SOGECLAIR SOGECLAIR

S.A. WITH CAPITAL OF € 2,900,000

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Half-Yearly Financial Report
for the half year ending 30 June 2010

(L 451-1-2 III of Monetary and Financial Law
Article 222-4 *et seq.* of the General Regulations of the AMF (Financial Markets Authority)

Here we present the half-yearly financial report for the half year ending 30 June 2010 drawn up in accordance with the provisions of Articles L. 451-1-2 III of Monetary and Financial Law and 222-4 *et seq.* of the General Regulations of the AMF (Financial Markets Authority).

This report has been distributed in accordance with the provisions of Article 221-3 of the general regulations of the AMF. In particular, it is available on the company's website: www.sogeclair.fr.

Content

I. Declaration of the person responsible

"I certify that, to my knowledge, the accounts for the last half have been established in accordance with the applicable accounting standards and give a true and faithful picture of the asset base, financial situation and results of the company and of all the companies included in the consolidation, and that the management report for the half-year on page 3 presents a true and faithful picture of the important events of the first six months of the financial year, of their impact on the accounts, the main transactions between the related companies as well as a description of the main risks and uncertainties for the remaining six months of the financial year."

31/08/2010

Philippe ROBARDEY
President & Chief Executive Officer

1. Key figures for the half year (in € million)

The SOGECLAIR Board of Directors met on 31 August 2010 and examined the accounts for the first half 2010. The limited examination procedures for the half yearly accounts were performed. The limited examination report is currently being issued.

The company issues a half-yearly financial report as soon as possible after the end of the first half in accordance with the position adopted by the AMF. Notification of the half-yearly results is scheduled for the 6 September 2010 by way of a press release.

This report has been distributed in accordance with the provisions of Article 221-3 of the general regulations of the AMF. In particular, it is available on our company's website: www.sogeclair.fr.

1.1. Consolidated turnover

	H1 2010	H1 2009	Variation
1st half including :	**35.09**	34.23	+2.5%
international	**12.78**	13.87	(7.9%)
Engineering & Consulting unit	**28.62**	28.83	(0.7%)
Simulation unit	**6.47**	5.40	19.8%

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The activity in H1 2010 marks a favourable and continuous change of trend since the low point in H1 2009.
The change between the Engineering & Consulting and the Simulation units does not reflect the trend for 2010 and should be more homogeneous in the forthcoming quarters.

1.1. Consolidated results

	H1 2010	H1 2009	Variation
EBITDA[1]	**2.04**	0.59	x 3.5
Operating result	**0.05**	(1.29)	ns
Net result	**0.05**	(0.99)	ns
Net result parent company owners' share	(0.05)	(0.93)	ns

The operating result has improved significantly with respect to H1 2009 under the effect of the increased activity and of the cost reduction measures.

1.2. Financial structure

	H1 2010	H1 2009	2009
Equity capital	**14.32**	12.70	15.01
Gearing [2]	**(0.00)**	0.01	0.01
WCR	**5.08**	2.60	5.35

The financial structure is sound with equity capital of more than €14 million, and gearing and net debt excluding qualified pre-payments that are virtually null. Cash in hand stands at nearly €4 million.
The WCR has been impacted by €2.5 million late payments concerning customers in the Defence sector.

[1] Earnings Before Interest, Tax, Depreciation and Amortisation
[2] Net debts excluding qualified pre-payments / equity capital

2. General description of the financial situation and results of the issuing company and its subsidiaries during the first half

- Description of the major trends

SOGECLAIR's activity grew by 2.5% with respect to H1 2009. Q2 thus confirms five successive quarters of a turnaround in the trend.

The first quarter was marked:

- in the Engineering & Consulting unit by:
  - the fall in deliveries in the Defence sector,
  - the beginnings of an upturn in Spain, the continuing positive trend in the UK and tensions in Germany,
  - delayed income on "risk-sharing" contracts amounting to more than €0.8 million,
  - renewal of "EADS E2S preferred supplier for engineering services" status,

- in the Simulation unit by:
  - increased activity under the effect of automobile and rail simulator contracts in France and Asia,
  - new successes with virtual reality products in Germany.

- Market trends with respect to H1 2009

The **Aeronautics & Air Traffic** market – 78% of the group's overall activity – is up significantly by more than 5%, drawn by the markets in France and en Asia.

The **Automobile & Rail** market – 11% of the group's overall activity – is up by 9.3% under the combined effect of a negative trend in Germany and a positive one in France and Asia.

The **Defence & Industry** market – 11% of the group's overall activity – is down by 17.4%, remembering the effect of the H1 2009 baseline that was up significantly by 16.4%. This market is marking time due to the delays taken in the customers decision-making process and awaiting the budget policies of the European States.

International sales – 36% of group activity – are down under the effect of the small level of the share achieved in Europe; the part achieved outside Europe continues to be carried by the very buoyant activity in Asia.
France progressed for the 2nd consecutive quarter and grew by 9.6% over the half year.

3. Explanation of the important operations and events in the first half and of their impact on the situation of the issuing company and its subsidiaries

The first half was marked by the start of the activity of our AVIACOMP subsidiary which won a major contract at the end of 2009 for the design, manufacture and assembly of composite parts for Airbus' A350 programme.

The delays with the deliveries of the Airbus A380 with respect to the initial schedule continue to affect our sales. The impact on the first half is shown in section 4 of this report.

At the beginning of 2010, SOGECLAIR bought back own shares outside of the market-making contract for nearly €50 k and paid a dividend of €0.55 per share.

Cash consumption over the first half amounted to €390 k and remains measured under the effect of improved profitability, controlled WCR despite the late payments from customers, increased investments and the financial operations described in the previous paragraph.

The group's exposure to exchange rate risks during the first half was limited and its impact was positive.

4. Description of the main risks

The risks linked to SOGECLAIR's activity are detailed in the 2009 reference document, available on SOGECLAIR's website (www.sogeclair.fr).

The customers invoiced during the first half cover all our sectors of activity, thus representing a sufficient degree of diversity both in terms of customer base and number of contracts.

