

SOGECLAIR
S.A. WITH CAPITAL OF €2,900,000
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Half-Yearly Financial Report
for the half year ending 30 June 2014
(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 2014 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.sogclair.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."

05/09/2014

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 5 September 2014, and examined the accounts for the first half 2014. The limited examination procedures relative to the half-yearly accounts were carried out and the limited examination report was submitted on 8 September.

The company issued a half-yearly financial report as soon as possible after the end of the first half on 10 September 2014 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.sogclair.com.

1.1. Consolidated turnover

<i>(in € million)</i>	H1 2014	H1 2013	Variation
Group	54.90	52.11	5.3%
Aerospace	48.43	46.09	5.1%
Vehicle	0.86	1.08	(20.4%)
Simulation	5.61	4.94	13.6%
International	14.89	16.58	(10.2%)
France	40.01	35.53	12.6%

1.2. Consolidated results

<i>(in € million)</i>	H1 2014	H1 2013	Variation
EBITDA ¹	5.19	5.30	(2.1%)
as % of turnover	9.5%	10.2%	
Operating result	1.98	2.72	(27.2%)
Net result	1.66	1.22	36.1%
including group share	1.78	1.51	

1.3. Financial structure

<i>(in € million)</i>	H1 2014	H1 2013	2013
Equity capital	32.64	26.58	32.49
Gearing ²	(10%)	(16%)	(29%)
WCR	13.90	9.52	9.23

¹ Operating result - Other operating income and expenses + amortisation expenses and operating provisions

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

SOGECCLAIR recorded organic growth of 5.3 % for the first half, driven by its specialist position and the dynamism of France, despite a 15% fall back in Germany.

EBITDA (9.5 % of turnover) is stable at €5.2 million, thanks to the firmness of the purchases consumed, despite an increase in the personnel expenses under the full effect of the recruitments made in 2013 and the unforeseeable interruption of a significant contract essentially affecting Germany.

The Operating Result fell by €0.74 million owing to the €3 million increase in the personnel expenses and to the increase in R&D amortization expenses and provisions of €0.64 million (thermoplastic doors, etc.). As for the Net Result, it stands at €1.66 million, up by €0.44 million.

The financial structure is sound with cash totalling nearly €16.3 million and consolidated equity capital amounting to €32.6 million.

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: 88.2 % of group activity at €48.43 million,

The first half was marked by:

- growth in the aeronautical activity, despite the €2 million impact of the interruption of the above-mentioned contract, for which adaptation measures were taken during the summer,
- significant successes in the space sector in Q2, the full effect of which will be felt in H2,
- broadening of the offering to the modification of aircraft thanks to the DOA (Design Organisation Approval) label),
- continued investments to support our customers and win market share.

Vehicle Division: 1.6 % of group activity at €0.86 million,

The first half was marked by:

- significant bounce back in the activity (+13.6%),
- marked positive effect on margins,
- winning of a record contract with RATP and of a new contract in the USA, along with strong activity in Asia,

Simulation Division: 10.2 % of group activity at €5.61 million,

The first half was marked by:

- resumed growth in Q2, with costs under control, thus supporting profitability,
- continuation of the contract for the Italian army after several announced delays,
- numerous expressions of interest in the Robbox drone at the Eurosatory Exhibition.

4. Description of the main risks

The risks linked to SOGECLAIR's activity are detailed in the 2013 reference document, available on SOGECLAIR's website (www.sogclair.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.

SOGECCLAIR 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 SOGECCLAIR 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

SOGECCLAIR anticipates pursued growth given its specialist strategy, customer recognition of its technical know-how, the ramp-up in its offerings and the winning of new contracts, particularly in Asia and America.

