

**SOGECLAIR**

**S.A. WITH CAPITAL OF €2,900,000**

**HEADQUARTERS: 7 avenue Albert Durand - CS 20069 - 31703 BLAGNAC Cedex**

**R.C.S. : 335 218 269**

Half-Yearly Financial Report  
for the half year ending 30 June 2015  
(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 2015 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.com](http://www.sogeclair.com).

**Content**

- I. Declaration of the person responsible
- II. Half-yearly management report
- III. Complete accounts for the past half year presented in consolidated form
- IV. Auditors' report

## **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."

15/09/2015

Philippe ROBARDEY  
President & Chief Executive Officer

## II. Half-yearly management report

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

The SOGECLAIR Board of Directors met on 11 September 2015, and examined the accounts for the first half 2015. The limited examination procedures relative to the half-yearly accounts were carried out and the limited examination report was submitted on 11 September.

The company issued a half-yearly financial report as soon as possible after the end of the first half on 16 September 2015 by means 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 the company's website: [www.sogeclair.com](http://www.sogeclair.com).

#### 1.1. Consolidated turnover

<i>(in € million)</i>	<b>H1 2015</b>	<b>H1 2014</b>	<b>Variation</b>
Group	<b>64.47</b>	54.90	+17.4%
Aerospace	<b>57.71</b>	48.43	+19.2%
Vehicle	<b>1.15</b>	0.86	+33.7%
Simulation	<b>5.61</b>	5.61	
International	<b>30.24</b>	14.89	x2
France	<b>34.23</b>	40.01	-14.4%

#### 1.2. Consolidated results

<i>(in € million)</i>	<b>H1 2015</b>	<b>H1 2014</b>	<b>Variation</b>
EBITDA <sup>1</sup>	<b>3.61</b>	5.19	(30.4)%
as % of turnover	<b>5.6%</b>	9.5%	
Operating result	<b>0.10</b>	1.98	(94.9)%
Net result	<b>-0.74</b>	1.66	
including group share	<b>-0.49</b>	1.78	

#### 1.3. Financial structure

<i>(in € million)</i>	<b>H1 2015</b>	<b>H1 2014</b>	<b>2014</b>
Equity capital	<b>36.93</b>	32.64	37.89
Gearing <sup>2</sup>	<b>27%</b>	(10%)	13%
WCR	<b>21.82</b>	13.90	17.23

<sup>1</sup> Operating result - Other operating income and expenses + amortisation expenses and operating provisions

<sup>2</sup> 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**

The half-year was marked by:

- downstream positioning on aeronautical programmes,
- integration of the acquisition made in Canada in 2014 and development in America,
- increased share of Products in the activity.

The Operating Result is bearing the restructuring in Germany, which is not going as quickly as expected, and the costs of the reduced workload in the Aerospace Division.

The Net Result stands at -€0.74 million and includes the negative effect of exchange rate hedging amounting to €0.5 million. Equity capital amounts to nearly €37 million. Cash stands at nearly €13.5 million with gearing (excluding qualified prepayments) at 27 %.

## **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**

### **Aerospace Division (turnover €57.7 million- EBITDA €1.9 million)**

Thanks to our good level of preparedness, the activities linked to aircraft in service and in production are up significantly (+58% like-for-like at €28.7 million), buoyed up by all the “series” programmes, and exceeding the level of activity relative to aircraft under development (-35% like-for-like at €19.6 million) which is suffering from the effects of the significant slowdown in new programmes.

Despite the good contribution made by the MSB group, acquired at the end of 2014, the division’s profitability has been affected by the continued and longer-than-expected restructuring in Germany, and the costs generated by the reduced workloads in France owing to:

- a smaller volume of work than expected for two major contracts,
- the downturn in this sector’s development activities leading to particularly stiff competition on calls for tenders, pressure on prices and dispersion in the granting of contracts.

### **Simulation Division (turnover €5.6 million - EBITDA €0.9 million)**

The activity was stable (+0.04%) under the combined effect of a temporary fall in the sale of synthetic environment software and an increase in the sale of systems.

EBITDA progressed to 15.9% of turnover.

### **Vehicle Division (turnover €1.15 million - EBITDA €0.3 million)**

The activity grew by 33.7% thanks to a favourable base effect (-20% in H1 2014) and EBITDA is stable at 23.5%.

One note during the first half:

- strengthening of our relations with the sector’s major prime contractors,
- participation in size-determining projects: armoured engineering vehicle, route opening means.

## **4. Description of the main risks**

The risks linked to SOGECLAIR’s activity are detailed in the 2014 reference document, available on SOGECLAIR’s website ([www.sogeclair.com](http://www.sogeclair.com)).

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 of the 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.

SOGECLAIR is engaged in “risk-sharing” contracts, in the framework of customer programmes:

- Airbus A380 since 2001,
- Airbus A350 since 2009,
- Bombardier CSeries since 2011.

To date, these are the only contracts involving SOGECLAIR in financing and commercial risks shared with its customers. The main quantified data regarding these programmes are given in paragraph 1.2.2 of the attached appendix to the consolidated accounts.

## **5. Perspectives**

In H2, SOGECLAIR is expecting to conclude its ongoing negotiations on amendments that will see the cancellation of its losses on three major contracts, pursue the integration of the Canadian MSB group acquired in 2014, and speed up its development in the USA while reinforcing its Product portfolio in each of its divisions.

In all, SOGECLAIR can confirm that 2015 will be another year of growth.

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

#### 1. Consolidated accounts

##### 1. CONSOLIDATED FINANCIAL SITUATION

<b>ASSETS</b> (in €k)	<b>NOTES</b>	<b>H1 2015</b>	<b>H1 2014</b>	<b>2014</b>
Goodwill	1.2.1 & 4.1	12,134	3,913	12,142
Intangible assets	4.1	9,122	8,813	9,808
Property, plant and equipment	4.2	4,780	4,194	5,023
Equity method affiliates		38		65
Investments in associates	4.3	1,121	919	1,041
<b>Non-current assets</b>		<b>27,195</b>	<b>17,839</b>	<b>28,079</b>
Inventories	4.4	6,164	2,697	4,754
Trade and other receivables	4.5	41,857	47,571	46,239
Available-for-sale financial assets		12,077	7,874	11,507
Current tax asset	4.6	4,444	3,944	3,834
Cash and cash equivalents	4.7	13,494	16,355	17,553
<b>Current assets</b>		<b>78,036</b>	<b>78,441</b>	<b>83,886</b>
<b>TOTAL ASSETS</b>		<b>105,231</b>	<b>96,280</b>	<b>111,965</b>
<b>LIABILITIES</b> (in €k)	<b>NOTES</b>	<b>H1 2015</b>	<b>H1 2014</b>	<b>2014</b>
Capital	4.8	2,900	2,900	2,900
Share premium account		2,630	2,630	2,630
Own shares	4.8	-734	-699	-734
Reserves and accrued profits		26,433	25,603	28,427
<b>Equity capital, group share</b>		<b>31,229</b>	<b>30,433</b>	<b>33,223</b>
Minority interest	4.9	5,696	2,203	4,666
<b>Equity capital, consolidated group</b>		<b>36,925</b>	<b>32,636</b>	<b>37,889</b>
Long-term provisions	4.10	2,443	2,144	2,402
Long-term qualified pre-payments	4.11	3,171	3,480	3,109
Borrowings	4.11	12,642	7,734	13,399
Other long-term liabilities		63	72	118
<b>Non-current liabilities</b>		<b>18,318</b>	<b>13,430</b>	<b>19,029</b>
Short-term qualified pre-payments	4.11	588	521	605
Payables and other financial liabilities	4.11	4,714	3,148	4,337
Short-term borrowings	4.11	6,195	2,085	4,654
Trade and other payables		12,629	13,927	15,448
Tax and social liabilities		20,510	21,225	22,461
Deferred tax liabilities	4.12	212	218	179
Other liabilities		5,139	9,091	7,363
<b>Current liabilities</b>		<b>49,987</b>	<b>50,214</b>	<b>55,047</b>
<b>TOTAL LIABILITIES</b>		<b>105,231</b>	<b>96,280</b>	<b>111,965</b>