Our cooperation programmes and partnerships are progressing satisfactorily and do not lead us to anticipate any risks for the group's business.

In 2001 and 2009, SOGECLAIR entered into risk-sharing contracts in the framework of the A380 and A350 programmes. To date, these are the only contracts involving SOGECLAIR in financing and a commercial risk shared with its customer.
To date the figures relative to these contracts are as follows:

Risk-sharing programme	A380 (starting at end of 2001)*		A350 (starting at end of 2009)*	
	H1 2009	H1 2010	H1 2009	H1 2010
Non-amortised development costs, entered directly as operating expenses accumulated to date	1,815	1,815	n/a	n/a
Development costs amortised to date (gross)	9,546	9,546	n/a	590
Development costs amortised to date	4,677	5,851	n/a	n/a
Development costs provisioned to date	759	759	n/a	n/a
Development costs still to be amortised (net)	4,110	2,936	n/a	590
Delayed income				
over the period	700	800	n/a	n/a

* refer to section 1.2.2 of the notes to the Financial Statements

We must also inform you that certain invitations to tender on which our group intends to position itself include risk-sharing clauses..

5. Perspectives

Thanks to its unique strategic offer on the market (engineering, systems, equipment), SOGECLAIR is a trusted partner in the world of R&D.

A new organisation will be put in place at the end of the third quarter to favour development, improve efficiency at the service of our customers and strengthen cooperation within the group and will be the subject of an announcement on 17 September.

III. Accounts for the past half-year presented in consolidated form

1. CONSOLIDATED FINANCIAL SITUATION

ASSETS (in €k)	NOTES	H1 2010	2009	H1 2009
Goodwill	1.2.1 & 4.1	3,908	3,908	3,908
Intangible assets	4.2	4,667	4,769	5,500
Property, plant and equipment	4.3	2,354	2,121	2,150
Equity method investments				
Investments in associates	4.4	625	596	831
Other long-term assets	4.5	100	100	100
Non-current assets		11,653	11,493	12,489
Inventories		71	80	85
Trade and other receivables	4.6	32,551	28,102	26,510
Available-for-sale financial assets		2,053	3,661	2,199
Current tax asset	4.7	1,280	879	1,046
Cash and cash equivalents	4.8	3,901	4,253	4,639
Current assets		39,856	36,974	34,479
TOTAL ASSETS		**51,509**	**48,467**	**46,967**

LIABILITIES (in €k)	NOTES	H1 2010	2009	H1 2009
Share capital	4.9	2,900	2,900	2,900
Share premium account		2,630	2,630	2,630
Own shares	4.9	-1,145	-1,095	-1,051
Other reserves				
Reserves and accrued profits		9,093	9,661	7,040
Equity capital, group share		13,478	14,096	11,519
Minority interest	4.10	838	910	1,179
Equity capital, consolidated group		14,316	15,006	12,698
Provisions for other liabilities and charges	4.11	1,382	1,114	1,353
Payables and other financial liabilities	4.12	2,001	1,344	1,763
Borrowings	4.12	2,035	2,444	2,665
Other liabilities				
Non-current liabilities		5,418	4,903	5,781
Provisions for other liabilities and charges		162	162	162
Payables and other financial liabilities	4.12	1,813	1,886	1,727
Borrowings	4.12	49	13	399
Other liabilities				
Short-term provisions	4.13	157		
Trade and other payables		9,980	9,724	9,424
Tax and social liabilities		15,710	13,482	13,386
Deferred tax liabilities	4.14	1	3	5
Other liabilities		3,903	3,288	3,385
Current liabilities		31,775	28,558	28,488
TOTAL LIABILITIES		**51,509**	**48,467**	**46,967**

2. CONSOLIDATED INCOME STATEMENT

INCOME STATEMENT (in €k)	**NOTES**	**H1 2010**	**H1 2009**	**H1 2008**
Sales	4.15	35,090	34,228	37,753
Other income from the activity	4.16	1,928	1,313	464
Cost of goods sold		-9,423	-10,836	-12,651
Personnel charges		-24,793	-23,404	-22,582
Taxes and duties		-607	-597	-618
Amortisation and provisions		-2,004	-1,936	-1,751
Other charges		-154	-108	-84
Current operating income		37	-1,339	530
Income from sale of consolidated holdings				
Other operating income and charges	4.18	9	45	-15
Operating profit		46	-1,294	515
Income from cash flow and cash flow equivalents		130	23	-53
Gross finance costs		-78	-103	-185
Net finance costs	4.19	52	-80	-238
Other financial income and charges	4.20	-4	33	24
Income before taxes		94	-1,341	302
Income tax expense	4.21	-44	349	44
Income after taxes		49	-993	346
Net profit		49	-993	346
Group share		-52	-932	397
Minority interest		102	-60	-52

(in Euros)	**NOTES**	**2009**	**H1 2009**	**H1 2008**
Profit per share		-.07	-1.29	.55
Diluted profit per share		-.07	-1.29	.55

NET INCOME STATEMENT AND GAINS AND LOSSES ENTERED DIRECTLY AS EQUITY CAPITAL (in €k)	**NOTES**	**H1 2010**	**H1 2009**	**H1 2008**
Net profit		49	-993	346
Conversion rate adjustment		20	19	40
Revaluation of hedging derivative instruments		-96	-1	-5
Revaluation of financial assets available for sale				
Revaluation of fixed assets				
Actuarial gains and losses on defined benefit schemes				
Share of gains and losses entered directly as equity capital of equity method affiliates				
Taxes				
Total gains and losses entered directly as equity capital		-77	18	35
Group share		-129	-914	432
Minority interest		102	-60	-52

