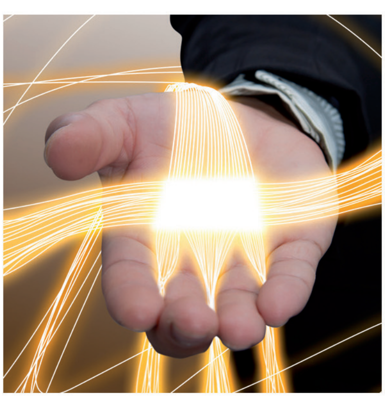
AKKA TECHNOLOGIES



HALF-YEAR REPORT 2014

Limited liability company
with a share capital of 25,635,898.17 euros

Registered Office: 9/11, rue Montalivet – 75008 PARIS
Trade and Companies Register PARIS B 422 950 865

GROUP PROFILE

EUROPEAN LEADER OF ENGINEERING AND TECHNOLOGY CONSULTING

A global offering supported by
seven business expertise:

- Systems Engineering,
- Mechanical Engineering,
- Process Engineering,
- Engineering Support,
- Embedded and Electronic Systems,
- Information Systems,
- Consulting.

Centres of excellence throughout Europe,
an internal research centre, **AKKA Research**

Strong shared values:
Respect, Courage and Ambition.

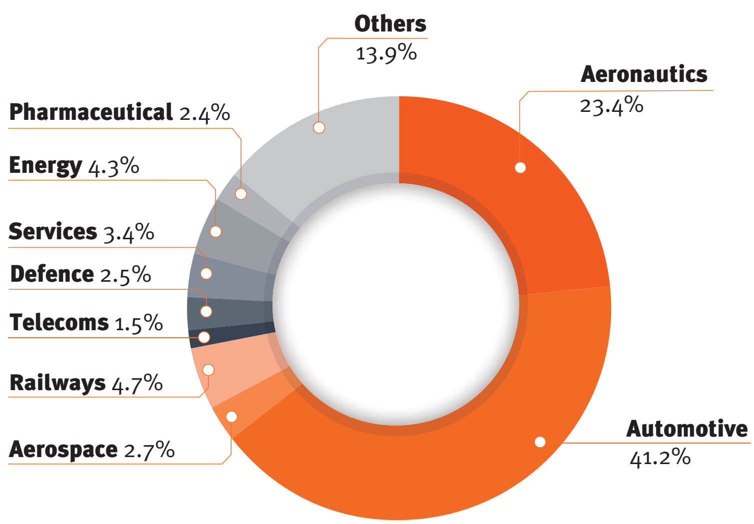
11,000
TALENTED INDIVIDUALS

€879M
2013 REVENUE

€438M
H1 2014 REVENUE

PRESENCE IN
EUROPE, ASIA and AMERICA

DISTRIBUTION OF TURNOVER IN S1 2014 BY BUSINESS ACTIVITY SECTOR:



81,7%
OF REVENUE FROM THE MOBILITY SECTOR

A - SUMMARISED CONSOLIDATED HALF-YEAR ACCOUNTS

CONSOLIDATED PROFIT AND LOSS

PROFIT AND LOSS in thousands of euros	Appendix note no.	30 June 2014	30 June 2013
Revenue	**3-1**	**438,399**	**435,656**
Stock of goods produced		(38)	(189)
External expenses	3-2	(112,082)	(114,914)
Taxes and duties		(4,444)	(4,676)
Staff expenses	3-3	(293,817)	(288,293)
Net depreciation and provisions	3-4	(7,230)	(5,262)
Other current expenses		(618)	(1,206)
Other current income		2,478	2,419
Earnings of companies consolidated by the equity method		113	133
OPERATING INCOME FROM ORDINARY ACTIVITIES		**22,762**	**23,667**
Free shares and stock options		(23)	(17)
CURRENT OPERATING INCOME		**22,739**	**23,650**
Other non-current income and expenses	3-5	(7,252)	(1,495)
OPERATING INCOME		**15,487**	**22,155**
Income from cash and cash equivalents	3-6	574	424
Costs of gross financial debt	3-6	(4,216)	(4,076)
COST OF NET FINANCIAL DEBT		**(3,642)**	**(3,652)**
Other income and financial expenses		(7)	(647)
INCOME BEFORE TAX		**11,838**	**17,857**
Tax expense	3-7	(351)	(3,607)
CONSOLIDATED NET INCOME		**11,487**	**14,250**
Non-controlling interests		16	423
GROUP NET INCOME		**11,502**	**14,673**
Income per share		€ 0.71	€ 0.88
Diluted income per share		€ 0.71	€ 0.88
Weighted average number of ordinary shares outstanding		16,255,308	16,635,790
Weighted average number of potentially dilutive ordinary shares		16,258,236	16,663,653

COMPREHENSIVE INCOME STATEMENT

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT in thousands of euros	30 June 2014	30 June 2013
CONSOLIDATED NET INCOME	**11,487**	**14,249**
Actuarial gains and losses on pension commitments	(958)	108
Effect of tax relating to non-recyclable items	319	(36)
Non-recyclable items on the profit and loss statement	**(639)**	**72**
Gains and losses on financial hedging instruments	427	(332)
Changes in unrealised exchange gains or losses	198	(666)
Effect of tax relating to recyclable items	(88)	29
Recyclable items on the profit and loss statement	**537**	**(969)**
CONSOLIDATED COMPREHENSIVE INCOME	**11,385**	**13,351**
Non-controlling interests	121	(771)
Group share	11,263	14,121

CONSOLIDATED BALANCE SHEET

ASSETS in thousands of euros	Appendix note no.	30 June 2014	31 December 2013
Goodwill	4-1	111,968	111,957
Intangible assets	4-2	10,716	10,601
Tangible assets	4-2	47,921	49,965
Investment properties		-	-
Non-current financial assets		17,892	17,914
Shares in affiliated companies and joint ventures		1,488	1,375
Other long-term net assets	4-3	16,900	23,515
Deferred tax - assets		18,131	18,131
Non-Current Assets		**225,017**	**233,457**
Stock and work in progress		3,299	2,850
Trade and related receivables	4-4	218,971	195,503
Other receivables	4-5	131,602	93,389
Cash and cash equivalents	4-6	100,375	113,403
Current Assets		**454,247**	**405,146**
Non-current assets and groups of assets intended for disposal		-	-
TOTAL ASSETS		**679,264**	**638,602**

LIABILITIES in thousands of euros	Appendix note no.	30 June 2014	31 December 2013
Capital	4-7	25,636	23,280
Additional paid-in capital	4-7	4,637	6,872
Consolidated reserves		135,533	113,648
Treasury shares		(8,745)	(100)
Income for the financial year		11,503	31,051
Group share of shareholders' equity		**168,564**	**174,752**
Non-controlling interests		15,746	15,624
Shareholders' equity		**184,309**	**190,376**
Non-current provisions	4-8	28,564	28,548
Non-current financial liabilities	4-9	105,745	107,393
Restructured debt >1 year	4-10	21,593	20,895
Deferred tax – liabilities		896	892
Non-current liabilities		**156,798**	**157,817**
Current provisions	4-8	9,720	8,456
Current financial liabilities	4-9	42,263	8,016
Restructured debt <1 year	4-10	6,894	6,894
Suppliers		67,026	58,846
Statement – corporation tax		240	492
Tax and social security debts except for corporation tax		160,241	166,590
Other debts	4-11	51,773	41,116
Current liabilities		**338,157**	**290,410**
Liabilities linked to a group of assets intended for disposal		-	-
TOTAL LIABILITIES		**679,264**	**638,602**

