

A wide-angle, high-angle photograph of a historic city at night. The city is built on a hillside, with numerous buildings illuminated by warm yellow lights. A river flows through the lower left portion of the image, reflecting the city lights. A winding path or road, also illuminated by streetlights, leads up the hillside. The sky is a deep, dark blue with some light clouds. The overall atmosphere is serene and picturesque.

Annual Report
2014



Annual Report
2014

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General
Section

QUILVEST

is a public financial holding company whose activities are in the wealth management and private equity business.

QUILVEST

was incorporated in Paris on 20 September 1888. The Group established in Luxembourg in 1960. Since the spin-off of the industrial activities in 1991, it has solely focused on managing financial assets with private banks in Switzerland-established in 1932, in France-established in 1917 and in Luxembourg which combined its activities in 2011. QUILVEST's global Private Equity activities date back to 1972.

QUILVEST

consists of almost 400 professionals with offices in Luxembourg, New York, Zurich, Geneva, Paris, Dubai, London, Montevideo, Hong Kong and Singapore.

List of Directors and Group management

Honorary Chairman	Julio E. Nuñez
Board of Directors	
Chairman	Christian Baillet
Vice-Chairman	F. Michel Abouchalache (until 19 November 2014)
Directors	Peter Bemberg Serge de Ganay André Elvinger Robert Kneip François Manset Stanislas Poniatowski Alvaro Sainz de Vicuña International Advisory Services
Audit Committee	François Manset, President Christian Baillet Norbert Becker (as from 19 November 2014)
Compensation Committee	Serge de Ganay, President Christian Baillet Stanislas Poniatowski
Group Committee	Christian Baillet, President Peter Bemberg Serge de Ganay François Manset Stanislas Poniatowski Alvaro Sainz de Vicuña
Executive Management	CEO Quilvest Group F. Michel Abouchalache (until 31 December 2014) CEO Quilvest Private Equity Guy Zarzavatdjian (as from 1 July 2014) CEO Quilvest Wealth Management Marc Hoffmann CFO Quilvest Group (as from 19 November 2014) & Secretary General Jean-Benoît Lachaise
Statutory and Group Auditors	KPMG Luxembourg, Société Coopérative

Chairman's Statement

Quilvest had a net asset value growth of 4 % in 2014. That performance is below our target of 8 to 10 % per year over the long term. This is partly due to the strength of the US Dollar, as we have a balanced portfolio of assets invested in various currencies with a significant part in Euros, largely due to our wealth management business. The overall good performance of our assets allows us to propose an increase of the dividend.

In the Private Equity business line, our portfolio continues to be well diversified in the fund activity as well as in the direct investments. The Board has started to implement a strategy and an organization targeted to performance rather than to the size of the assets under management. In particular, there will be a special focus to increase the direct investments under our control or with shared control, rather than co-investments. That policy makes sense as we have recently recruited new talents with strong experience and expertise in direct investments.

Wealth Management experienced a spectacular growth of assets in 2014 and all entities were profitable. With more than 33 billion USD of assets under management and under custody, we are well positioned in the European Private Banking landscape. Finally, the performance of our clients, which is always a very important indicator, has been good and it compares favorably with most of our competitors.

In order to increase our efficiency and to be more reactive in all our business initiatives, we have adapted our organization where the two businesses are each led by a CEO of talent. Marc Hoffmann continues to lead and develop the Wealth Management and we have recruited Guy Zarzavatdjian to lead our Private Equity, bringing with him his experience and his track record in direct investments. Finally, we have promoted Jean-Benoît Lachaise to the CFO position, as a result of his large contribution over many years at Quilvest. The Board, through various specific committees, is working very closely with those three senior managers and in good harmony.

All those facts allow us to be optimistic regarding the future of Quilvest. Everything is now in place to achieve a good performance and to benefit from the criteria which characterizes our Group over the long term, such as transparency, ethics and value.

I take the opportunity to thank the three Directors who have terminated their mandates in 2015 and who have contributed to the development of Quilvest. In particular, I will remind that André Elvinger has been director of Quilvest for 32 years. He has participated in all key steps and change of structure of the company. Peter Bemberg, after 24 years as director of Quilvest made a great contribution because of his wisdom when he was Chairman until 2012 and to whom I succeeded.

The alignment of interests between the management and shareholders had never been as strong as today. You can be sure that those 2014 achievements and the future prospects are due to a large part to the hard work and the commitment of our professionals and employees, with a strong support from our Directors, all of whom I would like to express my sincere thanks.

Luxembourg, 29 April 2015



Christian Baillet

Chairman of the Board of Directors

Executive Management's Statement

In 2014 the global economic environment continued to be favorable, albeit marked by several high volatility periods on the markets. The continuous efforts from central banks to flood the markets with liquidity, the decrease in oil prices and exchange rates adjustments in the last quarter were positive stimulus while geopolitical uncertainties created temporary turbulences. US economy achieved robust growth whereas Europe confirmed gloomy prospects, which underpinned the appreciation of the US Dollar against Euro.

Quilvest Net Asset Value grew by 4% over the year. This is below the 8 to 10% long term objective set by our shareholders. Nevertheless, 2014 was in many respects a successful year for Quilvest.

On the wealth management side, 2014 was a very encouraging year both in terms of assets under management growth and improvement of profitability. In France, Quilvest Banque Privée's recovery was confirmed, validating the turnaround strategy started almost 2 years ago. The opening of a branch of CBP Quilvest, our Luxembourg bank, in Ghent in December 2014 as well as the newly created alternative investment fund manager, Quilvest Asset Management, which received its license in October 2014, will contribute to expand our activities in Luxembourg and the neighboring countries.

On the private equity front, we slowed down fundraising as anticipated, to focus on significant organizational changes which were mainly led in the second half of the year. Among other initiatives, a significant investment has been decided in a top ranked front-to-back information system. Teams have been reorganized to further improve the delivery of our products and adapt to the increasing regulatory requirements.

In addition, in term of investments, we successfully first closed our first "club fund", which will allow investing up to USD 300 million over the next three years in lead deals in Europe and in the U.S. Over the year, our active funds programs PEP Core, GEO PEP II and GEO Mandates, committed to 16 funds for a total amount of USD 320 million. The activity in Real Estate remained intense. Only few direct investments could be finalized but the pipeline is strong and we are confident to deploy monies in promising opportunities in the year to come.

At the level of Quilvest, the parent company, the EUR 150 million senior bonds maturing in December 2014 have been successfully refinanced, partly through private loans evidencing the commitment of our close partners and partly through an increase of the credit lines granted by our two external banking partners. In December 2014, we also closed a partial sale of 5 of our oldest QS PEP funds of funds vintages, taking advantage of extremely favorable secondary market conditions to accelerate return of cash for ourselves and our clients. These combined events allowed us to significantly reduce both the cost of debt and the net debt for Quilvest.

Relying on the continuous development of both assets under management and profitability of the Wealth Management on one side, on performances peaking-up as well as continued strong pace of distributions in the Private Equity on the other side, we are confident in our ability to deliver performance to our clients and investors, to achieve the deleveraging of the Group in the near term and to allow dividend distributions to our shareholders.

Luxembourg, 29 April 2015



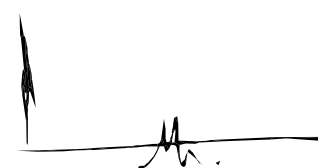
Marc Hoffmann

CEO Quilvest Wealth Management



Jean-Benoît Lachaise

Group Chief Financial Officer



Guy Zarzavatdjian

CEO Quilvest Private Equity

Executive Management Responsibility Statements

Consolidated Financial Statements

We, Marc Hoffmann, Jean-Benoît Lachaise and Guy Zarzavatdjian, members of the Executive Management confirm, to the best of our knowledge, that the consolidated financial statements which have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit or loss of the QUILVEST Group and the undertakings included in the consolidation taken as a whole and that the Directors' report includes a fair review of the development and performance of the business and the position of the QUILVEST Group and the undertakings included in the consolidation taken as a whole.

Luxembourg, 29 April 2015



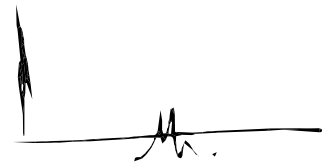
Marc Hoffmann

CEO Quilvest Wealth Management



Jean-Benoît Lachaise

Group Chief Financial Officer



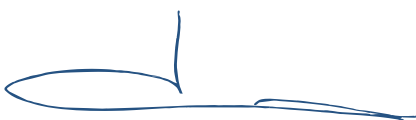
Guy Zarzavatdjian

CEO Quilvest Private Equity

Separate Financial Statements

We, Marc Hoffmann, Jean-Benoît Lachaise and Guy Zarzavatdjian, members of the Executive Management confirm, to the best of our knowledge, that the separated financial statements which have been prepared in accordance with the Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts, give a true and fair view of the assets, liabilities, financial position and profit or loss of Quilvest S.A.

Luxembourg, 29 April 2015



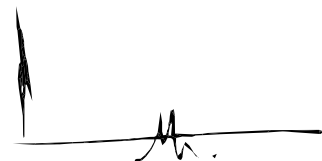
Marc Hoffmann

CEO Quilvest Wealth Management



Jean-Benoît Lachaise

Group Chief Financial Officer



Guy Zarzavatdjian

CEO Quilvest Private Equity



Group Highlights

Group Highlights

In \$ million	2013 (*)	2014
Total assets (IFRS)	3616.8	4498.0
Total liabilities (IFRS)	2613.2	3411.1
Group equity - shareholders of the parent (IFRS)	788.0	782.2
Restatement of goodwill Wealth Management	32.3	52.4
Restatement of goodwill Private Equity	34.5	39.2
Accounting policy differences	54.0	58.2
Net asset value (Management valuation)	908.7	932.0
Group net result (IFRS)	62.5	40.0
Group net basic earnings per share (IFRS)	9.4	6.0
Group net asset value per share (IFRS)	118.4	117.5
Net asset value per share (Management valuation)	136.5	140.0
Total shares issued as of reporting date	6,656,000	6,656,000
Total shares issued as of reporting date	6,656,000	6,656,000

* As a result of the amendments to employee defined benefit obligations under IFRS – Refer Note 2.4 of the consolidated financial statements.

“Net asset value (Management valuation)” differs from “Group equity (IFRS)” on the following points mainly: Management valuation includes a restatement of goodwill arising on Quilvest Switzerland, Quilvest Banque Privée, CBP Quilvest and Quilvest & Partners based on the volume and nature of third-party assets under management. The accounting policy differences relate mainly to (i) the valuation of the controlled Private Equity investments at fair value, which are fully consolidated in the IFRS consolidated financial statements, (ii) the de-recognition of deferred tax liability arising from the revaluation of land and buildings in Quilvest France and (iii) the revaluation of treasury shares presented in equity under IFRS.

Key Figures

Group Net Asset Value (in \$ million) (based on management valuation)

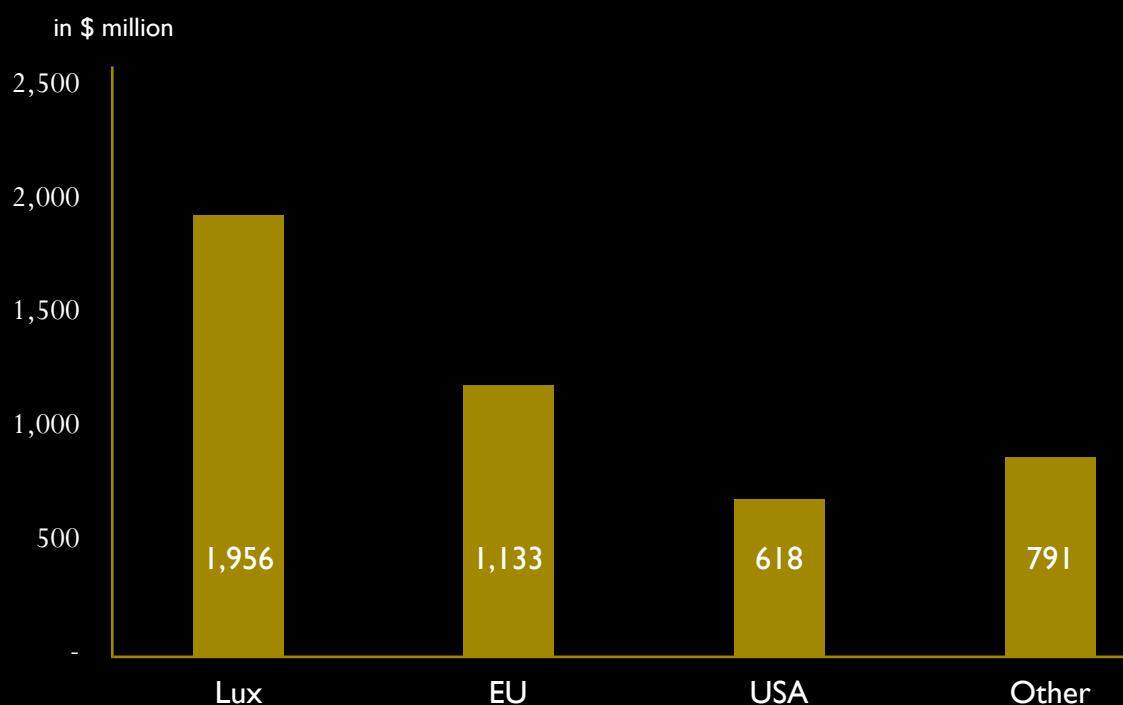


NAV per share - five years evolution

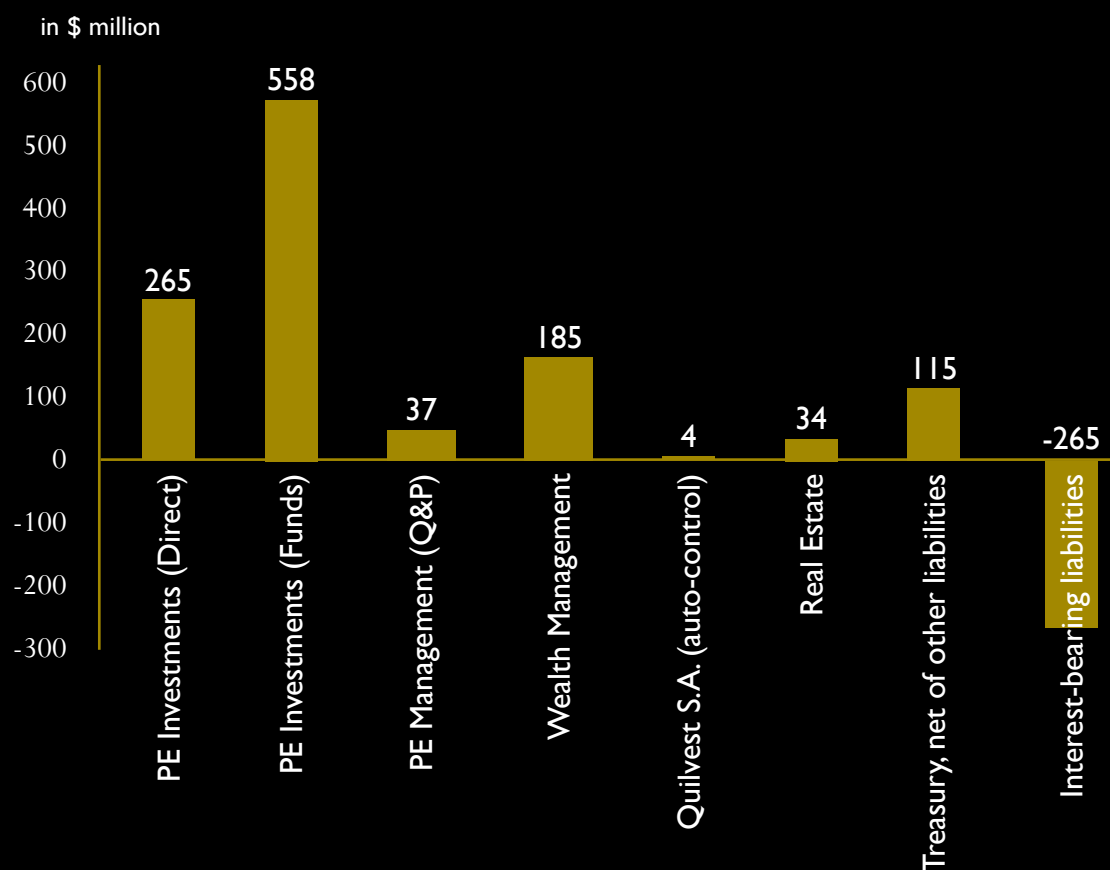
in USD	2010	2011	2012 (*)	2013 (*)	2014
NAV/share- Management valuation	130.3	123.3	125.4	136.5	140.0
NAV/share- IFRS (in \$)	109.4	109.1	109.1	118.4	117.5

*Restated – see note 2.4

Geographical distribution of Assets as at 31 December 2014



Distribution by business of Net Asset Value as at 31 December 2014



Private Equity

List of Largest Direct Investments

- Non-controlled private equity portfolio

(in \$ million)	Region	Investment date	Management valuation
Command Alkon	USA	2005	23.8
Intarcia	USA	2007	22.2
Algeco/Scotsman	Benelux	2005	11.8
Crown Laundry	USA	2014	9.2
Neotract	USA	2009	8.4
San Miguel Industrias PET	USA	2013	5.5
Mexican Grill	UK	2011	5.5
Greystone Properties	USA	2014	4.3
E-Pak	Asia	2001	3.8
Mathews	USA	2011	3.8
Radiation Therapy Services	USA	2008	3.4
Del Monte	USA	2011	3.3
Intrinsic Therapeutics	France	2007	3.3
Towry	UK	2013	3.2
Kismet (SKS)	India	2007	3.2
Deltak	USA	2012	3.1
Performance Food Group	USA	2008	2.9
Azulev	Spain	1999	2.7
Alliant Group	USA	2013	2.6
Multiplan II	USA	2014	2.6
Pay-o-Matic	USA	2008	2.4
Alex brands	USA	2013	2.4
Tiendas 3 B	Mexico	2004	2.4
Schur Flexibles (ex Conflex)	Denmark	2011	2.1
Comess	Spain	2000	2.0
Findis	France	2011	1.9
Gamo Outdoor	USA	2013	1.9
Wholesome Sweeteners	USA	2012	1.9
PF Chang's	USA	2012	1.9
API Heat Transfer	USA	2012	1.9
Aminoagro	Brazil	2013	1.4
BCI	USA	2013	1.3
Digital Bridge Mexico	USA	2014	1.1
FCI	USA	2013	1.0
Vanksen	Luxembourg	2011	0.6
The Chia Company	Australia	2012	0.6
Other direct investments			6.4
Total non-controlled private equity portfolio			161.8

- Controlled private equity portfolio

(in \$ million)	Region	Investment date	Management valuation
Yo! Sushi Group	UK	2008	60.5
Anthony's Pizza	USA	2011	18.3
Acrotec	Switzerland	2012	10.7
Hill & Valley Group	USA	2005	6.8
STP Products Group	USA	2011	6.5
Total controlled private equity portfolio			102.8
Total direct private equity investments			264.6

List of Largest Funds Investments

- Third-party funds portfolio

(in \$ million)	Region	Investment date	Management valuation
MCH Iberian Capital Fund III	Spain	2005	12.4
MCH Iberian Capital Fund II	Spain	2005	9.4
Bain Capital Europe Fund III	USA / Europe	2002	3.9
Synergia	Italy	2005	3.0
TA Atlantic & Pacific VI	USA	2008	2.7
Bain Capital Fund X	USA / Asia	2002	2.5
TPG Partners VI	USA	2008	2.0
Catterton Partners V	USA	2004	1.5
Blackstreet Capital Partners	USA	2004	1.3
GS PEP 2000 Offshore	USA	2000	0.7
Sterling Capital Partners	USA	2003	0.6
Développement et Partenariat IV	France	2006	0.5
H.I.G. Investment Group II	Asia	2002	0.5
Chase Capital Partners	USA	2000	0.5
Sun Capital Securities	USA	2004	0.4
GS Vintage II	USA	2000	0.4
GS PEP Technology Fund 2000	USA	2000	0.4
Other third-party funds			2.6
Total third-party funds portfolio			45.3

• Fund of funds portfolio

(in \$ million)	Investment date	Management valuation
QPE PEP 2008	2008	62.7
QS GEO PEP 2	2011	52.5
QPE PEP 2011	2011	52.1
QS GEO PEP	2007	46.5
QS REP	2009	43.3
QPE PEP 2009	2009	38.5
QPE PEP 2010	2010	37.5
QPE PEP 2007	2007	26.0
Quilvest Ventures 2	2007	25.0
QPE PEP 2006	2006	22.2
QPE PEP 2012	2012	17.6
QS REP 2	2012	16.4
Quilvest Energies	2010	16.1
QOL PEP 2005	2005	14.4
QPE PEP CORE	2013	11.2
QOL PEP 2004	2004	7.9
QS PEP 2002 (investor shares)	2002	6.1
QOL PEP 2003	2003	6.1
Other fund of funds		3.8
Total fund of funds portfolio		505.9
Total funds investments		551.2
Goodwill		39.2

Wealth Management and Corporate

Strategic and Treasury portfolio

(in \$ million)	Management valuation
Quilvest Wealth Management	184.8
Quilvest & Partners	(2.1)
Quilvest S.A. (auto-control)	3.8
Real Estate	33.5
Treasury portfolio (net of debt)	(149.8)
Total Strategic & Treasury portfolio	70.3

Capital & Net debt management

The Group is not subject to capital constraints.

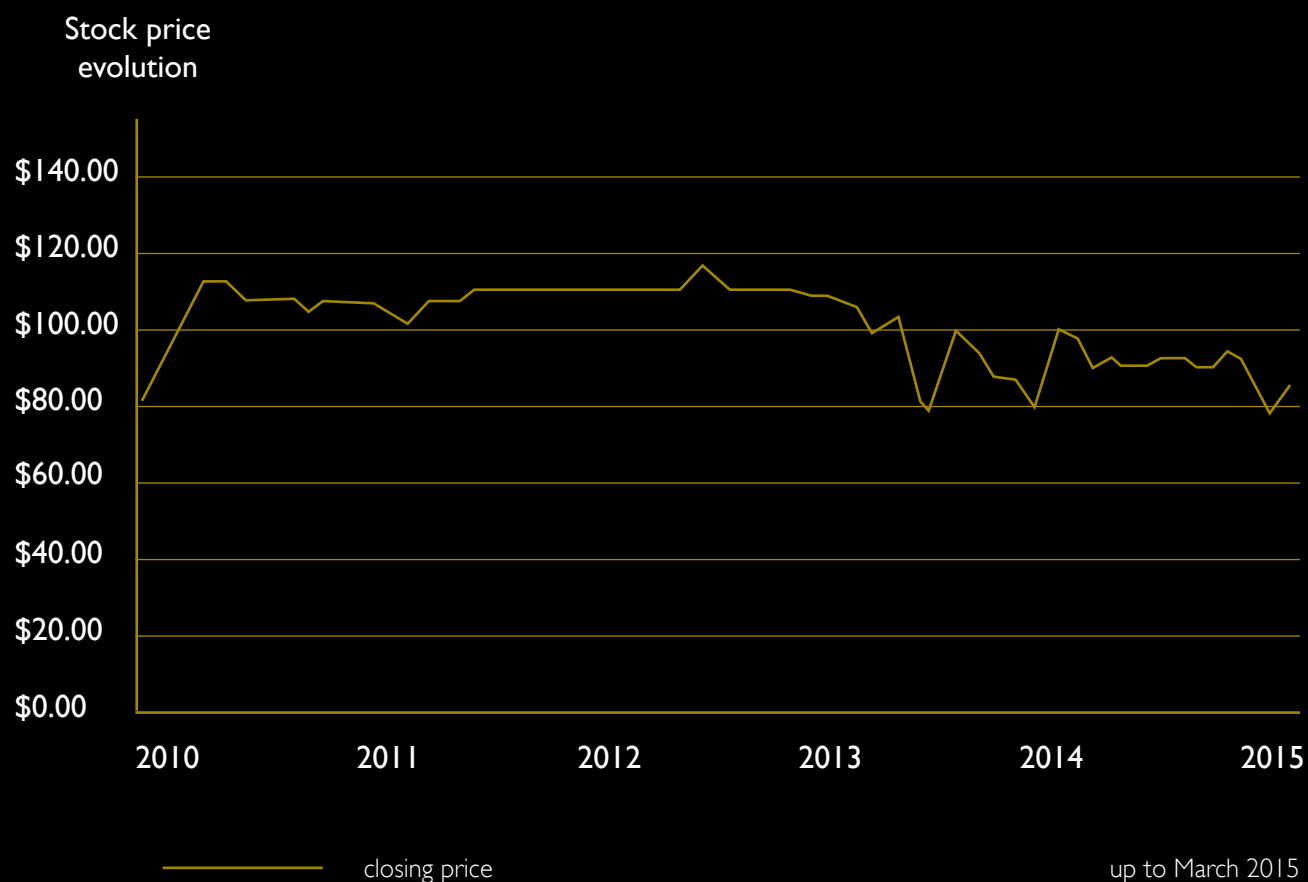
Each credit institution of the Group (together the "QWM Group") is subject to capital adequacy requirements by its respective supervisory authority. During the year ended 31 December 2014, no breach was reported.

QWM Group respects all regulatory requirements related to regulatory capital since its inception and monitors the evolution of its solvency ratio on a quarterly basis.

As of 31 December 2014, the capital adequacy ratio of the QWM Group was as follows:

(in \$ million)	QWM Group
Regulatory capital	98.5
Capital required for credit risks	35.4
Capital required for market risks	--
Capital required for operational risks	12.5
Capital required for other risks	0.3
Total capital charge	48.2
Capital adequacy ratio 2014	16.4%

Stock price evolution



During the year 2014, the Group acquired 2,480 shares of Quilvest S.A. for a total amount of USD 0.2 million. This represents an average of 207 shares bought per month (approximately 21 transactions per month on average). The Group sold 2,500 shares for a total amount of USD 0.3 million.