3. CASHFLOW

3.1. CONSOLIDATED CASHFLOW STATEMENT

CONSOLIDATED CASHFLOW STATEMENT (in €k)	H1 2010	H1 2009	H1 2008
Net result of integrated companies (including minority interests)	49	-993	346
+/- Net amortisation and provisions (excluding those relative to current assets)	1,726	1,049	1,508
-/+ Unrealised gains and losses linked to fair value variations	19		
+/- Calculated charges and income linked to stock-options and assimilated			
-/+ Other calculated income and charges			
-/+ Transfer capital gains	-9	2	15
-/+ Dilution profit and loss			
+/- Share of profit linked to equity method affiliates			
- Dividends (non-consolidated securities)		-11	
Cashflow after net finance costs and tax	1,785	48	1,868
+ Net finance costs	-52	108	238
+/- Tax charge (including deferred taxes)	44	-342	-44
Cashflow before net finance costs and tax (A)	1,777	-186	2,062
- Taxes paid (B)	1,455	209	193
+/- Variation in WCR linked to the activity (including debt linked to staff benefits) (C)	-1,608	2,251	-2,411
= NET CASHFLOW GENERATED BY THE ACTIVITY (D) = (A + B + C)	1,625	2,273	-156
- Cash outflows linked to the acquisition of tangible and intangible assets	-1,412	-783	-543
+ Cash inflows linked to the sale of tangible and intangible assets	31	256	54
- Cash outflows linked to the acquisition of financial assets (non-consolidated securities)		-5	
+ Cash inflows linked to the sale of financial assets (non-consolidated securities)			
+/- Impact of variations in scope			
+ Dividends received (equity method affiliates, non-consolidated securities) * cf. alternative treatment 7.2		11	
+/- Variation on loans and advances granted	-21	28	
+ Investment subsidies received			
+/- Other cashflows linked to investment operations			
= NET CASHFLOW LINKED TO INVESTMENT OPERATIONS (E)	-1,402	-493	-489
+ Sums received from shareholders at time of capital increases			
- paid by parent company shareholders			
- paid by minority shareholders of consolidated companies			
+ Sums received on exercising of stock-options			
-/+ Buy-back and resale of own shares	-50	-117	
- Dividends paid out during the financial year			
- Dividends paid to parent company shareholders	-364	-369	-373
- Dividends paid to minority shareholders of consolidated companies	-171	-136	-137
+ Receipts linked to new borrowings	1,063		
- Reimbursement of borrowings (including leasing contracts)	-1,117	-999	-1,125
- Net financing interest paid (including leasing contracts)	18	-132	-238
+/- Other cashfows linked to financing operations		48	269
= NET CASHFLOW LINKED TO FINANCING OPERATIONS (F)	-621	-1,706	-1,604
+/- Impact of changes in currency change rates (G)	9	28	59
= NET VARIATION OF CASHFLOW (D + E + F + G)	-389	102	-2,190

3.2. NET FINANCIAL DEBT VARIATION STATEMENT

NET FINANCIAL DEBT (in €k)		OPENING	VARIATION	VARIATIONS OF SCOPE	VARIATION IN FAIR VALUE	EXCHANGE DIFFERENCES	CLOSING
Gross cashflow	(a)	4,253	-362			9	3,901
Debit balances and bank loans and overdrafts	(b)	13	37				49
Net cashflow	**(c) = (a) - (b)**	**4,241**	**-398**			**9**	**3,851**
Gross financial debt	(d)	5,837	51		123		6,010
Net financial debt	**(d) - ©**	**1,596**	**449**		**123**	**-9**	**2,159**

4. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Group share							
(in €k)	CAPITAL	Reserves linked to the capital	Own shares	Consolidated reserves and profit	Gains and losses entered directly in capital	Equity capital, group share	Equity capital, minority interests	Total equity capital
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Corrected equity capital, year-end N-2 (31 December 2008)	2,900	2,630	-933	8,325		12,921	1,375	14,296
Operations on capital								
Share-based payments								
Operations on own shares			-162			-162		-162
Dividends				-369		-369	-136	-505
Result for the period				1,502		1,502	171	1,672
Gains and losses entered directly as equity capital					194	194	-3	191
Net gains and losses entered directly as equity capital				1,502	194	1,696	168	1,864
Variation of scope							-497	-497
Other movements				10		10		10
Equity capital, year-end N (31 December 2009)	2,900	2,630	-1,095	9,468	194	14,096	910	15,006
Operations on capital								
Share-based payments								
Operations on own shares			-50			-50		-50
Dividends				-364		-364	-171	-535
Result for the period				-52		-52	102	49
Gains and losses entered directly as equity capital					-172	-172	-3	-175
Net gains and losses entered directly as equity capital				-52	-172	-224	99	-125
Variation of scope								
Other movements				20		20		20
Closing equity capital N (30 June 2010)	2,900	2,630	-1,145	9,072	22	13,478	838	14,316

NOTES APPENDED TO THE FINANCIAL STATEMENTS

The half-yearly accounts have been drawn up in accordance with IAS 34, with the exception of the equity changes table for which the reference period adopted ends on 31 December 2009 instead of 30 June 2009. This option has been taken to make it easier to read the statements.

1 - INFORMATION RELATIVE TO THE ACCOUNTING BASELINE, THE CONSOLIDATION PROCEDURES AND THE VALUATION METHODS AND RULES

Pursuant to regulation N°1606/2002 adopted on 19 July 2002 by the European Parliament and Council, the half-yearly accounts of the SOGECLAIR group have been established in accordance with the IFRS baseline such as adopted in the European Union and presented in accordance with recommendation N°2009-R-03 dated 2 July 2009 issued by the Conseil National de la Comptabilité (National Accounting Council).

The standards and interpretations not yet adopted by the European Union are not applied by SOGECLAIR.

SOGECLAIR has chosen to keep the presentation of the income statement by nature as permitted by the IAS standard.

The standards applicable to SOGECLAIR that came into force on 1 January 2009 such as the amendments to IFRS1, IFRS 2 and IAS32, have not resulted in any changes of method.

It should be noted that SOGECLAIR proceeded, as of 31 December 2009, in respect of IAS39, with the updating of its construction loans, qualified pre-payments and long-term loans. As of 30 June 2009, in answer to an economic logic, only the non-interest bearing financial commitments made or received will be subject to IAS 39.

The possibility offered by the IAS12 standard to enter the CVAE components (contribution on corporate added value) has not been retained by SOGECLAIR.

1.1. CONSOLIDATION PROCEDURES

The companies of significant size, controlled exclusively and in which the group exercises a direct or indirect control over more than 50% of their capital have been consolidated by overall integration.

