VERGNET SA, A business corporation (société anonyme) with an Executive Board and Supervisory Board and share capital of €5,629,417.20

Registered office: 1 rue des Châtaigniers - 45140 Ormes, Registered with the ORLEANS Trade and Companies Registry under number 348 134 040

REPORT OF THE EXECUTIVE BOARD

AT THE ORDINARY ANNUAL GENERAL MEETING ON MAY 22, 2013

For the Board
Marc MAYOUSSIER
Group Legal Officer

April 22, 2013

Dear Shareholders,

In accordance with the law and the provisions of our by-laws, we have called this Ordinary General Meeting to call for your approval of the annual accounts for the year ended December 31, 2012.

Notices for this meeting were duly issued.

The documents set out in current regulations were sent to you or made available to you within the prescribed time.

These documents were sent to the Works Council (French Labour Code L. 2323-8).

In particular, the purpose of this report is to present you with the situation of our company, Vergnet SA ("the Company") and of our group ("the Group") (French Commercial Code, L.225-100, L.232-1 and L.225-26).

1 ACTIVITY

1.1 ACTIVITY OF THE ENTIRE GROUP DURING THE PREVIOUS FINANCIAL YEAR

1.1.1 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The entering into force of a significant contract involving the production and installation of HP units in French overseas departments and territories (DOM TOM) was delayed. Indeed, the February 2012 publication of results in the 2010 call for wind project tenders in DOMs by the French government revealed a contradiction between two legal frameworks which must be addressed by the government before these projects can go forward. The harmonisation of the legal framework will lead to a delay compared to the initial timeline of the call for tenders.

On September 17, 2012, Vergnet Group announced the conclusion of agreements with its major shareholders and with its industrial and financial partners to secure and retain financing to ensure continued business activity in a climate of weak demand and increased competition.

These financial transactions, approved by the Combined Ordinary and Extraordinary Shareholders' Meeting of November 29, 2012, included a capital reduction of €8.379 million motivated by losses and achieved by reducing the par value of shares from €1.30 to €0.40, followed by a reserved capital increase in cash for the *Fonds Stratégique d'Investissement* and Nass & Wind amounting to €1.905 million. The company also carried out an early redemption of €7.2 million (in principal) in share-convertible bonds issued in 2011 and maturing at December 31, 2015, and issued new share-convertible bonds maturing at December 31, 2018 and December 31, 2019, amounting to €5 million and €5.716 million respectively. Banks renewed cash lines amounting to €7.4 million (€5.4 million for Vergnet SA and €2.4 million for Vergnet Hydro SAS), redeemable in stages starting from 30 June 2014 and ending on 31 December 2018.

The Company's subsidiary Aerocomposit Occitane, dedicated to manufacturing GEV HP 1 MW and MP 275 kW blade models, decided in January 2012 to end production of GEV HP 1 MW blades due to the very low order book for this product. Restructuring costs amounting to €469,000 were recorded, largely to cover the Job-Protection Plan.

The Combined Ordinary and Extraordinary Shareholders' Meeting of November 29, 2012 decided to modify VERGNET SA's governance by adopting a Supervisory Board form of governance to replace the Executive Board form. The change in the form of governance and management was motivated by a will to encourage a separation between the Company's management and supervision of this management.

1.1.2 WIND TURBINE DIVISION: DIFFICULT ACTIVITY IN ALL MARKETS

1.1.2.1 ASHEGODA PROJECT

Since 2009, the company has carried out a major contract involving the turnkey project of a 120 MW wind farm in Ethiopia (the Ashegoda project). This project involves three phase. The first consists of providing and installing a 230 kW substation as well as 30 1 MW wind turbines. The other two phases each include providing and installing 45 1 MW wind turbines.

Construction work for phase I of the Ashegoda project was completed at the end of 2012. The 30 1 MW GEV HP units manufactured and delivered by Vergnet for this phase are currently being received by the client.

The official modification of the air corridor for the Mek'ele airport near the wind farm substantially changed the zones initially planned for the installation of wind turbines in phases II and III of the project. Operational constraints related to such a change, the client's contractual responsibility, required changes in the provision of turbines. The Company, the project's main manager, therefore drew up a contract with Alstom Wind to subcontract the provision and installation of 54 Class-II ECO 74 wind turbines to supply the final two phases.

Considering the contractual changes, the Company's turnover for the project in 2012 was below the initial targets.

| 1.1.2.2 OTHER MARKETS, ORDERS DOWN

In terms of sales, 2012 was a particularly difficult year. The wind turbine division suffered from deteriorated conditions in Farwind markets (export markets in regions that are difficult to access or cyclonic) and Proxwind (community-based European wind power markets for mid-level power turbines). For Farwind, the postponement of some investment programmes contributed to a tight price situation that was already sensitive at the beginning of the year. In the Proxwind market, the slow-going harmonisation of various countries' national legislation, in addition to financing difficulties, resulted in delays on expansion into a promising market, encouraged in several countries by competitive rates.

The overall result is a lack of activity.

In 2012, the Group delivered the equivalent of 19 MP units and 54 HP units (compared to 30 MP units and 21 HP units in 2011).

Business in 2012 was largely generated by ongoing export projects in Ethiopia (120 HP units launched in October 2009), new operations under the HP Bahamas contract with the US Navy and two other Farwind projects in Russia (3 MP units) and Puerto Rico (3 MP units). In Europe, the equivalent of 10 MP units was delivered on the back of Proxwind orders from Great Britain, Ireland and Italy.

| 1.1.2.3 COST-CUTTING PLAN

The Group decided to undertake a cost-cutting plan to prepare its cost structure for the expected decline in orders. This plan is mainly reflected in the decision to reduce the workforce (job-protection plan, attrition, end of contracts, etc.) and consolidating the Company's activities into one location.