Key Dates

1888

Brasserie Argentine Quilmes, later named Entreprises Quilmes, founded in Argentina

1927

Banque Privée Quilvest founded in Paris

1972

First Private Equity Investment

1997

Entreprises Quilmes changed its name to Quilvest

2002

Quilvest Private Equity launched its first annual vintage of its fund of funds program "QS PEP"

2011

Quilvest merged its banking activities with the Luxembourg bank Compagnie de Banque Privée, creating Quilvest Wealth Management



Brand History

For over a century, Quilvest has served seven generations of the Bemberg family across three continents, and has evolved into a global organization dedicated to thoughtful principal investments alongside investors from around the world.

Quilvest's pioneering heritage and innovative spirit have helped shape its multiple investment platforms that address a range of investor needs. Today, Quilvest's 400 professionals share insight and expertise with like-minded families, private investors, and institutions, operating from thirteen offices across the United States, Europe, Latin America, the Middle East, and Asia.

CBP QUILVEST



Compagnie de Banque Privée Quilvest ("CBP Quilvest"), formerly CBP, is a private, independent Luxembourg bank that provides a global wealth management approach, based on the principle of aligned interests and tailored service, to a high-end clientele.

Founded in 2007 by a group of experienced professionals, in May 2011 it announced the merger of its activities in Luxembourg and Singapore with the Quilvest Group's Wealth Management activities. This strategic union gave rise to Quilvest Wealth Management ("QWM"), which rapidly became a prestigious international player in private wealth management and Family Office. With entities in the major financial markets – Luxembourg, Paris, Zurich, Geneva, Singapore and Montevideo – CBP Quilvest also opened a new office in Ghent at the end of 2014, CBP Quilvest Belgium, which represents the latest logical step in its strategic development, aligned with the growth objectives that QWM had set for itself.

CBP QUILVEST 



“ We have always made the client our central focus, and our strategic merger in 2011 with the Quilvest Group rapidly allowed us, notably via the creation of QWM and our new locations, to offer a UHNWI clientele a broader range of services which are, in addition, better tailored to their specific needs and issues.

We thus started from a strong foundation which enabled us not only to maintain our existing business, but also to grow. Our positioning in terms of clientele has evolved considerably, and today we serve a powerful base of clients, more than 70% of whom have a net worth of more than €5 million.

Our growth curve at the end of 2014 was extremely satisfactory, as QWM had more than €27 billion in AuM and AuC (compared with €11.7 billion at the time of the merger in 2011). The strongest growth was registered in Luxembourg at CBP Quilvest, with assets growing at an annualised rate of around 20% between 2011 and 2014, and in particular a record net inflow of funds of €1.4 billion in 2014. Today CBP Quilvest alone has more than €5 billion in AuM.”

- Marc Hoffmann CEO of QWM and CBP Quilvest SA



Corporate Governance



Corporate Governance

Quilvest S.A. (the “Company” or the “parent company”) and its subsidiaries (collectively, the “Group” or “Quilvest”) adopted its Corporate Governance Charter on 4 June 2007. The charter has been updated on 8 June 2012. An exhaustive version is available on the website of the Company.

Compliance statement

Quilvest follows the Ten Principles of Corporate Governance as defined by the Luxembourg Stock Exchange.

The principle related to the evaluation of the performance of the Board of Directors was implemented in 2008 and the third edition-revised version was issued in May 2013. The evaluation process includes the Audit Committee and the Compensation Committee.

The evaluation process of each committee is based on a tailor made questionnaire addressed to each member. No significant change derived from the conclusions drawn from the evaluations.

The Board of Directors

Quilvest is a Luxembourg limited company administered and managed by a Board of Directors (the “Board of Directors”) consisting of a minimum of three and a maximum of fifteen members appointed by the general meeting. The terms of their office shall not exceed six years; they may be reappointed and dismissed at any time.

The Board of Directors shall elect a chairman from among its members and, if considered appropriate, one or several vice-chairmen and shall determine the period of their office, not exceeding their appointment as director. The chairman has a casting vote in case of a tie and presides at all meetings of the Board of Directors and general meetings of shareholders. The functions of Chairman of the Board and Chief Executive Officer were separated.

Members of the Board of Directors are the following:

- Christian Baillet, Chairman of the Board of Directors, (Independent Director)

- F. Michel Abouchalache, Chief Executive Officer (Until 31 December 2014) and Vice-Chairman of the Board of Directors (Until 19 November 2014)
- Peter Bemberg
- André Elvinger (Independent Director)
- Serge de Ganay
- Robert Kneip (Independent Director)
- François Manset
- Stanislas Poniatowski
- Alvaro Sainz de Vicuña
- International Advisory Services, represented by Christian Baillet

Jean-Benoît Lachaise acts as Secretary.

Directors' CVs as well as their positions in other listed and non-listed companies are communicated in the Corporate Governance Charter available on the website.

The Board of Directors is invested with the broadest powers to act on behalf of the Company and accomplish or authorize all acts and transactions of management and disposal which are within its corporate purpose and which are not specifically reserved to the general meeting.

The Board of Directors is supported in its work by three special-focus committees of which it appoints the members and the Chairman: the Audit Committee created in 2002, the Remuneration Committee created in 2005 and renamed Compensation Committee in 2014 and the Group Committee created in 2011 (formerly Strategic Committee). No Nomination Committee has been created as relevant decisions are taken directly by the Board of Directors.

The Board of Directors held five meetings during the financial year 2014. The attendance rate at the meetings was 90% in average. The members of the Board of Directors assess in the yearly self-evaluation the appropriateness of the time they dedicated to fulfil their duties considering their other professional commitments.

The Board of Directors may delegate to one or several directors the powers necessary to carry out its decisions and day-to-day management, and to one or several persons, directors or not, powers deemed to be appropriate for the general technical, administrative and commercial management of the Company, and constitute any committee and determine their functions and authority.

Any director who may, with respect to a transaction submitted to the approval of the Board of Directors, have an interest adverse to that of the Company, shall so notify the Board of Directors and cause such notification to be reflected in the minutes of that meeting. He shall not deliberate on any such transaction. Specially reported at the next succeeding general meeting, prior to any other agenda, shall be those transactions in which a director may have had an interest adverse to that of the Company.

Law determines the responsibilities of the Board of Directors. In this respect, the Board is in charge of preparing the annual accounts and the fair representation thereof in accordance with EU directives as transposed into Luxembourg law as well as the consolidated accounts in accordance with International Financial Reporting Standards (IFRS), as set forth by EU Regulations.

The Board of Directors considers that it has fully complied with these obligations.

Training and development

Members of the Board of Directors are to be and to remain qualified. The Group ensures Directors understand the duties and responsibilities of being a director of a listed company.

All Directors are required to update their skills and maintain their familiarity with the Group and its business continually.

On a regular basis, presentations on different aspects of the Group's business are made to the Board of Directors and its members have the opportunity to meet with the Senior Management.

The Audit Committee

The mandate of the Audit Committee is principally to assist the Board of Directors in continually supervising the internal control and risk environment of Quilvest (including the role of external auditors), its compliance with regulatory and accounting requirements and the quality of financial reporting. The Audit Committee is responsible for alerting the Board to any irregularities it may detect in the Group's financial statements and internal control procedures.

In relation to its responsibility to ensure the relevance and consistency of the accounting methods used to prepare the financial statements and its role of overseeing the relations with the external auditors, the Audit Committee:

- Performs a quality review of the annual and interim consolidated financial statements and the annual accounts of the company submitted by the Senior Management, prior to their examination by the Board of Directors;
- Reviews and challenges the critical and significant accounting policies and disclosure of any unusual transactions;
- Reviews the findings and financial adjustments, and appraises the management letter of the external auditors;
- Conducts the process for the selection of the Group external auditors in charge of the audit of the consolidated financial statements, forms an opinion on the amount of fees charged for the performance of audits and submits the results of the selection process to the Board of Directors.

In order to ensure the external auditors' independence and objectivity, it also examines the advisory and other services directly provided by the auditors and their network.

In relation to its responsibility to optimize the internal control system within the Group, the Audit Committee gives its opinion on the organization of the internal audit function, reviews the group internal audit planning and receives a summary of internal audit reports on a regular basis.

Members of the Audit Committee are the following:

- François Manset, President of the Committee
- Christian Baillet, Chairman of the Board of Directors (Independent Director)
- Norbert Becker, member of the Audit Committee (from 19 November 2014)

The Audit Committee met four times in 2014. The attendance rate was 100%. Group auditors were present three times out of four. The work was particularly concerned with the following points:

- Group internal audit;
- Group internal control system;
- Risks' matrix review;
- IFRS consolidated financial statements, with an yearly specific committee early March dedicated to the review of valuations of Private Equity investments ;
- Group internal and external auditors' recommendations;
- Group external auditors' fees.

The Audit Committee members assess on a yearly basis the effectiveness of the Committee, of the external and internal audit functions and the needs of information and training. In 2014, specific highlights covered the follow-up of the new regulations mainly related to FATCA and AIFMD.

The Compensation Committee

The Remuneration Committee has been renamed Compensation Committee. The Compensation Committee implements the compensation policies discussed and determined by the Board of Directors. In particular, it negotiates and finalizes the packages granted to executive management and the compensation schemes of each business unit. It reports regularly on these issues to the Board of Directors.

Serge de Ganay is the President. The Compensation Committee met four times in 2014 with all the members being present. It reviewed in particular the objectives of each senior manager and how we could assess the performance in regard to the objectives. At the end of the year, the amount of bonus was decided taking into account how individual objectives

were met and how globally the performance of the business could be analyzed compared to benchmark and competitors. Finally, the process of HR review and long-term incentive was discussed to make sure it is always aligned with the long-term objectives of Quilvest and the interests of its shareholders.

The Group Committee

The Strategic Committee has been renamed Group Committee. The Group Committee met four times during 2014 in four locations where Quilvest is doing business. The purpose of the Group Committee is to review regularly the business environment in the geographical places where we are involved and in the various business sectors where we are investing. By meeting key executives in those various places, Quilvest is refining its medium-term strategy and makes sure we take advantages of investment opportunities in line with development of all businesses where we are involved. All members of the Committee were present at the meetings and one or few senior managers were invited to participate to the discussion. Minutes of those meetings were systematically prepared to summarize the key recommendations and to provide a framework for the Board of Directors to take decisions and for the management to implement them.

Share Capital

As of 31 December 2014, the Company has an authorized share capital of USD 100,000,000, consisting of a single class represented by 14,794,520 shares without par value, such number including the 6,656,000 shares without par value of the subscribed share capital of USD 44,989,630. All of the issued shares are paid-up in full. The shares are registered or bearer, at the option of the shareholder.

During the year 2014, the Group's direct or indirect subsidiaries acquired 2,480 (2013: 5,085) additional treasury shares for a total amount of USD 228,709 (2013: USD 526,637) and sold 2,500 treasury shares (2013: nil) for a total amount of USD 260,770. As of 31 December 2014, the Company owned 42,693 treasury shares (2013: 42,713)

Variation of Rights Amendments of the Company's Articles of Incorporation

All or any of the rights attached to the Shares may from time to time (whether or not the Company is being wound up) be amended by decision of the extraordinary general shareholders' meeting in the manner required for the amendment of the Company's articles of incorporation except that the nationality of the Company may be changed and the commitments of its shareholders may be increased only with the unanimous consent of the shareholders and bondholders. Any provisions of the Company's articles of incorporation may be amended by resolution of the shareholders at an extraordinary general shareholders' meeting.

Changes in Share Capital

The subscribed and the authorized capital of the Company may be increased or reduced by decision of the shareholders in general meeting whose resolutions shall be taken as for the amendment of the Articles.

Ownership threshold

The Board of Directors may restrict or prevent the ownership of shares in the Company by any person if it appears to the Company that such ownership results in a breach of law in Luxembourg or abroad, may make the Company subject to tax in a country other than the Grand Duchy of Luxembourg or may otherwise be detrimental to the Company. For the purpose of this Article, the term "person" includes any physical person, firm or corporate body.

In addition, no person may, without the prior approval of the Board of Directors, directly or indirectly, alone or in connection with his spouse or descendants in direct line, hold on record or as beneficial owner more than 15% of the shares of the Company.

For such purpose the Board of Directors may:

- decline to issue any share and decline to register any transfer of a share, where it appears that such issue or transfer would or might result in record or beneficial ownership of such share by a person who, by infringement of the provisions set forth above, would hold more than 15% of the shares of the Company;

- at any time require any person whose name is entered in, or any person seeking to register the transfer of shares on the register of shareholders to furnish the Company with any information which it may consider necessary for the purpose of determining whether or not record or beneficial ownership of more than 15% of the shares of the Company rests or will rest on such person;
- decline to pay dividends or other distributions to and refuse the admission and the vote at general meetings of shareholders of any person to the extent that such person holds more than 15% of the shares of the Company.

Major Shareholders

A number of individual shareholders are descendants of the Bemberg family, the Company's founders. However, there is no natural or legal person who, to the knowledge of the Company, directly or indirectly, severally or jointly, has exercised or is exercising control of the Company. There is no agreement, known to the Company, binding its shareholders. As at 31 December 2014, four companies declared, pursuant to the Luxembourg transparency law of January 11, 2008, to hold more than 5% of the voting rights of the Company. Arconas Holding Limited declared holding 15.86% of the voting rights, Lagel Limited declared holding 6.36%, Quilvest Strategic Fund S.C.A. SIF declared holding 20.97% and Charmilla Limited declared holding 5.19%.

There are no different voting rights for the major shareholders.

Insider Dealing

Any director and/or employee of the Group who wishes to deal in Quilvest securities must obtain prior written permission from the Group Compliance Officer and the Group Chief Financial Officer.

As an exception to the rule, the first four months of the first semester and the first two months of the second semester of each year are defined as closed periods, where no director or employee is allowed to carry out transactions in Quilvest securities.

YFY!
SUSHI



Founded in 1997, YO! Sushi brought the concept of a Japanese 'kaiten' sushi bar that delivered food to customers via a conveyor belt travelling 8cm per second to the masses, and became the original and most famous sushi brand in the UK.

To this day, YO! Sushi's dishes are freshly prepared in our restaurants daily by our nifty kitchen ninjas, whether for dine-in or takeaway. Offering great value for money combined with a fun and colourful atmosphere, diners can choose from over 80 Japanese inspired items. The cutting-edge Japanese restaurant décor is perfect for YO! Sushi's professionally trained sushi chefs who take centre stage to slice and dice everything in sight. Seating stations offer a perfect view of chefs at work and are stocked with soy sauce, pickled ginger and fiery wasabi for those brave enough.

By 2001, YO! Sushi had become the market leader in sushi restaurants and has grown from a London-only sushi brand to a 84 strong group of restaurants worldwide, serving over 6 million customers a year.



Planning for a Second MBO in 2008, Robin was looked for a bigger 'global strategic investor' prepared to support the management's ambition to treble the size of the business and enter overseas markets.

“ 7 years on Quilvest have proven to be terrific 'add value' investment partners working alongside the management team delivering growth & fully contributing to key multi-site retail decisions regarding Property, Product, People & Profit. The Management team has found the Quilvest Investment Directors to be positively challenging, accessible, open, respectful, consistent and have been strong ambassadors for the brand.

The true test of a relationship over time is not see in good times but coping with challenges and Quilvest have proven to be very solid partners through the worldwide slow down, continuing to invest throughout, dealing with challenges and keeping their (and management) investment nerve, ensuring YO! Sushi has successfully grown both from 25 to 75 UK restaurants (plus 12 overseas) still delivering sector leading metrics.

YO! Sushi/Quilvest relationship has certainly stood the test of time and we value Quilvest as a great team of investment professionals and 'Top Tier' Private Equity.”

- Robin Rowland, Executive Chairman of YO! Sushi



Financial Section

Directors' report

The Directors present their Annual Report and the audited consolidated financial statements of Quilvest S.A. ("the Company" or the "parent company") and its subsidiaries (all together the "Group" or "Quilvest").

Directors

The Directors of the Company who held office during the financial year are listed in the General section of the Annual Report.

Main activities

The Group's main activities are Private Equity Investment, Private Equity Management and Wealth Management.

Risk Management

The Group identifies and classifies its risk in 3 categories: external and regulatory risks, financial risks and operational risks.

A specific focus during the year 2014 on the Governance and regulatory risks is worth to be mentioned.

In terms of governance, the Executive Management of Quilvest is now composed of three senior managers: the two CEO's of the Wealth Management and Private Equity business lines and the Group Chief Financial Officer. During the transition in the Private Equity organization, the activity is being redeployed according to the objectives spelled out by the Board of Directors. Those objectives are in particular to concentrate more on the performance than on the growth of the assets, to increase the amounts dedicated to direct investment and finally, to put in place a corporate culture that is transparent and participative.

On the regulatory side, numerous developments affect the Group's activities and are monitored closely. The key developments include:

- Alternative Investment Fund Managers (« AIFM ») Directive in Europe, which imposes authorization, organizational and operating requirements;
- Foreign Account Tax Compliance Act (« FATCA ») in the U.S., which imposes tight monitoring and reporting of transactions with U.S. corporations and citizens;
- Basel III which is introducing a paradigm shift in capital and liquidity standards.

Financial risks, consisting of credit risk, liquidity risk and market risk, as well as operational risks are described extensively in Note 28 to the consolidated financial statements.

Business review

In addition to the business review below, the following sections are an integral part of the director's report:

- Situation of the business including the Net Asset Value of the Group at the end of the year ("Group Highlights" of the General section of this Annual Report);
- Trends and factors likely to affect the future development, performance and position of the business and review of the Company business in the "Chief Executive Officer's Statement" of the General section of this Annual Report);
- The Corporate Governance report in the General section of this Annual Report includes the sections of the business review in respect of:
  - Role and activities of the Audit Committee;
  - Role and activities of the Compensation Committee;
  - Role and activities of the Group Committee;
  - Composition and changes of share capital and shareholders.

Business review and outlook

2014 was globally for the private equity a record year for distributions, a strong year for new fund raising and a solid year for returns. New challenges are looming: the strength of the U.S. economy, combined with high levels of available liquidity, attracts private equity investors whereas pressure on asset prices should strengthen. For 2015, we expect less volatility as the U.S. and E.U. monetary policies become clearer though divergent and oil prices stabilize. Quilvest is confident to take advantage of it thanks to its historical highly selective and focus investment platform.

Our active funds of funds programs in developed and emerging markets made numerous commitments exceeding USD 300 million to new funds, mostly oversubscribed, with a mix between well-known and newly selected managers, continuing on Quilvest historical differentiative positioning. Distributions reached record high amounts, especially originating from our earlier PEP vintages, while we also saw the first distributions from our QS GEO and QS REP programs. Finally, we could successfully close the sale of 55% of our investments in PEP 2003 to PEP 2007, taking advantage of attractive secondary markets conditions.

On the direct investments side, we also had a very encouraging year. On the fundraising side first, with the closing of our first 'club fund' that will allow us to deploy up to 300 million USD in lead deals in Europe and in the U.S. Then, on the distributions and exits side, with the successful refinancing of two of our most significant recent deals: Acrotec and ST Products. Further, exits that engaged in 2013 confirmed during 2014, like OSI restaurants, M.A.C.S. and Nocibé.

We continued to progress with the licensing of our first debt program with the Small Business Administration, which we have now passed all steps and should receive the formal approval in the coming weeks.

We see no slowdown in the private equity markets and expect the activity level to be sustained. We see similar trends in our wealth management business where new clients' development and fund raising remain robust. 2014 indeed represents again a strong year in terms of asset growth and increase of profitability ratios. The French banking entity reached break-even following a series of restructuring measures implemented successfully in 2013 and early 2014. Also, the Singapore branch showed for the first time a net profitability since its incorporation in 2010. Globally, all platforms have met or exceeded the budgets.

The new AIFM vehicle, Quilvest AM, was granted its license by the CSSF, enabling to widen the range of services provided and create the capabilities for global offering with other Group entities.

Lastly, CBP Quilvest opened a new branch in Ghent (Belgium) in late 2014, which will contribute to expand our wealth management activities further.

Quilvest also finalized this year the refinancing of the EUR 150 million senior bonds (2009 – 2014), partly through private loans and partly through term loans from our banking partners (outside Quilvest Wealth Management). The cost of debt was opportunistically reduced by almost 2 percent.

Financial review

At 31 December 2014, total assets in the statement of financial position stand at USD 4.5 billion as compared with USD 3.6 billion in 2013. The result of the period is a profit of USD 60.8 million, of which a Group share of USD 40.0 million.

The main components in the statement of financial position are:

- Investments increased from USD 1,422.5 million to USD 1,489.6 million. This comes from the combined effect of:
  - on the wealth management portfolio, a net increase of the bond portfolio (whether classified as financial assets available-for-sale or as financial assets at fair value through profit and loss);
  - on the private equity portfolio, a net increase of ca. 47 million, mainly driven by net gains.
- Property, plant and equipment increased to USD 145.5 million (2013: USD 141.2 million). This mainly comes from the net additions of controlled private equity investments;
- Intangible assets decreased by the effect of amortization and foreign exchange as they are mainly recognized in currency other than USD. Impairment analysis on Goodwill have been conducted and no impairment loss was recognized (2013 : USD 3.4 million on Quilvest Banque Privée);
- On the wealth management side, amounts owed from banks and bank customers and deposits from banks and bank customers significantly increased at USD 1,152.7 million and USD 2,694.0 million respectively as compared to USD 858.1 million and USD 2,000.9 million in 2013. Most of the increase is represented by the volume of deposits from customers;
- Interest-bearing liabilities increased from USD 404.1 million in 2013 to USD 438.9 million. The Group successfully refinanced its senior bonds at the end of the year against (Note 18). The increase in interest-bearing liabilities is only at the controlled private equity portfolio level;
- Excluding non-controlling interests, the equity attributable to the shareholders (post-dividend) decreased at USD 782.2 million (2013: USD 787.9 million). The equity was positively impacted by the result of the year, and decreased as a result of transactions with non-controlling interests, dividend paid, and negative foreign currency translation differences;
- The change in non-controlling interests from USD 215.6 million in 2013 to USD 304.7 million is mainly resulting from the disposal of 55 pc interest in our QS PEP vintages 2003 – 2007, net distributions in several direct deals (Acrotec and ST Products to name a few), and profit for the period attributable to them.

From an income statement perspective, the key elements of the period are:

- Net income from private equity portfolio set at USD 136.9 million (2013: USD 196.3 million). Gains on financial assets contributed for USD 55.4 million in the total (2013: USD 105.6 million). Fee income stabilized at USD 23.3 million (2013: USD 22.0 million). Finally, net income from controlled private equity investments reached USD 58.6 million, a significant increase as compared to 2013 (2013: USD 53.9 million);

- Net income from wealth management portfolio continued to develop positively at USD 106.0 million as compared with USD 99.1 million at 31 December 2013, mainly driven by (i) the increase in interest income, net, mostly following the increase of the loans and advances to customers and (ii) a 10% increase in fee and commission income, net;
- Net finance costs decreased significantly at USD 4.2 million (2013: USD 28.6 million) – while lending conditions globally improved, especially for those affecting the group refinancing, the reimbursement of the senior bonds generated a significant positive foreign exchange gain at the parent company level.

Finally, the operating result is a profit of USD 71.8 million (2013: USD 133.5 million), and the net result for the period is a gain of USD 60.8 million (2013: USD 100.0 million), of which Group share of USD 40.0 million (2013: USD 62.5 million).

From a cash flow statement perspective, cash and cash equivalents increased to USD 1,262.2 million (2013: USD 808.9 million). Operating cash flow directly linked to the wealth management activities remain the main contributor to operating and investing activities in 2014. The direct investment activity in private equity slowed down in 2014, while our funds of fund continued to distribute massively.

Net cash from financing activities amounted to USD 55.5 million (2013: negative cash outflow of USD 120.0 million), primarily driven by the drawdown of new facilities at controlled private equity level.

Results and dividends

The consolidated net result attributable to the shareholders of the Group is a profit of USD 40.0 million (2013: USD 62.5 million (restated)).

The statutory result of Quilvest S.A. for the year is a profit of USD 20.1 million (2013: loss of USD 15.2 million), mainly driven by the positive effect of the dollar against the euro at the time the Company refinanced its EUR 150 million Senior bonds.

Going concern

The Directors, having made appropriate enquiries, have a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future.

For this reason, they continue to adopt the going concern basis in preparing the financial information.

Substantial interests

As at 31 December 2014, four companies declared, pursuant to the Luxembourg transparency law of January 11, 2008, to hold more than 5% of the voting rights of the Company. Arconas Holding Limited declared holding 15.86% of the voting rights, Lagel Limited declared holding 6.36%, Quilvest Strategic Fund S.C.A. SIF declared holding 20.97% and Charmilla Limited declared holding 5.19%.

Capital structure and corporate governance

Details of the capital structure of the Company and details on the share capital and process for changes in share capital subscribed and authorized can be found in the Corporate governance sections of this report.

All the shares and all the bonds issued by the Company are admitted to trading on the regulated market of the Luxembourg stock exchange;

There are no other restrictions to the transfer of shares to disclose other than those described in the section "Ownership threshold" of the Corporate Governance report;

The major shareholders are disclosed in the section "Major shareholders" of the Corporate Governance report;

There is no holder of any securities with special control rights;

There is no employee share scheme at the level of the parent company;

There is no restriction on voting rights;

To the best of the knowledge of the Company, there is no agreement between shareholders which may result in restriction on the transfer of securities and/or voting rights;

The rules governing the appointment and the replacement of Board members as well as their power are disclosed in the section "Members of the Board of Directors" of the Corporate Governance report;

There are no significant agreements to which the Company is party and which would take effect, alter or terminate, upon a change of control of the Company following a takeover bid;

The agreements between the Company and its Board members or employees provide for a compensation only for two employees, should a takeover bid occur.

Subsequent events

There are no significant subsequent events to mention in this report.