CONSOLIDATED CASHFLOW TABLE

CASHFLOW TABLE in thousands of euros	Section	30 June 2014	30 June 2013
Consolidated net income		11,487	14,249
Elimination of income from companies accounted for using the equity method		(113)	(133)
Reintegration of expenses (+) or elimination of revenue (-) connected to depreciation and losses in value (except WCR)		7,863	3,942
Dividends received from companies accounted for using the equity method		-	-
Reintegration of tax expense (+) or elimination of tax income (-)	3-7	351	3,607
Reintegration of calculated expense (+) or elimination of calculated income (-) associated with IFRS standards (1)		23	(1,612)
Reintegration of expense (+) or elimination of income (-) from net disposals		(4)	3
Reintegration of expense (+) or elimination of income (-) not having an impact on cash flow		-	-
Reintegration of expense (+) or elimination of income (-) associated with net financial debt	3-6	3,642	3,650
Cash generated from operations before cost of net financial debt and tax		**23,249**	**23,706**
Tax paid		(3,968)	(4,551)
Change in working capital requirement	5-1	(46,671)	(13,315)
Net cash flow associated with business operations		**(27,390)**	**5,840**
Acquisition of fixed assets	4-2	(6,549)	(9,301)
Disposals of fixed assets	4-2	49	168
Change in financial fixed assets		698	471
Impact of changes in consolidation scope	5-2	(1,045)	(6,280)
Net cash flow associated with investment transactions		**(6,847)**	**(14,942)**
Dividends paid to shareholders in the parent company	5-3	-	-
Capital increase through cash	4-7	121	-
Purchase of Treasury shares		(8,645)	-
Cash inflows associated with new loans	4-9	37,431	105,006
Repayment of loans	4-9	(7,406)	(73,507)
Net financial interest received		574	424
Net financial interest paid		(951)	(1,179)
Net cash flow associated with financing transactions		**21,124**	**30,743**
Impact of changes in foreign currency exchange rates		86	(198)
Impact of change in accounting method		-	-
CHANGE IN CASH FLOW		**(13,027)**	**21,443**
Cash, cash equivalents and bank overdrafts at the start of the year		113,403	70,931
Cash, cash equivalents and bank overdrafts at year-end	4-6	100,375	92,374
Impact of changes in foreign exchange rates		-	-
CHANGE IN CASH FLOW		**(13,028)**	**21,443**

(1) calculated expenses associated with IFRS standards comprise the valuation of stock options and free shares (IFRS 2) as well as the activation of loan issue expenses.

CHANGE IN CONSOLIDATED EQUITY

Amounts in thousands of euros	Number of shares			Capital	Premiums	Consolidated reserves	Profit for the year	Conversion adjustment	Group share of equity	Minority interests	Consoli-dated equity
	Making up the capital	Treasury shares	In circulation								
Equity as at 1 January 2013	**13,826,889**	**82,032**	**13,744,857**	**21,155**	**8,998**	**84,374**	**40,382**	**368**	**155,277**	**21,697**	**176,974**
Profit for the year	-	-	-	-	-	-	14,672	-	14,672	(423)	14,249
Other items of comprehensive income	-	-	-	-	-	(77)	-	(474)	(551)	(347)	(898)
Consolidated comprehensive income	**-**	**-**	**-**	**-**	**-**	**(77)**	**14,672**	**(474)**	**14,121**	**(771)**	**13,351**
Change in capital of the consolidating company	1,382,689	-	1,382,689	2,116	(2,116)	-	-	-	-	-	-
Change in consolidation scope	-	-	-	-	-	(89)	-	-	(89)	(4,841)	(4,930)
Dividends	-	-	-	-	-	30,707	(40,381)	-	(9,674)	-	(9,674)
Impact of free shares and stock options	-	-	-	-	-	17	-	-	17	-	17
Other changes	-	14,981	(14,981)	-	-	-	-	-	-	-	-
Equity as at 30 June 2013	**15,209,578**	**97,013**	**15,112,565**	**23,271**	**6,882**	**114,932**	**14,672**	**(105)**	**159,652**	**16,086**	**175,738**
Equity as at 1 January 2014	**15,215,931**	**98,213**	**15,117,719**	**23,280**	**6,873**	**114,418**	**31,051**	**(871)**	**174,752**	**15,623**	**190,375**
Profit for the year	-	-	-	-	-	-	11,502	-	11,502	(16)	11,487
Other items of comprehensive income	-	-	-	-	-	(409)	-	170	(239)	137	(102)
Consolidated comprehensive income	**-**	**-**	**-**	**-**	**-**	**(409)**	**11,502**	**170**	**11,263**	**121**	**11,385**
Change in capital of the consolidating company	1,539,558	-	1,539,558	2 356	(2,235)	-	-	-	121	-	121
Purchase of Treasury shares	-	-	-	-	-	(8,645)	-	-	(8,645)	-	(8,645)
Change in consolidation scope	-	-	-	-	-	-	-	-	-	(0)	(0)
Dividends (1)	-	-	-	-	-	22,102	(31,051)	-	(8,949)	-	(8,949)
Impact of free shares and stock options	-	-	-	-	-	23	-	-	23	-	23
Other changes	-	395,435	(395,435)	-	-	-	-	-	-	-	-
Equity as at 30 June 2014	**16,755,489**	**493,648**	**16,261,842**	**25,636**	**4,638**	**127,489**	**11,502**	**(701)**	**168,565**	**15,744**	**184,310**

(1) The amount of the dividends for the financial year 2013 to be paid in 2014 is shown in note 5.3

A

CONTENTS - APPENDIX

APPENDIX TO THE CONSOLIDATED ACCOUNTS
HALF-YEAR SUMMARIES

This appendix provides supplementary information on the consolidated balance sheet amounting to a total of €679,264 thousand and the consolidated profit and loss statement which shows a Group share of comprehensive income of €11,263 thousand.

These items of information are only presented where they are of significance.

Unless otherwise indicated, all figures are in thousands of euros.

The financial statements were approved by the meeting of the Board of Directors of the AKKA TECHNOLOGIES Group held on 10 September 2014.

The company's business operations:

AKKA Technologies, a European Engineering and Technology Consultancy Group, supports major industrial and service sector accounts throughout the various phases of their projects, from R&D and design studies to industrialisation.
Through its expertise in additional sectors, AKKA Technologies brings real added value to manufacturers in all sectors: aeronautics, automotive, space/defence, consumer electronics, telecommunications, chemicals, pharmaceuticals, the iron and steel industry, energy, rail, marine, service sector etc.

Its leadership in the Automotive and Aeronautic sectors in Germany and France, the mobility of its teams and its international positioning enable AKKA Technologies to work at a global level on projects at the cutting edge of technology.

