014, 43 employees were seconded outside of France, mainly to South Korean or Chinese shipyards, and are therefore subject to different local regulations. The health and safety risks related to working conditions in naval shipyards are identified and examined each year by the CHSCT. In 2015, GTT wishes to implement health and safety at work training for these employees.

GTT measures the performances in terms of safety by the frequency of work-related accidents with lost time. These indicators include employees (permanent, fixed-term, project duration contracts), temporary workers and interns of the Company and its subsidiaries; in 2014, GTT recorded nine travel accidents.

GTT Group statistics on accidents (permanent, fixed-term, project duration contracts, temporary workers ⁽¹⁾ , interns)	2012	2013	2014
Number of accidents with lost time ⁽²⁾	3	2	2
Number of travel accidents ⁽³⁾	2	1	9
Frequency rate of accidents with lost time = number of accidents with lost time/hours worked x 1,000,000 ⁽⁴⁾	4	3	3
Seriousness rate of accidents with lost time = number of days lost/hours worked x 1,0008	0.03	0.01	0.08

(1) Scope including temporary workers, unlike the social indicators.

(2) Excluding travel accidents.

(3) With or without lost time.

(4) Excluding travel accidents/Hours worked = (contractual number of hours worked, i.e. 1,820 hours/year/person) x (average headcount present during the period).

1.4.2 Health and well-being at work

The health and well-being of its employees are also a major focus of concern for GTT. The CHSCT regularly works with the occupational health service to improve quality of life and prevent psycho-social risks and occupational diseases.

In 2014, the main actions were as follows:

- ▶ an assessment by the occupational health service of the lighting ambience following the measurement campaign the previous year;
- ▶ an acoustic study designed to prevent noise pollution in buildings under construction on the site;

- ▶ a brochure provided by the Occupational Health service on the ergonomics of work positions in the service industry, distributed to all employees;
- ▶ the annual survey on working conditions piloted by the CHSCT.

The survey carried out at the end of 2013, based on a participation rate of 25% of employees concerned, showed that working conditions are constantly improving – 96% of participants satisfied – 82% of the participants say that they are confident in the future, however, the Group must continue its efforts in internal communication and, in particular, in the area of sustainable development. Note, that the survey at the end of 2014 (participation rate of 46%) is being processed and is not, therefore, available at the date of publication of this document.

1.5 TRAINING

Training as a driver for individual development and professionalisation of employees, is a priority for GTT, which implements, each year, a training plan to support its development strategy.

	2013	2014
Training budget	€241,317	€304,468
Number of training hours	6,440	5,349
Number of employees trained	250 employees trained	247 employees trained
Breakdown by professional category	179 Executives 71 Non-executives	186 Executives 61 Non-executives

1.5.1 Training sessions to develop the employability and expertise of our employees

The aggregate training budget for the 2014 financial year is slightly over the minimum legal requirement. More than 1.46% of payroll⁽¹⁾ was allocated to training in 2014, compared to the legal requirement of 0.9%, without including salary costs in the training budget. The increase in the

cost of training in 2014 is explained, in particular, by the large number of collective training sessions organised in 2013.

In 2014, GTT focused on the following training sessions:

- ▶ a long-duration training programme – 18 months – of half a day per month for young engineers. Internal and external experts came to raise awareness of the young recruits in the challenges of GTT's eco-system. This course included the following modules: naval architecture, LNG and other gases, liquefaction plants, re-gasification plants and onshore tanks;

(1) Aggregate gross payroll subject to contributions (source DADS): 20,783,390 euros.



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- ▶ a two-day programme on interpersonal communication destined primarily, but not only, for executives.

A four-day training programme destined for managers. This training session, systematically provided to new managers, aims to provide tools to resolve conflicts, carry out active listening, define mobilising targets, etc.

1.5.2 Recruit, retain and develop talents

Recruitments are carried out by the Company's internet site, the LinkedIn social network, employment sites, advertisements in specialised press publications, or the use of recruitment specialists for certain specific skills. GTT maintains on-going contacts with some engineering schools, and in particular, with ENSTA Brittany, an engineering school specialised in renewable marine energies and naval architecture.

GTT is faced with increased competition to recruit talented employees, in particular engineers, in its specific areas of expertise. It is, therefore, important not only to attract talented workers, but also to involve and retain these key skills. One of the essential elements to retain talented workers is to rapidly "expose" them to tangible, operational issues. GTT does this by rapidly getting its engineers involved with the reality on the ground. The Group's leadership and expertise in its area of activity and its multi-cultural dimension also contribute to building its reputation and attractiveness.

GTT also promotes internal employee mobility. Real-time information on open positions is provided to all employees *via* the intranet site. Employees may be given the opportunity to be seconded abroad, in particular for positions in Asia, within the LNG carrier shipyards. They may become GTT representatives on construction sites for several years. Internal mobility enables, while securing the loyalty of the employees, to offer them a career within the Company through which they learn various new skills. Mobility abroad can also occur in the short term within the framework of the Group's development *via* its new subsidiaries or projected subsidiaries or offices (USA, China, Singapore).

Finally, to ensure a good match between GTT's ambitions and objectives, the Group deploys the following HR tools:

- ▶ annual individual performance review and career review: a genuine time for exchange between the manager and employee, it enables the achievements and skills over the previous year to be assessed, the objectives for the coming year to be fixed, and exchanges on the employee's career plan if required;
- ▶ HR reviews: interview between the Human Resources service and each manager with the aim of identifying possible evolutions, in the short to medium term, with regard to skills or professional mobility;
- ▶ Career Path Committees: meetings organised between human resources and directors to exchange on skills needs within the departments and on employees identified as possibilities for promotion, in order to organise short or medium term mobility.

1.6 DIVERSITY EQUAL OPPORTUNITIES

1.6.1 Agreement on equal opportunities men-women

An action plan was implemented in 2011 to foster equality in the workplace. A project is currently under discussion with the men-women equal opportunities commission, which was presented to the works council in early 2015.

The Company is a great believer in gender equality, which it sees as a source of momentum, balance and efficiency essential to the business. The plan aims to ensure equal treatment of men and women in the

recruitment process and to develop actions to promote a healthy balance between professional, family and personal life.

The proportion of female employees is relatively low. This low representation can be explained by the low number of women graduating from engineering schools, from which the majority of employees come. However, GTT is trying to reduce this imbalance. In 2014, the number of women executives increased by more than 26% and women represented nearly 35% of the Group's recruitment.

Distribution of GTT employees by gender: Women-Men

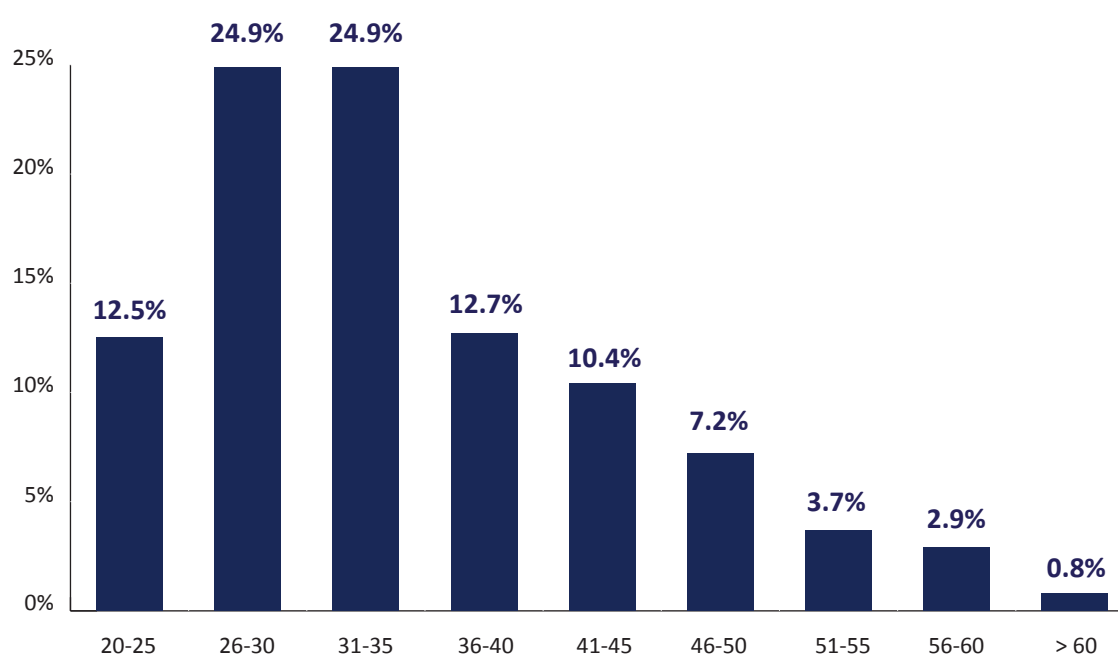
	31/12/2013	31/12/2014
Executives men	210	209
Non-executives men	91	88
Executives women	41	52
Non-executives women	28	28

1.6.2 Employment of young people and seniors

The intergenerational management of human resources is part of GTT's social responsibility. More than 90% of the Group's employees are under the age of 50. Whilst this youth constitutes a vital force of GTT, it is also necessary to capitalise on the knowledge of seniors. With 28 employees over the age of 50, GTT is committed to continuing measures taken to promote the employment of seniors via the implementation of the Generation Contract signed in 2015.

This employment aid mechanism implemented by the public authorities aims to promote the employment of young people in permanent contracts and retain the employment of seniors for the transmission of knowledge and skills. GTT's objectives are as follows:

- ▶ recruit 10 young people under the age of 30 with permanent (CDI) contracts before the end of 2015;
- ▶ have at least 4% of the workforce in apprenticeships before the end of 2015;
- ▶ retain a proportion of 8% of employees over the age of 50 in the workforce before the end of 2015.

Age pyramid at 31 December 2014**1.6.3 Integration of disabled people – Fight against discrimination**

The Group rejects all types of discrimination at recruitment and commits to allowing access for disabled workers to all positions under recruitment.

For the last three years, GTT has worked in partnership with a sheltered workshop, ESAT Communauté de l'Arche, located in Saint Rémy-les-Chevreuse. This association employs disabled workers. In 2014, 15 people were responsible for maintaining the grounds of the Company's head office in Saint-Rémy-les-Chevreuse.



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1.7 PROMOTION AND RESPECT FOR THE CORE CONVENTIONS OF THE INTERNATIONAL LABOUR ORGANISATION (ILO)

GTT ensures compliance with the ILO conventions on:

- ▶ respecting the freedom of association and the right to collective negotiation;
- ▶ eliminating employment and professional discrimination;
- ▶ eliminating forced or compulsory labour;
- ▶ effectively abolishing child labour.

GTT has adopted an ethics charter to promote the respect of its values with stakeholders, in particular its employees, administrators, customers and suppliers.

This charter defines the principles and values that make up the fundamental behaviour standards expected of employees in the following areas:

- ▶ total prohibition of active or passive corruption;
- ▶ prevention of fraud;

- ▶ prohibition of anti-competitive behaviour;
- ▶ prevention of conflicts of interest;
- ▶ information confidentiality;
- ▶ protection of Company assets;
- ▶ respect for intellectual property;
- ▶ traceability of documents.

This charter will be supplemented by a certain number of measures including the nomination of an Ethics Officer and the installation of an ethics email to allow employees to question the Ethics Officer in the event of doubts about the action they should take.

2. Environmental information

2.1 GENERAL ENVIRONMENTAL POLICY

Natural gas benefits from a reduced carbon footprint compared with other hydrocarbon fuels, in particular coal and oil. This makes it an attractive source of fuel in countries where governments are implementing policies to reduce emissions of greenhouse gases. Transported in liquid form in LNG carriers, it is odourless, colourless, non-toxic and non-corrosive.

As an essential link in the LNG chain, GTT's ambition is to contribute to the development of this fuel that is cleaner than other fossil energies, in order to provide energy to the greatest number of people.

2.1.1 Environmental impacts

In this context, the main environmental challenges of the Group are:

- ▶ direct impacts: limit its impacts in terms of resource and energy consumption, greenhouse gas emissions and waste production on the Saint-Rémy-les-Chevreuse sites;

- ▶ indirect impacts: help its final customers – shipowners, gas companies – to transport or store liquid methane safely, whilst managing their environmental footprint;
- ▶ promote LNG as a fuel for the propulsion of merchant vessels, in order to respect the current international marine regulations.

Sustainable development and innovation

The technologies developed by GTT allow shipowners to optimise the thermal performance and safety of the membrane tanks that transport or store LNG.

Continuous improvements in these technologies have reduced the evaporation rate ("Boil Off Rate") of the cryogenic membrane systems by around 40% since 1992. The decrease in the boil-off rate represents a real added value for gas companies and shipowners to the extent that such a decrease reduces the operating costs of vessels. The boil-off rate

of LNG on a vessel is one of the parameters for assessing the operating performance of the LNG containment system that it integrates.

By supplying efficient, robust technology, GTT reduces its customers' energy losses.

Energy transition

As part of the energy transition plan initiated in the maritime sector, since 2008, the International Maritime Organisation (IMO) has launched measures to reduce pollutants which will progressively come into force on a global level, in particular along the coasts of North America and Europe (Baltic Sea, North Sea and the Channel). It should be noted that the measures limiting sulphur oxide emissions in these zones entered into force on 1 January 2015. Amongst the solutions proposed, the conversion of merchant vessels to LNG propulsion is an interesting alternative to respect the current regulatory and ecological provisions. Using LNG as a fuel almost totally eliminates sulphur oxides (SOx) by comparison with fuel oil propulsion. It also enables compliance with the regulations regarding nitrogen oxide, sulphur oxide, CO₂ and particle emissions, and in particular, the international MARPOL convention ⁽¹⁾. GTT is currently developing several innovations which will enable the adaptation of its membrane containment technologies for use in the holds of merchant vessels. (See Chapter 6.3.5.2 of the Registration Document.)

2.1.2 Prevention and reduction of environmental risks

The Group's activities do not present direct risks to the environment, as GTT does not manufacture the technologies for which the Company licences the use. The Group gives access to its membrane technologies to the main naval shipyards around the world as part of licence contracts. The GTT teams present in the shipyards have developed strong skills in engineering, innovation and R&D to support the implementation of its solutions and products in the shipyards. GTT's engineers also assist customers during the construction of vessel tanks and onshore storage tanks, provide technical advice and ensure the compatibility of the implementation of GTT's technologies by the licence holder.

Safety of installations and crew

There are a number of guidelines and recommendations intended to ensure the safe operation of LNG facilities and personnel in the maritime sector.

Transport safety represents a priority in the LNG industry, due to the high cost of the cargo and the very high level of safety required by maritime authorities. This involves extremely rigorous temperature and pressure checks, continuous monitoring to ensure that there is no oxygen in cargo areas and strict procedures for inspecting the tanks, etc. Piloting, operating and maintaining LNG carriers requires professionalism and constant vigilance by specially trained crews.

The safety of people and technologies is at the heart of the concerns of the Group, which invests heavily in R&D to prevent any risks associated with its technologies. As an important player in the LNG sector, GTT is responsible for supplying carriers with optimal transportation conditions, associated with an extremely safe technology.

Since the first LNG carriers were delivered by GTT in 1964, over 45,000 shipments have been made without a single incident of an LNG cargo being lost.

This is the result of a rigorous risk prevention system, continuous improvement in procedures, and a regular awareness raising and training programme for customers in transporting and handling LNG cargos.

