



2009

ANNUAL REPORT

2009

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Specialised distribution
of equipment material,
central heating materials,
domestic pumps,
valves for building
and industry...

ANNUAL
REPORT 2009

This English version of Thermador Groupe's annual report contains almost the same information as the French version, but it should not be considered as completely accurate as the French version is the official one, approved by AMF as « reference document ».

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CHAIRMAN'S STATEMENT



2009 is the first year of an unprecedented worldwide crisis. We are pleased to have demonstrated our capacities of resistance under such circumstances, with a decline in turnover limited to 5.5% and a fall in net profit after tax of 21% – or 15% depending on the calculation method – which enables us to maintain our dividend at 6.10 Euros.

Our group has never been in such good health. We do not feel concerned by lessons of “governance” and “ethics” given from all sides. Our management team has always worked skilfully and honourably in serving the interests of the group, its employees and shareholders, rather than their own.

As founding *Président* I am getting on in age. It is time to take the appropriate measures to secure the future of the group. You will see the details of this in the following pages, but here is the main thrust of it:

- to extend the age limit for the *Président* a little to ensure a harmonious transition,
- during this period, the roles of *Président* and *Directeur Général* will be separated. I shall remain *Président* and the role of *Directeur Général* will be entrusted to Guillaume Robin, whilst Hervé Le Guillerm will be *Directeur Général Délégué*. These are two men of great experience and quality.
- to elect four new Board members, including Guillaume. Thus, the Board will comprise the eight *Présidents-Directeurs Généraux* of the subsidiaries. I personally hope that this new, more coherent, configuration of the Board will be approved by the vast majority of our Annual General Meeting which, in this area, is sovereign.

To date, the prospects for 2010 are uncertain, but we have great confidence in our teams to continue to develop the group this year and in the years ahead.

Guy Vincent.

OUR MARKETS

“ Most of our markets are not overly exposed to economic fluctuation. Although the businesses of our different subsidiaries are fairly similar, our subsidiary structure distributes our risks effectively. ”



.....
This market accounts
for around **30%**
of our turnover.
.....

Water

At Jetly and Dipra, we are major players on the French **domestic pump** market in professional distribution circuits and DIY superstores.

For watering, irrigation, water supply to private houses, transfer or lifting of clean or waste water, the pump market is substantial and will remain so, even though the seasons are of variable quality because of varying climatic conditions.

For waste water lifting, in all cases where houses are located below the sewer level, Jetly has developed lifting stations and taken a leadership position on this market which offers major development potential.

In the areas of waste water lifting and recovery of rainwater, Jetly has developed equipment which has given the company a leading position in these high development markets (tanks with pumps).



This market accounts
for around **15%**
of our turnover.

Industry

Fluids circulate on most industrial sites: chemical, agro-foods, pharmaceutical... Our subsidiaries Sferaco and Sectoriel sell valves, flaps, filters, connectors, motors and regulators adapted to the different needs of these markets.

We are very well represented amongst almost all specialist distributors and wholesalers in industrial valves, industrial supplies and we are progressively adding to our range of products.

Our equipment is used for both maintenance and new installation work.

This market accounts
for around **55%**
of our turnover.



Building

Thermador, PBtub and Sferaco (for a considerable part of its turnover) are involved in the construction market for heating and hot and cold water distribution circuits.

Tubes made of synthetic materials at PBtub, plumbing accessories at Sferaco, plumbing accessories and other central heating installation components at Thermador.

The needs of the French housing market remain substantial and major renovation programmes are to be launched.

Most of our turnover comes from maintenance and renovation and these are “needs” markets for which we are in a good position to obtain maximum profit from the market’s development.

In the area of domestic hot water circulation, safety requirements (prevention of burning, legionnaires disease) should develop the sale of devices that we sell.

Furthermore, we are aware of the trend towards new forms of energy: heat pumps, solar power and fluid-based systems where we have items of equipment to sell.

OUR BUSINESS

“ People very often ask us about the usefulness and viability of our positioning between the manufacturer and the wholesaler. We have fulfilled this role successfully for over 40 years by using top materials and suppliers and our widely-respected logistics operations. ”



More often than not, the final **consumer** needs a professional (a central heating installer, a plumber, etc...) to meet his needs. It is a fact that few consumers are able to change a radiator tap or install an electric pump unit.



The professional **installer** purchases the equipment he needs, generally from a local wholesaler, who carries all the equipment relevant to that trade. In France, there are something like 3,000 wholesale outlets which carry on average between 20,000 and 40,000 references.



The **wholesaler** buys from the manufacturer. In France, French manufacturers distribute their own products to the wholesalers. Foreign manufacturers, on the other hand, must use existing distribution solutions on the French market: sales teams who speak French and have local market knowledge and the necessary logistics organisation to deliver the 3,000 outlets spread over the whole of the country.

Our strengths

- Extensive knowledge of markets.
- Highly competent sales teams, extensive geographical presence.
- Well-organized logistics: storage capacity and management of stock and dispatching allowing delivery anywhere in France within 24 to 48 hours.
- A wide range of appropriate products.



Foreign manufacturers of large equipment (boilers, for example) practically always have their own distribution networks in France; for smaller or more specific equipment, however, the turnover generated does not cover the costs of having their own structures in place.



It is here that organisations such as the companies of Thermador Groupe have a role to play, offering foreign manufacturers efficient structures and wholesalers homogenous product ranges which allow them to buy a wide range of small items from a single source. In this role, the Thermador Groupe companies are more often than not French market leaders.



In the **DIY** field, when equipment can be installed by practically-minded individuals, the installer phase is no longer necessary, and the person can go directly to the DIY superstores. They, like the wholesalers, buy their products from the manufacturers and the smaller items from middle-men, who also provide suitable packaging services. Our subsidiary Dipra is involved in that activity.

OUR SUPPLIERS

“ It is the responsibility of the heads of each of our subsidiaries to upkeep trusting relations and regular contacts with our suppliers.
In spite of the fact that some of our suppliers are common to several subsidiaries, we do not see the benefit of having a centralised purchasing department. ”



Patrick Clogenson, Kai Dugas-Wan, Bernard Bermond and Jérôme Piette are preparing a trip to China in the near future.

Our suppliers, then, are **manufacturers**, most of whom are foreign, and with whom we establish close, long-term working relations. We have selected them from the very finest in their respective fields. Traditionally for our equipment, Italian manufacturers have a strong position in Europe. Currently they account for 52% of our purchasing against 49% last year.

Our purchasing in China represented 21% in 2009 (25% in 2008). We have a Chinese engineer colleague who speaks very good French and who is responsible for day-to-day relations with our Chinese suppliers. We have established trusting and regular relationships with over 30 Chinese manufacturers with hardly any quality problems. Our teams travel to China 5 to 6 times a year.

Purchases of the Group in 2009

Total purchases: **€100 M** (in 2008: €123M, in 2007: €107M)

Distribution by country and by currency:

	2009	2008	2007		2009	2008	2007
Italy	52 %	49 %	51 %	Euros	79 %	75 %	78 %
China	21 %	25 %	21 %	US Dollar	21 %	25 %	21 %
France	13 %	13 %	15 %	Other currencies	0 %	0 %	1 %
Other European countries	14 %	13 %	13 %				

Supplier payment periods at 31/12/2009

(in .000 Euros)	Foreign suppliers	French suppliers
0-30 days	6	557
31-45 days	211	531
46-60 days	314	1,204
61-75 days	500	1,502
76-90 days	3,432	256
91-105 days	5,510	90
>106 days	3,636	27
total	13,609	4,167

Risks

In our relationships with our suppliers, we ensure that we are **not too dependent** on them due to an excessive percentage of turnover or due to the strategic nature of their supplies. **None of the limited number of main suppliers represents more than 12% of purchases** at group level and we have several suppliers for strategic equipment most of the time.

OUR CUSTOMERS

“ Our customers are wholesalers in heating and plumbing, pumps, plumbing fittings, industrial supplies throughout France (and for DIPRA, DIY superstores). ”



Warehouse of one of our wholesale customers

.....
The number of customers according to subsidiary:
between **1500** and **3000**
Numerous customers are common to several
different subsidiaries.
.....



Weekly sales meeting at Sferaco

Over several years this profession has regrouped substantially. The biggest are Brossette (Wolseley group), Cédéo (Poliet/Saint-Gobain group) Descours et Cabaud, Comafranc, Richardson, Frans Bonhomme... The others for the most part are affiliated to national purchasing syndicates (Algorel, Socoda, etc).

We have very active commercial presence at the national decision making centres and points of sale (sales activities, training, etc.). The organisation of our sales force with small teams of highly professional and highly present salespeople makes us really efficient.

Risks

As for suppliers, we ensure that we do not depend on our customers too much.

Today the distribution of turnover is as follows:

- the biggest client represents 7.9%
- the 5 biggest represent 28.9%
- the 10 biggest represent 38%

This is **clearly not a dangerous dependence**.

We are also careful to call in our customer debts by reacting quickly in cases of unpaid bills.

Our rate of customer loss is exceptionally low at **under 1%** of turnover for 2009.

GROUP HISTORY

1968

THERMADOR was founded by:

Guy Vincent, Jacques Borde, Hubert Fournier, Geneviève Boreil and Marc de Sereys. The initial capital was FRF 300,000.

Business: importing and distributing central heating accessories.



1977

Creation of JETLY:

sale of domestic pumps and pump accessories.



1978

Creation of SFERACO:

sale of valves to the construction business and industry.



1986

Creation of DIPRA:

sale to DIY superstores: pumps, household valves, plumbing.

Creation of THERMADOR GROUPE.

1987

Listing on the Stock Exchange.



1989

Creation of PBtub:

sale of plastic pipes, underfloor heating and systems for household plumbing.



Creation of SECTORIEL:

design and development of valve actuators.

1992

Creation of ISOCEL:

Automatic systems for valves.



2002

Creation of OPALINE:

communications agency.

2006

Creation of THERMADOR INTERNATIONAL.



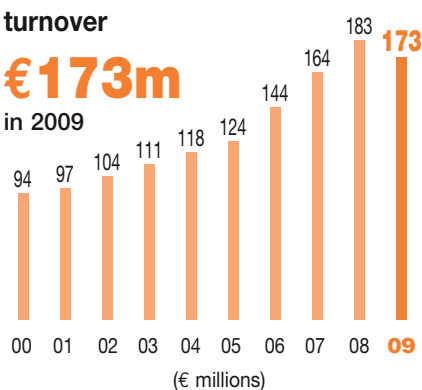
KEY FIGURES

2000 to 2003: figures presented were calculated according to French standards.

Consolidated turnover

€173m

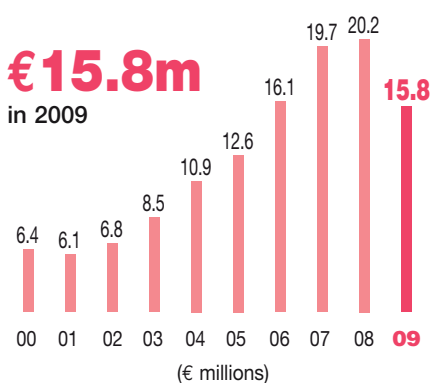
in 2009



Consolidated net profit

€15.8m

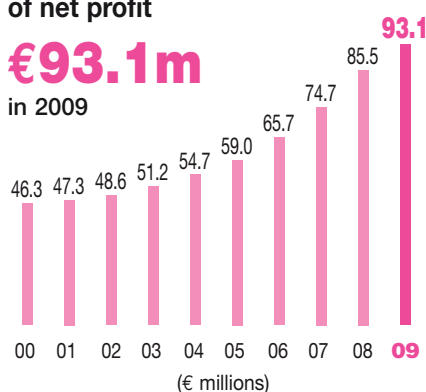
in 2009



Shareholders' equity after distribution of net profit

€93.1m

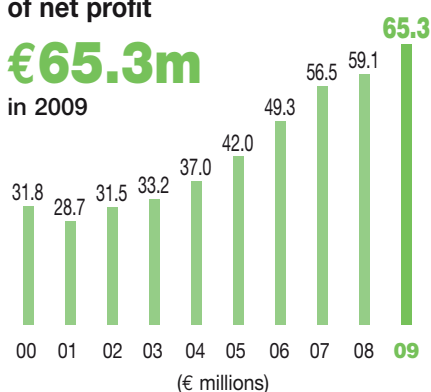
in 2009



Working capital after distribution of net profit

€65.3m

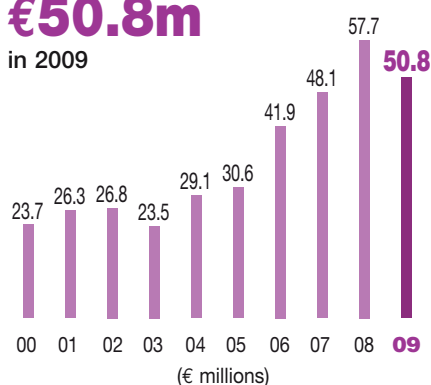
in 2009



Stocks

€50.8m

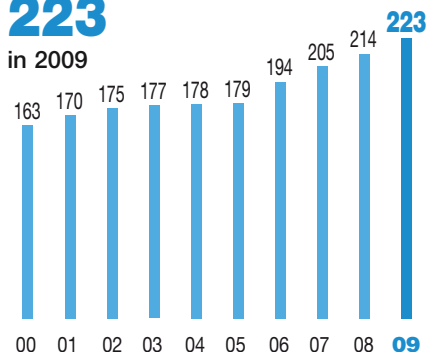
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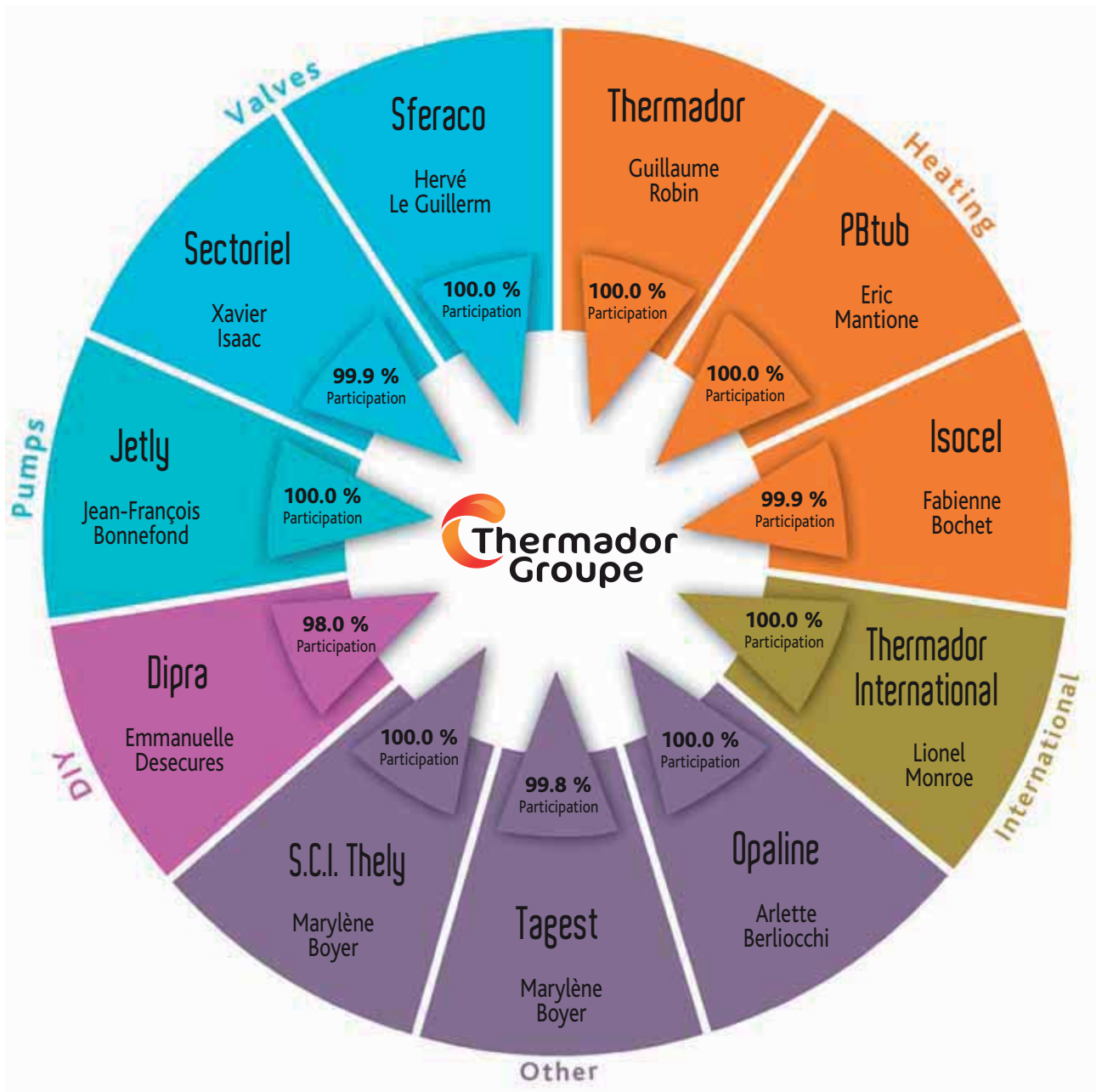
Employees

223

in 2009



ORGANISATION CHART



We are often questioned on our organisation chart: why 8 subsidiaries with 8 Management teams, 8 warehouses, 8 purchasing departments... Would grouping these activities not result in "economies of scale"?

Based on experience, we feel that the inconveniences referred to above are more than compensated for by the efficiency **of small and very highly motivated teams.**

Along with Marylène Boyer and Guy Vincent the 8 *Présidents-Directeurs Généraux* of the subsidiaries have maximum freedom to develop their company, benefiting from the group support which provides them with the financial logistics and IT resources they need.

They all have a share of the capital on a relatively high proportion of their assets and are committed over the long term. They already have many years' experience in the group with an in-depth knowledge of their professions.



Front, from left to right: Jean-François Bonnefond, Hervé Le Guiller, Guy Vincent, Fabienne Bochet and Lionel Monroe.
Back, from left to right: Guillaume Robin, Emmanuelle Desecures, Xavier Isaac, Marylène Boyer and Eric Mantione.

Management and Board of Directors

Upon the proposal of the *Président* of the Board of February 12th 2010, the Board decided to separate the functions of *Président-Directeur Général* with effect from the Annual General Meeting of April 12th 2010.