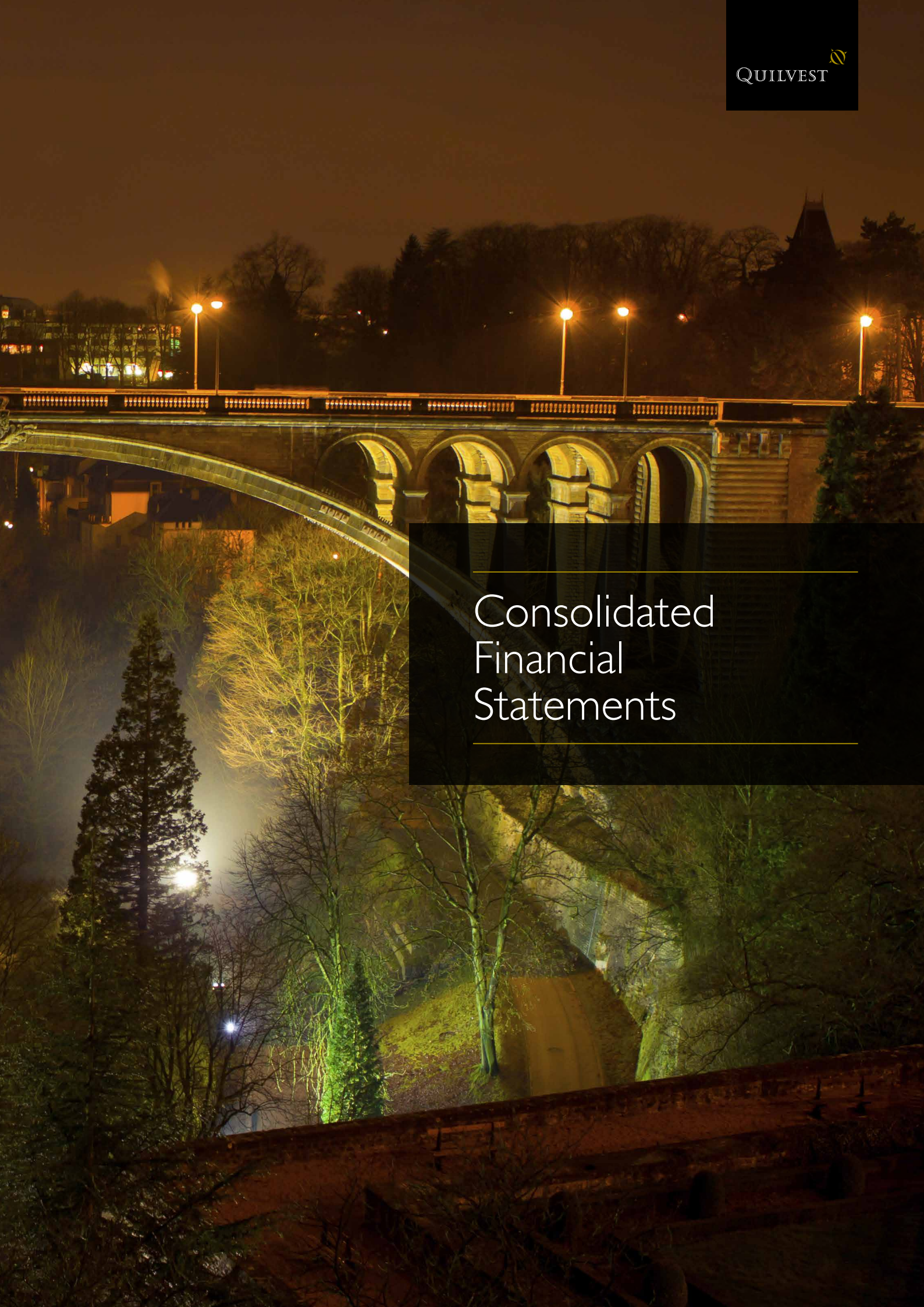
Auditors

A resolution for the re-appointment of KPMG Luxembourg, Société coopérative as Cabinet de révision agréé of the Company is to be proposed at the forthcoming Annual General Meeting to be held on 12 June 2015.

Approval

This report was approved by the Board of Directors on 29 April 2015.





Consolidated Financial Statements

Report of the Réviseur d'Entreprises agréé to the shareholders on Consolidated Financial statements

Report on the consolidated financial statements

Following our appointment by the General Meeting of the Shareholders dated 13 June 2014, we have audited the accompanying consolidated financial statements of Quilvest S.A. and its subsidiary companies ("Quilvest Group"), which comprise the consolidated statement of financial position as at 31 December 2014 and the consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Directors' responsibility for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the Réviseur d'Entreprises agréé

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements.

Luxembourg, 29 April 2015

The procedures selected depend on the judgement of the Réviseur d'Entreprises agréé, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the Réviseur d'Entreprises agréé considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of Quilvest Group as of 31 December 2014, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on other legal and regulatory requirements

The directors' report, including the corporate governance statement, which is the responsibility of the Board of Directors, is consistent with the consolidated financial statements and includes the information required by the law with respect to the Corporate Governance Statement.

KPMG Luxembourg, Société coopérative
Cabinet de révision agréé



Jean-Manuel Sérís

Consolidated Statement of Financial Position

As at 31 December

in \$ '000	Notes	1 January 2013 (*)	31 December 2013 (*)	31 December 2014
Assets				
Cash and cash equivalents	8	842,513	808,904	1,262,203
Amounts owed from banks and bank customers	9	773,749	858,128	1,152,688
Financial assets	10			
- designated at fair value through profit or loss		932,063	1,134,891	1,051,211
- available-for-sale		308,953	276,876	426,750
- held for trading		13,322	10,764	11,608
Property, plant and equipment	11	131,569	141,230	145,457
Investment property	12	8,286	8,400	8,662
Intangible assets	13	166,565	164,875	149,077
Investment in an associate	14	911	1,111	--
Deferred tax assets	15	8,512	6,609	6,381
Other assets	16	153,735	205,034	283,969
Total assets		3,340,178	3,616,822	4,498,006
Liabilities and equity				
Amounts due to banks and bank customers	17	1,876,162	2,000,850	2,694,009
Financial liabilities				
- held for trading	10	20,967	14,699	14,512
- interest-bearing loans and borrowings	18	390,793	404,119	438,861
Employee defined benefit obligations	19	8,624	2,588	3,727
Provisions	20	967	3,130	2,720
Deferred tax liabilities	15	29,163	28,380	26,703
Other liabilities	21	129,706	159,480	230,530
Total liabilities		2,456,382	2,613,246	3,411,062
Share capital	22	44,990	44,990	44,990
Share premium		110,248	110,248	110,248
Treasury shares	22	(3,786)	(4,313)	(4,281)
Reserves		9,472	15,820	9,345
Retained earnings		565,402	558,751	581,892
Profit / (Loss) for the year – Shareholders of the parent company		--	62,467	40,028
Total equity attributable to shareholders of the parent company		726,326	787,963	782,222
Non-controlling interests		157,470	215,613	304,722
Total equity		883,796	1,003,576	1,086,944
Total liabilities and equity		3,340,178	3,616,822	4,498,006

* Restated- see note 2.4

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

Consolidated Statement of Profit or Loss

For the financial years ended 31 December

in \$ '000	Notes	2013 (*)			2014		
		Core activities	CPE (Note 5)	Total	Core activities	CPE (Note 5)	Total
Net income from private equity portfolio	6						
Gains/(losses) on financial assets, net		105,561	--	105,561	55,446	--	55,446
Dividend income		10,126	--	10,126	3,872	--	3,872
Interest income, net		--	--	--	--	--	--
Fee income, net		21,989	--	21,989	23,298	--	23,298
Carried interest (expense) / income, net		4,725	--	4,725	(4,318)	--	(4,318)
Net income from controlled private equity portfolio	5	--	53,919	53,919	--	58,582	58,582
Total – private equity portfolio		142,401	53,919	196,320	78,298	58,582	136,880
Net income from wealth management portfolio	6						
Gains/(losses) on financial assets, net		6,096	--	6,096	(483)	--	(483)
Dividend income		1,145	--	1,145	636	--	636
Interest income, net		15,156	--	15,156	23,552	--	23,552
Fee and commission income, net		75,383	--	75,383	82,060	--	82,060
Other revenues, net		1,355	--	1,355	279	--	279
Total – wealth management portfolio		99,135	--	99,135	106,044	--	106,044
Other operating income, net	26	6,512	--	6,512	6,229	--	6,229
General administrative expenses	26	(138,846)	--	(138,846)	(148,168)	--	(148,168)
Depreciation, amortization and impairment losses	11,13	(8,870)	(20,796)	(29,666)	(5,414)	(23,767)	(29,181)
Operating result		100,332	33,123	133,455	36,989	34,815	71,804
Financial gains / (costs), net	27	(23,303)	(5,290)	(28,593)	5,306	(9,446)	(4,140)
Income from associate	14	193	--	193	--	--	--
Profit / (Loss) before tax		77,222	27,833	105,055	42,295	25,369	67,664
Income tax (expense) / credit	15	(4,261)	(746)	(5,008)	(5,156)	(1,662)	(6,818)
Profit / (Loss) for the year		72,961	27,087	100,047	37,139	23,707	60,846
Profit / (Loss) for the year attributable to							
Shareholders of the parent company				62,467			40,028
Non-controlling interests				37,580			20,818

* Restated- see note 2.4

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

Consolidated Statement of Other Comprehensive Income

For the financial years ended 31 December

in \$ '000	Notes	2013 (*)	2014
Profit / (Loss) for the year		100,047	60,846
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Change in valuation of available-for-sale financial assets			
- Net change in fair value	10	805	436
- Net change in fair value recycled through profit or loss	10	(4,323)	--
Income tax effect	15	1,163	(144)
Foreign currency translation differences		9,363	(22,795)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		7,008	(22,503)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Gain / (loss) on property revaluation	11	(265)	3,390
Income tax effect	15	88	(1,130)
Re-measurement gain / (loss) on defined benefit plans	19	6,455	(1,272)
Income tax effect	15	(1,365)	269
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		4,913	1,257
Other comprehensive income / (loss) for the year		11,921	(21,246)
Total comprehensive income / (loss) for the year		111,968	39,600
Total comprehensive income attributable to:			
Shareholders of parent company		68,816	33,424
Non-controlling interests		43,152	6,176
Earnings per share (in \$)	23		
Basic		9.4	6.0
Diluted		9.4	6.0

* Restated- see note 2.4

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

Consolidated Statement of Cash Flows

For the financial years ended 31 December

in \$ '000	Notes	2013 (*)	2014
Operating cash flows directly linked to the Private Equity activities			
Acquisition of private equity investments	10	(162,456)	(142,372)
Proceeds from sale of private equity investments	10	129,917	128,272
Dividends received from private equity investments		14,496	13,393
Fees received, net		15,976	21,242
Carried interest received, net		2,961	1,780
Other operating cash movements related to private equity activities, net		2,131	11,615
Operating cash flows directly linked to the Wealth Management activities			
Interest income, net		16,452	24,460
Fee and commission income, net		65,048	70,680
Cash movements in loans and advances to / from banks and bank customers, net	9,17	147,300	549,904
Other cash movements related to the Wealth Management activities		(14,369)	77,336
Other operating cash flow movements			
Cash paid to suppliers and employees		(132,833)	(134,256)
Income taxes paid	15	(1,637)	(2,618)
Net cash from other operating activities		41,783	37,485
<i>Of which controlled private equity portfolio</i>		53,273	50,579
Net cash provided by / (used in) operating activities		124,769	656,921
Proceeds / (Acquisition) of investments, net	10	(43,139)	(88,519)
Acquisition of property, plant and equipment	11	(26,143)	(32,808)
Proceeds from disposal of property, plant and equipment	11	(5)	2,717
Acquisition of intangible assets	13	(2,257)	(1,879)
Acquisition of subsidiaries, net of cash acquired	7	--	--
Interests received		17	722
Dividends received		2,273	744
Net cash from other investing activities		(533)	--
Net cash provided by / (used in) investing activities		(69,787)	(119,023)
Proceeds from interest-bearing liabilities	18	70,134	377,218
Repayment of interest-bearing liabilities	18	(179,845)	(319,718)
(Decrease)/Increase in short-term financing		(1,886)	4,282
Proceeds from issue share capital		--	--
Repurchase of treasury shares		(527)	(118)
Contributions from non-controlling interests		49,109	31,086
Distributions to non-controlling interests		(22,641)	(52,736)
Transactions with non-controlling interest		--	45,813
Carried interest paid, net		(6,991)	(408)
Interests paid		(20,302)	(21,766)
Dividends paid		(7,034)	(8,193)
Net cash provided by / (used in) financing activities		(119,983)	55,460
Net increase / (decrease) in cash and cash equivalents		(65,001)	593,358
Cash and cash equivalents at the beginning of the year	8	842,513	808,904
Effect of exchange rate fluctuations on cash and cash equivalents held	8	31,392	(140,059)
Cash and cash equivalents at the end of the year	8	808,904	1,262,203
<i>Of which Quilvest Wealth Management sub-group</i>	<i>8</i>	<i>775,899</i>	<i>1,207,946</i>
<i>Of which controlled private equity portfolio</i>	<i>5</i>	<i>11,634</i>	<i>15,180</i>

* Restated- see note 2.4

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

Consolidated Statement of Changes in Equity

For the financial years ended 31 December

in \$ '000	Share Capital	Share Premium	Treasury shares	Reserves	Retained earnings	Total attributable to owners of the parent entity	Non-controlling interests	Total Equity
Balance at 1 January 2013 (as previously reported)	44,990	110,248	(3,786)	9,680	566,776	727,908	121,330	849,238
Effect of adopting IFRS 10	--	--	--	(208)	(1,374)	(1,582)	36,140	34,558
Balance at 1 January 2013 (*)	44,990	110,248	(3,786)	9,472	565,402	726,326	157,470	883,796
Total comprehensive income for the year								
Profit for the year	--	--	--	--	62,467	62,467	37,580	100,047
Other comprehensive income	--	--	--	--	--	--	--	--
Gain on property revaluation, net of income tax	--	--	--	(177)	--	(177)	--	(177)
Available-for-sale financial assets, net of income tax	--	--	--	(1,562)	--	(1,562)	(793)	(2,355)
Re-measurement of defined benefit plans	--	--	--	3,376	--	3,376	1,714	5,090
Foreign currency translation differences	--	--	--	4,711	--	4,711	4,652	9,363
Total comprehensive income for the year	--	--	--	6,348	62,467	68,816	43,152	111,968
Transactions with owners, recorded directly in equity								
Repurchase of treasury shares	--	--	(527)	--	--	(527)	--	(527)
Transactions with non-controlling interests	--	--	--	--	--	--	--	--
Non-controlling interests acquired in business combinations	--	--	--	--	--	--	--	--
Contributions from non-controlling interests	--	--	--	--	--	--	45,340	45,340
Distributions to non-controlling interests	--	--	--	--	--	--	(29,957)	(29,957)
Dividends paid	--	--	--	--	(6,651)	(6,651)	(395)	(7,046)
Total transactions with owners	--	--	(527)	--	(6,651)	(7,178)	14,988	7,810
Balance at 31 December 2013 (*)	44,990	110,248	(4,313)	15,820	621,218	787,963	215,613	1,003,576
Total comprehensive income for the year								
Profit for the year	--	--	--	--	40,028	40,028	20,818	60,846
Other comprehensive income	--	--	--	--	--	--	--	--
Gain on property revaluation, net of income tax	--	--	--	2,260	--	2,260	--	2,260
Available-for-sale financial assets, net of income tax	--	--	--	193	--	193	98	292
Re-measurement of defined benefit plans	--	--	--	(665)	--	(665)	(338)	(1,003)
Foreign currency translation differences	--	--	--	(8,392)	--	(8,392)	(14,403)	(22,795)
Total comprehensive income for the year	--	--	--	(6,604)	40,028	33,424	6,176	39,600
Transactions with owners, recorded directly in equity								
Sale/ Repurchase of treasury shares	--	--	32	--	--	32	--	32
Transactions with non-controlling interests	--	--	--	129	(31,014)	(30,885)	104,584	73,699
Non-controlling interests acquired in business combinations	--	--	--	--	--	--	--	--
Contributions from non-controlling interests	--	--	--	--	--	--	31,086	31,086
Distributions to non-controlling interests	--	--	--	--	--	--	(52,736)	(52,736)
Dividends paid	--	--	--	--	(8,312)	(8,312)	--	(8,312)
Total transactions with owners	--	--	32	129	(39,326)	(39,165)	82,934	43,769
Balance at 31 December 2014	44,990	110,248	(4,281)	9,345	621,920	782,222	304,722	1,086,944

* Restated- see note 2.4

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

Notes to the Consolidated Financial Statements

1. Reporting entity

Quilvest S.A. (the “Company” or the “parent company”) is a Luxembourg company incorporated and domiciled in Luxembourg and whose shares are publicly traded on the regulated market of the Luxembourg Stock Exchange (LU0011790804). The Company was incorporated on 20 December 1960 with the Luxembourg register company number B 6091. The principal activities of the Group are in the private equity and the wealth management businesses. The Company's registered office is established 3 Boulevard Royal, L-2449 Luxembourg.

These consolidated financial statements comprise the financial statements of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2014. The consolidated financial statements were authorized for issue in accordance with a resolution of the Board of Directors on 29 April 2015. Separate financial statements are also presented.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union.

The consolidated financial statements have been prepared on a historical cost basis, except for the own-used part of land and buildings, investment property, derivative financial instruments, financial assets at fair value through profit and loss, and available-for-sale financial assets that have been measured at fair value. The consolidated financial statements are presented in United States Dollars (“USD” or “US Dollars”) and all amounts are rounded to the nearest thousand (\$ '000), except when otherwise indicated.

The consolidated financial statements provide comparative information in respect of the previous period. The Group presents an additional statement of financial position at the beginning of the earliest period presented when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in financial

statements. An additional statement of financial position as at 1 January 2013 is presented in these consolidated financial statements due to the retrospective effect of the application of IFRS 10 ‘Consolidated Financial Statements’.

2.2 Basis of consolidation

These consolidated financial statements comprise the financial statements of the Company and its direct and indirect subsidiaries as at 31 December 2014.

2.3 Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently through the Group.

a) Business combinations, goodwill and non-controlling interest

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interest in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in ‘general administrative expenses’.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the gain is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Impairment testing is carried out at least annually.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners. Adjustments to non-controlling interest are based on a proportionate amount of the net assets of the subsidiary.

b) Subsidiaries

Control on an investee is achieved when the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary

acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

c) Investment in an associate

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

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

The Group's investment in an associate is accounted for using the equity method.

Under the equity method, the investment in the associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortized nor individually tested for impairment.

The consolidated statement of profit or loss reflects the Group's share of the results of operations of the associate. When there has been a change recognized directly in the equity of the associate, the Group recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The Group's share of profit or loss of an associate is shown on the face of the consolidated statement of profit or loss and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate. The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognizes the loss as 'share of losses of an associate' in the consolidated statement of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

d) Transactions eliminated on consolidation

Intra-group balances, transactions, unrealized gains and losses resulting from intra-group transactions and dividends are eliminated in full in preparing the consolidated financial statements.

e) Foreign currencies

The Group's consolidated financial statements are presented in US Dollars, which is also the parent

company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item.

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into US dollars at the rate of exchange prevailing at the reporting date and their income statements are translated at the average exchange rates for the reporting period. The exchange differences arising on translation for consolidation are recognized in other comprehensive income. On disposal of a foreign operation, the relevant portion of other comprehensive income relating to that particular foreign operation is recycled in profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

f) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above.

g) Financial assets

Initial recognition and measurement

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables (consisting in amounts owed from bank and bank customers detailed in Note 2.h), held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial assets at initial recognition. The Group has not designated any financial assets as held-to-maturity investments or as hedging instruments in an effective hedge.

All financial assets are recognized initially at fair value plus transaction costs.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as described below:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments as defined by IAS 39.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value presented as 'gains/(losses) on financial assets, net' in the consolidated statement of profit or loss.

Financial assets designated upon initial recognition at fair value through profit or loss are designated at their initial recognition date and only if the criteria under IAS 39 are satisfied. These financial assets include direct debt (convertible or not) or equity investments, and investments in funds.

The Group evaluates its financial assets held for trading, other than derivatives, to determine whether the intention to sell them in the near term is still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets and management's intention to sell them in the foreseeable future significantly changes, the Group may elect to reclassify them. The reclassification depends on the nature of the asset. This evaluation does not affect any financial assets designated at fair value through profit or loss using the fair value option at designation, as these instruments cannot be reclassified after initial recognition.

Available-for-sale assets

Available-for-sale financial investments include equity investments and debt securities. Equity investments classified as available for sale are those that are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those that are intended to be held for an indefinite period of time and that may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial measurement, available-for-sale financial investments are subsequently measured at fair value with unrealized gains or losses recognized as other comprehensive income in the available-for-sale reserve until the investment is derecognized, at which time the cumulative gain or loss is recognized in realized gains or losses on the disposal of financial assets in the consolidated statement of profit or loss, or the investment is determined to be impaired, when the cumulative loss is reclassified from the available-for-sale reserve to the consolidated statement of profit or loss in 'gains/(losses) on financial assets, net'. Interest earned whilst holding available-for-sale financial investments is reported as interest income using the Effective Interest Rate ("EIR") method.

The Group evaluates whether the ability and intention to sell its available-for-sale financial assets in the near term is still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets and management's intention to do so significantly changes in the foreseeable future, the Group may elect to reclassify these financial assets.

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortized cost and any previous gain or loss on the asset that has been recognized in equity is amortized to profit or loss over the remaining life of the investment using the EIR. Any difference between the new amortized cost and the maturity amount is also amortized over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the consolidated statement of profit or loss.

De-recognition

A financial asset is derecognized when the rights to receive cash flows from the asset have expired or when the Group has transferred its rights to receive cash flows from the asset; and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets (other than those carried at fair value through profit or loss)

The Group assesses at each reporting date whether there is objective evidence that a financial asset is impaired. A financial asset is deemed to be impaired if there is objective evidence of impairment as a result of one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and observable data indicating

that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Available-for-sale assets

For available-for-sale financial assets, the Group assesses at each reporting date whether there is objective evidence that an investment is impaired.

In the case of equity investments classified as available-for-sale, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost. When there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognized in the consolidated statement of profit or loss – is removed from other comprehensive income and recognized in the consolidated statement of profit or loss. Impairment losses on equity investments are not reversed through profit or loss; increases in their fair value after impairment are recognized directly in other comprehensive income.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortized cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortized cost and the current fair value, less any impairment loss on that investment previously recognized in the consolidated statement of profit or loss.

Future interest income continues to be accrued based on the reduced carrying amount of the asset, using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. If, in a subsequent year, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in the consolidated statement of profit or loss, the impairment loss is reversed through the consolidated statement of profit or loss.

h) Amounts owed from banks and banks customers

Amounts owed from banks and their customers include non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than:

- those that the Group intends to sell immediately or in the near term and those that the bank, upon initial recognition, designates as at fair value through profit or loss;
- those that the Group, upon initial recognition, designates as available for sale;
- those for which the Group may not recover substantially all of its initial investment, other than because of credit deterioration.

After initial measurement, amounts owed from banks and bank customers are subsequently measured at amortized cost using the EIR method, less allowance for impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of the EIR. The amortization is included in 'interest income, net – wealth management portfolio' in the consolidated statement of profit or loss. The losses arising from impairment are recognized in the consolidated statement of profit or loss.

Impairment

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows. The present value of the estimated future cash flows is discounted at the financial asset's original EIR. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current EIR.

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognized in profit or loss. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment

loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to finance costs in the consolidated statement of profit or loss.

i) Property, plant and equipment

Property, plant and equipment, except the own-used part of the land and buildings, is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset as well as the cost of replacing part of the property, plant and equipment. All other repair and maintenance costs are recognized in profit or loss as incurred.

Property, plant and equipment transferred is initially measured at the fair value at the date on which control is obtained.

The own-used part of land and buildings is measured at fair value less accumulated depreciation on buildings and impairment losses recognized at the date of revaluation. Valuations are performed with sufficient frequency to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. A revaluation surplus is recorded in other comprehensive income and credited to the asset revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognized in profit or loss, the increase is recognized in profit and loss. A revaluation deficit is recognized in the consolidated statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognized in the asset revaluation reserve.

An annual transfer from the asset revaluation reserve to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings:	20 – 50 years
Fixtures and fittings:	2 – 10 years
Cars:	2 – 5 years
EDP:	3 years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

j) Investment property

Investment property is mainly held for rental income or for capital appreciation.

Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair value of the investment property are included in profit or loss in the period in which they arise, including the corresponding tax effect.

Investment property is de-recognized either when it has been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the consolidated statement of profit or loss in the period of de-recognition.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the

deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

k) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives, including those acquired in business combinations are amortized over the following useful economic life:

Softwares:	3 years
Customer relationships:	10 – 20 years
Brands:	5 years
Core customer deposits:	20 years

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the consolidated statement of profit or loss as the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment whenever there is an indication that the intangible asset may

be impaired, but at least annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of profit or loss when the asset is derecognized.

I) Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the consolidated statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is

probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are 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 enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off

current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognized subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction to goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognized in profit or loss.

m) Other assets

Assets, other than those specifically accounted for under a separate policy, are stated at their cost less impairment losses. They are reviewed at each balance sheet date to determine whether there is any indication of impairment.

n) Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial liabilities at initial recognition. The Group has not designated any financial liabilities as hedging instruments in an effective hedge.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IAS 39.

Gains or losses on liabilities held for trading are recognized in the consolidated statement of profit or loss.

Loans and borrowings

Loans and borrowings consist in interest-bearing liabilities. After initial recognition, interest-bearing liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in 'interest income, net' or 'finance costs, net' in the consolidated statement of profit or loss, depending of the reporting segment in which the entity belongs.