LNG training sessions for customers and partners

In 2014, GTT created the GTT Training Ltd subsidiary to supervise the Group's external training activities. Piloted by an English-speaking team, this entity is intended to strengthen customers' skills and expertise. It has the task of providing LNG training at the Group's head office and also at customers' premises internationally. There are two types of training sessions.

- ▶ GTT offers a training programme for new licence holders to enable them to understand and master the technologies, as well as their construction methodologies.
- ▶ Four times per year, for more than 15 years, GTT has trained engineer representatives of shipowners, classification companies and repair shipyards. These programmes have a direct link to the Group's activity and deal with membrane technologies, LNG operations and new applications such as LNG propulsion. Safety is a key focus of these programmes. The training sessions are provided by GTT employees, who have themselves followed "how to train" sessions. Nearly 20% of GTT employees are able to provide this type of training.
- ▶ In addition, a recent programme – "LNG Cargo operations" – has been offered since 2014 to gas officers who crew LNG carriers, in accordance with the skills standards for maritime transport of the SIGTTO ⁽²⁾ (management level). This specific, technical training is carried out on a GTT-designed simulator. It was audited and validated by a Norwegian qualification company. The simulator allows officers to experience numerous situations in an extremely realistic way.

In 2014, nearly 200 customers and partners were trained in the specificities of LNG. GTT is one of the few players in the LNG industry to offer this type of service.

Creation of a hotline for shipowners

In 2014, the Group implemented a hotline, known as "HEARS", to allow shipowners and operators to call GTT specialists 24 hours a day to respond to emergency situations on systems developed by the Company for LNG transportation. Around 20 experienced professionals followed intensive training to prepare the six incident scenarios identified by

(1) Acronym of «Marine pollution»: designates the international convention for the prevention of marine pollution by vessels, drafted by the IMO (International Maritime Organisation).

(2) Society of International Gas Tanker and Terminal Operators.



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GTT. Following this preparatory phase in 2013, they were qualified, and are regularly drilled through exercises inspired by real situations. Other employees are currently being trained.

Amount of provisions and guarantees for environmental risks

In 2014, GTT did not recognise specific provisions for environmental risks. GTT was not subject to any legal decisions concerning the environment.

2.2 POLLUTION AND WASTE MANAGEMENT

Scope retained: Saint-Rémy-les-Chevreuse site. Other GTT installations and/or subsidiaries are not integrated into the scope due to their non significant character (in terms of headcount or surface area).

2.2.1 Waste management

The Group has installed systems for the selective sorting, collection and recycling of its internal waste, such as electrical and electronic equipment, batteries and accumulators, chemical waste, paper and organic waste.

This system encourages employees to adopt responsible processes and acts in terms of traceability and waste management.

- ▶ Chemical waste – glues, aerosols, anti-freeze, resins, soiled products, hydraulic oils – are recovered by a specialised partner, with its own channel for recycling all types of waste. This partner created its own materials recycling subsidiary to recycle all types of waste, including dangerous and complex waste. In 2014, GTT generated 6 tonnes of chemical waste, compared to 7 tonnes in 2013.
- ▶ Organic waste is collected by a regional organisation, specialising in the collection and treatment of waste. In 2014, GTT generated 116,160 litres of organic waste, compared to 89,760 litres in 2013.
- ▶ For security and confidentiality reasons, paper is recovered by a specialist partner that destroys and recycles the paper fragments after

destruction. 20 bins are installed on the Saint-Rémy-les-Chevreuse site for employees to place their documents; in 2014, around 19 tonnes of paper were collected and recycled by the Company. Each year, the partner provides an environmental certificate indicating the number of trees saved – 310 in 2014 – with this service.

- ▶ Electrical and electronic equipment waste is collected and recycled by a specialist partner. This waste concerns essentially fixed and portable computers, servers, printers and copiers and videoprojectors. In 2014, more than 150 items/IT equipment were collected on the site.
- ▶ Printer and toner cartridges are also collected by a specialist service provider.

2.2.2 Soil pollution – noise pollution

By its nature, GTT's engineering activity generates very little soil pollution.

No sites are classified by ICPE – Installations Classified for the Protection of the Environment – or SEVESO.

Within the chemical testing laboratory, a collection tank with a sufficient depth has been installed to avoid all leaks into the soil.

In 2013, the CHSCT, in collaboration with the occupational health service, initiated a noise measurement audit in the joinery and metal-working workshops. Insulating panels were installed on the walls and ceiling following this audit.

2.3 SUSTAINABLE USE OF RESOURCES

Scope retained: Saint-Rémy-les-Chevreuse site.

2.3.1 Energy

Energy consumption on-site includes heating, lighting and air-conditioning of offices. GTT recorded a decrease in its electricity and gas consumption in 2014 due to a malfunction in the meter equipment during the second and third quarters of 2014. GTT clarifies that, excluding this malfunction, its energy consumption would have slightly increased compared to the previous year, due to the increase in headcount at the end of 2013.

GTT aims to implement more efficient management of its consumption via the following measures:

- ▶ raising awareness of employees to eco-gestures;
- ▶ installing presence detectors for lighting in the sanitary facilities;
- ▶ improving office layouts to limit energy consumption;
- ▶ using low energy-consumption light bulbs.

Fuel oil consumption was reduced due to the suppression of this type of supply in one of the head office buildings during 2013.

GTT will continue its energy efficiency improvement programme in 2015 with:

- ▶ the construction of a new RT 2012 (thermal regulation) standard building on the Saint-Rémy-les Chevreuse site;

- ▶ the application of the European directive of 25 October 2012 on energy efficiency, which requires companies with over 250 employees to carry out an energy audit of their activities every four years. In accordance with the application decree, GTT is committed to carrying out its first energy audit before 5 December 2015.

Consumption of heating and electricity in permanent installations	2013	2014	Variation
Electricity (kWh)	2,801,040	2,262,888	-20.5%
Gas (kWh)	2,361,031	2,011,868	-14.8%
Fuel liter	13,264	3,003	-77.4%

2.3.2 Water

GTT's activities do not consume a significant amount of water. Water consumption comes from internal use for the company restaurant, water fountains, drinks machines and sanitary facilities and also includes the consumption required to carry out materials tests.

In 2014, the site recorded an increase in consumption, which can be explained by the start of the construction operations for the new building and by the increase in headcount.

GTT has implemented a policy aiming to reduce water consumption, by the installation of water consumption detectors installed in the sanitary facilities, and the progressive installation of sub-metering for water to better detect possible leaks.

Water consumption for 2014 was 3,704 m³.

In m ³	2013	2014	Variation
Water consumption	3,108	3,704	+19.2%

2.3.3 Consumption of raw materials

As an engineering company, GTT does not consume a significant amount of raw materials.

The Group does, however, use nitrogen to test the resistance of materials in cryogenic conditions.

In 2014, the Group used 461,000 litres of nitrogen for these tests.

2.4 CLIMATE CHANGE

Most of the employees work on the Saint-Rémy-les Chevreuse site. The impacts linked to carbon emissions are essentially from air travel for employees to go to naval shipyards and to manage on-going projects abroad.

In 2014, total emissions for employee travel by train, aeroplane and car were 2,860 tonnes of CO₂.

To limit professional travel, GTT encourages site employees to use the video-conference room.

5 new vehicles have been provided for employees on the Saint-Rémy-les Chevreuse site for professional travel essentially in the Paris region.

In addition, to encourage employees to limit the use of their personal vehicles to go to work, a study is on-going, in particular, through an employee survey, to implement suitable modes of transport: car-pooling, shuttle from Paris, shuttle between the RER local train station and the site, etc. A car-pooling system is already offered on the Group's intranet.



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2.5 BIODIVERSITY

Scope retained: Saint-Rémy-les-Chevreuse site.

The Group owns two sites with a total surface area of 84,750 m² in Saint-Rémy-les-Chevreuse.

A property complex of 18 buildings is located on these plots.

The land also contains parking lots, roadways for vehicles, a rainwater retention pond and green spaces. The site is located in the Haute Vallée de Chevreuse national regional park.

The Group wishes to keep this green environment. The pond is maintained by a specialist supplier, who uses organic products to treat the water.

Garden maintenance, by the ESAT Communauté de l'Arche, is carried out using environmentally-friendly products.

3. Societal information

For the Group, responsible behaviour and continuous relations with all stakeholders are the basis for durable, sustainable growth. It is for this reason that GTT is particularly attentive to the following commitments:

- ▶ transparency of information for key stakeholders;
- ▶ customer satisfaction and listening to customers;
- ▶ support for local development by promoting local recruitment and partnerships;
- ▶ support for innovation by working on research projects in partnership with engineering companies, research centres, universities and engineering schools.

3.1 TERRITORIAL, ECONOMIC AND SOCIAL IMPACT OF THE COMPANY'S ACTIVITY

GTT's presence and activity drives local employment. The Group contributes to economic development by favouring, where possible, local suppliers and subcontractors, as part of the materials supplier approval service for its technologies.

In France, for example, GTT works regularly with the Aperam Alloys Imphy company, specialising in the supply of nickel alloys.

On an international level, GTT participates in the economic development of the territories in which the Group is located, in particular, in South Korea, Japan and China.

As the essential link in the LNG sector, the Group supports the indirect employment of several thousands of people worldwide, who participate in the construction or maintenance of LNG carriers in shipyards. Currently, the Company has 26 construction shipyards under licence, mainly in South Korea.

3.2 CONDITIONS FOR DIALOGUE WITH STAKEHOLDERS

To ensure its long-term development, GTT develops a continuous, constructive dialogue with its professional and economic environment.

GTT forms close relationships with a large number of stakeholders including:

- ▶ the main new and repair construction shipyards;
- ▶ shipowners;
- ▶ terminal operators;
- ▶ classification companies;
- ▶ gas companies;
- ▶ suppliers of the materials used by the Group's technologies;
- ▶ the Group's suppliers (service providers, suppliers of products and materials);
- ▶ the maritime regulatory authorities such as the IMO, the United Nations agency responsible for defining the regulatory framework for maritime transport, both for safety and environmental protection;
- ▶ employees, candidates;
- ▶ higher education establishments, research institutes;
- ▶ the media;
- ▶ shareholders, financial institutions, analysts.

For each of these families of stakeholders, GTT implements specific modes of dialogue. The internet site, formal and informal meetings – individual interviews, conferences, round tables, workshops – surveys and satisfaction questionnaires are some of the tools for dialogue and consultation implemented by the Group.

Since 2010, GTT is certified ISO 9001. This certification attests to the Group's commitment in terms of quality, and enables the continuous improvement of its performance to be measured.

The benefits of ISO 9001 certification concern both internal and external stakeholders.

As part of its Quality Management System, GTT regularly carries out satisfaction surveys with its internal and external customers.

In 2014, GTT carried out two external surveys to analyse the level of customer satisfaction:

- ▶ The first survey looked at the quality of service provided by the Company, from upstream (order) to downstream (delivery) with active shipyards. Customers were asked about the entire "production process" including the pertinence and quality of deliverables – system plans, calculation notes, reports from deliverables. In 2014, 7,500 deliverables were sent to LNG carrier construction shipyards. The challenge is to respect lead-times and remain attentive to quality and the reactivity of responses provided by the GTT teams. The results revealed a very satisfactory overall level of customer satisfaction, and an improvement compared to 2013.
- ▶ Carried out for the first time in 2014, the second survey was a focus for questioning the shipyards and shipowners on the GTT team service provided in the shipyards. Whilst the level of satisfaction is also high, improvement areas emerged with regard to construction assistance in the shipyards.

Sharing best practices

One of GTT's main dialogue focuses with stakeholders is to share best practices in efficiency and human and LNG installation safety.

Every six months, the Group brings together managers of maritime companies and classification companies to work intelligently with the aim of continuous improvement. These meetings are the opportunity to exchange on possible dysfunctions and create working groups to deal with them and resolve them. This feedback is collected in a database accessible by all stakeholders. Information transparency is a key element for GTT. This transparency provides the confidence and search for excellence carried out by the Group.

Patronage

In 2014, the Group did not commit to promoting solidarity initiatives and actions, other than several specific local actions.

3.3 SUBCONTRACTING AND SUPPLIERS

Materials suppliers seeking to provide shipyards with the materials used to manufacture GTT's systems require the Company's approval.

GTT has implemented a materials' assessment service with the aim of showing that the supplier respects the different criteria defined in the materials' specifications established by GTT.

To date, the Group has 59 qualified suppliers for LNG carriers (47% South Korea, 14% France, 12% China, 12% Japan, 15% rest of Europe) and 32 suppliers approved for onshore tanks (44% South Korea, 28% France, 9% Japan, 19% rest of Europe).

In addition, as part of the purchasing procedure, a supplier selection procedure for GTT's purchasing needs is currently being implemented, in



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which respect for GTT's ethics charter and more generally the applicable social and environmental standards will be part of the selection criteria.

These standards include, in particular, respect for national and international regulations with regard to:

- ▶ fundamental human rights, in particular the ban on child labour and all other types of forced or compulsory labour; ban on discrimination within the Company or with regard to suppliers or subcontractors;
- ▶ embargos, arms and drugs trafficking and terrorism;
- ▶ commercial exchanges, import and export licences and customs;
- ▶ the health and safety of personnel and third parties;
- ▶ work, immigration, ban on clandestine work;
- ▶ environmental protection;
- ▶ economic offences, in particular, corruption, fraud, bribery (or equivalent offence in national law applicable to the order or the contract referencing the general sales conditions), embezzlement, theft, abuse of corporate assets, counterfeiting, forgery and the use of forged documents, and any other similar offence;
- ▶ the fight against money laundering;
- ▶ competition law.

3.4 FAIR COMMERCIAL PRACTICES

As an internationally-operating group, GTT is committed to carrying out its activities in an ethical way and to scrupulously respect current legislation. GTT expects responsible behaviour from its employees, which involves

respecting the ethics charter published at the beginning of 2015 for employees and suppliers.

4. Report by the independent third-party organisation on the social, environmental and societal information in this management report

This is a free translation into English of the original report issued in French language and is provided solely for the convenience of English speakers users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Dear Shareholders,

In our capacity as an independent, third-party organisation accredited by the COFRAC ⁽¹⁾ under number 3-1050 and member of the network of one of the Statutory Auditors of GTT, we present our report on the social, environmental and societal information for the financial year ended on 31 December 2014, presented in Appendix 2 of the management report, hereinafter "CSR Information" in accordance with the provisions of Article L. 225-102-1 of the French Commercial Code.

Company responsibility

The Board of Directors is responsible for drafting a management report including CSR information as stipulated in Article R. 225-105-1 of the French Commercial Code, in accordance with the Company guidelines (hereinafter the "Guidelines") detailed in Appendix 2 of the management report.

Independence and quality control

Our independence is defined by the regulatory texts, the code of ethics in the profession and the provisions of Article L. 822-11 of the French Commercial Code. In addition, we have implemented a quality control system including documented policies and procedures that aim to ensure the respect of ethical rules, professional standards and applicable legal and regulatory texts.

Responsibility of the independent third-party organisation

Based on our work, it is our responsibility to:

- ▶ attest that the required CSR information is present in the Management report or in the event of omission, is subject to an explanation, in application of the third paragraph of Article R. 225-105 of the French Commercial Code (Certification of the presence of CSR information);
- ▶ express a moderated assurance conclusion on the fact that the CSR information taken as a whole is presented in all its significant aspects, in a fair way, in accordance with the Guidelines (Motivated opinion on the fairness of the CSR Information).