The AKKA Technologies Group has almost 11,000 employees and has a presence in 20 countries: Germany, Belgium, Canada, U.A.E., Spain, France, Hungary, Italy, India, Morocco, Netherlands, Czech Republic, Romania, United Kingdom, Russia, Switzerland, Tunisia, Turkey and USA.

The company's registered office is at 9-11 rue Montalivet, 75008 Paris.

AKKA Technologies is listed on EuronextTM Paris – Section B –ISIN Code: FR0004180537. CAC® Small, CAC® Mid & Small, CAC® All-Tradable, and CAC® All-Share indices.

Key events and transactions that have occurred during the last half-year:

⇨ ***The purchase of a block of Treasury shares:*** on 15 January 2014, the company AKKA Technologies purchased a block of 354,312 shares at €24.40 under the share purchase programme. The shares purchased may be used:
- As payment or in exchange when carrying out any external growth operations,
- To grant share purchase options to the Company's employees and officers, proposing to them that they purchase purchase shares, or allocating free shares to them,
- To allocate shares in connection with employee profit-sharing,
- To allocate shares when exercising rights attached to securities giving rights through reimbursement, conversion, exchange, presentation of a bond or by any other manner, to the existing shares of the Company.

⇨ ***Plan to convert into a European Company:*** on 5 May 2014, the Board of Directors of AKKA Technologies in made a decision to propose to the shareholders that the company convert into a European Company (Societas Europaea, SE). This status is recognised in all countries of the European Union, and has been adopted by many large -sized groups. It reflects the international size of the Group and its growing presence in Europe, particularly following the acquisitions of Aéroconseil and MBtech.
With its presence in 20 countries throughout the world, including 12 European countries, and close on 11,000 employees, of which 83% are in Europe, AKKA Technologies is supported by solid European routes. The Group is currently the European leader in automotive and aeronautical engineering.
The conversion into a European Company will not have any impact on the governance of AKKA Technologies or the share listing.
The Conversion Plan was approved by the Bondholders Meeting on 2 June as well as by the General Meeting of shareholders of AKKA Technologies on 17 June. It remains subject to the suspensive condition that negotiations are completed on the involvement of employees within the company.

CHAPTER 1

1 - CONSOLIDATION SCOPE AND METHODS

1.1 REFERENCE MANUAL

The summarised half-yearly accounts of the AKKA Technologies Group have been prepared in accordance with the standards, amendments and interpretations published by the IASB (International Accounting Standards Board) and adopted by the European Union as at the year-end date.

The standards, amendments and interpretations used to draw up the consolidated accounts as at 30 June 2014 and the comparative 2013 accounts are those published in the Official Journal of the European Union (OJEU) before 30 June 2014 and which must be applied at this date.

This reference manual is available on the European commission website at the following address: http://ec.europa.eu/internal_market/accounting/ias/index_fr.htm.

The consolidated summarised half-yearly accounts of the AKKA Technologies Group have been prepared in accordance with IAS 34, "Interim Financial Reporting ", and the IFRS standard as adopted in the European Union relating to interim financial reporting.

These half-year consolidated accounts have been drawn up and presented as a summary. The appended notes relates to key elements from the half-year and must be read in connection with the consolidated financial statements as at 31 December 2013 included in the registration document registered with the Autorité des Marchés Financiers (AMF - French financial markets authority) on 28 April 2014 under number D 14-0419 and available on the company's website, www.akka.eu, in the Investors area, under the "Documentation" heading.

1.2 NEW IFRS STANDARDS AND INTERPRETATIONS

The standards, amendments and interpretations, the application of which is mandatory from 1 January 2014, have no significant impact on the consolidated accounts of the AKKA Technologies Group as that 30 June 2014. They concern:

- IAS 32 "Offsetting financial assets and financial liabilities"
- IFRS 10 "Consolidated financial statements"
- IFRS 11 "Joint agreements"
- IFRS 12 "Disclosure of interests in other entities"
- IAS 28 amended "Investments in associates and joint ventures"
- IAS 36 amended "Recoverable amount disclosures for non-financial assets".

These new standards have no significant impact on the scope of the Group's consolidated companies and companies accounted for by the equity method, it being specified that none of the entities were consolidating using the proportional integration method.

The Group has chosen not to apply in advance the standards, interpretations and amendments not yet adopted by the European Union. These are in particular the IFRIC 21 interpretation (duties and taxes), and improvement standards – 2010-2012 and 2011-2013 cycles.
AKKA Technologies is currently conducting an analysis on the impacts and practical consequences of applying these standards.

1.3 USING ESTIMATES

The preparation of the consolidated financial statements in accordance with IFRS standards requires the use of estimates and formulation of assumptions+ which have an impact on the financial statements. The latter are made on the basis of the information available at the time they were drawn up. Estimates may be revised if the circumstances on which they were based change. Actual profit may thus be different from the initial estimate.

The consolidated financial statements for the half-year have been prepared taking into account the current macroeconomic situation and on the basis of market financial parameters available on the closing date. The effects of this situation have been taken into account, where applicable, particularly in the valuation of assets such as trade receivables. In the case of longer term assets, such as intangible assets (goodwill), it is assumed that the situation would be limited in duration. The value of these assets is assessed each financial year on the basis of long-term economic prospects and on the basis of the Group Management's best assessment against the background of a limited ability to predict future cash flows.

The use of estimates affected the following information in particular:

- ⇨ the assumptions used for the asset impairment tests,
- ⇨ the calculation of deferred tax assets,
- ⇨ valuation of the profit on the state of progress of contracts,
- ⇨ valuation of provisions and pension commitments,
- ⇨ estimate of the projects eligible for R&D Grants.

1.4 CONSOLIDATION METHODS

Companies in which the Group exercises sole control directly or indirectly are consolidated by the full consolidation method.

Companies in which the Group exercises a significant influence, directly or indirectly, are consolidated by the equity consolidation method.

Where an entity consolidated by the equity method is involved in achievement of the Group's strategic and operational targets, the share of profit from companies consolidated by the equity method is recognised in operating profit.

On 30 June 2014, as in 2013, one Group company (APS) was consolidated by the equity method.