The companies in which the group holds less than 50% and which are controlled jointly have been consolidated by proportional integration.

On 30 June 2010, SOGECLAIR did not have any equity method affiliates.

The shares in non-consolidated shareholdings are posted in the "Investments in associates" item for their cost of acquisition.
Furthermore, companies are excluded from the scope of consolidation when they only represent a negligible interest and their exclusion cannot negatively impact the faithful image principle.

Here, this concerns:

- ADM (35% subsidiary of CLAIRIS TECHNOLOGIES SA),

1.2. EVALUATION METHODS AND RULES

1.2.1. Goodwill and assimilated

In compliance with the IFRS standards, goodwill has been frozen in 2004 and will no longer be amortised, but depreciation tests are performed annually at year-end; tests may, however, be performed half-yearly.

The *Cash Generating Units* in the IFRS sense have been defined as each of the group's subsidiaries on the basis of the following criteria:
- strong independence of the subsidiaries as groups of cash generating assets,
- strong coherence of each of the subsidiaries as assets implemented and markets addressed,
- one-to-one attachment of each subsidiary to the primary analysis sector.

The depreciation tests therefore consist of verifying that the fair value of each subsidiary's equity capital is higher than its net book value, that is:

- for the consolidated accounts, the value of each shareholding's goodwill;
- for the holding's accounts, the book value of the shareholding.

The fair value of the subsidiary's equity capital is estimated in the following way:

- a prospective *business plan* is drawn up on the basis of past performance and the foreseeable trends for its markets and of the influence of the action plans implemented on its positioning; this plan is established for an eight-year period and reflects the subsidiary's operational plan and its directors' objectives;
- the value of the company is calculated by actualising the *free cash flows* over the horizon of the *business plan*, increased by the terminal value by application of a fixed growth rate to infinity; the hypotheses adopted on 31 December 2009 for drawing up these accounts are as follows:
  - o the actualisation rate for the *cash-flows* has been calculated at 6.02% by adding a risk-free long-term investment rate of 3.61% and a market premium for listed companies of 8% modified by a risk factor *Beta* specific to the group of 0.3 obtained from the CIC Bank (Bloomberg) and confirmed with other sources (Thomson, Infinancials).
  - o the growth rate to infinity has been limited to 2.0%,
- this company value is then brought to a multiple of the *EBIT* so that it can be compared with comparable units on the market, making it possible to cross the method with an overall dissimilar method,
- lastly a "shock", a so-called “mathematical shock”, is applied to the most sensitive underlying parameters (growth of the activity, level of the operating margin) to test the sensitivity of the estimation to an unfavourable change in the subsidiary's economic environment; the hypotheses adopted for the mathematical shock consist of halving the activity's growth rate and reducing the level of the operating margin (*EBITDA*) by 30%, with respect to the values of the basic business plan.

Furthermore, at the end of 2008, the *business plans* for the subsidiaries were drawn up in a so-called “market shock” version taking into account the current economic context and corresponding to an aggravated crisis scenario, a version that is more analytical than one resulting from a simple “mathematical shock”. At the end of 2009, this shock was not applied again, it being considered that this scenario had been materialised during the financial year, due to the current economic crisis.

On 31 December 2009, the valorisations thus calculated exceeded the book values for each subsidiary and were comparable with the multiples observable for the types of companies concerned. The tests performed are therefore judged conclusive for all the *Cash Generating Units* and have led to the value of the goodwill being maintained.

So, the tests performed are conclusive for all the subsidiaries and have led to the value of the goodwill being maintained.

1.2.2. Intangible assets

Concerning the work immobilised as development expenses, the amounts posted as assets include all of the development expenses through to completion of the work in accordance with IAS 38 along with the related financial costs in accordance with IAS 23.

The amounts immobilised are straight-line amortised over a period of 3 to 10 years depending on the programmes, according to the most probable perspectives of the economic return on the results of the work.

Five programmes have led to development expenses being posted as assets:

- A380 nose section floor structures (for an amount still to be amortised of €2,936 k on 30 June 2010)
  - o gross amount: €9,546 k,
  - o assetisation date: the expenses are assetised from the date the development work started at the beginning of 2002 and runs to the end of 2006, date on which the A380 enters commercial service and which has been chosen as the date of development finalisation,
  - o amortisation period: 8 years to run from 1 January 2005 through to the end of 2012, probable date on which the accumulated number of deliveries will be reached corresponding to the baseline on which the A380 contract was signed, according to the Airbus schedule;
  - o exceptional depreciation of the development costs for the A380 Cargo programme in December 2006 for €759 k.

- terrain modeller (Agetim, Ray and Fast product) for simulators (for an amount still to be amortised of €335 k on 30 June 2010):
  - o gross amount: €1,185 k,
  - o assetisation date: €156 k assetised in 2003, €233 k in 2004, €163 k in 2005, €125 k in 2006, €26 k in 2007, €206 k in 2008, €200 k in 2009, €76 k in 2010,

    - amortisation period: 3 years from assetisation of the expenses,

- simulation motors for the automobile (ScanNer product), rail (OkSimRail product) and air traffic (ScanAds product) sectors (for an amount still to be amortised of €397 k on 30 June 2010)

    - gross amount: 1.217 k€,
    - assetisation date: €126 k in 2005, €379 k in 2006, €204 k in 2007, €204 k in 2008, €204 k in 2009, €100 k in 2010,
    - amortisation period: 3 to 4 years from 01/01/2006.

- Composite parts for the A350, (for an amount still be amortised of €618 k on 30 June 2010)

    - gross amount: €618 k,
    - assetisation date: the expenses are assetised from the date the development work started at the end of 2009 through to the end of 2015,
    - amortisation period: 10 years as from 1 January 2014 through to the end of 2023, probable initial date on which the accumulated volume of deliveries will be reached corresponding to the baseline on which the A350 contract was signed, according to the Airbus schedule,

1.2.3. Financial instruments

In order to finance its development, SOGECLAIR took out a loan in October 2002 repayable over 7 years for the amount of € 3,500,000. This is a variable rate loan based on EURIBOR 6 months. This financial liability is eligible for hedge accounting.