Our work was carried out by a team of three people between February and March 2015 for a duration of around three weeks.

We carried out the work described after in accordance with the professional standards applicable in France and the order of 13 May 2013 determining the modalities within which the independent third-party organisation conducts its mission and concerning the motivated opinion of fairness, with the international standard ISAE 3000 ⁽²⁾.

1. Certification of presence of CSR information

Based on interviews with the managers of the divisions concerned, we reviewed the presentation of the orientations in terms of sustainable development, according to the social and environmental consequences linked to the Company's activity and social commitments, and where applicable, the resulting actions and programmes.

We compared the CSR information presented in the management report with the list stipulated in Article R. 225-105-1 of the French Commercial Code.

In the event of absence of certain information, we checked that the explanations were provided, in accordance with the provisions of Article R. 225-105 paragraph 3 of the French Commercial Code.

Based on this work, we attest to the presence in the management report of the required CSR information.

2. Motivated opinion on the fairness of the CSR information

TYPE AND SCOPE OF WORK

We carried out around 10 interviews with the people responsible for preparing the CSR information at the human resources, innovation, general services, information technology, legal, strategy & marketing, quality and safety departments, in charge of the information collection, and where applicable, responsible for internal control and risk management procedures, in order to:

- ▶ assess the appropriate nature of the Guidelines with regard to their relevance, exhaustivity, reliability, neutrality and understandable nature, by taking into consideration, where applicable, best practices in the sector;

(1) Accreditation scope available at www.cofrac.fr.

(2) ISAE 3000 – Assurance commitments other than audits or reviews of historical information.



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- ▶ check the implementation of a collection, compilation, processing and monitoring process to ensure the exhaustivity and coherence of the CSR information and study the internal control and risk management procedures relating to the formulation of the CSR information.

We determined the nature and scope of our tests and controls in accordance with the nature and importance of the CSR information with regard to the Company characteristics, the social and environmental challenges of its activities, its orientations in terms of sustainable development and best sector practices.

For the CSR information that we considered to be the most important ⁽¹⁾:

- ▶ we consulted documentary sources and conducted interviews to confirm the qualitative information (organisation, policies, actions, etc.), we implemented analytical procedures on the qualitative information and checked, based on surveys, the calculations as well as the data consolidation and their consistency with other information in the management report;
- ▶ we conducted interviews to check the correct application of procedures and to identify possible omissions, and implemented detailed tests

based on samples, to check the calculations performed and reconcile the data with the supporting documentation.

For the other reported CSR information, we assessed its consistency compared to our knowledge of the Company.

Lastly, we assessed the relevance of the explanations on, where applicable, the total or partial absence of certain information.

We consider that the sampling methods and sample sizes retained by exercising our professional judgement, allow us to formulate the moderate assurance conclusion; a higher level of assurance would have required more extensive verification work. Due to the use of sampling techniques as well as the inherent operational limits to all internal information and control system, the risk of not detecting a significant anomaly in the CSR information cannot be completely excluded.

CONCLUSION

Based on our work, we have not noted a significant anomaly that would call into question the fact that the CSR information, taken globally, is presented in a fair way, in accordance with the Guidelines.

Paris-La Défense, 26 March 2015

The Independent Third Party Body
ERNST & YOUNG et Associés

Alexis Gazzo
Sustainable Development Partner

Bruno Perrin
Partner

(1) **Social information: employment** (total headcount and distribution of employees by gender, age, and geographical area, recruitments and dismissals), the organisation of working time, absenteeism, social relations (organisation of social dialogue, assessment of collective agreements), health and safety conditions at work, work-related accidents, in particular their frequency and severity, as well as occupational illness, policies implemented for training, total number of training hours.

Environmental and societal information: the general environmental policy (organisation, training and information actions for employees), pollution and waste management, sustainable use of resources and climate change (energy and water consumption); the territorial, economic and social impact, the extent of subcontracting and the taking into account in the purchasing policy and relations with suppliers and sub-contractors of social and environmental issues.

5. Grenelle 2 concordance table

GTT CSR Information	Pages of the registration document
SOCIAL	
Employment	
Total Headcount	196-197-273-274-275
Recruitments and dismissals	198-276
Compensation and evolution	195-198-199-200-201-276
Work organisation	
Organisation of working time	194-277
Absenteeism	277
Social relations	
Organisation of social dialogue	195-277
Summary of collective agreements	195-277-278
Health and safety	
Health and safety conditions at work	278
Summary of agreements signed with employee representatives in terms of OHS	278
Work-related accidents	278-279
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Total number of training hours	279
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Equal opportunities men/women	280-281
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Respect for the freedom of association and the right to collective bargaining	282
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Organisation of the Company	282-283
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GTT CSR Information	Pages of the registration document
Pollution and waste management	
Measures to prevent discharges to water and the air, that would seriously affect the environment	284
Measures for prevention, recycling and elimination of waste	284
Consideration of noise pollution	284
Sustainable use of resources	
Water consumption	285
Consumption of raw materials	285
Energy consumption	284
Land use	284
Climate change	
Greenhouse gas emissions	285
Adaptation to the consequences of climate change	285
Biodiversity	
Measures taken to develop biodiversity	286
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In terms of employment and regional development	286
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Relationships maintained with stakeholders	
Conditions for dialogue with stakeholders	287
Partnership and patronage actions	287
Subcontracting and suppliers	
Taking into account of CSR challenges in the Company's purchasing policy	287-288
Extent of subcontracting and taking into account of supplier and subcontractor CSR	287-288
Fair commercial practices	
Actions undertaken to prevent corruption	272-282-288
Measures taken to promote the health and safety of consumers	272-282-288
Human Rights	
Actions promoting human rights	272-282-288

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INFORMATION FOR THE SHAREHOLDERS' MEETING STIPULATED IN ARTICLE R. 225-83 OF THE FRENCH COMMERCIAL CODE



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1. Management, supervisory and control bodies

Information relating to the Company's management, supervisory and control bodies is provided in section 14.1 of the Company's Registration Document.

2. Shareholders' Meeting Agenda

RESOLUTIONS THAT FALL WITHIN THE AUTHORITY OF THE ORDINARY SHAREHOLDERS' MEETING

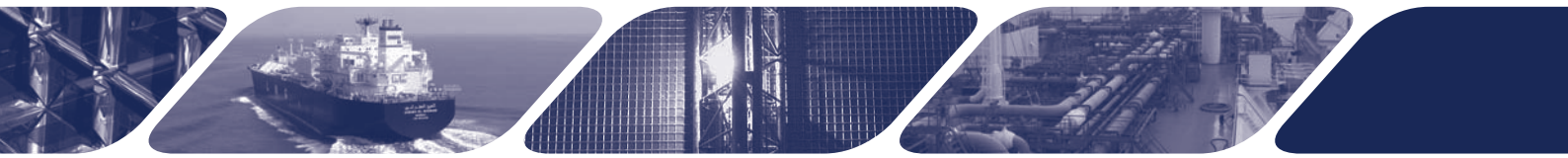
- ▶ Approval of the financial statements for the financial year ended 31 December 2014.
- ▶ Allocation of profit and setting the dividend amount.
- ▶ Approval of the agreements described in Article L. 225-38 of the French Commercial Code.
- ▶ Approval of a regulated agreement subject to the provisions of Article L. 225-42-1 of the French Commercial Code, in favour of Philippe Berterroitière, Chairman and Chief Executive Officer (supplementary pension scheme).
- ▶ Approval of a regulated agreement subject to the provisions of Article L. 225-42-1 of the French Commercial Code, in favour of Philippe Berterroitière, Chairman and Chief Executive Officer (indemnity under a non-compete clause).
- ▶ Approval of a regulated agreement subject to the provisions of Article L. 225-42-1 of the French Commercial Code, in favour of Philippe Berterroitière, Chairman and Chief Executive Officer (indemnity in the event of the termination of his mandate).
- ▶ Approval of the co-option of Olivier Jacquier as director.
- ▶ Renewal of Jacques Blanchard's appointment as director.
- ▶ Appointment of Michèle Azalbert as director.
- ▶ Appointment of Christian Germa as director.
- ▶ Setting the amount of directors' attendance fees allocated to the Board of Directors.
- ▶ Authorisation to be granted to the Board of Directors to carry out transactions on the Company's shares
- ▶ Opinion on the elements of compensation due or attributed to Philippe Berterroitière, Chairman and Chief Executive Officer, for the 2014 financial year.

RESOLUTIONS THAT FALL WITHIN THE AUTHORITY OF THE EXTRAORDINARY SHAREHOLDERS' MEETING

- ▶ Authorisation to be granted to the Board of Directors to reduce the share capital through the cancellation of the Company's treasury shares.
- ▶ Decision following the establishment of double voting rights by Law No. 2014-384 of 29 March 2014; rejection of the measure and modification of Articles 31.1 and 31.2 of the by-laws to conserve single voting rights.

RESOLUTION CONCERNING POWERS

- ▶ Powers for carrying out formalities.



3. Board of Directors' Management report

Please refer to the concordance table in Appendix 1.2 of this Registration Document.

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INFORMATION FOR THE SHAREHOLDERS' MEETING STIPULATED IN ARTICLE R. 225-83 OF THE FRENCH COMMERCIAL CODE

4. Report by the Board of Directors on the proposed resolutions

Dear Shareholders,

We have called you to this Combined Shareholders' Meeting according to the conditions stipulated by law and our by-laws in order to submit for your approval the resolutions covering the financial statements for the financial year ended 31 December 2014.

Your Board of Directors submits the following 16 resolutions for your approval.

RESOLUTIONS THAT FALL WITHIN THE AUTHORITY OF THE ORDINARY SHAREHOLDERS' MEETING

Approval of the corporate financial statements for the 2014 financial year (1st resolution)

You are asked to approve the Company's corporate financial statements for the financial year ended 31 December 2014, as well as the non-tax-deductible expenses and charges.

The Company's corporate financial statements show a profit of 123,302,385 euros.

Allocation of profit and setting the dividend amount (2nd resolution)

After noting that the accounts for the financial year ended on 31 December 2014 show a profit of 123,302,385 euros, your Board of Directors proposes the following allocation of this profit:

Profit for the financial year	123,302,385 euros
Other reserves	166,932 euros
Retained earnings	(55,617,536) euros
Distributable profits	67,851,781 euros
Allocation	
Dividend	43,002,797 euros
Retained earnings	24,848,984 euros

Accordingly, the dividend to be distributed would be 2.66 euros per share.

An interim dividend payment of 1.50 euro per share was paid on 29 September 2014. The balance due, 1.16 euro per share, would be paid on 28 May 2015, it being stipulated that the ex-dividend date would be 26 May 2015.

The interim dividend payment and the remaining balance to be distributed would be eligible for the 40% deduction, as specified in Article 158.3-2 of the French General Tax Code, which applies to individuals who are tax residents in France whose shares are part of their private assets.

The paying agent would withhold the following from the gross amount of the dividend:

- ▶ an obligatory 21% non-definitive individual income tax withholding. The amount withheld would be attributable to the individual income tax

payable for the year in which the funds were withheld. If the amount withheld exceeds the individual's income tax due, the individual would be due a refund of that amount. Furthermore, shareholders that would have requested a waiver of withholding as stipulated in Article 117 quater, I-1° of the French General Tax Code would receive a dividend without this amount withheld;

- ▶ social contributions (which represent 15.5% of the gross amount of the dividend).

Your Board of Directors suggests that the unpaid amount of the dividend attributable to treasury shares as of the payment date be allocated to Retained earnings.

Approval of related-party agreements and commitments (3rd, 4th, 5th and 6th resolutions)

The purpose of the 3rd, 4th, 5th and 6th resolutions are to submit the related party agreements and commitments for your approval that are subject to the conditions stipulated in Articles L. 225-38 and L. 225-42-1 of the French Commercial Code that were concluded during the 2014 financial year. These related party agreements and commitments are detailed in the Special report of the Statutory Auditors.

For the 3rd resolution, your Board of Directors proposes that you approve the four related party agreements that are governed by the provisions of Article L. 225-38 of the French Commercial Code that were concluded during the 2014 financial year. These related party agreements are detailed in the Special Report of the Statutory Auditor.

These related-party agreements are as follows:

► **agreement concerning the allocation of costs related to the Company's initial public offering, concluded between the Company, GDF SUEZ and certain subsidiaries of the GDF SUEZ group**

As part of the Company's initial public offering, the historical shareholders agreed to cover part of the charges incurred by the Company, particularly the fees paid for legal counsel and accounting services, as well as those paid to communications agencies. On 24 July 2014, the Company entered into an agreement notably with GDF SUEZ SA, GDF International SAS and GDF Armateur 2 SAS, for a term of two months from its signature, in order to define the methods for allocating the costs between the parties;

► **framework agreement between the Company and CRIGEN**

On 28 April 2014, a framework cooperation agreement was concluded between the Company and CRIGEN, a research and operational expertise centre within the GDF SUEZ group focused on business activities in gas, new energy and emerging energy sources. This agreement concerns CRIGEN's research and evaluation of products and solutions in the LNG chain. This agreement was established for a term of five years, and defines the principles for evaluation and commercialisation of patents, software and other expertise developed by CRIGEN, as well as products, software and technology that the parties develop jointly;

► **agreement between the Company and CRIGEN**

On 18 November 2014, the Company and CRIGEN, a research and operational expertise centre within the GDF SUEZ group focused on business activities in gas, new energy and emerging energy sources, entered into a service agreement. This agreement concerns a number of research studies by CRIGEN on producing and commercialising products and services based on nanotechnology for a total of 320,000 euros, excluding taxes. This agreement stipulates that GTT will be assigned certain intellectual property rights for the development and commercialisation of systems for transporting, transferring or storing liquefied gases, specifically fixed and mobile cryogenic storage tanks, pipelines and bunkering masts;

► **a guarantee and investment agreement as part of the Company's initial public offering entered into between the Company and Total Gas & Power Actifs Industriels, H&F Luxembourg 1 S.à.r.l, H&F Luxembourg 2 S.à.r.l, H&F Luxembourg 3 S.à.r.l, Morgan Stanley Plc, Lazard Frères Banque SA, Natixis SA, Deutsche BankAG and Société Générale CIB**

As part of the Company's initial public offering, the Company entered into a guarantee and investment agreement with Total Gas & Power Actifs Industriels, H&F Luxembourg 1 S.à.r.l, H&F Luxembourg 2 S.à.r.l, H&F Luxembourg 3 S.à.r.l (the **Selling Shareholders**), Morgan Stanley Plc, Lazard Frères Banque SA, Natixis SA, Deutsche Bank AG and Société Générale CIB (the **Underwriters**).

The purpose of this agreement was to define the conditions for the guarantee, acquisition and distribution of GTT shares offered by the Selling Shareholders to the public as part of the Company's initial public offering.

In addition to the usual declarations and guarantees for this type of transaction carried out by the Company, the Selling Shareholders and the Underwriters, the contract set the conditions for the performance guarantee for the initial public offering, including the guaranteed share of each Underwriter, as well as the corresponding compensation.

For the 4th resolution, you are asked to approve the supplementary pension scheme commitment undertaken by the Company in favour of Philippe Berterottière as Chairman and Chief Executive Officer.

Prior to his nomination as Chairman and Chief Executive Officer, Philippe Berterottière benefited from a supplementary pension scheme as part of his employment contract. On 10 February 2014, the Board of Directors decided to continue to extend these supplementary pension scheme benefits for Philippe Berterottière under the same conditions. The contributions are based on fixed and variable compensation that he receives for his work as Chief Executive Officer. As a result, the Company recognised an expense of 99,828 euros for this supplementary pension scheme for the 2014 financial year.