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

1. Consolidated accounts

1. CONSOLIDATED FINANCIAL SITUATION

ASSETS (in €k)	NOTES	H1 2014	H1 2013	2013
Goodwill	1.2.1 & 4.1	3,913	3,908	3,913
Intangible assets	4.1	8,813	7,656	8,540
Property, plant and equipment	4.2	4,194	4,592	4,394
Investments in associates	4.3	919	866	905
Non-current assets		17,839	17,021	17,752
Inventories	4.4	2,697	1,568	1,902
Trade and other receivables	4.5	47,571	43,467	42,609
Available-for-sale financial assets		7,874	6,002	8,093
Current tax asset	4.6	3,944	2,659	2,656
Cash and cash equivalents	4.7	16,355	12,491	22,482
Current assets		78,441	66,187	77,742
TOTAL ASSETS		96,280	83,209	95,495

LIABILITIES (in €k)	NOTES	H1 2014	H1 2013	2013
Capital	4.8	2,900	2,900	2,900
Share premium account		2,630	2,630	2,630
Own shares	4.8	-699	-721	-713
Reserves and accrued profits		25,603	20,721	25,118
Equity capital, group share		30,433	25,530	29,935
Minority interest	4.9	2,203	1,051	2,552
Equity capital, consolidated group		32,636	26,581	32,488
Long-term provisions	4.10	2,144	2,528	2,072
Long-term qualified pre-payments	4.11	3,480	3,294	3,525
Borrowings	4.11	7,734	3,622	8,201
Other long-term liabilities		72		14
Non-current liabilities		13,430	9,444	13,812
Short-term qualified pre-payments	4.11	521	823	525
Payables and other financial liabilities	4.11	3,148	3,644	3,279
Short-term borrowings	4.11	2,085	997	1,716
Short-term provisions	4.12			42
Trade and other payables		13,927	15,358	14,547
Tax and social liabilities		21,225	20,539	21,981
Deferred tax liabilities	4.13	218	201	263
Other liabilities		9,091	5,621	6,843
Current liabilities		50,214	47,183	49,195
TOTAL LIABILITIES		96,280	83,209	95,495

2. CONSOLIDATED INCOME STATEMENT

INCOME STATEMENT (in €k)	NOTES	H1 2014	H1 2013	2013
Sales	4.14	54,897	52,118	104,746
Other income from the activity	4.15	3,626	3,199	8,775
Cost of goods sold		-18,477	-18,417	-35,495
Personnel charges		-34,231	-31,053	-63,697
Taxes and duties		-519	-470	-973
Amortisation and provisions		-3,216	-2,575	-3,771
Other charges		-106	-81	-286
Current operating income		1,973	2,721	9,301
Income from sale of consolidated holdings	4.16			37
Other operating income and charges	4.17	2	-4	-191
Operating profit		1,975	2,717	9,146
Income from cash flow and cash flow equivalents		181	40	204
Gross finance costs		-183	-142	-356
Net finance costs	4.18	-2	-102	-152
Other financial income and charges	4.19	-12	-21	87
Income before taxes		1,961	2,594	9,082
Income tax expense	4.20	-300	-1,371	-3,000
Net profit		1,662	1,224	6,082
Group share		1,778	1,513	6,050
Minority interest		-116	-289	32
(in Euros)		H1 2014	H1 2013	2013
Profit per share ⁽¹⁾		.61	.52	2.09
Diluted profit per share ⁽¹⁾		.61	.52	2.09

(1) Results calculated on the basis of the number of shares on 30 June 2014, post division by 4 of the nominal share value.

NET INCOME STATEMENT AND GAINS AND LOSSES ENTERED DIRECTLY AS EQUITY CAPITAL (in €k)	H1 2014	H1 2013	2013
Net profit	1,662	1,224	6,082
<u>Elements that will subsequently be reclassified as net result:</u>			
Conversion rate adjustment	24	-41	-24
Re-statement of hedging derivative instruments		37	17
Re-statement of financial assets available for sale			
Share of gains and losses entered directly as equity capital of equity method affiliates			
Related taxes			
<u>Elements that will not subsequently be reclassified as net result:</u>			
Re-statement of fixed assets			
Actuarial gains and losses on defined benefit schemes	21		-259
Share of gains and losses entered directly as equity capital of equity method affiliates			
Related taxes	-7		89
Total gains and losses entered directly as equity capital	38	-4	-176
Parent company owners' share	1,815	1,510	5,882
Non-controlling interests	-115	-289	24