The Company's subsidiary Aerocomposit Occitane, dedicated mainly to manufacturing GEV blade models, decided in January 2012 to end production of GEV HP 1 MW blades due to lack of business.

In 2012, these measures resulted in the reduction of the permanent workforce in the Wind Turbine division by approximately 55 of 230 people, or 24% of the workforce. The plan resulted in a non-recurring cost of €0.9 million.

1.1.3 WATER & SOLAR ACTIVITY

The Water & Solar Division posted a €14.8 million increase in business, despite temporary delays for several contracts in 2013. We note the temporary market decline in Water activity, offset by an increase in Solar business following the signing of major contracts in the second half of 2012.

1.1.4 RESEARCH AND DEVELOPMENT ACTIVITY

Research and development expenses recorded for the financial year ended December 31, 2012 amounted to €1.517 million, compared to €4.267 million for the financial year ended December 31, 2011.

Vergnet decided to participate in the Winflo project operated by Nass&Wind and DCNS in association with major French industrial, scientific and academic players. This is an ambitious innovative project to design, industrialise and

sell a multi-megawatt offshore wind farm facility for deep water coastal locations. The turbine will be specifically designed for installation on a semi-submersible floatation system. This is an opportunity for Vergnet to flex its technical expertise in turbine development and to participate in an ambitious and innovative project. The installation of a demonstrator equipped with a 1 MW GEV HP unit is slated for 2014 and pre-production models will be manufactured beyond
2016.

To provide comprehensive solutions to our clients' needs in the Farwind market, VERGNET is exploring very innovative wind-diesel and solar-diesel combinations that are completely integrated and automated. These solutions produce substantial operating cost savings in windy areas.

The Water & Solar Division continues to pursue its R&D activities aiming to improve products and services. The Water division is currently field-testing a new version of the Hydro India pump fitted with a counter. In water storage, the division increased the capacities of its range of on fill water tanks by offering tanks with higher pressure heads. The major development themes for the solar division are centred around three areas: pumping inverters, systems for manufacturing chlorine in isolated environments and redundancy to secure the cold chain.

1.2 COMPARABILITY OF FINANCIAL STATEMENTS

The consolidated financial statements for the financial year ended December 31, 2012 were prepared using the same presentation and accounting methods as the previous financial year.

The previous year's financial statements are provided for comparison purposes.

1.3 PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements for our Group are presented below.

1.3.1 OPERATING PROFIT

1.3.1.1 TURNOVER

Turnover for each division:

€ million	2012	2011
Wind Turbines	103.3	55.1
Hydro	10.3	11.5
Solar	4.9	1.6
Inter-division	(0.8)	(0.5)
Group	**117.9**	**67.7**

The Group's turnover amounts to €117.8 million.

The Wind Turbine division posted a turnover of €103.3 million (compared to €55.1 million in 2011). Business suffered from deteriorated conditions on Farwind markets and delays in the launch of phases II and III of the Ashegoda project in Ethiopia. The gradual recovery of the Proxwind market was not enough to offset the decline in business.

Activity was buoyed by export contracts underway in Ethiopia (contract for 120 1 MW GEV HP wind turbines launched in October 2009), in Mauritania (contract for 16 275 kW GEV MP wind turbines launched in 2011) and in Nigeria (contract for 37 275 kW GEV MP wind turbines launched in May 2010). Other major business included the signature and execution of the HP Bahamas contract with the US Navy as well as two other Farwind projects in Russia (3 MP). In Europe, major Proxwind orders in the UK, Ireland and Italy led to the delivering the equivalent of 10 MP units.

The Water & Solar Division posted a €15.2 million increase in business (compared to €13.1 million in 2011) despite temporary delays for several contracts in 2013. We note the temporary market decline in Water activity (turnover down by €1.2 million), offset by an increase in Solar business (turnover up by €3.4 million) following the signing of major contracts in the second half of 2012.

| 1.3.1.2 OPERATING PROFIT

The Group posted an €8.1 million operating loss for financial year 2012, compared to a loss of €9.6 million in 2011. The operating loss is broken down as follows:

€ million	2012	2011
Wind Turbines	(10.1)	(10.9)
Hydro	1.8	1.8
Solar	0.2	(0.5)
Inter-division		-
Group	**(8.1)**	**(9.6)**

The Wind Turbine Division posted an operating loss of €10.1 million, compared to a loss of €10.9 million in 2011.

The loss is explained by deteriorated market conditions. Meanwhile, the Ashegoda project's lack of profitability in 2012 and deteriorating market conditions meant that the division's margins were not high enough to cover its structural and development costs.

The Water & Solar Division's profitability increased in 2012, achieving operating profits of €1.8 million for Water activity and €0.2 million for Solar.

| 1.3.1.3 FINANCIAL PROFIT

Financial profit amounted to €1 million for the financial year 2012, compared to €0.8 million for 2011. This includes €0.6 million in interest on convertible bonds subscribed by FSI and Nass&Wind and €0.2 million in interest on bank debt.

| 1.3.1.4 CORPORATE TAX

The group did not record any deferred tax assets on losses carried forward.

By applying this method, the total amount of deferred tax assets comes to €0.16 million at December 31, 2012, compared to €0.206 million at December 31, 2011. Unrecognised deferred taxes amounted to €15.15 million at December 31, 2012, compared to €12.325 million at December 31, 2011.

The total tax expense for the financial year amounts to €0.3 million.

| 1.3.1.5 CONSOLIDATED NET INCOME

The group recorded a consolidated net loss of €9.7 million for financial year 2012, compared to an €18.8 million loss for 2011.

| 1.3.1.6 MINORITY INTERESTS

There are no significant minority interests in the Group's results.