You are asked to approve this regulated agreement subject to the provisions of Article L. 225-42-1 of the French Commercial Code.

For the 5th resolution, you are asked to approve the Company's commitment to pay an indemnity to Philippe Berterottière as Chairman and Chief Executive Officer, as compensation for his non-compete agreement for a period of two years, beginning on the date that his mandate ends.

As compensation for Philippe Berterottière's non-compete agreement, the Board of Directors, at its meeting on 10 February 2014 approved the principle of paying a monthly indemnity equal to 5/10 (increased to 6/10 in case of dismissal, except in cases of gross negligence) of the monthly average of salaries, benefits, and contractual payments received over his last 12 months with the Company.

Should the non-compete agreement indemnity and departure indemnity (detailed hereafter) both be applicable, the combination of these two indemnities cannot exceed two years of fixed and variable compensation received by Philippe Berterottière during the last 12 months that precede his departure.

You are asked to approve this regulated agreement subject to the provisions of Article L. 225-42-1 of the French Commercial Code.

For the 6th resolution, you are asked to approve the Company's commitment to pay, under certain circumstances, an indemnity in the event of termination of the mandate of Philippe Berterottière.

In its meeting held on 10 February 2014, the Board of Directors authorised the payment of an indemnity in the event of forced departure to Philippe Berterottière. This indemnity is subject to his meeting three performance



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conditions measured over the course of several financial years, and each condition met would grant him one third of the indemnity. The performance conditions are linked to: (i) a market share objective for the Company, (ii) a net margin on revenue objective, and (iii) Philippe Berterrotière's level of variable compensation over the 12-month period preceding the date of his departure. The maximum amount of this compensation is equal to twice the total gross compensation (fixed and variable) received by Mr Philippe Berterrotière in the 12 months preceding the date of his departure.

You are asked to approve this regulated agreement subject to the provisions of Article L. 225-42-1 of the French Commercial Code.

Approval of the co-option of Olivier Jacquier as director (7th resolution)

Benoît Mignard resigned as director as of 12 February 2015. On 12 February 2015, your Board of Directors, on the recommendation of the Compensation and Nominations Committee, co-opted Olivier Jacquier to replace Benoît Mignard as director.

Olivier Jacquier will carry out his mandate for the remainder of the term of the mandate of his predecessor, i.e., until the end of the Shareholders' Meeting held in 2016 to approve the financial statements for the year ended 31 December 2015.

Olivier Jacquier is 44 years old, and a graduate of ESCP-Europe (École Supérieure de Commerce de Paris), specialising in finance.

Olivier Jacquier began his career at Paribas Corporate Banking as Deputy Representative of the Beijing Representative Office (China) and then as Associate in the Asia Division and Associate in the Americas Division.

He joined the SUEZ group in 1999 and held various positions in the Finance Department where he was successively in charge of Financial Operations, Head of Finance, director of the Mergers and Acquisitions Group and director of the Mergers & Acquisitions and Investments Group.

Olivier Jacquier managed GDF SUEZ Italia Division in Rome from 2008 to 2012.

In 2012, he was appointed Deputy Chief Financial Officer and Member of the SUEZ ENVIRONNEMENT Group Executive Committee.

Since December 2014, he has been Deputy Director and Chief Financial Officer of the GDF SUEZ Global Gas and LNG Branch.

Olivier Jacquier holds 200 shares in the Company as of the date of this document.

The mandates and offices held outside of the GTT Group by Olivier Jacquier over the past five years are detailed in Appendix 1 of this document.

For the 7th resolution, your Board of Directors asks you to approve this co-option.

Renewal of Jacques Blanchard's appointment as director (8th resolution)

At the end of this Shareholders' Meeting, Jacques Blanchard's mandate as director ends.

Jacques Blanchard holds 100 registered shares in the Company as of the date of this document.

Information regarding Jacques Blanchard is provided in sections 14.1.1.1 and 14.1.1.2 of the base document registered by the AMF on 13 December 2013 under number I.130052.

For the 8th resolution, your Board of Directors, on the recommendation of the Compensation and Nominations Committee, asks you to approve the renewal of Jacques Blanchard's mandate as director for a term of four (4) years, until the end of the Shareholders' Meeting held to approve the financial statements for the financial year ended 31 December 2018.

Appointment of Michèle Azalbert as director (9th resolution)

For the 9th resolution, your Board of Directors, on the recommendation of the Compensation and Nominations Committee, asks you to appoint Michèle Azalbert as director for a term of four (4) years, until the end of the Shareholders' Meeting held to approve the financial statements for the financial year ended 31 December 2018.

Michèle Azalbert is 47 years old, is an IT engineer who trained at the IIE (Institut d'Informatique d'Entreprise, 1990), and is a graduate of HEC Paris (1992).

Michèle Azalbert gained considerable experience in financial markets from 1992 to 2008 through the increasing responsibilities she was given within groups in the CAC 40 in treasury, finance, and managing interest rate and exchange rate risk. She began at Elf Aquitaine (from 1992 to 1996), then worked at Sanofi (from 1996 to 1999) followed by SUEZ, starting in 1999. From 2005 to 2008, Michèle Azalbert served as Treasurer for the SUEZ group.

In 2008, when the GDF and SUEZ groups merged, Michèle Azalbert moved to the energy trading business, becoming the Chief Operating Officer of GASELYS, the joint subsidiary created by GDF and Société Générale in 2001 and dedicated to commodities market trading. In 2011, she became General Manager of Support Functions. In this way, she played a large role in the integration of this subsidiary into the GDF SUEZ group, its development in Europe and internationally in what is now GDF SUEZ Trading.

In 2013, Michèle Azalbert joined GDF SUEZ's LNG BU as Chief Operating Officer in charge of management of LNG contracts and trading, the position she currently holds.

Michèle Azalbert's appointment as director is a demonstration of the Company's effort to progressively increase the presence of women on the Board of Directors pursuant to the legal requirements (the "Copé-Zimmermann" law) and the recommendations of the AFEP-MEDEF Code.

Michèle Azalbert holds no shares in the Company as of the date of this document.

The mandates and offices held outside of the GTT Group by Michèle Azalbert over the past five years are detailed in Appendix 2 of this document.

Appointment of Christian Germa as director (10th resolution)

At the end of this Shareholders' Meeting, Jean-Luc Gourgeon's mandate as director ends.

The recommendations of the AFEP-MEDEF Code stipulate that in a controlled company, at least one third of the directors must be considered

independent. Given the composition of the Board of Directors, which has nine members (subject to the adoption of the 9th and 10th resolutions), you are asked to replace Jean-Luc Gourgeon by an independent director.

Christian Germa is 45 years old, and is an engineering graduate of the École Polytechnique (1992) and the École Nationale des Ponts et Chaussées (1995).

Christian Germa began his career at the French Ministry for the Economy and Finance, within the Treasury Department, where he worked for several years on the CIRI (Comité Interministériel de Restructuration Industrielle), the Interministerial Committee on Industrial Restructuring, where he served as Deputy Secretary-General.

In 2000 he joined the FD5 investment company as head of investment.

From 2002 to 2014, Christian Germa gained experience within the Vinci Group, where he successively held positions as director of construction projects, then director of public-private partnerships for Vinci Construction France.

During this time, Christian Germa held several directorships as an independent director: From 2010 to 2012, on the Board of Directors of Vodaphone SA (subsidiary of the Vodafone Group plc, sold to SFR in 2011) and since 2004 on the Supervisory Board of Faiveley Transport, where he is also Chairman of the Audit Committee.

According to the criteria specified in the Internal Regulations of the Board of Directors, Christian Germa is considered independent.

Christian Germa holds no shares in the Company as of the date of this document.

The mandates and offices held outside of the GTT Group by Christian Germa over the past five years are detailed in Appendix 3 of this document.

For the 10th resolution, your Board of Directors, on the recommendation of the Compensation and Nominations Committee, asks you to appoint Christian Germa as director for a term of four (4) years, until the end of the Shareholders' Meeting held to approve the financial statements for the financial year ended 31 December 2018.

Setting the amount of directors' attendance fees allocated to the Board of Directors (11th resolution)

For the 11th resolution, your Board of Directors asks you to set the total annual amount of directors' attendance fees allocated to the Board of Directors for the financial year starting 1 January 2015 at 300,000 euros.

This decision and this total annual amount of directors' attendance fees allocated to the Board of Directors would be maintained for future financial years until a new decision is adopted by the Shareholders' Meeting.

Authorisation to be granted to the Board of Directors to carry out transactions on the Company's shares (12th resolution)

The Company requires adequate flexibility to allow it to respond to financial market fluctuations by purchasing shares.

To that end, we ask that you renew the authorisation granted to the Board of Directors so that they may implement a share buyback programme, as follows.

The number of shares that are liable to be acquired under this authorisation could not exceed 10% of the number of shares composing the shareholder capital, or, for indicative purposes 3,707,835 shares on the basis of the capital at 31 December 2014, with the precision that when the shares are bought back to stimulate trading as part of a liquidity contract, the number of shares taken into account for the calculation of the 10% limit corresponds to the number of shares purchased, less the number of shares sold back over the period of the authorisation.

The Company could not directly or indirectly own more than 10% of its capital.

The acquisition, transfer or disposal of shares could be carried out, on one or more occasions, by any means authorized by applicable laws or regulations, including over-the-counter transactions, the trading of blocks of securities for all or part of the programme and the use of any derivative financial instrument.

The maximum price per share could not exceed 85.60 euros (or 180% of the average closing price during the year following the Company's initial public offering) and the overall amount of funds that can be allocated to carry out this programme cannot exceed 20,000 thousand euros.

This authorisation should allow:

- ▶ the cancellation of the acquired shares, subject to the adoption of the 14th resolution submitted for your approval;
- ▶ the allocation or sale of shares to employees or executive officers of the Company or Group companies under the conditions and in accordance with the procedures allowed by law, notably with respect to company profit-sharing, or the allocation of free shares, or in the case of share purchase options, or as part of a group savings scheme or any other company savings scheme existing in the Group;
- ▶ the delivery of shares upon the exercise of rights attached to securities giving right to repayment, conversion, exchange, presentation of a warrant, or any other means of allocating shares of the Company;
- ▶ more generally, to honour the obligations linked to share option programs or other plans for allocation of shares to employees or company officers or those of an associated company;
- ▶ the delivery of shares as part of the exercise of rights attached to securities giving access to the capital by repayment, conversion, exchange, presentation of a warrant or in any other manner;
- ▶ the retaining and later delivery, either in payment as part of an acquisition transaction or in exchange as part of merger or demerger or contribution transaction, limited to 5% of the capital;
- ▶ the stimulation of the secondary market or the liquidity of the shares by an investment services provider acting under a liquidity contract in compliance with the code of ethics recognised by the Autorité des Marchés Financiers.



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This authorisation would be granted for a period of 18 months as from the date of this Shareholders' Meeting. It replaces the authorisation previously granted by the Shareholders' Meeting of 10 February 2014 (7th resolution).

2014 REVIEW OF THE PREVIOUS SHARE BUYBACK PROGRAMME APPROVED BY THE SHAREHOLDERS' MEETING

During the 2014 financial year, the cumulative repurchase of shares as part of the liquidity agreement entered into with Exane BNP PARIBAS amounted to 33,340 shares.

The cumulative sales of shares in relation to this liquidity agreement amounted to 26,360 GTT shares.

During this financial year, no shares previously purchased by the Company were cancelled.

As at 31 December 2014, GTT directly held 6,980 treasury shares.

Opinion on the elements of compensation due or attributed to Philippe Berterottière, Chairman and Chief Executive Officer, for the 2014 financial year (13th resolution)

Pursuant to section 24.3 of the AFEP-MEDEF Code, which the Company uses as a reference, your Board of Directors is required to present to the Annual Ordinary Shareholders' Meeting each element of compensation that is due or attributed to the Chairman and Chief Executive Officer for the year just ended. These elements include:

- ▶ the fixed portion of annual compensation;
- ▶ the variable portion of annual compensation, and, if applicable, the multi-annual variable portion with the targets used to determine the amount of this variable portion;
- ▶ non-recurring compensation;
- ▶ stock-options or options to purchase shares, performance shares, and any other element of long-term compensation;
- ▶ indemnities related to taking or departing from office;
- ▶ supplementary pension scheme; and
- ▶ benefits of any kind.

The AFEP-MEDEF Code specifies that this presentation must be followed by a consultative vote by the shareholders. Therefore, for the 13th resolution, you are asked to give a favourable opinion on the following elements of compensation that are due or attributed to the Chairman and Chief Executive Officer for the year ended 31 December 2014, as presented below:

Compensation elements	Amount	Comments
Fixed compensation	€270,000	The gross amount of fixed compensation before tax includes the fixed compensation received by Philippe Berterottière in respect of his mandate as Chairman and Chief Executive Officer.
Variable compensation	€255,750	<p>Payment of variable remuneration is subject to the achievement of targets determined by the Board based on the performance criteria set at the end of the previous year by the Board.</p> <p>For the 2014 financial year, payment of variable compensation was subject to the attainment of (a) quantitative targets which depend in particular on (i) orders taken by the Company for LNG carriers, FRSU, FLNG, onshore storage tanks and for <i>bunkering activities</i>, (ii) turnover on the services business, (iii) the Company's market share in certain technologies, and (iv) the Company's net margin on the Company's sales, representing approximately 110% of the fixed annual salary, and (b) a qualitative objective representing approximately 12% of the fixed annual salary.</p> <p>Fulfillment of these conditions was examined and approved at the end of 2014 at the Board of Directors' meeting held on 12 February 2015, based on recommendations from the Compensation and Nominations Committee from its meeting on 9 February 2015.</p> <p>For the financial year ended 31 December 2014, 77.5% of the established targets were met. The Chairman and Chief Executive Officer does not benefit from any deferred variable annual compensation or multi-annual variable compensation.</p>
Deferred variable compensation	Not applicable	Philippe Berterottière does not benefit from any deferred variable annual compensation.
Non-recurring compensation	€360,000	As part of the IPO of the Company, the Board of Directors on 10 February 2014, granted Mr Philippe Berterottière an exceptional bonus for work performed in connection with the preparation of the IPO.
Directors' attendance fees	€17,510	Philippe Berterottière receives directors' attendance fees for his mandates as director and Chairman of the Board of Directors.
Stock-options or options to purchase shares, performance shares, and any other element of long-term compensation	<p>Stock-options or options to purchase shares: not applicable</p> <p>Performance shares: €3,000 thousand (book value)</p>	<p>Philippe Berterottière does not benefit from stock options or options to purchase shares.</p> <p>In its meeting on 10 February 2014, the Board of Directors decided on the criteria and conditions for the performance shares plan as well as the list of beneficiaries (the Performance Share Plan).</p> <p>Under this Performance Shares Plan, five people, including the Chairman and CEO, were granted a total of 250,000 Performance Shares (including 125,000 shares allocated to the Chairman and CEO), subject to (i) presence during the vesting period, which will end with 50% Performance Shares on 10 February 2016, 25% Performance Shares on 10 February 2017, and the balance, 25% of Performance Shares on 10 February 2018, and (ii) performance criteria related to the increase in GTT's share price, the Company's net margin and the relative performance of the GTT share price against the Stoxx 600 Oil & Gas index (in euros).</p> <p>The Chairman and CEO must keep in his own name at least 25% (after taxes and costs) of Performance Shares that are assigned to him until the date of termination of his mandate as Chairman and CEO in GTT. The Chairman and CEO have undertaken not to use hedging on Performance Shares until the end of the lockup period of the shares.</p>
	Other elements of compensation: not applicable	Philippe Berterottière does not benefit from other elements of long-term compensation.
Benefits in kind (book value)	€28,278	<p>Benefits in kind are of two types:</p> <ul style="list-style-type: none"> ■ GSC loss of employment insurance (social guarantee for business managers and executives) defined according to the declared compensation and options chosen; and ■ a company car.