The Board **proposes** the following changes to the management of the group with effect from the same date:

Président  Guy Vincent <i>born in 1930</i> <i>Président-Directeur Général</i> of Thermador Groupe since 1986. • <i>Président</i> of Opaline. • Board member of PBtub and Thermador International. • Founder of Thermador in 1968. Education and professional background: • 1952: HEC Business School graduate, Law graduate. • Until 1968: Sales Director of a pump manufacturing company. <i>Number of shares held: 109 365.</i>	Financial Director  Marylène Boyer <i>born in 1950</i> Board member since March 27th 2000. • Financial Director of Thermador Groupe since 1998. • Board member of PBtub, Manager of SCI Thely and Tagest. • Joined the Group in 1987. Education and professional background: • 1973: Graduate of Marseille Business School and BA in Economic Science. • 1973-1986: Administrative and Financial Director of a group of toy wholesalers. <i>Number of shares held: 20 129.</i>
Directeur Général  Guillaume Robin <i>born in 1965</i> Board member: nomination proposed at the AGM of April 12th 2010. • <i>Président-Directeur Général</i> of Thermador since 2006. • Board member of Dipra, PBtub and Isocel • Joined the Group in 1999 as Sales Manager at PBtub. Education and professional background: • 1989: Graduate of the UTC Compiègne Engineering School, specialising in mechanical engineering. • 1991: CESMA MBA graduate, EM Lyon. • 1991-1998: Sales Manager for a subsidiary of the Descours and Cabaud Group. <i>Number of shares held: 7 010.</i>	Directeur Général Délégué  Hervé Le Guillerm <i>born in 1954</i> <i>Administrateur</i> depuis le 22 mars 2004. • <i>Président-Directeur Général</i> of Sferaco since 2001. • Board member of Sectoriel and Thermador International. • Joined the Group in 1990 as Sales Manager Director of Sferaco. Education and professional background: • 1977: Electrical Engineering Diploma (DUT). • 2001: ICG Diploma. • 1979-1999: Head of the Industry Department of Mabilille (industrial wholesaler). <i>Number of shares held: 19 918.</i>

Board member

	Emmanuelle Desecures <i>born in 1970</i> Board member since March 22nd 2004. • <i>Président-Directeur Général</i> of Dipra since 1999. • Board member of Jetly. • Joined the Group in 1994 as Administrative Manager of Dipra. Education and professional background: • 1991: Graduate of EM Lyon Management School. • 1991-1994: Auditor at Coopers and Lybrand. <i>Number of shares held: 25 540.</i>
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Board member

	Eric Mantione <i>born in 1959</i> Board member since April 2nd 2007. • <i>Président-Directeur Général</i> of PBtub since 1995. • Board member of Thermador, Sferaco and Thermador International. • Joined the Group in October 1990 as Sales Manager at PBtub. Education and professional background: • 1982: Graduate of EM Lyon Management School. • 1982-1987: Sales Manager of a subsidiary of the Descours and Cabaud Group. • 1987-1990: Hachette Book Group: Regional Director, Ile-de-France. <i>Number of shares held: 22 512.</i>
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COMPANY and its INTERNAL FINANCIAL CONTROL PROCEDURES

To simplify the Board and make it more efficient, we propose including **Guillaume Robin** *Président-Directeur Général* of Thermador, **Fabienne Bochet** *Président-Directeur Général* of Isocel, **Xavier Isaac** *Président-Directeur Général* of Sectoriel, and **Lionel Monroe** *Président-Directeur Général* of Thermador International.

Board member



Jean-François Bonnefond *born in 1957*

Board member since April 2nd 2007.

- *Président-Directeur Général* of Jetly since January 2000.
- Joined the Group in 1993 as Sales Manager of Jetly.

Education and professional background:

- 1980: Graduate of EM Lyon Management School.
- 1982-1992: Sales Manager of a subsidiary of the Schneider Group.

Number of shares held: 20 696.

Board member



Fabienne Bochet *born in 1974*

Board member: nomination proposed at the AGM of April 12th 2010.

- *Président-Directeur Général* of Isocel since 2008.
- Joined Thermador Groupe in 2001 as Administrative Manager of Isocel.

Education and professional background:

- 1996: Graduate of Toulouse Business School.
- 1997-1999: Caritas Liban.
- 1999-2001: Sales Administration in a distribution SME.

Number of shares held: 2 491.

Board member



Lionel Monroe *born in 1967*

Board member: nomination proposed at the AGM of April 12th 2010.

- *Président-Directeur Général* of Thermador International since 2008.
- Joined the Group in 2007.

Education and professional background:

- 1990: Graduate of ISC Business School, Paris.
- 1992-1996: Regional Sales Manager at Mars.
- 1996-2006: Director of the Export Zone for the Deveaux Textiles Group (including 3 years in the US).

Number of shares held: 460.

Board member



Xavier Isaac *born in 1969*

Board member: nomination proposed at the AGM of April 12th 2010.

- *Président-Directeur Général* of Sectoriel since 2008.
- Joined the Group in March 2000 as Managing Director of Sectoriel.

Education and professional background:

- 1992: Graduate of the National Polytechnic Institute in Grenoble.
- 2006: ICG Diploma.
- 1993-1996: Export Sales Engineer for Heidelberg Zement in Germany.
- 1996-2000: Plumbing and Fittings Product Manager at Spirax Sarco.

Number of shares held: 2 514.

Independent Board member



Jean-Yves Bouffault *born in 1946*

Board member since April 2nd 2007.

Education and professional background:

- Graduate of the ENSAI Engineering School, Strasbourg.
- DESS post graduate in Business Studies.
- 1986-1995 : *Président Directeur Général* of Comap, Legris group.
- 1995-2003 : *Président Directeur Général* of Potain.
- Depuis 2004 : *Président du Directoire* of IMS (International Metal Service).

Number of shares held: 500.

Independent Board member



Milena Negri *born in 1952*

Board member since April 6th 2009.

From 1978-2001:

- Owner and Manager of the company IVR, an Italian manufacturer of plumbing fittings in the Province of Novara
- In a little over 20 years Milena Negri has made I.V.R. one of the biggest Italian companies on its market segment.

Number of shares held: 230.

The term of the first seven Board members in place was renewed at the AGM of April 7th 2008, and Milena Negri was nominated at the OGM of April 6th 2009. We propose nominating four new Board members for a period of four years. The term of the 12 Board members will end at the AGM of 2014 voting on the accounts of 2013.

With a legitimate desire for greater transparency and protection of minority shareholders, the Authorities and other bodies are regulating the practices of "governance" and control in companies more and more closely.

In writing this report the *Président* primarily took inspiration from the Middenext reference set "for medium and small shares" of December 2009, itself associated with the Medef reference set and the AMF reference set.

The *Président* will successively review our **governance** practices and our **control** practices followed by a special presentation on the **risks** involved.

Company governance

Board of directors:

On the previous page we laid out its makeup and a CV of each Board member.

1 Works of the Board in 2009

During this financial year the Board met 5 times, in particular to:

- close quarterly turnover figures, social and consolidated accounts, annual and half-yearly accounts
- authorise the payment of exceptional bonuses to Guy Vincent and Marylène Boyer (see page 17),
- authorise the signing of a new lease and an amendment to take account of a decrease of 4.1% as of January 1st 2010.
- authorise the payment of attendance fees to Jean-Yves Bouffault and Milena Negri.

The attendance rate of Board members at Board meetings was 90%.

2 Committees

Two meetings of the Board (July and February) set aside time for **auditing the accounts** (half-yearly and yearly) with a detailed audit report presented by Marylène Boyer, Financial Director, a dossier being given to each Board member beforehand.

Once a year (and more if necessary) the management committee reviews the **earnings** of all employees to ensure that they are fair and consistent within our subsidiaries.

At this meeting (in December in general) we decide on the changes to payments of members of the management committee: monthly salary and end of year bonuses.

3 Powers of the *Directeur Général*

The Board or company by-laws imposed no specific limitation on the powers of the *Directeur Général* who operates according to the powers given to him by law.

4 Other information

4-1. Termination of employment contracts for social representatives

As no new social representative contract was allocated and, since no renewal had occurred since October 6th 2008, the recommendation on the closure of the employment contract when a manager becomes a corporate representative does not apply.

4-2. Information on operations carried out with the members of the administrative and management bodies

Conventions subject to authorisations are those described in the special auditors' report on conventions and commitments for the financial year ending 31/12/2009. Existing conventions appear in a list drawn up by the company for the financial year ending 31/12/2009 and sent to the auditors in compliance with the provisions of articles L 225-39 and L 225-87 of the Commercial Code.

4-3. Loans and guarantees allocated or created in favour of administration and management bodies

The company did not allocate any loan or guarantee in favour of members of the Board.

5 Emoluments of directors

The total gross earnings and all direct and indirect benefits for each Corporate Officer of the Group (including consolidating and controlled companies with regard to of Article 357-1 of the law on commercial companies) allocated for the financial year to members of the Board of Directors on account of their functions total €1,288,000 distributed as follows:

(thousands of euros)		2009	2008	2007
Guy Vincent Corporate appointment	Fixed part	177	170	164
	Variable part	79	90	115
	Total remuneration	256	260	279
Jacques Borde Corporate appointment	Fixed part		12	127
	Variable part			
	Total remuneration		12	127
Marylène Boyer Employment Contract	Fixed part	156	149	143
	Variable part	66	75	100
	Total remuneration	222	224	243
Emmanuelle Desecures Corporate appointment	Fixed part	137	130	124
	Variable part	27	22	57
	Total remuneration	164	152	181
Hervé Le Guillerm Corporate appointment	Fixed part	156	149	144
	Variable part	64	75	110
	Total remuneration	220	224	254
Jean-François Bonnefond Corporate appointment	Fixed part	148	144	138
	Variable part	70	75	99
	Total remuneration	218	219	237
Eric Mantione Corporate appointment	Fixed part	145	141	135
	Variable part	49	65	95
	Total remuneration	194	206	230

The variable part depends on the performance of the company in which the functions are carried out - or on group performance for group-level functions.

The Directors do not receive any benefits in kind.

Directors' fees (thousands of euros)	2009	2008
Jean-Yves Bouffault	8	9
Milena Negri	6	

6 Commitment to Directors

A retirement commitment concerns the payment of a pension upon retirement as authorised by the Board of Directors of December 19th 2003. This payment is calculated in the same way as that paid to managers according to the

provisions of article 5 of amendment 1 of the industry-wide agreement concerning wholesalers. The amount of compensation registered by December 31st 2008 for Board members and Company Managers was €406,000.

7 Disposals and expenditures of directors' company' shares

Declaring individual	Position	Capital expenditure	Disposals	Average purchase price	Average sale price
Emmanuelle Desecures	Administrateur	700	200	€81.44	€92.14
Eric Mantione	Administrateur	90		€87.78	

8 Distribution of free shares

The AGM of April 7th 2008 authorised the Board to distribute free shares totalling 5% of capital (87,000 shares) to 9 managers.

In compliance with the law this distribution will be effective 2 years after the decision of the Board, i.e. June 20th 2010.

Please refer to page 15 of the 2008 Annual Report for any information on this procedure.

The managers involved in this distribution will sign a **shareholders pact**, promising to keep the shares for a period of 10 years or, if they leave the group during this time, to sell them to Thermador group or to another member of the shareholders pact at a 30% discount on the share price.



Internal control

1 Subject of internal control procedures

The internal control system in place in our group is designed to ensure that employees comply with prevailing laws and regulations as well as with the standards and principles of our group so as to avoid any risk of error or fraud.

2 Organisation of control procedure

2-1. Within the parent company

- Thermador Groupe defines and implements the group's development strategy and co-ordinates its different business activities.
- Thermador Groupe defines and monitors the proper implementation of consistent rules on accounting, legal, fiscal and IT issues.
- The same IT system (ERP Générrix) has been used since 2001, allowing us to have consistent exhaustive real-time information.
- Resources have been mobilized to maintain constant availability of IT tools, and to ensure the integrity and confidentiality of information stored in the company's computer system.
- Thermador Groupe owns all or practically all the capital of its subsidiaries, and is present (as are its top executives) on the Boards of the various subsidiaries.
- Our consolidated accounts are prepared internally. This is made easier by the simplicity of our legal structure, having a single chart of accounts and isolated movements within the group, and common principles for the statement of accounts.

2-2. For the subsidiaries, the key areas are to do with sales, purchasing and margin controls

- Each subsidiary has a general management team,

an administrative department, a sales department and a purchasing department: each is autonomous in the definition and implementation of its strategy in line with the regulations defined within the group. Only the Chairman and Managing Director and the administrative department are signatories.

- Cross-departmental meetings involving those performing the same roles in the different subsidiaries allow a pooling of experiences and validation of proper implementation of procedures.
- Frequent complete or rotating physical inventories means that discrepancies can be detected and the efficiency of procedures checked.
- We are particularly attentive to the proper respect of ethical rules by our purchasing department.
- The subsidiary management teams communicate the following data to the group's management on a monthly basis: cash-flow forecasts, customer receivable aged trial balance, stock levels, matching up of figures for the statistical margin and the accounting gross margin, their balance sheet and pre-tax P&L statement: a comparison against budgets and previous year's figures allows us to carry out month-by-month analyses.

2-3. Earnings policy

Staff earnings include:

- A fixed component higher than wages practised in the profession.
- And a variable part which depends upon each subsidiary's results and individual performance. On average, this variable part currently represents 22% of annual salary.

2-4. Appreciation of internal controls

The procedures described above, approved by the Board of Directors of 12/2/2010, have proved efficient to date.



Information on risks

The company carried out a risk review which could have a significant adverse effect on our business, its financial situation and results and considers that there are no substantial risks other than those presented.

1 Minor risks

1-1. Borrowing rate risks

We have no medium to long term credit, therefore no risks on rates.

1-2. Liquidity risk

Given the structure of our balance sheet and debt pay-by dates, there is no risk of liquidity. The cash flow situation on December 31st 2009 is positive (paragraph III on the cash flow table). Furthermore, the group has unused bank overdraft facilities.

1-3. Risk on investments

Excess cash flow is invested in SICAV and represents zero risk.

1-4. Development activity: none.

2 Environmental and sustainable development risks

In our activity – buying and selling – we are not really concerned. We do not distribute any products classified as dangerous.

We pay particular attention to intelligent management of waste, to the design of our packaging and ensure our partners do as well (suppliers, customers, staff, shareholders), with whom we are always transparent and encourage "good practices".

3 Credit risks

We detailed our customer risk management situation on page 9 (as well as in Note 22 of the appendix to the consolidated accounts p. 42). We have no credit insurance.

4 Foreign exchange risks

Around 21% of our purchases – primarily in China – are settled in US dollars. Our policy is to buy dollars the day that we need to settle our invoices. Certain subsidiaries use hedging – for major suppliers – or the purchase of options so as to fix the rate at the time of purchase. Mathematically a variation of 10% of the US dollar would have an impact of 2 million euros.

In any event, the actual purchasing price is incorporated into our cost prices and transferred to our sales price as far as possible.

We do not therefore consider the differences in exchange rate to be a risk but as part of our cost price.

5 Variation in raw material prices

It is our manufacturing suppliers who handle the purchase of raw materials included in our products. In case of major variations in the prices of certain raw materials (copper, steel, etc.) we may face increases in our purchase price that we try to pass on as well as we can in our sales price. There are so many different cases depending on suppliers and products, making precise statistics impossible, with the result used as an element of cost price and margin management.

This has been part of our day to day management from the beginning and we feel that we manage these problems with a minimum risk to our shareholders. Our results clearly demonstrate this...

6 Legal risks

We have no dispute in progress or in the pipeline, either with customers or suppliers or social and fiscal administration.

7 Guaranteed risks in insurance contracts

7-1. Civil liability after delivery

This concerns claims resulting from installations where the equipment that we have delivered is at fault.

Given the tens of millions of parts that we deliver each year that are installed by installers with different competences, we have always been involved in a certain number of claims. We are covered by civil liability insurance after delivery by a major insurance company.

7-2. Other risks

We are covered by insurance contracts with front line insurance companies for:

- fire and flood in our buildings and stocks,
- vehicle insurance, particularly for our stock of handling machinery. We pay a lot of attention to training and the behaviour of our warehousemen using this machinery.

8 Risks linked to staff dishonesty Fraud, theft, etc.

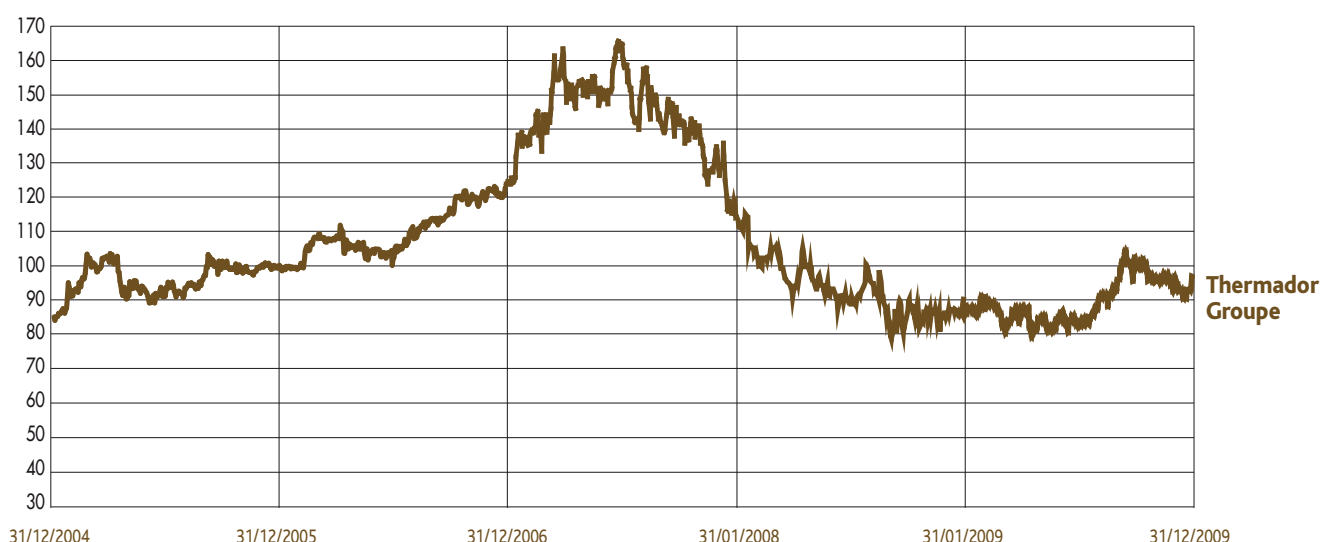
Because of our structure in small companies, the managers of our subsidiaries are very close to their staff and pay a lot of attention to their behaviour and company spirit.

9 Dependence on customers/suppliers

(see pages 8 and 9).

SHARE PERFORMANCE

Data regarding the stock market is adjusted to take into account the allocation of free shares: one free share for five in June 1990 and in June 1992, one for four in June 1994, one for six in June 1996, and one for four in November 2004.



Share price trend	Trading volume	Capital (in thousands of euros)	Lowest trading price €	Lowest trading price €	Last trading price €
2000	407,608	20,586	30.52	43.44	35.99
2001	489,637	25,241	36.08	46.00	44.00
2002	308,406	16,495	36.00	46.80	42.52
2003	457,218	25,673	40.80	58.40	53.44
2004	421,846	35,640	52.12	89.50	83.60
2005	246,805	23,369	83.50	104.00	100.00
2006	349,973	38,443	96.30	123.50	122.90
2007	282,418	40,428	120.10	168.92	128.97
2008	508,474	47,058	76.65	137.20	85.92
2009	328,958	29,222	78.75	103.80	96.00
July 2009	37,907	3,452	87.00	94.29	90.00
August 2009	20,008	1,861	87.16	100.00	99.90
September 2009	9,917	913	78.00	99.89	85.48
October 2009	33,102	2,721	76.65	91.00	84.02
November 2009	22,597	1,912	81.40	90.60	86.18
December 2009	193,130	16,460	80.50	89.00	85.92
January 2009	57,772	5,012	84.50	91.00	89.03
February 2009	43,988	3,871	85.14	90.00	86.00
March 2009	19,873	1,668	79.43	87.97	82.95
April 2009	27,070	2,258	78.75	87.68	83.70
May 2009	25,200	2,080	80.48	85.90	83.48
June 2009	11,816	992	80.00	85.92	82.51
July 2009	10,436	877	80.68	87.50	86.70
August 2009	34,307	3,100	86.00	94.00	92.99
September 2009	37,120	3,617	92.00	103.80	98.00
October 2009	12,286	1,209	95.00	101.39	95.50
November 2009	12,123	1,154	90.12	96.50	94.51
December 2009	36,967	3,384	90.00	96.00	96.00

The figures are taken from Euronext.

Listing

Floated on the Second Marché
of Lyon June 24th 1987.