3. CASHFLOW

3.1. CONSOLIDATED CASHFLOW STATEMENT

CONSOLIDATED CASHFLOW STATEMENT (in €k)	H1 2014	H1 2013	2013
Net result of integrated companies (including minority interests)	1,662	1,224	6,082
+/- Net amortisation and provisions (excluding those relative to current assets)	1,641	1,310	2,421
-/+ Unrealised gains and losses linked to fair value variations	18	23	46
-/+ Transfer capital gains and losses	-5	-4	-61
Cashflow after net finance costs and tax	3,315	2,553	8,488
+ Net finance costs	74	41	183
+/- Tax charge (including deferred taxes)	300	1,371	3,000
Cashflow before net finance costs and tax (A)	3,688	3,965	11,671
- Taxes paid (B)	-235	546	-3,884
+/- Variation in WCR linked to the activity (including debt linked to staff benefits) (C)	-6,356	2,295	4,886
= NET CASHFLOW GENERATED BY THE ACTIVITY (D) = (A + B + C)	-2,903	6,806	12,672
- Cash outflows linked to the acquisition of tangible and intangible assets	-1,038	-1,285	-2,503
+ Cash inflows linked to the sale of tangible and intangible assets	83	106	24
- Cash outflows linked to the acquisition of financial assets (non-consolidated securities)			-9
+/- Impact of changes of scope			68
+/- Variation in loans and advances granted	-2	-17	-81
= NET CASHFLOW LINKED TO INVESTMENT OPERATIONS (E)	-956	-1,196	-2,501
+ Sums received from shareholders at time of capital increases			
- paid by minority shareholders of consolidated companies	10		
-/+ Buy-back and resale of own shares	76	574	615
- Dividends paid out during the financial year			
- Dividends paid to parent company shareholders	-1,371	-1,089	-1,089
- Dividends paid to minority shareholders of consolidated companies	-243	-186	-186
+ Receipts linked to new borrowings	301	848	6,616
- Reimbursement of borrowings (including leasing contracts)	-1,375	-1,384	-2,398
- Net financing interest paid (including leasing contracts)	-43	-14	-100
= NET CASHFLOW LINKED TO FINANCING OPERATIONS (F)	-2,646	-1,252	3,459
+/- Impact of changes in currency change rates (G)	8	-12	-12
= NET VARIATION OF CASHFLOW(D + E + F + G)	-6,497	4,346	13,618

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)	22,482	-6,136			8		16,355
Debit balances and bank loans and overdrafts	(b)	1,716	369					2,085
Net cashflow	(c) = (a) - (b)	20,767	-6,505			8		14,270
Gross financial debt	(d)	15,530	-677		30			14,883
Net financial debt	(d) - ©	-5,237	5,828		30	-8		612

The debt ratios are given in chapter 3 of the 2013 reference document. The financing sources for investments are detailed in chapters 8 and 10 of the 2013 reference document. During the half-year SOGECLAIR has had to refinance the commercial and tax debts of a subsidiary for a balance of €602 k on 30 June 2014.

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 2014, amounting to €4.65 million, not posted in the cashflow.

4. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(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)
Equity capital, year-end N (31 December 2012)	2,900	2,630	-858	20,002	19	24,691	1,528	26,219
Operations on capital							1,157	1,157
Share-based payments								
Operations on own shares			146	308		454		454
Dividends				-1,089		-1,089	-186	-1,275
Result for the period				6,050		6,050	32	6,082
Gains and losses entered directly as equity capital					-168	-168	-8	-176
Net gains and losses entered directly as equity capital				6,050	-168	5,882	24	5,906
Variation of scope				4		4	29	34
Other movements					-7	-7		-8
Equity capital, year-end N (31 December 2013)	2,900	2,630	-713	25,275	-156	29,935	2,552	32,487
Operations on capital							10	10
Share-based payments								
Operations on own shares			13	41		54		54
Dividends				-1,371		-1,371	-243	-1,615
Result for the period				1,778		1,778	-116	1,662
Gains and losses entered directly as equity capital					37	37	1	38
Net gains and losses entered directly as equity capital				1,778	37	1,815	-115	1,699
Variation of scope								
Other movements								
Equity capital, half-year N (30 June 2014)	2,900	2,630	-699	25,723	-119	30,433	2,203	32,636

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 2013 instead of 30 June 2013. 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 1st January 2014

Standards and amendments applied by the SOGECLAIR Group on 1st January 2014 :

Application of the IFRS 10 standards (consolidated financial statements), IFRS 11 (partnerships), IFRS 12 (disclosure of interests in other entities), IAS 28 revised regarding the "consolidation pack" as well as the amended IAS 36 standard (information on the recoverable value of non-financial assets), in particular have not had any significant impact on the SOGECLAIR group to 30 June 2014.