1.5 CONSOLIDATION SCOPE

Companies	% control	% interest	Consolidation method (1)	Country in which the company is based
AKKA TECHNOLOGIES SA	-	-	CE	France
AEROCONSEIL PACIFIC SAS	100%	100%	FC	French Polynesia
AEROCONSEIL SAS	100%	100%	FC	France
AKKA DEVELOPMENT UK Ltd (ex-AEROCONSEIL UK)	100%	100%	FC	Great Britain
AKKA AEROCONSEIL ESPANA SL	100%	100%	FC	Spain
AKKA BENELUX SA	100%	100%	FC	Belgium
AKKA DEUTSCHLAND Gmbh	100%	100%	FC	Germany
AKKA DEVELOPMENT SARL	100%	100%	FC	Luxembourg
VELOCITY 368 (ex-AKKA DEVELOPMENT UK Ltd)	100%	100%	FC	Great Britain
AKKA GMBH	100%	100%	FC	Germany
AKKA GROUPE AMERIQUE DU NORD INC	100%	100%	FC	Canada
AKKA I&S SAS	100%	100%	FC	France
AKKA INFORMATIQUE ET SYSTEMES SAS	100%	100%	FC	France
AKKA INGENIERIE DOCUMENTAIRE SAS	100%	100%	FC	France
AKKA INGENIERIE PROCESS SAS	100%	100%	FC	France
AKKA INGENIERIE PRODUIT SAS	100%	100%	FC	France
AKKA ITALIA SRL	100%	100%	FC	Italy
AKKA MANAGER SARL	100%	100%	FC	France
AKKA MIDDLE EAST JLT	100%	100%	FC	Dubai
AKKA OCTOGON GmbH	100%	100%	FC	Germany
AKKA ROMSERV SRL	100%	100%	FC	Romania
AKKA SERVICES SAS	100%	100%	FC	France
AKKA SWITZERLAND SA	100%	100%	FC	Switzerland
APS-TECHNOLOGY GmbH ANTRIEBSPRUFFELD STUTTGART	30%	19.5%	EM	Germany
ATP AUTOMOTIVE TESTING PAPENBURG GmbH	100%	65%	FC	Germany
CASCIOPE SAS	100%	100%	FC	France
CRDTA SAS	100%	100%	FC	France
EKIS FRANCE SAS	100%	100%	FC	France
EKIS SAS	100%	100%	FC	France
ERDIMAT SAS	99.97%	99.97%	FC	France
GEPILOG SAS	100%	100%	FC	France
MB SIM TECHNOLOGY Co. Ltd.	100%	65%	FC	China
MBTECH BOHEMIA s.r.o.	100%	65%	FC	Czech Republic
MBTECH CONSULTING GmbH	100%	65%	FC	Germany
MBTECH EMC GmbH	100%	65%	FC	Germany
MBTECH GROUP GmbH & Co. KGaA	65%	65%	FC	Germany
MBTECH HUNGARY Mérnöki es Tanacsado Kft	100%	65%	FC	Hungary
MBTECH MUHENDISLIK VE DANISMANLIK Limited Sirketi	100%	65%	FC	Turkey
MBTECH NORTH AMERICA Inc.	100%	65%	FC	USA
MBTECH VERWALTUNGS - GmbH	65%	65%	FC	Germany
MB-TECHNOLOGY NA LLC.	100%	65%	FC	USA
PROCEDA MODELBAU GmbH	100%	65%	FC	Germany
REAL FUSIO SAS	100%	100%	FC	France
SYSTEM DESIGN GmbH	100%	65%	FC	Germany

(1) CE = consolidating entity; FC = full consolidation; EM = equity method

Changes in holding percentage

There was no change in the holding percentages for the first hal-year of 2014.

Changes in scope carried out over the 1st half-year of 2013

On 12 March 2013, AKKA Development acquired 20% of shares in AKKA Development UK, in which it already had an 80% holding. This company had already been consolidated in full consolidation as at 31 December 2012.
The difference between the acquisition price and the share of equity acquired was reported in 2013 directly in consolidated reserves for an amount of €(98) thousand in accordance with IAS 27 revised.

There was no other change in holding percentage for the first half-year of 2013.

2 - PRINCIPAL ACCOUNTING RULES AND METHODS

2.1 METHOD OF RECOGNITION OF PROFITS FROM CONTRACTS

the revenue and margin are established based on the individual technical progress of each contract. Services are valued based on work completed, taking into account an estimate of the remainder to be done to fulfil the contract.

Where work completed is greater than the invoices issued, the differences recognised in "Invoices to be issued" on the assets side of the balance sheet under the heading "Trade receivables and other associated accounts". In the opposite case, where the amount invoiced is greater than the work completed, the difference is recognised in "Unearned income" on the liability side of the balance sheet under the heading "Other debts".

For fixed-price contracts, where work completed plus the remainder to be done to fulfil the contract is greater than the total revenue from the contract, the excess amount is recognised in "Provision for losses at completion" on the liabilities side of the balance sheet under the heading "Current provisions".

In the case of certain fixed-price contracts, where the client requests work not included in the initial order, if the company is certain to earn income therefrom, the invoices to be drawn up are recorded based on work completed, on condition that the client recognises that the work was carried out in addition to the services that are the subject of the contract. As this income cannot be estimated with certainty, the revenue is recorded based on the cost price.

In accordance with IAS 18, the re-invoicing of expenses at cost price is accounted for less the corresponding expenses.

2.2 LOSSES IN VALUE IN NON-CURRENT FINANCIAL ASSETS

Depreciation tests are carried out at the end of the financial year according to the procedures described in note 2.10 of the consolidated financial statements as at 31 December 2013 included in the 2013 registration document. The depreciation tests are only carried out at 30 June when there were losses of value indices as at 31 December 2013 or these had been identified as at 30 June 2014.

The application of these principles has not led to any depreciation being reported on the half-year presented.

2.3 TAX EXPENSE

In accordance with IAS 34, the tax expense on profits is accounted for in the half-yearly consolidated accounts based on the best estimate of the weighted average annual tax rate expected for the whole financial year.

2.4 GRANTS

In accordance with IAS 20, Grants (including research and job competitiveness tax credits) are presented by deducting from the expense to which they relate.
The amounts accounted for as at 30 June 2014 has been calculated according to the estimated eligible expenditure.

2.5 BORROWING COSTS

loans have been evaluated at their amortised cost by using the effective interest rate method. All the expenses relating to the issuing of loans are reported in the profit and loss account under "Cost of gross financial debt" over the lifetime of the loans and according to the effective interest rate method.

3 - NOTES ON THE PROFIT AND LOSS STATEMENT

3.1 SECTOR INFORMATION

Sector information has been presented in accordance with IFRS 8 since 1 January 2009. The information given in the breakdown by sector is based on the internal reporting method used by the main operational decision maker (Group Executive Committee) for evaluating the performance of various sectors.

As at the end of June 2014, the Group has identified 3 segments pursuant to IFRS 8 provisions on sector information, representing geographic areas, France, Germany and International excluding Germany.

With the exception of France and Germany, no country reached the 10% threshold (in terms of revenue, profits and assets) described in IFRS 8. As subsidiaries abroad, excluding Germany, are managed in a similar way by a common management team, they have all been grouped into the same sector.