R.G.A. Code 6111 code ISIN
FR0000061111

Thermador Groupe appears
in Eurolist's B compartment,
the SMALL 90 index,
the MIDS SMALL 190 index.

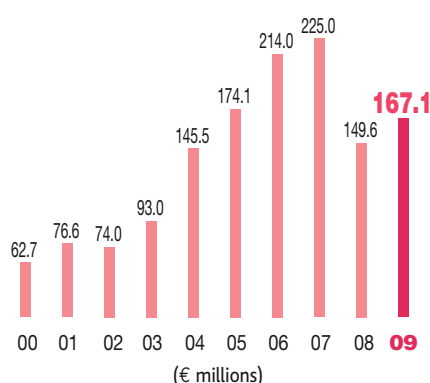
Compartment B includes values whose
stock market valuation is between
€150m and €1,000m.



Market capitalisation at 31/12/2009

€167.1m

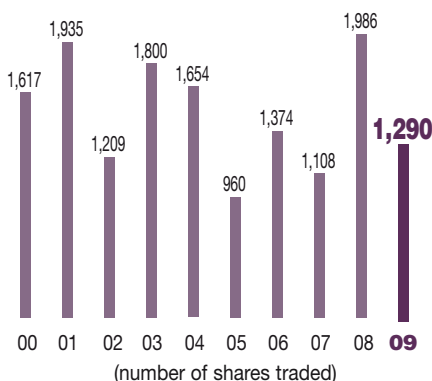
in 2009



Daily average trading volume

1,290

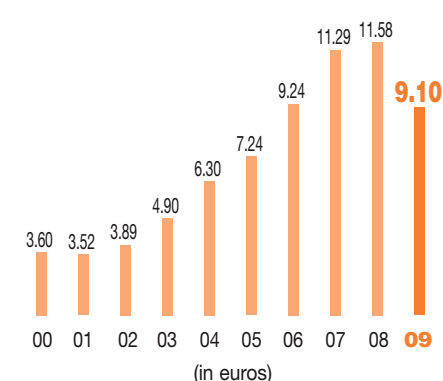
in 2009



Consolidated net profit per share of shares traded

€9.10

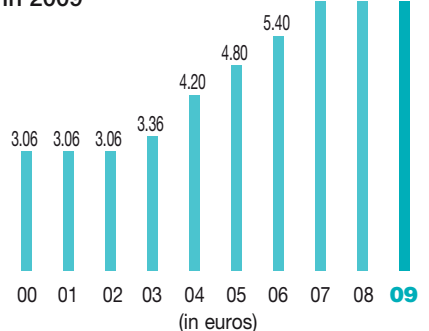
in 2009



Net dividend per share

€6.10

in 2009



Dividends

We are pursuing our policy of making **regular** dividend distributions.

We are proposing a dividend of €6.10 for 2009, which means distributing 67% of consolidated net profit. Based on a trading price of €100, the **return** is 6.1%.

Thermador Groupe has paid out the following dividends for the last three financial periods:

	Dividend per share	Total amount
2006	5.40	9,400,860.00
2007	6.10	10,619,490.00
2008	6.10	10,619,490.00

Breakdown of capital

Number of shareholders	2007	2008	2009
Senior management and staff	69	91	93
Former directors	4	3	3
Family of founders	15	13	21
French investors	99	119	136
Foreign investors	34	36	50
Individual shareholders	4,521	4,848	5,196
Total	4,742	5,110	5,499

Changes in number of shareholders



We have an exceptionally high number of individual shareholders for a company of our size: over 5,000, who represent over 30% of the capital. To our knowledge, individual shareholders only represent 9% of capital in the companies on the CAC 40. The number of individual shareholders increased by 400 in 2009: 900 new shareholders joined us and 500 left (temporarily perhaps...).

Breakdown of shares and voting rights	12/2007		12/2008		11/2009*			
	Capital %	Voting rights %	Capital %	Voting rights %	Capital %	Number of shares	Voting rights %	Number of voting rights
Management and staff								
10 main directors	13.0	17.6	13.2	19.4	13.2	230,635	19.4	431,753
Staff	3.2	3.9	3.2	4.1	3.2	55,550	4.1	91,130
FCP Thermador Groupe	1.2	0.9	1.4	1.1	1.6	27,488	1.2	27,488
Total directors and staff	17.4	22.4	17.8	24.6	18.0	313,673	24.7	550,371
Former directors and families of founders	22.4	31.6	20.9	24.7	19.9	346,875	23.7	529,262
Public								
French Investors	27.1	19.7	24.1	18.9	21.5	373,633	16.7	373,634
Foreign investors	4.2	3.0	4.3	3.4	8.0	138,988	6.2	138,988
Private shareholders	28.9	23.3	32.9	28.4	32.6	567,731	28.7	640,789
Total public	60.2	46.0	61.3	50.7	62.1	1,080,352	51.6	1,153,411
Overall total	100.0	100.0	100.0	100.0	100.0	1,740,900	100.0	2,233,044

* Our 2009 results are the results of a TPI application (shareholder identity) made on 23/11/2009.

Holders of more than 5% of capital and / or voting rights at 23 November 2009 :

	Number of shares	capital %	Number of voting rights	Voting rights %
Financière Borde	147,213	8.5	147,213	6.6
Guy Vincent	109,365	6.3	216,730	9.7
Salvepar	88,179	5.1	88,179	3.9
Marc de Sereys	75,110	4.3	149,595	6.7

To the company's knowledge, no other shareholders than those mentioned above hold shareholdings in excess of 5%. The company by-laws foresee double voting for shares that have been held for more than four years.

2009 Annual General Meeting

The AGM was held in Lyon on April 6th 2009. It brought together around 170 people representing 891,182 shares, i.e. 51.19% of the capital and 59.66% of voting rights.

The resolutions were adopted unanimously except for the first and second which saw 25,360 votes against (the draft resolutions appear in page 80 of the 2008 Report).

Shareholders were informed of the date and venue of the AGM through an announcement in the Tribune of February 11th 2009, on our website and by individual personalised letter if they appeared on the TPI list of December.

Two days after the AGM we held a shareholders meeting in Paris which brought together 100 or so people representing approximately 15,000 shares.

Relations with our shareholders

We make an application to Euroclear once a year, at the end of the year, which allows us to have individual knowledge of **all our shareholders**: first name, surname, address and number of shares.

We send them the Annual Report personally and our letters to shareholders in February, April and October to give them the half-year results and keep them up to date on milestone events.

Actionaria Show

We have a stand at the Actionaria Show at the Palais des Congrès Porte Maillot in Paris in November every year and we send invitations to our individual shareholders from the Paris area, many of whom come to see us on our stand. Guy Vincent and Marylène Boyer are present personally at the event.

Shareholders' agreement: none.

Agreements made by the company which are modified or terminated if control of the company changes hands: none.

Commitments to purchase stock from minority shareholders: none.

Practical information - milestones

- Combined General Meeting:
April 12th 2010 at 5pm in the hôtel Sofitel in Lyon.
- Shareholders' meeting in Paris (salons Hoche):
April 14th 2010 at 4pm.
- Quarterly turnover:
April 19th 2010, July 19th 2010, October 18th 2010 and January 17th 2011.
- Half-yearly results: July 30st 2010.
- Payment of dividends:
from April 26st 2010 (detachment on April 21th). Dividends not claimed within 5 years from the date of their payment are time-barred (Civil Code, article 2277). At that point, they are paid over to the State.

Guy VINCENT **is legally responsible for financial information.**

Some of Thermador Groupe financial analyst:

- CM-CIC Securities in Paris - Tel. +33 145 96 77 00.
- Financière d'Uzès in Lyon - Tel. +33 478 42 51 18.



AGM 2009 at Cité Internationale in Lyon.

LETTERS

from SHAREHOLDERS

This part of our report is open to you so please don't hesitate to write or mail your questions, suggestions or criticisms.

M. B.D. – 5 – 14/03/2009

“ Congratulations once again on the results, maintaining the dividend and the clarity and originality of your annual report.

I am in complete agreement with Guy Vincent's analysis concerning the new IFRS standards, some of which are partly responsible for the current financial crisis.

I send you all my best wishes for a difficult and uncertain year in 2009... ”

M. Y.G. – 78 – 12/03/2009

“ I have just read the most recent annual report of the Thermador group and I want to congratulate you on the quality of the report. I have never received such a superb annual report.

And, of course, congratulations on your management and results of the Thermador group: in the current climate they are really excellent and I am really pleased that I have got a few shares myself. I even increased my shareholding recently. ”

M. P de K. – 78 – 27/03/2009

“ I regret not being able to accept your invitation but I just wanted to say that I appreciate the quality of your company. ”



Cocktail at AGM 2009.

M.Y. B. – 59 – 03/2009

“ It is really satisfying to receive your company’s annual report each year.

I am proud of your results. **Congratulations on the management of your company** and for maintaining the dividend.

I completely agree with the analysis of shareholder M. D.B. 67 (on the 2007 annual report). In spite of the surprise attack on the share I am continuing to increase my holding...

I can assure you of my loyalty to your company and all the members of staff who contribute to these results. ”



M. J.L. – 62 – 23/03/2009

“ Just a word to thank you for sending me your company’s annual report. **It is very interesting to get to know you better.**

Interesting too, to see you awarding yourselves so many free shares.*

As a small retired shopkeeper I invested in your company to improve my income. It’s really sickening to see how you work (like the managers of the Société Générale). Yours.

*With your allocation of 87,000 shares, is your salary not enough? Please excuse my frank remarks. ”

Guy Vincent responded to Mr J.L. in a long letter thanking him for his frankness and explaining to him that the purpose of the operation was not personal enrichment of those involved who in exchange commit to a minimum of 10 years in their function as manager of the company to ensure the long term future of the Group. This decision was broadly approved by most of our shareholders.

M. D.D. – 62 – 11/03/2009

“ I received an invitation to the AGM as I do every year. It’s quite logical that it should take place in Lyon; however, the shareholders’ meeting in Paris is a lot less logical in my opinion. Paris is the capital of course but not the centre of the world. **Perhaps this meeting could take place in the provinces** where you also have shareholders probably...

To my personal regret I will not go to the AGM or to Paris... I am not encouraged to increase my modest shareholding. ”

Reply:

Thank you for your suggestion. Perhaps we will organise shareholders’ meetings in major provincial towns in the future.



Actionaria Show - November 2009



CONSOLIDATED FIGURES

FINANCIAL HIGHLIGHTS

In thousands of euros

	2009	2008	2007	2006	2005	2004	2004	2003	2002	2001	2000
Turnover after Intra-group*	IFRS standards						French standards				
Jetly	44,035	44,154	42,529	39,598	34,947	31,862	31,862	29,463	25,527	22,874	21,215
Sferaco	37,092	41,154	40,889	33,653	27,787	26,822	26,822	25,942	25,738	24,921	23,935
Thermador	38,056	39,818	28,704	25,408	22,231	21,104	21,104	20,251	20,042	19,854	21,009
PBtub	19,898	24,151	22,104	18,133	14,604	13,584	13,584	12,261	11,190	9,892	9,466
Dipra	15,984	14,726	14,632	14,123	12,231	11,765	11,765	12,299	11,491	11,053	10,486
Sectoriel	7,801	8,223	7,648	6,602	6,074	5,194	5,194	4,748	4,502	3,951	3,302
Isocel	4,882	5,714	5,657	6,098	6,131	6,988	6,988	6,287	5,627	4,810	4,506
Thermador International	5,146	4,763	1,255								
Group's other subsidiaries	78	252	582	504	464	409	409				
■ Total	172,972	182,955	164,000	144,119	124,469	117,728	117,728	111,251	104,117	97,355	93,919
Profit before tax *											
Jetly	8,642	8,735	8,182	7,161	5,836	4,916	4,916	4,382	3,631	3,181	3,068
Sferaco	6,263	7,669	9,046	6,174	4,642	4,146	4,135	3,149	2,681	1,918	2,061
Thermador	6,120	6,436	3,955	3,868	2,541	2,458	2,456	1,732	1,351	1,542	1,940
PBtub	2,280	3,969	3,771	2,545	2,026	1,499	1,498	1,016	807	480	230
Dipra	781	523	908	974	671	719	717	415	(670)	56	134
Sectoriel	953	1,174	1,029	824	848	569	569	454	462	304	315
Isocel	354	611	580	601	534	676	676	630	713	582	665
Thermador International	(156)	91	(375)	(166)							
Opaline	18	42	51	32	50	38	38	40	2		
Thely	947	995	1,061	941	823	662	673	260	258	206	455
Tagest	6	8	5	3	1	2	2	2	2	2	2
Group	17,244	18,054	11,098	10,544	8,465	7,824	7,824	6,552	5,852	5,792	5,541
■ Sub total	43,452	48,307	39,311	33,501	26,437	23,509	23,504	18,632	15,089	14,063	14,410
Consolidation adjustments											
Dividends from subsidiaries paid to the group	(16,020)	(15,446)	(9,130)	(8,913)	(7,120)	(6,473)	(6,473)	(5,315)	(4,497)	(4,296)	(4,048)
Capital gains on disposals		8							(144)		(3)
Price increase provision											
Amortisation of goodwill allocated to fixed assets			(17)	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)
Goodwill amortisation						(12)	(12)		(11)	(60)	(413)
Gain on sales of subsidiaries' shares									76		10
Restatement of translation adjustment							16	16	(5)	(13)	18
Securities provision	600										
Impact of the share allocation (IFRS2)	(2,407)	(1,272)									
Consolidated profit before tax	25,625	31,597	30,164	24,564	19,293	17,000	17,011	13,309	10,484	9,670	9,951
Current tax charge	(9,772)	(11,431)	(10,493)	(8,462)	(6,680)	(6,032)	(6,036)	(4,771)	(3,737)	(3,668)	(3,858)
Share in earnings of associate companies										122	100
Share in deferred tax from equity method companies											175
■ Net attributable earnings	15,841	20,157	19,656	16,087	12,602	10,957	10,964	8,527	6,762	6,122	6,363
■ Minority interests	12	9	15	15	11	11	11	11	(15)	2	4

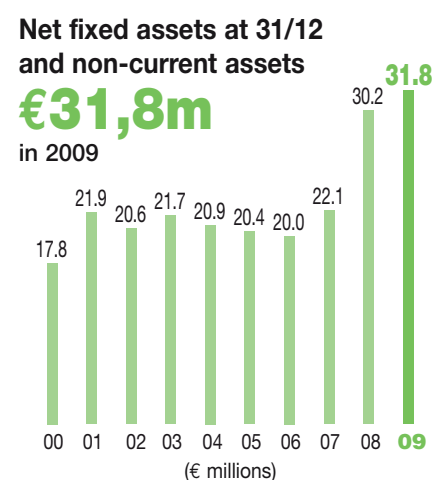
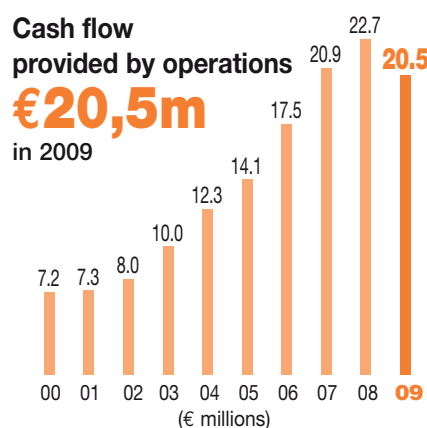
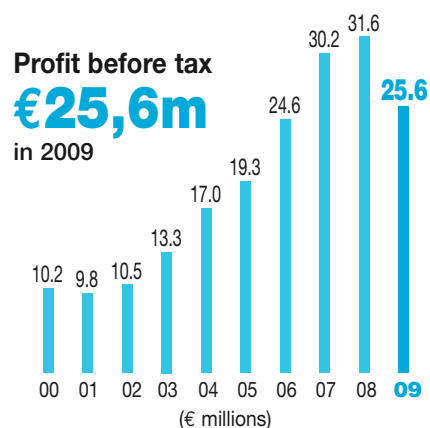
* Breakdown by subsidiary provided on page 49 to 57.

CONSOLIDATED FIGURES

ten-year highlights

In thousands of euros

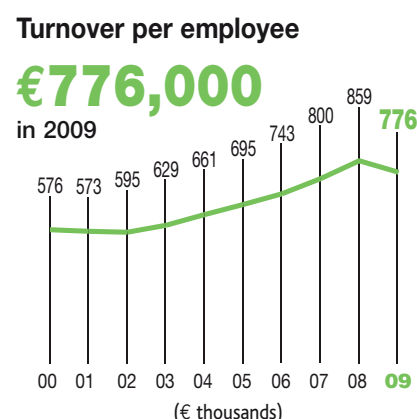
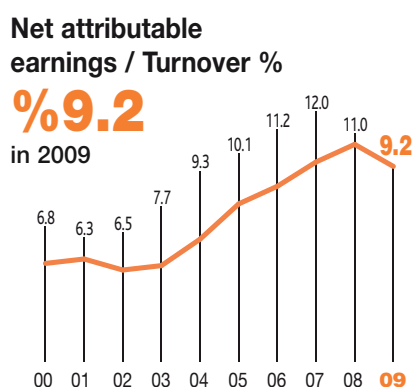
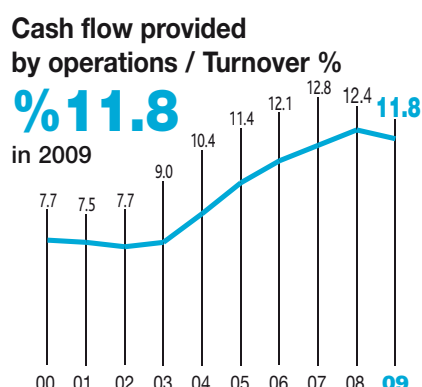
	2009	2008	2007	2006	2005	2004	2004	2003	2002	2001	2000
	IFRS standards						French standards				
Turnover	172,972	182,955	164,000	144,119	124,469	117,728	117,628	111,251	104,117	97,355	93,919
Gross profit	65,516	69,858	63,511	54,394	45,710	41,828	41,519	37,247	32,890	30,570	29,982
Employees at 31/12	223	214	205	194	179	178	178	177	175	170	163
Wages and salaries	17,478	18,001	16,742	14,629	13,066	12,116	12,116	11,464	10,722	10,302	9,832
Operating profit							17,062	13,425	10,511	9,699	10,210
Net interest (payable)							46	(44)	(61)	10	144
Current operating profit for the business	27,993	32,706	30,015	24,373	19,147	16,902					
Trading profit	25,586	31,434	30,015	24,373	19,147	16,902					
Profit on ordinary activities before tax							17,108	13,381	10,450	9,709	10,354
Extraordinary items							(97)	(72)	45	21	9
Profit before tax	25,625	31,597	30,164	24,564	19,293	17,000	17,011	13,309	10,484	9,792	10,225
Current tax charge	9,772	11,431	10,493	8,462	6,680	6,032	6,036	4,771	3,737	3,668	3,858
Profit after tax	15,853	20,166	19,671	16,102	12,613	10,968	10,975	8,538	6,747	6,124	6,367
Net attributable earnings	15,841	20,157	19,656	16,087	12,602	10,957	10,964	8,527	6,762	6,122	6,363
Net result as a portion of the Group restated	18,248	21,429	19,656	16,087	12,602	10,957	10,964	8,527	6,762	6,122	6,363
Cash flow provided by operations	20,462	22,692	20,936	17,476	14,140	12,305	12,301	9,994	8,018	7,312	7,245
Fixed assets additions	3,676	9,371	3,156	717	832	673	673	2,607	1,368	5,170	2,124
Shareholders' equity at 31/12											
Before allocation	103,765	96,130	85,325	75,064	67,322	62,022	62,204	57,088	53,882	52,615	51,670
Profit to be distributed	10,619	10,619	10,619	9,401	8,356	7,312	7,312	5,849	5,321	5,321	5,320
After allotment	93,146	85,511	74,706	65,663	58,966	54,710	54,892	51,239	48,561	47,294	46,350
Bank borrowings greater than one year at 31/12											
Long-term capital at 31/12	93,146	85,511	74,706	65,663	58,966	54,710	54,892	51,239	48,561	47,294	46,350
Minority interests							72	100	89	104	102
Provisions							3,474	3,538	3,438	3,202	3,131
Non-current provisions	3,942	3,829	3,846	3,590	3,425	3,397					
Net fixed assets at 31/12							20,945	21,668	20,598	21,908	17,760
Non-current assets	31,787	30,200	22,109	19,962	20,433	21,066					
Working capital (after distribution)	65,301	59,140	56,443	49,291	41,958	37,041	37,493	33,209	31,490	28,692	31,823
Stocks at 31/12	50,797	57,728	48,140	41,942	30,638	29,054	29,054	23,544	26,835	26,258	23,704