De-recognition

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of profit or loss.

o) Amounts owed to banks and banks customers

Amounts owed to banks and their customers include non-derivative financial liabilities with fixed or determinable payments that are not quoted in an active market, other than those that the banks intends to sell immediately or in the near term and are accounted for as loans and borrowings.

p) Employee benefit obligations

Defined benefit plans

The Group sponsors pension plans according to the national regulations of the countries in which it operates. The significant pension plans in France and Switzerland qualify as defined benefit plans under IAS 19.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding net interest (not applicable to the Group) and the return on plan assets (excluding net interest), are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment; and
- The date that the Group recognizes restructuring-related costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Group recognizes the following changes in the net defined benefit obligation under 'General administrative expenses' in the consolidated statement of profit or loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

The Group engaged independent valuation specialists, applying actuarial practice guidelines for their relative country, to conduct actuarial calculations and assess the present value of the defined benefit obligation and the related current service cost as at 31 December 2014 and 2013.

Defined contribution plans

The pension plan in Luxembourg is a defined contribution plan. The pension costs recognized during a period for such plans equal to the contributions paid or due for that period.

Other employee benefits

In 2012, Quilvest Wealth Management set up an option plan, which reference valuation is an index that is de-correlated from the equity value of the sub-group. Therefore it qualifies as an employee benefit under IAS 19. As a consequence, the cost of providing employee benefits should be recognized in the period in which the benefit is earned by the employee, rather than when it is paid or payable.

The Group measures the goods or services acquired and the liability incurred at the fair value of the liability at the end of each reporting period and at the date of settlement, with any changes in fair value recognized in profit or loss for the period.

q) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of profit or loss net of any reimbursement.

r) Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in share premium. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them.

s) Revenue recognition

Gains/(losses) on financial assets, net

Gains/(losses) on financial assets include realized gains and losses on the disposal of financial assets and unrealized gains and losses on the revaluation of financial assets.

Dividend income

Revenue is recognized when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Interest income

For all financial assets measured at amortized cost and interest-bearing financial assets classified as available-for-sale, interest income is recorded using the effective

interest rate. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in 'interest income, net' or 'finance costs, net' in the consolidated statement of profit or loss, depending on the reporting segment in which the entity belongs.

Fee and commission income, net

The Group earns fee and commission income from its private equity and wealth management activities. Fee and commission income can be divided into the following two categories:

Fees earned for the provision of services over a period of time are accrued over that period. These fees include:

- Asset management and administration fees arising from private equity activities;
- Commission income and asset management, custody and fiduciary fees arising from wealth management activities.

Fees arising from negotiating or participating in the negotiation of a transaction for a third party, such as the arrangement of the acquisition of shares or other securities, or the purchase or sale of businesses, are recognized on completion of the underlying transaction. These fees include:

- Set-up, transaction and monitoring fees arising from private equity activities;
- Brokerage fees arising from wealth management activities.

Carried interest income, net

The Group earns a share of profits from target investments which it manages on behalf of third parties. These profits are earned once the investments meet certain performance conditions. Carried interest receivable is only accrued if the performance conditions of those investments, measured at the balance sheet date, are met based on the assumption that the underlying assets are realized at fair value. The accrual is made on the Group's share of profit in excess of the performance conditions.

Similarly, the Group offers investment professionals the opportunity to participate into the returns from successful investments. A variety of asset-pooling arrangements is in place so that executives may have an interest in one or more carried interest schemes. Carried interest payable is only accrued on those schemes in which the performance conditions, measured at the balance sheet date, would have been achieved if the remaining assets in the scheme were realized at fair value. The accrual corresponding to the investment professionals' share of profits is made on the excess of the performance conditions of the different existing schemes.

t) Private equity portfolio

For the purpose of those consolidated financial statements, the private equity portfolio is presented in two categories:

Non-controlled private equity portfolio

The non-controlled private equity portfolio includes the investments in financial assets recorded at fair value through profit or loss (Note 10.1) over which the Group has no control.

Controlled private equity portfolio ("CPE")

The controlled private equity portfolio includes investments acquired through business combinations and on which the Group has obtained control. These investments are fully consolidated within the Group accounts as subsidiaries.

Income and expenses from controlled private equity portfolio are presented under a distinct column ("CPE" heading) in the consolidated statement of profit or loss to better reflect their contribution to the Group's results.

Further details on assets, liabilities, income and expenses of these investments are given in the Note 5 to the consolidated financial statements.

When possible, the assets, liabilities, income and expenses of these investments have been disclosed separately in the notes to the consolidated financial statements to present distinctly the result of the "core" activities of the Group (Private equity and Wealth management).

For the purpose of segment reporting, these investments are accounted for at fair value through profit or loss like the other non-controlled private equity investments, with adjustments between methods reported under 'accounting policies differences'.

u) Fair value measurement

The Group measures financial assets and liabilities, and non-financial assets at fair value at each balance sheet date. Fair value related disclosures for financial instruments and non-financial assets. Also, fair values of financial instruments not measured at fair value are disclosed in Note 28.7.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to

the fair value measurement as a whole:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and third party funds;
- Level 2: inputs other than quoted prices included in the Level 1, that are observable for the assets or liability, either directly (that is, as prices) or indirectly (that is, as derived from prices). This level includes derivative contracts or equity instruments without active market and for which recent transactions occurred between market participants. The sources of input parameters like LIBOR yield curve or counterparty credit risk are Bloomberg and Reuters;
- Level 3: inputs for assets or liabilities that are not based on observable market data (unobservable inputs). This level includes debt instruments, equity instruments and third party funds with significant unobservable components.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as investment property, equity securities at fair value through profit or loss and available-for-assets assets. Involvement of external valuers is decided upon annually by the valuation committee after discussion with and approval by the Group's audit committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the audit committee analyses the movements in the valuations of the private equity portfolio which are required to be re-measured or re-assessed as per Group's accounting policies.

On an interim basis, both the valuation committee of Quilvest Alternative Investment Funds and the Audit Committee approve the valuation results. This includes a discussion of the major assumptions used in the valuations.

2.4 Changes in accounting policies and disclosures

Changes in accounting policies

There is no change in accounting policies except for those of new and amended standards and interpretations mentioned below following the application of IFRS 10, 11 and 12.

New and amended standards and interpretations

The Group applied, for the first time, certain standards and amendments that require restatement of previous financial statements: IFRS 10 Consolidated Financial Statements and IFRS 11 Joint Arrangements. Further, the application of IFRS 12 Disclosure of Interests in Other Entities resulted in additional disclosures in the consolidated financial statements.

IFRS 10 Consolidated Financial Statements and IAS 27 Separate Financial Statements

The Group adopted IFRS 10 in the current year with retrospective application as of 1 January 2013 and assessed, entity by entity, whether it has control or not based on the factors listed in 2.3.b above.

Application for the private equity management segment entities

All investees provide investment related services or engage in permitted investment related activities with investees. They are all subsidiaries of the Group and continue to be consolidated. IFRS 10 considerations had no impact on the consolidation scope.

Application for the wealth management segment

IFRS 10 had no impact on the consolidation scope.

Application for the private equity investment segment

For each entity, power over the investee has been determined by the capacity of the Group to act as main financial investor and an influential board member ("Lead"), or his capacity to invest alongside a third-party lead investor and with no influence on the Board ("Co-Invest").

The Group has exposure, or rights, to variable returns from its involvement with all investees pertaining to

private equity investment. However, ability to use its power over investees to affect its returns may vary. In that light, the Group followed the application guidance provided by IFRS 10 Consolidated Financial Statements. The Group's role as agent or principal and other factors have also been considered.

This resulted in the consolidation of the following entities as at 1 January 2013:

- QS Cement (24.86% equity interest)
- QS Concrete (39.67% equity interest)
- QS Drilling (30.52% equity interest)
- QS PEP S.C.A. SICAR – QPE PEP 2012 (100.0% equity interest)
- QS PEP S.C.A. SICAR – QPE PEP CORE (100.0% equity interest)

The assets, liabilities and equity of these entities have been retrospectively consolidated in the financial statements of the Group. Non-controlling interest have been recognized at a proportionate share of the net assets of the subsidiaries. The opening balances at 1 January 2013 and comparative information for the year ended 31 December 2013 have been restated in the consolidated financial statements.

A number of entities previously consolidated are now recognized at fair value. A significant part of the Group's portfolio is held through intermediate holding entities (referred as 'QS Companies'), which are now fair valued as opposed to consolidating these QS Companies and fair valuing their underlying portfolio. The Group has fair valued the investments of the following entities as at 1 January 2013:

- QS BBB PIK Inc.
- QS Bottling Inc.
- QS Candy Inc.
- QS Cash Inc.
- QS Convenience Inc.
- QS Distribution Inc.
- QS Fragrance Inc.
- QS Hosting Inc.
- QS India Hosting Inc.
- QS Invest Asia Inc.

- QS Microfinances Inc.
- QS PDI Inc.
- QS PDI USA Inc.
- QS PDI Ventures Inc.
- QS Security Inc.
- QS Texas Inc.
- QS Treatment Inc.
- QS Watch Inc.
- QS PDI S.C.A. SICAR – 5-à-sec compartment
- QS PDI S.C.A. SICAR – JDI Fashion I compartment
- QS PDI S.C.A. SICAR – JDI Fashion II compartment
- QS PDI S.C.A. SICAR – Buzz Paradise compartment
- QS PDI S.C.A. SICAR – Capital Strategies compartment
- QS PDI S.C.A. SICAR – Vanksen compartment

Impact on consolidated statement of financial position

The quantitative impact of the change in accounting policy on the financial statements is presented below:

1 January 2013 (in \$ '000)	As previously reported	Adjustments	As restated
Cash and cash equivalents	844,954	(2,441)	842,513
Amounts owed from bank and bank customers	773,749	--	773,749
Financial assets at fair value through profit or loss	900,544	31,519	932,063
Other assets	149,854	3,881	153,735
Other non-current assets	638,118	--	638,118
Total assets	3,307,219	32,959	3,340,178
Amounts owed to banks and bank customers	1,875,172	990	1,876,162
Other current liabilities	132,295	(2,589)	129,706
Other non-current liabilities	450,514	--	450,514
Total liabilities	2,457,981	(1,599)	2,456,382
Total equity attributable to shareholders of the parent company	727,908	(1,382)	726,326
Non-controlling interests	121,330	36,140	157,470
Total equity	849,238	34,558	883,796
Total liabilities and equity	3,307,219	32,959	3,340,178

31 December 2013 (in \$ '000)	As previously reported	Adjustments	As restated
Cash and cash equivalents	809,298	(394)	808,904
Amounts owed from bank and bank customers	858,128	--	858,128
Financial assets at fair value through profit or loss	1,106,595	28,296	1,134,891
Other assets	209,328	(4,294)	205,034
Other non-current assets	609,571	294	609,865
Total assets	3,592,921	23,902	3,616,822
Amounts owed to banks and bank customers	2,004,175	(3,325)	2,000,850
Other current liabilities	159,679	(199)	159,480
Other non-current liabilities	452,916	--	452,916
Total liabilities	2,616,770	(3,524)	2,613,246
Total equity attributable to shareholders of the parent company	787,059	904	787,963
Non-controlling interests	189,091	26,522	215,613
Total equity	976,150	27,426	1,003,576
Total liabilities and equity	3,592,921	23,902	3,616,822

Impact on consolidated statement of profit or loss

31 December 2013 (in \$ '000)	As previously reported	Adjustments	As restated
Net income from private equity portfolio	186,529	9,791	196,320
Net income from wealth management portfolio	99,080	55	99,135
Other operating income, net	6,516	(4)	6,512
General administrative expenses	(138,827)	(19)	(138,846)
Depreciation, amortization and impairment losses	(29,666)	--	(29,666)
Finance costs, net	(28,556)	(37)	(28,593)
Income from associate	193	--	193
Income tax (expense) / credit	(5,008)	--	(5,008)
Profit / (Loss) for the year	90,260	9,786	100,047
Other comprehensive income	16,951	(5,030)	11,921
Total comprehensive income	107,212	4,756	111,968

Basic and diluted earnings per share of the Group have been restated as a result of adopting IFRS 10.

Impact on consolidated statement of cash flows

The cash flow statement is impacted by the adoption of IFRS 10 because the cash held by fair valued entities is no longer consolidated; it forms part of the fair value of the fair valued entity. Similarly, the cash flow statement is also impacted by the cash held by the newly consolidated entities.

31 December 2013 (in \$ '000)	As previously reported	Adjustments	As restated
Net cash provided / (used in) operating activities	123,708	1,061	124,769
Net cash provided / (used in) investing activities	(71,414)	1,627	(69,787)
Net cash provided / (used in) financing activities	(119,466)	(517)	(119,983)
Net increase / (decrease) in cash and cash equivalents	(67,172)	2,171	(65,001)
Cash and cash equivalents at the beginning of the year	844,954	(2,441)	842,513
Effect of exchange rate fluctuations on cash and cash equivalents held	31,516	(124)	31,392
Cash and cash equivalents at the end of the year	809,298	(394)	808,904

IFRS 11 Joint Arrangements

The application of IFRS 11 had no effect on the consolidated financial statements of the Group for the periods presented.

IFRS 12 Disclosure of Interests in Other Entities

IFRS 12 sets out the requirements for disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. The requirements of IFRS 12 are more comprehensive than the previously existing disclosure requirements and include additional disclosures for unconsolidated subsidiaries and unconsolidated structured entities. IFRS 12 disclosures, descriptions and unconsolidated structured entities impacted are provided in Note 30.

2.5 Foreign currencies

The following exchange rates were used for translating Euros ("EUR"), Swiss francs ("CHF") and British pounds ("GBP"), which are the most important foreign currencies used in the Group.

	USD/EUR	USD/CHF	USD/GBP
31 December 2012	0.7570	0.9144	0.6198
Average 2013	0.7513	0.9232	0.6372
31 December 2013	0.7252	0.8886	0.6064
Average 2014	0.7546	0.9177	0.6079
31 December 2014	0.8216	0.9880	0.6432

3. Significant accounting judgments, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgments

In the process of applying the Group's accounting policies, management has made the judgments, which have the most significant effect on the amounts recognized in the consolidated financial statements.

Judgement has been used in the determination of control over investees as described in Note 2.3.b and further detailed in Note 2.4 above following the application of IFRS 10 Consolidated Financial Statements.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market

changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

An impairment exists when the carrying value of an asset or cash generating ('CGU') unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The key assumptions used to determine the recoverable amount for the different CGUs are disclosed and further explained in Note 13.

Fair value of private equity portfolio

The private equity portfolio includes direct investments through equity, debt and investment-related loans and investments in third-party funds. These investments are stated at fair value on an item-by-item basis.

Fair value is estimated in compliance with the guidelines and principles for valuation set out by the International Private Equity and Venture Capital Association ("IPEV"). Such guidelines includes the most widely used methodologies, such as the price of recent investment, multiples, discounted cash flow

and net assets techniques, which are those adopted by the Group, in the absence of an active market for a financial instrument.

Although the Management uses its best judgment in estimating the fair value of investments, there are inherent limitations in any estimation techniques.

The fair value estimates presented herein are not necessarily indicative of an amount the Group could realize in a current transaction. Future confirming events will also affect the estimates of fair value. The effect of such events on the estimates of fair value, including the ultimate liquidation of investments, could be material to the financial statements.

The other most significant estimates and assumptions concern the revaluation of property, plant and equipment and investment property, the actuarial assumptions related to the employee defined benefit plans, and the impairment losses of loans and advances to customers and provisions.

4. Standards and interpretations issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

IFRS 9 Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments which reflects all phases of

the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 was issued in May 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15 revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognizing revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2017 with early adoption permitted.

The Group is considering the implications of the new standards IFRS 9 and IFRS 15, their impact on the Group and the timing of their adoption by the EU.

5. Controlled private equity portfolio ("CPE")

As at 31 December 2014, the Group has control over 5 private equity investments (2013: 5) (Note 30). These entities are fully consolidated within the Group's consolidated financial statements.

When possible, the assets, liabilities, income and expenses of these investments have been disclosed separately to present distinctly the result of the "core" activities of the Group (Private equity and Wealth management)

The aggregate effects of the controlled private equity portfolio are disclosed below:

in \$ '000	Notes	2013	2014
Assets			
Cash and cash equivalents	8	11,634	15,180
Property, plant and equipment	11	107,786	113,172
Intangible assets other than goodwill	13	22,068	20,111
Goodwill	13	53,140	50,511
Other assets	16	80,232	108,128
Total assets		274,860	307,102
Liabilities			
Interest-bearing liabilities	18	118,975	159,364
Deferred tax liabilities		10,465	9,988
Other liabilities	21	26,760	62,198
Total liabilities		156,200	231,550
Profit or loss			
Revenue		467,194	503,182
Expenses		(413,275)	(444,600)
<i>of which staff costs</i>		<i>(145,853)</i>	<i>(133,540)</i>
Net income from controlled private equity portfolio		53,919	58,582
Depreciation, amortization and impairment losses		(20,796)	(23,767)
Operating result		33,123	34,815
Finance costs, net		(5,290)	(9,446)
Profit / (Loss) before tax		27,833	25,369
Income tax expense/ (credit)		(746)	(1,662)
Profit / (loss) for the year		27,087	23,707

At 31 December 2014, controlled private equity investments had 4,427 employees (2014: 4,435).

6. Segment information

Operating segments

For management purposes, the Group is organized into strategic business units based on its activities and has three reportable segments:

- Private equity investment, concentrated in Quilvest Private Equity S.C.A. SICAR and its subsidiaries. The Group invests in controlled or non-controlled private equity portfolio, in the form of equity securities, debt securities and third-party funds.

For the purpose of segment reporting, the controlled private equity portfolio consolidated under the full consolidation method (Note 5) are adjusted to be accounted for as financial instruments at fair value through profit or loss upon initial recognition. The effects of these adjustments are reflected under 'accounting policies differences'.

- Private equity management, concentrated in Quilvest & Partners S.A. and its subsidiaries which includes the management of the private equity portfolios;
- Wealth management, concentrated in Quilvest Wealth Management S.A. and its subsidiaries, which includes all activities from the banks of the Group, including asset management, investment advisory services, and coordination and administration of global investment services.

The chief operating decision makers, being the CEO of Quilvest Private Equity and the CEO of Quilvest Wealth management, monitor the operating results of its strategic business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements, with the exception of those private equity investments that are consolidated under IFRS and measured at fair value through profit and loss in segment reporting.

The chief operating decision makers do not review segment assets and liabilities in the decision making process. They are consequently not disclosed.

The contributions of the corporate entities of the Group, namely Quilvest S.A., Quilvest Europe S.A., Quilvest France S.A.S. and Quilvest Finance Ltd, have been aggregated within the private equity investment business segment.

6.1 Segment profit or loss

Private Equity Investment

	2013 (*)				2014			
in \$ '000	2013(*)	Account- ing Policies Differ- ences	Inter- segment	Segment Total	2014	Account- ing Policies Differ- ences	Inter- segment	Segment Total
Net result from controlled private equity portfolio (Note 5)	27,087	(27,072)	(15)	--	23,707	(23,707)	--	--
Gains/(losses) on financial assets, net	105,261	28,769	--	134,030	55,446	(1,378)	--	54,068
Dividend income	10,126			10,126	3,872	--	--	3,872
Interest income, net	--	--	--	--	--	--	--	--
Private equity fees								
Management fee income	--	--	--	--	--	--	--	--
Management fee expense	378	--	(4,877)	(4,499)	(460)	--	(5,697)	(6,157)
Other private equity fee income	51	--	5	56	32	--	--	32
Other private equity fee expense	--	--	(2,419)	(2,419)	(122)	--	(2,486)	(2,608)
Carried interest income / (expense), net	(7,982)	--	1,073	(6,909)	(3,716)	--	(643)	(4,359)
Other operating income, net	1,788	--	(125)	1,663	2,715	--	(100)	2,615
General administrative expenses	(2,738)	--	(4,824)	(7,562)	(645)	--	(4,668)	(5,313)
Depreciation, amortization and impairment losses	--	--	--	--	--	--	--	--
Financial costs, net	(1,106)	--	(293)	(1,399)	1,248	--	(126)	1,122
Income from associates	--	--	--	--	--	--	--	--
Income tax expense	(47)	--	--	(47)	103	--	--	103
Sub-total	132,969	1,697	(11,475)	123,192	81,784	(25,085)	(13,720)	42,979
Corporate allocation				(28,560)				(5,686)
Segment Profit / (Loss)				94,632				37,293

*Restated – see note 2.4

6.1 Segment profit or loss

Reconciliation of accounting policies differences

for the year 2014 (in \$ '000)	Hill and Valley	Yo! Sushi	ST Products	Anthony's Pizza	Acrotec	Total
Fair value 31 December 2013	6,457	64,254	8,793	14,253	17,536	111,293
+ Additions / (disposals) & (distributions)	--	--	(3,547)	--	(3,506)	(7,053)
- Fair value 31 December 2014	6,830	60,458	6,540	18,296	10,738	102,862
Gain / (loss) on financial assets	373	(3,796)	1,294	4,043	(3,292)	(1,378)

for the year 2013 (in \$ '000)	Hill and Valley	Yo! Sushi	ST Products	Anthony's Pizza	Acrotec	Total
Fair value 31 December 2012	5,027	49,349	8,150	10,570	9,428	82,524
+ Additions / (disposals) & (distributions)	--	--	--	--	--	--
- Fair value 31 December 2013	6,457	64,254	8,793	14,253	17,536	111,293
Gain / (loss) on financial assets	1,430	14,905	643	3,683	8,108	28,769

6.1 Segment profit or loss

Private Equity Management

	2013				2014			
in \$ '000	2013	Account- ing Policies Differ- ences	Inter- segment	Segment Total	2014	Account- ing Policies Differ- ences	Inter- segment	Segment Total
Net result from con- trolled private equity portfolio (Note 5)	--	--	--	--	--	--	--	--
Gains/(losses) on financial assets, net	--	--	--	--	--	--	--	--
Dividend income	--	--	--	--	--	--	--	--
Interest income, net	--	--	--	--	--	--	--	--
Private equity fees								
Management fee income	17,377	--	7,314	24,691	22,322	--	7,106	29,428
Management fee expense		--			--	--	--	--
Other private equity fee income	6,220	--	3,101	9,321	1,980	--	3,599	5,579
Other private equity fee expense	(2,113)	--	(5)	(2,118)	(5,702)	--	(582)	(6,284)
Carried interest income / (expense), net	11,745	--	(1,073)	10,672	(636)	--	449	(187)
Other operating income, net	2,177	--	1,049	3,226	4,882	--	2,388	7,270
General administrative expenses	(30,743)	--	(2,210)	(32,953)	(40,047)	--	(282)	(40,329)
Depreciation, amortization and impairment losses	(249)	--	--	(249)	(156)	--	--	(156)
Financial costs, net	(162)	--	(101)	(263)	(137)	--	(45)	(182)
Income from associates	--	--	--	--	--	--	--	--
Income tax expense	(999)	--	--	(999)	(2,897)	--	--	(2,897)
Sub-total	3,253	--	8,075	11,328	(20,391)	--	12,633	(7,758)
Corporate allocation				(1,100)				(1,100)
Segment Profit / (Loss)				10,228				(8,858)

6.1 Segment profit or loss

Wealth Management

	2013				2014			
in \$ '000	2013	Account- ing Policies Differ- ences	Inter- segment	Segment Total	2014	Account- ing Policies Differ- ences	Inter- segment	Segment Total
Gains/(losses) on financial assets, net	6,203	--	--	6,203	(312)	--	--	(312)
Dividend income	1,145	--	--	1,145	636	--	--	636
Interest income	18,938	--	--	18,938	26,270	--	3	26,273
Interest expense	(3,906)	--	--	(3,906)	(3,841)	--	--	(3,841)
Wealth Management fees								
Management fee income	32,451	--	138	32,589	33,463	--	118	33,581
Management fee expense	(459)	--	--	(459)	(468)	--	--	(468)
Brokerage fee income	22,111	--	--	22,111	21,447	--	--	21,447
Brokerage fee expense	(33)	--	--	(33)	(1,052)	--	--	(1,052)
Custodian fee income	11,545	--	14	11,559	14,794	--	331	15,125
Custodian fee expense	(1,099)	--	--	(1,099)	(2,106)	--	--	(2,106)
Fiduciary fee income	342	--	--	342	424	--	--	424
Fiduciary fee expense	--	--	--	--	--	--	--	--
Other wealth management fee income	25,074	--	574	25,648	29,033	--	397	29,430
Other wealth management fee expense	(13,330)	--	(180)	(13,510)	(13,227)	--	(553)	(13,780)
Other operating income, net	2,790	--	257	3,047	2,611	--	355	2,966
General administrative expenses	(96,861)	--	528	(96,333)	(97,348)	--	(563)	(97,911)
Depreciation, amortization and impairment losses	(8,279)	--	--	(8,279)	(4,310)	--	--	(4,310)
Financial costs	3,105	--	--	3,105	5,395	--	--	5,395
Income from associates	193	--	--	193	--	--	--	--
Income tax expense	(3,376)	--	--	(3,376)	(3,170)	--	--	(3,170)
Sub-total	(3,446)	--	1,331	(2,115)	8,239	--	88	8,327
Corporate allocation				(1,000)				(1,000)
Segment Profit / (Loss)				(3,115)				7,327

Summary and reconciliation with the Group net result

Segment	2014	Accounting policies differences	Inter-segment	Corporate Allocation	Segment
Corporate	(8,785)	--	999	7,786	--
Private Equity Investment	81,784	(25,085)	(13,720)	(5,686)	37,293
Private Equity Management	(20,391)	--	12,633	(1,100)	(8,858)
Wealth Management	8,239	--	88	(1,000)	7,327
	60,847	(25,085)	--	--	35,762

Segment	2013	Accounting policies differences	Inter-segment	Corporate Allocation	Segment
Corporate	(32,728)	--	2,069	30,660	--
Private Equity Investment	132,969	1,697	(11,475)	(28,560)	94,632
Private Equity Management	3,253	--	8,075	(1,100)	10,228
Wealth Management	(3,446)	--	1,331	(1,000)	(3,115)
	100,048	1,697	--	--	101,745

6.2 Entity-wide disclosures

Geographical information

The Group business operates worldwide, principally in Europe, in America and in Asia.