Since 1 January 2010, the initial extinction date of the debt before the renegotiation in 2007, there is no longer any hedging on this loan. Given the current trend with the variable rates and the reimbursements that will be made shortly, it was not considered necessary to put in place any hedging relative to the balance of the loan on 30 June 2010.

In respect of IFRS 7, it should be noted that the other loans contracted by the group are fixed-rate loans and that there are no off-balance sheet financial instruments.

1.2.4. Current assets

In accordance with the IAS 1 standard (presentation of financial statements), an asset is classified as current if it is expected that it will be realised or sold in the framework of the normal operating cycle, or that it will be realised in the twelve months following the closing date, or lastly if it is a cashflow asset.

The following assets are therefore classified as current:

- inventory
- advances and payments on account
- trade accounts receivable
- deferred tax assets
- cashflow and cashflow equivalents
- prepaid expenses
- other receivables

1.2.5. Current and non-current liabilities

In accordance with the IAS 1 standard (presentation of financial statements), liabilities are classified as current or non-current.
A liability is classified current if it must be settled in the framework of its normal operating cycle, or if it must be settled within the twelve months following the closing date.

The following contingent liabilities are therefore classified as current:

- the part of the financial debts and qualified pre-payments reimbursable less than one year after the closing date
- trade notes and accounts payable
- tax and social liabilities
- short-term provisions

- deferred tax liabilities
- other liabilities

The other contingent liabilities are classified as non-current.

1.2.6. Dividends paid

The distribution of dividends paid out to the parent company's shareholders is as follows:

- single voting right €96 k
- double voting right €268 k

1.2.7. Events after the balance sheet date

Refer to the half yearly financial report

1.2.8. Other information

None

2 - SCOPE

List of consolidated companies

NAME	COUNTRY	CONSOLIDATION METHOD	% HOLDING 2010	% HOLDING 2009	% HOLDING 2008
French companies					
Sogeclair	France	FC	Parent	Parent	Parent
Aviacomp	France	FC	55.00%	55.00%	55.00%
Clairis Technologies	France	FC	99.91%	99.91%	99.91%
EDT	France	FC	99.80%	99.80%	99.80%
Oktal SA	France	FC	97.94%	97.94%	97.94%
Oktal Synthetic Environment	France	FC	65.11%	65.11%	65.11%
S2E Consulting	France	RC	46.98%	46.98%	46.98%
Séra Ingénierie	France	FC	80.00%	80.00%	80.00%
Foreign companies					
Clairis Technologies Limited	United Kingdom	FC	100.00%	100.00%	100.00%
Clairis Technologies Méditerranée	Tunisia	FC	99.91%	99.91%	
H.E.E	Germany	FC	99.04%	99.04%	79.16%
Sogemasa Ingénieria	Spain	FC	74.50%	74.50%	74.50%

3 - INFORMATION MAKING IT POSSIBLE TO COMPARE THE ACCOUNTS

Accounting method

No changes in accounting methods or means of valuation relative to the treatment of the financial information, that could affect the comparability of the accounts, have been made during the first half.

4 - EXPLANATIONS ON THE ITEMS CONCERNING THE FINANCIAL SITUATION AND CONSOLIDATED BALANCE SHEET

4.1. Goodwill

(in €k)	OPENING	LOSSES OF VALUE	VARIATIONS OF SCOPE	OTHER VARIATIONS	CLOSING
Clairis Technologies	107				107
Oktal SA	1,694				1,694
HEE	2,106				2,106
Total	**3,908**				**3,908**

4.2. Intangible assets

GROSS VALUES (in €k)	OPENING	ENTRIES	VARIATIONS OF SCOPE	SALES AND DISPOSALS	EXCHANGE GAIN OR LOSS	REASSIGNMENT	CLOSING
Research & Development expenses	14,416	739					15,156
Software	4,099	76		-641			3,535
Current assets	6	51					57
Total	**18,521**	**867**		**-641**			**18,748**

AMORTISATION AND PROVISIONS (in €k)	OPENING	PROVISIONS	VARIATIONS OF SCOPE	SALES AND DISPOSALS	EXCHANGE GAIN OR LOSS	REASSIGNMENT	CLOSING
Research & Development expenses	-10,114	-755					-10,869
Software	-3,638	-214		641			-3,212
Total	**-13,753**	**-969**		**641**			**-14,081**

Detail of the development expenses immobilised:

NET VALUES (in €k)	H1 2010	H1 2009	H1 2008
A380 floors	2,936	4,110	5,285
Terrain modellers	335	260	50
Simulation motors	397	507	484
A350 composite parts	590		
Thermoplastic developments	28		
Total	**4,286**	**4,877**	**5,820**

4.3. Tangible assets

GROSS VALUES (in €k)	OPENING	ENTRIES	VARIATIONS OF SCOPE	SALES AND DISPOSALS	EXCHANGE GAIN OR LOSS	REASSIGNMENT	CLOSING
Property, plant & equipment	409	33			1		442
Installations & fittings	1,131	34					1,165
IT & office equipment	2,935	124		-643	7	948	3,371
Current assets	36	434		-2			468
Others	1,239	24		-46		-948	269
Total	**5,749**	**649**		**-691**	**7**		**5,715**

AMORTISATION AND PROVISIONS (in €k)	OPENING	PROVISIONS	VARIATIONS OF SCOPE	SALES AND DISPOSALS	EXCHANGE GAIN OR LOSS	REASSIGNMENT	CLOSING
Property, plant & equipment	-128	-28					-156
Installations & fittings	-551	-48					-599
IT & office equipment	-2,114	-303		642	-5	-647	-2,426
Others	-835	-18		27		647	-179
Total	**-3,628**	**-396**		**669**	**-5**		**-3,361**

The exchange gains and losses concern our British and Tunisian subsidiaries: Clairis Technologies Limited and Méditerranée.