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 1st January 2014 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 2014.

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

On 30 June 2014, SOGECLAIR had an equity method affiliate excluded from the scope of consolidation, given its non-representative weight.

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, Inc in Canada, 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 European aeronautical industry.

The Oktal SA and Oktal Synthetique 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 6.27% at the end of 2013, on the basis of:
 - of the 10-year risk-free rate of 2.24%,
 - 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, Infiniti), of 0.62.

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 2013, 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 2014 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 four main programmes leading to development expenses and the related financial expenses being posted as assets:

:

(in €k)	Assetisation period	Amortisation period	Gross amount	Amount still to be amortised
Aerospace Division				
Thermo-compression aeronautical subassemblies	2009-2014	10 years starting from series deliveries	7,003	6,375
Vehicle Division				
Multi-mission terrestrial drone	Since 2013	5 years as from assetisation	172	159
Simulation Division				
Terrain modellers (Agetim, Ray and Fast products) for simulators	Since 2003	3 years as from assetisation	1,637	181
Simulation engines for the following sectors: - automobile (ScanNer product), - rail (OkSimRail product) -air traffic (ScanAds product)	Since 2005	3 years as from assetisation	1,986	256

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 2014 the coverage taken out by SOGECLAIR amount to USD 2.8 million maturing in June 2015.

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 2014, in respect of the year ending 31 December 2013, is as follows:

- | | |
|-----------------------|--------|
| • single voting right | €400 k |
| • double voting right | €971 k |

1.2.8.Events after the balance sheet date

None.

1.2.9.Other information

SOGELAIR 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, SOGELAIR has posted accrued income, deducted from the personnel expenses, in respect of the CICE (Enterprise Competitiveness Tax Credit) for an overall amount of €586 k.

2 - SCOPE

1. List of consolidated companies

NAME	COUNTRY	ACTIVITY	% OF CONTROL IN 2014	% OF CONTROL IN 2013
Companies consolidated by full consolidation				
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%	
Oktal SAS	France	Simulators	97.98%	97.98%
Oktal Synthetic Environment SAS	France	Virtual environments	54.94%	54.94%
Rain Luxembourg SA	Luxembourg	Holding	100.00%	100.00%
Séra Ingénierie SAS	France	Vehicles	80.00%	80.00%
Sogclair SA	France	Holding at head of the group	Parent	Parent
Sogclair Aerospace GmbH	Germany		100.00%	100.00%
Sogclair Aerospace Inc	Canada		100.00%	100.00%
Sogclair Aerospace Ltd	United Kingdom	Aerostructure, Installation of systems, Configuration Management, Manufacturing Engineering, Equipment	100.00%	100.00%
Sogclair Aerospace SA	Spain		86.34%	86.34%
Sogclair Aerospace Sarl	Tunisia		100.00%	100.00%
Sogclair Aerospace SAS	France		100.00%	100.00%

Companies under joint control consolidated by proportional consolidation

S2E Consulting SAS	France	Systems engineering and electricity	46.98%	46.98%
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Equity method affiliates

None

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.

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	4,952						4,952
Research expenses	22,363		522				22,886
Software and brands	5,619	434			-2		6,051
Current assets	13	150					162
Total	32,946	584	522		-2		34,050

AMORTISATION & PROVISIONS (in thousands of Euros)	AT BEGINNING OF YEAR	AMORTISATION AND LOSSES OF VALUE	SALES AND DISPOSALS	EXCHANGE RATE DIFFERENCES	REASSIGNMENT	AT YEAR- END
Goodwill	-1,039					-1,039
Research expenses	-15,413	-502				-15,915
Software and brands	-4,042	-329		-1		-4,371
Total	-20,493	-831		-1		-21,324
Net value	12,453					12,726

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

4.2. Tangible assets

GROSS VALUES (in thousands of Euros)	AT BEGINNING OF YEAR	INCREASES	SALES AND DISPOSALS	EXCHANGE RATE DIFFERENCES	REASSIGNMENT	AT YEAR- END
Technical installations, plant & equipment	1,892	39			4	1,935
Installations & fittings	1,623	45			22	1,690
IT & office hardware	6,476	310	-15	3	5	6,777
Current assets	143	165			-30	278
Other	1,120	118	-137			1,100
Total	11,253	677	-153	3		11,780