For the year 2014 (in \$ '000)	Carrying amount	Luxembourg	Europe	USA	Other
Tangible assets, including investment property	154,119	4,141	108,878	40,999	101
Intangible assets, excluding goodwill	40,934	18,668	2,155	20,111	--
Goodwill	108,143	39,328	57,029	11,786	--
Financial instruments	4,188,429	1,892,100	960,196	544,798	791,333
Investment in an associate	--	--	--	--	--
Deferred tax assets	6,381	1,810	4,572	--	--
Total assets	4,498,006	1,956,047	1,132,830	617,694	791,435
Total assets (for the year 2013)	3,616,822	899,424	1,352,449	591,265	773,684

The geographical breakdown of revenue is consistent with the breakdown of assets.

Further geographical information is given in Note 28.2.

7. Business combinations and transactions with non-controlling interests

There was no business combination during the years ending 31 December 2014 and 2013.

Disposal of non-controlling interests

Quilvest & Partners Luxembourg

During 2013, non-controlling interests acquired an additional 2.0% stake in Quilvest & Partners S.A.

Disposal of subsidiaries

There was no disposal of subsidiaries during the years 2014 and 2013.

Transaction with non-controlling interest

QS PEP 2003-2007

During the year, the Group disposed of part of its interest, without loss of control, in QOL PEP 2003, QOL PEP 2004, QOL PEP 2005, QPE PEP 2006 and QPE PEP 2007.

Acrotec

In 2012, as part of its private equity investment activities, the Group acquired the majority of the potential voting rights under the form of shares and convertible bonds in Acrotec S.A. In June 2014, the Group exercised the conversion option of convertible bonds.

8. Cash and Cash Equivalents

In \$ '000	2013	2014
Cash on hand	1,304	1,248
Current account with banks	52,685	71,333
Current accounts and deposits with central banks	724,451	381,403
Short term deposits	30,464	808,219
Cash and Cash Equivalents	808,904	1,262,203
Including controlled private equity portfolio	11,634	15,180
Including Quilvest Wealth Management sub-group	775,899	1,207,946

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

The Group has pledged a part of its short-term deposits to fulfill collateral requirements for a total amount of USD 1.4 million (2013: USD 3.2 million).

As at 31 December 2014, the aggregate cash and cash equivalents of Quilvest Wealth Management, Quilvest Banque Privée, Quilvest (Switzerland) and CBP Quilvest amounts to USD 1,207,946 (2013: 775,899). Although this amount is included in 'cash and cash equivalents', it is not directly available to the Group.

9. Amounts owed from banks and bank customers

in \$ '000	2013	2014
Current account with banks	662	--
Deposits with banks	1,106	977
Deposits with central banks	14,241	22,411
Debt instruments	41,368	36,517
Amounts owed from banks	57,377	59,905
Current account with bank customers	151,742	149,305
Deposits with bank customers	651,051	945,839
Amounts owed from bank customers	802,793	1,095,144
Allowance for impairment losses	(2,042)	(2,361)
Amounts owed from bank and bank customers	858,128	1,152,688

Deposits with central banks represent mandatory reserve deposits and are not available for use in the bank's day-to-day operations and are excluded from cash and cash equivalents.

Impairment allowance reconciliation

in \$ '000	2013	2014
1 January	(2,226)	(2,042)
Impairment loss (expense)	(63)	(144)
Recoveries (income)	180	33
Amounts written-off	--	--
Accrued interest on impaired amounts	--	--
Exchange difference	67	(208)
31 December	(2,042)	(2,361)

10. Financial assets

10.1 Financial assets designated at fair value through profit and loss

Schedule of changes in financial assets designated at fair value through profit or loss in 2014

a. Private Equity portfolio

In \$ '000	Debt securities	Equity, convertible and investment-related loans	Third party funds	Total
Fair value at 1 January 2014	--	277,707	603,057	880,764
Change in scope	--	--	--	--
Additions	--	43,977	99,874	143,851
Disposals	--	(32,201)	(118,848)	(151,049)
Transfer from other portfolio	--	--	--	--
Net gains / (losses)	--	(464)	55,910	55,446
Currency differences	--	(137)	(890)	(1,027)
Fair value at 31 December 2014	--	288,882	639,103	927,985

b. Wealth Management portfolio

In \$ '000	Debt securities	Equity, convertible and investment-related loans	Third party funds	Total
Fair value at 1 January 2014	250,208	3,089	829	254,126
Change in scope	--	(365)	--	(365)
Additions	--	10	3,582	3,592
Disposals	(107,095)	(277)	(4,098)	(111,470)
Transfer to other portfolio	--	--	--	--
Net gains / (losses)	(1,903)	13	38	(1,852)
Currency differences	(20,459)	(290)	(57)	(20,806)
Fair value at 31 December 2014	120,751	2,180	294	123,226

c. Total

In \$ '000	Debt securities	Equity, convertible and investment-related loans	Third party funds	Total
Fair value at 31 December 2014	120,751	291,062	639,398	1,051,211
Net gains / (losses) for 2014	(1,903)	(451)	55,948	53,594

Schedule of changes in financial assets designated at fair value through profit or loss in 2013

a. Private Equity portfolio

In \$ '000	Debt securities	Equity, convertible and investment- related loans	Third party funds	Total
Fair value at 1 January 2013	--	217,929	541,003	758,932
Change in scope	--	(16,103)	--	(16,103)
Additions	--	82,627	91,213	173,840
Disposals	--	(41,520)	(105,504)	(147,024)
Transfer from other portfolio	--	--	4,724	4,724
Net gains / (losses)	--	34,328	71,233	105,561
Currency differences	--	446	388	834
Fair value at 31 December 2013	--	277,707	603,057	880,764

b. Wealth Management portfolio

In \$ '000	Debt securities	Equity, convertible and investment- related loans	Third party funds	Total
Fair value at 1 January 2013	160,681	4,314	8,136	173,131
Change in scope	--	--	--	--
Additions	111,712	2,604	3,362	117,678
Disposals	(28,063)	(2,386)	(6,891)	(37,340)
Transfer to other portfolio	--	(901)	(3,823)	(4,724)
Net gains / (losses)	(4,023)	(651)	6	(4,668)
Currency differences	9,901	109	39	10,049
Fair value at 31 December 2013	250,208	3,089	829	254,126

c. Total

In \$ '000	Debt securities	Equity, convertible and investment- related loans	Third party funds	Total
Fair value at 31 December 2013	250,208	280,797	603,886	1,134,891
Net gains / (losses) for 2013	(4,023)	33,677	71,239	100,893

10.2 Financial assets available-for-sale

Schedule of changes in financial assets available-for-sale in 2014

a. Private Equity portfolio

There is no financial assets available-for-sale in the private equity portfolio in 2014.

b. Wealth Management portfolio

In \$ '000	Debt securities	Equity securities	Total
Fair value at opening balance	276,479	397	276,876
Additions	489,687	10	489,697
Disposals	(293,737)	--	(293,737)
Unrealized gains / (losses)	436	--	436
Currency differences	(46,474)	(47)	(46,521)
Fair value at closing balance	426,391	360	426,751

Schedule of changes in financial assets available-for-sale in 2013

a. Private Equity portfolio

There is no financial assets available-for-sale in the private equity portfolio in 2013.

b. Wealth Management portfolio

In \$ '000	Debt securities	Equity securities	Total
Fair value at opening balance	308,580	373	308,953
Additions	210,926	7	210,933
Disposals	(250,347)	--	(250,347)
Unrealized gains / (losses)	805	--	805
Currency differences	6,515	17	6,532
Fair value at closing balance	276,479	397	276,876

Interest income related to debt securities portfolio available-for-sale amounts to USD 4.2 million (2013: USD 4.3 million) and is included in 'Interest income, net' in the consolidated statement of profit or loss.

The amount transferred from AFS revaluation reserve in 'Gains/(losses) on financial assets, net' equals USD 0 (2013: USD 2,854), of which no impairment loss.

10.3 Financial assets and liabilities held for trading

Detailed schedule of derivatives by nature and maturity in 2014

a. Private Equity portfolio

There are no financial assets held for trading in the private equity portfolio in 2014.

b. Wealth Management portfolio

In \$ '000	Notional amount with remaining life of				Fair values	
	Less than 3 months	3 months to 1 year	More than 1 year	Total	positive	negative
Financial assets held for trading						
Foreign currency forward contracts	366,236	87,707	536	454,479	11,149	--
Foreign currency options contracts	4,038	--	37,733	41,771	108	--
Interest rate swaps & swaptions	463	793	36,516	37,772	136	--
Futures	6,798	--	--	6,798	215	--
Financial liabilities held for trading						
Foreign currency forward contracts	526,470	258,850	487	785,807	--	11,920
Foreign currency options contracts	4,038	--	37,733	41,771	--	108
Interest rate swaps	628	--	114,417	115,045	--	2,777
Futures	6,798	--	--	6,798	--	207
Total					11,608	14,512

Detailed schedule of derivatives by nature and maturity in 2013

a. Private Equity portfolio

There are no financial assets held for trading in the private equity portfolio in 2013.

b. Wealth Management portfolio

In \$ '000	Notional amount with remaining life of				Fair values	
	Less than 3 months	3 months to 1 year	More than 1 year	Total	positive	negative
Financial assets held for trading						
Foreign currency forward	546,161	94,890	36,973	678,024	9,313	--
Foreign currency options contracts	1,210	28,040	50,640	79,890	603	--
Interest rate swaps & swaptions	1,709	--	88,250	89,959	848	--
Financial liabilities held for trading						
Foreign currency forward	553,232	175,624	69,169	798,025	--	9,034
Foreign currency options contracts	1,210	28,040	50,640	79,890	--	603
Interest rate swaps	85,479	58,604	75,840	219,923	--	5,062
Total					10,764	14,699

11. Property, Plant and Equipment

Schedule of changes in Property, Plant and Equipment for the year 2014

In \$ '000	Land	Buildings	Fixtures and fittings	Cars	EDP Hardware	Total
Cost						
Balance at 1 January 2014	11,238	66,604	119,549	588	1,202	199,181
Additions	33	8,462	27,628	31	832	36,986
Disposals	(819)	(3,873)	(6,663)	(21)	(58)	(11,376)
Revaluations	1,009	2,381	--	--	--	3,390
Transfers	--	--	--	--	--	--
Exchange differences	(1,332)	(6,103)	(6,543)	(58)	(389)	(14,425)
Balance at 31 December 2014	10,129	67,472	133,971	540	1,528	213,756
<i>Including controlled private equity portfolio</i>	<i>178</i>	<i>49,763</i>	<i>120,967</i>	<i>194</i>	<i>124</i>	<i>171,226</i>
Depreciation and impairment losses						
Balance at 1 January 2014	--	14,037	43,352	310	252	57,951
Depreciation charge	--	6,120	17,351	79	582	24,132
Disposals	--	(680)	(8,967)	--	--	(9,647)
Revaluations	--	--	--	--	--	--
Transfers	--	--	--	--	--	--
Exchange differences	--	(1,366)	(2,465)	(29)	(277)	(4,137)
Balance at 31 December 2014	--	18,111	49,271	360	557	68,299
<i>Including controlled private equity portfolio</i>	<i>--</i>	<i>15,327</i>	<i>42,655</i>	<i>70</i>	<i>2</i>	<i>58,055</i>
Net book value						
Balance at 1 January 2014	11,238	52,567	76,197	278	950	141,230
Balance at 31 December 2014	10,129	49,361	84,700	180	1,087	145,457
<i>Including controlled private equity portfolio</i>	<i>178</i>	<i>34,436</i>	<i>78,312</i>	<i>124</i>	<i>122</i>	<i>113,172</i>

Revaluation of lands and buildings

At the end of 2014, the appraised value of land and buildings of the headquarters of our French subsidiaries located Boulevard Saint-Germain 241-243 in Paris amounts to a total fair value of USD 33.5 million (EUR 27.6 million) (2013: USD 35.7 million (EUR 25.9 million)), including the investment property (refer to Note 12). During the year, the Company disposed of part of its headquarters located Rue de Lille 86 for USD 2,517 (EUR 2,068).

Lands and buildings under revaluation model is composed of 65% of the property located at 243, Boulevard Saint-Germain and 100% of the properties located at 241 Boulevard Saint-Germain and 86 rue de Lille (until its disposal) and represents the own-used part.

The own-used part of the buildings has been revalued accordingly and the revaluation difference recognized directly in equity, i.e. to the revaluation reserve for own-used buildings. Accumulated depreciation has been charged against the revalued amount, taking into account an estimated economic life of 50 years.

Net book value of the land and building, had the property been recognized under cost model, would amount to USD 6.1 million (2013: USD 8.1 million). Cumulative amount of the revaluation surplus was USD 18.7 million at 31 December 2014 (2013: USD 19.2 million).

Schedule of changes in Property, Plant and Equipment for the year 2013

In \$ '000	Land	Buildings	Fixtures and fittings	Cars	EDP Hardware	Total
Cost						
Balance at 1 January 2013	9,965	60,060	99,810	564	1,165	171,564
Additions	821	4,894	20,769	78	690	27,252
Acquisitions (Note 7)	--	--	--	--	--	--
Disposals	--	(149)	(2,871)	(83)	(769)	(3,872)
Revaluations	(14)	(217)	--	--	--	(231)
Transfers	--	--	--	--	--	--
Exchange differences	466	2,016	1,841	29	116	4,468
Balance at 31 December 2013	11,238	66,604	119,549	588	1,202	199,181
<i>Including controlled private equity portfolio</i>	<i>293</i>	<i>47,152</i>	<i>107,098</i>	<i>140</i>	<i>75</i>	<i>154,759</i>
Depreciation and impairment losses						
Balance at 1 January 2013	--	11,332	27,882	310	471	39,995
Depreciation charge	--	2,215	17,369	81	449	20,114
Disposals	--	(149)	(2,750)	(93)	(769)	(3,761)
Revaluations	--	214	--	--	--	214
Transfers	--	--	--	--	--	--
Exchange differences	--	425	851	12	101	1,389
Balance at 31 December 2013		14,037	43,352	310	252	57,951
<i>Including controlled private equity portfolio</i>		<i>11,003</i>	<i>36,002</i>	<i>(35)</i>	<i>3</i>	<i>46,973</i>
Net booked value						
Balance at 1 January 2013	9,965	48,728	71,928	254	694	131,569
Balance at 31 December 2013	11,238	52,567	76,197	278	950	141,230
<i>Including controlled private equity portfolio</i>	<i>293</i>	<i>36,149</i>	<i>71,096</i>	<i>175</i>	<i>73</i>	<i>107,786</i>

12. Investment property

Schedule of changes in investment property

in \$ '000	2013	2014
At fair value		
Balance at 1 January	8,286	8,400
Additions	--	--
Transfer to owner-occupied properties	--	--
Revaluations	(240)	1,357
Exchange differences	354	(1,095)
Balance at 31 December	8,400	8,662
in \$ '000	2013	2014
Rental income derived from investment property	364	373
Direct operating expenses	(246)	(114)
Net profit arising from investment property	118	259

The investment property relates to offices rented to third parties within the building located at 243, Boulevard Saint-Germain in Paris. The rental income derived from investment property is recognized within 'other operating income, net' in the consolidated financial statements.

Valuation is prepared internally at year-end and subsequently checked with external information received from an external valuer.

The fair value of the property has not been determined using transactions observable in the market because of the lack of comparable data given the nature of the property. The following primary inputs have been used, considering the prime location of the building and its good conditions:

- For the occupied part, an expected yield of 4%, in line with the local market, rent value of EUR 250.00 – EUR 450.00 per square meter;
- For the vacant part, a value of EUR 12,000.00 per square meter.

13. Intangible Assets

Schedule of changes in Intangible assets for the year 2014

In \$ '000	Goodwill	Customer relationships and deposits	Brand	Other	Software and capitalized IT costs	Total
At cost						
Balance at 1 January 2014	121,844	47,094	4,717	3,235	11,905	188,796
Additions	--	--	--	408	1,902	2,310
Acquisitions (Note 7)	--	--	--	--	--	--
Disposals	--	--	--	--	(651)	(651)
Exchange differences	(10,658)	(2,620)	(183)	(281)	(1,679)	(15,421)
Balance at 31 December 2014	111,186	44,474	4,534	3,362	11,477	175,034
Accumulated amortization and impairment losses						
Balance at 1 January 2014	3,447	8,329	1,235	1,250	9,660	23,921
Amortization charge	--	2,045	661	1,148	1,195	5,049
Impairment loss	--	--	--	--	--	--
Disposals	--	--	--	--	(641)	(641)
Exchange differences	(404)	(437)	(122)	(47)	(1,362)	(2,372)
Balance at 31 December 2014	3,043	9,937	1,774	2,351	8,852	25,957
Net book value						
Balance at 1 January 2014	118,396	38,766	3,482	1,985	2,245	164,875
Balance at 31 December 2014	108,143	34,538	2,760	1,011	2,625	149,077
<i>Including controlled private equity portfolio</i>	<i>50,511</i>	<i>6,454</i>	<i>6,925</i>	<i>6,731</i>	<i>--</i>	<i>70,622</i>

Schedule of changes in Intangible assets for the year 2013

In \$ '000	Goodwill	Customer relationships and deposits	Brand	Other	Software and capitalized IT costs	Total
At cost						
Balance at 1 January 2013	118,052	46,318	4,663	1,791	10,310	181,133
Additions	--	--	--	1,172	1,076	2,248
Acquisitions (Note 7)	--	--	--	--	--	--
Disposals	--	--	--	--	(8)	(8)
Exchange differences	3,792	776	54	272	527	5,423
Balance at 31 December 2013	121,844	47,094	4,717	3,235	11,905	188,796
Accumulated amortization and impairment losses						
Balance at 1 January 2013	--	6,176	544	--	7,849	14,559
Amortization charge	--	2,049	662	1,221	1,391	8,770
Impairment loss	3,447	--	--	--	--	--
Disposals	--	--	--	--	(14)	--
Exchange differences	--	104	29	30	433	595
Balance at 31 December 2013	3,447	8,329	1,235	1,250	9,660	23,921
Carrying amounts						
Balance at 1 January 2013	118,052	40,142	4,119	1,791	2,461	166,565
Balance at 31 December 2013	118,396	38,766	3,482	1,985	2,245	164,875
<i>Including controlled private equity portfolio</i>	<i>53,140</i>	<i>7,425</i>	<i>7,287</i>	<i>7,356</i>	<i>--</i>	<i>75,208</i>

Goodwill

Impairment testing for cash generating units containing goodwill

For the purpose of impairment testing, goodwill is allocated individually to the Group's controlled private equity investments and banking entities.

a. Controlled Private Equity Investments

The aggregate carrying amount of goodwill allocated to each investment was as follows:

In \$ '000	2013	2014
Yo! Sushi	35,291	33,272
ST Products	3,764	3,764
Anthony's Pizza	8,021	8,021
Acrotec	6,063	5,453
Balance at 31 December – Controlled Private Equity Investments	53,139	50,510

The recoverable amount of controlled private equity investments was assessed individually based on their fair value less costs to sell. Fair value less costs to sell is equivalent to the enterprise value less financial debt and transaction costs. The enterprise value was determined by applying an earnings multiple approach, such multiples being determined by reference to recent transaction multiples and/or public market valuations for comparable companies.

The multiples applied at 31 December were comprised within a range of 6.8 – 8.8 (2013: 6.8 – 10.0).

For all investments, reasonably possible changes in key assumptions would not trigger any impairment loss to be recognized.

b. Wealth management entities

The aggregate carrying amount of goodwill allocated to each banking entities was as follows:

In \$ '000	2013	2014
Quilvest (Switzerland)	1,746	1,570
Quilvest Banque Privée	18,956	16,735
CBP Quilvest	44,555	39,328
Balance at 31 December – Banking entities	65,257	57,633

For the purpose of the goodwill impairment testing as of 31 December 2014, the recoverable amount of the three banking entities was assessed individually. Recoverable amount was determined by adding to net equity the present value of the future cash flows expected to be derived from each banking entity. The expected cash flow approach was based on multiple, probability-weighted cash flow projections over a 5-year period.

For Quilvest Banque Privée S.A., Quilvest (Switzerland) Ltd. and CBP Quilvest S.A. the recoverable amount exceeds the carrying value as at 31 December 2014.

Key assumptions used in discounted cash flows projections:

Key assumptions used in the calculation of recoverable amounts are new hired client relationship officers, growth in assets under management, return on assets under management as well as discount rates and terminal value growth rates.

Business assumptions have been determined by using a combination of long term trends and in-house estimates.

Long-term growth rates were in a range from 1.50% to 2.50%. Discount rates were in a range from 8.48% to 9.06%.

Sensitivity to changes in assumptions:

Reasonably possible changes in key assumptions would not trigger any impairment loss to be recognized.

14. Investment in an associate

As at 31 December 2013, the Group had a 34 % interest in Gaspal Holding S.A.S, France, a management company targeting high net worth individuals as well as institutional. In early 2014, the Group disposed part of its ownership in Gaspal Holding S.A.S. and at the same time, lost its significant influence over it. Accordingly, Gaspal Holding S.A.S. is now recorded at fair value (Note 10).

In \$ '000		2013
Share of the associate's statement of financial position	Group's share	Total
Current assets	1,141	3,355
Non-current assets	709	2,085
Current liabilities	(510)	(1,500)
Equity	(1,111)	3,268
Carrying amount	1,111	
Revenue	1,622	4,772
Expenses	(1,429)	(4,204)
Profit	193	568

15. Deferred Tax Assets and Liabilities

Recognized deferred tax assets and liabilities

In \$ '000	2013		2014		2013	2014
	Assets	Liabilities	Assets	Liabilities	net	net
Financial assets	--	(307)	--	(384)	(307)	(384)
Property, Plant & Equipment	160	(11,131)	2,111	(10,762)	(10,971)	(8,651)
Investment property	--	(2,706)	--	(2,827)	(2,706)	(2,827)
Intangible Assets	228	(12,652)	231	(11,414)	(12,424)	(11,183)
Investment in an associate	--	--	--	--	--	--
Employee benefits	462	--	670	--	462	670
Other liabilities	1,379	--	1,552	--	1,379	1,552
Other provisions	--	(1,891)	--	(1,700)	(1,891)	(1,700)
Tax losses carried forward	4,687	--	2,201	--	4,687	2,201
Set off of tax	(307)	307	(384)	384	--	--
Total deferred tax assets / (liabilities)	6,609	(28,380)	6,381	(26,703)	(21,771)	(20,322)

Movements of net deferred tax liabilities

In \$ '000	2013	2014
Net deferred tax liabilities at opening balance	(20,651)	(21,771)
Increase / (Decrease) in temporary differences	2,955	5,725
Change in tax rate	--	--
Business combinations	--	--
Deferred tax assets recognized on tax losses carried forward	(3,457)	(2,484)
Currency differences	(618)	(1,792)
Net deferred tax liabilities at closing balance	(21,771)	(20,322)

Movements in net deferred tax assets / (liabilities) per class

Movements for the year 2014

In \$ '000	Balance 1 January	Recognized in profit & loss	Recognized in equity(*)	Business combinations	Balance 31 December
Financial assets	(307)	--	(77)	--	(384)
Property, Plant & Equipment	(10,971)	(186)	2,506	--	(8,651)
Investment property	(2,706)	(78)	(43)	--	(2,827)
Intangible Assets	(12,424)	443	798	--	(11,183)
Investment in an associate	--	--	--	--	--
Employee benefits	462	(28)	236	--	670
Other liabilities	1,379	--	173	--	1,552
Other provisions	(1,891)	--	191	--	(1,700)
Tax losses carried forward	4,687	(2,067)	(419)	--	2,201
Total	(21,771)	(1,916)	3,365	--	(20,322)

(*) : including foreign currency translation differences

Movements for the year 2013

In \$ '000	Balance 1 January	Recognized in profit & loss	Recognized in equity (*)	Business combina- tions	Balance 31 December
Financial assets	(1,655)	1	1,347	--	(307)
Property, Plant & Equipment	(10,642)	66	(395)	--	(10,971)
Investment property	(2,697)	50	(59)	--	(2,706)
Intangible Assets	(13,513)	1,365	(276)	--	(12,424)
Investment in an associate	(16)	17	(1)	--	--
Employee benefits	162	9	291	--	462
Other liabilities	1,541	--	(162)	--	1,379
Other provisions	(1,975)	136	(52)	--	(1,891)
Tax losses carried forward	8,144	(3,563)	106	--	4,687
Total	(20,651)	(1,919)	799	--	(21,771)

(*): including foreign currency translation differences

Reconciliation between applicable and effective tax rate

This table reconciles the effective tax amounts presented in the consolidated statement of comprehensive income with the amount theoretically calculated with local applicable tax rates.

In \$ '000	2013	2014
Profit/(loss) before tax	105,055	67,664
Luxembourg theoretical tax rate (rounded)	30%	30%
Expected income tax (expense) / credit	(31,517)	(20,299)
Non-deductible expenses	(1,567)	(46)
Changes in tax rates	--	--
Tax effects of non-taxable income, capital gains and fair value changes	43,571	16,750
Current income taxes relating to prior periods	(52)	169
Losses for which no tax benefit is recognized	(14,667)	(3,793)
Other	(776)	401
Tax (expense) / credit in the statement of profit or loss	(5,008)	(6,818)

Income tax expenses

In \$ '000	2013	2014
Total current year tax (expense) / credit	(3,089)	(4,902)
Total deferred tax (expense) / credit	(1,919)	(1,916)
Total Income tax (expense) / credit	(5,008)	(6,818)

16. Other assets

In \$ '000	2013	2014
Interest receivable	3,004	5,185
Carried interest receivable	17,969	17,107
Loans to employees	171	117
Income tax receivable	8,076	3,971
Prepaid expenses	2,517	1,500
Accrued income	9,530	7,734
Other assets and receivables from controlled private equity portfolio	80,232	108,128
Other assets and receivables	83,535	140,227
Total other assets	205,034	283,969
Allowance for impairment losses	--	--
Total other assets, net	205,034	283,969

Other assets are non-interest-bearing and are generally on terms of 30 to 90 days.

The impairment testing undertaken resulted in an allowance for impairment of nil at the end of 2013 and 2014.