## 2. CONSOLIDATED INCOME STATEMENT

<b>INCOME STATEMENT</b> (in €k)	<b>NOTES</b>	<b>H1 2015</b>	<b>H1 2014</b>	<b>2014</b>
Sales	4.13	64,471	54,897	114,421
Other income from the activity	4.14	3,445	3,626	7,528
Cost of goods sold		-24,345	-18,477	-40,710
Personnel charges		-39,250	-34,231	-66,526
Taxes and duties		-550	-519	-1,121
Amortisation and provisions		-3,495	-3,216	-4,968
Other charges		-164	-106	-219
<b>Current operating income</b>		<b>113</b>	<b>1,973</b>	<b>8,405</b>
Other operating income and charges	4.15	-13	2	-1,514
<b>Operating profit before contribution of equity method affiliate income</b>		<b>100</b>	<b>1,975</b>	<b>6,891</b>
Share of equity method affiliates in profit		-27		-2
<b>Operating profit</b>		<b>73</b>	<b>1,975</b>	<b>6,889</b>
Income from cash flow and cash flow equivalents		-400	181	279
Gross finance costs		-341	-183	-401
<b>Net finance costs</b>	4.16	<b>-740</b>	<b>-2</b>	<b>-122</b>
<b>Other financial income and charges</b>	4.17	<b>21</b>	<b>-12</b>	<b>-8</b>
<b>Income before taxes</b>		<b>-646</b>	<b>1,961</b>	<b>6,760</b>
Income tax expense	4.18	-93	-300	-2,051
<b>Net profit</b>		<b>-739</b>	<b>1,662</b>	<b>4,708</b>
Group share		-491	1,778	4,986
Minority interest		-248	-116	-278
<b>(in Euros)</b>		<b>H1 2015</b>	<b>H1 2014</b>	<b>2014</b>
Profit per share		-1.17	.61	1.72
Diluted profit per share		-1.17	.61	1.72
<b>NET INCOME STATEMENT AND GAINS AND LOSSES ENTERED DIRECTLY AS EQUITY CAPITAL</b> (in €k)		<b>H1 2015</b>	<b>H1 2014</b>	<b>2014</b>
<b>Net profit</b>		<b>-739</b>	<b>1,662</b>	<b>4,708</b>
<u>Elements that will subsequently be reclassified as net result:</u>				
Conversion rate adjustment		-11	24	180
Re-statement of hedging derivative instruments		3		-22
<u>Elements that will not subsequently be reclassified as net profit:</u>				
Actuarial gains and losses on defined benefit schemes		-76	21	-191
Related taxes		26	-7	66
<b>Total gains and losses entered directly as equity capital</b>		<b>-58</b>	<b>38</b>	<b>33</b>
Parent company owners' share		-547	1 815	5,018
Non-controlling interests		-250	-115	-270

### 3. CASHFLOW

#### 3.1. CONSOLIDATED CASHFLOW STATEMENT

<b>CONSOLIDATED CASHFLOW STATEMENT</b> (in €k)	<b>H1 2015</b>	<b>H1 2014</b>	<b>2014</b>
<b>Net result of integrated companies (including minority interests)</b>	-739	1,662	4,708
+/- Net amortisation and provisions (excluding those relative to current assets)	1,844	1,641	3,741
-/+ Unrealised gains and losses linked to fair value variations	9	18	37
-/+ Other recognised revenue and expenses			-36
-/+ Transfer capital gains and losses	12	-5	2
+/- Share of equity method affiliates in profit	27		2
<b>Cashflow after net finance costs and tax</b>	<b>1,152</b>	<b>3,315</b>	<b>8,453</b>
+ Net finance costs	293	74	214
+/- Tax charge (including deferred taxes)	93	300	2,051
<b>Cashflow before net finance costs and tax (A)</b>	<b>1,539</b>	<b>3,688</b>	<b>10,718</b>
- Taxes paid (B)	-558	-235	-5,868
+/- Variation in WCR linked to the activity (including debt linked to staff benefits) (C)	-3,066	-6,356	-1,477
<b>- Cash outflows linked to the acquisition of tangible and intangible assets</b>	<b>-2,085</b>	<b>-2,903</b>	<b>3,373</b>
+ Cash inflows linked to the sale of tangible and intangible assets	-872	-1,038	-2,345
- Cash outflows linked to the acquisition of financial assets (non-consolidated securities)	54	83	158
+/- Impact of changes of scope	-42		
+/- Variation in loans and advances granted	9		
<b>= NET CASHFLOW LINKED TO INVESTMENT OPERATIONS (E)</b>	<b>-56</b>		<b>-10,063</b>
- Cash outflows linked to the acquisition of tangible and intangible assets	-37	-2	-116
<b>+ Cash inflows linked to the sale of tangible and intangible assets</b>	<b>-945</b>	<b>-956</b>	<b>-12,366</b>
+ Sums received from shareholders at time of capital increases			
- paid by minority shareholders of consolidated companies		10	283
+ Sums received on exercising stock-options			
-/+ Buy-back and resale of own shares		76	43
- Dividends paid out during the financial year			
- Dividends paid to parent company shareholders	-1,372	-1,371	-1,371
- Dividends paid to minority shareholders of consolidated companies	-261	-243	-244
+ Receipts linked to new borrowings	1,344	301	6,602
- Reimbursement of borrowings (including leasing contracts)	-2,085	-1,375	-4,082
- Net financing interest paid (including leasing contracts)	-207	-43	-147
<b>= NET CASHFLOW LINKED TO FINANCING OPERATIONS (F)</b>	<b>-2,581</b>	<b>-2,646</b>	<b>1,082</b>
+/- Impact of changes in currency change rates (G)	11	8	43
<b>= NET VARIATION OF CASHFLOW( D + E + F + G )</b>	<b>-5,600</b>	<b>-6,497</b>	<b>-7,868</b>

### 3.2. NET FINANCIAL DEBT VARIATION STATEMENT

NET FINANCIAL DEBT (in €k)		OPENING	VARIATION	VARIATIONS OF SCOPE	FAIR VALUE VARIATIONS	EXCHANGE DIFFERENCES	RECLASS-IFICATION	CLOSING
Gross cashflow	(a)	17,553	-4,107			48		13,494
Debit balances and bank loans and overdrafts	(b)	4,654	1,504			37		6,195
<b>Net cashflow</b>	<b>(c) = (a) - (b)</b>	<b>12,899</b>	<b>-5,611</b>			<b>11</b>		<b>7,299</b>
Gross financial debt	(d)	21,451	-761		18	27	380	21,115
<b>Net financial debt</b>	<b>(d) - ©</b>	<b>8,552</b>	<b>4,850</b>		<b>18</b>	<b>16</b>	<b>380</b>	<b>13,816</b>

The debt ratios are given in chapter 3 of the 2014 reference document. The financing sources for investments are detailed in chapters 8 and 10 of the 2014 reference document. During the half-year SOGECLAIR has had to refinance the commercial and tax debts of a subsidiary for a balance of €1,278k on 30 June 2015.