AMORTISATION & PROVISIONS (in thousands of Euros)	AT BEGINNING OF YEAR	AMORTISATION AND LOSSES OF VALUE	SALES AND DISPOSALS	EXCHANGE RATE DIFFERENCES	REASSIGNMENT	AT YEAR- END
Technical installations, plant & equipment	-574	-111				-685
Installations & fittings	-977	-69				-1,046
IT & office hardware	-4,720	-506	15	-2		-5,213
Other	-588	-114	59			-643
Total	-6,859	-799	75	-2		-7,586
Net value	4,394					4,194

The exchange rate differences concern the British, Canadian and Tunisian subsidiaries: 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:

(in thousands of Euros)	GROSS AMOUNT	AMORTISATION	NET BOOK VALUE
Intangible assets	1,700	-477	1,223
Tangible assets	4,939	-2,784	2,154
Total	6,638	-3,261	3,377

Term for outstanding leasing contracts:

in thousands of Euros	< 1 YEAR	1 TO 2 YEARS	3 TO 5 YEARS
Total	1,307	951	1,119

4.3. Investments in associates

GROSS VALUES (in thousands of Euros)	AT BEGINNING OF YEAR	INCREASES	SALES AND DISPOSALS	VARIATION IN FAIR VALUE	EXCHANGE RATE DIFFERENCES	REASSIGNMENT
Shareholdings	53					53
Fixed investments						
Other investments	883	3	-1	12		896
Total	936	3	-1	12		949

AMORTISATION & PROVISIONS (in thousands of Euros)	AT BEGINNING OF YEAR	AMORTISATION	SALES AND DISPOSALS	VARIATION IN FAIR VALUE	EXCHANGE RATE DIFFERENCES	REASSIGNMENT
Shareholdings	-30					-30
Total	-30					-30
Net value	905					919

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.

4.6. Deferred tax asset

DEFERRED TAX ASSET (in thousands of Euros)	H1 2014	H1 2013	2013
Temporary differences	1,392	1,036	1,066
Tax deficits	2,351	1,472	1,393
Restatements	202	152	197
Total	3,944	2,659	2,656

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.

SOGECCLAIR 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.

The amount of the accumulated non-assetised deficits on 30 June 2014 totalled €645 k, representing a non-posted deferred tax of €222 k.

4.7. Cash and cash equivalents

(in thousands of Euros)	H1 2014	H1 2013	2013
Cash	2,561	2,955	4,186
Cash equivalents	13,794	9,536	18,297
Total	16,355	12,491	22,482

On 30 June 2014, 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 1st 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.

During the half-year, the company sold 2,500 self-owned shares (0.08% of the capital) off-market.

On 30 June 2014, the balance of these shares on the company's books amounted to 150,936 shares (5.2% of the capital) compared with 153,436 shares (5.29% of the capital) six months earlier. This restatement led to an accumulated reduction in the consolidated shareholders' equity of €699 k compared with €713 k on 30 June 2014.

4.9. Minority interests

(in thousands of Euros)	H1 2014	H1 2013	2013
At beginning of year	2,552	1,527	1,527
Variation of reserves	-233	-186	993
Total income and expenditure entered during the period	-116	-289	32
At end of period	2,203	1,051	2,552

4.10. Long-term provisions

LONG-TERM PROVISIONS (in thousands of Euros)	AT BEGINNING OF YEAR	CONTRIBUTIONS	WRITE- BACKS	EXCHANGE RATE DIFFERENCES	AT END OF PERIOD
Provisions for retirement benefit obligations	1,208	46	-5		1,248
Provisions for losses on contracts	357	412	-357		412
Other provisions for risks	507		-24		483
Total	2,072	458	-386		2,144

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

There is no event later than 30 June 2014 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 €21 k out of the €46 k posted in the table above.

The discount rate used corresponds to TEC 10 which stood at 1.63% on 30 June 2014.