17. Amounts due to banks and bank customers

In \$ '000	2013	2014
Current account	1,035	2,261
With agreed maturity date or period of notice	61,352	18,258
Amounts due to banks	62,387	20,519
Current account	1,559,090	2,004,578
With agreed maturity date or period of notice	379,373	668,912
Amounts due to bank customers	1,938,463	2,673,490
Amounts due to banks and bank customers	2,000,850	2,694,009

Information about maturity and currency of the deposits from banks and bank customers is provided in Note 28 Risk Management.

18. Interest-bearing liabilities

In \$ '000	Original Currency	Nominal interest rate	Year of maturity	2013 Carrying amount	2014 Carrying amount
Senior company bonds	EUR	8%	2014	206,837	--
Senior bonds				206,837	--
Unsecured bank loan	EUR	Euribor 3M + 1.5%	2014	27,514	--
Unsecured bank loan	EUR	Euribor 3M + 2.0%	2014	36,047	--
Secured bank loan	EUR	Euribor 3M + 3.4%	2017	--	45,037
Secured bank loan	EUR	Euribor 3M + 3.4%	2017	--	115,635
Unsecured bank loan	EUR	Euribor 3M + 0.9%	2015	4,964	4,382
Unsecured bank loan	USD	Euribor 3M + 2.0%	2014	9,782	--
Secured bank loan	USD	Libor 3M + 3.4%	2017	--	9,897
Liabilities towards financial institutions				68,171	78,308
Private loan	EUR	6.0%	2018	--	92,546
Private loan	USD	6.0%	2018	--	12,000
Subordinated loans				68,171	78,308
Hill and Valley					
Secured term loan	USD	Prime + 100 bps	2015	1,647	1,167
Yo! Sushi					
Secured bank credit facilities	GBP	Libor+2% to 3%	2013-2018	33,532	29,482
ST Products					
Secured term loan	USD	5.16% - 7.25%	2015-2019	15,750	29,606
Revolving credit facility	USD	Libor + 0.5%	2017	7,500	12,412
Anthony's Pizza					
Revolving loan facility	USD	Libor + 4.5%	2019	3,370	3,370
Term loan facility	USD	Libor + 4.5%	2019	27,098	25,278
Acrotec					
Secured bank credit facility	CHF	2.5% - 3.0%	2016	11,162	39,464
Real estate debt	CHF	2.5% - 3.0%	2025	14,254	13,172
Loan facility	CHF	4.25% PIK	2025	4,661	5,412
Interest-bearing liabilities of controlled private equity portfolio				118,974	159,363
Total Interest-bearing liabilities				404,119	438,861

The bank loans are secured by a fixed and floating charge over the assets of the consolidated private equity portfolio (including their subsidiaries). As at 31 December 2014, the capitalized loan costs represent USD 2,179 (2013: USD 1,546).

More information about maturity and currency of the interest-bearing liabilities is provided in Note 28 Risk Management.

Senior bonds

On 7 December 2009, the Company issued 3,000 bonds at a nominal price of EUR 50,000 each with coupons attached on issue, bearing an interest rate of 8% p.a., payable semi-annually in arrears as of 7 June and 7 December commencing on 7 June 2010. The bonds matured 5 years from the issue date at the nominal value. The bonds and coupons constituted senior, unsubordinated and unsecured obligations of the Company and ranking at all times pari passu and without any preference among them.

In December 2014, the EUR 150 million senior bonds have been refinanced through subordinated private loans for EUR 76 million and USD 12 million, together with additional secured banking facilities for EUR 85 million.

With respect to the secured bank facilities, the Group should at all times comply with a debt-to-equity ratio not exceeding 50%, and calculated as follows as at balance sheet date:

In \$ '000	2014
Interest-bearing liabilities	438,861
Less: controlled private equity portfolio (*) (Note 5)	(159,363)
Interest-bearing liabilities, net	279,498
Total equity, attributable to the shareholders of the parent company	782,222
Subordinated loans	104,546
Total equity for calculation purpose	886,768
Ratio	32%

(*): non-recourse to the Group

19. Employee benefit obligations

The Group has defined benefit pension plans in place in its French and Swiss subsidiaries, namely Quilvest France S.A., Quilvest Banque Privée S.A. and Quilvest Switzerland Ltd.

Liability for defined benefit obligations

In \$ '000	2013	2014
Present value of unfunded obligations	505	478
Present value of funded obligations	38,365	36,301
Fair value of plan assets	(36,282)	(33,052)
Net liability in the statement of financial position	2,588	3,727

Changes in net liability recognized in the statement of financial position

In \$ '000	2013	2014
Net liability at opening balance	8,624	2,588
Net expenses recognized in the profit or loss	2,373	2,210
Re-measurement gains / (losses)- IAS 19R	(6,455)	1,272
Contributions	(2,257)	(2,207)
Exchange differences	303	(136)
Net liability at closing balance	2,588	3,727

Detail of expenses recognized in the statement of profit or loss

In \$ '000	2013	2014
Current service cost	2,237	2,190
Interest on obligation	136	20
Expected return on plan assets	--	--
Past service cost	--	--
Expenses recognized in the statement of profit or loss	2,373	2,210

At 31 December 2014, the Group's best estimate of contributions expected to be paid to the plan during the annual period beginning after the reporting period amounts to USD 2.0 million (2013: USD 2.4 million).

Principal actuarial assumptions at the balance sheet date

In \$ '000	2013	2014
Discount rate at 31 December	2.20%	1.50%
Expected return on plan assets at 31 December	2.20%	1.50%
Future salary increase	0.50%	0.20%
Future pension increase	0.00%	0.00%

Defined benefit obligation evolution

At 31 December	2010	2011	2012 (restated)	2013	2014
Present value of the defined benefit obligation	30,116	36,815	39,604	38,870	36,779
Fair value of the plan assets	26,128	29,281	30,980	36,282	33,052
Surplus / (deficit) in the plan	(3,988)	(7,534)	(8,624)	(2,588)	(3,727)

Option plan

In 2012, Quilvest Wealth Management set up a management incentive plan for the group key management personnel. The management incentive plan is structured as an option plan. Options are vested gradually from 2012 to 2016 and can be exercised between 2016 and 2026. Options will be settled in cash upon exercise.

As of 31 December 2014, an estimate of the commitment resulting from the plan was calculated via a discounted cash flow model. The model was applied to an 8-year business plan of the Group using assumptions for the periods of exercise of the options. The present value of the commitment was calculated using a discount rate of 29.06% (2013: 29.50%). Based on this estimate a provision of 0.5 million was accounted for as of 31 December 2014 (2013: nil).

20. Provisions

In \$ '000	2013	2014
Provisions for litigation	653	272
Other provisions	2,477	2,448
Total Provisions	3,130	2,720
<i>Including controlled private equity portfolio</i>	<i>--</i>	<i>--</i>

In \$ '000	Litigation	Other	Total
1 January 2014	653	2,477	3,130
Additions	31	285	316
Used	--	(34)	(34)
Unused / Reversals	(363)	--	(363)
Currency differences	(49)	(280)	(329)
31 December 2014	272	2,448	2,720

Other provisions mainly include unused vacation rights and tax provisions.

21. Other liabilities

In \$ '000	2013	2014
Interest payable	3,170	4,589
Carried interest payable	19,515	23,445
Liabilities relating to performance bonus	3,296	--
Dividends payable	35	130
Income tax payable	10,638	13,509
Accrued expenses	14,472	8,874
Deferred income	2,689	1,059
Accounts payable from controlled private equity portfolio	26,760	62,198
Other liabilities and payable	78,905	116,726
Total Other liabilities	159,480	230,530

22. Capital and reserves

Ordinary shares

Number of ordinary shares (Units)	2013	2014
Authorized shares	14,794,520	14,794,520
Issued shares, fully paid	6,656,000	6,656,000
Issued shares, not fully paid	--	--

The shares have no par value.

Treasury shares

	Number (Units)	Value (\$ '000)
1 January 2013	37,628	3,786
Acquired	5,085	527
Disposed	--	--
31 December 2013	42,713	4,313
1 January 2014		
Acquired	2,480	229
Disposed	(2,500)	(261)
31 December 2014	42,693	4,281

Reserves

Reserves include restricted reserves not available for distribution of USD 4,499 (2013: USD 4,499) at the level of the parent company.

23. Earnings per share

Basic earnings per share

Basic earnings per share amounts are calculated by dividing the net profit for the year attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

	2013	2014
Net profit / (loss) attributable to the shareholders of the parent	62,467	40,028
Issued ordinary shares at 1 January	6,656,000	6,656,000
Effect of own shares held	(40,171)	(42,703)
Weighted average number of ordinary shares at 31 December	6,615,830	6,613,297
Net basic earnings per share (in \$)	9.4	6.0

The Group is not exposed to potential dilutive effect on the ordinary shares. The diluted earnings per share equal the basic earnings per share.

24. Dividends paid and proposed

	2013
Declared and paid during the year:	
Final dividend for 2013	8,312
Interim dividend for 2014 – nil	--
Proposed for approval at the annual general meeting on 12 June 2015	
USD 1.50 per share	9,984

25. Share-based payments

In 2011, all outstanding options have been repurchased in the framework of the acquisition of CBP Quilvest and the subsequent reorganization of the shareholding of the wealth management activities of the Group.

26. Other operating income and expenses, net

Other operating income, net

In \$ '000	Note	2013	2014
Rental income	12	364	373
Change in fair value of investment property	12	(240)	1,357
Other income, net		6,388	4,499
Total Other Operating Income, Net		6,512	6,229

General administrative expenses

General administrative expenses include the costs of making and managing investments, administrative costs related to the wealth management activities and the corporate management of the Group, and are accounted for on an accrual basis. They also include personnel costs, external consultancy fees and office expenses.

In \$ '000	Note	2013	2014
<i>Personnel</i>			
Salaries and wages		(57,623)	(66,112)
Pension expense - Defined contributions plans		(2,001)	(2,416)
Pension expense - Defined benefit plans	19	(2,373)	(2,210)
Social contributions		(11,261)	(10,466)
Variable compensation		(17,374)	(16,867)
Other personnel costs		(4,569)	(3,277)
Total		(95,201)	(101,348)
<i>Other administrative expenses</i>			
External consultancy fees		(13,043)	(14,831)
Rental expense		(6,019)	(6,118)
Other administrative expenses		(22,480)	(26,202)
Other provisions		(2,103)	331
Total		(43,645)	(46,820)
Total General Administrative Expenses		(138,846)	(148,168)

The fees expense with the Group auditor amounts to USD 1,620 (2013: USD 1,699) for audit and audit related services, to USD 109 (2013: USD 102) for tax services and to USD 90 (2013: USD 136) in relation with other services.

27. Financial costs, net

	2013	2014
Interest income on monetary assets	2,376	2,751
Foreign exchange gains	10,333	41,779
Total financial income	12,709	44,530
Interest expense on monetary liabilities	(19,158)	(23,506)
Foreign exchange losses	(16,854)	(15,718)
Total financial expenses	(36,012)	(39,224)
Finance costs, net – controlled private equity	(5,290)	(9,446)
Financial costs, net	(28,593)	(4,140)

28. Risk management

Quilvest has exposures to the following risks:

- Credit risk;
- Liquidity risk;
- Market risk;
- Operational risk.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

These risks primarily affect the Wealth Management segment of the Group (hereafter "QWM" or "QWM Group") and to a lesser extent the Private Equity segments (Private Equity Investment and Private Equity Management as described in Note 6.1).

28.1 Risk Management framework

The Board of Directors of Quilvest has overall responsibility for the establishment and oversight of the Group's risk management framework. Management's responsibility is to manage risk on behalf of the Board.

As described in the corporate governance report of the General Section of this annual report, the Board of Directors is supported in this function by the Audit Committee, the Strategic Committee and the Group Internal Audit and Compliance.

The risk management guidelines are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies

are reviewed regularly to reflect changes in market conditions, products and services offered, as well as evolution in best practices.

The risk management policies are established and monitored distinctly for the Wealth management and the Private Equity segments as the respective risk profile materially differs and there is by design no possible risk contagion between the wealth management and the private equity business.

28.1.1 Wealth management

The QWM risk management policies are established by the Executive Committee of QWM and approved by its Board of Directors. The Executive Committee of QWM is responsible for monitoring the implementation of the policies within QWM entities.

The Executive Committee of QWM installed an Asset and Liability Committee (ALCO) which, amongst other responsibilities such as monitoring global counterpart exposures and managing QWM's investment and own funds' portfolios, oversees QWM's liquidity risk position.

The daily risk management is executed by the QWM Risk Officer in cooperation with local Risk Managers.

QWM also updates on a yearly basis its ICAAP (Internal Capital Adequacy Assessment Process) report. The ICAAP is an internal process that shall allow credit institutions to assess the internal capital they deem appropriate in order to cover all the risks to which they are or could be exposed. Regulatory expectations for ICAAP are defined by the CSSF and the scope of application includes the consolidated

level (QWM) as well as the local legal entity level. The ICAAP is a forward looking internal inspection of the risk and capital profile, where financial forecasts are used as basis for the business plan are employed to simulate the evolution of the solvency over a three-year period, both under normal conditions and under stressed condition.

28.1.2 Private Equity

The segments' risk management policies are established by the CEO of Quilvest Private Equity and the Group CFO and approved by the Board of Directors of Quilvest. The Executive Management is responsible for monitoring the implementation of the policies within the segment entities.

The analysis of risks is performed through a dedicated private equity risk matrix. For each exposure, the matrix sets the inherent risk level, the risk and mitigation factors and provides an assessment of the residual risk.

Policies are designed and reviewed on a regular basis to align with the risk assessment as per the matrix.

The Group CFO and the Group Internal Auditor review and update the matrix and the implementation of related policies on an ongoing basis.

28.1.3 Concentration of financial risks

The Group's exposure to and mitigation of concentration risks is detailed within the "Wealth Management" and "Private Equity" sections.

Concentration of financial risks at QWM level is managed mainly through various determined limits and the respect of minimum prudential legal & regulatory requirements at the QWM consolidated level and at each banking subsidiary level.

Concentration of financial risks in Private Equity is managed through the diversification strategy. The level of concentration risk varies over time as the portfolio mix between direct deals and funds or funds of funds evolves and the group's largest investments changes. The portfolio review process includes the identification of risks that might affect a substantial proportion of the portfolio and the assessment of specific exposure to specific known risks. The portfolio remained balanced and well diversified in recent years.

28.2 Credit Risk

28.2.1 Description

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's loans and advances to customers and credit institutions, and investment debt securities.

Wealth Management

QWM's exposure to credit risk is mainly concentrated on the following counterparties:

- Credit risk linked to clients through granting of credit facilities;
- Credit risk linked to banking counterparties, deriving from interbank placements or debt securities held in the investment portfolio; and
- Credit risk linked to other counterparties such as corporate or sovereign exposures deriving from debt securities held within the investment portfolio.

The investment portfolio of QWM stems from the need to meet cash reinvestment requirements and is composed of high-quality bonds (investment grade), issued by banking counterparties, governments of OECD countries and only to a small extent by corporate issuers. All investments have to be in line with the QWM's investments guidelines as regards to type of issuer, issuer rating, maturity, etc.. Each transaction in the investment portfolio requires approval from local management and ratification by the QWM ALCO.

As of 31 December 2014, the average credit rating of the investment portfolio was "A+" (2013: "A+").

To streamline the decision-making process, the QWM Executive Committee delegates its authority to credit committees set up for each credit institution within QWM. This delegation is based on specific rules fixed in the QWM Group Credit Policy. The Executive Committee remains the ultimate decision-making body for all loan applications beyond the local credit committees' decision-making authority or those presenting a level of risk deemed to be significant.

Overall, QWM has adopted a conservative credit policy. The vast majority of client loans are granted based on full coverage of acceptable collateral as

determined in the QWM Group Credit Policy. Similarly, QWM internal guidelines are to be respected for all investments in debt securities such as credit quality of the debt issuer, type of debt, risk class, diversification and duration, within predefined individual and global counterpart limits.

Private Equity

Credit risk in Private Equity business remains limited as most investments are equity investments or assimilated. The Private Equity activities are primarily exposed to credit risk on their loans (of which investment related loans), receivables, cash and deposits. Cash and deposits are held on demand or short term deposits with QWM or highly rated Quilvest relationship banks.

28.2.2 Management of credit risk

Wealth Management

Credit risk is monitored on a regular basis at entity level, both on credit exposures and collateral value. On a quarterly basis, all entities provide information to the QWM Group Risk Officer on their credit outstanding, collateral shortages and remedial actions if applicable. The QWM Risk Officer presents the evolution of the Group's credit risk to the QWM Executive Committee on a quarterly basis.

The QWM Executive Committee has delegated responsibility for the oversight of credit risk to its QWM Credit Committee, assisted by the QWM Group Risk Officer, which is responsible for management of QWM's credit risk, including:

- Formulating credit policies, collateral requirements, credit risk assessment and periodical reporting, documentary and legal procedures, and compliance with regulatory and statutory requirements;
- Establishing the authorization structure for the approval of credit facilities, both on entity level and QWM level;
- Reviewing and assessing credit risk;
- Limiting concentrations of exposures to counterparties: by sector, by type of issuer, by issuer, by credit rating, by market liquidity and by country;
- Provide advice, guidance and specialist skills to the local entities.

Each local entity is required to implement the QWM credit policies and procedures, with credit approval

authorities delegated from the QWM Credit Committee. Each entity has a Risk Manager and Credit Officer, reporting to local management and to the Group Risk Officer.

Regular internal audits at local entities on the application of credit risk policies, procedures and monitoring are undertaken by the Internal Audit department.

In accordance with EU Regulation 575/2013 (also known as "CRR" or Capital Requirements Regulation), and CSSF Circular 14/583, all QWM's credit exposures to individual clients or groups of clients representing more than 10% of QWM's regulatory capital are to be reported on a quarterly basis to the CSSF. This large exposures report is prepared by the QWM Risk Officer based upon information received from each QWM subsidiaries.

The maximum exposure to individual clients or groups of individual clients is limited to 25% of QWM's regulatory capital, with an exception for exposures on financial institutions up to 100% of its regulatory capital. During 2014, no breach of aforementioned maximum limits has been observed at QWM level (2013: no breach observed).

Besides the concentration of credit risk on client loans for which regulatory restrictions apply both at entity and at QWM level, QWM pays specific attention regarding the management of concentration of risks which can arise from different sources:

- Concentration risk on received collateral covering client loans: QWM is mostly exposed to residual risk in case of large adverse market price movements of financial collateral held by private banking clients. However, the QWM Credit Policy defines guidelines that contribute to a low exposure to this risk, especially the strict collateral eligibility and diversification criteria and the prudent internal haircuts uniformly applied across the entities and subject to close monitoring by the local Risk Managers;
- Concentration of counterparties within the QWM's investment portfolio: besides regulatory large exposures limitations, QWM has determined diversification rules in its investment policy with regard to type of risk, duration, credit quality (rating), etc. which are monitored by the local risk managers at entity level and by the QWM Risk Officer for

QWM. In this respect, overall counterpart limits have been approved by the Board of Directors and are managed by the QWM's ALCO on a regular basis;

- Concentration of client assets or group of clients representing a substantial source of income for the Group: this risk is addressed in the yearly ICAAP report by performing a stress test on the loss of major clients;
- Concentration in terms of asset under management linked to a commercial team in case of departure of such team: this risk is addressed in the yearly ICAAP report by performing a stress test on the loss of all clients related to such team.

During 2014 and 2013, QWM did not suffer from credit losses on client loans.

Private Equity

The credit quality of loans and receivables within the investment portfolio is based on the financial performance of the individual portfolio companies.

Valuation reviews of portfolio companies are performed at least on a bi-yearly basis. For those assets that are not past due, it is believed that the risk of default is small and that capital repayments and interest payments will be made in accordance with the agreed terms and conditions of the Group's investment.

Where the portfolio company has failed or is expected to fail, loan impairments are made when the valuation of the portfolio company implies non-recovery of all or part of the Group's loan investment. In these cases appropriate loan impairment is recorded to reflect the valuation shortfall.

Concentration of credit risk is determined by reference to geographical areas.

28.2.3 Credit risk exposure by geographic region

The geographical allocation of balance sheet exposures is prepared on the basis of the location of the issuer of the financial instruments whenever practicable, otherwise the entity owning the asset.

For the year 2014 (in \$ '000)	Carrying amount	Luxembourg	Europe	USA	Other
<i>Financial instruments</i>					
Cash and cash equivalents	1,262,203	1,249,261	4,469	6,316	2,157
Amounts owed from banks and bank customers	1,152,688	570,015	342,521	--	240,152
Financial assets at fair value through profit and loss	1,051,211	87	296,853	468,651	285,620
Financial assets available for sale	426,750	362	236,900	--	189,488
Financial assets held for trading	11,608	4,158	286	--	7,164
Other receivables	283,969	68,219	79,167	69,831	66,752
Total financial instruments	4,188,429	1,892,102	960,196	544,798	791,333
<i>Off balance sheet</i>					
Guarantees and assimilated	38,207	13,156	18,111	--	6,940
Maximum exposure to credit risk	4,226,636	1,905,258	978,307	544,798	798,273

As of 31 December 2014 the Group has issued guarantees and other direct credit substitutes for a total amount of USD 38,207 (2013: USD 40,303).

Other direct credit substitutes are guarantees granted QWM and its subsidiaries in respect of loans granted to clients by third parties.

For the year 2013 (in \$ '000)	Carrying amount	Luxembourg	Europe	USA	Other
<i>Financial instruments</i>					
Cash and cash equivalents	808,904	631,459	170,556	3,994	2,895
Amounts owed from banks and bank customers	858,128	159,039	344,409	--	354,680
Financial assets at fair value through profit and loss	1,134,891	99	427,996	461,988	244,808
Financial assets available for sale	276,876	397	176,270	--	100,209
Financial assets held for trading	10,764	3,861	509	--	6,394
Other receivables	205,034	32,862	56,638	51,010	64,524
Total financial instruments	3,294,597	827,717	1,176,378	516,992	773,510
<i>Off balance sheet</i>					
Guarantees and assimilated	40,303	13,113	19,988	--	7,202
Maximum exposure to credit risk	3,334,900	840,830	1,196,366	516,992	780,712

28.2.4 Credit risk exposure by type of counterparty

For the year 2014 (in \$ '000)	Carrying amount	Sovereign	Credit institutions	Other financial companies	Non-financial companies	Individuals
<i>Financial instruments</i>						
Cash and cash equivalents	1,262,203	381,366	880,837	--	--	--
Amounts owed from banks and bank customers	1,152,688	--	58,016	339,609	187,927	567,136
Financial assets at fair value through profit and loss	1,051,211	--	120,751	930,447	13	--
Financial assets available for sale	426,750	166,427	248,194	362	11,767	--
Financial assets held for trading	11,608	--	6,092	5,271	146	99
Other receivables	283,969	--	--	147,998	135,971	--
Total financial instruments	4,188,429	547,793	1,313,890	1,423,687	335,824	567,235
<i>Off balance sheet</i>						
Guarantees and assimilated	38,207	--	--	4,047	4,700	29,460
Maximum exposure to credit risk	4,226,636	547,793	1,313,890	1,427,734	340,524	596,695

During 2014, the Group did not suffer from credit losses on client loans. At the end of 2014, the amount of past due positions amounted to USD 2,063 (2013: USD 2,042), representing doubtful outstanding debts to customers since more than 3 months. This amount was fully impaired.

The Group did not have other material exposures to sovereign debt of distressed countries at 31 December 2014.

For the year 2013 (in \$ '000)	Carrying amount	Sovereign	Credit institutions	Other financial companies	Non-financial companies	Individuals
<i>Financial instruments</i>						
Financial instruments	808,904	724,852	84,052	--	--	--
Cash and cash equivalents	858,128	--	57,177	372,761	141,698	286,492
Amounts owed from banks and bank customers	1,134,891	42,735	196,087	896,069	--	--
Financial assets at fair value through profit and loss	276,876	--	263,377	397	13,102	--
Financial assets available for sale	10,764	--	7,426	2,670	76	592
Financial assets held for trading	205,034	--	--	90,365	114,669	--
Other receivables	3,294,597	767,587	608,119	1,362,262	269,545	287,084
<i>Total financial instruments</i>						
Off balance sheet	40,303	--	1,751	4,233	11,617	22,702
Guarantees and assimilated	3,334,900	767,587	609,870	1,366,495	281,162	309,786

28.2.5 Guarantees and commitments

This heading represents collaterals provided by customers to the Group to secure loans and advances. As of 31 December, the analysis by nature of collaterals is as follows:

Secured Loans and Advances to Bank Customers (in \$ '000)	2013	2014
Loans secured by real estate	31,081	20,911
Lombard loans	704,341	1,001,541
Other collaterals	50,229	39,718
Not collateralized	89,219	240,400
Total	874,870	1,302,570

Other collaterals mainly include guarantees issued by third party credit institutions and life-insurance agreements.

28.2.6 Ageing of receivables

The ageing of receivables at the reporting date is:

(in \$ '000)	2013	2014
Not past due – Gross amounts	1,874,110	2,700,923
Past due - Impaired	(2,042)	(2,361)
Total	1,872,068	2,699,562

Impairment losses exclusively relate to loans and advances to bank customers and are calculated individually. Impairments on loans to customers are due to shortage of collaterals held.

28.3 Liquidity risk

28.3.1 Definition

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or other financial assets.

28.3.2 Management of liquidity risk

Wealth Management

A Liquidity Risk Policy has been approved by the Board of Directors of QWM. This policy includes a Contingency Funding Plan describing all available sources of funding, the triggering procedure and the role and responsibilities of all involved actors. QWM's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its obligations when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Liquidity risk is managed daily at entities level by local management and local Heads of Treasury. Independent controls are performed by local Risk Managers. At QWM level, the responsibility over the QWM's liquidity risk is allocated to the QWM's ALCO.

QWM replaces its resources into highly liquid assets, such as central bank placements, interbank deposits, investments in high-quality bonds and to a lesser extent, short term bank placements. During 2014, the Group also placed a major part of its liquidities at the BCEE in Luxembourg via reverse repurchase agreements. QWM also deposits the vast majority of eligible bonds with its main depository banks in order to be able to mobilize financing at any time via repo transactions, if necessary.