June 2014 – in thousands of euros	France	Germany	International excluding Germany	Others	TOTAL
PROFIT AND LOSS STATEMENT					
External revenue	223,784	152,809	61,440	366	438,399
Percentage of revenue	51.0%	34.9%	14.0%	0.1%	100.0%
Inter-segment sales	3,010	2,889	8,285	10,329	24,513
Revenue	226,794	155,698	69,725	10,695	462,912
Operating income and expenses	(217,766)	(147,155)	(53,609)	2,892	(415,638)
Operating profit	**6,018**	**5,654**	**7,831**	**3,258**	**22,761**
Stock options and free shares	-	-	-	-	(23)
Other non-current income and expenses	-	-	-	-	(7,252)
Cost of net financial debt	-	-	-	-	(3,642)
Other financial income and expenses	-	-	-	-	(7)
Tax expenses	-	-	-	-	(351)
Net profit	-	-	-	-	11,486

June 2013 – in thousands of euros	France	Germany	International excluding Germany	Others	TOTAL
PROFIT AND LOSS STATEMENT					
External revenue	224,065	152,921	58,439	231	435,656
Percentage of revenue	51.4%	35.1%	13.4%	0.1%	100.0%
Inter-segment sales	3,180	1,633	7,301	6,885	18,999
Revenue	227,245	154,554	65,740	7,116	454,655
Operating income and expenses	(210,270)	(151,010)	(51,774)	1,066	(411,988)
Operating profit	**13,795**	**1,911**	**6,665**	**1,297**	**23,668**
Stock options and free shares	-	-	-	-	(17)
Other non-current income and expenses	-	-	-	-	(1,495)
Cost of net financial debt	-	-	-	-	(3,652)
Other financial income and expenses	-	-	-	-	(647)
Tax expenses	-	-	-	-	(3,607)
Net profit	-	-	-	-	14,250

June 2014 – in thousands of euros	France	Germany	International excluding Germany	Others	TOTAL
BALANCE SHEET					
Segment assets (1)	93,248	56,547	20,124	17,587	187,506
Segment financial liabilities (2)	29,645	9,816	3,022	134,012	176,495

December 2013 – in thousands of euros	France	Germany	International excluding Germany	Others	TOTAL
BALANCE SHEET					
Segment assets (1)	93,183	58,513	20,071	24,270	196,037
Segment financial liabilities (2)	29,184	11,739	2,811	99,554	143,288

(1) Goodwill, intangible and tangible fixed assets (including investment property), other non-current assets
(2) Financial liabilities including restructured debt

3.2 EXTERNAL EXPENSES

Amounts in thousands of euros	June 2014	June 2013
Subcontracting	(48,879)	(45,514)
Other external expenses	(63,203)	(69,400)
External expenses	**(112,082)**	**(114,914)**

3.3 PERSONNEL

3.3.1 AVERAGE WORKFORCE OF THE CONSOLIDATED COMPANIES

	30 June 2014	30 June 2013
Executive	7,733	7,846
Other	2,961	2,895
Total workforce	**10,694**	**10,741**

The workforce at the end of the period as at 30 June 24 was 10,612 employees (10,785 as at 31 December 2013 and 10,812 as at 30 June 2013).

3.3.2 STAFF COSTS

Amounts in thousands of euros	June 2014	June 2013
Wages and salaries	(225,047)	(215,485)
Social Security expenses	(6,752)	(72,796)
Profit sharing	(17)	(12)
Staff costs	**(293,816)**	**(288,293)**

Grants have been recorded as a deduction from staff expenses in the amount of €17,037 thousand as at 30 June 2014 (including the employment competitiveness tax credit) as against €15,243 thousand as at 30 June 2013.

3.4 DEPRECIATION AND PROVISIONS

Amounts in thousands of euros	30 June 2014	30 June 2013
Net amortisation and depreciation of fixed assets	(8,218)	(7,696)
Net depreciation of current assets	97	833
Net provisions for risks and expenses	892	1,601
TOTAL	**(7,230)**	**(5,262)**

3.5 OTHER NON-CURRENT INCOME AND EXPENSES

The conversion costs have been presented under other non-current income and expenses. They mainly concern the re-profiling of the offering and structures of the Group, the industrialisation of its know-how and its large-project management process, and changes to its structural costs.

3.6 COST OF NET FINANCIAL DEBT

Amounts in thousands of euros	30 June 2014	30 June 2013
Income from cash and cash equivalents	**574**	**424**
Interest charges	(3,608)	(3,326)
Accretion (expense) in relation to restructured debt	(608)	(750)
Cost of gross financial debt	**(4,216)**	**(4,076)**
COST OF NET FINANCIAL DEBT	**(3,642)**	**(3,652)**

3.7 TAX ON PROFITS

Amounts in thousands of euros	30 June 2014	30 June 2013
Tax payable	2,683	(280)
CVAE (local business tax)	(3,033)	(3,327)
Total corporation tax	**(351)**	**(3,607)**

In accordance with IAS 34, the tax expense payable has been accounted for over the half-year by using the average effective rate expected for the 2014 financial year.

4 - NOTES ON THE BALANCE SHEET

4.1 GOODWILL

Goodwill	30 June 2014	Changes in consoli-dation scope	Other changes	31 December 2013	Changes in consoli-dation scope	Other Changes	01 january 2013
AEROCONSEIL	3,147	-	-	3,147	-	-	3,147
AKKA BENELUX	8,148	-	-	8,148	-	-	8,148
AKKA INGÉNIERIE DOCUMENTAIRE	5,346	-	-	5,346	-	-	5,346
AKKA INFORMATIQUE ET SYSTEMES	16,163	-	-	16,163	-	-	16,163
AKKA I&S	27,129	-	-	27,129	-	-	27,129
AKKA ITALIA	580	-	-	580	-	-	580
AKKA OCTOGON	2,168	-	-	2,168	-	-	2,168
AKKA INGENIERIE PROCESS (formerly EURTECH)	1,987	-	-	1,987	-	-	1,987
AKKA INGENIERIE PRODUIT	19,738	-	-	19,738	-	-	19,738
AKKA SWITZERLAND SA (Swiss company)	2,208	-	10	2,198	-	(17)	2,215
EKIS FRANCE	8,438	-	-	8,438	-	-	8,438
MBTECH Groupe GmbH & Co.KGaA	16,420	-	-	16,420	8,990	-	7,430
REAL FUSIO	388	-	-	388	-	(1,038)	1,426
AKKA ROMSERV	108	-	2	106	-	(1)	107
Amount of Goodwill	**111,968**	**-**	**12**	**111,957**	**8,990**	**(1,055)**	**104,022**

No impairment has been recognized in the accounts as at June 30, 2014 December 31, 2013.

4.2 INTANGIBLE AND TANGIBLE FIXED ASSETS

Amounts in thousands of euros	Gross intangible fixed assets	Depreciation on intangible fixed assets	TOTAL
1 January 2013	**30,699**	**(22,133)**	**8,566**
Changes in consolidation scope	-	(1)	**(1)**
Acquisitions	6,075	-	**6,075**
Disposals	(266)	194	**(72)**
Depreciation	-	(4,239)	**(4,239)**
Currency translation differences	(99)	68	**(31)**
Other changes	302	-	**302**
31 December 2013	**36,712**	**(26,111)**	**10,601**
Changes in consolidation scope	-	-	**-**
Acquisitions	2,481	-	**2,481**
Disposals	(2)	1	**(1)**
Depreciation	-	(2,363)	**(2,363)**
Currency translation differences	(2)	1	**(1)**
Other changes	(14)	13	**(1)**
30 June 2014	**39,175**	**(28,459)**	**10,716**

Amounts in thousands of euros	Gross tangible fixed assets	Depreciation on tangible fixed assets	TOTAL
1 January 2013	**134,447**	**(82,303)**	**52,144**
Changes in consolidation scope	(1)	-	**(1)**
Acquisitions	11,649	-	**11,649**
Disposals	(5,747)	4,959	**(788)**
Depreciation	-	(12,098)	**(12,098)**
Currency conversion differences	(1,162)	531	**(631)**
Other changes	(549)	239	**(310)**
31 December 2013	**138,636**	**(88,671)**	**49,965**
Changes in consolidation scope	-	-	**-**
Acquisitions	4,067	-	**4 067**
Disposals	(280)	237	**(44)**
Depreciation	-	(5,851)	**(5,851)**
Currency conversion differences	6	(8)	**(2)**
Other changes	(914)	700	**(214)**
30 June 2014	**141,515**	**(93,594)**	**47,921**

4.3 OTHER NON-CURRENT ASSETS

This item includes receivables on R&D subsidies of to €17,117 thousand (as against €24,139 thousand as of 31 December 2013), and discounting thereof €216 thousand in 2012 (compared with €622 thousand as of 31 December 2013).