4.11. Current and non-current financial debts

NON-CURRENT FINANCIAL DEBTS (in thousands of Euros)	AT BEGINNING OF YEAR	INCREASE	REDUCTION	VARIATION IN FAIR VALUE	REASSIGNMENT	AT YEAR- END
Qualified prepayments (+ 1 year)	3,525			26	-71	3,480
Borrowings and debts with credit institutions (+ 1 year)	7,343	660		4	-1,464	6,543
Sundry non-current loans and financial liabilities	765	333			94	1,191
Total	11,632	994		30	-1,442	11,214

CURRENT FINANCIAL DEBTS (in thousands of Euros)	AT BEGINNING OF YEAR	INCREASE	REDUCTION	VARIATION IN FAIR VALUE	REASSIGNMENT	AT YEAR- END
Current qualified prepayments (-1 year)	525		-75		71	521
Current borrowings and debts with credit institutions (-1 year)	2,449		-1,300		1,464	2,613
Bank loans and overdrafts	1,716	369				2,085
Sundry current loans and financial liabilities	924	-293	-2		-94	535
Total	5,613	76	-1,377		1,442	5,754

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	300
Reimbursed during the half-year	649

The gross financial debts schedule is given below:

Characteristics of the loans taken out	Fixed-date financial debts ⁽¹⁾	Terms	Due dates	Coverage	Financial covenants
Fixed-rate amortisable	5,388	1.7 to 2.1%	2012-2020	N/A	None

(1) total amount to be reimbursed on 30 June 2014

In order to fund its development SOGECLAIR took out several fixed-rate amortisable loans in the second half 2013 totalling €5 million.

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. Short-term provisions

SHORT-TERM PROVISIONS (in thousands of Euros)	AT BEGINNING OF YEAR	CONTRIBUTIONS	VARIATIONS OF SCOPE	WRITE-BACKS	EXCHANGE RATE DIFFERENCES	REASSIGNMENT	AT YEAR-END
Other provisions for risks		42		-42			
Total		42		-42			0

4.13. Deferred tax liabilities

DEFERRED TAX LIABILITIES (in thousands of Euros)	H1 2014	H1 2013	2013
Temporary differences	1	1	8
Restatement	216	201	255
Total	218	201	263

4.14. Income

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

4.15. Other operating income

OTHER OPERATING INCOME (in thousands of Euros)	H1 2014	H1 2013	2013
Production in stock	1,133	481	1,001
Production immobilised	653	185	1,301
Operating and investment subsidies	632	803	1,689
Write-back of provisions, amortisations	861	1,377	1,577
Other income	347	354	3,207
Total	3,626	3,199	8,775

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.

4.16. Income from disposal of consolidated holdings

INCOME FROM DISPOSAL OF CONSOLIDATED HOLDINGS (in thousands of Euros)	H1 2014	H1 2013	2013
Disposal of 8.49% of the shares held in Oktal Synthetic Environment SAS			37
Total			37

4.17. Other operating income and charges

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

OTHER OPERATING INCOME AND CHARGES (in thousands of Euros)	H1 2014	H1 2013	2013
Social risks (provisions, write-backs, charges and income for the period)			-198
Gains or losses on sale of property, plant and equipment	5	4	24
Other income and charges	-3	-8	-17
Total	2	-4	-191

4.18. 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 gains amounted to €48 k for the period, after a fair-value restatement of the assets concerned (trade accounts receivable and currency in the bank) for -€78 k in respect of the current coverage income at the end of the period.

4.19. Other financial charges and income

The other financial income and charges amount to -€12k 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.

4.20. Income tax

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

TAX CHARGE (in thousands of Euros)	H1 2014	H1 2013	2013
Deferred tax	1,361	464	324
Tax payable (1)	-1,660	-1,867	-3,418
Income or charge linked to tax integration	80	32	76
Carry-back			105
Contributions on dividend distributions	-113		-129
Sponsorship tax credit	32		42
Total	-300	-1,371	-3,000

(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:

TAX PROOF (in thousands of Euros)	H1 2014	H1 2013	2013
Pre-tax profit (loss)	1,961	2,594	9,082
Parent company's tax rate	34.43%	34.43%	34.43%
Theoretical income (charge) tax on profits	-675	-893	-3,127
Permanent differences and others	-63	-54	-89
Tax-exempted revenue and non-fiscally deductible charges	77	-8	61
Impact of foreign tax rate differences and variations	11	144	106
Income taxed at reduced rates (1)	-374	-284	-610
Impact of deferred tax deficits and amortisations	491	-386	-617
Tax credits	234	112	1,276
Income tax benefit (charge) posted	-300	-1,370	-3,000