1.3.2 FINANCIAL STRUCTURE

Group equity and quasi-equity amounted to €3.3 million at December 31, 2012, compared to €4.9 million at December 31, 2011. However, the Company issued convertible bonds at a nominal value of €10.716 billion.

Net financial debt at December 31, 2012 was €13.03 million given the redemption premium and interest incurred on the convertible bonds.

Net of financial debts, the Group posted a positive cash flow (excluding convertible bonds) of €9.3 million, compared to €7.8 million at December 31, 2011.

Business generated cash flow of €-3.4 million during the financial year 2012, compared to €-12.3 million at December 31, 2011, due largely to:

- cash flow of €-7.1 million;
- a positive working capital requirement of €3.7 million.

The net investment level for 2012 is virtually nil.

The net balance of financing transactions is a positive flow of €5 million, compared to €17 million at December 31, 2011. This flow is mainly from the financial transaction carried out on November 29, 2012.

Given these items, the net cash flow at December 31, 2012, is positive and comes to €9.3 million, of which €0.7 million is pledged cash and €0.3 million is in currencies that are not immediately convertible or are subject to restrictions on conversion.

The Group also has the following unused credit lines:

- Vergnet SA: an overdraft facility confirmed with a banking pool for up to €5 million until June 30, 2014.
- Vergnet Hydro: an overdraft facility confirmed with a banking pool for up to €2.4 million until June 30, 2014.

1.4 SIGNIFICANT EVENTS AND OUTLOOK

1.4.1 SIGNIFICANT EVENTS SINCE THE END OF THE FINANCIAL YEAR

On March 14, 2013, the Executive Board signed an agreement for a simplified merger between Vergnet SA and its subsidiary Aérocomposit Occitane, which should be completed after all disclosure and third-party opposability formalities in mid-June 2013 and effective retroactively to January 1, 2013.

Meanwhile, the recently published energy purchase rate in French overseas departments and territories should lead to a recovery in Vergnet's historical domestic market in the medium term.

1.4.2 OUTLOOK

1.4.2.1 WIND TURBINE DIVISION

The installation of Alstom units and start of phases II and III of the Ashegoda project in Ethiopia will be a quarter behind schedule compared to the initial timeline. The start of these two phases is expected at the end of the third quarter of 2013.

MP sales in 2013 will mostly be in the Proxwind market.

The Mauritania project was received by the client and the Nigeria project will likely be delivered during the 2013 financial year.

The Group is currently discussing changes to the Wind Turbine division's economic model, which in any case would depend on sales volumes for target markets.

| 1.4.2.2 WATER & SOLAR DIVISION - CONTINUED DEVELOPMENT

The Water & Solar division's business will be driven by historical markets in Africa in addition to Vergnet Hydro's diversification strategy. The continued recovery of Photalia's solar activity will likely sustain the division's business levels in 2013.

1.5 THE GROUP'S MAIN RISKS

1.5.1 FINANCIAL RISKS

On one hand, the main risks for the Group are the sustainability of client solvency and effectiveness in receiving guarantees from the various clients before delivering units and/or services. On the other hand, delays in activity will be a main risk in 2014.

1.5.2 OPERATIONAL RISK

The main risks associated with the Group's market were those related to incentive measures (rates, taxes, regulations, etc.) to encourage wind power production and make it competitive compared to electricity produced by other means. Fluctuations in fossil fuel prices and supplies are factors that influence demand for renewable energy and wind power in particular. The availability of financing also has an impact on the development of our clients' projects. The Water division's growth also depends on international political trends in terms of development aid—especially where it involves rural hydroelectric projects as part of the Millennium Development Goals—and political trends in client countries.

The main risks facing the Group's activities are related to the industrialisation and certification of its new ranges of wind turbines, availability of components for turbine and pump manufacturing, the Group's dependence on major clients, execution of major contracts (the Ethiopian contract in particular), and the entry of new market players into the Farwind and Proxwind markets over the medium term. Business growth and related financial flows increase the variations in the Group's working capital requirements, whose financing is essential; the Group is therefore exposed to risk associated with access to financing.

Working in a complex industrial engineering environment, the Company's main risk is its dependence on key employees.

1.5.3 MARKET RISK

Purchases and sales outside the eurozone expose the group to currency risk. These transactions are currently limited.

The Group has short-term credit lines at variable rates that have not yet been used. In the event that these credit lines are used, the Group would be exposed to interest-rate fluctuations.

Cash surpluses are invested at variable rates; the Group is therefore exposed to changes in these rates.

1.5.4 LEGAL RISKS

The main legal risks facing the Group are related to certain commercial contracts that were signed in the past and carry risks in the future (client contracts and/or project plans that have been signed and have yet to be completed) and reporting income earned abroad to local tax authorities.

1.6 VERGNET SA'S OWN ACTIVITIES

Vergnet SA drives the Group's wind power activities and is the sole shareholder of Vergnet Hydro and Photalia, which respectively bring in water and solar business to the Group.

1.6.1 INCOME

During the financial year ended December 31, 2010, turnover amounted to €100.6 million, compared to €51.9 million for the previous year.

The total assets and liabilities for annual accounts amounted to €59,478,130.

The net income was a loss of €9,774,632.

The cost of supplies, net of inventory changes, amounted to €77.5 million in 2012, or 77% of turnover, compared to €22.5 million (43%) in 2011.

The gross amount of wages and salaries amounted to €5.5 million, compared to €7.3 million for the previous year, down by 24.6%.