Additional information concerning financial leasing contracts (IAS 17):

Net book value of the current leasing contracts:

(in €k)	GROSS VALUE	AMORTISATION	NET BOOK VALUE
Intangible assets	75	-31	44
Tangible assets	705	-191	514
Total	**780**	**-222**	**558**

Term of outstanding financial leasing contracts:

(in €k)	< -1 YEAR	1 TO 2 YEARS	3 TO 5 YEARS
Total	**243**	**206**	**109**

4.4. Investments in assets

GROSS VALUES (in €k)	OPENING	ENTRIES	VARIATIONS OF SCOPE	SALES AND DISPOSALS	FAIR VALUE ADJUSTMENT	EXCHANGE GAIN OR LOSS	CLOSING
Shareholdings	43						43
Fixed investments							
Loans, securities and other debts	583	37		-16	8		612
Total	**626**	**37**		**-16**	**8**		**655**

AMORTISATION AND PROVISIONS (in €k)	OPENING	PROVISIONS	VARIATIONS OF SCOPE	SALES AND DISPOSALS	FAIR VALUE ADJUSTMENT	EXCHANGE GAIN OR LOSS	CLOSING
Shareholdings	-30						-30
Fixed investments							
Loans							
Total	**-30**						**-30**

4.5. Other long-term assets

GROSS VALUES (in €k)	OPENING	ENTRIES	VARIATIONS OF SCOPE	SALES AND DISPOSALS	EXCHANGE GAIN OR LOSS	REASSIGNMENT	CLOSING
Allotted uncalled share capital	100						100
Total	**100**						**100**

4.6. Trade accounts

The customer settlement times have lengthened over the quarter due to delayed payments, particularly in the defence sector.

4.7. Deferred income tax assets

DEFERRED INCOME TAX ASSETS (in €k)	H1 2010	2009	H1 2009
Temporary differences	267	197	209
Tax deficits	885	552	706
Restated	129	130	131
Total	**1,280**	**879**	**1,046**

A deferred tax asset is constituted on the tax losses and temporary differences if it is likely that the company will have future fiscal profits from which they may be deducted.

4.8. Cashflow and cashflow equivalents

(in €k)	H1 2010	H1 2009	H1 2008
Cashflow	1,974	4,635	2,218
Cashflow equivalents	1,927	4	143
Total	**3,901**	**4,639**	**2,361**

On 30 June 2010, the cashflow equivalents concerned risk-free investments.

4.9. Equity capital, group share

The company equity consists of 725,000 shares. The nominal value of the share is € 4, giving an equity capital on 30 June 2010 of €2,900 k.

It must be remembered that in accordance with notification 2002-D of the Emergency Committee of the CNC on 18 December 2002 and according to the deliberation of the Board of Directors of SOGECLAIR held on 23 December 2002, the self-owned shares are deducted from the consolidated shareholders' equity.
In 2010, in the framework of its buyback programme, SOGECLAIR acquired shares for a value of €50 k
On 30 June 2010, this restatement led to a reduction of € 1,145 k in the consolidated shareholders' equity.

4.10. Minority interests

(in €k)	H1 2010	H1 2009	H1 2008
Start of year	**910**	**1,375**	**1,420**
Variation in reserves	-174	-136	-137
Total income and charges entered for the period	102	-60	-52
End of half-year	**838**	**1,179**	**1,231**

4.11. Long-term provisions

LONG-TERM PROVISIONS (in €k)	OPENING	PROVISIONS	VARIATIONS OF SCOPE	RE-ADJUSTMENTS	EXCHANGE GAIN OR LOSS	REASSIGNMENT	CLOSING
Retirement benefit obligations	404	232					637
Other provisions for charges	46						46
Provisions for losses on contracts	289	296		-289			296
Other provisions for risks	374	82		-53			403
Total	**1,114**	**610**		**-342**			**1,382**

The other provisions for charges concern provisions for customer guarantees.

The other provisions for risks correspond to tax and social risks for €146 k, and other risks for €257 k.

There is no event later than 30 June 2010 liable to put into question the notion of going concern, nor any non-measurable risk and loss.

The book treatment of retirement benefit obligations has taken into account the provisions of the law n°2003-725 dated 21 August 2003 concerning pension reforms. The social charges prior to 31 December 2009 have been taken into account in 2010 and represent €130 k.

4.12. Current and non-current financial debts

FINANCIAL DEBTS (in €k)	TOTAL	< -1 YEAR	1 TO 2 YEARS	3 TO 5 YEARS
Qualified pre-payments				
- one year at most initially				
- more than one year initially	2,163	162	108	1,893
Borrowings and debts with credit institutions:				
- one year at most initially	49	49		
- more than one year initially	3,606	1,775	1,468	362
Sundry loans and financial liabilities	242	38		204
Total	**6,059**	**2,024**	**1,576**	**2,459**

(in €k)	
Medium/Long-term bank loans taken out during the year (excluding leases)	370
Medium/Long-term bank loans reimbursed during the year (excluding leases)	779

4.13. Short-term provisions

SHORT-TERM PROVISIONS (in €k	OPENING	PROVISIONS	VARIATIONS OF SCOPE	RE-ADJUSTMENTS	EXCHANGE GAIN OR LOSS	REASSIGNMENT	CLOSING
Other provisions for risks		157					157
Total		**157**					**157**

The other provisions for risks concern indemnities.

4.14. Deferred tax liabilities

DEFERRED TAX LIABILITY (in €k)	H1 2010	2009	H1 2009
Temporary differences	1	3	5
Restatements			
Total	**1**	**3**	**5**

4.15. Turnover

In accordance with IFRS 8, turnover is presented by business unit at the level of the sector-by-sector information.

Refer to Note 5 of this appendix.

4.16. Other operating income

OTHER OPERATING INCOME (in €k)	**H1 2010**	**H1 2009**	**H1 2008**
Production in stock	-9	8	-7
Production immobilised	730	267	80
Operating subsidies	457	437	65
Write-back of provisions, amortisations, transfers	443	479	234
Other income	306	123	93
Total	**1,928**	**1,313**	**464**

The operating subsidies mainly concern innovation projects. They have been entered on their date of granting and are booked to the financial year in accordance with the progress made with the programmes.

4.17. Result on the transfer of consolidated holdings

None

4.18. Other operating income and charges

The other operating income and charges correspond to the result of non-current operations during the period.