SOGECLAIR also has an own share holding with an off-balance sheet stock market value (excluding liquidity contract), based on the stock market value on 30 June 2015, amounting to €4.13 million, not posted in the cashflow.

### 4. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in €k)	Group share							Equity capital, minority interests	Total equity capital
	CAPITAL	Reserves linked to the capital	Own shares	Consolidated reserves and profit	Gains and losses entered directly in capital	Equity capital, group share			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
<b>Equity capital, year-end N (31 December 2013)</b>	2,900	2,630	-713	25,275	-156	29,935	2,552	32,487	
Operations on capital							283	283	
Operations on own shares			-21	41		20		20	
Dividends				-1,371		-1,371	-244	-1,615	
Result for the period				4,986		4,986	-278	4,708	
Gains and losses entered directly as equity capital					33	33	8	41	
<b>Net gains and losses entered directly as equity capital</b>				4,986	33	5,019	-270	4,749	
Variation of scope				-379		-379	381	2	
Other movements							1,964	1,964	
<b>Equity capital, year-end N (31 December 2014)</b>	2,900	2,630	-734	28,552	-124	33,223	4,666	37,889	
Operations on capital							1,445	1,445	
Operations on own shares									
Dividends				-1,372		-1,372	-261	-1,633	
Result for the period				-491		-491	-248	-739	
Gains and losses entered directly as equity capital					-58	-58	40	-19	
<b>Net gains and losses entered directly as equity capital</b>				-491	-58	-549	-208	-758	
Variation of scope					-65	-65	55	-10	
Other movements					-8	-8		-8	
<b>Equity capital, half-year N (30 June 2015)</b>	2,900	2,630	-734	26,689	-254	31,230	5,697	36,926	

### 1.1.1. Appendixes to the consolidated accounts

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 2014 instead of 30 June 2014. 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

### Standards applied

Pursuant to regulation N°1606/2002 adopted on 19 July 2002 by the European Parliament and Council, the annual 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 No. 2013-03 dated 7 November 2013 issued by the Conseil National de la Comptabilité (National Accounting Council).

### Standards, amendments and interpretations of the IFRS standards applicable as from 1<sup>st</sup> January 2015

Standards and amendments applied by the SOGECLAIR Group on 1<sup>st</sup> January 2015:

Application of the IFRIC21 standard does not have any significant impact on the SOGECLAIR group to 30 June 2015.

### Standards not applied by SOGECLAIR:

- Standards, amendments and interpretations of the IFRS standards, already published by the IASB and adopted by the European Union, but whose application was not yet obligatory on 1<sup>st</sup> January 2015 and that have not been applied in anticipation by the SOGECLAIR Group when they apply to it.

No new standards have been identified that could have a significant impact on the accounts to 30 June 2015.

- New standards, revisions of the IFRS standards and interpretations published by the IASB not yet adopted by the European Commission. These standards are not applied by the SOGECLAIR Group.

## 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 subsidiaries are companies controlled by the group. Control supposes the exercising of a power over relevant activities, the exposure to variable returns as well as the capacity to use its power to have an influence over those returns. The applicable consolidation methods are covered by the IFRS 11 standard as far as the partnerships are concerned.

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 SOGECLAIR AEROSPACE SAS).

For this half, SOGECLAIR sold a holding in an equity method affiliate (excluded from the scope of consolidation) and purchased another holding in an equity method affiliate, which in turn is excluded from the scope of consolidation, given its non-significant nature.

## 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 is no longer be amortised, but depreciation tests are performed annually (and/or half-yearly should indications of losses of value appear).

Depreciation is recorded once the recoverable value of the CGU to which the goodwill is assigned is lower than its net book value.

A Cash Generating Unit (CGU) is the smallest identifiable group of assets whose continuous utilisation generates cash inflows that are largely independent from the cash inflows generated by other assets or groups of assets.

Thus, the CGUs identified in the group are the legal entities, it being stated that when the legal entities have strong economic ties several entities are grouped together within one CGU.

Furthermore, a CGU necessarily and exclusively belongs to one of the operational sectors chosen by Sogclair by way of application of IFRS 8.

In this respect, the legal entities named Sogclair Aerospace (GmbH in Germany, Ltd in the United Kingdom, SA in Spain, SARL in Tunisia, SAS in France) have been grouped together in a single CGU given their indivision as transactional economic assets and their strong ties with the aeronautical industry. Likewise for the Canadian MSB Ressources Globales Inc and MSB Design Inc which have been grouped together in a single CGU.

The Oktal SAS and Oktal Synthetic Environnement SAS entities are grouped together in a single CGU due to their technical synergy.

Sogclair's other legal entities are considered to be independent CGUs.

The recoverable values are determined per legal entity, but their appreciation is analysed within the CGU to which they are attached.

The recoverable value is the highest value between the net fair value of the cost of disposal, when that can be determined, and the going concern value.

The net fair value of the costs of disposal corresponds to the best estimate of the net value that could result from a transaction made under the conditions of normal competition between well-informed and consenting parties. This estimate is determined on the basis of the market information available taking any special situations in to account.

The going concern value adopted by Sogclair corresponds to the present value of the cash-flows from the identified CGUs. These flows are determined in the framework of the following economic assumptions and forecast operating conditions:

- the cashflows used are derived from three-year "Medium-Term Plans" for the entities concerned available on the valuation date and are extended to a five-year horizon,
- beyond that horizon, the terminal value corresponds to the capitalisation to infinity of the last flow within the horizon, on the basis of a rate to infinity of 2%,
- the actualisation rate stood at 5.417% at the end of 2014, on the basis of:
  - of the 10-year risk-free rate of 0.86%,
  - and of a market premium of 6.5% to which an average over five years of the Beta coefficient specific to Sogclair is assigned, confirmed by other sources (Bloomberg, Thomson, Infinancials), of 0.7.

A "shock" called "mathematical shock" is applied to the most sensitive underlying parameters (growth of the activity, level of the operating margin, investments) to test the sensitivity of the estimation to an unfavourable change in the CGU'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%, and halving the amount of the investments, with respect to the values of the basic business plan.

The recoverable values, based on the going-concern values, are then compared with the net book values of the goodwill for determining any depreciation.

On 31 December 2014, the recoverable values calculated in that way exceeded the net book values for all the CGUs. The tests performed were therefore conclusive and lead us to maintain the value of the goodwill.

There were no indications on 30 June 2015 putting into question the impairment tests.

### 1.2.2. Intangible assets – development expenses

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.

There are currently seven main programmes that have led to the assetisation of development expenses and the related financial expenses being posted as assets:

(in €k)	Assetisation period	Amortisation period	Gross amount	Amount still to be amortised
<b>Aerospace Division</b>				
Thermo-compression aeronautical subassemblies	Since 2009	10 years starting from series deliveries	7,355	6,038
Modular aeronautical training platform	Since 2014	4 years starting from commercialisation of the modules	61	61
Aircraft interior monuments	Since 2009	7 years starting from series deliveries	976	728
Aircraft modification authority label	Since 2014	3 years starting from assetisation	94	94
<b>Vehicle Division</b>				
Multi-mission terrestrial drone	Since 2013	5 years starting from assetisation	173	128
<b>Simulation Division</b>				
Terrain modellers (Agetim, Ray and Fast products) for simulators	Since 2003	3 years starting from assetisation	1,758	181
Simulation engines for the following sectors: - automobile (ScanNer product), - rail (OkSimRail product) -air traffic (ScanAds product)	Since 2005	3 years starting from assetisation	2,136	228

### 1.2.3. Financial instruments

In respect of IFRS 7 it is stated that loans contracted by the group are fixed-rate loans and that there are no off-balance sheet financial instruments, nor any securitisation of the customer posting.

