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Shareholders' Letter



Eurazeo's 2015 Shareholders' Meeting was held on May 6, with nearly 300 shareholders attending.

EDITORIAL FROM PATRICK SAYER

CHAIRMAN OF THE EXECUTIVE BOARD

“

Looking at Eurazeo's overall operation, its indicators, the quality of its portfolio, the team and resources, the strength of the assets and the governance. I am filled with optimism and confidence for the coming years.”



Dear Shareholders,

Our 2014 performances were more than satisfactory: economic revenue rose by 7%, while the contribution of companies net of finance costs increased by 50%. I believe that we can extend this success in the years to come and grow our NAV at an average annual growth rate of approximately 15%, including dividends.

This confidence stems from the significant NAV growth we have posted in the past (+19% on average over the last 4 years), even though at times we have had to face the volatility that is inherent to financial markets. But mostly, this faith in the future is driven by our business model.

We are against the idea of faceless finance, we are not third-party managers and it is not our wish to depend on a limited portfolio of assets.

We accompany entrepreneurs in the implementation of their projects and engage in close and constant dialogue. Investing in the real economy requires time, the time to identify investment opportunities, the time to develop companies by triggering a certain number of transformation levers (external growth, international, digital, CSR). In doing this, we represent long term capital.

Our business model is founded on strong principles: a debt-free Eurazeo S.A., portfolio balance in terms of vintage year, activity sectors, asset rotation, etc.

Looking at Eurazeo's overall operation, its indicators, the quality of its portfolio, the team and resources, the strength of the assets and the governance, I am filled with optimism and confidence for the coming years.

DECODING



PHILIPPE AUDOUIN
CHIEF FINANCIAL OFFICER,
MEMBER OF THE
EXECUTIVE BOARD

“

We have never experienced a suspension or reduction in dividend payments, even in times of crisis.”

—
Eurazeo's growth was especially strong in 2014, despite a slumping economy. Our economic revenue stood at €5,408 million, up by 7.1%, while Eurozone growth was 0.8% over this same period. This performance is explained by the ever increasing proportion of high-potential growth companies in our portfolio and the notable rise in companies held over longer periods of time. This growth accelerated during the first quarter with revenue up +13.7% on a constant scope basis, reflecting a solid performance for all the portfolio companies, in particular for Accor, Asmodee, Europcar and Moncler.

Net of finance costs, the contribution of companies to Group net income rose for the fifth year running, to €231 million, a reflection of the transformation carried out in the group's companies. Net income nevertheless remains negative (-€89 million attributable to owners of the Company) due to the impact of non-recurring items.

Lastly, Eurazeo's financial structure remains very solid, with a cash position of €928 million at the end of March 2015, pro forma of the dividend payment.

Eurazeo dividend payments have grown steadily throughout the last twelve years. On an annual basis, dividends have in fact risen at an average of 7%.

ACKNOWLEDGEMENTS



—
Michel David-Weill, Patrick Sayer, and Roland du Luart, Chairman of the Compensation and Appointment Committee, successively paid tribute to Bruno Keller, who has resigned from the Executive Board after 25 years with the Company. Over his years at Eurazeo, he very successfully developed the real estate division.



“

In a mixed economic environment, 2014 was an eventful and intense year. We pursued our development with five investments in growth sectors: Asmodee, Desigual, Colisée, Vignal Lighting Group, and ANF Immobilier Hotels. Because of its solid financial structure, Eurazeo was able to assist our companies and invest at their side each time it was necessary for their development. Thirteen key external growth transactions were thus carried out.”