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Elements of compensation due or attributed for the financial year ended that are or were subject to a vote by the Shareholders' Meeting as part of the related party agreements and commitments procedure	Amount	Comments
Indemnity under a non-compete clause	No payment	On 10 February 2014, the Board of Directors approved, as consideration for a non-competition undertaking given by Mr Philippe Berterottière, the principle of paying, from that date of his ceasing to be a corporate officer, monthly compensation equal to 5/10 ^{ths} (increased to 6/10 ^{ths} in case of dismissal, except in case of gross misconduct) of the monthly average of salaries and benefits and contractual payments received during his last 12 months with the Company (the non competition undertaking is for two years from the effective cessation date of Mr Philippe Berterottière's mandate as Chairman and CEO). If his severance pay and non-competition compensation described above are both applicable, the combination of these two indemnities shall not exceed two years of compensation (fixed and variable received over the last 12 months preceding the date of his departure) by Philippe Berterottière.
Indemnities or benefits due or likely to become payable as a result of the cessation or change in duties	No payment	On 10 February 2014, the Board approved the award to Mr Philippe Berterottière of compensation in the event of a forced departure subject to compliance with three performance conditions assessed over several years, each condition tied to one third of the total amount of compensation and related to (i) a target for the Company's market share, (ii) a net margin target on sales and (iii) the level of Mr Philippe Berterottière's variable compensation in the 12 months preceding the date of his departure. The maximum amount of this compensation is equal to twice the total gross compensation (fixed and variable) received by Mr Philippe Berterottière in the 12 months preceding the date of his departure.
Supplementary pension scheme (book value)	€99,828	On 10 February 2014, the Board of Directors authorised Philippe Berterottière's membership of the supplementary pension plan. As a result, the Company recognised an expense of 99,828 euros for this supplementary pension scheme for the 2014 financial year.

RESOLUTIONS THAT FALL WITHIN THE AUTHORITY OF THE EXTRAORDINARY SHAREHOLDERS' MEETING

Authorisation to be granted to the Board of Directors to reduce the share capital through the cancellation of the Company's treasury shares (14th resolution)

You are asked to grant the Board of Directors the authorisation to cancel, through a reduction of share capital, all or part of the treasury shares held by the Company, both following the execution of the share buyback programmes that were authorised by the Shareholders' Meeting in the past, and as part of the buyback programme that you are asked to approve in the 12th resolution.

In accordance with legal provisions, the amount of shares cancelled cannot exceed 10% of the share capital within a period of 24 months.

This authorisation would be granted for a period of 24 months. It would replace the authorisation previously granted by the Shareholders' Meeting of 10 February 2014 (11th resolution).

Decision following the establishment of double voting rights by Law No. 2014-384 of 29 March 2014; rejection of the measure and modification of Articles 31.1 and 31.2 of the by-laws to conserve single voting rights (15th resolution)

The Law No. 2014-384 of 29 March 2014, aiming to "recapture the real economy", as concerns listed companies, grants automatic double voting rights for fully paid-up registered shares that have been held for at least two years by the same shareholder. It is nevertheless possible to be exempted from this legal requirement following the passage of the law. To do so, a change to the Company by-laws must be proposed in an Extraordinary Shareholders' Meeting that introduces a clause specifically stating the contrary, which must be approved by the shareholders.

The Board of Directors points out that when the Company by-laws were adopted on 11 December 2013 (and amended on 10 February 2014),

the shareholders specifically wished to exclude the allocation of a double voting right. Your Board proposes that this decision remain.

Accordingly, your vote on the 15th resolution will use the facility provided in Article L. 225-123 paragraph 3 of the French Commercial Code to refuse the automatic implementation of double voting rights and as such,

modify Articles 31.1 and 31.2 of the Company by-laws to maintain single voting rights attributed to shares.

Your Board of Directors therefore proposes that you approve the proposed modifications to Articles 31.1 and 31.2 of the Company by-laws.

RESOLUTION CONCERNING POWERS

Powers for carrying out formalities (16th resolution)

The 16th resolution covers the powers necessary for completion of publication and legal formalities relating to this Shareholders' Meeting.

We ask that you adopt the resolutions submitted for your approval.

On behalf of the Board of Directors,

Philippe Berterottière, Chairman and Chief Executive Officer

Appendix 1

Mandates and offices held outside of the GTT Group by Olivier Jacquier over the past five years

Current mandates:

- ▶ Director of:
 - GDF SUEZ E&P International
 - GDF SUEZ E&P Norge (Norway) Aguas Andinas (Chile)

Past mandates:

- ▶ Director of:
 - GDF SUEZ ENERGIA ITALIA SPA (Director and CEO) (Italy)
 - HERON THERMOELECTRIC SA (Greece)
 - SUEZ ENVIRONNEMENT Ré SA (Luxembourg)
 - GDF SUEZ ENERGY SPA (Director and Chairman of the Board) (Italy)
 - GDF SUEZ GAS SUPPLY & SALES SPA (Italy)
 - GDF SUEZ ITALIA HOLDING PARTECIPAZIONI SPA (Italy)
 - GDF SUEZ PRODUZIONE SPA (Italy)
 - GDF SUEZ RINNOVABILI SPA (Italy)
 - HERON II VIOTIA THERMOELECTRIC STATION SA (Greece)
 - GS NEWCO SRL (Italy)
 - ROSELECTRA SPA (Italy)
 - TIRRENO POWER SPA (Italy)
 - VOGHERA ENERGIA SPA (Director and Vice-Chairman of the Board) (Italy)

- ▶ Chairman of the Board of Directors of ROSEN SPA (Italy)
- ▶ Chairman and Chief Executive Officer of GDF SUEZ ENERGY MANAGEMENT SPA (Italy)
- ▶ Member of the Executive Committee of:
 - GDF SUEZ PRODUZIONE SPA (Italy)
 - GDF SUEZ Energia Italia (Italy)
 - SUEZ ENVIRONNEMENT SA

Appendix 2

Mandates and offices held outside of the GTT Group by Michèle Azalbert over the past five years

Current mandates:

- ▶ Director of MED LNG & GAS Ltd.
- ▶ Permanent Representative of GDF INTERNATIONAL SAS on the Board of Directors of GAZOCEAN SA

Past mandates:

- ▶ Deputy Chief Executive Officer of GDF SUEZ TRADING SAS

Appendix 3

Mandates and offices held outside of the GTT Group by Christian Germa over the past five years

Current mandates:

- ▶ Member of the Supervisory Board of Faiveley Transport SA (since 2004)
- ▶ Chairman of the Audit Committee of Faiveley Transport SA

Past mandates:

- ▶ Director of Vodaphone SA (2010-2012)



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INFORMATION FOR THE SHAREHOLDERS' MEETING STIPULATED IN ARTICLE R. 225-83 OF THE FRENCH COMMERCIAL CODE

5. Report by the Chairman of the Board of Directors

Information relating to the Report by the Chairman of the Board of Directors is provided in section 16.5 of the Company's Registration Document.

6. Corporate financial statements

Information relating to the corporate financial statements is provided in section 20.1 of the Company's Registration Document.

7. Consolidated financial statements

The Company does not prepare any consolidated financial statements.

8. Company results over the past five financial years

In euros	Financial year 2010	Financial year 2011	Financial year 2012	Financial year 2013	Financial year 2014
Share capital at the end of the financial year					
Share capital	370,288	370,288	370,288	370,288	370,784
Number of existing ordinary shares	23,143	23,143	23,143	37,028,800	37,078,357
Operations and results for the financial year					
Earnings before tax, employee profit-sharing, and allocation for depreciation and provisions	42,373,416	20,469,455	43,619,837	142,205,561	142,763,217
Income Tax	4,879,134	2,489,081	5,550,280	14,632,439	18,567,087
Employee profit-sharing due in respect of the financial year	1,561,698	455,171	2,458,148	6,650,850	6,759,275
Earnings after tax, employee profit-sharing, and allocation for depreciation and provisions	22,743,577	15,700,232	40,158,095	127,167,174	123,302,385
Profit distributed	23,004,142	15,714,097	40,153,105	127,008,784	98,620,333
Earnings per share					
Earnings after tax, employee profit-sharing, but before allocations for depreciation, amortisation and provisions	-	-	-	-	-
■ based on number of existing shares	1,616	850	1,873	4	3
Earnings after tax, employee profit-sharing, and allocations for amortisation and provisions					
■ based on number of existing shares	983	678	1,735	3	3
Net dividend allocated: ordinary shares					
■ based on number of existing shares	994	679	1,735	3	4
Personnel					
Average number of employees during the financial year	224	225	268	334	380
Aggregate salaries during the financial year	10,420,641	10,828,591	14,092,526	16,75,053	20,830,852
Amount paid in relation to social benefits during the financial year (Social security costs, welfare schemes, etc.)	5,420,559	6,194,832	7,808,218	10,574,200	15,178,450

APPENDIX 3

INFORMATION FOR THE SHAREHOLDERS' MEETING STIPULATED IN ARTICLE R. 225-83 OF THE FRENCH COMMERCIAL CODE

9. Resolutions submitted to the Shareholders' Meeting

RESOLUTIONS THAT FALL WITHIN THE AUTHORITY OF THE ORDINARY SHAREHOLDERS' MEETING

First Resolution (Approval of the corporate financial statements for the 2014 financial year)

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for Ordinary Shareholders' Meetings, and having reviewed the Board of Directors' management report, as well as the report of the Statutory Auditors on the financial statements, approves the statement of assets and liabilities and the financial statements, i.e.,

the balance sheet, the income statement and the appendices thereto, at 31 December 2014, as they have been presented, together with the transactions reflected in these financial statements or described in these reports, showing a profit of 123,302,385 euros.

In application of Article 223 *quater* of the French General Tax Code, the Shareholders' Meeting notes that no expense or charge was incurred relating to Article 39-4 of said Code.

Second Resolution (Allocation of profit and setting the dividend amount)

The Shareholders' Meeting, deliberating pursuant to the *quorum* and majority requirements for Ordinary Shareholders' Meetings, approves, in accordance with the Board of Directors' proposed allocation of profit for the year, and after having noted that the financial statements for the year ended 31 December 2014 show a profit of 123,302,385 euros, the allocation of the profits for the 2014 financial year as follows:

Profit for the financial year	€123,302,385
Other reserves	€166,932
Retained earnings	€(55,617,536)
Distributable profits	€67,851,781
Allocation	
Dividend	€43,002,797
Retained earnings	€24,848,984

Accordingly, the dividend to be distributed will be 2.66 euros per share.

An interim dividend payment of 1.50 euro per share was paid on 29 September 2014. The balance due, 1.16 euro per share, will be paid on 28 May 2015, it being stipulated that the ex-dividend date will be 26 May 2015.

The interim dividend payment and the remaining balance to be distributed will be eligible for the 40% deduction, as specified in Article 158.3-2° of the French General Tax Code, which applies to individuals who are tax residents in France whose shares are part of their private assets.

The paying agent will withhold the following from the gross amount of the dividend:

- ▶ an obligatory 21% non-definitive individual income tax withholding. The amount withheld is attributable to the individual income tax payable for the year in which the funds are withheld. If the amount withheld exceeds the individual's income tax due, the individual is due a refund of that amount. Furthermore, shareholders that requested a waiver of withholding as stipulated in Article 117 *quater*, I-1° of the French General Tax Code will receive a dividend without this amount withheld;
- ▶ social contributions (which represent 15.5% of the gross amount of the dividend).

The Shareholders' Meeting decides that the unpaid amount of the dividend attributable to treasury shares as of the payment date will be allocated to Retained earnings.

It notes that the Company, over the past three financial years, carried out the following dividend distributions:

In euros	Financial year ended 31 December		
	2013	2012	2011
Total dividend payout	127,008,784	40,153,105	15,714,097
Net dividend per share	3.43	1,735 ⁽¹⁾	679 ⁽¹⁾

(1) Before the division of the nominal value by 1,600 decided by the Shareholders' Meeting of 11 December 2013.

Third Resolution (Approval of the agreements described in Article L. 225-38 of the French Commercial Code)

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for ordinary meetings, and having reviewed the Special Report of the Statutory Auditors on related party agreements coming within the scope of Articles L.225-38 *et seq.* of the French Commercial Code, notes the conclusions of this report and approves said agreements concluded during the financial year ended 31 December 2014.

With shareholders concerned by related party agreements not participating in the vote on the agreements to which they are party, if the required quorum is still present, the resolution will be adopted if those shareholders who are eligible to vote on it, do so unanimously.

Fourth Resolution (Approval of a regulated agreement subject to the provisions of Article L. 225-42-42 of the French Commercial Code, in favour of Philippe Berterottière, Chairman and Chief Executive Officer (supplementary pension scheme))

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for Ordinary Shareholders' Meetings, and having reviewed the special report of the Statutory Auditors on the supplementary pension scheme commitment entered into in favour of Philippe Berterottière, Chairman and Chief Executive Officer, approves said commitment, subject to the conditions of Article L. 225-42-1 of the French Commercial Code, as presented in this document.

Fifth Resolution (Approval of a regulated agreement subject to the provisions of Article L. 225-42-42 of the French Commercial Code, in favour of Philippe Berterottière, Chairman and Chief Executive Officer (indemnity under a non-compete clause))

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for Ordinary Shareholders' Meetings, and having reviewed the special report of the Statutory Auditors on the commitment by the Company to pay an indemnity under a non-compete clause for Philippe Berterottière, Chairman and Chief Executive Officer, approves said commitment, subject to the conditions of Article L. 225-42-1 of the French Commercial Code, as presented in this document.

Sixth Resolution (Approval of a regulated agreement subject to the provisions of Article L. 225-42-42 of the French Commercial Code, in favour of Philippe Berterottière, Chairman and Chief Executive Officer (indemnity in the event of the termination of his mandate))

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for Ordinary Shareholders' Meetings, and having

reviewed the special report of the Statutory Auditors on the commitment by the Company to pay, under certain circumstances, an indemnity in the event of termination of the mandate of Philippe Berterottière, Chairman and Chief Executive Officer, approves said agreement subject to the conditions of Article L. 225-42-1 of the French Commercial Code, as presented in this document.

Seventh Resolution (Approval of the co-option of Olivier Jacquier as director)

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for Ordinary Shareholders' Meetings, approves the Board of Directors' co-option, on 12 February 2015, of Olivier Jacquier as director, replacing Benoît Mignard, who resigned, for the remainder of his mandate, i.e., until the end of the Shareholders' Meeting held in 2016 to approve the financial statements for the year ended 31 December 2015.

Eighth Resolution (Renewal of Jacques Blanchard's appointment as director)

The Shareholders' Meeting, noting that the mandate of Jacques Blanchard has ended, and deliberating pursuant to the quorum and majority requirements for Ordinary Shareholders' Meetings, renews the mandate of Jacques Blanchard as director for a term of four years, i.e., until the end of the Shareholders' Meeting held in 2019 to approve the financial statements for the year ended 31 December 2018.