4.4 TRADE RECEIVABLES AND ASSOCIATED ACCOUNTS

Amounts in thousands of euros	30 June 2014	31 December 2013
Work in progress for clients	94,108	118,221
Invoices to be prepared	130,706	84,831
Gross trade receivables	**224,814**	**203,052**
Provisions	(5,843)	(7,549)
Net trade receivables	**218,971**	**195,503**

Accounts receivable not due transferred to the factor and derecognised amounted to €72,945 thousand as at 30 June 2014 as against €96,369 thousand as at 31 December 2013. They represent the total amount of accounts receivable not due assigned to the factor and not yet paid by the client and are recorded as a credit to the client's account.

4.5 OTHER ACCOUNTS RECEIVABLE

Other net accounts receivable amounted to €131,602 thousand as at 30 June 2014, made up mainly of accounts receivable from the Treasury amounting to €107,718 thousand.
Other net accounts receivable amounted to €93,389 thousand as at 31 December 2013, of which €78,615 thousand were accounts receivable from the Treasury.

Following an analysis of the payment schedule for other accounts receivable, the share thereof with due dates greater than one year have been reclassified into other non-current assets and have been discounted (see note 4.3).

4.6 CASH AND CASH EQUIVALENTS

This item breaks down into liquid assets in the amount of €58,073 thousand and in cash equivalents for a net amount of €42,302 thousand.
Liquid assets include funds made available by the factor but not used in the amount of €39,745 thousand as at 30 June 2014 (€48,888 thousand as at 31 December 2013).

4.7 SHARE CAPITAL AND PREMIUM OVER-PAR VALUE

As of 30 June 2014, the share capital of AKKA Technologies comprised 16,755,489 shares of €1.53, i.e. €25,636 thousand and the premium over par value was €4,637 thousand. The changes in these items over the first half-year of 2014 were as follows:

	Number of shares	Par value	Amount of share capital	Premium over par value	Notes
31 December 2013	**15,215,931**	**1.53**	**23,280**	**6,872**	
Increase in capital (Board of Directors' meeting of 5 May 2014)	16,332	1.53	25	95	Exercise of 8,166 stock options giving rights to 16,332 shares
Increase in capital (Board of Directors' meeting of 5 May 2014)	1,523,226	1.53	2,331	(2,331)	Allotment of 1 free share per 10 existing shares
30 June 2014	**16,755,489**	**1.53**	**25,636**	**4,637**	

Potentially dilutive instruments:

The instruments issued by AKKA Techologies that have a potentially dilutive effect are as follows:

Dilutive instruments	Number of shares
Stock options issued on 14 March 2006	-
Free shares alloted on 6 September 2011	2,928
Total dilutive instruments	**2,928**

The total number of dilutive instruments added to the share capital for 30 June 2014 is 0.02%.

The periods of acquisition of the free shares alloted on 6 September 2011 are as folllows:

⇨ 1,464 shares have an acquisition period of 3 years,
⇨ 1,464 shares have a acquisition period of 4 years.

In accordance with IFRS 2, the expense recorded in the 1st half-year of 2014 for free shares and stock options amounts to €23 thousand against €17 thousand for the first half-year of 2013.

The company is not subject to any specific regulatory or contractual obligation with respect to the share capital, except for the financial covenants shown in paragraph 4.9. The Group has no specific capital management policy. The arbitrage between financing by debt and by capital increase depends on the transactions carried out. The equity followed by the Group comprises the same components as the consolidated shareholders' equity.

4.8 CURRENT AND NON-CURRENT PROVISIONS

Amounts in thousands of euros	Current		Non-current	
Due date	**30 June 2014**	**31 December 2013**	**30 June 2014**	**31 December 2013**
Provisions for disputes and risks	8,915	7,917	15,603	16,696
Provisions for pensions	-	-	11,110	9,801
Provisions for taxes	218	218	958	938
Provisions for other expenses	587	321	893	1,113
TOTAL	**9,720**	**8,456**	**28,564**	**28,548**

Change in provisions

Amounts in thousands of euros	Disputes and risks	Pensions	Taxes	Other provisions	TOTAL
1 January 2013	**15,894**	**8,959**	**1,541**	**1,953**	**28,347**
Change in consolidation scope	9,235	-	-	-	**9,235**
Provisions	6,539	850	39	263	**7,691**
Reversals of used provisions	(3,272)	(228)	(424)	(298)	**(4,222)**
Reversals of unused provisions	(3,759)	-	-	(484)	**(4,243)**
Actuarial differences	-	220	-	-	**220**
Currency conversion differences	(25)	-	-	-	**(25)**
31 December 2013	**24,612**	**9,801**	**1,156**	**1,434**	**37,003**
Change in consolidation scope	-	-	-	-	**-**
Provisions	1,757	772	20	83	**2,632**
Reversals of used provisions	(1,848)	(421)	-	(37)	**(2,306)**
Reversals of unused provisions	-	-	-	-	**-**
Actuarial differences	-	958	-	-	**958**
Currency conversion differences	(3)	-	-	-	**(3)**
30 June 2014	**24,518**	**11,110**	**1,176**	**1,480**	**38,284**

4.9 FINANCIAL LIABILITIES

The financial liabilities shown below exclude the restructured debt shown in section 4.10 and the debt associated with external growth transactions shown in section 4.11.

Amounts in thousands of euros	Miscellaneous borrowings and financial debts		Financial leases		Total financial liabilities	
Due date	**30 June 2014**	**31 Dec. 2013**	**30 June 2014**	**31 Dec. 2013**	**30 June 2014**	**31 Dec. 2013**
Current (less than one year)	42,086	7,713	177	303	42,263	8,016
1 to 5 years	105,745	107,340	-	53	105,745	107,393
More than 5 years	-	-	-	-	-	-
TOTAL	**147,831**	**115,053**	**177**	**356**	**148,008**	**115,409**

The amount of financial liabilities of less than one year appears on the balance sheet on the "Current financial liabilities" line, and the amount for more than one year appears on the "Non-current financial assets" line.