CONSOLIDATED RATIOS

ten-year highlights

	2009	2008	2007	2006	2005	2004	2004	2003	2002	2001	2000
	IFRS standards						French standards				
Profitability ratios (%)											
Staff costs / Turnover	10.1	9.8	10.2	10.2	10.5	10.3	10.3	10.3	10.3	10.6	10.5
Operating profit / Turnover							14.5	12.1	10.1	10.0	10.9
Current operating profit for the business / turnover	16.2	17.9	18.3	16.9	15.5	14.4					
Profit on ordinary activities / Turnover							14.5	12.0	10.0	10.0	11.0
Net attributable earnings / Turnover	9.2	11.0	12.0	11.2	10.1	9.3	9.3	7.7	6.5	6.3	6.8
Cash flow provided by operations / Turnover	11.8	12.4	12.8	12.1	11.4	10.5	10.4	9.0	7.7	7.5	7.7
Productivity ratios											
Turnover per employee (in thousands of euros)	776	859	800	743	695	661	661	629	595	573	576
Financial ratios after distribution (%)											
Cash flow provided by operations / Equity	22	27	28	27	24	22	22	20	17	15	16
Equity / long-term capital	100	100	100	100	100	100	100	100	100	100	100
Long-term capital / Non-current assets	293	283	338	329	289	260					
Long-term capital / Fixed assets							262	236	236	216	261
Long-term capital / Stocks	183	148	155	157	192	188	189	218	181	180	196



INVESTMENT and FUNDING

POLICY

Investments in 2001, 2002, 2003, 2007, 2008, 2009 and 2010 were relatively substantial:

- In 2001 we installed an ERP at Group level for the whole of our business (commercial and financial management and accounting) in which we invested €1,269,000 in software and equipment (central servers, setting up of a fibre-optic network linking up all the buildings, active communications equipment, etc...).
- In 2001, we bought two buildings very close to our existing buildings for €3,514,000 to increase our storage and distribution capacities.
- End 2002 / beginning 2003, we invested €2,208,000 in refurbishment works in one of the two buildings bought in 2001 in order to bring it up to standard for our business.

Investments made 2004-2006 only concerned renewals.

In October 2007, we purchased a building of 5,000m² on a plot of land of 10,000m² for €2,285,000.

In 2008, we constructed a building of 12,000m² on a plot of 20,000m² belonging to us, with a total investment of around €9 million, of which €8 million in 2008. In 2009, we purchased a 15,000m² plot and industrial building that we subsequently demolished, for a total of €1.4 million.

In 2010, a new building will serve as an extension to the former Jetly building to accommodate PBtub, for a total investment of around €6 million.

All these investments have always been financed from company equity.

Movements of investments (in thousands €)	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Investments	3,676	9,371	3,156	717	832	673	2,607	1,368	5,170	2,124
In % of turnover	2.1	5.1	1.9	0.5	0.7	0.6	2.3	1.3	5.3	2.3

GLOBAL CONSOLIDATED PROFIT STATEMENT 2009

In thousands of euros

Consolidated profit and loss account

	Notes	2009	2008	2007
Turnover	23	172,972	182,955	164,000
Other income from activity		230	138	168
Purchases consumed		(107,456)	(113,097)	(100,489)
Personnel charges	27	(17,478)	(18,001)	(16,742)
External costs		(15,392)	(15,477)	(13,598)
Taxes		(2,119)	(2,185)	(1,930)
Depreciation and amortisation	13	(1,734)	(1,242)	(1,211)
Increase in provisions	6 - 7 - 15	(469)	(112)	(120)
Other earnings, other operating expenditure		(561)	(273)	(63)
Current operating profit for the business		27,993	32,706	30,015
Charges calculated on allocation of free shares	24	(2,407)	(1,272)	
Trading profit		25,586	31,434	30,015
Cash flow earnings and equivalent		52	216	193
Gross debt burden		(13)	(53)	(44)
Taxes	5	(9,772)	(11,431)	(10,493)
Net profit		15,853	20,166	19,671
Net attributable earnings		15,841	20,157	19,656
Minority interests		12	9	15
Earnings per share in euros		9.10	11.58	11.29
Net profit per share after dilution in euros		8.67	11.03	10.75

Statement of other elements of net overall consolidated profit

	2009	2008	2007
Net profit	15,853	20,166	19,671
Other elements of overall profit			
Total overall profit	15,853	20,166	19,671
Total overall profit – Portion of group	15,841	20,157	19,656
Total of overall profit allocated to minority interests	12	9	15



FINANCIAL STATEMENT

at 31 December 2009

In thousands of euros

Assets

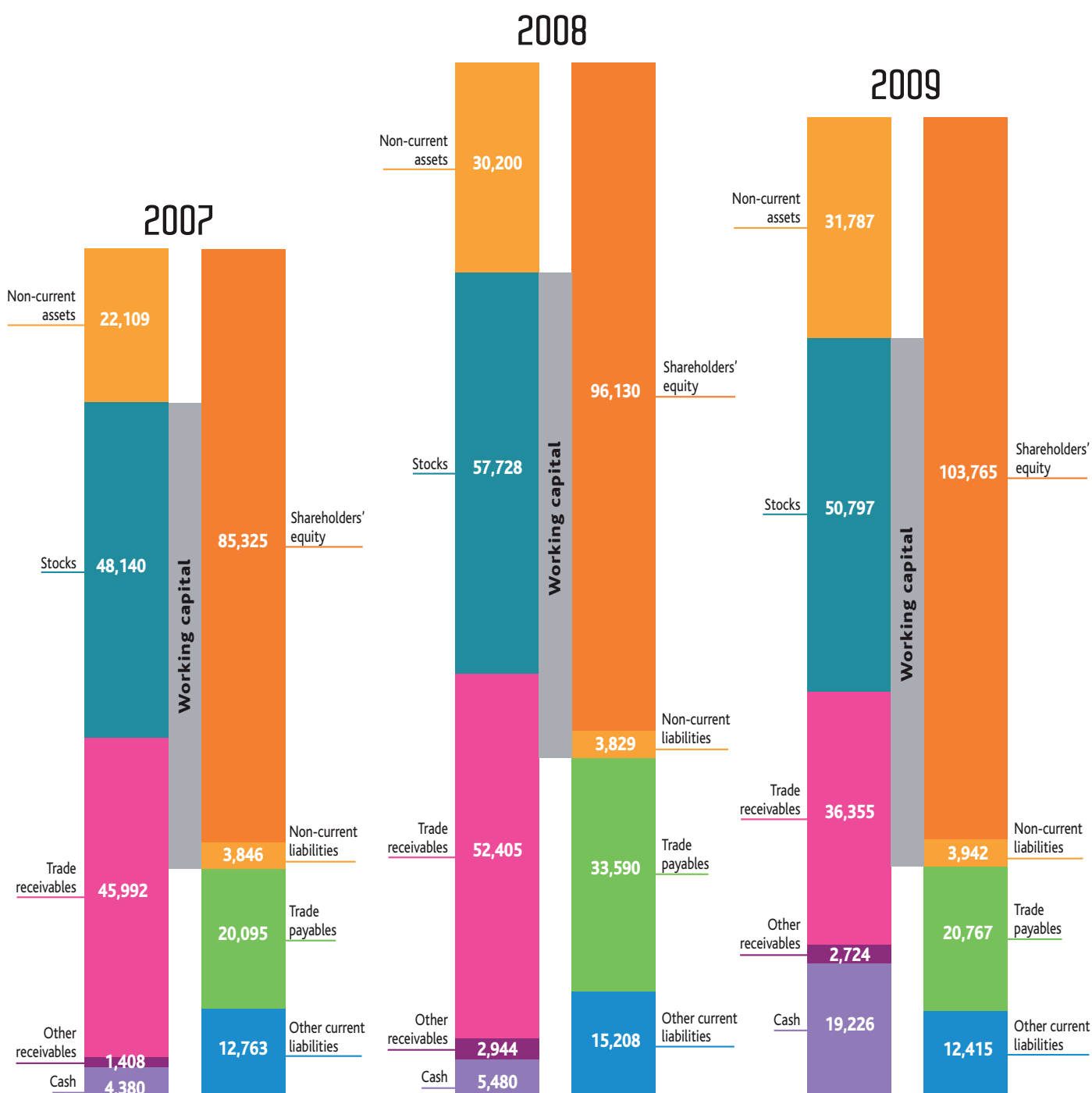
	Notes	31/12/2009	31/12/2008	31/12/2007
Non-floating assets:				
Consolidated goodwill	3 - 12	6,136	6,136	6,136
Intangible assets	4 - 12 - 13	113	168	126
Tangible assets	4 - 12 - 13	24,604	23,063	14,978
Land	2	3,469	2,618	2,618
Buildings	2	17,443	9,708	10,490
Construction in progress		737	7,818	
Other tangible assets		2,810	1,879	1,870
Other fixed assets in progress		145	1,040	
Financial investments		4	4	4
Deferred tax assets	5	930	829	865
Total non-current assets		31,787	30,200	22,109
Floating assets:				
Stock (goods)	6	50,797	57,728	48,140
Trade notes and accounts receivable		36,355	52,405	45,992
Corporate tax		1,181	26	52
Other receivables	16	1,543	2,918	1,346
Current financial assets	10			10
Cash and equivalent	9	19,226	5,480	4,380
Total current assets		109,102	118,557	99,920
Total assets		140,889	148,757	122,029

Liabilities

	Notes	31/12/2009	31/12/2008	31/12/2007
Equity:				
Share capital and reserves		38,040	32,062	32,772
Retained earnings		49,783	43,816	32,797
Net attributable earnings of the period		15,841	20,157	19,656
Minority interests		101	95	100
Total shareholders' equity		103,765	96,130	85,325
Non-floating liabilities:				
Deferred tax liabilities	5 - 15	2,182	2,185	2,176
Provisions for retirement indemnities	8 - 15	1,760	1,644	1,670
Total non-current liabilities		3,942	3,829	3,846
Floating liabilities:				
Current provisions	15	51	71	57
Suppliers and associated accounts		20,767	33,590	20,095
Supplier fixed assets		242	2,509	
Tax payable			750	1,976
Fiscal and social debt	17	4,979	5,015	4,758
Other liabilities		7,143	6,863	5,972
Total current liabilities	18 - 17	33,182	48,798	32,858
Total liabilities and shareholders' equity		140,889	148,757	122,029

COMPARATIVE FINANCIAL STRUCTURE

(prior to allocation of results)



CASH FLOW STATEMENT

Year ended 31 December 2009

In thousands of euros

	31/12/2009	31/12/2008	31/12/2007
Consolidated net profit	15,853	20,166	19,671
Plus or minus net depreciation expense and provisions	1,850	1,216	1,367
Charges calculated on the allocation of free shares	2,407	1,272	
Capital gains or losses from disposals	456	(7)	6
■ Cash flow provided by operations before net financial cost and taxes	20,566	22,647	21,044
Taxes	9,772	11,431	10,493
Cash flow provided by operations before net financial cost and taxes	30,338	34,078	31,537
Taxes paid	(9,876)	(11,386)	(10,601)
■ Cash flow provided by operations before net financial cost and after tax	20,462	22,692	20,936
Change in operating working capital	9,852	(4,106)	(13,054)
Net cash flow from operating activities	30,314	18,586	7,882
Disbursements for property, plant and equipment and intangible assets	(3,676)	(9,371)	(3,156)
Receipts from sale of assets			
Due to suppliers of fixed assets	(2,267)	2,509	
Net cash flow from investment activities	(5,943)	(6,862)	(3,156)
Dividends paid to shareholders of the parent company	(10,625)	(10,624)	(9,410)
Net cash flows from financing activities	(10,625)	(10,624)	(9,410)
■ Net cash flows	13,746	1,100	(4,684)
■ Opening cash	5,480	4,380	9,064
■ Closing cash	19,226	5,480	4,380

EQUITY VARIATION STATEMENTS

In thousands of euros

	Capital	Reserves linked to capital	Shares held internally	Retained earnings	Profits recorded directly as shareholders' equity	Total group share	Minority shareholders	Total shareholders' equity
Situation on 31/12/2007	27,854	4,918		52,453		85,225	100	85,325
Distribution		(710)		(9,909)		(10,619)	(5)	(10,624)
Allocation of free shares				1,272		1,272		1,272
Variation of scope							(9)	(9)
Profit of the period				20,157		20,157	9	20,166
■ Situation on 31/12/2008	27,854	4,208		63,973		96,035	95	96,130
Distribution		5,978		(16,597)		(10,619)*	(6)	(10,625)
Allocation of free shares				2,407		2,407		2,407
Profit of the period				15,841		15,841	12	15,853
■ Situation on 31/12/2009	27,854	10,186		65,624		103,664	101	103,765

* 2008 dividend: €6.10 per share. The 2009 dividend proposed to the AGM of 12/04/2009 is €6.10 per share.

NOTES to the BALANCE SHEET and the CONSOLIDATED P&L ACCOUNT as December 31st 2009

In thousands
of euros

The consolidated accounts were closed by the Board Meeting of February 12th 2010 and will be submitted to the Annual General Meeting of April 12th 2010.

1 Accounting reference set

Note 1 - Accounting reference set

In application of European regulation 1606/2002 of July 19th 2002, the consolidated financial statements of Thermador Groupe were prepared in compliance with the reference set for International Financial Information Standards (IAS/IFRS) as adopted by the European Union on December 31st 2009. No standard was applied early and that would have had no impact on the financial statement presented. The Group has always favoured coherent sector-based information with a measurement of performance internally, compliant with IFRS 8 which is compulsory as of January 1st 2009. The group applied the revised IAS1 standard on presentation of financial statements.

We would remind you that during the first application of the IFRS reference set, the following options were chosen: operations for grouping of companies prior to 2004 were not reprocessed and the assets mobilised maintained at the amortised cost were not reassessed.

2 Consolidated subsidiaries

Consolidated subsidiaries are all companies in which Thermador Groupe holds directly or indirectly at least 20 % of the voting rights at 31st december 2009:

Name	Location	Ownership interest (%)	Consolidation method
Sferaco	France	99.9975 %	Full consolidation
Thermador	France	99.9975 %	Full consolidation
Jetly	France	99.9972 %	Full consolidation
Dipra	France	97.9933 %	Full consolidation
PBtub	France	99.9800 %	Full consolidation
Isocel	France	99.9000 %	Full consolidation
Sectoriel	France	99.9400 %	Full consolidation
Thermador International	France	99.9888 %	Full consolidation
Thely	France	99.9999 %	Full consolidation
Opaline	France	100.0000 %	Full consolidation
Tagest	France	99.8000 %	Full consolidation

The scope of consolidation has not been modified since December 31st 2008 and concerns all companies of the group.

3 Material accounting rules and methods

The base method used to assess elements entered into the accounts is the historical cost method except for financial instruments (short-terms and derivatives) which are assessed at their actual value.

Note 2 - Goodwill on S.C.I Thely

Goodwill arising from the acquisition of S.C.I Thely shares by Thermador Groupe in 1987 and 1990 was allocated to Land and Buildings: this adjustment was not applied to minority interests.

This goodwill is amortised through income statement in accordance with the accounting principles which apply to the related fixed assets. Thus, the spread attributed to land was not amortised and the spread allocated to constructions was amortised according to the forecast residual service life of the constructions.

	Land	Buildings	Total
Goodwill - Gross	39	468	507
Amortisation at the opening		468	468
Amortisation at the closing		468	468
Goodwill - Net	39		39

Note 3 - Consolidated goodwill

The balance sheet includes an "acquisition purchase discrepancy" item for €6,136,000.

Depreciation tests (IAS 36) are carried out at least once per year for units generating cash-flow to which the purchase discrepancy was attributed in compliance with IAS 8 as part of the presentation of sector-based information.

These units generating cash-flow were defined according to activity sector criteria.

Given the organisation of the Group and the distribution of the different professions, units generating cash-flow obtained by the Group comprise the following legal entities: Jetly, Sferaco, Thermador, Dipra, Isocel, PBtub, Sectoriel, Thermador International and a separate group comprising Thely, Opaline, Tagest and Thermador Groupe (cf: note 26).

The results of the depreciation tests on purchase discrepancies based in particular on net future forecastable cash-flows over a period of 5 years and a subsequent growth rate of zero, discounted at a rate of 8.5% (10 % at 31/12/2008) explain the absence of provisions. The discount rate was calculated according to the OAT 10-year "no risk" rate, the French market risk rate and that of the sector, i.e. 0.85%.

A reasonable variation of key hypotheses shows no particular sensitivity.

Note 4 - Tangible and intangible assets

Tangible and intangible assets are valued at their purchase price (cost price plus associated costs) with the exception of land and buildings to which valuation discrepancies have been attributed.

Intangible assets relate primarily to software.

Depreciation amortisation is calculated in linear fashion on the basis of the expected service life:

software	3, 4, 5 years
primary works	40 years
wall frames and roof frames	25 years
roof	20 years
electricity	20 years
heating and plumbing	15 years
partitions and paintwork	10 years
building improvements and fixtures	3, 4, 5, 7 et 10 years
installations and fixtures	2, 3, 4, 5 et 10 years
office and computer equipment	2, 3, 4, 5, 6 et 10 years
furniture	2, 3, 5, 8 et 10 years

The residual value of capital assets is taken into account in the amortisation calculation when such residual value is judged to be significant.

Note 5 - Deferred income taxes

Deferred taxes have been calculated for all items on the balance sheet and the P&L account.

Corporate tax rate in 2009:

Profits from ordinary activities	33.33 %
Social contribution	0.66 %
Charges and costs not deductible from subsidiary dividends*	1.03 %
Non-deductible costs and charges on the cost of allocation of free shares	3.13 %
Corporate taxation rate on profits from ordinary activities	38.15 %

* The Finance Act increased the percentage of non-deductible costs and expenses on the dividends of subsidiaries to 5% which represents a corporate tax charge on dividends paid to Thermador Groupe in 2010 of €263,000.

Assets and liabilities of deferred taxes are not discounted and are offset when they relate to the same entity and when they have the same pay-back schedules.

Deferred tax assets	31/12/2009	31/12/2008
Provision for retirement compensation	587	548
Thermador International deficit	183	134
Temporary differences	160	147
Total	930	829

Deferred tax liabilities	31/12/2009	31/12/2008
Goodwill*	1,906	1,906
Goodwill of land and construction	13	13
Goodwill on buildings	263	266
Total	2,182	2,185

* The business value appearing on Thermador Groupe's assets is not subject to taxation.