Ninth Resolution (Appointment of Michèle Azalbert as director)

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for Ordinary Shareholders' Meetings, decides, as proposed by the Board of Directors, to appoint Michèle Azalbert as director, for a term of four years, i.e., until the end of the Shareholders' Meeting held in 2019 to approve the financial statements for the year ended 31 December 2018.

Tenth Resolution (Appointment of Christian Germa as director)

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for Ordinary Shareholders' Meetings decides, as proposed by the Board of Directors, to appoint Christian Germa as director, replacing Jean-Luc Gourgeon, whose mandate ends at the close of this Shareholders' Meeting, for a term of four years, i.e., until the end of the Shareholders' Meeting held in 2019 to approve the financial statements for the year ended 31 December 2018.



APPENDIX 3

INFORMATION FOR THE SHAREHOLDERS' MEETING STIPULATED IN ARTICLE R. 225-83 OF THE FRENCH COMMERCIAL CODE

Eleventh Resolution (Setting the amount of directors' attendance fees allocated to the Board of Directors)

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for Ordinary Shareholders' Meetings, having reviewed the report of the Board of Directors, sets the annual overall amount of directors' attendance fees allocated to the Board of Directors for the financial year starting on 1 January 2015 at 300,000 euros.

The breakdown of this amount will be carried out according to the procedures defined in the Internal Regulations of the Board of Directors.

This decision and the overall annual amount of the directors' attendance fees allocated to the Board of Directors will be maintained for subsequent financial years until a new decision is made by the Shareholders' Meeting.

Twelfth Resolution (Authorisation to be granted to the Board of Directors to carry out transactions on the Company's shares).

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for Ordinary Shareholders' Meetings, having reviewed the report of the Board of Directors, grants the Board of Directors, with the option to sub-delegate as provided for by law, to carry out or have carried out purchases of shares in the Company according to the conditions and requirements established by Articles L. 225-209 et seq. of the French Commercial Code, European Regulation 2273/2003 of 22 December 2003 in application of Directive 2003/6/EC of 28 January 2003, the General Regulation of the Autorité des Marchés Financiers (the AMF), the market practices allowed by the AMF, as well as any other applicable laws which might apply.

This authorisation is to allow:

- ▶ cancellation of shares acquired through financial authorisations in force, subject to the adoption by the present Shareholders' Meeting of the fourteenth resolution to the Extraordinary Shareholders' Meeting;
- ▶ the allocation or sale of shares to employees or executive officers of the Company or Group companies under the conditions and in accordance with the procedures allowed by law, notably with respect to company profit-sharing, or the allocation of free shares, or in the case of share purchase options, or as part of a group savings scheme or any other company savings scheme existing in the Group;
- ▶ the delivery of shares upon the exercise of rights attached to securities giving right to repayment, conversion, exchange, presentation of a warrant, or any other means of allocating shares of the Company;
- ▶ more generally, to honour the obligations linked to share option programs or other plans for allocation of shares to employees or company officers or those of an associated company;
- ▶ the delivery of shares as part of the exercise of rights attached to securities giving access to the capital by repayment, conversion, exchange, presentation of a warrant or in any other manner;

- ▶ the retaining and later delivery, either in payment as part of an acquisition transaction or in exchange as part of merger or demerger or contribution transaction, limited to 5% of the capital;
- ▶ the stimulation of the secondary market or the liquidity of the shares by an investment services provider acting under a liquidity contract in compliance with the code of ethics recognised by the Autorité des Marchés Financiers.

This share buyback program would also intended to allow the Company to operate for any other authorized purpose or purpose that would be authorized by any applicable laws or regulations in force and to implement any practice that would be allowed by the Autorité des Marchés Financiers. In such an event, the Company would inform its shareholders through a press release.

The acquisition, transfer or disposal of shares could be carried out, on one or more occasions, by any means authorized by applicable laws or regulations, including over-the-counter transactions, the trading of blocks of securities for all or part of the programme and the use of any derivative financial instrument.

The Board of Directors may use this authorisation at any time, within the limits authorised by applicable laws and regulations and carry out the share buyback programme in the case of a public offering in strict compliance with the provisions of Article 231-41 of the General Regulation of the AMF and of Article L. 225-209 of the French Commercial Code.

The number of shares that are liable to be acquired under this authorisation could not exceed 10% of the number of shares composing the shareholder capital, or, for indicative purposes 3,707,835 shares on the basis of the capital at 31 December 2014, with the precision that when the shares are bought back to stimulate trading as part of a liquidity contract, the number of shares taken into account for the calculation of the 10% limit corresponds to the number of shares purchased, less the number of shares sold back over the period of the authorisation.

The Company cannot directly or indirectly own more than 10% of its capital.

The maximum price per share could not exceed 85.60 euros (or 180% of the average closing price during the year following the Company's initial public offering) and the overall amount of funds that can be allocated to carry out this programme cannot exceed 20,000 thousand euros. The Shareholders' Meeting grants to the Board of Directors in the event of a change in the nominal value of the share, of a capital increase by incorporation of reserves, of allocations of free shares, of division or grouping of securities, of distribution of reserves or of any other assets, of capital depreciation, or of any other transaction bearing on the equity, the power to adjust the maximum purchase price in order to take account of any impact of these occurrences on the value of the share.

The Shareholders' Meeting gives full powers to the Board of Directors, with the option to sub-delegate under the conditions set by law, to decide upon and carry out the implementation of this share buyback program,

to determine its terms if necessary, to decide upon the procedures, carry out any adjustments necessary related to capital transactions, to issue trading orders, enter into all agreements, especially for keeping records of purchases and sales of shares, to make any statements to the Autorité des Marchés Financiers or any other body, to carry out any formalities, and generally, to do everything necessary.

This authorisation would be granted for a period of eighteen months as from the date of this Shareholders' Meeting.

As of the date of this Shareholders' Meeting, it ends the authorisation on the same matter that was granted to the Board of Directors by the Shareholders' Meeting of 10 February 2014 (7th resolution).

Thirteenth Resolution (Opinion on the elements of compensation due or attributed to Philippe Berterrotière, Chairman and Chief Executive Officer, for the 2014 financial year)

The Shareholders' Meeting, consulted according to the recommendations of paragraph 24.3 of the AFEP-MEDEF Code of Corporate Governance of June 2013 (code of reference used by the Company, as provided for in Article L. 225-37 of the French Commercial Code), and deliberating pursuant to the quorum and majority requirements for Ordinary Shareholders' Meetings, gives a favourable opinion on the elements of compensation due or attributed for the year ended 31 December 2014 to Philippe Berterrotière, Chairman and Chief Executive Officer, as presented in the report of the Board of Directors to the Shareholders' Meeting on the resolutions.

RESOLUTIONS THAT FALL WITHIN THE AUTHORITY OF THE EXTRAORDINARY SHAREHOLDERS' MEETING

Fourteenth Resolution (Authorisation to be granted to the Board of Directors to reduce the share capital through the cancellation of the Company's treasury shares)

The Shareholders' Meeting, deliberating pursuant to the quorum and majority requirements for Extraordinary Shareholders' Meetings,

- (i) having read the report of the Board of Directors and the special report of the Statutory Auditors;
- (ii) subject to the adoption of the twelfth resolution by this Shareholders' Meeting;

1. authorises, as required by the provisions of Article L. 225-209 of the French Commercial Code, the Board of Directors to reduce the share capital, on one or several occasions, in the proportions and at the times that it shall deem appropriate, by cancellation of all or part of the shares acquired by the Company, within the limit of 10% of the share capital (as noted at the end of this Shareholders' Meeting) per 24 month period;

2. grants all powers to the Board of Directors, with the option to delegate as provided for by law, to:

- carry out this/these cancellations and reductions of share capital,
- decide the final amount, determine the terms and conditions and acknowledge their fulfillment,
- apply the difference between the book and nominal amounts of the cancelled shares against any reserve or premium account,
- carry out the related modifications to the by-laws, and in general anything else necessary;

and all, in accordance with applicable law when this authorisation is used;

3. decides that the present authorisation is granted for a period of 24 months beginning on the date of this Shareholders' Meeting.

As of the date of this Shareholders' Meeting, it ends the authorisation on the same matter that was granted to the Board of Directors by the Shareholders' Meeting of 10 February 2014 (11th resolution).

Fifteenth Resolution (Decision following the establishment of double voting rights by Law No. 2014-384 of 29 March 2014; rejection of the measure and modification of Articles 31.1 and 31.2 of the by-laws to conserve single voting rights)

The Shareholders' Meeting, deliberating pursuant to the *quorum* and majority requirements for Extraordinary Shareholders' Meetings, having reviewed the report of the Board of Directors and Law No. 2014-384 of 29 March 2014 aiming to "recapture the real economy", decides, following the enactment of said law:

- ▶ to use the facility provided for by Article L. 225-123 paragraph 3 of the French Commercial Code so as to not grant double voting rights to shares that have been registered for at least two years under the name of the same shareholder;

- ▶ to consequently change Articles 31.1 and 31.2 of the by-laws to read as follows:

"31.1 Each share of the Company confers a single voting right at the Shareholders' Meeting, subject to applicable legal and regulatory restrictions. The total number of voting rights attached to Company shares taken into account to determine a quorum on the date of the Shareholders' Meeting is communicated to the shareholders at the beginning of said Shareholders' Meeting.

31.2 In accordance with the provisions of Article L. 225-123 paragraph 3 of the French Commercial Code, the Combined Shareholders' Meeting of 19 May 2015 decided not to grant double voting rights to shares that have been held in registered form for a period of at least two years in the name of the same shareholder."



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INFORMATION FOR THE SHAREHOLDERS' MEETING STIPULATED IN ARTICLE R. 225-83 OF THE FRENCH COMMERCIAL CODE

RESOLUTION CONCERNING POWERS

Sixteenth Resolution (*Powers for carrying out formalities*)

The Shareholders' Meeting gives all powers to the bearer of an original, a portion or a copy of the minutes of this Shareholders' Meeting to carry

out any legal formalities including the filing, publications and declarations required under applicable laws or regulations that concern the resolutions previously cited.

10. Report by the Statutory Auditors

Information concerning the reports of the Statutory Auditors is provided in sections 13.2, 16.6, 19.3, 20.1.3 and Note 5 of the Company's Registration Document.

APPENDIX 4

CORPORATE FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH FRENCH GAAP



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CORPORATE FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH FRENCH GAAP

BALANCE SHEET ASSETS

In euros			Net value (N)	Net value (N-1)
Items	Gross value	Amortisation	31/12/2014	31/12/2013
Intangible assets	-	-	-	-
Start-up costs	-	-	-	-
Development costs	-	-	-	-
Concessions, patents and similar rights	-	-	-	-
Goodwill	914,694	914,694	-	-
Other intangible assets	3,936,827	3,638,418	298,409	424,028
Deposits & advance payments made on intangible assets	-	-	-	-
Total intangible assets	4,851,521	4,553,112	298,409	424,028
Property, plant and equipment				
Land	2,066,152	-	2,066,152	2,066,152
Buildings	2,964,164	634,503	2,329,661	1,142,038
Technical installations, equipment and industrial tooling	12,761,820	10,998,483	1,763,337	1,371,521
Other property, plant and equipment	20,704,905	16,968,016	3,736,889	3,985,976
Assets in progress	3,264,754	-	3,264,754	448,637
Deposits & advance payments	-	-	-	-
Total property, plant and equipment	41,761,795	28,601,002	13,160,793	9,014,324
Fixed financial assets				
Investments in associates	-	-	-	-
Other shareholdings	53,744	-	53,744	53,743
Receivables from equity interests	313,833	-	313,833	902,205
Other investment securities	1,518,723	-	1,518,723	-
Loans	126,364	-	126,364	156,635
Other fixed financial assets	358,512	-	358,512	508
Total fixed financial assets	2,371,177	-	2,371,177	1,113,092
Fixed assets	48,984,493	33,154,114	15,830,379	10,551,444
Inventories and works in progress				
Raw materials and supply	-	-	-	-
In-process inventory of goods	-	-	-	-
In-process inventory of services	-	-	-	-
Inventory of intermediate and finished goods	-	-	-	-
Inventory of goods bought for resale	-	-	-	-
Total inventories and works in progress	-	-	-	-
Receivables				
Advance payments made on orders	1,161,972	-	1,161,972	-
Trade and other receivables	75,301,135	98,332	75,202,803	77,956,427
Other receivables	24,035,844	-	24,035,844	22,670,335
Subscribed capital, called and unpaid	-	-	-	-
Total receivables	100,498,951	98,332	100,400,619	100,626,762
Cash and cash equivalents				
Short-term investments	50,415,238	-	50,415,238	100,471,043
Cash	28,820,768	-	28,820,768	3,248,521
Prepaid expenses	2,233,964	-	2,233,964	1,950,507
Total cash and cash equivalents	81,469,970	-	81,469,970	105,670,071
Current assets	181,968,921	98,332	181,870,589	206,296,833
Debt issuance costs to be amortised	-	-	-	-
Bond redemption premiums	-	-	-	-
Unrealised foreign exchange losses	-	-	-	-
OVERALL TOTAL	230,953,414	33,252,446	197,700,968	216,848,278

BALANCE SHEET LIABILITIES

In euros Items	Net value (N) 31/12/2014	Net value (N-1) 31/12/2013
Net position		
Share capital of which paid up 370,784	370,784	370,288
Issue, merger or contribution premiums, etc.	2,932,122	1,108,920
Revaluation differences of which equivalence difference	-	-
Legal reserve	37,078	37,029
Statutory or contractual reserves	-	-
Regulated reserves	1,839,374	4,290,426
Other reserves	166,932	8,591
Retained earnings	(55,617,536)	(51,678,319)
Profit for the year	123,302,385	127,167,174
Total net position	73,031,139	81,304,109
Investment subsidies	-	-
Regulated provisions	263,552	295,437
Equity	73,294,692	81,599,547
Income from issues of equity securities	-	-
Conditional advances/Refundable cash subsidies	2,353,455	2,817,557
Other equity	2,353,455	2,817,557
Provisions for risks	5,741,838	9,288,658
Provisions for charges	-	-
Provisions for risks and charges	5,741,838	9,288,658
Financial liabilities		
Convertible bonds	-	-
Other bonds	-	-
Loans and debts with credit institutions	-	-
Other loans and financial liabilities	-	-
Total financial liabilities	-	-
Deposits & advance payments received on orders in progress	-	14,500
Other liabilities	15,905,816	15,741,136
Trade and other payables	26,292,478	24,251,085
Tax and social security payables	-	-
Amounts payable on fixed assets and related accounts	-	-
Other debts	832,951	905,037
Total other liabilities	43,031,245	40,897,258
Deferred income	73,279,739	82,230,758
Debts	116,310,984	123,142,516
Unrealised foreign exchange gains	-	-
OVERALL TOTAL	197,700,968	216,848,278

APPENDIX 4

CORPORATE FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH FRENCH GAAP

INCOME STATEMENT (FIRST PART)