In the framework of its exposure to exchange rate risks, SOGECLAIR has been covering some of its contracts in US and Canadian dollars since the beginning of 2012. These are guaranteed-rate instruments and do not involve any adjustment in respect of hedge accounting. Any coverage losses or profits are entered as a result when accomplishing the exchange operation and at their fair value at each half-year/year-end closing date.

On 30 June 2015 the coverage taken out by SOGECLAIR amount to USD 5.9 million maturing in December 2016.

To date there are no commitments within SOGECLAIR SA or the group involving complex financial instruments.

### 1.2.4. Current assets

In accordance with the IAS 1 standard (Presentation of financial statements), an asset is classified current if you are intending to realise or sell it in the framework of the normal operating cycle, or realise it within the twelve months following the balance sheet date, or lastly if it is a cash asset.

The following assets are therefore classified as being current:

- inventory
- advances and down payments

- trade and other receivables
- deferred tax assets
- cash and cash 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 current and non-current. A liability is classified current if it must be settled in the framework of its normal operating cycle, or settled within the twelve months following the balance sheet date.

The following contingent liabilities are therefore classified current:

- the part of finance costs and qualified prepayments that are reimbursable within less than one year following the balance sheet date
- trade and other payables
- tax and social liabilities
- short-term provisions
- deferred tax liabilities
- other liabilities

The other contingent liabilities are classified non-current.

#### **1.2.6. Sales recognition**

Sales correspond to the amount of the work performed for customers by all of the companies that enter into the scope of consolidation. The sales and costs recognition method depends on the type of intervention.

##### **Consulting and support activities**

These contracts are subject to an obligation regarding the means. Sales for the consulting and support activities are posted gradually as the works are performed.

##### **All-in development contracts and the associated systems, products and services**

These contracts are subject to an obligation to achieve a given result and a performance-related commitment. Sales and the result are recorded in application of the IAS 18 standard using the percentage of completion method defined by the IAS 11 standard. Completion is calculated as a percentage of the costs borne for the works performed with respect to the total costs re-adjusted each month. When it is probable that the total of the re-adjusted costs of the contract will be higher than the total sales generated by the contract, the expected loss on completion is immediately posted as a liability in the Financial Situation Statement.

#### **1.2.7. Dividends paid**

The distribution of dividends paid out to the parent company's shareholders during the half ending 30 June 2015, in respect of the year ending 31 December 2014, is as follows:

- |                       |        |
|-----------------------|--------|
| • single voting right | €396 k |
| • double voting right | €976 k |

#### **1.2.8. Events after the balance sheet date**

None.

#### **1.2.9. Other information**

SOGECLAIR has posted the fair value of the exchange rate coverage instruments as permitted by the IAS39 standard. It should be noted that, in an economic logic, only non-interest bearing financial commitments made or received are covered by IAS 39.

For the period, SOGECLAIR has posted accrued income, deducted from the personnel expenses, in respect of the CICE (Enterprise Competitiveness Tax Credit) for an overall amount of €630 k.

## 2 - SCOPE

### 1. List of consolidated companies

NAME	COUNTRY	ACTIVITY	% OF CONTROL IN 2015	% OF CONTROL IN 2014
<b>Companies consolidated by full consolidation *</b>				
Aviacomp SAS	France	Aeronautical and defence structural subassemblies	55.00%	55.00%
Checkaero BV	Netherlands	Expertise in the area of stress	75.00%	75.00%
Checkaero SARL	Luxembourg	Expertise in the area of stress	75.00%	75.00%
MSB Design Inc	Canada	Aircraft interior subassemblies	80.00%	80.00%
MSB Global Resources Corp	USA	Aerostructure, Systems installation, Configuration management, Equipment	80.00%	80.00%
Oktal SAS	France	Simulators	97.98%	97.98%
Oktal Synthetic Environment SAS	France	Virtual environments	54.94%	54.94%
Ressources Globales Aéro Inc	Canada	Aerostructure, Systems installation, Configuration management, Equipment	80.00%	80.00%
Rain Luxembourg SA	Luxembourg	Sub-holding	100.00%	100.00%
Séra Ingénierie SAS	France	Vehicles	80.00%	80.00%
Sogeclair SA	France	Holding	Parent	Parent
Sogeclair Aerospace GmbH	Germany	Aerostructure, Systems installation, Configuration management, Equipment	100.00%	100.00%
Sogeclair Aerospace Inc	Canada	Aerostructure, Systems installation, Configuration management, Equipment	100.00%	100.00%
Sogeclair Aerospace Ltd	United Kingdom	Aerostructure, Systems installation, Configuration management, Equipment	100.00%	100.00%
Sogeclair Aerospace SA	Spain	Aerostructure, Systems installation, Configuration management, Equipment	87.95%	86.34%
Sogeclair Aerospace Sarl	Tunisia	Aerostructure, Systems installation, Configuration management, Equipment	100.00%	100.00%
Sogeclair Aerospace SAS	France	Aerostructure, Systems installation, Configuration management, Equipment	100.00%	100.00%
<b>Equity method affiliates</b>				
S2E Consulting SAS	France	Systems engineering and electricity	46.98%	46.98%

\* excluding 2 holding companies in Canada without any operational activities

## 3 - INFORMATION MAKING IT POSSIBLE TO COMPARE THE ACCOUNTS

### 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 over the half year, with the exception of the impact of the applicable new standards presented and in particular the transition from full consolidation to the equity method for one affiliate the impact of which is not significant for the year.

### Scope

On 13 November 2014, SOGECLAIR acquired an 80% holding in the Canadian aeronautical group MSB including three operational companies (MSB Design Inc, Ressources Globales Aéro Inc and MSB Global Resources Corp), via two holding companies without any operational activities (ALCA Gestion Inc and Mario Sévigny Inc). This group is specialised in the interior fitting out of aircraft, it is based in Montreal and has a subsidiary in the United States.

The MSB group has nearly 200 employees and for its last financial year generated turnover of 28 million Canadian dollars (about 20 million Euros) and broke even. It had net debt standing at 4 million Canadian dollars on 31 December 2014.

MSB has an engineering activity (50%) and a manufacturing activity (50%) and in particular counts the following among its customers: the BOMBARDIER group (with Preferred Supplier status) EMBRAER, GULFSTREAM, HONDA, INNOTECH, ZODIAC, etc.

The complementarity of activities between SOGECLAIR and MSB strengthens their respective offerings:

- in America, thanks to SOGECLAIR's know-how in structures (composite and metallic), configuration management, manufacturing engineering, finalisation, equipment, etc.
- in Europe, thanks to MSB's skills in the area of aircraft cabin furnishing.

These closer ties will help the group boost its growth significantly in North America.

With this operation, SOGECLAIR is adopting an offensive strategy allowing it to broaden its customer base and skills, while supporting the growth of its sales with its historical customers.