Note 6 - Stocks

Stocks were assessed according to the weighted average cost method. The gross value of merchandise and supplies includes the purchase price and incidental costs. A provision for depreciation is made when the inventory value is lower than the accounting value defined above. The inventory value is established reference by reference according to rotation, based on quantities in stock and sales completed, probability of stock movement and, where applicable, the rates which apply amongst metal dealers. The depreciation rates chosen are adapted to each situation.

Note 7 - Receivables

Receivables are recorded at their face value. A provision for bad debt is recorded when their balance sheet value is less than the book value. The inventory value is calculated on the basis of the probability of debt recovery, i.e. essentially in case of receivership (10%) and court-supervised liquidation (0%).

Note 8 - Staff benefits

No post-employment benefit was attributed to Group staff. The Group only uses mandatory contribution regimes.

Pension compensation was calculated at €1,760,000 including charges (of which Board members and Company Managers, €456,000) according to age, length of service, salary and the industry-wide agreement for wholesalers. The calculation takes into account the following hypotheses:

- Retirement age taking into account average retirement age: 62.5 years.
- Rate of staff turnover: calculated by age group (under 35, 35-50 and over 50) and according to average age observed in each company over the past 5 years. In 2009, the average rates observed were: In 2009, the average rates observed were: under 35 - 2.83% (4.09% in 2008), 35-50 - 1.57% (1.64% in 2008) and over 50 - 0.16% (0.17% in 2008).
- Growth in salaries depends on the salary policy of each company: the average 2009 rate was 4.85%.
- Probability of survival to retirement age.
- Discount rate, based on 20-year treasury bonds (OAT) = 4.5% (4% in 2008).

The provision entered in the accounts therefore concerns all employees and Company Managers, the net 2009 carried forward being equal to €116,000 (cf: note 15).

Any experience differences appear in the results. On December 31* 2009, this concerned primarily discount rate variation revenues of €88,000.

Note 9 - Cash-flow and cash-flow equivalent

The liquidity item, €19,226,000, corresponds to bank account balances.

Note 10 - Operations in foreign currencies, financial instruments and derivatives

Operations in foreign currencies are registered for their for value at the date of the operation.

Debt and credit in foreign currency appears on the balance sheet for their for value in the course of the financial year or of the financial commitments made. The difference resulting from the reassessment of debt and credit in foreign currency at the most recent rate is included in the P & L account.

Amount of supplier debt on 31/12/2009 in the main foreign currencies (for value in thousands of euros):

US dollars	3,071
Swiss francs	67

Thermador Groupe uses no financial derivatives for speculative purposes.

The guarantee policy of the Group is determined for each subsidiary and is not systematic.

The derivatives used serve only to cover exchange rate fluctuations corresponding to purchase of merchandise in foreign currencies.

On December 31st 2009 no derivatives required restatement.

There is no compensation between financial assets and liabilities.

Financial assets and liabilities appearing on the balance sheet: ventilation per category of instruments

	Balance sheet value	Fair value	Fair value Per result	Payables	Derivatives
Assets at 31/12/2009					
Customers of commercial activities	36,355	36,355		36,355	
Other debtors	2,724	2,724		2,724	
Cash flow	19,226	19,226	19,226		
■ Total assets	58,305	58,305	19,226	39,079	

	Balance sheet value	Fair value	Fair value Per result	Liabilities	Derivatives
Liabilities at 31/12/2009					
Non-current financial liabilities	3,942	3,942		3,942	
Suppliers	20,767	20,767		20,767	
Supplier fixed assets	242	242		242	
Other creditors	12,173	12,173		12,173	
■ Total liabilities	37,124	37,124		37,124	

Note 11 - Off-balance sheet liability

The only commitment identified concerns cumulative hours pertaining to the employee training benefit programme (DIF) which totalled 19,471 hours on 31/12/2009 (14,741 hours on 31/12/2008).



REAL ESTATE

“ Our real estate is the property of SCI Thely, itself owned 99.9% by Thermador Groupe. It is located in the Parc d'Activités de Chesnes Tharabie, within the scope of the CAPI (Communauté d'Agglomération de la Porte de l'Isère) 25km to the east of Lyon. The park where we are located is one of the biggest logistics platforms in southern Europe. On December 31st 2009, the overall surface area was 150,000m², comprising 8 plots and 8 storage and office buildings for a total of 59,000m². ”



Buildings Current

1
Jetly

2
Sectoriel

3
Thermador

4
Thermador
Groupe, Isocel

5
Sferaco

6
Dipra,
Thermador
International

7
PBtub

8
Opaline

Property reserve

A
Land rue du Ruisseau
near to Sectoriel

B
Land rue du Ruisseau
opposite to Thermador

C
PBtub building project

D
Building rue du Molaret



Jetly buildings



Sferaco buildings



Thermador buildings

S.C.I. Thely

Real estate company created in 1973 to manage the group's properties.

- Capital of 2,400,000 Euros 99.9% by Thermador Group.
- Total capital as of 31/12/09: €11,339,000.
- Loans to Thermador Group at 31.12.2009: €10,790,000.
- Estimated value of all properties: €31,000,000 (see Note 12 p. 40).
- Net accounting value of all properties: €22,000,000.
- 2009 profit: €947,000 (€995,000 in 2008).

Premises (warehouses and offices) are rented to the group's commercial subsidiaries at local market prices. For the 3 subsidiaries that do not own their goodwill, Thely invoices Thermador group for the rent which invoices them on to the 3 subsidiaries in question.

Projects: a new building will be constructed in 2010, as an extension to the former Jetly building to accommodate PBtub whose space is too limited at the moment. This 11,000m² warehouse will have a capacity of 18,000 pallets. The investment will be around €6,000,000.

Property reserve: after PBtub's move at the end of 2010 our property reserve will include:

- land of 15,000m² **B** purchased in July 2009 with an industrial building opposite Thermador, the factory was demolished at the end of 2009 and is therefore presently bare plot,
- A 6,000m² **A** plot of land near to Sectoriel,
- the building on rue du Molaret **D** and the former PBtub building **7** which is partially occupied by overspill from certain *subsidiaries* (Dipra, Thermador, etc.).



Gilles Rocher, supply chain Manager.

Logistics

We have created the new position of **"supply chain manager"** entrusted to an engineer specialising in logistics who supports the subsidiaries to improve storage conditions and traceability, and optimise reception despatch and packaging.

4 Notes on the balance sheet

Note 12 - Fixed assets (in thousands of euros)

Changes in the period

	Gross value at the opening of the period	Increases	Decreases	Gross value at the end of the period
Goodwill on consolidation	6,136			6,136
Other intangible assets	1,863	103	95	1,871
Total intangible assets	7,999	103	95	8,007
Land	2,618	851		3,469
Buildings on own property	17,494	8,961	1,074	25,381
Constructions in progress	7,818	1,880	8,961	737
Machinery and equipment	3,371	1,220	391	4,200
General installations, fixtures and improvements	1,667	361	506	1,522
Office equipment and furniture	1,727	207	48	1,886
Other fixed assets in progress	1,040	145	1,040	145
Total tangible assets	35,735	13,625	12,020	37,340
Other investments	4			4
Total investments	4			4
■ Grand total	43,738	13,728	12,115	45,351

Property values were assessed in January 2009 at €21 million (assessment by Expertise Galtier, Chemin Moulin Carron-69 Ecully) and no negative value index has been observed since that date. This amount does not include the new building opened in January 2009 for Jetly, the construction cost for which was €9 million. In July 2009 we acquired a plot and an industrial building of 15,000m² for €1.4 million that was subsequently demolished. This is currently a bare plot. In 2010 a new building will be extended to the old Jetly building to accommodate PBtub; for that we have demolished a building with a net accounting of €278,000. The investment will be of the order of €6 million.

Note 13 - Depreciation and amortisation

Changes in the period

	Value at the opening of the period	Increases in the period	Decreases and write-offs	Value at the end of the period
Goodwill on consolidation				
Other intangible asset items	1,695	92	29	1,758
Total intangible assets	1,695	92	29	1,758
Land				
Buildings on own property	7,786	949	797	7,938
Machinery and equipment	2,448	393	363	2,478
General installations, fixtures and improvements	1,047	134	371	810
Office equipment and furniture	1,391	166	47	1,510
Total tangible assets	12,672	1,642	1,578	12,736
■ Grand total	14,367	1,734	1,607	14,494

Note 14 - Equity

Capital is established at €27,854,400 divided up into 1,740,900 shares of €16 each nominal value. There was no modification to the company's capital in 2008. There are no stock options.

A free share allocation plan through an increase in capital of 87,000 shares was voted by the Board of Directors on June 20th 2008 in compliance with the authorisation of the Annual General Meeting of April 7th 2008 with an acquisition period of 2 years.

Note 15 - Balance sheet provisions

	Value at the opening of the period	Increase	Decrease	Value at the end of the period
Non-current provisions				
Provision for deferred tax	2,185		3	2,182
Provisions for retirement indemnities	1,644	127	11	1,760
Total non-current provisions	3,829	127	14	3,942
Current provisions				
Accrued severance payments	71	26	46	51
Total current provisions	71	26	46	51
Loss provisions				
Provisions for stocks losses	635	152	38	749
Provision for bad debt	294	318	60	552
Total loss provisions	929	470	98	1,301
■ Grand total	4,829	623	158	5,294
Of which, uses			137	

Note 16 - Receivables

(in thousands of euros)	2009	2008
Trade receivables	36,209	52,305
Bad debts	146	100
Corporate tax	1,181	26
Other trade receivables		
Employees and social security receivables	3	4
VAT receivables	993	1,816
Other debtors	334	1,023
Prepaid expenses	213	75
Total other creditors	1,543	2,918
■ Total receivables	39,079	55,349

Note 17 - Debt under one year old

(in thousands of euros)	2009	2008
Current provisions	51	71
Trade payables	20,767	33,590
Corporate tax		750
Supplier fixed assets	242	2,509
Tax and social liabilities		
Salaries and social security liabilities	4,095	4,156
VAT payables	588	473
Other tax liabilities	296	386
Total fiscal and social debts	4,979	5,015
Other debtors	7,143	6,863
■ Total debts	33,182	48,798

Supplier debt increased correlatively with the increase in purchasing during the last quarter of 2009.

Supplier payables periods shortened slightly in 2009 compared to 2008 with the introduction of LME (French modernisation law reducing payment periods) for French suppliers.

Note 18 - Accrued expenses (in thousands of euros)

Trade notes and accounts payable	2,991
Tax and social liabilities	1,831
Other liabilities	552
Total	5,374

Note 19 - Commitments or operations with associated parties

Associated parties concern all Board members of Thermador Groupe who are usually directors of the Group's main subsidiaries. There is no commitment or operation with associated parties besides elements of earnings, commitments to pensions and the free allocation of shares mentioned herebelow in note 24. The Group uses no assets belonging directly or indirectly to directors or members of their families.

The total gross earnings and all direct and indirect benefits for each Corporate Officer of the Group (including consolidating and controlled companies with regard to of Article 357-1 of the law on commercial companies) allocated for the financial year to members of the Board of Directors on account of their functions total €1,288,000 distributed as follows (see table below):

Emoluments of director (in thousands of euros)		2009	2008	2007
Guy Vincent	Fixed part	177	170	164
Corporate appointment	Variable part	79	90	115
	Total remuneration	256	260	279
Jacques Borde	Fixed part		12	127
Corporate appointment	Variable part			
	Total remuneration		12	127
Marylène Boyer	Fixed part	156	149	143
Employment Contract	Variable part	66	75	100
	Total remuneration	222	224	243
Emmanuelle	Fixed part	137	130	124
Desecures	Variable part	27	22	57
Corporate appointment	Total remuneration	164	152	181
Hervé Le Guillerm	Fixed part	156	149	144
Corporate appointment	Variable part	64	75	110
	Total remuneration	220	224	254
Jean-François	Fixed part	148	144	138
Bonnefond	Variable part	70	75	99
Corporate appointment	Total remuneration	218	219	237
Eric Mantione	Fixed part	145	141	135
Corporate appointment	Variable part	49	65	95
	Total remuneration	194	206	230

The variable part depends on the performance of the company in which the functions are carried out - or on group performance for group-level functions. The Directors do not receive any benefits in kind.

Directors' fees (thousands of euros)	2009	2008
Jean-Yves Bouffault	8	9
Milena Negri	6	

Pension commitments concern the payment of pensions authorised by the Board on December 19th 2003. This amount is calculated in the same way as for payments to executives according to the terms of article 5 of amendment I of the wholesalers industry-wide agreement.

Total payments recorded on December 31st 2009 to Board members and corporate representatives was €456,000.

Note 20 - Legal risks

To the company's knowledge, there are no other exceptional items or legal proceedings that may have or may have recently had an impact on the business, the results, the financial situation or on the company's or the Group's assets.

Note 21 - Significant events occurring after the closure of the accounts

No significant change to the financial or commercial structure of the Group occurred after the end of the financial year.

Note 22 - Risk assessment

The company carried out a review of risks that could have a detrimental effect on its business, its financial situation and its results and considers that there are no other substantial risks than those presented below. The nature of leading risks did not change in 2009. Management procedures put in place within the group and assessment methods used have been effective up to now.

- **Borrowing rate risks:** We have no medium to long term credit, therefore no risks on rates.
- **Liquidity risk:** Given the structure of our balance sheet and debt pay-by dates, there is no risk of liquidity. The cash flow situation on December 31st 2009 is positive (paragraph III on the cash flow table). Furthermore, the group has unused bank overdraft facilities.
- **Risk on investments:** Excess cash flow is invested in SICAV and represents zero risk.
- **Foreign exchange risks:** Around 21% of our purchases – primarily in China – are settled in US dollars. Our policy is to buy dollars the day that we need to settle our invoices. Certain subsidiaries use hedging – for major suppliers – or the purchase of options so as to fix the rate at the time of purchase. Mathematically a variation of 10% of the US dollar would have an impact of 2 million euros. In any event,

the actual purchasing price is incorporated into our cost prices and transferred to our sales price as far as possible. We do not therefore consider the differences in exchange rate to be a risk but as part of our cost price.

- **Variation in raw material price:** It is our manufacturing suppliers who handle the purchase of raw materials included in our products. In case of major variations in the prices of certain raw materials (copper, steel, etc.) we may face increases in our purchase price that we try to pass on as well as we can in our sales price. There are so many different cases depending on suppliers and products, making precise statistics impossible, with the result used as an element of cost price and margin management.

This has been part of our day to day management from the beginning and we feel that we manage these problems with a minimum risk to our shareholders. Our results clearly demonstrate this...

- **Credit risk:** this is primarily a risk of the recovery of customer payables. A control is carried out monthly using accounting statements drawn up according to due dates.

Customer payables (excluding bad debt) at 31/12/2009	Total amount	Total for due dates after 31/12/2009	Total with due dates exceeded			
			Under 30 days late	Over 30 days and under 60 days late	Over 60 days and under 90 days late	Over 90 days late
Customer payables on December 31 st 2009	36,209	34,918	1,055	135	24	77
Payments cashed in January 2010			908	91	7	23
■ Payables not cashed by end January 2010			147	44	17	54

Customer payables (excluding bad debt) at 31/12/2008	Total amount	Total for due dates after 31/12/2008	Total with due dates exceeded			
			Under 30 days late	Over 30 days and under 60 days late	Over 60 days and under 90 days late	Over 90 days late
Customer payables on December 31 st 2008	52,305	51,202	797	185	101	20
Payments cashed in January 2009			548	105	62	6
■ Payables not cashed by end January 2009			249	80	39	14

Total customer losses represent less than 1% of turnover. We have no credit insurance.

5 Notes on the P&L

Note 23 - Explanation concerning 2009 turnover

Turnover is made up primarily of sales of merchandise which are accounted for upon delivery.

Distribution of turnover per geographical sector: France: €162,916,000 – export €10,056,000.

Note 24 - Personnel charges and charges calculated for the free allocation of shares

The Annual General Meeting of April 7th 2008 authorised the Board to proceed with a distribution of free shares to the directors of the Group according to article 83 of the 2005 Finance Law. This operation will be carried out through a capitalisation of reserves and the creation of 87,000 shares, i.e. 5% of the capital in 2010, further to the legal 2 year period so-called "allocation".

The IFRS2 charge of this plan at the date of allocation was assessed

at €4,813,000, the deduction compared to the stock market value being justified in particular by the obligation imposed upon beneficiaries to keep these shares for a period of 10 years with, in the case of incident along the way, the obligation to sell them back to the company at a 30% discount compared to list price.

This amount of €4,813,000 will be divided up over the financial years 2008, 2009 and 2010.

The impact on the accounts is as follows:

- For 2008: €1,272,000 as a portion of the value of €4,813,000 allocated to the period June 20th to December 31st.

- For 2009: €2,407,000 as a portion of the value of €4,813,000 allocated to the year 2009.

For 2008 there was also a personnel charge of €480,000 corresponding to 10% of employer duties payable immediately at the time of allocation, i.e. June 2008.

Note 25 - Auditors fees

	MAZARS				S.S.E.C.			
	In thousands of euros		in %		In thousands of euros		in %	
	2009	2008	2009	2008	2009	2008	2009	2008
Legal mission								
Issuer	27	26	24	23	20	18	18	16
Globally integrated subsidiaries	65	60	58	54	none	none	none	none
Diligence directly linked to legal controls								
Issuer	none	8	none	7	none	none	none	none
Globally integrated subsidiaries	none	none	none	none	none	none	none	none
Total legal mission	92	94	82	84	20	18	18	16
Specific missions	none	none	none	none	none	none	none	none
Total Statutory Auditors fees	92	94	82	84	20	18	18	16

6 Note 26 - Information per business area (in thousands of euros)

Units generating cash flow were defined according to activity sector criteria. Given the organisation of the Group and the way the different professions are divided out, units generating cash flow retained by the Group concern the following legal entities: Jetly, Sferaco, Thermador, Dipra, Isocel, PBtub, Sectoriel Thermador International and a separate group comprising Thely, Opaline, Tagest and Thermador Groupe.