In euros			Net value (N)	Net value (N-1)
Items	France	Export	31/12/2014	31/12/2013
Sales of merchandise	-	-	-	-
Goods produced and sold	-	-	-	-
Services produced and sold	873,589	40,615,617	41,489,205	30,934,129
Net revenue	873,589	40,615,617	41,489,205	30,934,129
Production taken into inventory			-	-
Capitalised production			-	-
Operating subsidies			512,387	31,500
Reversals of depreciation and provisions, transfers of expenses			6,190,428	6,481,306
Other revenue			185,271,240	186,700,101
Operating revenue			233,463,262	224,147,036
External expenses				
Purchases of goods bought for resale (including customs duties)			-	-
Changes in inventory of goods purchased for resale			-	-
Purchases of raw materials and other supplies			1,213,040	810,007
Changes in inventory of raw materials and other supplies			-	-
Other purchases and external expenses			39,294,454	42,236,762
Total external expenses			40,507,494	43,046,769
Taxes, duties and other levies			5,694,286	3,873,509
Personnel expenses				
Wages and salaries			22,158,692	17,584,270
Social security costs			15,178,450	10,574,200
Total personnel expenses			37,337,142	28,158,470
Allocations to depreciation & provisions				
Allocations for depreciation of fixed assets			3,219,054	3,339,875
Allocations for provisions for fixed assets			-	-
Allocations for provisions for current assets			98,332	-
Allocations for provisions for risks & charges			132,000	222,375
Total allocations to depreciation & provisions			3,449,386	3,562,250
Other operating expenses			1,744,835	1,219,712
Operating expenses			88,733,143	79,860,711
OPERATING INCOME			144,730,119	144,286,325

INCOME STATEMENT (SECOND PART)

In euros Items	Net value (N) 31/12/2014	Net value (N-1) 31/12/2013
Operating income	144,730,119	144,286,325
Profits allocated or losses transferred	-	-
Losses incurred or profits transferred	-	-
Financial revenue		
Financial products from equity interests	-	-
Products from other securities and fixed asset receivables	1,449,720	1,451,269
Other interest received and similar proceeds	-	-
Reversals of provisions and transfers of expenses	11,953	13,116
Net income on disposals of short-term investments	54,524	41,293
	1,516,197	1,505,678
Financial expenses		
Financial allocations for depreciation and provisions	-	-
Interest and similar expenses	11,823	10,960
Foreign exchange losses	21,889	13,232
Net charges on disposal of short-term investments	-	-
	33,713	24,192
Financial income	1,482,484	1,481,486
Profit (loss) before tax	146,212,603	145,767,811
Non-recurring income		
Non-recurring income on management operations	3,000	105,510
Non-recurring income on equity transactions	59,406	11,955
Reversals of provisions and transfers of expenses	2,529,333	3,083,672
	2,591,738	3,201,136
Non-recurring expenses		
Non-recurring expenses on management transactions	120,966	488,527
Non-recurring expenses on equity transactions	8,233	29,957
Exceptional allocations for depreciation and provisions	46,395	-
	175,593	518,485
Non-recurring income	2,416,145	2,682,651
Employee profit-sharing	6,759,275	6,650,850
Income tax	18,567,087	14,632,439
Total revenues	237,571,197	228,853,850
Total expenses	114,268,812	101,686,676
PROFIT (LOSS)	123,302,385	127,167,174

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CORPORATE FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH FRENCH GAAP

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

On 27 February 2014, the Company was floated on the Paris Stock Exchange, in Compartment A of Euronext Paris.

ACCOUNTING POLICIES

The Company's financial statements are prepared in accordance with the accounting standards provided by regulation no. 2014-03 related to the new General Chart of Accounts approved by the ministerial order of 8 September 2014, and published in the Official Journal of the French Republic dated 15 October 2014.

General accounting conventions were applied in line with the principle of prudence, according to the following basic assumptions:

- ▶ going concern;
- ▶ the permanent nature of accounting methods from one financial year to the next;
- ▶ the independence of financial years;

these assumptions are also in accordance with general guidelines for the preparation and presentation of annual financial statements.

The basic method used when stating the value of items in the financial statements is the historical cost method.

The main methods used are as follows:

a. Intangible assets

Intangible assets are valued at their acquisition cost (purchase price plus related expenses, excluding fixed asset acquisition expenses) or at their production cost.

Depreciation is calculated on a straight-line basis over estimated useful economic life.

Normal depreciation periods applied:

▶ Softwares	1 year
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b. Intangible assets in progress

Intangible assets in progress correspond to advance payments made on software ordered that is in the process of being developed, and for which delivery was not completed by the end of the financial year.

c. Property, plant and equipment

Property, plant and equipment are valued at their acquisition cost (purchase price plus related expenses) or at its production cost.

Depreciation is calculated on a straight-line basis over estimated useful economic life.

Normal depreciation periods applied:

▶ Buildings	20 years
▶ Transport vehicles	3 years
▶ Equipment and tooling	5 years
▶ Computer and office equipment	3 years
▶ Fittings and fixtures	10 years
▶ Furniture	6 years and 8 months

Since the French tax authorities accept depreciation based on useful life, exceptional depreciation is recorded in non-recurring expenses for equipment and tooling used for scientific and technical research.

d. Property, plant and equipment in progress

Property, plant and equipment in progress corresponds to advance payments made on works or equipment ordered that is in the process of being carried out/built, and for which delivery was not completed by the end of the financial year.

e. Fixed financial assets

In June 2014, the Company acquired 100% of the shares of its subsidiary GTT Training Ltd. for a total of GB 1 (EU 1.23).

Fixed financial assets consist of security deposits, loans to employees, acquisition of shares in subsidiaries, a cash advance granted to GTT Training Ltd per the loan agreement, and to money market (SICAV) and treasury share subscriptions as part of the liquidity agreement signed on 10 November 2014 with EXANE BNP PARIBAS and authorised by the Board of Directors at their meeting on 27 October 2014, the Company has allocated the sum of 1,800,000 euros, invested as follows at the end of the financial year:

- ▶ SICAV: 1,518,723 euros;
- ▶ treasury shares: 336,621 euros, corresponding to 6,980 treasury shares;
- ▶ cash: 575 euros.

f. Short-term investments

These are recorded at their acquisition cost excluding acquisition expenses and valued at their inventory value at the end of each financial year. A provision for impairment is recorded for the difference between the book value and the inventory value.

Cash is also composed of short-term deposit accounts with maturities of between 1 and 60 months and remunerated at variable rates.

g. Revenue recognition

Recording revenue is based on the definition of services that are present in the contracts and licenses, as follows:

- ▶ royalties are recorded pro rata over the duration of use of the construction process belonging to GTT, *i.e.* from GTT's definitive handoff of the plans until vessel delivery;
- ▶ study services and technical support are accounted for according to the percentage-of-completion method.

h. Receivables

Receivables are valued at their nominal value. An impairment provision is made on client accounts when it appears that payment is unlikely. The amount of this provision is determined according to the circumstances and exercising prudence.

k. Share-based payments

Allocation of free shares (AFS)

Date of allocation ⁽¹⁾	Plan no.	Vesting period	Minimum lock-up period	Shares originally allocated	Fair value of the share on the allocation date	Expired shares	Shares allocated at the end of the vesting period	Existing shares at 31 December 2014
10 February 2014	AFS 1	2 years	2 years	5,745	46 euros	n/a	n/a	5,745
10 February 2014	AFS 2	2 to 4 years	2 years	250,000	24 euros	n/a	n/a	250,000

(1) The allocation date corresponds to the date of the meeting of the Board of Directors having decided on the allocation of these plans.

For both these plans, the Board of Directors has set the following acquisition conditions:

- ▶ AFS plan no. 1: 100% of shares allocated subject to presence at the end of the vesting period;
- ▶ AFS plan no. 2: 100% of shares allocated subject to:
 - presence at the end of the vesting period,
 - attainment of the performance criteria measured at the end of the financial year prior to the end of the vesting period. These criteria concern:

i. Paid leave

In 2014, the basis used to determine the provision for paid leave took into account the increase in salaries at the beginning of 2015.

j. Retirement benefits

The Company's commitment with regards to retirement benefits has not been recorded in the financial statements for the financial year ended 31 December 2014. The gross amount of this commitment was estimated to be about 1,629 thousand euros. This calculation is based on the projected unit credit actuarial method. This method consists of determining the probable value of future services provided and discounted for each employee when he/she retires (retirement benefits - voluntary departure scheme). The main actuarial assumptions used to determine this commitment are the following:

- ▶ discount rate: 1.49%;
- ▶ salary increase rate: 2.02%;
- ▶ retirement age of 63 for managers and supervisory staff, and 62 for non-managerial staff.

It should be noted that the amount of the commitment obtained in this manner at the end of the financial year is not covered by the amount of external funds, which comes to 1,428 thousand euros at 31 December 2014.

The Company believes that the uncovered portion corresponds to the extremely volatile nature of the discount rate used and does not justify additional funds being placed externally.

- the stock market performance of GTT shares,
- the ratio of net profit to revenue,
- the performance of GTT shares compared to the Stoxx 600 Oil & Gas index (Price).

Offer reserved for employees

The Combined Shareholders' Meeting of 10 February 2014 granted power to the Board of Directors in its ninth resolution, to carry out on one or more occasions within a period of 26 months, capital increases reserved for employees belonging to one or more employee savings plans implemented within the Company and its subsidiaries.

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CORPORATE FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH FRENCH GAAP

As part of these powers, the Board of Directors, meeting on 10 February 2014, decided on a capital increase reserved for employees, which resulted in the subscription of 49,557 shares with a nominal value of 0.01 euro at a unit price of 36.80 euros, the creation of which was recorded on 11 April 2014.

The expense for the capital increase reserved for employees, corresponding to the discount calculated between the share trading value (46 euros) on the date of the offer and the proposed price (36.80 euros), multiplied by the number of shares subscribed (49,557), is 456 thousand euros.

The value of the shares used to calculate the 30% contribution paid to URSSAF amounts to 6,000 thousand euros.

m. Taxes

The following table gives a summary of the deferred taxes and the temporary differences between the accounting and tax treatments used.

In euros	Basis	Corporate tax
Tax due on:		
Exceptional depreciation	-	-
Provisions for investment	-	-
Total increases	-	-
Taxes paid in advance on:		
Profit-sharing	4,861,913	729,286
Organic	361,085	54,163
Participation of employers in construction investments in France	94,069	14,110
Deferred income on vessel maintenance	344,376	51,656
Provisions for risks	-	-
Latent capital gains on short-term investments	112	17
Total decreases	5,661,555	849,232
Net deferred tax position	(5,661,555)	(849,232)
Net unrealized tax position	-	-

n. Fees paid to the Statutory Auditors

The amount of fees paid to the Statutory Auditors that is reported in the income statement is 423,345 euros excluding taxes, or 158,431 euros excluding taxes for the statutory audit of the financial statements, and 264,914 euros excluding taxes for the remainder of the work carried out for the "Galileo" project.

I. Provisions for contingencies and losses

Provisions are recorded when:

- ▶ the Company has an actual obligation linked to a past event;
- ▶ it is probable that an outflow of resources representing economic benefits will be needed to meet that obligation;
- ▶ the amount of the obligation can be reliably estimated.

FIXED ASSETS

In euros Items	Gross book value beginning of the financial year	Acquisitions by revaluation	Acquisitions contributions, creation transfers
Intangible assets			
Start-up and development fees	4,171,840		679,681
Other intangible assets	-		-
Total intangible assets	4,171,840		679,681
Property, plant and equipment			
Land	2,066,152		-
Buildings on own land	1,690,751		1,273,413
Buildings on third-party land	-		-
Buildings – general installations	-		-
Technical installations and industrial tooling	11,735,568		1,099,132
General installations, fittings and fixtures and other	15,272,710		885,212
Transport vehicles	157,158		-
Office equipment, computer equipment, and furnishings	4,117,559		491,612
Recoverable packaging and others	-		-
Property, plant and equipment in progress	448,637		3,264,754
Deposits & advance payments	-		-
Total property, plant and equipment	35,488,535		7,014,122
Fixed financial assets			
Investments accounted for under the equity method	-		-
Other shareholdings	955,948		313,835
Other investment securities	-		1,518,723
Loans and other fixed financial assets	157,144		327,733
Total fixed financial assets	1,113,092		2,160,291
OVERALL TOTAL	40,773,467		9,854,095

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CORPORATE FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH FRENCH GAAP

In euros Items	Decreases by transfer	Decrease due to disposals and decommissioning	Gross book value end of the financial year	Legal restatement of assets
Intangible assets				
Start-up and development fees	-	-	-	-
Other intangible assets	-	-	4,851,521	-
Total intangible assets	-	-	4,851,521	-
Property, plant and equipment				
Land	-	-	2,066,152	-
Buildings on own land	-	-	2,964,164	-
Buildings on third-party land	-	-	-	-
Buildings - general installations	-	-	-	-
Tech. install., equip. and industrial tooling	-	72,880	12,761,820	-
General installations, fittings and fixtures and other	-	-	16,157,922	-
Transport vehicles	-	-	157,158	-
Office equip., computer equip., and furnishings	-	219,345	4,389,826	-
Recoverable packaging and others	-	-	-	-
Property, plant and equipment in progress	-	448,637	3,264,754	-
Deposits & advance payments	-	-	-	-
Total property, plant and equipment	-	740,862	41,761,795	-
Fixed financial assets				
Investments accounted for under the equity method	-	-	-	-
Other shareholdings	-	902,206	367,577	-
Other investment securities	-	-	1,518,723	-
Loans and other fixed financial assets	-	-	484,877	-
Total fixed financial assets	-	902,206	2,371,177	-
OVERALL TOTAL	-	1,643,068	48,984,493	-

DEPRECIATION

EVOLUTION OF FINANCIAL POSITION AND MOVEMENTS DURING THE FINANCIAL YEAR

In euros	Amount beginning of the financial year	Increases allocations	Decreases reversals	Amount end of the financial year
Depreciable assets				
Intangible assets				
Start-up and development fees	-	-	-	-
Other intangible assets	2,833,118	805,300	-	3,638,418
Total intangible assets	2,833,118	805,300	-	3,638,418
Property, plant and equipment				
Land	-	-	-	-
Buildings on own land	548,713	85,790	-	634,503
Buildings on third-party land	-	-	-	-
Buildings - general installations	-	-	-	-
Technical installations and industrial tooling	10,364,047	702,541	68,106	10,998,483
General installations, fittings and fixtures and other	12,040,476	1,177,951	-	13,218,427
Transport vehicles	56,168	34,691	-	90,859
Office equip., computer equip., and furnishings	3,464,806	412,781	218,857	3,658,730
Recoverable packaging and others	-	-	-	-
Total property, plant and equipment	26,474,210	2,413,754	286,963	28,601,002
OVERALL TOTAL	29,307,328	3,219,054	286,963	32,239,420

BREAKDOWN OF ALLOCATIONS TO DEPRECIATION FOR THE FINANCIAL YEAR

In euros	Straight-line depreciation	Accelerated depreciation	Exceptional depreciation
Depreciable assets			
Intangible assets			
Start-up and development fees	-	-	-
Other intangible assets	805,300	-	-
Total intangible assets	805,300	-	-
Property, plant and equipment			
Land	-	-	-
Buildings on own land	85,790	-	-
Buildings on third-party land	-	-	-
Buildings - general installations	-	-	-
Technical installations and industrial tooling	702,541	-	-
General installations, fittings and fixtures and other	1,177,951	-	-
Transport vehicles	34,691	-	-
Office equipment, computer equipment, and furnishings	412,781	-	-
Recoverable packaging and others	-	-	-
Total property, plant and equipment	2,413,754	-	-
Acquisition fees for equity investments	-	-	-
OVERALL TOTAL	3,219,054	-	-