OTHER OPERATING INCOME AND CHARGES (in €k)	**H1 2010**	**H1 2009**	**H1 2008**
Tax risks (provisions, write-backs, charges and income for the year)		54	
Reimbursement on write-offs			
Gains or losses on transfers of tangible assets	9		-15
Gains and losses on goodwill			
Other income and charges		-9	
Total	**9**	**45**	**-15**

4.19. Cost of net financial debt – Other financial charges and income

The cost of net financial debt includes:

- the income from cash and cash equivalents, that is to say:
  - the interest generated by the cash and cash equivalents
  - the result of the transfer of cash equivalents
- the cost of the gross financial debt, which essentially corresponds to the interest charges on financing operations and exchange rate gains and losses.

The net exchange rate gains amounted to €35 k for the half-year.

4.20. Other financial charges and income

The other financial income and charges include the income and charges linked to the other financial assets such as income from shareholdings, provisions and write-backs on financial provisions and conversion rate adjustments.

4.21. Income tax

The Sogeclair company has opted for the tax consolidation scheme. The scope of this consolidation includes the following companies: SOGECLAIR, CLAIRIS TECHNOLOGIES and EDT.
For the half-year, in respect of the deduction of the deficits of the subsidiaries and foreign branches, the deficit of the German subsidiary has been deducted from Sogeclair SA’s taxable income.

TAX CHARGE (in €k)	**H1 2010**	**H1 2009**	**H1 2008**
Deferred tax	346	217	237
Tax payable	-224	-184	-298
Income or charge relative to tax consolidation	-166	316	105
Carry-back			
Total	**-44**	**349**	**44**

TAX PROOF (in €k)	**H1 2010**
Theoretical taxable revenue	94
Consolidated tax rate	33.33%
Theoretical tax charge	31
Real tax charge	44
Theoretical tax / Real tax difference	-13
Justification for the differences:	
Permanent differences	451
Impact of entries without deferred tax	-284
Impact of rate differences	-11
Impact of deferred tax deficits and amortisations	-168
Tax credit	
Others	

4.22. Average workforce

WORKFORCE (full-time equivalence)	**H1 2010**	**H1 2009**	**H1 2008**
Engineers and managers and senior technicians	777	743	793
Technicians and other non-managerial	87	97	52
Total	**864**	**840**	**845**

4.23. Financial commitments

OFF-BALANCE SHEET COMMITMENTS (in €k)	**H1 2010**	**2009**	**H1 2009**
Commitments made:			
Counter-guarantee securities on markets	1,529	1,662	801
Debt guarantees			
- endorsements, securities and guarantees given			
- non-due assigned debts			
- pledges	743	992	1,236
Sub-total	**2,272**	**2,654**	**2,037**
Commitments received:			
Counter-guarantee securities on markets			
From customers (1)	55,295	52,103	10,864
Sub-total	**55,295**	**52,103**	**10,864**

(1) including €815 k of guarantees on calls to tender
(2) We draw your attention to the fact that SOGECLAIR has received commitments from its customers on its long-term contracts dependent on their sales and on the basis of firm orders received by those customers. The H1 2009- 2009 variation concerns for a large part, the major contract for the design, manufacture and assembly of composite parts for the Airbus A350 programme won in Q4 2009 by the AVIACOMP subsidiary (see press release dated 10 February 2010 available at www.sogeclair.fr)
The value of this future income restated to 30/06/2010 is €41,104 k.

5 – SECTOR-BY-SECTOR INFORMATION

In accordance with IFRS 8, the group's activity is spread between two sectors of activity:

- the Engineering & Consulting business unit – 82% of group activity – corresponding to the activities of the Aviacomp, Clairis Technologies Limited, Clairis Technologies Méditerranée, Clairis Technologies, EDT, HEE, S2E Consulting, Sera Ingénierie, Sogemasa Ingenieria companies,
- the Simulation business unit – 18% of group activity – corresponding to the activities of the Oktal and Oktal Synthetic Environment companies.

SOGECLAIR's sites are located in France, Germany, Spain, the United Kingdom and Tunisia.

SOGECLAIR's main customers are listed in section 1.5.8 of the Reference Document 2009 available on the company's website (**www.sogeclair.fr**).

Besides the countries in which it has its sites, the countries addressed by SOGECLAIR are:, Australia, Belgium, Brazil, Canada, China, Colombia, Israel, Italy, Japan, Luxembourg, Norway, Russia, Singapore, South Africa, South Korea, Sweden, Taiwan, USA.

Financial situation consolidated by activity

	Engineering & Consulting Business Unit		Simulation Business Unit		Holding	
ASSETS (in €k)	**H1 2010**	**2009**	**H1 2010**	**2009**	**H1 2010**	**2009**
Goodwill	2,213	2,213	1,694	1,694		
Intangible assets	3,856	3,962	766	753	44	54
Property, plant and equipment	1,610	1,648	423	378	321	94
Investments in associates						
Financial assets	396	390	132	111	96	96
Other long-term assets	100	100				
Elimination of shares	-8,623	-8,623	-2,823	-2,823	11,446	11,446
Non-current assets	-447	-310	193	114	11,907	11,689
Inventory and work in-process	53	55	18	25		
Trade and other receivables	24,544	22,845	7,997	5,207	11	50
Other circulating assets	1,468	1,274	338	1,306	247	1,080
Current tax asset	598	593	321	135	361	150
Cash and cash equivalents	1,744	2,709	91	182	2,066	1,362
Current assets	28,407	27,476	8,764	6,856	2,685	2,642
TOTAL ASSETS	**27,960**	**27,166**	**8,957**	**6,970**	**14,592**	**14,331**