■ at 31/12/2009	Jetly Pumps	Sferaco Valves	Thermador Heating accessories	PBtub Pipes made of synthetic material	Dipra DIY	Sectoriel Motorised valves	Isocel Boiler manufacturers	Thermador International	Other resource structures	Eliminations	Total
Profit and loss account											
Sales	44,172	40,004	39,089	20,074	16,155	8,423	4,916	5,146	2,642		180,621
Intercompany sales	(137)	(2,912)	(1,033)	(176)	(171)	(622)	(34)		(2,564)		(7,649)
Net sales	44,035	37,092	38,056	19,898	15,984	7,801	4,882	5,146	78		172,972
Profit before tax	9,748	6,896	6,946	2,280	781	953	355	(156)	13,842	(16,020)	25,625
Depreciation and amortisation	176	127	108	57	44	75	10	10	1,127		1,734
Provisions	48	86	202	47	68	30	37	71	34		623
Result											
Assets	23,710	24,001	24,304	11,158	8,670	4,070	2,806	1,537	56,479	(15,846)	140,889
Goodwill on consolidation	1,646	1,524	2,546	313	31	15	76			(15)	6,136
Including tangible investments	1,051	407	433	255	130	282	110	28	21,919	(11)	24,604
Including stock	9,780	12,968	11,467	6,080	7,233	2,083	1,185	1			50,797
Including trade note	6,630	8,782	11,056	4,622	3,040	1,652	695	935	19	(1,076)	36,355
Debt and provisions	7,466	8,126	8,519	3,821	3,970	1,545	1,051	941	3,939	(2,254)	37,124
Including suppliers	4,453	4,498	5,337	1,976	2,445	1,105	874	734	424	(1,079)	20,767
Of which supplier fixed assets	1	10	50		7					174	242
Investments	129	46	169	114	105	97	86	22	2,908		3,676
■ at 31/12/2008											
	Jetly Pumps	Sferaco Valves	Thermador Heating accessories	PBtub Pipes made of synthetic material	Dipra DIY	Sectoriel Motorised valves	Isocel Boiler manufacturers	Thermador International	Other resource structures	Eliminations	Total
Profit and loss account											
Sales	44,268	43,995	40,902	24,380	14,854	8,741	5,740	4,763	2,767		190,140
Intercompany sales	(114)	(2,841)	(1,084)	(229)	(128)	(518)	(26)		(2,515)		(7,455)
Net sales	44,154	41,154	39,818	24,151	14,726	8,223	5,714	4,763	252		182,955
Profit before tax	9,840	8,371	7,307	3,969	523	1,174	611	91	15,157	(15,446)	31,597
Depreciation and amortisation	110	137	73	57	45	58	5	12	745		1,242
Provisions	95	59	138	52	36	1	3	64	34		482
Result											
Assets	26,223	29,352	26,826	12,038	9,387	4,028	3,890	1,614	51,759	(16,360)	148,757
Goodwill on consolidation	1,646	1,524	2,546	313	31	15	76			(15)	6,136
Including tangible investments	1,255	489	371	199	69	259	33	23	20,376	(11)	23,063
Including stock	10,610	16,757	11,933	7,316	7,434	2,045	1,627	6			57,728
Including trade note	11,916	11,429	14,117	6,567	3,739	2,700	1,932	960	23	(978)	52,405
Debt and provisions	9,973	12,582	13,482	3,812	4,959	1,480	1,972	914	5,598	(2,145)	52,627
Including suppliers	6,303	9,699	9,269	1,936	3,422	1,016	1,776	671	500	(1,002)	33,590
Of which supplier fixed assets	796		138			10	22		1,543		2,509
Investments	1,001	103	203	67	30	88	19	5	7,855		9,371

“ The priority of our management teams is the quality of human relationships in our companies. ”

We want each individual to be able to best develop his skills and achieve fulfilment in his work.

- Our structure based on **small units** allows proximity with the management team and good communication of information on the company's markets.
- We practise a high level of **transparency of accounts and salaries**: each month in each subsidiary, the P&L account is presented and commented upon to all members of staff. At least once per year, salaries of all members of staff of the subsidiary are published.
- A profit-sharing system has been applied in each subsidiary according to results. The average amount of this profit sharing was €12,000 in 2009. 2009 total (including charges): €3,891,000, i.e. 22% of the total wage bill.
- A substantial percentage of employees are shareholders in Thermador Groupe, either directly or via the company savings plan.

2009 wage bill (including charges): €17,478,000, i.e. 10% of turnover.

Average gross salary per person in 2009: €55,000.

PEE (company savings scheme)

In January 2001, we set up a company savings scheme which is open to all employees of the Group, which today comprises 95% Thermador Groupe shares.

The annual company top-up has been fixed at 100% of the amount injected by the employee, with a maximum of €1,000.

In 2009, this top-up operation cost the company €128,000.

At the end of 2009, the PEE held 27,488 Thermador Groupe shares.

162 employees out of 223 have signed up to the PEE.

Training

In 2009, the annual training budget represented 2.3% of our wage bill, and in particular we organised:

- Training seminars in sales for commercial teams.
- Team management training for warehouse managers and for managers of sales admin departments.
- Language training.
- Personal development courses...

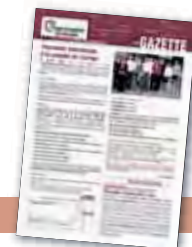
We permanently organise inter-subsidiary training with internal trainers on knowledge of materials, knowledge of markets, accounting and IT training...

Statutory profit sharing

Since each company of the Group employs fewer than 50 people, the statutory profit sharing rules do not apply. It is important to note that our internal profit-sharing system is much more generous than the statutory scheme and involves no immobilisation of investments...

Gazette

Each month the "Gazette" informs employees of **main events**: new arrivals, departures, family events, weddings, births and deals with general subjects such as the works doctor, shareholder policy, development of the company's savings scheme (PEE), etc.



Induction booklet

Integration of new employees: we have prepared an induction pack describing the history and the organisation of the group and all the practical details which would be of help to new arrivals: timetables, inter-company restaurant, transport, etc.



Distribution of headcount:

By subsidiary

	2009	2008	2007
Jetly	47	46	45
Sferaco	39	41	38
Thermador	35	29	31
PBtub	27	27	25
Dipra	27	25	24
Sectoriel	22	21	20
Thermador International	11	10	8
Thermador Groupe	6	6	6
Opaline	5	5	4
Isocel	4	4	4
Total	223*	214	205

* Including 21 part-timers primarily mothers working 80%.

In 2009, there were 17 permanent contract recruitments for 8 permanent contract departures.

By category

	2009	2008	2007
Management	88	86	83
Supervisory staff	17	17	14
Employees	118	111	108
Total	223	214	205

By age

	2009	2008	2007
From 20 to 29	28	31	24
From 30 to 39	70	72	72
From 40 to 49	76	64	62
Over 50	49	47	47
Total	223	214	205

Average age of the Group 42 years

Average length of service in the Group 10 years

By function

	Women	Men	2009 Total	2008	2007
General management, sales, administrative and purchasing	14	17	31	31	30
Sales force	2	43	45	44	43
Administrative and sedentary sales staff	52	29	81	75	71
Warehouses		66	66	64	61
Total	68	155	223	214	205

Working hours

Working hours are 37 hours, i.e. as part of the law on 35 hours, 2 hours a week are considered as overtime.

The number of overtime hours worked in 2009 in the group was 21,189, corresponding primarily to the 2 extra hours mentioned above.

Temps

Temps worked 20,168 hours in 2009, representing a cost of 383,000 Euros.

Days of absence

The number of days of absence in 2009 was 1,927 (i.e. 3% of working time) of which about 25% was for parental leave.

The disabled

The number of disabled people working in the group is 2. We employ CAT staff (suppliers employing disabled people) regularly, which accounted for €701,000 being invoiced in 2009.



We would like to thank all those who have allowed us to take their photos to illustrate this annual report.





SUBSIDIARIES



SUBSIDIARIES GENERAL OVERVIEW

	Founded in	Legal form	Capital	Contribution to Turnover 2009	Headcount at 31/12/2009	Stock at 31/12/2009	Contribution to net pre-tax profit
Thermador	1968	S.A.	€3,200,000	€38,056,000	35 personnes	€11,467,000	€6,120,000
PBtub	1989	S.A.	€960,000	€19,898,000	27 personnes	€6,080,000	€2,280,000
Isocel	1992	S.A.	€160,000	€4,882,000	4 personnes	€1,185,000	€354,000
Sferaco	1978	S.A.	€3,200,000	€37,092,000	39 personnes	€12,968,000	€6,263,000
Sectoriel	1989	S.A.	€480,000	€7,801,000	22 personnes	€2,083,000	€953,000
Jetly	1977	S.A.	€3,200,000	€44,035,000	47 personnes	€9,780,000	€8,642,000
Dipra	1986	S.A.	€960,000	€15,984,000	27 personnes	€7,233,000	€781,000
Thermador International	2006	S.A.	€1,000,000	€5,146,000	11 personnes	€1,000	€-156,000
Opaline	2002	S.A.S.	€80,000	€1,127,000	5 personnes	-	€18,000



Management staff

Guillaume Robin
Chairman and Managing Director

François Nanson
Sales Manager

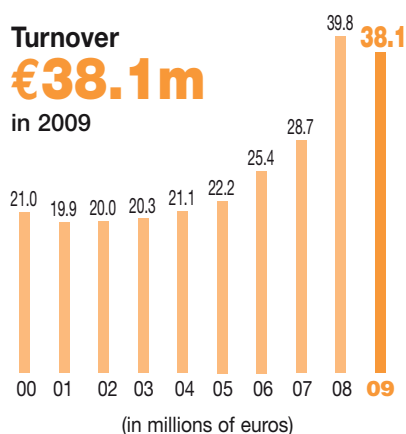
Blandine Büsch
Administrative Manager

Bernard Bermond
Purchasing and Marketing Manager

From left to right: Blandine Büsch, Bernard Bermond, François Nanson, Guillaume Robin and Cécile Chaillou.

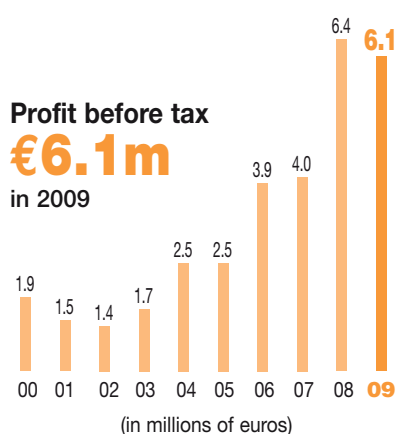
Turnover

€38.1m
in 2009



Profit before tax

€6.1m
in 2009



In a matter of a few years Thermador has joined the leading group of subsidiaries within the group.

Its business is at a good level on the ranges of traditional products (concerning boilers, radiators, water heaters) and is developing in new product families (water tanks, connectors, etc.).

2010 is looking pretty good.



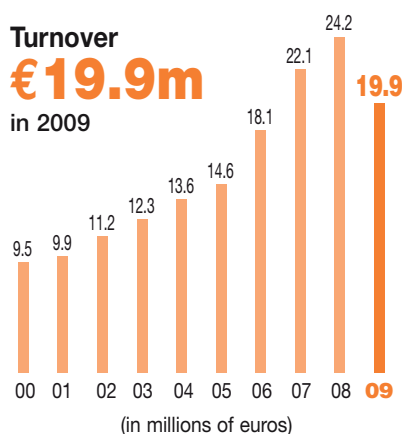
Management staff

Eric Mantione
Chairman and Managing Director

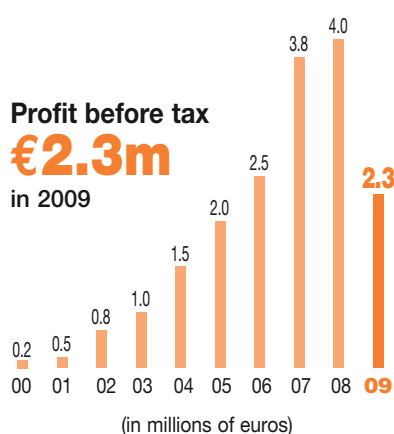
Murielle Gentaz
Administrative Manager

Murielle Gentaz and Eric Mantione.

Turnover €19.9m in 2009



Profit before tax €2.3m in 2009



This was the subsidiary that was worst affected by the crisis, in particular because of the major decline in new constructions where most of the underfloor heating market is to be found.

Turnover and results therefore show major decline. 2010 should be another difficult year but progress should return in the long term because there is still major demand for new housing.



Management staff

Fabienne Bochet
Chairman and Managing Director

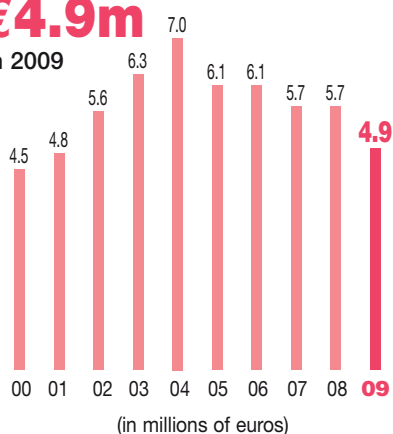
Cyril Javault
Sales Engineer

Cyril Javault and Fabienne Bochet.

Turnover

€4.9m

in 2009



Profit before tax

€354,000

in 2009



The major decline in turnover amongst boiler manufacturers who have been very badly affected by the crisis was compensated for in particular by progress made by heat pump manufacturers.



Management staff

Hervé Le Guillerme
Chairman and Managing Director

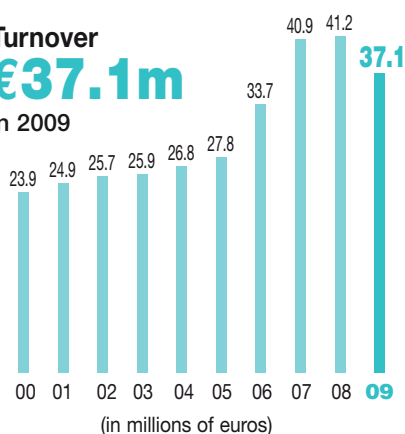
Christophe Arquillère
Sales Manager

Patricia Mavigner
Administrative Manager

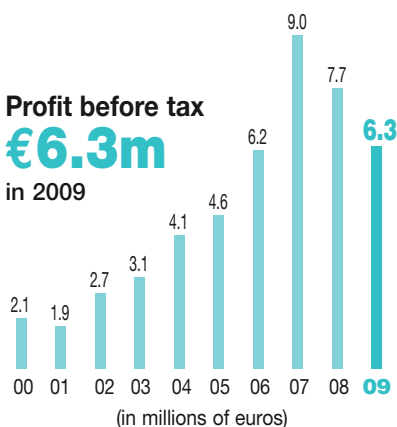
Patrick Clogenson
Purchasing Manager

From left to right: Hervé Le Guillerme, Patricia Mavigner, Patrick Clogenson and Christophe Arquillère.

Turnover €37.1m in 2009



Profit before tax €6.3m in 2009



Turnover fell 10% in particular due to the drop in price after the high rises of the two previous years.

After two exceptional years, the profit level fell to a more realistic level.

The brass ball valve remains the leader product in the catalogue accounting for about 50% of turnover, but in 2009 we did some major sourcing work to add to or renew our ranges, which should start to bear fruit in 2010/2011.



Management staff

Xavier Isaac
Chairman and Managing Director

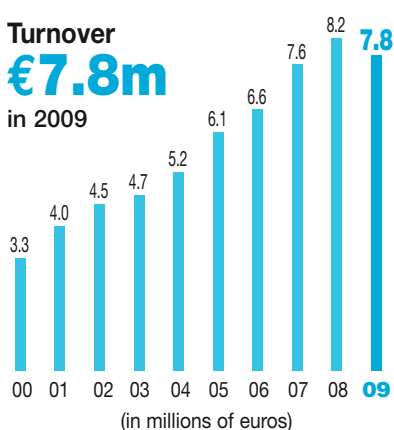
Loïc Brossat
Sales Manager

Anaïs Der Hagopian
Administrative Manager

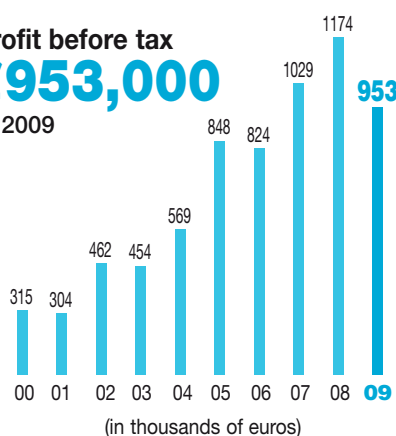
Laurence Vigneau
Purchasing Manager

From left to right: Xavier Isaac, Anaïs Der Hagopian, Laurence Vigneau and Loïc Brossat.

Turnover €7.8m in 2009



Profit before tax €953,000 in 2009



Light decline in turnover and profit but consolidation of our positions in a market under difficult conditions in our industrial markets.

We are continuing to strengthen our team of sales people.

The contribution of Thermador International sales on our products is quite significant: almost 10% of our turnover.



Management staff

Jean-François Bonnefond
Chairman and Managing Director

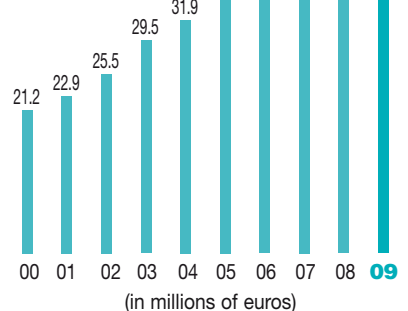
Frank Bourgois
Sales Manager

Christiane Perrot
Administrative Manager

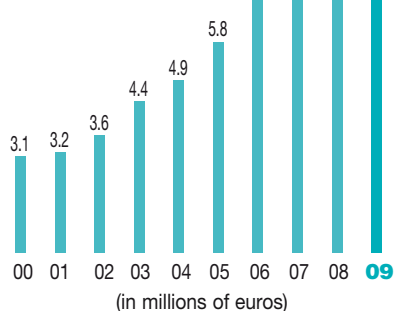
Patrice Comi
Marketing Manager

From left to right: Patrice Comi, Christiane Perrot, Jean-François Bonnefond and Frank Bourgois.

Turnover €44m in 2009



Profit before tax €8.6m in 2009



Jetly is top of the group in terms of turnover and profitability. The watering season was a good one, however the "sewage pump" market fell back slightly. Prospects for 2010 are good.



Management staff

Emmanuelle Desecures
Chairman and Managing Director

Pierre-Jean Hervé
Sales Manager

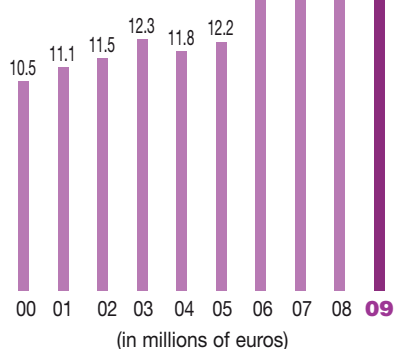
Bertrand Kinche
Key Accounts Manager

Charlotte Deguerry Fraisse
Administrative Manager

Jérôme Piette
Purchasing and Marketing Manager

From left to right: Pierre-Jean Hervé, Jérôme Piette, Charlotte Deguerry Fraisse, Bertrand Kinche and Emmanuelle Desecures.

Turnover €16m in 2009



Profit before tax €781,000 in 2009



Good year for Dipra who increased turnover by 8.5% and profit by 49%.

We enjoyed a good season for pumps and had a very good response from our customers to our new range of household plumbing equipment...

We obtained new referencing agreements for 2010 and should continue this progression.

THERMADOR INTERNATIONAL



Management staff

Lionel Monroe
Chairman and Managing Director

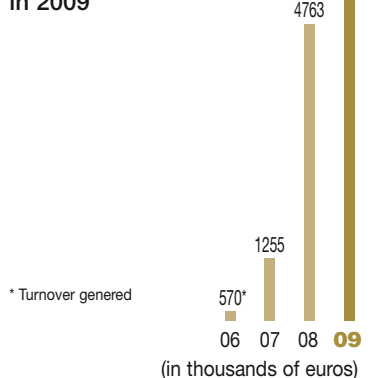
Delphine Bourdin
Administrative Manager

Philippe Purgy
Development Manager

Delphine Bourdin, Philippe Purgy and Lionel Monroe.

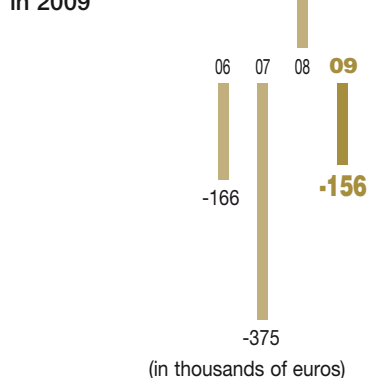
Turnover

€5,146,000
in 2009



Profit before tax

€-156,000
in 2009



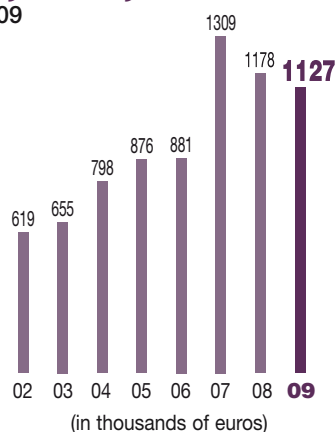
The crisis affected most countries in which we prospect after a slight delay. However, we managed to increase turnover by around 8% but recorded a slightly negative result due to a substantial drop in margins.