The amount of social security contributions and benefits amounted to €2 million, compared to €2.7 million for the previous year.

The average number of staff came out to 133, compared to 152 for the previous year.

Operating expenses over the year totalled €115 million, compared to €66.9 million for the previous year.

Operating income came out negative at €-10 million, compared to €-10.3 million for the previous year.

This result is mainly due to low activity and lack of profitability for the Ashegoda project in Ethiopia, meaning the Group's structural costs were not covered.

In a persistently difficult market, Vergnet began a cost-cutting plan in 2012 that was largely reflected in the reduction of permanent staff in the Wind Turbine division by approximately 55 people (a 24% reduction in staff). This restructuring resulted in a non-recurring cost of €0.9 million.

As for ordinary pre-tax profit, given financial income and expenses, this came out to €10.5 million, compared to €12.7 million for the previous year.

After taking additional expense into account, the financial year ended December 31, 2012 saw a €9.8 million loss, compared to €16.7 million for the previous year.

1.6.2 FINANCIAL STRUCTURE

Capital and other Group equity came out to €-6.4 million, compared to €1.4 million at December 31, 2011. This included medium-term debt of €13.7 million at 31 December 2012, compared to €9.4 million at December 31, 2011.

Available cash amounted to €7.7 million at December 31, 2012, compared to €4.7 million at December 31, 2011.

1.6.3 SHAREHOLDERS' EQUITY

The Company's shareholders' equity fell below half of share capital following losses in financial year 2011. In accordance with Article L. 225-248, it was decided in June 2012 that activity would continue and that the company would therefore be required to adjust its equity before December 31, 2014.

1.6.4 SUBSIDIARIES

There was no capital increase or reduction within subsidiaries during the financial year. The list of consolidated subsidiaries is provided in Appendix 4. Subsidiaries' turnover and income are provided in Appendix 5.

1.6.5 INVESTMENTS AND DISPOSALS

No investments or disposals were made over the financial year.

1.7 SUPPLIER PAYMENT DELAYS (SOCIAL INFORMATION) (L.441-6-1 and D.441-4)

	Payables not yet due						Payables due	
	Less than 30 days		30 to 60 days		More than 60 days			
In € thousands	**At 31/12/2011**	**At 31/12/2012**	**At 31/12/2011**	**At 31/12/2012**	**At 31/12/2011**	**At 31/12/2012**	**At 31/12/2011**	**At 31/12/2012**
Supplier Payables	1,625	4,840	4,767	444	5	3,006	806	7,213
Total	**1,625**	**4,840**	**4,767**	**444**	**5**	3,006	**806**	**7,213**

Supplier outstandings greater than 60 days are mostly related to the Ashegoda (Ethiopia) market.

2 INCOME

2.1 ALLOCATION OF INCOME

The allocation of our company's income is in line with both the law and our by-laws.

We propose allocating the net loss for the financial year 2012 amounting to €9,774,632:

- to "Retained earnings", which would bring that item to €(14,532,850).

2.2 PREVIOUS DIVIDEND DISTRIBUTIONS (CGI 243 BIS)

In accordance with the provisions of article 243 bis of the French General Tax Code (CGI), we inform you that no dividends were paid during the past three financial years.

2.3 NON-TAX DEDUCTIBLE EXPENSES (CGI 39-4)

We ask that you approve the overall amount of costs and expenses listed in article 39-4 of the French General Tax Code (CGI), amounting to €11,797.

3 COMPANY'S CAPITAL

3.1 COMPANY SHAREHOLDERS (L. 233-13)

The company's shareholder structure changed during the financial year due to:

- the elimination of dividends with double voting rights;
- the nominal capital increase and elimination of preferential subscription rights for Nass&Wind and the *Fonds Stratégique d'Investissement*.

The capital reduction by reducing the nominal value did not change the number of shares comprising the capital, nor did it change the breakdown of share capital.

Below are the identities of people directly or indirectly holding more than 5%, 10%, 15%, 20%, 33.33%, 50%, 66.66%, 90% or 95% of the company's capital or voting rights at Shareholders' Meetings:

	At December 31, 2011		At December 31, 2012	
Shareholders	Of capital	Of voting rights	Of capital	Of voting rights
Holding more than 5%	FCPR DEMETER NASS&WIND	NASS&WIND		
Holding more than 10%		FCPR DEMETER	Marc VERGNET NASS & WIND	Marc VERGNET NASS & WIND
Holding more than 15%	Marc VERGNET	Fonds Stratégique d'Investissement		
Holding more than 20%	Fonds Stratégique d'Investissement	Marc VERGNET		
Holding more than 25%				
Holding more than one third			Fonds Stratégique d'Investissement	Fonds Stratégique d'Investissement
Holding more than 50%			Jointly*	Jointly*

*	Notice of threshold crossing on December 11, 2012 (extract of AMF notice 212C1652)

1. By letter received on December 7, 2012, the joint holding by the Fonds Stratégique d'Investissements[1] (FSI) (56 rue de Lille, 75007 Paris), Nass&Wind[2] (ZAC Presqu'île de Kéroman rue Henri Honoré d'Estienne d'Orves, 56100 Lorient) and Mr. Marc Vergnet gave notice that on December 3, 2012, it surpassed the 50% threshold of capital and voting rights in VERGNET and jointly held 8,933,211 VERGNET shares, representing equivalent voting rights, or 63.48% of capital and voting rights in this company, with the following breakdown:

	Shares and voting rights	% of capital and voting rights
FSI	5,390,007	38.30
Nass&Wind	2,073,079	14.73
Marc Vergnet	1,470,125	10.45
Joint total	8,933,211	63.48

This threshold crossing resulted in a series of inextricably linked transactions[3], consisting mainly of (i) the removal from the by-laws of double voting rights attached to VERGNET shares, (ii) a capital reduction by the VERGNET company and (iii) a capital increase by the company.