The goodwill, calculated using the complete goodwill method, amounts to €8.2 million and was calculated in accordance with the stipulations of the revised IFRS 3 standard (acquisition-related expenses posted as a charge, etc.). On the date of acquisition, no identifiable assets or liabilities were noted that would require a separate valuation. We nevertheless reserve the right, as permitted by the standards, to assign this goodwill to identifiable elements over a period of 12 months as from the date of acquisition and thereby assign it to a CGU.

From an accounting viewpoint the acquisition has been analysed as a firm purchase with deferred payment for the 20% minority holding by 2017. This deferred payment has been posted for its updated amount such as contractually stipulated (fair value estimate on the basis of the business plans) as minority holdings.

In order to protect the company's interests, SOGECLAIR does not wish to communicate further on the price of the transaction or, consequently, on the method of recognition of the debt posted with respect to minority interests.

#### 4 - EXPLANATIONS ON THE ITEMS ON THE CONSOLIDATED BALANCE SHEET AND INCOME STATEMENT

##### 4.1. Intangible assets

GROSS VALUES (in thousands of Euros)	AT BEGINNING OF YEAR	INCREASES	ASSETS GENERATED IN-HOUSE	SALES AND DISPOSALS	EXCHANGE RATE DIFFERENCES	REASSIGNMENT	AT YEAR- END
Goodwill	13,181			46	134		13,361
Research expenses	24,409		207		22		24,639
Software and brands	7,103	117			17		7,237
Current assets	5	1				-5	1
<b>Total</b>	<b>44,698</b>	<b>118</b>	<b>207</b>	<b>46</b>	<b>173</b>	<b>-5</b>	<b>45,237</b>

AMORTISATION & PROVISIONS (in thousands of Euros)	AT BEGINNING OF YEAR	AMORTISATION AND LOSSES OF VALUE	SALES AND DISPOSALS	WITHDRAWALS	EXCHANGE RATE DIFFERENCES	REASSIGNMENT	AT YEAR- END
Goodwill	-1,039						-1,039
Research expenses	-16,612	-567			-3		-17,182
Software and brands	-5,097	-469			-7		-5,573

<b>Total</b>	<b>-22,748</b>	<b>-1,036</b>	<b>-10</b>	<b>-23,794</b>
<b>Net value</b>	<b>21,950</b>			<b>21,443</b>

The detail of the immobilised expenses is given in paragraph 1.2.2 of this document.

#### 4.2. Tangible assets

<b>GROSS VALUES</b> (in thousands of Euros)	<b>AT BEGINNING OF YEAR</b>	<b>INCREASES</b>	<b>SALES AND DISPOSALS</b>	<b>WITHDRAWALS</b>	<b>EXCHANGE RATE DIFFERENCES</b>	<b>REASSIGNMENT</b>	<b>AT YEAR-END</b>
Technical installations, plant & equipment	2,882	92		-8	16	6	2 988
Installations & fittings	2,319	105			9		2 433
IT & office hardware	7,658	251		-5	29	1	7 934
Current assets	203	188		-38		-8	345
Other	1,177	31		-54	1		1 155
<b>Total</b>	<b>14,240</b>	<b>668</b>		<b>-106</b>	<b>56</b>	<b>-1</b>	<b>14 856</b>

<b>AMORTISATION &amp; PROVISIONS</b> (in thousands of Euros)	<b>AT BEGINNING OF YEAR</b>	<b>AMORTISATION AND LOSSES OF VALUE</b>	<b>SALES AND DISPOSALS</b>	<b>WITHDRAWALS</b>	<b>EXCHANGE RATE DIFFERENCES</b>	<b>REASSIGNMENT</b>	<b>AT YEAR-END</b>
Technical installations, plant & equipment	-1,123	-177		1	-6		-1 305
Installations & fittings	-1,267	-104			-2		-1 374
IT & office hardware	-5,887	-429		3	-22		-6 334
Other	-940	-159		36	-1		-1 063
<b>Total</b>	<b>-9,217</b>	<b>-870</b>		<b>41</b>	<b>-30</b>		<b>-10 076</b>

<b>Net value</b>	<b>5,023</b>						<b>4 780</b>
------------------	--------------	--	--	--	--	--	--------------

The exchange rate differences concern the British, Canadian and Tunisian subsidiaries: MSB Design Inc, MSB Global Resources Inc, Ressources Globales Aero Inc, Sogclair Aerospace Ltd, Sogclair Aerospace Inc and Sogclair Aerospace Sarl.

#### Additional information concerning the financial leasing contracts (IAS 17):

Net book value of the current financial leasing contracts:

<b>(in thousands of Euros)</b>	<b>GROSS AMOUNT</b>	<b>AMORTISATION</b>	<b>NET BOOK VALUE</b>
Intangible assets	1,884	-946	937
Tangible assets	5,348	-3,699	1,649
<b>Total</b>	<b>7,231</b>	<b>-4,645</b>	<b>2,586</b>

Term for outstanding leasing contracts:

in thousands of Euros	< 1 YEAR	1 TO 2 YEARS	3 TO 5 YEARS
<b>Total</b>	<b>1,102</b>	<b>691</b>	<b>793</b>

#### 4.3. Investments in associates

GROSS VALUES (in thousands of Euros)	AT BEGINNING OF YEAR	INCREASES	SALES AND DISPOSALS	WITHDRAWALS	VARIATION IN FAIR VALUE	EXCHANGE RATE DIFFERENCES	REASSIGN- MENT	AT YEAR END
Shareholdings	118	42		-9	-27			124
Fixed investments								
Loans, guarantees and other receivables	1,019	65		-28	9			1,065
<b>Total</b>	<b>1,136</b>	<b>108</b>		<b>-38</b>	<b>-17</b>			<b>1,189</b>

AMORTISATION & PROVISIONS (in thousands of Euros)	AT BEGINNING OF YEAR	AMORTISATION	SALES AND DISPOSALS	WITHDRAWALS	VARIATION IN FAIR VALUE	EXCHANGE RATE DIFFERENCES	REASSIGN- MENT	AT YEAR END
Shareholdings	-30							-30
Fixed investments								
Loans								
<b>Total</b>	<b>-30</b>							<b>-30</b>

<b>Net value</b>	<b>1,106</b>							<b>1,159</b>
------------------	--------------	--	--	--	--	--	--	--------------

#### 4.4. Inventory

The gross value of the goods and procurements is evaluated at the purchase price (including the associated costs minus deductions, discounts, and reductions).

The products manufactured are valued at the standard cost of production including:

- consumption of foods and procurements,
- consumption of subcontracting according to the generally observed cost,
- consumption of standard machine and man hours as stipulated in the manufacturing procedures.

The structural costs are assigned to the inventory and finished products as from the 2014 financial year, in proportion to the production plan updated at the time of each budget forecast.

The provisions for stock depreciation essentially concern manufactured products whose cost price is higher than the sale price owing to the learning curve.

#### 4.5. Trade and other receivables

The customers' terms of payment have shortened over the half-year and are monitored closely.

#### 4.6. Deferred tax asset

<b>DEFERRED TAX ASSET</b> (in thousands of Euros)	<b>H1 2015</b>	<b>H1 2014</b>	<b>2014</b>
Temporary differences	1,373	1,392	1,263
Tax deficits	2,753	2,351	2,394
Restatements	318	202	177
<b>Total</b>	<b>4,444</b>	<b>3,944</b>	<b>3,834</b>

A deferred tax asset is constituted on the tax losses and temporary differences if it is probable that the company will dispose of future tax profits to which they may be charged.

SOGECLAIR limits the amount of the deferred taxes on the tax deficits of the subsidiaries concerned, to 10% of the sales for the year, at year-end, or of the annual budget at the time of the half-year accounts.