We are confident about the development possibilities for 2010 and for the future.

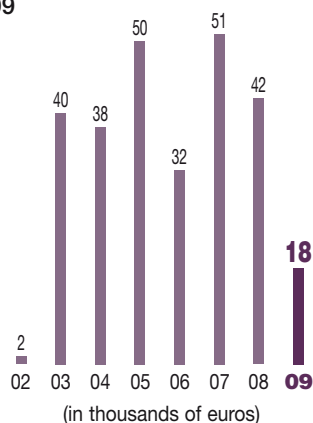


Arlette Berliocchi
Agency Manager

Turnover
€1,127,000
in 2009



Profit before tax
€18,000
in 2009



Opaline reported a reasonable year, despite the crisis which badly affected all those involved in communications. Spending on communication amongst the subsidiaries of the group remained stable. 2010 should confirm this trend.



THE PARENT COMPANY

THERMADOR GROUPE ACCOUNTS AND LEGAL INFORMATION

THERMADOR GROUPE

BUSINESS REPORT

In thousands of euros

In 2009, Thermador Groupe's resources totalled €22,290,000, primarily:

1 • Profits paid into Thermador Groupe by the subsidiaries (€16,012,000):

For a number of years now, we have practised the policy of allocating equity capital to the subsidiaries to a degree that is compatible with their funding requirements. Thus, a portion of each subsidiary's results is put into reserve. Also, we would remind you that the dividends paid to Thermador Groupe in 2009 were those taken from the subsidiaries' 2008 results.

2 • Financial earnings from loans to the subsidiaries for reasons of cash-flow balance (€260,000).

3 • Investment earnings from the group's superfluous cash-flow (€52,000).

4 • Lease management rents (€4,268,000):

Reminder: Thermador Groupe, the parent company, was created in 1986 in preparation for it being floated on the stock exchange in 1987. The legal restructuring of the group at the time transferred the business of the existing subsidiaries (Jetly, Sferaco and Thermador) to Thermador Groupe which, through a lease management contract, leases these businesses to the same three subsidiaries. However, all the other subsidiaries own their businesses and do not make such payments to Thermador Groupe.

The rents paid in 2009 by Jetly, Sferaco and Thermador were as follows:

- €2,562,000 for the intangible component of the funds, which is a percentage of turnover (1.7% for Sferaco, 2.3% for Thermador and 2.5% for Jetly);
- €5,000 for equipment rented, equal to 10% of the net value of the equipment concerned;
- €1,701,000 rent on offices and warehouses, calculated according to surface area rented: 7,110 m² for Thermador, 8,000 m² for Sferaco and 11,165 m² for Jetly.

5 • Roll-out of shared IT system (€286,000):

In 2001, we introduced an ERP tool within the group for commercial management and accounting and finance.

Thermador Groupe bought the necessary hardware and software and wrote the purchases down. Each subsidiary is invoiced at cost for use of the system, based on the number of users.

6 • Detachment of personnel or service-providers (€179,000):

Each subsidiary is invoiced at cost, calculated according to the estimated amount of time spent.

7 • Centralised management of insurance contracts (€791,000):

Each subsidiary is invoiced the purchase price, calculated according to each company's capital and risk.

8 • One-off payment for assistance and consulting to subsidiaries (€419,000):

The payment is from 3 to 100 thousands of euros depending on the size of the subsidiary, to cover the cost of assistance and consulting on legal, accounting, fiscal and IT issues.

In 2009, the main items of expenditure for Thermador Groupe were as follows:

1 • Rent of €1,721,000, of which €20,000 for Thermador Groupe's own offices and €1,701,000 invoiced on to Jetly, Sferaco and Thermador as part of the lease management arrangement.

2 • Wages and salary cost €1,063,000 .

3 • Depreciation expenses €164,000, mainly for IT hardware and software.

4 • Other costs totalling €2,098,000.

5 • A corporation tax levy of €1,212,000, calculated on the specific result of Thermador Groupe and on a quotient of the SCI Thely result.

In 2009, Thermador Groupe, the parent company's net profit was €16,032,000. We propose a dividend of €6.10 per share, i.e. €10,619,000, with €5,413,000 being put into our reserves.

PROFIT AND LOSS ACCOUNT

Thermador Groupe 2009

In thousands of euros

	2009	2008	2007
Operating profits			
Business lease payments	1,701	1,257	1,220
Other business lease payments	2,567	2,684	2,393
Payment for services	800	693	636
Expense transfer	894	732	349
Release of provisions		76	
Other revenues	4		
■ Total operating profits	5,966	5,442	4,598
Operating expenses			
Business lease payments recharged	1,701	1,257	1,220
Other purchases and external charges excluding business lease payments	1,344	1,178	741
Taxes other than corporate tax	90	99	93
Wages and salaries	758	770	852
Social security charges	305	346	330
Depreciation and amortisation	164	143	169
Increase of provisions	15		36
Other operating expenses	24	11	14
■ Total operating expenses	4,401	3,804	3,455
■ Operating profit	1,565	1,638	1,143
Financial profits			
Dividends from investments	16,012	15,439	9,124
Intercompany receivables	260	861	755
Gain on sales of investment securities	52	208	179
■ Total financial profits	16,324	16,508	10,058
Financial expenses			
Depreciation and provision expense	600		
Net interest payable	30	92	103
■ Total financial expenses	630	92	103
■ Net interest (payable)	15,694	16,416	9,955
■ Profit on ordinary activities before tax	17,259	18,054	11,098
■ Total extraordinary expenses	15		
■ Total extraordinary income	(15)		
■ Current tax charge	1,212	1,458	1,189
■ Net profit	16,032	16,596	9,909

THERMADOR GROUPE BALANCE SHEET

at 31 December 2009

In thousands
of euros

	31/12/2009 Gross	31/12/2009 Depreciation, provisions	31/12/2009 Net	31/12/2008 Net	31/12/2007 Net
Assets					
Fixed assets					
Intangible assets					
Business goodwill	5,717		5,717	5,717	5,717
Other intangible assets	1,680	1,575	105	155	98
Tangible assets	723	524	199	205	181
Financial investments					
Investments	19,450	600	18,850	19,450	16,448
Intercompany receivables	10,790		10,790	7,173	5,908
Other financial investments	1		1	1	1
■ Total fixed assets	38,361	2,699	35,662	32,701	28,353
Current assets					
Receivables	1,107		1,107	965	880
Investment securities					2,523
Cash and cash equivalents	18,357		18,357	16,245	12,063
■ Total current assets	19,464		19,464	17,210	15,466
■ Total assets	57,825	2,699	55,126	49,911	43,819

Liabilities

Shareholders' equity

	31/12/2009 Net	31/12/2008 Net	31/12/2007 Net
Share capital	27,854	27,854	27,854
Legal reserve	2,785	2,786	2,786
Regulated reserves			
Other reserves	7,400	1,423	2,003
Carried forward			130
Net profit of the period	16,032	16,596	9,909
■ Total shareholders' equity	54,071	48,659	42,682
Provisions for liabilities and charges	244	228	304
Liabilities			
Bank borrowings	4	8	9
Trade notes and accounts payable	204	178	105
Tax and social liabilities	569	808	667
Intercompany payables	34	30	52
■ Total liabilities	811	1,024	833
■ Total equity and liabilities	55,126	49,911	43,819

List of subsidiaries

	SFERACO S.A.	THERMADOR S.A.	JETLY S.A.	DIPRA S.A.	PBTUB S.A.	ISOCEL S.A.	SECTORIEL S.A.	THELY S.C.I.	TAGEST S.A.R.L.	THERMADOR INTERNATIONAL S.A.	OPALINE S.A.S.
Share capital at 31/12/2009	3,200	3,200	3,200	960	960	160	480	2,400	8	1,000	80
Premium, reserves and retained earnings	6,908	5,862	5,521	3,157	4,790	1,353	1,382	7,992	25	(450)	19
Percentage of share capital held at 31/12/2009	99.99	99.99	99.87	97.99	99.98	99.90	99.94	99.93	99.80	99.9	100.00
Book value of holdings:											
gross	3,048.7	3,048.7	3,044.9	2,445.1	896.1	152.3	554.6	5,167.8	11.6	999.9	80
net	3,048.7	3,048.7	3,044.9	2,445.1	896.1	152.3	554.6	5,167.8	11.6	999.9	80
Outstanding loans and advances granted by the company	None	None	None	None	None	None	None	10,790	None	None	None
Guarantees and endorsements granted by the company	None	None	None	None	None	None	None	None	None	None	None
Turnover ex-VAT of the last year end	40,170	39,258	44,203	16,202	20,151	4,918	8,431	2,795		5,148	1,127
Profit of the last year end	4,137	4,029	5,691	534	1,519	225	639	947	4	(156)	12
2008 profit received by the parent company in 2009	4,999	1,600	5,692	235	2,400	400	660	None	None	None	26
Year end	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12

Table of past five financial years

	31/12/2009 12 months	31/12/2008 12 months	31/12/2007 12 months	31/12/2006 12 months	31/12/2005 12 months
Share capital at year-end					
Share capital (in thousands of euros)	27,854	27,854	27,854	27,854	27,854
Number of ordinary shares	1,740,900	1,740,900	1,740,900	1,740,900	1,740,900
Income of the year end (in thousands of euros)					
Profits excluding tax (operating and financing)	21,396	21,143	14,308	13,602	11,353
Profit before tax, depreciation and amortisation	18,023	18,122	11,303	10,858	8,867
Current tax charge	1,212	1,458	1,189	1,021	861
Profit after tax, depreciation and amortisation	16,032	16,596	9,909	9,523	7,604
Dividends	10,619	10,619	10,619	9,401	8,356
Net earnings per share (in euros)					
Profit after tax and before depreciation and provisions	9.66	9.57	5.81	5.65	4.60
Profit after tax, depreciation and provisions	9.21	9.53	5.69	5.47	4.37
Net dividends payable per share	6.10 *	6.10	6.10	5.40	4.80
Employees					
Average number of employees during the year	6	6	6	6	6
Wages and salaries of the year (in thousands of euros)	758	770	852	753	698
Salaries and social securities charges of the year (in thousands of euros)	305	346	330	297	276

*Dividend proposed at the AGM of 12/04/2010.

Statement of changes in financial position (K€)

	31/12/2009	31/12/2008	31/12/2007
Sources			
Profit of the year	16,032	16,596	9,909
Depreciation and amortisation	164	143	169
Increase and release of provisions	616	(76)	36
Cash flow provided by operations	16,812	16,663	10,114
Net book value of fixed assets sold			
Sales of investments and reimbursement of intercompany receivables			
■ Total sources of long-term funds	16,812	16,663	10,114
Uses			
Dividends	10,619	10,619	9,401
Long-term investments	3,617	4,266	247
Other non-current assets	109	226	123
■ Total uses of funds	14,345	15,111	9,771
Net change in working capital	(2,467)	(1,552)	(343)
Change in long-term capital	5,428	5,901	545
Change in shareholders' equity	5,412	5,977	508
Change in provisions for retirement indemnities	16	(76)	36
Change in net fixed assets	2,961	4,349	202

NOTES TO THE FINANCIAL STATEMENTS THERMADOR GROUPE

In thousands
of euros

Accounting rules and methods

The general accounting conventions have been applied in compliance with general rules applying to the preparation and presentation of annual accounts in France.

The basic method used for the assessment of elements included in our accounts is the historical cost method.

Amortisation periods applied correspond to service life.

Note 1 - Fixed and intangible assets

Fixed and intangible assets were assessed at their acquisition cost (purchase price plus accessory cost).

Amortisations for depreciation are calculated in linear fashion according to expected service life:

■ Software:	3 to 5 years
■ Renovation and installation:	3, 6 to 10 years
■ Office and IT equipment:	2, 3, 4, 5 and 6 years
■ Furniture:	2, 4, 5, 6 and 10 years

Intangible assets concern software in particular.

The balance sheet includes a "goodwill" item valued at €5,717,000 representing the three businesses acquired by Thermador Groupe through the merger-absorption in 1987 with three former private limited companies: Thermador, Sferaco and Jetly.

This "goodwill" item has not been amortised since amortisation is not legally compulsory in France. They were not depreciated because their values, calculated according to methods based in particular on future forecastable net cash-flows over a period of 5 years and a zero subsequent growth rate, discounted at rate of 8.5%, are above their accounting value.

Note 2 - Participations and other asset stock

The gross value of participations and other asset stock is calculated according to the acquisition cost of the stock.

A list of subsidiaries and participations appear on page 62.

Method of assessment

- For subsidiaries which have been in the Group for less than 5 years, participations remain at their subscription value during the launch phase as long as the companies are operating within the framework of their operating forecasts.
- For the other subsidiaries, the assessment method retained is the net asset or revalued net asset method for property companies.

Note 3 - Receivables

Receivables are assessed at their nominal value.

A provision for depreciation is applied when the inventory value is lower than the accounting value.

Note 4 - Retirement compensation

Pension compensation was calculated at €244,000 including charges (of which Board members and Corporate Officers, €213,000) according to age, length of service, salary and the collective agreement for wholesalers.

The calculation takes into account the following hypotheses:

- Retirement age taking into account average retirement age: 62.5 years.
- Rate of staff turnover: calculated by age group (under 35, 35-50 and over 50).
- Growth in salaries according to salary policy.
- Probability of survival to retirement age and an adjustment coefficient of 4.5%.

The provision entered in the accounts of €244,000 therefore concerns all employees and Company Managers, the net 2009 carried forward being equal to €16,000.

Explanation of balance sheet and P&L items

Note 5 - Fixed assets and amortisations (in thousands of euros)

Fixed assets

	Value at the opening of the period	Increases	Decreases	Value at the end of the period
Business goodwill	5,717			5,717
Other intangible assets	1,652	98	70	1,680
■ Total intangible assets	7,369	98	70	7,397
Machinery and equipment	1			1
General installations, fixtures and improvements	163	60		223
Office equipment and furniture	430	47	1	476
Construction in progress	54	24	54	24
■ Total tangible assets	648	131	55	724
Investments (1)	19,450			19,450
Intercompany receivables (2)	7,172	3,617		10,789
Other financial investments	1			1
■ Total financial investments	26,623	3,617		30,240
■ Grand total	34,640	3,846	125	38,361

(1) This relates to affiliated companies. (2) Loan to S.C.I. Thely.

Depreciation and amortisation

	Gross value at the opening of the period	Increases	Decreases	Gross value at the end of the period
Business goodwill				
Other intangible assets	1,497	82	4	1,575
■ Total intangible assets	1,497	82	4	1,575
Machinery and equipment	1			1
General installations, fixtures and improvements	104	22		126
Office equipment and furniture	337	60		397
■ Total tangible assets	442	82		524
■ Grand total	1,939	164	4	2,099

Note 6 - Provisions (in thousands of euros)

	Value at the opening of the period	Increases	Decreases	Value at the end of the period
Provisions for retirement indemnities	228	16		244
■ Provision for liabilities and charges	228	16		244
Financial securities depreciation provision		600		600
■ Grand total	228	616		844
Including: - Operating items		16		
- financial		600		

Note 7 - Breakdown of receivables (in thousands of euros)

Breakdown of receivables	Gross	Affiliated companies	Within one year	More than one year
Receivables from equity interests	10,790	10,790		10,790
Other financial investments	1		1	
Other debtors	265		265	
Group	760	760	760	
Prepaid expenses	81		81	
■ Total	11,897	11,550	1,107	10,790

Note 8 - Debt

All debt has a due date under 1 year.

The amount of other debt concerning the companies linked to the Group totals €34,000.

Note 9 - Off balance sheet commitments

The only commitment identified concerns the hours accumulated under the individual training rights scheme (DIF) = 504 hours

Note 10 - Other information

Revenue accruals – Group: €760,000.

Charges payable – creation of credit: €4,000. Suppliers and associated accounts: €92,000. Fiscal and social debt: €114,000. Group: €13,000.

Average headcount – managers 5, non managers 1.

Make-up of capital: 1,740,900 shares of €16 each at the opening and closing of the financial year.

There are no stock options. A free share allocation is in progress (cf: note 12).

Earnings of directors – the gross earnings and all direct or indirect benefits for each Corporate Officer within the Group (holding company and companies controlled included, according to article 357-1 of the Commercial Companies Law) and outside it allocated for the financial year to members of the Board of Directors on account of their functions totalled €1,288,000 divided.

Corporation tax – taxes payable

The amount of taxes payable and the 3.3% social contribution totals €1,212,000 on the trading result and there is no tax on the exceptional result and therefore tax totals €1,212,000 on net profit. After a deduction of a tax credit from the 2005 application of amortisation by components, tax due is €1,186,000. This credit can be recuperated by fifths and the amount allocated to 2009 is €26,000.

Of the planned distribution of €10,619,000, the tax and contribution totals €5,539,000.

Tax breaks – pension provisions €244,000, Organic €10,000, total of tax relief: €254,000.

Note 11 - Auditors fees

	MAZARS				S.S.E.C.			
	In thousands of euros		in %		In thousands of euros		in %	
	2009	2008	2009	2008	2009	2008	2009	2008
Legal mission								
Legal controls	27	26	57	50	20	18	43	35
Diligence directly linked to legal controls								
Issuer	none	8	none	15	none	none	none	none
Total legal mission	27	34	57	65	20	18	43	35
Specific missions	none	none	none	none	none	none	none	none
Total Statutory Auditors fees	27	34	57	65	20	18	43	35

Note 12 - Free allocation of shares

The Board, with the authorisation of the Annual General Meeting of April 7th 2008, proceeded with the distribution of free shares on June 20th 2008 to the directors of the Group according to the terms of article 83 of the 2005 Finance Law. This operation by capitalisation of reserves and the creation of 87,000 shares, i.e. 5% of capital, will apply from 2010 at the end of the legal period of 2 years, called the "allocation period".

Company business (article 2 of the by-laws):

The company's business includes:

- the acquisition of all interests through whatever means, contributions, purchase of stocks, bonds and ownership interests, in all companies, businesses or commercial, industrial, financial, real estate companies, as well as management and promotion of these interests,
- the ownership, management or leasing of all businesses,
- the providing of consulting and all other services,
- and more generally, any transactions, of whatever nature, whether in France or abroad, directly or indirectly connected with seeing through the purpose of the business, and liable to contribute to the business or facilitate its development.

Form of the shares - Identification of bearer shares (article 11 of the by-laws):

Shareholders may choose whether fully paid up shares be in registered form or bearer form. Shares are registered in the name of the owner in accordance with the terms of applicable regulations.

To enable identification of holders of bearer shares, the company can at any time request that the central clearing organisation disclose the name or, in the case of a legal entity, the company name, nationality and address of the holders that confer or will confer rights to vote during the shareholders' general meetings, along with the number of shares held by each and any restrictions that may apply to these shares.

Share transfer (article 12 of the by-laws):

Shares may be freely negotiated. Transfer of shares is by transfer from one account to another in accordance with the applicable regulations.

Conditions required in order to acquire right to vote (article 22 of the by-laws, § right of vote):

Each shareholder has the right to one vote for each share that he holds or represents, without limit. However, rights to double voting apply when fully paid-up shares have been registered under the same name for more than four years.

This right to double voting also applies to shares that are attributed free of charge in favour of shares already benefiting from the right to double voting under these circumstances, following an increase in capital.