In accordance with sections III and IV of AMF General Regulations Article 223-14, the joint shareholder specifies that it holds:

- 14,189,258 share-convertible bonds[4] (CB1) which may be exercised at any time until December 31, 2019, with each CB1 eligible for one VERGNET share; and
- 12,500,000 share-convertible bonds[5] (CB1) which may be exercised at any time until December 31, 2018, with each CB1 eligible for one VERGNET share.

2. See complete notice on the AMF website.

3. The above-mentioned joint shareholder's surpassing of 50% of VERGNET capital and voting rights was subject to a decision to wave the obligation to file a public exchange offer, a decision reproduced in the AMF's D&I 212C1311 published on its website on October 5, 2012.

[1] Controlled by the *Caisse des dépôts et consignations* (CDC).
[2] Controlled by Mr. Peter Nass.
[3] See company press release issued on September 17, 2012.
[4] Of which 10,320,020 are held by FSI and the balance of 3,969,238 shares is held by Nass&Wind.
[5] Of which 11,450,000 are held by FSI, 750,000 are held by Nass&Wind and the balance of 300,000 shares if held by Mr. Marc Vergnet.

3.2 TREASURY SHARES (L. 233-13)

None

3.3 NOTICE OF HOLDING AND DISPOSITION OF CROSS-SHAREHOLDINGS

None.

3.4 ADJUSTMENT OF THE CONVERSION BASIS FOR SECURITIES GRANTING ACCESS TO THE SHARE CAPITAL, OF OPTIONS TO SUBSCRIBE AND PURCHASE AND OF FREE SHARES

None.

3.5 OBLIGATIONS OF SAFEKEEPING RELATED TO THE ALLOCATION OF STOCK OPTIONS OR FREE SHARES TO EXECUTIVE OFFICERS

Company officers did not benefit from any allocation of stock options and/or free shares.

4 EXECUTIVE OFFICERS

4.1 GENERAL MANAGEMENT MODEL (R. 225-102)

We recall that the Shareholders' Meeting of November 29, 2012 decided to adopt the Executive Board and Supervisory Board form of governance to replace the Board of Directors model.

4.2 LIST OF MANDATES AND DUTIES PERFORMED BY COMPANY OFFICERS (L. 225-102-1 paragraph 4).

List of remits and functions performed by company officers up to November 29, 2012 (effective date for new governance model)

Name and Surname or company name of officers	Role in the company	Appointment date	End of mandate
FSI represented by Hervé COINDREAU	Director	25/05/2011	Shareholders' Meeting on 29/11/2012
Denis FRANCILLARD	Director	21/07/2011*	
Nass&Wind represented by Peter NASS	Director	25/05/2011	
Thierry BARBOTTE	Director	30/06/2008	
Philippe CHARTIER	Director	30/06/2008	
Bernard FONTAINE	Director	25/05/2011	
Jean Pierre MAQUAIRE	Director	30/06/2008	
Marc VERGNET	Director, Chairman and CEO	25/05/2011	

* *Director appointed following the resignation of Charles Villet, a Director appointed on 25/05/2011, with ratification proposed to the Shareholders' Meeting held to rule on the accounts closed on December 31, 2011.*

List of mandates and duties performed by company officers from November 29, 2012 (effective date for new governance model).

Name and Surname or company name of officers	Role in the company	Date of meeting where appointed	End of mandate
Mr. Olivier BARREAU	Member of the Supervisory Board	29/11/2012	Shareholders' Meeting held in 2015 and called to rule on the accounts for the financial year ended
Ms. Émilie BRUNET	Member of the Supervisory Board	29/11/2012	
Mr. Gilles DAVID	Member of the Supervisory Board	29/11/2012	
Mr. Denis FRANCILLARD	Chairman of the Supervisory Board	29/11/2012	
FSI represented by Mr. Hervé COINDREAU	Member of the Supervisory Board	29/11/2012	
Mr. Nicolas HONTEBEYRIE	Member of the Supervisory Board	29/11/2012	
Mr. Peter NASS	Vice-Chairman of the Supervisory Board	29/11/2012	
Nass&Wind represented by Ms. Nathalie Le MEUR	Member of the Supervisory Board	29/11/2012	
Mr. Marc VERGNET (**)	Member of the Supervisory Board	Appointed to SB on 29/11/2012	
Mr. Bernard FONTAINE (*)	Member of the Supervisory Board	29/11/2012	29/11/2012

(*) Mr. Bernard FONTAINE resigned from his functions on November 29, 2012

(**) Mr. Marc VERGNET was appointed as a member of the Supervisory Board to replace Bernard FONTAINE, after the latter resigned. Ratification of his appointment will be proposed at the next Shareholders' Meeting

Name and Surname or company name of officers	Role in the company	Date of meeting where appointed	End of mandate
Mr. Jérôme DOUAT (1)	Chairman of the Executive Board	29/11/2012 effective 01/12/2012	28/11/2015
Mr. Marc MAYOUSSIER	Member of the Executive Board	17/01/2013	28/11/2015
Mr. Thierry MOULIN (2)	Member of the Executive Board	29/11/2012	17/01/2013
Mr. Patrick COUPEAUD (3)	Chairman of the Executive Board	29/11/2012	01/12/2012

(1) Mr. DOUAT replaces Mr. COUPEAUD effective December 1, 2012, the date on which the latter resigned.

(2) Mr. MOULIN resigned from his duties on 17/01/2013.

(3) Mr. COUPEAUD resigned from his duties on December 1, 2012.