QBP, QVS and CBPQ are subject to liquidity ratios imposed by their local regulator. In 2014, no breach of any ratio was reported.

QBP does not refinance its activities on the interbank market. QVS refinances its credit portfolio with client deposits and sporadic via interbank loans as it benefits locally from committed credit lines. CBPQ finances its credit portfolio completely with client deposits and does not need external funding. However, due to the large amount of short term client deposits, it is exposed to liquidity risk in case of massive withdrawal or investment. To counter this risk CBPQ has a large liquidity buffer in both cash and securities and closely monitors its liquidity gaps on a daily basis. Its liquidity reports take into account normal market conditions as well as stressed scenarios and regular liquidity projections are simulated by its Chief Risk Officer.

Private Equity

The Group's approach to managing liquidity is to ensure it will always have sufficient cash to meet its liabilities when they fall due. The exposure to liquidity risk is mainly influenced by open private equity commitments which require cash resources available timely to pay capital contributions.

For this purpose, the Group monitors closely its liquidity with weekly and monthly review of the net cash positions by the Group CFO. Quilvest also developed a forecast model with normal and stressed conditions.

The liquidity risk in Private Equity is mitigated by the following main factors:

- the strong diversification policy allowing for regular divestment opportunities;
- the possibility of selling third party funds commitments in the secondary market;
- the ability to slow down or potentially stop the direct investment activities at any time;
- the availability of credit lines for the private equity business.

Financial assets and liabilities of controlled private equity investments are without recourse for the Group and not included in the liquidity risk analysis.

28.3.3 Liquidity risk table

The table below analyses the Group's non-derivative financial assets and liabilities into relevant maturity groupings based on the remaining period to maturity date, based on contractual undiscounted cash flows. Derivative financial assets and liabilities are analyzed in note 10.

For the year 2014 (in \$ '000)	Less or equal to 3 months	Between 3 months and 1 year	Between 1 and 5 years	More than 5 years	Without determined maturity
<i>Non-derivative financial instruments</i>					
Cash and cash equivalents	1,262,203	--	--	--	--
Amounts owed from banks and bank customers	935,110	171,077	46,501	--	--
Other receivables	71,345	171,074	850	--	40,700
Financial assets	6,093	181,858	354,724	--	946,894
Total non-derivative financial instruments	2,274,751	524,009	402,075	--	987,594
<i>Non-derivative financial liabilities</i>					
Amounts due to banks and banks customers	460,260	346	778	--	2,232,625
Other liabilities	22,216	105,010	16,984	--	86,320
Interest-bearing liabilities	--	--	420,251	18,610	--
Unfunded Private Equity commitments	--	--	--	--	410,820
Total non-derivative financial liabilities and unfunded Private Equity	482,476	105,356	438,013	18,610	2,729,765
Group net liquidity gap	1,792,275	418,653	(35,938)	(18,610)	(1,742,171)

Open commitments related to Private Equity fund commitments amount to USD 410,820 as of 31 December 2014 (USD 497,992 as of 31 December 2013). This amount is not payable in full and at once as:

- Portfolio funds traditionally call between 88% and 95% of their commitments;
- In most funds, the investment period spans over a 5 year period from inception of the fund;
- A portion of the Quilvest portfolio funds will realize part of their investments and make distributions over the same 5 year period, which "naturally" bridge the liquidity gap arising from open commitments, partly or in full depending on market conditions.

Finally the Group has reimbursed all committed credit lines at the end of 2014 (2013: USD 75,840).

For the year 2013 (in \$ '000)	Less or equal to 3 months	Between 3 months and 1 year	Between 1 and 5 years	More than 5 years	Without determined maturity
<i>Non-derivative financial instruments</i>					
Cash and cash equivalents	808,904	--	--	--	--
Amounts owed from banks and bank customers	414,990	407,853	35,285	--	--
Other receivables	143,014	935	4,113	--	56,972
Financial assets	145,137	115,780	341,535	--	820,079
Total non-derivative financial instruments	1,512,045	524,568	380,933	--	877,051
<i>Non-derivative financial liabilities</i>					
Amounts due to banks and banks customers	1,966,932	10,890	23,028	--	--
Other liabilities	54,622	51,267	16,018	--	37,573
Interest-bearing liabilities	73,266	208,483	102,268	20,024	78
Unfunded Private Equity commitments	--	--	--	--	497,992
Total non-derivative financial liabilities and unfunded Private Equity commitments	2,094,820	270,640	141,314	20,024	535,643
Group net liquidity gap	(582,775)	253,928	239,619	(20,024)	341,408

28.4 Market risk

28.4.1 Definition

Market risk is the risk that changes in market prices, such as equity and bond prices, foreign exchange rates and interest rates affect the Group's income or the value of its holdings of financial instruments. Further analysis of price risk is included in note 28.6.

28.4.2 Management of market risk

Wealth Management

Market risks are managed at individual entities level by local Risk Managers and are consolidated at QWM level by the QWM Group Risk Officer.

QWM does not allow proprietary trading and as such does not hold a trading book.

Private Equity

Market risk in private equity is different from market risk in public equity. Significant movement in the prices of the latter shall affect prices in private equity. However, volatility has a different pattern.

Quilvest mitigates potential negative impacts of market volatility through the following activities:

- In-house due diligences performed by a team of experienced professionals under to a disciplined approach in both the selection of investment and the decision processes;
- For lead investments, close post acquisition monitoring;
- Continuity of its investments over the economic cycles;
- Development of long-term relationships with the most reputable and best performers in the fund industry;
- Strong diversification policy in respect of industries, investment strategies and geographical areas;
- Retaining of an appropriate mix between direct investments and third party funds and funds of funds.

28.4.3 Currency risk

Foreign exchange risk is the exposure of the Group to the potential impact of movements in foreign exchange rates. The risk is that adverse fluctuations in exchange rates may result in a loss in USD terms to the Group.

Overall, QWM's exposure to currency risk is limited. Currency risks are hedged throughout the year by forward currency and options contracts. At CBPQ level, foreign exchange risk is very limited because it only represents residual client positions for which intraday and overnight limits are implemented and monitored on a daily basis. QBP is not exposed to currency risk since its operating and transaction

currencies are the same (EUR). Contrariwise, QVS is mostly exposed to foreign exchange risk since a significant part of its revenue is denominated in USD whereas its operating expenses are in CHF.

The private equity business is exposed to currency risks for investments made in a currency other than US dollar. This risk is not hedged. The main exposure relates to investments in Euros. The private loans and the bank facilities (Note 18) mainly denominated in Euros are mitigating this risk on a global basis. More specifically, when the Group has more visibility on the timing of exit for a specific investment, all or part of the expected proceeds can also be hedged.

At 31 December 2014, the breakdown of exposures by foreign currency was the following:

For the year 2014 (in \$ '000)	Carrying amount	USD	EUR	GBP	CHF	Other
Cash and cash equivalents	1,262,203	380,590	583,750	144,975	145,453	7,435
Amounts owed from banks and bank customers	1,152,688	192,068	590,923	340,021	23,866	5,810
Other receivables	283,969	177,489	37,332	10,784	55,689	2,675
Financial assets	1,489,569	927,091	532,949	18,321	8,747	2,461
Property, plant and equipment	145,457	41,099	31,033	31,985	41,153	187
Investment property	8,662	--	8,662	--	--	--
Intangible assets	149,077	61,482	1,418	50,197	35,980	--
Investments in associates	--	--	--	--	--	--
Deferred tax assets	6,381	--	3,856	1,988	537	--
Total Assets	4,498,006	1,779,819	1,789,923	598,271	311,425	18,568
Financial liabilities held for trading	14,512	9,638	2,205	18	2,616	35
Amounts due to banks and banks customers	2,694,009	902,590	1,355,783	318,624	89,936	27,076
Other liabilities	230,530	114,346	55,744	26,649	31,466	2,325
Interest-bearing liabilities	438,861	93,335	257,995	29,482	58,049	--
Employee benefit obligations	3,727	--	478	--	3,249	--
Provisions	2,720	--	1,101	--	1,619	--
Deferred tax liabilities	26,703	5,726	15,014	--	5,963	--
Total Liabilities	3,411,062	1,125,635	1,688,320	374,773	192,898	29,436
Group net currency exposure		654,184	101,603	223,498	118,527	(10,868)

At 31 December 2014, a 10% change in the USD rate against other currencies would have an impact of approximately USD 43 million (USD 44 million at 31 December 2013) assets and liabilities denominated in foreign currencies with the majority of this impact in the profit or loss.

At 31 December 2013, the breakdown of exposures by foreign currency was the following:

For the year 2013 (in \$ '000)	Carrying amount	USD	EUR	GBP	CHF	Other
Cash and cash equivalents	808,904	11,648	757,491	2,414	20,612	16,739
Amounts owed from banks and bank customers	858,128	206,177	473,782	152,499	13,534	12,136
Other receivables	205,034	136,871	27,202	9,376	29,706	1,879
Financial assets	1,422,531	796,220	621,070	1,697	3,544	--
Property, plant and equipment	141,230	40,942	31,188	30,225	38,616	259
Investment property	8,400	--	8,400	--	--	--
Intangible assets	164,875	33,853	87,618	35,291	8,113	--
Investments in associates	1,111	--	1,111	--	--	--
Deferred tax assets	6,609	--	6,609	--	--	--
Total Assets	3,616,822	1,225,711	2,014,472	231,501	114,121	31,017
Financial liabilities held for trading	14,699	840	10,084	245	3,498	32
Amounts due to banks and banks customers	2,000,850	465,467	1,007,527	394,467	107,097	26,292
Other liabilities	159,480	107,284	24,824	13,517	6,241	7,614
Interest-bearing liabilities	404,119	81,864	258,644	33,532	30,079	--
Employee benefit obligations	2,588	--	505	--	2,083	--
Provisions	3,130	--	1,295	--	1,835	--
Deferred tax liabilities	28,380	5,726	16,024	--	6,630	--
Total Liabilities	2,613,246	661,181	1,318,903	441,761	157,463	33,938
Group net currency exposure		564,530	695,569	(210,260)	(43,342)	(2,921)

28.4.4 Interest rate risk

The Group is exposed to interest rate fluctuations both on its financial assets and liabilities positions, resulting in possible losses or gains.

The interest rate risk exposure of the Group primarily lies with QWM and is limited as most assets are remunerated at variable interest rates with short term maturities and whereas exposure to fixed interest rates with long term maturities remains limited.

At 31 December 2014, the Group is exposed at reporting date to interest-rate risk on the basis of the lower between maturity and re-pricing date as follows:

in \$ '000	Carrying amount	With variable interest rate				Non-interest-bearing	With fixed interest rate
		Less or equal to 3 months	Between 3 months and 1 year	Between 1 and 5 years	More than 5 years		
Cash and cash equivalents	1,262,203	1,262,203	--	--	--	--	--
Amounts owed from banks and bank customers	1,152,688	603,565	469,313	18,436	--	--	61,374
Other receivables	283,969	8,602	14,599	1,327	--	179,968	79,471
Financial assets	1,489,569	10,194	173,159	354,856	--	951,359	--
Total financial instruments	4,188,429	1,884,564	657,071	374,619	--	1,131,327	140,845
Financial liabilities held for trading	14,512	4,081	5,707	2,108	--	2,616	--
Amounts due to banks and banks customers	2,694,009	1,782,277	451,602	--	--	460,130	--
Other liabilities	230,530	--	280	--	--	170,667	59,583
Interest-bearing liabilities	279,497	--	--	174,951	--	--	104,546
Interest-bearing loans of controlled Private Equity investments	159,364	--	--	140,788	18,576	--	--
Total financial liabilities	3,377,912	1,786,358	457,589	317,847	18,576	633,413	164,129
Group net interest rate gap		98,206	199,482	56,772	(18,576)	497,914	(23,284)

A rise of 2 % in the short term interest rates less than one year would positively impact the result of the Group for approximately USD 7.2 million (2013: positive impact of USD 7.3 million) due to the interest-bearing net asset position up to one year.

These results indicate that the Group is not exposed to a potential loss in case of increasing interest rates.

At 31 December 2013, the Group is exposed at reporting date to interest-rate risk on the basis of the lower between maturity and re-pricing date as follows:

in \$ '000	Carrying amount	With variable interest rate				Non-interest-bearing	With fixed interest rate
		Less or equal to 3 months	Between 3 months and 1 year	Between 1 and 5 years	More than 5 years		
Cash and cash equivalents	808,904	808,904	--	--	--	--	--
Amounts owed from banks and bank customers	858,128	393,756	387,723	15,917	--	--	60,732
Other receivables	205,034	14,809	659	50,874	--	138,692	--
Financial assets	1,422,531	38,214	64,123	96,185	--	898,050	325,959
Total financial instruments	3,294,597	1,255,683	452,505	162,976	--	1,036,742	386,691
Financial liabilities held for trading	14,699	8,239	3,549	2,911	--	--	--
Amounts due to banks and banks customers	2,000,850	1,296,259	--	--	--	686,197	18,394
Other liabilities	159,480	--	--	20	--	159,460	--
Interest-bearing liabilities	285,144	73,343	--	4,964	--	--	206,837
Interest-bearing loans of controlled Private Equity investments	118,975	--	1,647	97,304	20,024	--	--
Total financial liabilities	2,579,148	1,377,841	5,196	105,199	20,024	845,657	225,231
Group net interest rate gap		(122,158)	447,309	57,777	(20,024)	191,085	161,460

28.5 Operational risk

28.5.1 Definition

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's involvement with financial instruments, including processes, personnel, technology, infrastructure and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior.

28.5.2 Operational risk management

The Group's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Group's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The Group dedicates substantial efforts to ensure that the operational risks resulting from all business activities are continuously assessed and monitored.

Where relevant, entities of the Group have set up internal measures to reduce losses stemming from

operational risk in compliance with local regulatory requirements, such as:

- Strong internal control system including wide application of the 4-eye principle;
- Risk governance structure including third and second levels of controls;
- Set-up of compliance and risk functions to strengthen the overall monitoring of the risk profile at Group level;
- Escalation of information on operational incidents for analysis;
- Retention of key staff resources;
- Business Continuity Plan (BCP) and/or Disaster Recovery Plan (DRP) exist at local entity level, with regular reviews and tests - results of the last test conducted in 2014 at QWM were conclusive;
- Adequate coverage by insurance policies.

The adequacy of the controls in place to address operational risks identified is regularly reviewed by the Group Internal Audit and Compliance and the Audit Committee, conducting to an ongoing improvement of internal processes and controls.

28.6 Fair value hierarchy

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, unobservable inputs reflect the Group's market assumptions. These two types of inputs have created the following fair value hierarchy:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and third party funds;

Level 2: inputs other than quoted prices included in the Level 1, that are observable for the assets or liability,

either directly (that is, as prices) or indirectly (that is, as derived from prices). This level includes derivative contracts or equity instruments without an active market and for which recent transactions occurred between market participants. The sources of input parameters like LIBOR yield curve or counterparty credit risk are Bloomberg and Reuters.

Level 3: inputs for assets or liabilities that are not based on observable market data (unobservable inputs). This level includes debt instruments, equity instruments and third party funds with significant unobservable components.

At 31 December 2014, the Group is exposed to the fair value risk as follows:

in \$ '000	Carrying amount	Level 1	Level 2	Level 3
Financial assets held for trading				
Derivatives	11,608	--	11,608	--
Financial assets designated at fair value through profit or loss				
Debt securities	120,751	120,751	--	--
Equity, convertible and investment-related loans	291,062	2,510	--	288,552
Third party funds	639,398	3,666	2,172	633,560
Financial assets available for sale				
Debt and equity securities	426,751	426,391	360	--
Total financial assets	1,489,570	553,318	14,140	922,112
Financial liabilities held for trading				
Derivatives	14,512	--	14,512	--
Total financial liabilities	14,512	--	14,512	--
Financial liabilities held for trading				
Derivatives	14,699	--	14,699	--
Total financial liabilities	14,699	--	14,699	--

The valuation of the Group's investments is largely dependent on the underlying performance of direct investments and third party funds. A 10% change in the fair value of the investments would have the same proportionate impact on the statement of comprehensive income. The estimated impact is of USD 148 million at 31 December 2014 investments (USD 141 million at 31 December 2013).

Reconciliation of level 3 items at 31 December 2014:

In \$ '000	Equity, convertible and investment-related loans	Third party funds	Total assets level 3
At 1 January 2014	280,117	599,742	879,859
Profit or loss	(1,403)	59,347	57,944
Other comprehensive income	(654)	(269)	(923)
Additions	42,855	92,480	135,335
Disposals	(32,363)	(117,740)	(150,103)
Transfers	--	--	--
Transfers in Level 3	--	--	--
Transfers out of Level 3	--	--	--
At 31 December 2014	288,552	633,560	922,112
Total gains for the year included in profit or loss for assets held at 31 December 2014	28,089	77,860	105,949

At 31 December 2013, the Group is exposed to the fair value risk as follows:

In \$ '000	Carrying amount	Level 1	Level 2	Level 3
Financial assets held for trading				
Derivatives	10,764	--	10,764	--
Financial assets designated at fair value through profit or loss				
Debt securities	250,208	250,208	--	--
Equity, convertible and investment-related loans	280,797	680	--	280,117
Third party funds	603,886	2,552	1,592	599,742
Financial assets available for sale				
Debt and equity securities	276,876	276,479	397	--
Total financial assets	1,422,531	529,919	12,753	879,859
Financial liabilities held for trading				
Derivatives	14,699	--	14,699	--
Total financial liabilities	14,699	--	14,699	--

Reconciliation of level 3 items at 31 December 2013:

In \$ '000	Equity, convertible and investment- related loans	Third party funds	Total assets level 3
At 1 January 2013	221,120	532,463	753,583
Profit or loss	34,067	71,173	105,240
Other comprehensive income	555	209	764
Additions	85,236	88,945	174,181
Disposals	(43,853)	(92,019)	(135,872)
Transfers	--	--	--
Transfers in Level 3	195	4,724	4,919
Transfers out of Level 3	(17,203)	(5,753)	(22,956)
At 31 December 2013	280,117	599,742	879,859
Total gains for the year included in profit or loss for assets held at 31 December 2013	53,689	86,723	140,413

Description of significant unobservable inputs to valuation

The significant unobservable inputs used in the fair value measurement are shown below:

Methodology	Description	Inputs	Adjustments
Earnings	Most commonly used Private Equity valuation methodology- Used for investments which are profitable and for which we can determine a set of listed companies and precedent transactions, where relevant, with similar characteristics	Earnings multiples are applied to the earning of the company to determine the enterprise value Earnings Reporting earnings adjusted for non-recurring items, such as restructuring expenses, for significant corporate actions and, in exceptional cases, run-rate adjustments to arrive at maintainable earnings. Most common measure is earnings before interest, tax, depreciation and amortization ("EBITDA"). Earnings used are usually the management accounts, unless data from reforecasts or the latest audited accounts provides a more reliable picture of maintainable earnings Earnings multiples The earnings multiple are derived from comparable listed companies or relevant market transactions multiples. We selected companies in the same industry and, where possible, with a similar business model and profile in terms of size, products, services and customers, growth rates and geographic focus. We adjust for changes in the relative performance in the set of comparable	A marketability or liquidity discount is applied to the enterprise value, using factors such as our alignment with management and other investors and our investment rights in the deal structure
Discounted cash flow	Appropriate for businesses with long-term stable cash flows	Long-term cash flows are discounted at a rate which is benchmarked against market data, where possible, or adjusted from the rate at the initial investment based on changes in the risk profile of the investment	Discount already implicit in the discount rate applied to long-term cash flows – no further discounts applied
Imminent sale	Used where an asset is in a sales process, a price has been agreed but the transaction has not yet settled	Contracted proceeds for the transaction, or best estimate of the expected proceeds	A discount is typically applied to reflect any uncertain adjustments to expected proceeds
Quoted	Used for investments in listed companies	Closing bid price at balance sheet date	No adjustments or discounts applied
Fund	Used for investments in unlisted third-party funds	Net asset value reported by the fund manager	Typically no further discount applied in addition to that applied by the fund manager
Other	Used where elements of a business are valued on different bases	Values of separate elements prepared on one of the methodology listed above	Discounts applied to separate elements as above

Consistent with IPEV guidelines, all equity investments are held at fair value using the most appropriate methodology and no investments are held at historical cost.

28.7 Financial instruments not measured at fair value

As at 31 December 2014, the subordinated loans (level 3) had an estimated fair value of USD 94.2 million compared with the carrying amount of USD 104.5 million.

As at 31 December 2013, the Senior Bond interest-bearing liability (level 3) had an estimated fair value of USD 204.9 million compared with the carrying amount of USD 206.8 million.

For all other financial instruments measured at amortized cost, notably loans to banks and bank customers, other receivables, deposits from banks and bank customers, other liabilities and interest-bearing liabilities, the carrying amount is a reasonable approximation of fair value.

28.8 Capital management

The primary objectives of the management of the Group's own equity are to comply with regulatory

requirements and to have at all times a comfortable level of own equity covering its activities and its inherent risks.

Capital structure

The capital structure of the Group consists of net debt, excluding net debt of controlled private equity investments and shareholders' equity.

The type and maturity of the Group's borrowings, as well as the monitoring of financial covenants, are analyzed further in Note 18 and the Group's equity is analyzed into its various components in the statement of changes in equity.

Capital is managed so as to maximize long-term return to shareholders, whilst maintaining a capital base to allow the Group to operate effectively in the marketplace and sustain future development of the business.

in \$ '000	2013	2014
Cash and cash equivalents	808,904	1,262,203
Less: cash and cash equivalents attributable to controlled private equity investments	(11,634)	(15,180)
Interest-bearing liabilities	404,119	438,861
Less: interest-bearing liabilities attributable to controlled private equity investments	(118,975)	(159,364)
Net debt / (cash surplus)	(512,126)	(967,526)
Total equity	1,003,576	1,086,944

Capital constraints

The Group is generally free to transfer capital from subsidiary undertakings to the parent company subject to maintaining each subsidiary with sufficient reserves to meet local statutory obligations.

The Wealth Management structure is subject to prudential supervision by the regulatory bodies of Luxembourg, Switzerland and France where its three banks are incorporated.

QWM respects all regulatory requirements related to regulatory capital since its inception and monitors the evolution of its solvency ratio on a quarterly basis.

Each credit institution of the Group is subject to capital adequacy requirements by its respective supervisory authority. During the year ended 31 December 2014, no breach was reported (2013: no breach reported). As of 31 December 2014, the capital adequacy ratio (simplified ratio) of QWM was 16.4% (2013: 20.5%).

The ICAAP report for the 3 year period 2015-2017 showed that QWM has sufficient own funds and liquidity reserves to cover all risks to which it is exposed, both under normal conditions and under stressed conditions.

29. Contingent Liabilities, Commitments and Assets under management

in \$ '000	2013	2014
Acceptances and endorsements	--	--
Guarantees and assets pledged as collateral security	2,394	2,727
Commitments arising out of derivatives transactions	1,945,710	1,490,241
Fiduciary operations	562,243	478,240
Contractual open commitments related to Private Equity investment*	497,992	410,820
Total Contingent Liabilities and Commitments	3,008,339	2,368,434

* Actual capital called fund by fund may be significantly lower than contractual open commitments (see note 28 Risk management).

Private Equity

Assets Under Management ("AUM") are calculated as of any date as basically the sum of: (i) the fair value of any investment made 5 years ago or before and, (ii) the cost plus the potential uncalled capital commitments of investments made in the last 5 years. As at 31 December 2014, total assets under management for the private equity amount to approximately USD 4.6 billion (2013: USD 4.5 billion).

Wealth Management

AUM represents the assets from which the Group generates revenues (e.g. assets management, brokerage, etc.). AUM includes assets under management, assets under custody. As at 31 December 2014, total assets under management, including those under custody, amount to approximately USD 33.5 billion (2013: USD 21.6 billion).

30. Related Parties

30.1 Fully consolidated subsidiaries

The consolidated financial statements of the Group include the following main subsidiaries:

Name	Country	Ownership %	
		2013	2014
Quilvest Europe S.A.	Luxembourg	100%	100%
Quilvest Private Equity S.C.A. SICAR	Luxembourg	100%	100%
Quilvest Finance Ltd.	BVI	100%	100%
Quilvest France S.A.S.	France	100%	100%
France Participations S.à r.l.	Luxembourg	66.32%	66.32%
Quilvest & Partners S.A.	Luxembourg	79.5%	79.5%
Quilvest & Partners France S.A.S.	France	79.5%	79.5%
Quilvest Luxembourg Services S.A.	Luxembourg	79.5%	79.5%
Quilvest U.K. Ltd	United Kingdom	79.5%	79.5%
Quilvest U.S.A. Inc	United States	79.5%	79.5%
Quilvest Hong Kong Ltd	Hong Kong	79.5%	79.5%
Quilvest Dubai Ltd	UAE	79.5%	79.5%
Quilvest Private Equity S.à r.l.	Luxembourg	79.5%	79.5%
QS PEP S.à r.l.	Luxembourg	79.5%	79.5%
QS Direct SI2	Luxembourg	79.5%	79.5%
QS Geo S.à r.l.	Luxembourg	79.5%	79.5%
QS Rep S.à r.l.	Luxembourg	79.5%	79.5%
QS Management Ltd	BVI	79.5%	79.5%
QS PDI S.à r.l.	Luxembourg	79.5%	79.5%
QS FF Management Ltd	Cayman Islands	79.5%	79.5%
QS Hi Express GP S.à r.l.	Luxembourg	79.5%	79.5%
QS Master GP S.à r.l.	Luxembourg	79.5%	79.5%
Quilvest Wealth Management S.A.	Luxembourg	66.32%	66.32%
CBP Quilvest S.A.	Luxembourg	66.32%	66.32%
Quilvest Banque Privée S.A.	France	66.21%	66.21%
Quilvest (Switzerland) Ltd.	Switzerland	66.33%	66.33%
Quilvest AM S.A.	Luxembourg	--	66.32%

Controlled private equity portfolio

Name	Country	Ownership %	
		2013	2014
Hill and Valley Group	United States	83.9%	83.9%
YO! Sushi Group	United Kingdom	73.3%	73.3%
ST Products Group	United States	57.3%	57.3%
Anthony's Pizza Group	United States	58.5%	58.5%
Acrotec Group	Switzerland	56.2%	54.1%

All companies integrated in the consolidation have the closing date at 31 December, with the exception of Yo! Sushi Group and its subsidiaries (30 November).