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PROVISIONS REPORTED ON THE BALANCE SHEET

In euros Items	Amount beginning of the financial year	Increases allocations	Decreases reversals	Amount end of the financial year
Provisions for extraction site rehabilitation	-	-	-	-
Provisions for investment	-	-	-	-
Provisions for price increases	-	-	-	-
Exceptional depreciation	295,437	46,395	78,281	263,552
Of which exceptional 30% premium	-	-	-	-
Tax provisions for setting up operations outside of France made before 1 January 1992	-	-	-	-
Tax provisions for setting up operations outside of France made after 1 January 1992	-	-	-	-
Provisions for start-up loans	-	-	-	-
Other regulated provisions	-	-	-	-
Regulated provisions	295,437	46,395	78,281	263,552
Provisions for litigation	9,288,658	132,000	3,678,821	5,741,838
Provisions for guarantees given to clients	-	-	-	-
Provisions for losses on futures markets	-	-	-	-
Provisions for fines and penalties	-	-	-	-
Provisions for foreign exchange losses	-	-	-	-
Provisions for pensions and similar obligations	-	-	-	-
Provisions for taxes	-	-	-	-
Provisions for fixed asset replacement	-	-	-	-
Provisions for major maintenance works and revisions	-	-	-	-
Provisions for social security costs and tax expenses for leave to be paid	-	-	-	-
Other provisions for contingencies and losses	-	-	-	-
Provisions for risks and charges	9,288,658	132,000	3,678,821	5,741,838
Provisions for intangible assets	914,694	-	-	914,694
Provisions for property, plant and equipment	-	-	-	-
Provisions for equity method investment assets	-	-	-	-
Provisions for equity investment assets	-	-	-	-
Provisions for other financial assets	-	-	-	-
Provisions for inventory and works in progress	-	-	-	-
Provisions for client accounts	-	98,332	-	98,332
Other provisions for impairment	-	-	-	-
Provisions for impairment	914,694	98,332	-	1,013,026
OVERALL TOTAL	10,498,790	276,727	3,757,101	7,018,416

STATEMENT OF RECEIVABLES AND PAYABLES BY MATURITY

In euros			
Statement of receivables	Gross amount	Up to 1 year	More than 1 year
Fixed assets			
Receivables from equity interests	313,833	-	313,833
Loans	126,364	19,093	107,271
Other fixed financial assets	358,512	-	358,512
Total fixed assets	798,709	19,093	779,616
Current assets			
Doubtful and disputed trade receivables	98,332	-	98,332
Other trade receivables	75,202,803	75,202,803	-
Receivables represented by shares that are loaned or held as collateral	-	-	-
Personnel and related receivables	8,338	8,338	-
Social security and other welfare agencies	-	-	-
State - Income tax	20,621,143	20,621,143	-
State - Value-Added Tax	2,678,082	2,678,082	-
State - Other taxes, duties and other levies	-	-	-
State - Miscellaneous	-	-	-
Group and associates	357,495	357,495	-
Sundry accounts receivable	370,787	370,787	-
Total current assets	99,336,979	99,238,647	98,332
Prepaid expenses	2,233,964	2,233,964	-
OVERALL TOTAL	102,369,652	101,491,704	877,948

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In euros				
Statement of debts	Gross amount	Up to 1 year	From 1 year up to 5 years	More than 5 years
Convertible bonds	-	-	-	-
Other bonds	-	-	-	-
With credit institutions:				
■ at one year maximum at the outset	-	-	-	-
■ at more than one year at the outset	-	-	-	-
Other loans and financial liabilities	-	-	-	-
Trade and other payables	15,905,816	15,905,816	-	-
Personnel and related accounts	12,208,685	12,208,685	-	-
Social security and other welfare agencies	5,672,696	5,672,696	-	-
Income tax	5,608,506	5,608,506	-	-
Value-added tax	101,422	101,422	-	-
Guaranteed bonds	-	-	-	-
Other taxes, duties and other levies	2,701,169	2,701,169	-	-
Amounts payable on fixed assets and related accounts	-	-	-	-
Group and associates	-	-	-	-
Other debts	832,951	832,951	-	-
Securities borrowed	-	-	-	-
Deferred income	73,279,739	73,279,739	-	-
OVERALL TOTAL	116,310,984	116,310,984	-	-

GOODWILL

In euros	Amount of components				Amount of impairment
Type	Purchased	Revalued	Received in contribution	Global	
Goodwill	-	-	914,694	914,694	914,694
TOTAL	-	-	914,694	914,694	914,694
Note: Goodwill				914,694	914,694

ACCRUALS

In euros	
Amount of accruals included in the following balance sheet items	Amount
Convertible bonds	-
Other bonds	-
Loans and debts with credit institutions	-
Other loans and financial liabilities	-
Trade and other payables	9,381,454
Tax and social security payables	16,924,941
Amounts payable on fixed assets and related accounts	-
Cash, accruals	-
Other debts	832,951
TOTAL	27,139,345

ACCRUED INCOME

In euros	
Amount of accrued income included in the following balance sheet items	Amount
Fixed financial assets	
Receivables from equity interests	-
Other fixed financial assets	-
Receivables	
Trade and other receivables	33,413,678
Personnel	-
Welfare agencies	-
State	-
Other, accrued income	179,196
Other receivables	-
Short-term investments	1,072,379
Cash	-
TOTAL	34,665,253

DEFERRED INCOME AND EXPENSES

In euros		
Items	Expenses	Income
Operating income or expenses	2,233,964	73,279,739
Financial income or expenses	-	-
Non-recurring income or expenses	-	-
TOTAL	2,233,964	73,279,739

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DETAIL OF NON-RECURRING INCOME AND NON-RECURRING EXPENSES

In euros		
Non-recurring revenue	Amount	Booked to account
Payment under Article 700	3,000	771,000
Products from disposal of assets	515	775,200
Gains realised on share buybacks	58,891	778,300
TOTAL	62,406	

Non-recurring expenses	Amount	Booked to account
Payment under Article 700	120,496	671,000
Losses realised on share buybacks	2,971	678,300
Net book value of assets disposed of	5,262	675,200
Penalties	114	671,200
Adjustments - third-party accounts	355	671,000
TOTAL	129,198	

AVERAGE HEADCOUNT

Workforce	Salaried Personnel	Personnel seconded by the Company
Executive	262	-
Technicians and supervisors	97	-
Employees	17	-
Workers	-	-
TOTAL	376	-

DETAIL OF EXPENSES REALLOCATED

Type	Amount
CPAM (<i>Caisse primaire d'assurance maladie</i>) reimbursement	114,324
Rebilling customers/shareholders	2,122,867
Insurance reimbursements/retirement benefits	120,017
Air France discount/apprenticeship subsidies	129,888
Tax rebates	24,512
TOTAL	2,511,608

STRUCTURE OF SHARE CAPITAL

Types of securities	Number	Nominal value
1 - Shares that make up the share capital at the beginning of the financial year	37,028,800	€0.01
2 - Shares issued during the financial year	49,557	€0.01
3 - Shares redeemed during the financial year	-	-
4 - Shares that make up the share capital at the end of the financial year	37,078,357	€0.01

LIST OF SUBSIDIARIES AND SHAREHOLDINGS

Subsidiaries and shareholdings	Equity	Share of capital held (%)	Net income for the last financial year
A. Detailed information regarding subsidiaries and shareholdings			
1. Subsidiaries (more than 50% of the share capital held)			
Cryovision	1,451,171 euros	100	420,197 euros
GTT North America	USD (158,545)	100	USD 15,438
GTT Training Ltd	GBP 9,553	100	GBP 9,553

2. Shareholdings (from 10 to 50% of the share capital held)

B. General information regarding other subsidiaries and shareholdings

1. Subsidiaries not covered in section A:

- In France

- Outside of France

2. Shareholdings not covered in section A:

- In France

- Outside of France

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CHANGES IN EQUITY

In euros	Share capital	Premiums	Reserves	Regulated provisions	Profit for the year	Total Equity
At 31 December 2013	370,288	1,108,920	(47,342,274)	295,437	127,167,174	81,599,546
Profit for the year	-	-	-	-	123,302,385	123,302,385
Other items of comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	123,302,385	123,302,385
Allocation of profit from the previous financial year	-	-	127,167,174	-	(127,167,174)	-
Capital increase	496	1,823,202	-	-	-	1,823,698
Distribution of dividends	-	-	(75,330,465)	-	-	(75,330,465)
Provisions for investment	-	-	(2,451,052)	(31,885)	-	(2,482,937)
Interim dividend payment	-	-	(55,617,536)	-	-	(55,617,536)
Changes in scope	-	-	-	-	-	-
At 31 December 2014	370,784	2,932,122	(53,574,152)	263,552	123,302,385	73,294,691

OTHER INFORMATION

Other information for a clearer understanding of the financial statements

For operating revenues (excluding reversals of provisions), amounting to 226,760,125 euros, industrial property income amounts to 185,270,919 euros. The total taxable income was taxed at 15%.

Withholding tax of 21,377,068 euros was applied mainly on our activities in South Korea and China.

The bilateral agreements between France and these various countries allowed us to charge all of this amount against taxes in France.

Provisions for contingencies and losses:

As part of the management of its current activities, the Company is involved in various disputes regarding protection of intellectual property rights, technical legal disputes, labour disputes with employees, and other issues that are linked to its business. The Company believes that the provisions it has made to cover these risks, litigations or disputes that are known or in progress as of the end of the financial year are sufficient, and that the Company's financial position would not be materially affected if the outcome were not in the Company's favour.

The amount of provisions made for risks and charges developed as follows over 2014:

In euros	Amount at the beginning of the financial year	Allocation	Reversal of provision used	Reversal of provision not used	Amount at the end of the financial year
Items					
Provisions for litigation	9,288,658	132,000	-	3,678,820	5,741,838
Other provisions for risks & charges	-	-	-	-	-
TOTAL	9,288,658	132,000	-	3,678,820	5,741,838

R&D expenses

Research and development expenses are booked as expenses for the financial year.

The amount of eligible R&D expenses provisioned in respect of the research tax credit (CIR) in 2014 comes to about 12.7 million euros, and makes the Company eligible for a research tax credit of 3.8 million euros in the 2014 financial statements.

Individual training rights (DIF)

The hours capitalised as at 31 December 2014 linked to the DIF were noted on employee payslips for the month of December. They represent a cumulative total of 20,272 hours, but were not provisioned in accounting in accordance with opinion no. 2004F issued by the *CNC Comité d'urgence*.

Intra-group transactions

In thousands of euros	GDF SUEZ	Hellman & Friedman
Suppliers	-	-
Customers	-	-
External staff	-	-
Fees and expenses	73	1,728

Income tax

The breakdown of income tax between current and non-recurring elements is as follows:

In thousands of euros	Before taxes	Corresponding tax	After taxes
Current income	146,827	19,182	127,645
Non-recurring income	2,416	-	2,416
Profit-sharing/Incentive scheme	(6,759)	-	(6,759)
Accounting income	142,484	19,182	123,302

Consolidated financial statements

The GTT financial statements are consolidated according to the full consolidation method in the consolidated financial statements prepared by GDF SUEZ SA.

Due to the low level of income generated by CRYOVISION, GTT North America and GTT Training Ltd compared to that of GTT, the Chairman of GTT decided not to publish or prepare consolidated accounts for the GTT Group in 2014.

The CRYOVISION, GTT North America and GTT Training Ltd subsidiaries effectively present a level of activity that is not material, considering the objective of providing an accurate view of the assets and liabilities, financial position and profits and losses of the GTT Group.

Information on affiliated companies

GTT carries out transactions that are not material, or that are carried out under normal terms and conditions, or that are excluded from the scope of application as described in the regulations of the ANC 2010-02 concerning related parties.

GDF SUEZ SA	HELLMAN & FRIEDMAN
1 Place Samuel-de-Champlain	5 Rue Plebiscite
92400 COURBEVOIE	L-2341 LUXEMBOURG
FRANCE	

Tax consolidation

After CRYOVISION was created, GTT chose the tax consolidation system.

A tax consolidation agreement was signed on 6 April 2012 in order to determine the distribution of tax expenses within the consolidated group formed by the parent company in accordance with Article 223 A of the French General Tax Code, which allowed each subsidiary to estimate their tax burden if they did not benefit from the tax consolidation agreement.

The Group's tax expense under the tax consolidation agreement amounted to 19,182,130 euros, and the balance of the deficit from previous financial years applied to it was 12,834,781 euros.

Cryovision will pay GTT a sum equal to the tax that it would be subject to alone, i.e. 199,873 euros, as its contribution to payment of income taxes.



APPENDIX 4

CORPORATE FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH FRENCH GAAP

Information on the income statement

Breakdown of revenues

In euros	Royalties	Technical Support	Other Services	Total
France	-	-	873,589	873,589
South Korea	170,002,674	26,673,403	2,920,456	199,596,533
China	14,533,898	2,427,465	702,941	17,664,304
Japan	-	1,335,139	3,700	1,338,839
Hong Kong	734,347	120,015	-	854,362
Malaysia	-	-	742,200	742,200
Spain	-	535,730	-	535,730
Qatar	-	-	548,680	548,680
Australia	-	-	350,132	350,132
Various exports	-	-	4,256,077	4,256,077
TOTAL	185,270,919	31,091,752	10,397,775	226,760,446

Compensation of the management and control bodies

The compensation granted to members of these bodies is not indicated here as it would divulge information on their individual compensation.

STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH FRENCH STANDARDS

APPENDIX 5



This is a free translation into English of the original report issued in French language and is provided solely for the convenience of English speakers users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Dear Shareholders,

Pursuant to the mission that was assigned to us by your Shareholders' Meeting, we present you our report on the financial year ended 31 December 2014, on:

- ▶ our audit of the accompanying financial statements of the GTT company;
- ▶ the justification of our assessments;
- ▶ the specific verifications and information required by law.

The financial statements were approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the annual financial statements are free from material misstatement. An audit involves performing procedures, by audit sampling and other means of testing, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

We certify that the corporate accounts provide a true and fair view of the income from operations for the financial year ended, as well as the financial position and assets and liabilities of the Company at the end of this financial year.

II. Justification of our assessments

In application of the provisions of Article L. 823-9 of the French Commercial Code regarding the grounds for our assessments, we hereby inform you that our assessments cover the appropriateness of the accounting principles used, the reasonable nature of the material estimates used and the overall presentation of the financial statements, especially concerning accounting rules and methods regarding accounting of revenue.

The assessments thus given are based on our audit of the financial statements, taken as a whole, and thus contributed to shaping the opinion we express in the first part of this report.

III. Specific verifications and information

In accordance with professional standards applicable in France, we have also carried out the specific verifications required by law.

We have nothing to report as to the fair presentation and consistency with the annual financial statements of the information provided in the Board of Directors' management report and the documents provided to the shareholders on the financial position and financial statements.

With regards to any information supplied in application of the provisions of Article L. 225-102-1 of the French Commercial Code regarding the compensation and benefits paid to executive directors as well as the commitments entered into in their favour, we have verified their consistency with the financial statements or with the data used to produce these financial statements and, if applicable, with the elements gathered by your company from companies that control or are controlled by your company. On the basis of this work, we certify that such information is true and accurate.

In application of the law, we have verified that the information about the identity of those who hold share capital and voting rights were communicated to you in the management report.

Paris-La Défense, April 14, 2015

The Statutory Auditor

ERNST & YOUNG AUDIT

Philippe Hontarrède





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Safety

Excellence

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