The right to double voting, laid down by the above conditions, is reserved to shareholders of French nationality and EEC citizens.

Any shares that have been converted to bearer form or transferred to another owner lose their right to enabling double voting. However, regarding the transfer of shares in the case of succession, liquidations of marital property, or inter vivos donations in favour of a family member in the line of inheritance, this right to double voting is not lost and does not interrupt the periods foreseen under article 225 - 123 of the commercial law.

- Company name: Thermador Groupe.
- Head office: 80, rue du Ruisseau
38297 Saint-Quentin-Fallavier Cedex
Tel. 04 74 95 63 28
- Companies Register number: 339 159 402 RCS Vienne.
- APE Code: 7420Z.
- Legal form: Société Anonyme (plc) with Board of Directors governed by the French Companies Act of 24th July 1966 (French law).
- Date of incorporation and term: the company was founded on 2nd October 1986 and for a period of 99 years as from the date of incorporation in the Companies Register, i.e. 31st October 1986.
- Fiscal period: 1st January to 31st December.
- Consultation of corporate documents: at the company's head office.

During the period of validity of this Document of Reference, the company by-laws, the auditors' reports and the financial statements of the previous 3 financial years, along with all reports, correspondence and other documents, historical financial information about Thermador Groupe and its subsidiaries over the past three financial years, valuations and declarations drawn up by experts at the request of the issuer, and any other document required by law are available for consultation at the issuer's head office.

Furthermore, merging of the company, whether the company is acquiring or is being acquired, does not infringe upon the right to double voting which can therefore be used within the acquiring company, on condition that this situation be provided for in the by-laws of both the acquiring and acquired company.

Voting is carried out by show of hands or by roll call. Voting cannot be carried out by secret ballot unless the majority of members present or proxy request that the voting of a given resolution be carried out in such a way.

Any shareholder can, from the moment that the current regulation enters into force, in accordance with legal requirements, vote using a form, which will only be accepted if received at least three days prior to the date of the meeting. Any forms not expressing a vote or that constitute abstention will be considered as negative votes.

Participation in General Meetings

(article 22 of the by-laws, § Participation in meetings):

All shareholders have the right to attend the General Meetings or to be represented at such meetings, regardless of the number of shares held, on condition that the shares have been fully paid up.

However, shareholders must have registered their shares in a holder account in their name and holders of bearer shares must obtain a certificate, issued by the accredited financial intermediary, stating the number of shares owned by the holder and certifying that the said shares are not transferable prior to the date at which the meeting is to be held.

These formalities must be carried out at least five days prior to the date set for the meeting. The Board of Directors may reduce this delay by means of a general provision that would apply to all shareholders.

Distribution of profits (article 27 of the by-laws):

The General Meeting decides, in accordance with the current laws and regulations, the allocation of the profits from the financial period and the amount of dividends distributed.

The General Meeting allows each shareholder the choice, for all or part of the dividends, to receive payment or instalments in the form of shares in the company. Payment of dividends or instalments on company shares will be carried out in compliance with current laws and regulations.

Statutory limits of change in ownership requiring registration: none.

Shareholders' agreement: none.

Information regarding the capital:

The share capital is €27,854,400 divided into 1,740,900 fully paid-up shares of €16 each.

Change in capital structure and voting rights:

The company's capital can be increased, decreased or amortized by any means authorised by law. Any modification to voting rights attached to the shares representing the company's capital is subject to prevailing legal and regulatory provisions, as the by-laws contain no specific requirement in this area.

Evolution of share capital over the last five years.

Year	Transaction	Nominal value in Euros	Capital increase	Number of shares issued	Total number of shares	Successive amounts of capital in Euros
31/12/2001	Balance on 31/12/2001				1,392,720	€22,283,520
8/11/2004	Free shares	€16	€5,570,880	348,180	1,740,900	€27,854,400

Authorised capital not issued: none.

Potential capital: there is no potential capital with the exception of the free allocation of 87,000 shares to 9 directors (cf: page 17).

Number of shares: 1,740,900

Free allocation: 87,000

Maximum potential dilution: $(1 - (1,740,900 \div (1,740,900 + 87,000))) = 4.76\%$.

The allocation was made on June 20th 2008 with an allocation period of 2 years.

Trading in its own shares: none.

Company's or subsidiaries' pledged shares or assets: none.

Other information

The company respects the conditions concerning members' terms imposed by the NRE law. There are no family ties between the members of the Board of Directors. No loan or guarantee has been extended by the company or a company of the group to Corporate Officers. No conflict of interests exists between the Board members' duties to Thermador Groupe and their private interests.

To our knowledge, over the past five years, no member of the Board of Directors:

- has held functions or office outside of Thermador Groupe except as independant board member;
- has been found guilty of fraud;

- has been involved in a bankruptcy, receivership or liquidation;
- has been incriminated or penalised publicly and officially by the statutory or regulatory authorities;
- has ever been forbidden by a court to act as a member of a body dedicated to the administration, management and surveillance of a company, or involved in the management or running of such a company's affairs;
- no arrangement or agreement has been struck with the main shareholders, customers, suppliers or others by way of which a member of the Board of Directors may have been chosen as a member of a body dedicated to the administration, management and surveillance of a company or as a member of the management team.



STATUTORY AUDITORS' REPORTS

STATUTORY AUDITORS' REPORT

on the consolidated financial statements

To the shareholders

In compliance with the assignment entrusted to us by your annual general meeting, we hereby report to you, for the year ended 31st December 2009, on:

- the audit of the accompanying consolidated financial statements of Thermador Groupe Company,
- the justification of our assessments,
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

I - Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as 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.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as of 31st December 2009 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II - Justification of our assessments

In accordance with the requirements of article L. 823-9 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the following matters:

- Purchase discrepancies which appear on the assets of the consolidated accounts for a value of €6,136,000 were assessed in compliance with the principles described in note 3 of the financial statements. We examined the methodology used for testing depreciation and forecasts for cash-flows and hypotheses used, and we checked that note 3 provides the required information.
- The Group's property holdings are included as an asset for a net value of €21,649,000 and the estimate provided in note 12 of the financial statements confirm that the market value of this asset is higher than its accounting value.
- The valuation and stock in hand depreciation methods within the Group are described in note 6. We have verified their correct implementation.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III – Specific verification

As required by law we have also verified the information presented in the Group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Saint-Etienne and Villeurbanne, on 16th February 2010

The statutory auditors

MAZARS
Frédéric MAUREL

S.S.E.C.
Anne-Laure SORLIN

STATUTORY AUDITORS' REPORT

on the financial statements

To the shareholders

In compliance with the assignment entrusted to us by your annual general meeting, we hereby report to you, for the year ended 31st December 2009, on:

- the audit of the accompanying financial statements of Thermador Groupe Company,
- the justification of our assessments,
- the specific verification and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I - Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as of 31st December 2009 and of the results of its operations for the year then ended in accordance with French accounting principles.

II - Justification of our assessments

In accordance with the requirements of article L. 823-9 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the following matters:

- The goodwill which appears as an asset on the balance sheet for a value of €5,717,000 is not amortised. The value tests carried out and described in note 1 of the appendix justify the absence of depreciation;
- The equity stock appearing as an asset for a total net amount of €18,850,000 is assessed in compliance with the method indicated in note 2 of the appendix.

These assessments were made as part of our audit of the financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III - Specific verifications and information

We have also performed the specific verifications required by French law.

We have no matters to report as to:

- the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the documents addressed to shareholders with respect to the financial position and the financial statements
- the fair presentation of the information given in the management report in accordance with the requirements of article L. 225-102-1 of the French Commercial Code in respect of remunerations and benefits received by the relevant directors and any other commitments made in their favour in connection with, or subsequent to, their appointment, termination or change in current function.

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Saint-Etienne and Villeurbanne, on 16th February 2010

The statutory auditors

MAZARS
Frédéric MAUREL

S.S.E.C.
Anne-Laure SORLIN

STATUTORY AUDITORS' REPORT

prepared in accordance with the requirements of article L. 225-235 of the French Commercial Code on the report of the Chairman of Thermador Groupe SA

To the shareholders,

As the statutory auditors of Thermador Groupe company, and in accordance with the requirements of article L.225 235 of the French Commercial Code, we hereby report to you on the report prepared by the Chairman of your company in accordance with the requirements of article L.225-37 of the French Commercial Code for the year ended 31 December 2009.

It is the duty of the Chairman to establish and submit for approval of the Board of Directors a report which details the internal control and risk management procedures initiated within the company and to give other information as required by article L 225-37 of the French Commercial Code relating in particular to company governance mechanisms.

We are required to:

- To report to you our observations on the information contained in the Chairman's report concerning the internal control and risk management procedures relating to the preparation and processing of financial and accounting information,
- To certify that the report contains all other information required by article L 225-37 of the French Commercial Code, given that it is not up to us to check the fairness of these other items of information

We conducted our work in accordance with professional standards applicable in France.

Information concerning internal control and risk management procedures relating to the preparation and processing of financial accounting information.

Professional standards applicable in France require us to plan and perform the audit to assess the fairness of the information contained in the Chairman's report on the internal control and risk management procedures relating to the preparation and processing of financial and accounting information.

We have :

- Inspected the internal control procedures relating to the preparation and processing of financial and accounting information behind the information presented in the Chairman's report as well as the existing documentation,
- Obtained an understanding of the company's procedures supporting the information given in the Chairman's report and of the existing documentation,
- Determined whether any major deficiencies of internal controls relating to the preparation and processing of financial and accounting information we may have identified as part of our assignment are the subject of appropriate communication in the Chairman's report.

We have no matters to report as to the information given on the internal control and risk management procedures applied by the company relating to the preparation and processing of financial and accounting information, contained in the Chairman's report to the Board, prepared in accordance with article L.225-37 of the French Commercial Code.

Other information

We hereby certify that the report of the Chairman of the Board includes all the other information required by article L 225-37 of the French Commercial Code.

Saint-Etienne and Villeurbanne, on 16th February 2010

The statutory auditors

MAZARS
Frédéric MAUREL

S.S.E.C.
Anne-Laure SORLIN

STATUTORY AUDITORS' SPECIAL REPORT

on regulated agreements

To the shareholders,

As the statutory auditors of your company, we hereby present you our report on the regulated agreements.

■ Agreements authorised during the financial period:

In accordance with article L. 225-40 of the French Commercial Code, we have been advised of the following agreements which have been previously authorised by your Board of Directors.

We are not required to investigate whether any other agreements exist but to inform you, on the basis of the information provided to us, of the terms and conditions of the agreements notified to us. It is not our role to determine whether they are useful or appropriate. It is your responsibility, under the terms of article R 225-31 of the French Commercial Code, to evaluate the benefits arising from these agreements prior to their approval.

We conducted our work in accordance with professional standards applicable in France ; those standards require that we perform the procedures deemed necessary so as to verify that the information provided to us is in agreement with the underlying documentation from which it was extracted.

Board members concerned by the agreements as of 31st December 2009:

	Guy Vincent	Emmanuelle Desecures	Eric Mantione	Jean-François Bonnefond	Hervé Le Guillerm	Marylène Boyer	Thermador Groupe
Thermador Groupe	Chairman and Managing Director	Board member	Board member	Board member	Board member	Board member	
Thermador SA	Board member		Board member				Board member
Sferaco SA	Board member		Board member		Chairman and Managing Director		Board member
Jetly SA	Board member	Board member		Chairman and Managing Director			Board member
SCI Thely						Manager	Partner

Agreement concerning THERMADOR SA, SFERACO SA, JETLY SA and SCI THELY

Date of authorisation: Board Meeting of 11th December 2009.

Nature and purpose :

Authorisation to draft waivers to leases with SCI THELY on the one hand, THERMADOR SA, SFERACO SA and JETLY SA on the other:

- 4.1 % decrease in rents invoiced by SCI THELY to THERMADOR GROUPE SA,
- Correlative decrease in rents invoiced by THERMADOR GROUPE SA to THERMADOR SA, SFERACO SA and JETLY SA.

Conditions: This contract will only take effect on 1st January 2010.

Given the increased area rented from SCI THELY, total rent for the 2010 financial year will be €1,696,000, of which €21,000 for offices specifically used by Thermador Groupe.

■ Agreements approved during previous financial years of which the execution has been carried over on the current year

Moreover in accordance with the French Commercial Code, we have been advised that the execution of the following agreements, approved during previous years has been carried over on the current year:

Earnings of Mrs. Marylène Boyer, employed Board member

Marylène Boyer, Board member, has had an employment contract since 16 March 1987 for her function of Financial Director.

Her monthly gross earnings were increased from 11.5 to 12 thousand euros, paid over 13 months, by the Board of Directors' meeting on 15th December 2008. Her annual gross salary was €222,000 for the financial year 2009, including the exceptional bonus allocated by the Board of Directors of €66,000 on 11th December 2009.

Commitments on earnings to Company Managers

Your company has committed to paying compensation to its Board Members in case of retirement.

This retirement compensation is calculated in the same way as for that paid to Company Executives, according to the provisions of the industry-wide agreement of which your company is part.

Management lease royalties for business and leases on storage and administrative areas with certain companies of the group

In application of this agreement, your company has recorded the following incomes for the financial year ended 31st December 2009 (in €,000) :

	Leases (1)	Fees on sales (2)	Fees on equipment (3)
Thermador SA	416	827	1
Sferaco SA	486	633	4
Jetly SA	799	1 102	-
TOTAL	1 701	2 562	5

(1) Income depending on surface area occupied by each subsidiary, i.e. offices and warehouses representing respectively 7,110 m², 8,000 m² and 11,165m² on December 31st 2009.

(2) Charges according to the application of the rate mentioned in the contract, i.e. respectively 2.3%, 1.7% and 2.5% of turnover associated with the business.

(3) Charges linked to material rented, i.e. 10% of the net value of equipment concerned.

Lease agreement with SCI THELY

For rents for the financial year ended 31st December 2009 and given the changes in the size of the rented areas, €1,721,000 were supported by your company (of which €1,701,000 euros subject to invoicing on to subsidiaries).

Saint-Etienne and Villeurbanne, on 16th February 2010.

The statutory auditors

MAZARS
Frédéric MAUREL

S.S.E.C.
Anne-Laure SORLIN

Component elements of annual financial statement

Elements	Pages of the document
Management report	3, 4 to 9, 12 to 23, 28 to 30, 44 to 45, 48 to 57, 60, 67 and 84
Annual accounts	31 to 45, 61 to 65
Auditors' reports	70 to 74
Certification	83

Statutory Auditors

Statutory Auditors

Appointed:

MAZARS, 131, bd Stalingrad, Villeurbanne (Rhône), appointed on October 2nd 1986, represented by Frédéric MAUREL since 2005 and previously by Pierre BELUZE; name change according to the financial security law and the partner rotation principle operated by the Mazars group.

S.S.E.C., 17, rue de la Presse, Saint-Etienne (Loire), appointed on April 8th 2002, 8/4/2002, represented by Anne Laure SORLIN since 2009 and previously by Bruno FAURE; name change according to the financial security law.

Alternates: designated 4/4/2005

Max DUMOULIN, 131, bd Stalingrad, Villeurbanne (Rhône).

Cabinet Royet, 25, rue de la Libération, Saint-Etienne (Loire).

The auditors' term will end at the general assembly of 2011.

Statutory auditors' fees: (see page 43).

Responsibility regarding the document

Certification of the author of the reference document

I hereby certify, having taken all reasonable measures to this end, that the information contained in this reference document is, to my knowledge, true and contains no omissions which might alter its scope.

To my knowledge I certify that the accounts have been drawn up in compliance with prevailing accounting standards and reliably reflect the assets, financial situation and profits of the company and all the companies in the consolidated accounts, and the management report, included in this reference document, presents a reliable account of the business trends, results and the financial situation of the company and all the companies included in the consolidated accounts, as well as a description of the main risks and uncertainties which those companies face. I have obtained an end-of-works letter from the legal auditors in which they indicate that they have completed verification of information concerning the financial situation and accounts given in this document, as well as a reading of the whole of the document.

Saint-Quentin-Fallavier, 16th February 2010

Guy VINCENT
Président-Directeur Général
Tel. +33 474 95 63 28

DRAFT RESOLUTIONS

for the Combined General Meeting of April 12th 2010

■ Extraordinary agenda

First resolution

Concerning the proposal of the Board, the AGM decides to modify the age limit for the functions of Chairman, Managing Director and Deputy Managing Director, by increasing it to the end of the year during which the person turns 81.

As a result the AGM decides:

- to modify the first paragraph of article 17: Chairman of the Board – Managing Director – Deputy Managing Directors.

Amongst its members the Board of Directors names a Chairman for whom the term in office cannot exceed that of his term as a Board member. However, regardless of the term for which these functions are entrusted to him, the Chairman's functions shall end on December 31st of the year he turns eighty-one at the latest.

- to modify the sixth point of the third paragraph of the Chairman of the Board – Managing Director – Deputy Managing Directors article.

The functions of Managing Director and Deputy Managing Director legally end on December 31st of the year the person turns eighty-one at the latest.

The other paragraphs remain unchanged.

■ Ordinary agenda

Second resolution

Upon the proposal of the Board, the AGM names Mr Guillaume Robin domiciled at 35 chemin du Calabert in Ecully (Rhône), as a new Board member for a period of four years, i.e. until the end of the AGM held in 2014 voting on the accounts of 2013.

Third resolution

Upon the proposal of the Board, the AGM names Mrs Fabienne Bochet domiciled at 76 route de Genas in Lyon 3^e (Rhône), as a new Board member for a period of four years, i.e. until the end of the AGM held in 2014 voting on the accounts of 2013.

Fourth resolution

Upon the proposal of the Board, the AGM names Mr Xavier Isaac domiciled at 20 rue de l'Oratoire in Caluire (Rhône), as a new Board member for a period of four years, i.e. until the end of the AGM held in 2014 voting on the accounts of 2013.

Fifth resolution

Upon the proposal of the Board, the AGM names Mr Lionel Monroe domiciled at 37 place Bellecour in Lyon 2^e (Rhône), as a new Board member for a period of four years, i.e. until the end of the AGM held in 2014 voting on the accounts of 2013.

Sixth resolution

Having heard the report of the Board and the Auditors, the AGM approves the annual accounts closed on December 31st 2009 as presented, as well as the operations included in the accounts or summarised in these reports.

Seventh resolution

Having heard the report on the management of the group and the Auditors report, the AGM approves the annual accounts closed on December 31st 2009 as presented, as well as the operations included in the accounts or summarised in these reports.

Eighth resolution

The AGM decides to allocate the profit of €16,031,591.63 for the financial year as follows:

- distribution of a dividend of €6.10 per share, i.e. for 1,740,900 shares an amount of €10,619,490,
- to allocate an amount of €5,412,101.63 to "other reserves".

The entire amount thus distributed is for individuals fiscally domiciled in France, with an allowance of 40% according to article 158-3-2° of the General Tax Code.

Dividends allocated for distribution will be reassigned on April 21st and paid on April 26th 2010.

The AGM also recognises that it was reminded that, to meet legal requirements with reference to article 243 Bis of the General Tax Code, the company distributed the following dividends for the three previous financial years:

financial years	Revenues eligible for allowances		Revenues not eligible for allowances
	Dividends	Other revenues distributed	
2008	€10,619,490	-	-
2007	€10,619,490	-	-
2006	€9,400,860	-	-

Ninth resolution

The AGM approves the operations occurring during the financial year ended, as presented in the special Auditors Report on agreements and regulatory commitments covered by article L. 225-38 of the Commercial Code.

Tenth resolution

All powers are given to holders of an original, an extract or a copy of these minutes to meet the requirements of any formalities relating to advertising, registration etc., as well as any modifications required to the company's by-laws.



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