Only the deferred tax on the tax deficits of newly created companies is posted in its entirety.

For the period, the deficit of the German subsidiary was limited to 10% of the double of its turnover for the first half 2015 as precautionary measure.

The amount of the accumulated non-assetised deficits on 30 June 2014 totalled €3.9 million, representing a non-posted deferred tax of €1.3 million.

#### 4.7. Cash and cash equivalents

(in thousands of Euros)	<b>H1 2015</b>	<b>H1 2014</b>	<b>2014</b>
Cash	3,308	2,561	4,794
Cash equivalents	10,186	13,794	12,756
<b>Total</b>	<b>13,494</b>	<b>16,355</b>	<b>17,553</b>

On 30 June 2015, the cash equivalents concerned liquid investments in:

- renewable one-month fixed-term account
- interest-bearing account,
- European capital fund with minimum guaranteed interest and the possibility of immediate, penalty-free sale of a significant proportion.

#### 4.8. Equity capital, group share

On 1<sup>st</sup> July 2013, the nominal value of the share was divided by 4. The equity capital, set at €2,900k, now consists of 2,900,000 shares with a nominal value of €1 each.

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.

On 30 June 2015, the balance of these shares on the company's books amounted to 152,453 shares (5.26% of the capital), unchanged since 31 December 2014. This restatement leads to an accumulated reduction of the consolidated equity capital of €734 k.

#### 4.9. Minority interests

(in thousands of Euros)	H1 2015	S1 2014	2014
<b>At beginning of year</b>	<b>4,666</b>	<b>2,552</b>	<b>2,552</b>
Variation of reserves	1,278	-233	2,392
Total income and expenditure entered during the period	-248	-116	-278
<b>At end of period</b>	<b>5,697</b>	<b>2,203</b>	<b>4,666</b>

The variation of the reserves during the half-year can, for a major part, be explained by the conversion of an associate's receivables at the time of a capital increase at a joint venture.

#### 4.10. Long-term provisions

LONG-TERM PROVISIONS (in thousands of Euros)	AT BEGINNING OF YEAR	CONTRIBUTIONS	SALES AND DISPOSALS	WRITE- BACKS	VARIATION IN FAIR VALUE	EXCHANGE RATE DIFFERENCES	REASSIGNMENT	AT YEAR END
Provisions for retirement benefit obligations	1,581	54		-13	76			1,698
Provisions for restructurings								
Other provisions for charges	28	4						33
Provisions for losses on contracts	139	331		-139				331
Other provisions for risks	653			-278			6	382
<b>Total</b>	<b>2,402</b>	<b>389</b>		<b>-430</b>			<b>6</b>	<b>2,443</b>

The other provisions for risks mainly concern social and tax risks.

There is no event later than 30 June 2015 liable to put into question the notion of going concern, nor any non-measurable risk and loss.

The impact of the reclassification of the actuarial gains (IAS19R) to the reserves amounts to €76 k.

The discount rate used corresponds to TEC 10 which stood at 1.21% on 30 June 2015.

#### 4.11. Current and non-current financial debts

NON-CURRENT FINANCIAL DEBTS (in thousands of Euros)	AT BEGINNING OF YEAR	INCREASE	SALES AND DISPOSALS	REDUCTION	VARIATION IN FAIR VALUE	EXCHANGE RATE DIFFERENCES	REASSIGN- MENT	AT YEAR END
Qualified prepayments (+ 1 year)	3,109	159			13		-111	3,171
Borrowings and debts with credit institutions (+ 1 year)	12,148	264			5	19	-1,266	11,170
Sundry non-current loans and financial liabilities	1,251	271				4	-55	1,472
<b>Total</b>	<b>16,509</b>	<b>694</b>			<b>18</b>	<b>24</b>	<b>-1,432</b>	<b>15,812</b>

CURRENT FINANCIAL DEBTS (in thousands of Euros)	AT BEGINNING OF YEAR	INCREASE	SALES AND DISPOSALS	REDUCTION	VARIATION IN FAIR VALUE	EXCHANGE RATE DIFFERENCES	REASSIGN- MENT	AT YEAR END
Current qualified prepayments (-1 year)	605			-128			111	588
Current borrowings and debts with credit institutions (-1 year)	3,819			-1,463		4	1,266	3,625
Bank loans and overdrafts	4,654	1,504				37		6,195
Sundry current loans and financial liabilities	518	1,000		-865			436	1,089
<b>Total</b>	<b>9,596</b>	<b>2,504</b>		<b>-2,455</b>		<b>40</b>	<b>1,812</b>	<b>11,498</b>

The reassignment of the other non-current financial debts concerns a subsidiary's employee profit-sharing scheme for the previous year.

The medium/long-term bank loan trends, excluding leases, are detailed below:

MEDIUM/LONG TERM BANK LOANS (excluding leases) (in thousands of Euros)	
Taken out during the half-year	
Reimbursed during the half-year	827

The gross financial debts schedule is given below:

GROSS LONG-TERM DEBT SCHEDULE (in thousands of Euros)	TOTAL	< 1 year	1 to 2 years	2 to 3 years	3 to 4 years	Longer
Qualified prepayments (+ 1 year)	3,171		371	664	1,025	1,110
Borrowings and debts with credit institutions (+ 1 year)	11,170		2,908	2,718	1,821	3,722
Sundry non-current loans and financial liabilities	1,472		234	222	320	697
<b>Non-current financial liabilities</b>	<b>15,812</b>		<b>3,513</b>	<b>3,605</b>	<b>3,166</b>	<b>5,529</b>
Current qualified prepayments	588	588				
Current borrowings and debts with credit institutions	3,625	3,625				
Bank loans and overdrafts	6,195	6,195				
Sundry current loans and financial liabilities	1,089	1,089				
<b>Current financial liabilities</b>	<b>11,498</b>	<b>11,498</b>				

Characteristics of the loans taken out	Fixed-date financial debts (1)	Terms	Due dates	Coverage	Financial covenants
Fixed-rate amortisable	10,895	1.7 to 3.4%	2009-2020	N/A	None
Fixed-rate amortisable in Canadian dollars	1,300	7.75 to 10%	2012-2021	N/A	Yes (2)

(1) total amount to be reimbursed on 30 June 2015

(2) Loans present in the companies acquired at the time of acquisition and currently being renegotiated to obtain more favourable conditions

In order to fund its development SOGECLAIR took several fixed-rate amortisable loans in the second half 2014 totalling €6 million.

Besides the funding in place in the acquired companies, which is currently being renegotiated, there are no early repayment clauses, except the usual clause included in loan contracts in the case of a transfer of the financial asset or of a modification in the capital.

#### 4.12. Deferred tax liabilities

DEFERRED TAX LIABILITIES (in thousands of Euros)	H1 2015	H1 2014	2014
Temporary differences		1	
Restatement	212	216	179
<b>Total</b>	<b>212</b>	<b>218</b>	<b>179</b>

#### 4.13. Turnover

In accordance with IFRS 8, turnover is presented division by division in paragraph 5 of this appendix.

#### 4.14. Other income from the activity

OTHER OPERATING INCOME (in thousands of Euros)	H1 2015	H1 2014	2014
Production in stock	1,280	1,133	1,050
Production immobilised	162	653	1,324
Operating and investment subsidies	466	632	1,231
Write-back of provisions, amortisations	1,305	861	871
Other income	232	347	3,052
<b>Total</b>	<b>3,445</b>	<b>3,626</b>	<b>7,528</b>

The operating subsidies mainly concern innovation projects. They have been posted at their allocation date and are attached to the period according to the programmes' degree of advancement.