List of mandates and duties performed by company officers outside the Group

Name and Surname or company name of officers	**Mandates and/or duties in another company (within or outside the Group)** Whatever the company's form, in France or abroad
Olivier BARREAU	- None
Émilie BRUNET	- None
Gilles DAVID	- CEO of Enertime
Denis FRANCILLARD	- None
Mandates of FSI Represented by Hervé COINDREAU	- Member of the Governance Committee and non-voting observer of AD Industriel - Member of Altrad (opco) Board of Directors - Member of Altrad Investment Authority Monitoring Committee - Member of Assystem Supervisory Board - Non-voting director of Avanquest - Member of CDC Entreprises Capital Investissement Board of Directors - Member of Cegedim Board of Directors - Non-voting director of Cellectis - Non-voting director of Cerenis - Constellium (Omega Holdco B.V.) Director - Member of Crystal (Ercom) Supervisory Board - Member of Crystal (Ercom) Board of Directors - Non-voting director of Dailymotion - Member of De Dietrich Board of Directors - Member of Eramet Board of Directors - Member of Eutelsat Communications Board of Directors - Member of Farinia Board of Directors - Member of Fidec (Cylande) Monitoring Committee - Non-voting director of Financière Carso - Member of Financière Du Millénium (Gruau) Board of Directors - Member of FSI PME Portefeuille Board of Directors - Member of FT1CI (STM) Board of Directors - Non-voting director of Gorgé - Member of Grimaud (Groupe Grimaud La Corbière) Board of Directors - Member of HIME Board of Directors - Non-voting director of Innate Pharma - Member of Inside Secure Supervisory Board - Member of Mader Board of Directors - Member of Meca Dev (Mecachrome) Monitoring Committee - Member of NGE Strategic Committee - Member of Novasep Holding SAS Supervisory Board - Member of Paprec Holding Board of Directors - Non-voting director of Qosmos - Member of Sequana Board of Directors - Non-voting director of Siclaé - Member of Soprol (company for investing in oilseed producers) Board of Directors - Non-voting director of Stentys - Member of Tinubu Square Board of Directors - Non-voting director of Tokheim Group - Member of Tokheim Luxco 2 SA Board of Directors - Member of Tokheim Luxco SA Board of Directors

List of mandates and duties performed outside the Group.	List of mandates and duties performed outside the Group.
FSI **Represented by** **Hervé COINDREAU**	Mandates of FSI, continued - Member of Viadeo Board of Directors - Non-voting director of Vittal Finances (Riou) - Member of Tyrol Acquisition 1 (TDF holding) Board of Directors - Member of Tyrol Acquisition 2 (TDF holding) Board of Directors
Nicolas Hontebeyrie	- None
Peter NASS	- CEO of Nass&Wind - Co-Manager of SCI Asalo
Nass&Wind **represented by** **Nathalie LE MEUR**	Nass&Wind mandates: - Chair of Nass&Wind Offshore - Chair of Nass&Wind Industrie - Chair of Nass&Wind Energies Nouvelles - Chair of Nass&Wind Bois Energie - Chair of Nass&Wind Invest - Chair of Nass&Wind Participation - Manager of Nass&Wind Forêts - Manager of SCI Celtic Energie - Chair of Winacelles
Marc VERGNET	- Director of SER

4.3 ATTENDANCE FEES

The total amount of attendance fees allocated to the Supervisory Board was set at €60,000 at the Shareholders' Meeting of November 29, 2012 for the current financial year. This amount will apply to future financial years, until a decision is made to change it.

For financial year 2012, the amount of attendance fees paid to the Executive Board was €27,009 and the amount of attendance fees paid to members of the Supervisory Board came out to €12,798.

5 STATUTORY AUDITORS

None of the Statutory Auditors' mandates expired at this year's Shareholders' Meeting.

6 EMPLOYEES

At the end of financial year 2012, employee shareholding under French Commercial Code Article L. 225-102 represented 0.16% of the Company's share capital.

7 NUMBER OF SHARES BOUGHT AND SOLD BY THE COMPANY DURING THE FINANCIAL YEAR (L. 225-211 PAR. 2)

In accordance with articles L. 225-209 et seq of the French Commercial Code, the Shareholders' Meeting of June 28, 2012 authorised the Board of Directors to purchase shares in the company with a ceiling of 10% of the number of shares in the company's capital, to be adjusted to account for any transaction to increase or reduce capital during the programme.

Acquisitions may be carried out with a view to:

- managing the secondary market or liquidity of VERGNET shares via an Investment Services Provider through a liquidity contract in accordance with the AMAFI ethics charter recognised by the AMF;
- retaining purchased shares and subsequently issuing them in exchange or as payment as part of future external transactions, with the understanding that shares acquired for this purpose may not exceed 5% of the company's capital;
- to hedge share purchase option plans and other forms of share allocation to Group employees and/or company officers under conditions and in the manner specified by law, particularly with regard to profit-sharing, as part of a company savings plan or allocation of free shares;
- hedging securities giving rights to allocation of company shares in accordance with applicable regulations;
- cancelling purchased shares, subject to authorisation by the current Shareholders' Meeting during its extraordinary session.

These share purchases may have been carried out by any means, including through the purchase of blocks of securities whenever decided by the Board of Directors. These transactions may have been carried out during a public offering period in accordance with applicable regulations.

The company did not use options or derivatives.

The maximum purchasing price was set at €10 per share and the maximum amount for a transaction is set at €9,310,450.