MICHEL DAVID-WEILL, CHAIRMAN OF THE SUPERVISORY BOARD



SHAREHOLDERS GIVE THEIR VIEWS



**Adoption of
ALL RESOLUTIONS**

**Dividend set at
€1.20 PER SHARE**

**Bonus share grant
1 SHARE
FOR 20 HELD**

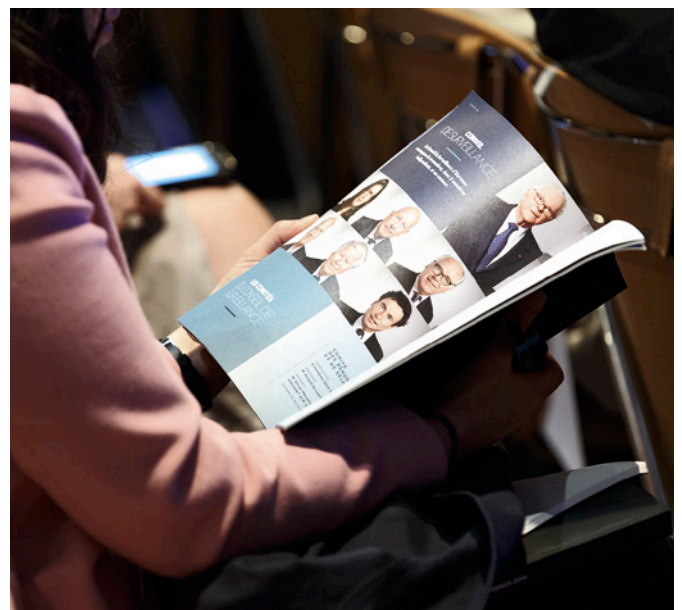
APPOINTMENTS

**Mrs. Mercadal-
Delasalles was
elected as a
member of the
Supervisory Board**



**Nicolas Huet, 44,
was appointed as
General Counsel**

Member of the Eurazeo Executive Committee, he is specifically responsible for legal issues, Corporate Social Responsibility and human resources.



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Why don't you introduce a bonus dividend for registered shares held continuously for two years?”

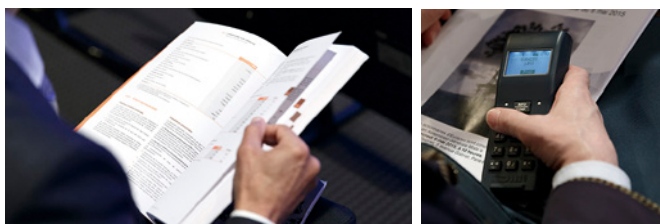
Patrick Sayer: Dividend payments have risen steadily, due to a higher unit dividend and the yearly bonus share grants. Depending on the circumstances and despite a decrease in long rates, the Executive and Supervisory Boards will consider the prospect of increasing the dividend paid. The introduction of a loyalty dividend would encourage long-term capital holding, but some shareholders, particularly Anglo-Saxons, take a negative view of such a policy.



“

Which sectors does Eurazeo privilege for its investments? What position does the Company seek to adopt when investing? Does the Company invest on its own or in partnerships?”

Virginie Morgon: High potential sectors or types of companies were distinguished for each of Eurazeo's four divisions. Eurazeo is committed to identifying growth opportunities. Sectors such as digital or biotechnology are examined, particularly via the Eurazeo Croissance teams. We systematically seek the advice of experts, some of whom provide exclusive assistance to the Company. Eurazeo wishes to exert the most influence possible, in order to accelerate the transformation of the companies in which we invest. The current portfolio demonstrates that numerous investments have been made with partners of all kinds, and have met success (Anglo-Saxon private equity, entrepreneurs, families, etc.). The value generated by these partnerships is considerable.



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What is your position on double voting rights?”

Michel David-Weill: What we offer our investments is time. This is what sets us apart from investment funds that promise rapid returns. How is time offered if there is none to spare? From Eurazeo's perspective, this is the reason why we very much favor double voting rights, which have been around for many years and encourage long-term share ownership.



EURAZEO'S DYNAMIC MODEL PRESENTED BY VIRGINIE MORGON

“

Some notable company success stories began with Eurazeo. These would not have been possible without your faithful and crucial support.”

VIRGINIE MORGON, CHIEF OPERATING OFFICER

2014 was a particularly active year for Eurazeo. We firmly believe that this performance ensues from Eurazeo's strategy and organization based on four dedicated investment teams:

- **Eurazeo Capital** is fully focused on identifying opportunities for growth investments, using a global portfolio management approach.
- **Eurazeo PME** is dedicated to SME investments. Thanks to funds raised with French and international investors (€156 million), we will invest €520 million in the French economy.
- **Eurazeo Croissance** is steering towards new consumption modes, particularly digital and smaller-scale investments, essentially in the form of capital increases with partners.
- **Eurazeo Patrimoine** seeks to accompany real estate and asset investments in Europe, while conserving an added value that is identical to the other three divisions.

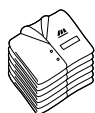
All of these teams have come together to roll out an investment strategy geared toward acceleration and transformation. In early 2015, this work was materialized through numerous transactions. This energy is also visible internationally, since Eurazeo has never ceased to assert its global reach.



To respond to this challenge, four areas of focus have been formalized:

- **Direct investments** in Continental Europe;
- **External growth transactions for our investments**, as illustrated by Asmodee's acquisition of FFG in the US;
- **A reinforced physical presence in areas with significant operational potential** such as China, where the opening of our Shanghai office has already begun to bear fruit;
- **Coordination of a network of local partners to better detect investment opportunities** and support the deployment of our companies in emerging countries.