#### 4.15. Other operating income and charges

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

OTHER OPERATING INCOME AND CHARGES (in thousands of Euros)	H1 2015	H1 2014	2014
Tax risks (provisions, write-backs, charges and income for the period)			
Social risks (provisions, write-backs, charges and income for the period)			
Reimbursement on write-offs			
Gains or losses on sale of property, plant and equipment	-9	5	-2
Gains or losses on goodwill			36
Other income and charges	-3	-3	-1,548
<b>Total</b>	<b>-13</b>	<b>2</b>	<b>-1,514</b>

In 2014, the other income and charges included the costs of restructuring in Germany further to the interruption of a major contract and the costs of acquisition of the Canadian subsidiaries.

#### 4.16. 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 to exchange rate variations.

The net exchange rate losses amounted to -€447 k for the period, after a fair-value restatement of the assets concerned (trade accounts receivable and currency in the bank) for -€52 k in respect of the current coverage income at the end of the period.

#### 4.17. Other financial charges and income

The other financial income and charges amount to €21k for the half-year and 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.

#### 4.18. Income tax

The SOGECLAIR SA company has opted for the integrated profits system for the following companies: SOGECLAIR SA, SOGECLAIR AEROSPACE SAS, and OKTAL SAS.

<b>TAX CHARGE</b> (in thousands of Euros)	<b>S1 2015</b>	<b>S1 2014</b>	<b>2014</b>
Deferred tax	532	1,361	1,159
Tax payable (1)	-885	-1660	-3,179
Income or charge linked to tax integration	385	80	80
Carry-back			
Contributions on dividend distributions	-125	-113	-111
Sponsorship tax credit		32	
<b>Total</b>	<b>-93</b>	<b>-300</b>	<b>-2,051</b>

(1) As indicated in Note 1 of this appendix, CVAE (Corporate Value Added Contribution) has been posted as tax payable since 1 January 2011.

Tax proof is presented below:

<b>TAX PROOF</b> (in thousands of Euros)	<b>H1 2015</b>	<b>H1 2014</b>	<b>2014</b>
Pre-tax profit (loss)	-646	1,961	6,760
Parent company's tax rate	34.43%	34.43%	34.43%
<b>Theoretical income (charge) tax on profits</b>	<b>222</b>	<b>-675</b>	<b>-2,327</b>
Permanent differences and others	-122	-63	-163
Tax-exempted revenue and non-fiscally deductible charges	383	77	75
Impact of foreign tax rate differences and variations	-45	11	52
Income taxed at reduced rates (1)	-361	-374	-672
Impact of deferred tax deficits and amortisations	-387	491	-426
Tax credits	217	234	1,410
<b>Income tax benefit (charge) posted</b>	<b>-93</b>	<b>-300</b>	<b>-2,051</b>

(1) Impact of CVAE in France and of the Trade Tax in Germany

#### 4.19. Average workforce

<b>WORKFORCE</b> full-time equivalence	<b>H1 2015</b>	<b>H1 2014</b>	<b>2014</b>
Engineers, managers and senior technicians	1,076	1,086	1,078
Technicians and other non-managerial	285	92	100
<b>Total</b>	<b>1,361</b>	<b>1,178</b>	<b>1,178</b>

#### 4.20. Financial commitments

<b>OFF-BALANCE SHEET COMMITMENTS</b> (in thousands of Euros)	<b>H1 2015</b>	<b>H1 2014</b>	<b>2014</b>
<b>Commitments made:</b>			
<b>Relative to financing the company</b>			
None			
<b>Relative to the issuer's operating activities</b>			
Counter-guarantee on securities	13	13	13
Counter-guarantee securities on markets	50	1 506	1 553
<b>Sub-total</b>	<b>63</b>	<b>1,520</b>	<b>1,566</b>

#### **Commitments received:**

<b>Relative to the issuer's operating activities</b>			
From customers on long-term programmes (1)	109,000	114,753	113,000
<b>Relative to financing the company</b>			
Payment guarantees received from customers		578	
<b>Sub-total</b>	<b>109,000</b>	<b>115,331</b>	<b>113,000</b>

(1) We draw your attention to the fact that SOGECLAIR has received commitments from its customers on its long-term contracts dependent on their sales. On the basis of firm orders received by those customers, the value of this future income, according to the TEC 20 of 1.917% on 30 June 2015, is €98,000 k.

Additional information on the programmes subject to risk-sharing is provided in paragraph 1.6 of chapter 26 of the 2014 reference document.

#### 4.21. Individual Training Entitlement

Provisions are not made in the accounts for the Individual Training Entitlement, calculated at the end of each calendar year.

On 31 December 2014, this entitlement stood at 59,482 hours for the French subsidiaries.

## 5 - SECTOR-BASED INFORMATION

In accordance with IFRS 8, the issuer has chosen to present the group's activity in three operational sectors corresponding to the sectors reviewed by the main operational decision-maker. It should be noted that no grouping of sectors has been made.

<b>NAME</b>	<b>COUNTRY</b>	<b>ACTIVITY</b>
<b>Aerospace Division*</b>		
Aviamp SAS	France	Aeronautical and defence structural subassemblies
Checkaero BV	Netherlands	Expertise in the area of stress
Checkaero SARL	Luxembourg	Expertise in the area of stress

MSB Design Inc	Canada	Aircraft interior subassemblies
MSB Global Resources Corp	USA	Aerostructure , Systems installation, Configuration management, Equipment
Ressources Globales Aéro Inc	Canada	Aerostructure , Systems installation, Configuration management, Equipment
Sogeclair Aerospace GmbH	Germany	Aerostructure , Systems installation, Configuration management, Equipment
Sogeclair Aerospace Inc	Canada	Aerostructure , Systems installation, Configuration management, Equipment
Sogeclair Aerospace Ltd	United Kingdom	Aerostructure , Systems installation, Configuration management, Equipment
Sogeclair Aerospace SA	Spain	Aerostructure , Systems installation, Configuration management, Equipment
Sogeclair Aerospace Sarl	Tunisia	Aerostructure , Systems installation, Configuration management, Equipment
Sogeclair Aerospace SAS	France	Aerostructure , Systems installation, Configuration management, Equipment
S2E Consulting SAS	France	Systems engineering and electricity
<b>Simulation Division</b>		
Oktal SAS	France	Simulators
Oktal Synthetic Environment SAS	France	Virtual environments
<b>Vehicle Division</b>		
Séra Ingénierie SAS	France	Vehicles
<b>Holding</b>		
Sogeclair SA	France	Holding
Rain Luxembourg (North American holding)	Luxembourg	Sub-holding

\* excluding 2 holding companies in Canada without any operational activities

SOGECLAIR's main customers are listed in the reference document available on the company's website ([www.sogeclair.com](http://www.sogeclair.com)).

SOGECLAIR has facilities in France, Germany, Spain, Canada, Luxembourg, the Netherlands, the UK, Tunisia and the USA.

Besides the countries where it has facilities, the countries addressed by SOGECLAIR in 2015 are: Australia, Belgium, Brazil, China, Colombia, Denmark, Ireland, Israel, Italy, Japan, Namibia, Norway, Poland, Portugal, Singapore, South Korea, Sweden and Turkey.