The change in financial liabilities between 31 December 2013 and 30 June 2014 can be analysed as follows:

Amounts in thousands of euros 2014	01 January 2014	Changes in consolidation scope	Increases	Currency translation differences	Changes in fair value	Reductions and reclassi-fications	30 June 2014
Borrowings from credit institutions	13,924	-	37,382	(28)	(54)	(6,946)	44,277
Restatement of financial leases	356	-	-	-	-	(179)	177
Bonds	100,841	-	-	-	-	2,376	103,217
Miscellaneous financial liabilities	289	-	49	-	-	-	338
Financial liabilities	**115,409**	**-**	**37,430**	**(28)**	**(54)**	**(4,749)**	**148,008**
Cash equivalents	(36,752)	-	-	-	-	(5,550)	(42,302)
Cash	(76,651)	-	-	-	-	18,578	(58,073)
Cash and cash equivalents	**(113,403)**	**-**	**-**	**-**	**-**	**13,028**	**(100,375)**
Net debt (- net cash) excluding restructured debt	**2,006**	**-**	**37,430**	**(28)**	**(54)**	**8,279**	**47,633**

Securities and guarantees amounted to €14,314 thousand as at 30 June 2014 compared with €16,670 thousand in December 2013. These were given when loans were taken out to finance an external growth transaction. They correspond to:

⇨ An independent guarantee by AKKA Technologies amounting to 115% of the lenders' commitments in respect of the B1 facility;
⇨ A security in the form of AKKA Technologies' shares in AERCONCONSEIL, AKKA Informatique & Systèmes, AKKA Services and AKKA Ingénierie Process as a guarantee of the lenders' commitments in respect of the RCF lines.

As at 30 June 2014, the "covenants" negotiated with the Group's banks were as follows:

MBtech loan:

When the loan was taken out, a commitment was made to comply with the following financial ratios relating to the balance sheet structure and the ability of the business to meet due payment dates:

⇨ Leverage ratio: Net consolidated financial debt/consolidated EBITDA
- as at 30 June 2012 < 3.0x
- as at 31 December 2012 < 2.75x
- from 30 June 2013 < 2.5x

⇨ Gearing ratio: Net consolidated financial debt / shareholders' equity
- as at 30 June 2012 < 1.25x
- as at 31 December 2012 < 1.15x
- as at 30 June 2013 < 1.00x
- from 31 December 2013 < 0.9x

⇨ Debt cover ratio: Consolidated free cash flow/debt service
- at least equal to 1.2x from 30 June 2012

⇨ Capital expenditure limit
- €30 million for the Group in 2012
- 110% of the capital expenditure planned for 2012 to 2016.

As at 30 June 2014, these four ratios were complied with by the Group.

EUROPP Loan

⇨ Leverage ratio: Net consolidated financial debt/consolidated EBITDA < 3.5x as at 31 December of each financial year.
⇨ Gearing Ratio: Net consolidated financial debt/Shareholders' equity < 1/5x as at 31 December of each financial year.

As at 30 June 2014, these two ratios were complied with by the Group.

Hedging instruments

⇨ The Group has signed several interest-rate hedging instruments associated with the acquisition of MBtech in order to fulfil commitments to its bank partners:
- An interest rate hedge signed on 2 May 2012: the financial derivative instrument is a SWAP contract at a fixed rate of 0.715% over 3 years for an amount of €20 million;
- An interest rate hedge signed on 23 May 2012: the financial derivative instrument is a SWAP contract at a fixed rate of 0.734% over 3 years for an amount of €20 million;
- An interest rate hedge signed on 23 May 2012: the financial derivative instrument is a SWAP contract at a fixed rate of 0.70% over 3 years for an amount of €14 million.

These hedging instruments are consistent with the definition of a cash flow hedge. Their fair value as at 30 June 2014 was recognised at €54 thousand in other items of comprehensive income.

4.10 RESTRUCTURED DEBT

Since 31 December 2013, the "accretion expense" has generated a financial expense of €608 thousand over the half-year (as against €749 thousand in June 2013).

Amounts in thousands of euros	30 June 2014	Increases	Reductions and reclassifications	1 January 2014
Current restructured debt	6,894	-	-	6,894
Non-current restructured debt	21,593	608	-	20,985
Restructured debt	**28,487**	**608**	**-**	**27,879**

The annual reimbursement due date is 4 September 2014.

4.11 OTHER DEBTS

Amounts in thousands of euros	30 June 2014	31 Dec. 2013
Other debts associated with external growth transactions	1,244	2,251
Deferred income	22,768	20,420
Dividends to be paid	8,949	-
Other items	18,812	18,445
Total other debts	**51,773**	**41,116**

5 - NOTES ON THE CONSOLIDATED CASHFLOW STATEMENT

5.1 CHANGE IN WORKING CAPITAL REQUIREMENT

Amounts in thousands of euros	30 June 2014	30 June 2013
Inventories	(449)	(155)
Trade receivables and associated accounts	(23,330)	17,245
Other receivables and other non-current assets	(31,197)	(11,274)
Trade payables	8,407	(6,464)
Tax and social security liabilities	(2,820)	(15,287)
Miscellaneous debts (excluding debts on acquisitions of fixed assets)	2,718	2,620
Change in worting capital requirement debts	**(46,671)**	**(13,315)**

5.2 IMPACT OF CHANGES IN CONSOLIDATION SCOPE

The impact of changes in consolidation scope correspond to earnout payments and to purchase prices paid net of the cash contributed by the acquired companies.

5.3 DIVIDENDS

The dividends for the 2013 financial year to be paid in July 2014 amount to €8,949 thousand, i.e. €0.55 per share as against €9,674 thousand, i.e. €0.53 per share (after taking into account the allotment of one free share for every 10 held) paid in 2013.

CHAPTER 6

6 - POST-CLOSING EVENTS

No significant event has occurred since the half-year closing.

7 - OTHER INFORMATION

7.1 FINANCIAL INSTRUMENTS

No reclassification has occurred at 30 June 2014 between the different categories of financial instruments.

7.2 INFORMATION ON RELATED PARTIES

Three companies fall within the definition of related parties as defined in IAS 24:

- Idéactive Events (events organisation);
- Saône Valley (property rental);
- Dubaia9 (service provider).

As transactions with these three companies are not considered significant, they are not detailed in these notes.

7.3 INFORMATION ON RISK MANAGEMENT

The business operations of some companies in the Group are subject to checks by the fiscal authorities and social security bodies. Since 2005, the Group has been subject to regular checks with respect to all statements in relation to accountancy, tax (in particular corporation tax, business tax and later CVAE, grants, research tax credit, VAT, etc.) and social security (social security contributions and taxes based on employees) in the case of its subsidiaries both in France and abroad. The checks completed in the 2012 financial year had no significant consequences for the Group's financial position. In addition, in the case of some companies checked, rectification proposals were received in July 2012. The points raised related in particular to the eligibility of certain projects in receipt of grants, in respect of which the additional information and answers necessary for correct understanding were provided point by point in response to the comments made by the authorities. Following the failure to take account of these factors by the tax authorities, The Group strongly disputes the grounds for relief and therefore referred 23 June 2014 the Administrative Court. The latest developments of the procedure does not call into question the risk analysis. For information, if the outcome totally adverse to the current procedure, the consequences of these controls do not would impact the Group's cash.