Between the opening and closing date of the previous financial year, the Company carried out the following capital purchase and sale transactions as part of this share buyback programme:

- Number of shares bought: .... 617,611 shares
- Average price of purchase: €1.2968

- Number of shares sold: .... 607,491 shares
- Average price of sales: €1.2948

Total amount of trading costs: .... None

- Number of shares subscribed at the end of the financial year: .. 22,638 shares

These shares represented 0.16% of the company's capital.

Value evaluated at purchase: €18,042.48
Overall nominal value: €9,055.20

8 REGULATED AGREEMENTS

We ask that you approve agreements authorised by the Supervisory Board under Article L. 225-86 of the French Commercial Code.

We recall that only new agreements made during the last financial year or which were subject to tacit renewal over this period are subject to approval at the current Shareholders’ Meeting.

These agreements are set out in the Statutory Auditors' special report.

9 RELATED AUTHORISATION TO BE GRANTED TO THE EXECUTIVE BOARD TO HAVE THE COMPANY BUY BACK SHARES UNDER ARTICLE L. 225-209 OF THE FRENCH COMMERCIAL CODE

In accordance with articles L. 225-209 et seq of the French Commercial Code, having reviewed the report of the Executive Board, the Shareholders' Meeting, authorises the Executive Board for a period of 18 months to carry out one or several company share buybacks at the time(s) of its choosing, with a ceiling of 10% of the number of shares in the company's capital, to be adjusted to account for any transaction to increase or reduce capital during the programme.

This authorisation extinguishes the authorisation granted to the Board of Directors by the Joint Shareholders' Meeting on June 28, 2012 in its sixth extraordinary resolution.

Acquisitions may be carried out with a view to:

- managing the secondary market or liquidity of VERGNET shares via an Investment Services Provider through a liquidity contract in accordance with the AMAFI ethics charter recognised by the AMF;
- retaining purchased shares and subsequently issuing them in exchange or as payment as part of future external transactions, with the understanding that shares acquired for this purpose may not exceed 5% of the company's capital;
- to hedge share purchase option planes and/or free-share allocation plans (or similar plans) for Group employees and/or Group company officers as well as any share allocations as part of a company or Group savings plan (or similar plan), as part of a company profit sharing plan and/or any other form of share allocation to employees and/or Group company officers;
- hedging securities giving rights to allocation of company shares in accordance with applicable regulations;
- subsequently cancelling purchased shares in accordance with authorisation granted—by the Shareholders' Meeting of June 28, 2012 in its seventh extraordinary resolution—to the Board of Directors and transferred to the Executive Board by the Joint Shareholders' Meeting of November 29, 2012 in its fourth extraordinary resolution.

These share purchases may be carried out by any means, including through the purchase of blocks of securities whenever decided by the Executive Board. These transactions may be carried out during a public offering period in accordance with applicable regulations.

The company does not expect to use options or derivatives

The maximum purchase price is set at €2 per share. In the event of a capital transaction, particularly with regard to share splitting or reverse share splitting or allocation of free shares, the above-mentioned amount is adjusted with the same proportions (equal ratio of the number of capital shares before the transaction to the number of capital shares after the transaction).

The maximum amount of the transaction is set at €2,814,708.

The Shareholders' Meeting grants full powers to the Executive Board to proceed with these transactions, to assess the conditions and methods, to enter into any agreements and to execute any formalities.

Finally, we ask that you approve the corporate and consolidated accounts for VERGNET SA.

We ask that you fully discharge your Executive Board for the financial year ended December 31, 2012, as well as the Statutory Auditors for the completion of their audits, which they will share with you in their general report.

Your Executive Board therefore asks that you vote to approve the text of the resolutions submitted.

EXECUTIVE BOARD

APPENDIX 1: INCOME FOR THE LAST FIVE FINANCIAL YEARS

In € unless otherwise indicated	2012	2011	2010	2009	2008
Capital at financial year-end					
Share capital	5,629,417	12,058,094	8,548,094	8,548,094	8,496,094
Number of shares (units)	14,073,543	9,275,457	6,575,457	6,575,457	6,535,457
Transactions and income for the year					
Turnover before taxes	100,580,612	51,984,594	64,597,061	14,174,916	6,452,730
Income before tax, profit-sharing, amortisation and provisions	(8,074,483)	(5,107,621)	(3,048,155)	(6,694,126)	(4,769,333)
Income tax (- = revenue)	(589,495)	(770,373)	(752,998)	(569,077)	(374,585)
Employee profit-sharing due for the financial year	-	-	-	-	-
Net income after income tax and profit-sharing	(9,774,632)	(16,739,350)	(7,913,614)	(10,144,034)	(8,026,269)
Distributed income	-	-	-	-	-
Income per share					
Income after tax and profit-sharing, but before amortisation and provisions	(0.53)	(0.47)	(0.35)	(0.93)	(0.67)
Income after tax, profit-sharing, amortisation and provisions	(0.69)	(1.80)	(1.20)	(1.54)	(1.23)
Dividend attributed to each share	-	-	-	-	-
Staff					
Average headcount	113	152	139	117	115
Total wages for the financial year	5,531,846	7,336,952	6,149,479	4,570,248	4,337,276
Total amounts paid for social benefits (social security, social services, etc.)	2,152,482	2,905,669	2,798,333	2,214,595	2,120,115

APPENDIX 2: SUMMARY TABLE OF DELEGATIONS AND AUTHORISATIONS RELATED TO CAPITAL INCREASES (STILL IN EFFECT)

	EGM date	Date delegation expires	Amount authorised	Use in previous financial years	Use during the financial year ended on December 31, 2011	Residual amount at December 31, 2012	Observations
Delegation to increase capital with cancellation of preferential subscription rights in favour of employee savings plan members	May 25, 2011	July 24, 2013	1% of capital	_		1% of capital	
Authorisation to issue share subscription options	June 28,2010	August 27, 2013	2% of capital	N/A		2% of capital	
Authorisation to allocate free shares to issue	June 28,2010	August 27, 2013	2% of capital	N/A		2% of capital	

APPENDIX 3: SUMMARY TABLE OF TRANSACTIONS ON SHARES HELD BY

COMPANY OFFICERS, SENIOR MANAGERS AND FAMILY MEMBERS

CARRIED OUT DURING THE LAST FINANCIAL YEAR

(Articles L. 621-18-2 of the French Monetary and Financial Code and 223-26 of the AMF's General Regulations)

Mr. Marc VERGNET sold 51,000 shares on the primary market, out of the 1,572,025 shares he held.