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

4.21. Average workforce

WORKFORCE full-time equivalence	H1 2014	H1 2013	2013
Engineers, managers and senior technicians	1,086	960	993
Technicians and other non-managerial	92	112	110
Total	1,178	1,072	1,103

4.22. Financial commitments

OFF-BALANCE SHEET COMMITMENTS (in thousands of Euros)	H1 2014	H1 2013	2013
Commitments made:			
Relative to financing the company			
Pledged shareholdings			
Securitised receivables			
Counter-guarantee on overdraft		55	55
Relative to the issuer's operating activities			
Acquisition of tangible assets			
Counter-guarantee on securities	13	13	13
Counter-guarantee securities on markets	1,506	1,801	1,714
Counter-guarantee securities on calls for tender			98
Sub-total	1,520	1,870	1,880
Commitments received:			
Relative to the issuer's operating activities			
Acquisition of tangible assets			
Counter-guarantee securities on markets			
From customers on long-term programmes ⁽¹⁾	114,753	91,787	118,584
Relative to financing the company			
Payment guarantees received from customers	578		916
Sub-total	115,331	91,787	119,499

⁽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 2.41% on 30 June 2014, is €100,519 k.

Additional information on the programmes subject to risk-sharing is provided in paragraph 1.6 of chapter 26 of the 2013 reference document.

4.23. 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 2013, this entitlement stood at 52,269 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.

NAME	COUNTRY	ACTIVITY
Aerospace Division		
Aviacomp 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
Sogclair Aerospace GmbH	Germany	Aerostructure, Installation of systems, Configuration Management, Manufacturing Engineering, Equipment
Sogclair Aerospace Inc	Canada	
Sogclair Aerospace Ltd	United Kingdom	
Sogclair Aerospace SA	Spain	
Sogclair Aerospace Sarl	Tunisia	
Sogclair Aerospace SAS	France	
S2E Consulting SAS	France	Systems engineering and electricity
Simulation Division		
Oktal SAS	France	Simulators
Oktal Synthetic Environment SAS	France	Virtual environments
Vehicle Division		
Séra Ingénierie SAS	France	Vehicles
Holding		
Sogclair SA	France	Group Top Holding
Rain Luxembourg SA	Luxembourg	Holding

SOGCLAIR's main customers are listed in the reference document available on the company's website (www.sogclair.com).

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

Besides the countries where it has facilities, the countries addressed by SOGCLAIR in 2014 are: Australia, Austria, Belgium, Brazil, China, Colombia, South Korea, Denmark, Finland, Ireland, Italy, Japan, Malaysia, Norway, Poland, Portugal, Singapore, Sweden, Turkey and the USA.

5.1 Consolidated financial situation per division

ASSETS (in thousands of Euros)	AEROSPACE		VEHICLE		SIMULATION		HOLDING	
	H1 2014	2013	H1 2014	2013	H1 2014	2013	H1 2014	2013
Goodwill	2,215	2,215			1,694	1,694	3	3
Intangible assets	8,136	7,727	163	148	474	619	40	46
Property, plant and equipment	3,246	3,543	302	186	263	270	382	394
Other long-term assets	555	543	6	6	181	180	176	177
Share eliminations	-9,985	-9,955	-200	-200	-2,823	-2,823	13,008	12,978
Non-current assets	4,168	4,073	271	140	-210	-60	13,609	13,599
Inventory and work in-process	2,653	1,861			44	41		
Trade and other receivables	36,692	30,473	5,682	7,631	5,191	4,503	5	2
Other circulating assets	3,551	2,987	162	262	3,261	3,271	899	1,573
Deferred income tax	2,678	1,570	23	23	1,012	842	232	221
Cash and cash equivalents	2,807	3,926	7	407	1,505	1,766	12,035	16,383
Current assets	48,383	40,817	5,874	8,323	11,013	10,423	13,171	18,179
TOTAL ASSETS	52,550	44,890	6,146	8,463	10,804	10,363	26,780	31,779