## 5.1 Consolidated financial situation per division

ASSETS (in thousands of Euros)	AEROSPACE		VEHICLE		SIMULATION		HOLDING	
	H1 2015	2014	H1 2015	2014	H1 2015	2014	H1 2015	2014
Goodwill	10,437	10,444			1,694	1,694	3	3
Intangible assets	8,474	8,994	135	154	427	573	86	87
Property, plant and equipment	3,737	3,999	458	360	289	333	296	330
Equity method affiliates	38	65						
Other long-term assets	707	661	6	6	200	198	209	176
Share eliminations	-19,903	-17,127	-200	-200	-2,823	-2,823	22,926	20,150
<b>Non-current assets</b>	<b>3,489</b>	<b>7,037</b>	<b>399</b>	<b>320</b>	<b>-213</b>	<b>-25</b>	<b>23,520</b>	<b>20,747</b>
Inventory and work in-process	6,114	4,684			50	70		
Trade and other receivables	35,609	38,951	2,134	3,807	4,108	3,478	5	3
Other circulating assets	3,944	3,482	130	222	3,473	3,382	4,531	4,420
Deferred income tax	3,360	2,656	30	29	831	921	223	227
Cash and cash equivalents	2,319	3,210	3	2	725	1,286	10,447	13,054
<b>Current assets</b>	<b>51,346</b>	<b>52,983</b>	<b>2,297</b>	<b>4,060</b>	<b>9,187</b>	<b>9,138</b>	<b>15,206</b>	<b>17,705</b>
<b>TOTAL ASSETS</b>	<b>54,835</b>	<b>60,020</b>	<b>2,696</b>	<b>4,380</b>	<b>8,974</b>	<b>9,113</b>	<b>38,727</b>	<b>38,452</b>

LIABILITIES (in thousands of Euros)	AEROSPACE		VEHICLE		SIMULATION		HOLDING	
	H1 2015	2014	H1 2015	2014	H1 2015	2014	H1 2015	2014
Capital							2,900	2,900
Capital contribution							2,630	2,630
Own shares							-734	-734
Reserves and accumulated results	8,429	12,122	1,422	1,343	4,170	4,811	12,412	10,151
Equity capital, group share	8,429	12,122	1,422	1,343	4,170	4,811	17,208	14,947
Minority interests	4,302	3,133	406	386	989	1,147		
Consolidated equity capital	12,731	15,256	1,828	1,728	5,158	5,958	17,208	14,947
Long-term provisions	1,201	1,079	86	77	915	992	241	254
Long-term qualified pre-payments	2,766	2,614			404	495		
Long-term borrowings and financial debts	4,380	4,799	32	1	49	62	8,181	8,538
Other long-term liabilities	63	116		2				
Non current liabilities	8,410	8,608	118	80	1,368	1,550	8,422	8,792
Short-term qualified pre-payments	459	448			130	157		
Current part of provisions for other liabilities and charges	2,994	2,607	8	4	48	68	1,664	1,658
Short-term borrowings and financial debts	6,194	4,651			1	2		1
Short-term provisions								
Trade and other payables	11,096	12,956	257	1,387	640	732	636	372
Tax and social liabilities	16,621	17,598	612	1,059	2,265	2,412	1,012	1,392
Deferred tax liabilities	210	178	1	1	1	1		
Other liabilities	2,938	5,146	13	102	2,188	2,115		
Intra-group eliminations	-6,817	-7,428	-141	20	-2,826	-3,882	9,784	11,290
Current liabilities	33,694	36,156	750	2,572	2,447	1,606	13,097	14,713
<b>TOTAL LIABILITIES</b>	<b>54,835</b>	<b>60,020</b>	<b>2,696</b>	<b>4,380</b>	<b>8,974</b>	<b>9,113</b>	<b>38,727</b>	<b>38,452</b>

## 5.2 Consolidated income statement per division

INCOME STATEMENT (in thousands of Euros)	AEROSPACE		VEHICLE		SIMULATION		HOLDING	
	H1 2015	H1 2014	H1 2015	H1 2014	H1 2015	H1 2014	H1 2015	H1 2014
Sales	57,700	48,423	1,152	862	5,612	5,609	8	3
Other income from the activity	2,603	2,620	94	293	706	615	43	97
Cost of goods sold	-21,324	-15,460	-252	-295	-1,611	-1,868	-1,159	-854
Personnel charges	-34,273	-29,673	-474	-438	-3,549	-3,293	-953	-827
Taxes and duties	-357	-337	-21	-22	-83	-73	-89	-86
Amortisation and provisions	-2,967	-2,798	-47	-40	-434	-310	-46	-68
Other charges	-125	-65	-1		-2	-1	-36	-40
Intra-Group operations	-2,315	-2,117	-225	-127	-179	-249	2,719	2,492
Current operating income	-1,058	593	226	232	460	431	486	717
Result of sale of consolidated holdings								
Other operating income and charges	-13	-4				-1		7
Operating profit before contribution of equity method affiliate income	-1,071	589	226	232	460	430	486	724
Share of equity method affiliates in profit	-27							
Operating profit	-1,098	589	226	232	460	430	486	724

## **6 - RELATED COMPANIES**

### **6.1 Commercial lease**

SCI SOLAIR, has a link with the directors of SOGECLAIR and there are shareholders who have voting rights greater than 10% (refer to chapter 8.3 of the 2014 reference document).

The contractual terms and conditions were drawn up according to market rules.

To 30 June 2015, the contractual relations with SCI SOLAIR have been exercised correctly and do not lead us to anticipate any risk for SOGECLAIR. There are no debts with respect to SCI SOLAIR on 30 June 2015.

The future payments will concern the payments of the rentals and charges relative to the rental contracts.

### **6.2 Board of Directors**

The number of independent directors exceeds the minimum threshold recommended by the Middlednext Code.

The remuneration paid to the members of the Board of Directors is shown in paragraph 5.4 of the Board of Directors' report to the AGM in chapter 26 of the 2014 reference document.

You are also reminded that there is a life annuity paid for the benefit of Mr Jean-Louis ROBARDEY, further to the purchase of a business completed on 27 December 1985 (Refer to chapter 16.2.2 of the 2014 reference document).

### **6.3 Directors**

No changes have been made during the period to the main directors' short- and long-term benefits.

## **7 – AUDITORS FEES**

(Refer to chapter 27.3 of the 2014 reference document).

**MOREREAU AUDIT SAS**  
10, rue Reyer

31200 – TOULOUSE

**EXCO FIDUCIAIRE DU SUD-OUEST**  
2, rue des Feuillants

31076 – TOULOUSE CEDEX 3

**Auditors**

Members of the 'Compagnie Régionale de Toulouse'

**S.A. SOGECLAIR**

**7, avenue Albert Durand**  
**31700 - BLAGNAC**

**AUDITORS' REPORT ON THE  
HALF YEARLY FINANCIAL INFORMATION**

**Period of 1<sup>st</sup> January 2015 to 30<sup>th</sup> June 2015**

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<sup>st</sup> January to 30<sup>th</sup> June 2015, such as appended to this report;
- a verification of the information provided in the half-yearly management 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 – obtained in the framework of a limited examination – 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 adopted in the European Union, the regularity and sincerity of the consolidated half-yearly accounts and the true and faithful picture they give of the asset base, financial situation at the end of the half-year, and of the result for the past half-year of the group 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 management 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 11<sup>th</sup> September 2015**

**The Auditors,**

**MOREREAU AUDIT SAS**

**EXCO FIDUCIAIRE DU SUD-OUEST**

**Robert MOREREAU**

**Jean-Marie FERRANDO**