B - HALF-YEAR ACTIVITY REPORT

Key events from the past half-year

The first half-year of 2014 has been marked by the following facts:

1. Revenue

For the first half of 2014, AKKA recorded revenue of €438.4 million, up 0.6% compared to the revenue of €435.7 million of the first half of 2013 marked by the stabilisation of sales in France, the return of growth in Germany in the second quarter and the pace of sustained growth of international activities outside Germany:

- France has recorded an increase of 2.2% of its sales in the second quarter of 2014 at €111.0 million. This increase has compensated for the drop from the first quarter attributable to deferments of contracts at the start of the year. In total, the revenue for French activities amounts to €224.2 million in the first half-year, at the same level as it was in H1 2013.

- After a drop of 6.7% in the first quarter, Germany saw its revenue grow by 7.7% in the second quarter. In total, Germany activities saw their revenue stabilise over the whole of the first half-year at €152.8 million. The improvement reported in the second quarter is particularly due to the significant growth in sales to the Group's best client, DAIMLER. This performance confirms the improvement glimpsed during the previous quarters. This improvement should continue during the next quarters. It is the fruit of the improvement in MBtech's competitiveness and performance made in the PACT 17 transformation plan. It is also manifested by a rise of 10% in the invoicing rate compared with Q1 2013.

- Revenue from international activities (outside Germany and France) grew at €61.4 million, progressing organically by 7.8% over the whole of the half-year. Many countries have recorded growth greater than 10%, particularly the Middle East the development potential of which has increased around aircraft modifications and certification, Spain, despite a disrupted economic environment, China which benefits from the impact of the restructuring carried out in 2012 and 2013.

2. Operating profits

The Group's operating profits have reached €22.8 million, as against €23.7 million in the first half-year of 2013.
The operating margin amounts to 5.2% in the first half-year of 2014, compared to the 5.4% recorded for the first half-year of 2013.

This drop can be explained by a combination of 3 factors:

- The drop in margins for French activities at 2.7%. Three elements have weighed heavy on their margins: the demanding economic environment, the impact of the deferment of a major project with a major Russian client, and the acceleration of the conversion plan,
- An improvement in Germany's profitability from 1.2% in H1 2013 to 3.7% in H1 2014. This improvement illustrates the efforts for competitiveness made in recent years, the increase in sales and the increase in the invoicing rate,
- International activities, outside Germany, retain a high level of profitability: 12.7% in H1 2014, an improvement compared to 11.4% recorded in the first half of 2013.

3. Cost of net financial debt

The cost of net financial debt is €3.6 million, stable compared to that at 30 June 2013. It includes in particular:

- €0.6 million of accretion expenses for the restructured debt,
- €3.0 million of loan interest.

4. Net profit

The Group's share of the net profits reached €11.5 million as against €14.7 million for the first half of 2013. Net profitability amounts to 2.6% against 3.4% as at 30 June 2013.

Main transactions with related parties
See note 7.2 from the summarised half-year accounts presented above.

Significant events that have occurred since 30 June 2014
See note 6 from the summarised half-year accounts presented above.

Prospects for 2014

The AKKA Technologies Group has completed a structural conversion of MBtech since its acquisition in April 2012. This enabled its subsidiary to improve its skills level and competitiveness under its PACT 17 transformation programme. This is demonstrated by a return to growth of the German BU in the second quarter. The right direction of the sales of German and international activities enables the Group to confirm its aims of recording a slight increase in its sales over the whole of 2014 despite a challenging economic environment in France.

The success of the first stage of MBtech integration has enabled the Group to initiate its second phase: diversification of its German activities and the acceleration of its internationalisation thanks to its Franco-German base. The AKKA Technologies Group is therefore continuing with its strategy of supporting its major clients throughout the world by offering them its know-how and its unique Franco-German positioning. This enables the Group to reiterate its medium-term objectives of reaching revenue of €1.2 billion, with a current operating margin between 8 and 10% inclusive, and operating profits of €100 million while controlling its financial balance.

Risks and uncertainties for the second half-year
See note 7.3 from Information on risk management.

In addition, since the submission of the registration document for the 2013 financial year (registered in April 2014 by the Autorité des Marchés Financiers [French Financial Markets Authority]), no new risk has been identified which could have a significant effect on the second half-year of 2014.

C - CERTIFICATION BY THE PERSON ASSUMING RESPONSIBILITY FOR THE HALF-YEAR FINANCIAL REPORT (ARTICLE 222-4 - PARAGRAPH 3 OF THE GENERAL AMF REGULATIONS)

I certify that, to the best of my knowledge, the summarised accounts for the past half-year have been drawn up in accordance with the applicable accounting standards and are a true reflection of the assets and liabilities, financial position and profit of the company and all companies included in the consolidation scope, and that the management report attached hereto presents a true picture of the key events that have occurred during the first six months of the financial year, of their impact on the accounts, the main transactions between related parties as well as a description of the main risks and principal uncertainties for the remaining six months of the financial year.

Issued in Lyon
17 September 2014
Maurice RICCI
Chairman and Chief Executive Officer

D - AUDITOR´S REPORT ON THE HALF-YEARLY REPORT 2014 PERIOD FROM 1 JANUARY TO 30 JUNE 2014

D

To the shareholders,

In performing the task assigned to us by your General Meeting and pursuant to article L.451-1-2 III of the Code monétaire et financier [Monetary and Financial Code], we have carried out:

- a limited examination of the summarised consolidated half-yearly accounts of AKKA Technologies, relating to the period from 1 January to 30 June 2014, as attached to this report;
- the specific checks given in the half-yearly activity report.

These summarised consolidated half-yearly accounts have been drawn up under the responsibility of the board of directors. It is our duty, based on our limited examination, to provide an opinion on these accounts.

1. Opinion on the accounts

We conducted our limited examination in accordance with the standards of professional practice applicable in France. A limited examination consists essentially of meeting with the members of the management who are responsible for accounting and financial aspects and of implementing analytical procedures. This work is less extensive that that required for an audit carried out according to the standards of professional practice applicable in France. As a result, the assurance that the accounts, taken as a whole, do not contain significant anomalies obtained during a limited examination is a cautious assurance, less high than that obtained under an audit.

Based on our limited examination, we have not found significant anomalies of a nature that would call into question the compliance of the summarised consolidated half-yearly accounts with IAS 34 – a standard from the IFRS frame of reference as adopted in the European Union relating to intermediate financial information.

2. Specific Checks

We have also carried out a check of the information given in the half-yearly activity report providing comments on the summarised consolidated half-yearly accounts which our limited examination concerned. We have no observations to make on their accuracy and their agreement with the summarised consolidated half-yearly accounts.

Villeurbanne, 17 September 2014
The Auditors

ORFIS Baker Tilly
Jean-Louis FLECHE

Deloitte & Associés
Xavier GRAZ

Exploration

Ingenious

Energy

Defence

Lifecycle

Network

Passion

Services

Performance

Ambition

Research

Ambition

Worldwide

Respect

Spatial

Aeronautics

Telecoms

Exploration

Collaborative
Leadership
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Technology
Reactivity
Passion
Health
Railway
Creativity

Innovation

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Creativity
Automotive
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