LIABILITIES (in thousands of Euros)	AEROSPACE		VEHICULIER		SIMULATION		HOLDING	
	H1 2014	2013	H1 2014	2013	H1 2014	2013	H1 2014	2013
Capital							2,900	2,900
Capital contribution							2,630	2,630
Own shares							-699	-713
Reserves and accumulated results	10,751	12,186	1,138	1,013	3,742	3,269	9,971	8,649
Equity capital, group share	10,751	12,186	1,138	1,013	3,742	3,269	14,801	13,467
Minority interests	977	1,240	335	303	891	1,009		
Consolidated equity capital	11,729	13,426	1,473	1,317	4,633	4,278	14,801	13,467
Long-term provisions	1,071	985	64	63	788	809	222	216
Long-term qualified pre-payments	2,950	2,916			530	609		
Long-term borrowings and financial debts	3,940	3,982	2	4	33	52	3,759	4,163
Other long-term liabilities	70	4	2	2		8		
Non current liabilities	8,031	7,887	68	69	1,350	1,478	3,981	4,379
Short-term qualified pre-payments	371	390			150	135		
Current part of provisions for other liabilities and charges	2,240	2,326	6	12	47	54	855	887
Short-term borrowings and financial debts	2,083	1,707			2	6		2
Short-term provisions		42						
Trade and other payables	8,795	7,366	3,541	5,845	974	849	618	487
Tax and social liabilities	16,775	16,740	1,114	1,423	2,458	2,499	878	1,319
Deferred tax liabilities	216	256	1	1	1	6		
Other liabilities	7,228	4,920	15	2	1,848	1,920		
Intra-group eliminations	-4,916	-10,170	-71	-205	-659	-863	5,646	11,238
Current liabilities	32,790	23,577	4,605	7,078	4,820	4,607	7,999	13,933
TOTAL LIABILITIES	52,550	44,890	6,146	8,463	10,804	10,363	26,780	31,779

5.2 Consolidated income statement per division

INCOME STATEMENT (in thousands of Euros)	AEROSPACE		VEHICLE		SIMULATION		HOLDING	
	H1 2014	H1 2013	H1 2014	H1 2013	H1 2014	H1 2013	H1 2014	H1 2013
Sales	48,423	46,088	862	1,082	5,609	4,944	3	3
Other income from the activity	2,620	1,989	293	116	615	1,073	97	21
Cost of goods sold	-15,460	-15,181	-295	-364	-1,868	-1,967	-854	-905
Personnel charges	-29,673	-26,275	-438	-494	-3,293	-3,198	-827	-1,086
Taxes and duties	-337	-286	-22	-22	-73	-78	-86	-83
Amortisation and provisions	-2,798	-1,748	-40	-35	-310	-691	-68	-101
Other charges	-65	-48			-1		-40	-33
Intra-Group operations	-2,117	-2,131	-127	-146	-249	-283	2,492	2,561
Current operating income	593	2,409	232	136	431	-201	717	377
Other operating income and charges	-4	-4			-1		7	
Operating income	589	2 405	232	136	430	-201	724	377

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 2013 reference document).

The amount of the rentals relative to the premises rented from SCI SOLAIR is lower than or equal to the market rate. The contractual terms and conditions were drawn up according to market rules.

To 30 June 2014, 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 2014.

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 Middledenext 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 2013 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 2013 reference document).

6.3 Directors

A change has been made during the half-year regarding the short-term benefits of one of the main directors. In this respect it is stated that at its session held on 17 March 2014, the SOGECLAIR Board decided upon new terms for Mr Philippe ROBARDEY's variable remuneration, according to quality- and quantity-related targets. Given its strategic nature, SOGECLAIR has decided not to make known the quality-related targets. The quantitative targets have been defined according to the following three criteria: operating cashflow, operating profit and the winning of orders.

No other changes have been made regarding the main directors' short- and long-term benefits.

7 – AUDITORS FEES

(Refer to chapter 27.3 of the 2013 reference document).

IV. Auditors' Report on the half yearly financial information
Period from 1st January 2014 to 30 June 2014



EXCO FIDUCIAIRE DU SUD-OUEST

2, RUE DES FEUILLANTS
31076 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 2014, 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 8 September 2014

The Auditors,

MOREREAU AUDIT SAS

EXCO FIDUCIAIRE DU SUD-OUEST

Robert MOREREAU

Jean-Marie FERRANDO