Certain subsidiaries in the Wealth Management segment, as part of their normal business activities, provide family office services to some members of the Board of Directors and senior management. The fees for their services are charged at arm's length.

30.3 List of associates

As at 31 December 2014, the Group does not hold shares in associates.

30.4 Non-controlling interests

The following table summarizes financial information on Non-controlling interests ("NCI") for its three reportable segments:

As at 31 December 2014

in \$ '000	Wealth Management	Private Equity Management	Private Equity Investment
Current Assets	2,394,663	36,457	192,919
Non-current assets	592,254	2,198	1,052,883
Total assets	2,986,917	38,655	1,245,802
Current liabilities	2,757,374	26,877	124,904
Non-current liabilities	18,172	9,943	169,353
Total liabilities	2,775,546	36,820	294,257
Net assets	211,371	1,835	951,545
Net assets attributable to NCI	50,246	524	253,952
Revenue	106,631	33,439	123,499
Expenses	(97,243)	(39,435)	(11,204)
Depreciation, amortization and impairment losses	(4,310)	(282)	(23,767)
Finance costs, net	5,398	(721)	(9,831)
Income tax expense	(3,170)	(1,557)	(1,663)
Profit / (loss) for the year	7,306	(8,556)	77,034
Profit / (loss) for the year attributable to NCI	2,444	(1,754)	20,128
Other comprehensive income	(17,483)	(99)	(5,890)
Total comprehensive income	(10,177)	(8,654)	71,145
Total comprehensive income attributable to NCI	(8,393)	(1,816)	16,385
Cash flows from operating activities	676,548	5,034	7,085
Cash flows from investing activities	(100,697)	(810)	(20,676)
Cash flows from financing activities	315	(1,317)	18,345
Net increase in cash and cash equivalents	576,166	2,907	4,754
Distribution to NCI	--	--	(52,736)

As at 31 December 2013

in \$ '000	Wealth Management	Private Equity Management	Private Equity Investment
Current Assets	1,661,579	34,677	109,770
Non-current assets	577,189	1,132	993,649
Total assets	2,238,768	35,809	1,103,419
Current liabilities	2,053,047	15,382	81,772
Non-current liabilities	19,490	9,793	129,440
Total liabilities	2,072,537	25,175	211,212
Net assets	166,231	10,634	892,207
Net assets attributable to NCI	54,658	2,344	158,611
Revenue	98,811	40,603	170,980
Expenses	(93,374)	(27,964)	(10,451)
Depreciation, amortization and impairment losses	(4,831)	(171)	(20,796)
Finance costs, net	3,104	(262)	(6,684)
Income tax expense	(3,376)	(981)	(751)
Profit / (loss) for the year	334	11,225	132,298
Profit / (loss) for the year attributable to NCI	112	2,301	35,167
Other comprehensive income	9,624	41	2,419
Total comprehensive income	9,957	11,266	134,717
Total comprehensive income attributable to NCI	4,456	2,321	36,375
Cash flows from operating activities	132,186	(7,447)	(37,521)
Cash flows from investing activities	(9,654)	(57)	(8,410)
Cash flows from financing activities	(130,939)	8,649	33,553
Net increase in cash and cash equivalents	(8,407)	1,145	(12,378)
Distribution to NCI	--	--	(30,352)

The main contributors of the non-controlling interests for the Wealth Management segment are Quilvest Wealth Management, CBP Quilvest and Quilvest (Switzerland).

The main contributor of the non-controlling interests for the Private Equity Management segment is Quilvest & Partners S.A.

The main contributors of the non-controlling interests for the Private Equity Investment segment are Quilvest Private Equity S.à r.l. SICAR, QS Direct SI 2 S.C.A. SICAR, and the QS PEP vehicles for vintages 2003 to 2008.

30.5 Interest in unconsolidated structured entities

Quilvest has interest in entities that have been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only, or when the relevant activities are directed by means of contractual arrangements.

Below is a description of the Quilvest's involvement in unconsolidated structured entities by type and by segment.

Quilvest concluded that it does not control and therefore should not consolidate any entity described below as Quilvest does not have power over the relevant activities of the entities.

Wealth Management segment

The QWM sub-group holds interests in non-operating entities. As these entities are not significant from a financial perspective, they are not included in the consolidation scope.

Private Equity Management segment

The Group does not have any interests in unconsolidated structured entities within the Private Equity management segment.

Private Equity Investment segment

The table below describes the types of structured entities in which Quilvest concluded that it has an interest and no control:

in \$ '000	Wealth Management	Private Equity Management
QS GEO PEP S.C.A. SICAR QS GEO PEP II S.C.A. SICAR QS GEO PEP II Inc. QS GEO Mandates S.C.A. SICAR QS REP S.C.A. SIF QS REP II S.C.A. SIF QS Italy S.A. SIC12 QS PDI S.C.A. SICAR Various QS vehicles	To generate fees from managing assets on behalf of third party investors	- Investments in units/shares issued by structured entities - Dividend received as dividend income - Capital repayment - Management fees, Monitoring fees and transaction or set-up fees - Carried interests

Private Equity operations are typically structured as follows:

- Quilvest invests in private equity investments that invest either in direct investments or in third party funds (the “ultimate target investments”), either directly or through Quilvest dedicated intermediary vehicles such as SICARs, SIFs, QS Companies or PEP entities;
- The purpose of such entities is to invest solely to obtain return from capital appreciation, investment income or both from their ultimate target investments;
- The activities such as the selection, the funding, the acquisition of the ultimate target investments, the monitoring of and the disposal of these ultimate target investments (all together ‘Investment Management’ activities) are key in assessing who controls such entities;
- When acting as Lead investor, Quilvest has power over the relevant activity. However there

is no systematic link between the power and the variability of returns. The Group may consolidate such structured entities (refer to note 30.1 above) or has only an interests in these structured entities.

- When acting as Co-investor, Quilvest invests in a company or a property alongside a lead investor, and has no power over this activity and consequently no control. Consequently Quilvest does not consolidate such structured entities. The Group has however interests in these structured entities.

Maximum loss exposure to these structured entities is limited to their carrying amount and to the total of uncalled committed investment amount, included within Private equity open commitments as disclosed in Noted 28.4.3. and 29.

For more quantitative details on private equity investment operations, please refer to Notes 6 on Segment information and 28 on Risk management.

30.6 Management remuneration

Key management personnel is defined within the Group as members of the Board of Directors and Group management, as disclosed in the General Section of the annual report.

Director’s and management’s remunerations are included respectively in the “Other administrative expenses” and “Personnel” items detailed in Note 26.

In \$ '000	2013		2014	
	Management and executive directors	Non-executive directors	Management and executive directors	Non-executive directors
Short-term employee benefits				
- Fixed	3,215	2,179	3,907	2376
- Variable	1,532	--	2,588	--
Post-employment benefits	651	--	705	--
Other long-term benefits	1,667	737	25	--
Total Remuneration	7,065	2,916	7,225	2,376

Carried interest paid to key management personnel in 2014 amounted to USD 319 (2013: USD 789).

Other carried interest received by key management personnel in 2014 amounted to USD 513 (2013: USD 1,975).

31. Group employment

The number of employees was as follows, excluding personnel of controlled private equity investments (note 5):

	2013	2014
Number of employees at 31 December	406	376
Full time equivalent at 31 December	404	372
Average full time equivalent during the year	402	383

32. Subsequent events

No event took place after closing of the reporting period, which would materially impact the financial position of the Group as at 31 December 2014 or require disclosure.



Command Alkon

Solutions To Build On

Command Alkon is a global supplier of integrated solutions for construction materials producers, with customers in over 70 countries worldwide.

Focusing on industry-specific hardware and software systems for producers of ready-mixed concrete, concrete products, aggregate, asphalt, and cement, Command Alkon couples innovative technologies and over 37 years of industry expertise to deliver products and services that improve business operations in plants and quarries around the globe.

Command Alkon's family of products include batching, dispatching, dispatch optimization, fleet management, quality control, bulk materials distribution, plant and quarry automation, transportation planning and performance, process controls, back office operations, performance management, enterprise content management, voice-based scheduling, and mobile computing.

Command Alkon is headquartered in Birmingham, Alabama and has offices around the globe.

Command Alkon

Solutions To Build On



“When our founder was looking to sell the company 10 years ago his primary objective was finding a buyer that valued the existing management team and employees. The family fund, long-term investors at Quilvest have proven to be a great choice.”

We have a management team that has performed well in both up and down markets. I look upon Quilvest as our partner in the business, both operationally and financially. Operationally, Quilvest put Jim Ashton, a very experienced operator across many types of business, on our Board for the purpose of helping us improve our operations. Financially, Quilvest has welcomed key senior managers as co-investors in the business. Quilvest has managed our capital structure to maximize return for all shareholders. Quilvest has been the financial and process sponsor for several acquisitions that have kept us on our growth path.

I would, and do highly recommend Quilvest as an equity sponsor to any business owner with a capable management team and who cares about the long-term welfare of their company, their management team, and their employees.”

- Phil Ramsey, CEO of Command Alkon





Separate Financial Statements

Report of the Réviseur d'Entreprises agree to the shareholders

Report on the annual accounts

Following our appointment by the General Meeting of the Shareholders dated 13 June 2014, we have audited the accompanying annual accounts of Quilvest S.A., which comprise the balance sheet as at 31 December 2014, and the profit and loss account for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Directors' responsibility for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Responsibility of the Réviseur d'Entreprises agréé

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend

on the judgement of the Réviseur d'Entreprises agréé, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the Réviseur d'Entreprises agréé considers internal control relevant to the entity's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the annual accounts give a true and fair view of the financial position of Quilvest S.A. as of 31 December 2014, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts.

Report on other legal and regulatory requirements

The directors' report, including the corporate governance statement, which is the responsibility of the Board of Directors, is consistent with the annual accounts and includes the information required by the law with respect to the Corporate Governance Statement.

Luxembourg, 29 April 2015

KPMG Luxembourg, Société coopérative
Cabinet de révision agréé



Jean-Manuel Sérís

Balance Sheet

Assets

USD	Notes	2013	2014
Fixed assets			
Tangible fixed assets	3		
Other fixtures and fittings, tools and equipment		215,102	331,611
Payments on account and tangible fixed assets under development		132,435	--
Financial fixed assets	4		
Shares in affiliated undertakings		549,266,821	549,266,821
Amounts owed by affiliated undertakings		200,198,354	43,298,141
		749,812,712	592,896,573
Current assets			
Debtors			
Trade receivables			
becoming due and payable within one year		64,923	53,953
Amounts owed by affiliated undertakings			
becoming due and payable within one year		31,450,198	10,160,863
becoming due and payable after more than one year		11,376,773	4,246,439
Other receivables			
becoming due and payable within one year		1,520	3,647
becoming due and payable after more than one year		1,094,788	1,032,289
Transferable securities and other financial instruments			
Own shares or own corporate units		780,010	747,949
Cash at bank, cash in postal cheque accounts, cheque and cash in hand		5,104,564	20,375,249
		49,872,776	36,620,388
Prepayments			
		68,378	99,077
Total assets			
		799,753,866	629,616,038

The accompanying notes form an integral part of these annual accounts.

Balance Sheet

Liabilities

USD	Notes	2013	2014
Capital and reserves	5		
Subscribed capital		44,989,630	44,989,630
Share premium and similar premiums		110,248,614	110,248,614
Reserves			
Legal reserve		4,498,963	4,498,963
Reserve for own shares or own corporate units		780,010	747,949
Profit or loss brought forward		361,757,065	338,287,577
Result or loss for the financial year		(15,189,093)	20,103,969
		507,085,189	518,876,702
Subordinated debts	6		
Non-convertible loans			
becoming due and payable within one year		--	400,759
becoming due and payable after more than one year		--	105,201,833
		--	105,602,593
Provisions	10,15		
Other provisions		--	1,518,217
		--	1,518,217
Non-subordinated debts	6		
Debenture loans			
Non-convertible loans			
becoming due and payable within one year		226,884,222	--
Amounts owed to credit institutions			
becoming due and payable within one year		63,590,977	--
Trade creditors			
becoming due and payable within one year		350,240	609,151
Amounts owed to affiliated undertakings			
becoming due and payable within one year		796,277	1,428,482
Tax and social security debts			
Tax debts		72,890	32,450
Social security debts		20,868	30,214
Other creditors			
becoming due and payable within one year		953,203	1,518,229
		292,668,677	3,618,526
Total liabilities		799,753,866	629,616,038

The accompanying notes form an integral part of these annual accounts.

Profit and loss account

USD	Notes	2013	2014
Charges			
Other external charges		3,561,529	5,233,656
Staff costs			
	8		
Salaries and wages		1,416,806	1,689,805
Social security on salaries and wages		71,518	112,926
Supplementary pension costs		164,585	164,284
Value adjustments			
	3		
on formation expenses and on tangible and intangible fixed assets		43,516	110,604
Other operating charges	9	887,038	1,081,488
Interest and other financial charges			
concerning affiliated undertakings		--	205,489
other interest and similar financial charges	10	20,033,085	19,501,208
Income tax	12	4,303	4,415
Other taxes not included in the previous caption		32,716	32,785
Profit for the financial year		--	20,103,969
		26,215,095	48,240,130
Income			
Net turnover	11	1,653,559	1,917,578
Other operating income		8,931	179,238
Income from financial fixed assets			
derived from affiliated undertakings	13	7,868,346	--
Other interests and other financial income			
derived from affiliated undertakings		255,118	172,259
other interest and similar financial income	14	1,204,404	45,928,111
Extraordinary income	15	35,644	42,945
Loss for the financial year		15,189,093	--
		26,215,095	48,240,130

The accompanying notes form an integral part of these annual accounts.

Notes to the annual accounts

I. General

Quilvest S.A. (the "Company") was incorporated on 20 December 1960 with the Luxembourg Registration Office-Company Register number B 6091. The Company's registered office is established in 3 Boulevard Royal L-2449 Luxembourg.

The Company is registered as a "Société Anonyme" under the laws of the Grand-Duchy of Luxembourg.

The purpose of the Company is the business directly or indirectly related to the taking of participations, in any form whatsoever, in Luxembourg or foreign corporations or other business entities, the administration, management control, and development thereof.

The Company's financial year begins on 1 January and ends on 31 December of each year.

The Company prepares consolidated financial statements, which are published in accordance with the provisions of the Luxembourg law.

2. Summary of significant accounting policies

2.1 Basis of preparation

The annual accounts have been established in conformity with the provisions of Luxembourg law, with generally accepted accounting principles and in the format applicable to Luxembourg commercial companies.

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgment in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions have changed. The Board of Directors believes the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgments are continually evaluated and are based on historical

experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2.2 Significant accounting policies

a) Foreign currency translation

The accounts of Quilvest S.A. are expressed in USD and the accounting records are maintained in that currency.

Income and expenses expressed in a currency other than USD are recorded on the basis of the exchange rate prevailing on the respective transaction dates.

Assets (excluding tangible fixed assets and shares in affiliated undertakings) and liabilities expressed in a currency other than USD are translated at the year-end rate.

Only realized exchange gains and losses and unrealized exchange losses are included in the result of the financial year.

b) Tangible fixed assets

Tangible fixed assets are valued at purchase price including the expenses incidental thereto. Tangible fixed assets are depreciated over their estimated useful economic lives on a straight-line basis.

The depreciation rates are as follows:

Furniture	16,66%, 20% to 33,33 %
Computer equipment (hardware)	33,33%
Other fixtures and equipment	16,66%

Where the Company considers that a tangible fixed asset has suffered a durable depreciation in value, an additional write-down is recorded to reflect the loss. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

c) Financial fixed assets

Shares in affiliated undertakings and loans to these undertakings are valued at purchase price / nominal value (loans and claims) including the expenses incidental thereto.

In case of a durable depreciation in value according to the opinion of the Board of Directors, value adjustments are made in respect of financial fixed assets, so that they are valued at the lower figure to be attributed to them at the balance sheet date. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

d) Debtors

Debtors are valued at their nominal value. They are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

e) Own shares

Own shares are valued at purchase price.

f) Prepayments

This item includes expenditures incurred during the financial year but relating to a subsequent financial year.

g) Non-subordinated debts

Debts are recorded at their nominal value.

h) Net turnover

The net turnover comprises the amounts derived from the provision of services falling within the Company's ordinary activities.

3. Tangible fixed assets

The analysis of the movement of tangible fixed assets for the year ended 31 December 2014 is as follow:

In USD in 2014	Other fixtures and fittings, tools and equipment	Payments on, account and tangible fixed assets under development	Total
Gross book value - opening balance	302,843	132,434	435,277
Additions for the year	94,678	--	94,678
Transfers for the year	132,434	(132,434)	--
Gross book value - closing balance	529,955	--	529,955
Accumulated value adjustment - opening balance	(87,740)	--	(87,740)
Allocations for the year	(110,604)	--	(110,604)
Accumulated value adjustment - closing balance	(198,344)	--	(198,344)
Net book value - closing balance	331,611	--	331,611
Net book value - opening balance	215,102	132,434	347,537

4. Financial fixed assets

The analysis of the movement of financial fixed assets for the year ended 31 December 2014 is as follow:

Affiliated undertakings

In USD in 2014	Shares	Amounts owed by affiliated undertakings	Total
Gross book value - opening balance	549,266,821	200,198,354	749,465,175
Additions for the year	--	35,160,564	35,160,564
Repayments for the year	--	(192,060,777)	(192,060,777)
Gross book value - closing balance	549,266,821	43,298,141	592,564,962
Net book value - closing balance	549,266,821	43,298,141	592,564,962
Net book value - opening balance	549,266,821	200,198,354	749,465,175

4.1 Shares in affiliated undertakings

Name of undertaking	Registered office	Purchase price (in USD)	Proportion of capital held (in %)
Quilvest Europe S.A.	3, Boulevard Royal L-2449 Luxembourg	316,262,231	100
Quilvest & Partners S.A.	3, Boulevard Royal L-2449 Luxembourg	969,548	80
Quilvest Wealth Management S.A.	48, rue Charles Martel, L-1445 Strassen	232,035,042	66

In accordance with article 67 (3) a) of the law of 19 December 2002, the amount of capital and reserves and profits and losses for the last financial year for which the accounts have been drawn up is omitted.

4.2 Loans to affiliated undertakings

Amounts owed by affiliated undertakings are mainly made of two non-interest bearing loans of up to EUR 100,000,000 and USD 300,000,000 between the Company and Quilvest Europe S.A. for a 60 year period maturing on 17 December 2070. As at 31 December 2014, the balance is EUR 15,000,000 (USD 18,402,024) (in 2013: EUR 12,751,014 (USD 16,467,904)) and of USD 24,896,117 (in 2013: USD 183,730,450) respectively. In the context of the non-convertible bonds refinancing (see note 7.1), the affiliated undertakings proceeded to an early partial repayment of these loans.

5. Capital and reserves

5.1 Subscribed capital

As of 31 December 2014, the Company's authorized share capital is USD 100,000,000 represented by 14,794,520 shares without nominal value, of which USD 44,989,630 represented by 6,656,000 shares without nominal value are issued and fully paid.

5.2 Legal reserve

The Company is required to allocate a minimum of 5% of its annual net income to a legal reserve, until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

5.3 Reserve for own shares

The company purchased during the year 2014, 2,480 own shares for an amount of USD 228,709 and sold 2,500 own shares for an amount of USD 260,770.

In accordance with the law, the Company has created a non-distributable reserve included in the account "Reserve for own shares" for an amount of USD 228,709 and reduced a non-distributable reserve of USD 260,770. As at year-end, the reserve for own shares amount to USD 747,948.

During the year 2014, the Company's direct or indirect subsidiaries acquired no (2013: 5,085) additional treasury shares (2013: USD 526,637) and sold no treasury share (2013: nil).

As at 31 December 2014, 42,693 Quilvest shares are direct and indirectly held (in 2013: 42,713), of which 35,348 (in 2013: 35,348) shares by the subsidiaries of the Company and 7,345 (in 2013: 7,365) shares by the Company.

5.4 Movements for the year on the reserves

The movements for the year are as follows:

USD	Legal reserve	Reserve for own shares	Profit or loss brought forward
As at 31 December 2013	4,498,963	780,010	361,757,065
Movements for the year:			
2013 result brought forward	--	--	(15,189,093)
Reduction of reserve for own shares	--	(32,061)	32,061
Dividends distribution	--	--	(8,312,456)
As at 31 December 2014	4,498,963	747,949	338,287,577

6. Subordinated debts

Non-convertible loans

On December 8, 2014, the Company issued subordinated loans for a total amount of EUR 76,328,000 (USD 93,562,862) and USD 11,638,971, bearing an interest rate of 6% p.a., payable annually in arrear as of 8 December, commencing on 8 December 2015 and maturing in 2018. The portion held by the affiliated undertakings amounts to EUR 34,478,000 (USD 42,263,132) and USD 11,638,971.

The accrued interest as at 31 December 2014 amounts to EUR 292,591 (USD 356,143) and USD 44,616. The portion held by the affiliated undertakings amounts to EUR 132,166 (USD 160,873) and USD 44,616.

7. Non-subordinated debts

Non-convertible loans

On December 7, 2009, the Company issued 3,000 non-convertible bonds at a nominal price of EUR 50,000 each, with coupons attached on issue, bearing an interest rate of 8% p.a., payable semi-annually in arrear as of

June 7 and December 7, commencing on June 7, 2010 and maturing in 2014.

The bonds mature 5 years from the issue date at the nominal value. The bonds and coupons constitute senior, unsubordinated and unsecured obligations of the Company and shall at all times rank pari passu and without any preference among themselves.

On 8 December 2014, the non-convertible bonds arrived at maturity and the Company reimbursed the nominal prices as well as accrued interests, partly in cash and partly through issuance of subordinated debt (see note 6.1).

Further to the non-convertible bonds reimbursement, an exchange gain of USD 41,971,538 has been realized in 2014. The exchange gain results from the difference between EUR exchange rate as of 7 December 2009 (1.5056) when the Company issued the non-convertible bonds and EUR exchange rate as of 8 December 2014 (1.2258) when the Company reimbursed the non-convertible bonds.

8. Staff costs

As at 31 December 2014, the average full time working employees were 6 (in 2013: 5).

9. Remuneration of the Board of Directors

The emoluments granted to members of the Board of Directors in the amount of USD 981,419 (in 2013: USD 847,847) are included in the other operating charges.

10. Other interest and similar financial charges

The other interest and similar charges include mainly the interest expense of EUR 11,243,836 (USD 14,693,874) (in 2013: EUR 12,000,000 (USD 15,987,843)) in relation to the senior bond financial liability, the interest expense of USD 1,079,170 (in 2013: USD 816,778) in relation to banks credit lines, the interest expense of USD 400,759 (including USD 205,488 with affiliated undertakings) (in 2013: nil) in relation to subordinated debts, a financial provision of USD 1,518,217 (CHF: 1,500,000) (in 2013: nil) and realized and unrealized exchange losses of USD 2,014,676 (in 2013: USD 3,227,971).

11. Net turnover

Net turnover is broken down by category of activities and into geographical markets as follows:

USD	2013	2014
Categories of activities		
Administrative services	1,201,047	1,161,618
Consultancy services	320,484	310,542
Rental income	111,543	438,545
Reinvoicing fees	20,485	6,873
	1,653,559	1,917,578
Geographical markets		
Luxembourg	1,355,509	1,630,178
Spain	27,095	26,858
Switzerland	270,955	260,542
	1,653,559	1,917,578

The majority of those services are rendered to affiliated undertakings.

12. Taxation

The Company is subject to the general tax regulations applicable to all companies in Luxembourg.

13. Income from financial fixed assets derived from affiliated undertakings

The income was entirely derived from a dividend received from Quilvest Europe S.A. for 2013.

14. Other interest and similar financial income

The other interest and similar financial income includes the exchange gain of USD 41,971,538 (in 2013: nil) realized on the non-convertible bonds reimbursement on 8 December 2014, the exchange gain of USD 3,333,384 (in 2013: nil) realized on the reimbursement of bank credit lines on 5 December 2014, and other realized exchange gain of USD 623,189 (in 2013: 1,204,404).

15. Extraordinary income

The extraordinary income includes the income realized further to the sale of the 2,500 own shares amounting to USD 22,980 (in 2013: nil) and coupons that have not been presented for payment (after 5 years) amounting to USD 19,965 (in 2013: USD 19,160).

16. Off-balance sheet commitments

As of 14 November 2014, the Company signed a facilities agreement as guarantor of the global credit line of EUR 150,000,000 committed to several companies of the Group.

Furthermore, on 15 October 2012, the Company issued a letter of guarantee in favour of a bank for a loan note instrument of USD 50,000,000, committed to guarantee reimbursement of the notes issued by QS Money Market Inc. and subscribed by investors.

The Company issued on 25 January 2013, a letter of guarantee in favour of a bank committed to guarantee the rent cost of 3, Boulevard Royal.

Finally, on 21 April 2004, the Company issued a letter of guarantee in favour of a bank for an amount of 1,500,000 CHF, committed to guarantee the payment of the partial loan the bank has granted to an affiliated undertaking. In 2014, the Company decided to proceed to an allocation of financial provision of the guarantee amounting to 1,500,000 CHF (1,518,217 USD).

Earnings and allocation

Proposal	USD
Profit for the financial year	20,103,969
Share premium	--
Total proposed allocation	20,103,969

Proposed allocation and distribution	USD
Profit for the financial year	20,103,969
Gross dividend payment	(9,984,000)
Total proposed allocation to profit or loss brought forward	10,119,969

The Board of Directors proposed the payment of a dividend for the year ended 31 December 2014 of USD 1.50 per share.

No delegation of day-to-day management task for the Company was made by the Board of Directors to any of its members.

A gross remuneration of USD 1,085,680 will be proposed for the year 2014.

Notes

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