APPENDIX 4: LIST OF CONSOLIDATED SUBSIDIARIES AT 31/12/2012

Company	Country	Method	% interest 2012	% interest 2011
Wind Turbine sector				
VERGNET SA Siren: 348,134,040	France	Parent		
AEROCOMPOSIT OCCITANE Sàrl Siren: 423,072,958	France	FC	100.00	100.00
VERGNET CARIBBEAN Sàrl Siren: 385,186,010	France (Guadeloupe)	FC	100.00	100.00
VERGNET INDIAN OCEAN Sàrl Siren: 442,860,714	France (La Réunion)	FC	100.00	100.00
VERGNET PACIFIC Sàrl Siren: 599,472,001	France (New Caledonia)	FC	100.00	100.00
ENERGIE 21	Morocco	FC	97.90	97.90
HARMATTAN Siren: 501,587,791	France	FC	100.00	100.00
VERGNET WIND ENERGY LTD	Nigeria	FC	100.00	100.00
VERGNET AMERICAS CORP	USA	FC	-	100.00

Vergnet Americas Corp. was liquidated and left the consolidation scope effective September 30, 2012.

Company	Country	Method	% interest 2012	% interest 2011
Hydro sector				
VERGNET HYDRO S.A.S. Siren: 440,355,170	France	FC	100.00	100.00
SAHER	Côte d'Ivoire	FC	52.00	52.00
FASO HYDRO	Burkina Faso	NC	-	95.88
VERGNET NIGER	Niger	FC	70.00	70.00
VERGNET BURKINA	Burkina Faso	FC	100.00	100.00

Significant and long-term restriction threatening control of the company FASO HYDRO appeared during the period. This company has not met consolidation criteria since June 30, 2012 and was deconsolidated on that date. At December 31, 2012, shares in this company were recorded under assets in the consolidated balance sheet at the percentage of company capital they represented on the deconsolidation date. They were subject to a 100% depreciation. Income generated by FASO HYDRO between the beginning of the financial year and the deconsolidation date is recorded under the item "Equity consolidated companies' share of net income"

Company	Country	Method	% interest 2012	% interest 2011
Solar sector				
PHOTALIA S.A.S. Siren: 487,748,477	France	FC	100.00	100.00

(FC = Fully-consolidated; NC = Not consolidated) within the scope

APPENDIX 5: TABLE OF SUBSIDIARIES AND HOLDINGS

In €	Head office	Share of capital held (as a %)	Accounting value of shares held		Amount of related receivables		Amount of guarantees
			Gross	Net	Gross	Net	
1) Subsidiaries (more than 50% control)							
SARL Vergnet Caribbean	Guad.	100.00%	1,857,401	1,115,713			49,958
SARL Vergnet Indian Ocean	Réunion	100.00%	911,522	473,324	53,636	53,636	
SARL Vergnet Pacific	New Cal.	100.00%	14,801	14,801	-	-	
SARL Aérocomposit Occitane	France	100.00%	3,144,258	-	1,599,550	-	136,398
SAS Vergnet Hydro	France	100.00%	1,800,000	1,800,000	46,337	46,337	
SAS Photalia	France	100.00%	1,001,000	1,001,000	1,461,211	1,461,211	
SARL Harmattan	France	100.00%	10,000	5,449		-	
Energies 21	Morocco	96.00%	90,971	-	91,603	-	
Vergnet Americas Corp	USA		-	-	-	-	
Vergnet Wind Energy Ltd	Nigeria	99.95%	47,173	-	62,759	-	
2) Holdings (less than 50% control)							
None							
3) Others							
Coop 92 (liquidation)	France	2.40%	7,622	-			
Subsidiaries & Holdings			8,884,749	4,410,287	3,315,096	1,561,184	186,356

Subsidiaries & Holdings (in €)	Capital (1)	Company capital other than equity (1) (2)	Turnover (1)	Turnover from last financial year (1)	Date of last financial year-end
1) Subsidiaries (more than 50% control)					
SARL Vergnet Caribbean	945,000	169,161	1,709,162	(160,832)	31/12/2012
SARL Vergnet Indian Ocean	365,000	111,160	1,063,158	79,770	31/12/2012
SARL Vergnet Pacific	125,700	703,108	2,753,224	234,259	31/12/2012
SARL Aérocomposit Occitane	800,000	(2,082,294)	651,913	(408,978)	31/12/2012
SAS Vergnet Hydro	1,800,000	1,877,306	9,751,802	382,244	31/12/2012
SAS Photalia	1,000,000	95,243	4,991,584	82,861	31/12/2012
SARL Harmattan	10,000	(4,551)	-	(980)	31/12/2012
Energies 21	88,155	(191,764)	-	(6,582)	31/12/2007
Vergnet Americas Corp	-	-	-	-	30/09/2012
Vergnet Wind Energy Ltd	48,545	(202,527)	150,292	(358,453)	31/12/2012
2) Holdings (less than 50% control)					
None					