P LIABILITIES (in €k)	Engineering & Consulting Business Unit H1 2010	Engineering & Consulting Business Unit 2009	Simulation Business Unit H1 2010	Simulation Business Unit 2009	Holding H1 2010	Holding 2009
Capital					2,900	2,900
Issue premium					2,630	2,630
Own shares					-1,145	-1,095
Other reserves						
Reserves and consolidated result	9	343	1,885	2,382	7,199	6,936
Equity capital, group share	9	343	1,885	2,382	11,584	11,371
Minority interests	309	288	529	623		
Equity capital, consolidated whole	318	631	2,414	3,005	11,584	11,371
Long-term provisions	728	656	363	191	291	267
Long-term qualified pre-payments	1,893	1,236	108	108		
Long-term borrowings and financial debts	1,150	1,581	170	181	715	682
Other long-term liabilities						
Non-current liabilities	3,771	3,474	641	480	1,006	949
Short-term qualified pre-payments			162	162		
Current part of borrowings	1,092	1,222	65	57	656	607
Short-term borrowings and financial debts	27	1	2	12	20	
Other non-current debts						
Short-term provisions	107				50	
Trade and other payables	7,729	7,776	1,498	1,444	752	504
Tax and social liabilities	11,778	9,843	3,302	3,011	630	628
Deferred tax liabilities	1	3				
Other current liabilities	2,045	1,466	1,858	1,821	1	2
Intra-group eliminations	1,092	2,752	-985	-3,023	-106	271
Current liabilities	23,871	23,062	5,902	3,485	2,002	2,011
TOTAL LIABILITIES	**27,960**	**27,166**	**8,957**	**6,970**	**14,592**	**14,331**

Operating result consolidated by activity

INCOME STATEMENT (in €k)	Engineering & Consulting Business Unit H1 2010	Engineering & Consulting Business Unit H1 2009	Simulation Business Unit H1 2010	Simulation Business Unit H1 2009	Holding H1 2010	Holding H1 2009
Turnover	28,619	28,823	6,467	5,398	5	7
Other income from the activity	1,176	510	650	789	102	14
Cost of goods sold	-6,632	-8,313	-2,032	-1,712	-759	-811
Personnel charges	-19,602	-18,495	-4,334	-4,159	-857	-750
Taxes and duties	-387	-370	-139	-151	-82	-76
Amortisations and provisions	-1,457	-1,500	-465	-398	-82	-38
Other charges	-123	-67	-1	-3	-30	-37
Intra-Group operations	-1,687	-1,835	-275	-79	1,962	1,914
Current operating profit	-92	-1,247	-130	-315	259	223
Result on sales of consolidated holdings						
Other operating profit and charges	7	-8	2	53		
Operating profit	-85	-1 255	-128	-262	259	223

6 - RELATED COMPANIES

6.1 Commercial lease

SCI SOLAIR has a link with the directors of SOGECLAIR and some of its shareholders who have voting rights greater than 10% (see reference document 2009, page 64).
The amount of the rentals relative to the premises rented from SCI SOLAIR is lower than the market rate. The contractual terms and conditions have been drawn up in accordance with market rules.
On 30 June 2010, contractual relations with SCI SOLAIR were satisfactory and do not lead us to anticipate any risk for SOGECLAIR.
The debts with respect to SCI SOLAIR amounted to €138 k on 30 June 2010, settlement is scheduled for Q3 2010. The future settlements concern the payment of the rentals and charges relative to the lease contract.

6.2 Board of Directors

The number of independent directors exceeds the minimum threshold recommended by the Middlenext Code adopted on 10 March 2010.
It is recalled that there is an agreement with Mr Alberto FERNANDEZ, Director of SOGECLAIR SA. The invoices issued during the first half amounted to €10 k.
It is also recalled that a life annuity is paid for the benefit of Mr Jean-Louis ROBARDEY, further to the purchase of a business on 27 December 1985 (refer to section 3.8.3 of the reference document 2009).

6.3 Directors

No changes have been made during the half-year to the short- and long-term benefits of the main directors.
It is recalled that at its session held on 18 December 2008, the Board of Directors authorised a commitment for the benefit of Mr Philippe ROBARDEY, pursuant to the provisions of article L.225-42-1 of Commercial Law (refer to section 5.3 of the Board of Directors' report to the AGM in the reference document 2009 available on the company's website (www.sogeclair.fr).
No other non-cash benefits have been granted to the other directors.

SOGECLAIR SA

Auditors' Report on the half yearly financial information

Period from 1 January 2010 to 30 June 2010

Exco

EXCO FIDUCIAIRE DU SUD-OUEST

2 RUE DES FEUILLANTS
31 076 TOULOUSE

MOREREAU AUDIT SAS

10, RUE REYER
31200 TOULOUSE

To the shareholders,

In performing the duty entrusted to us by your General Meeting and in application of article L.451-1-2 III of Monetary and Financial Law, we have proceeded with:

- a limited examination of the half-yearly consolidated accounts of the company SOGECLAIR SA, relative to the period from 1 January to 30 June 2010, such as appended to this report;
- a verification of the information provided in the half-yearly activity report.

These half-yearly consolidated financial statements were drawn up under the responsibility of your Board of Directors. It is our duty to express an opinion on these financial statements based on our limited examination.

I – OPINION ON THE ACCOUNTS

We conducted our limited examination in accordance with the professional auditing standards in France. A limited examination essentially consists of interviewing the board members in charge of the accounting and financial aspects and of implementing analytical procedures. These tasks are less extensive than those required for an audit performed according to the professional auditing standards that apply in France. Consequently, the assurance that the accounts taken as a whole do not include any significant anomalies is moderate, and is lower than that obtained in the framework of an audit.

On the basis of our limited examination, we have not noted any significant anomalies that could put into question, with respect to the IFRS baseline such as it has been adopted in the European Union, the regularity and sincerity of the consolidated half-yearly accounts and the true and fair view they give of the assets and financial situation at the end of the half-year and of the result for the past half-year of the whole made up of the people and entities comprised in the consolidation.

II – SPECIFIC VERIFICATION

We have also verified the information provided in the half-yearly activity report relative to the half-yearly consolidated accounts on which we performed our limited examination. We have no special comment to make regarding their fairness and conformity with the half-yearly consolidated accounts.

Drawn up in Toulouse, on 31 August 2010

The Auditors

EXCO FIDUCIAIRE
DU SUD-OUEST **Christian DUBOSC**

MOREREAU AUDIT
SAS **Didier GARRIGUES**