The flexibility of the Eurazeo model, as well as the professionalism and pioneering spirit of our teams makes us confident, enabling us to approach 2015 with great optimism.



Elis IPO

The performance of the Elis share since the February 2015 IPO (share price up by approximately 40%, creating value of around €220 million for Eurazeo over the last three months), and the top quality of its share ownership demonstrate the success of this operation, which represents a crucial step in the development of Elis.



Sale of half of our stake in Accor

The stock market performance of Accor over the last twelve months has been remarkable, reflecting the numerous transformation levers that have been used to stimulate the company's growth. This market capitalization afforded us the opportunity to sell half of our stake. Eurazeo will continue to accompany Accor in the coming years.



17% stake (€114 million) in Invivo NSA, a world leader in animal nutrition and health

Multi-species, multi-product, and multi-geography (more than 60% of revenue generated in emerging countries), Invivo NSA is a dynamic group with substantial global development potential that Eurazeo wishes to accelerate.

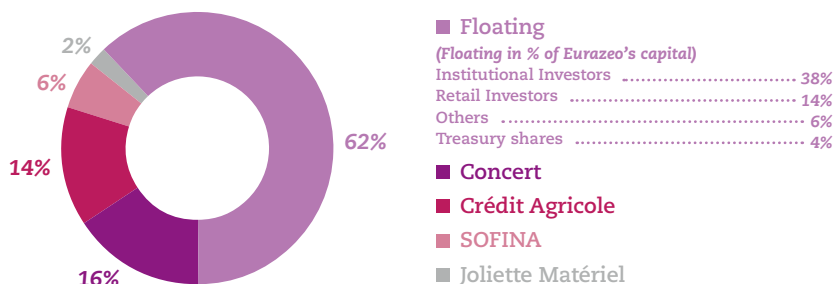


Preparation of the Europcar IPO

After an eighteen-month preparation, Europcar should be listed just before the summer. Thanks to a renewed management team, the definition of a new European strategy and the roll-out of an operational development plan, the transformation is well under way, as demonstrated by the outstanding 2014 results.

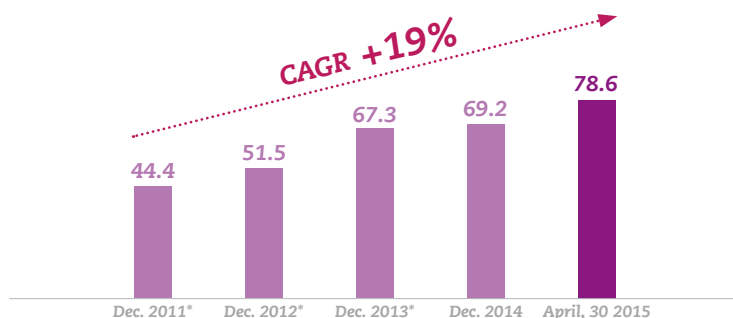
OPERATING REPORT

Breakdown of Eurazeo's shareholding structure



Change in Net Asset Value

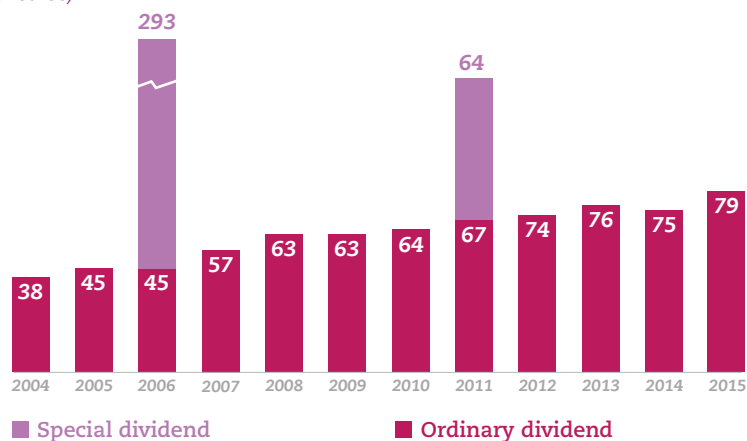
(In euros per share)



(*) Restated for the bonus share grant

Dividend distribution

(In millions of euros)



The Shareholders' meeting has approved the proposed dividend payment of €1.20 per share on May 13, 2015. The dividend payout has increased at an annual average of 7.5% over 10 years.

AGENDA

June 24, 2015

INDIVIDUAL SHAREHOLDERS'S MEETING IN ANNECY

July 30, 2015

1ST HALF 2015 RESULTS

November 12, 2015

3RD QUARTER 2015 REVENUE

CONTACTS

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THE STAY UP TO DATE

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eurazeo_investor_relations@eurazeo.com

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