Limited Company (*société anonyme*) with an Executive Board and a Supervisory Board
with a share capital of €1,557,005.50
Registered office: Prologue-Biotech – 516, Rue Pierre et Marie Curie - 31670 Labège
RCS Toulouse B 439 489 022

HALF-YEAR FINANCIAL STATEMENTS AS AT 30 JUNE 2016

September 22, 2016

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CONTENTS

1. DECLARATION BY THE PERSON RESPONSIBLE FOR THE 2016 HALF-YEAR FINANCIAL STATEMENTS

(Art. 222-3 - 4° du AMF General Regulations)

Labège, September 15, 2016

I hereby certify that, to the best of my knowledge, the condensed half-year financial statements have been prepared in accordance with applicable standards and give a true and fair representation of the assets, financial position and income of the Company, and that the attached interim management report offers a true and fair picture of the significant events in the first six months of the fiscal year, their impact on the half-year financial statements, the main transactions between related parties, as well as a description of the main risks and uncertainties in the remaining six months of the year.

Benedikt Timmerman
Chairman the Executive Board of GENTICEL

2. ACTIVITY REPORT AS AT 30 JUNE 2016

2.1 SIGNIFICANT EVENTS IN THE FIRST HALF OF 2016

(please refer to the Company's press releases)

- January 5, 2016 - Rémi Palmantier appointed Chief Scientific Officer to accelerate the Company's development
- January 7, 2016 - Evaluation of the HPV cobas® test from Roche Molecular Systems in preparation for phase 3 program of GTL001
- **January 27, 2016 - Initial results at 12 months from phase 2 trial of HPV immunotherapeutic candidate GTL001.**
- March 14, 2016 - Publication of the 2015 annual financial report and strategic update for 2016
- April 20, 2016 - Additional results at 12 months from phase 2 trial of HPV immunotherapeutic candidate, GTL001
- June 1, 2016 - Publication of the phase 1 trial results of GTL001 in 'Clinical Cancer Research'
- June 13, 2016 - Completion of the 5-year stability assays for GTL001 and of the evaluation of HPV cobas® test
- June 15, 2016 - Presentation of clinical results for GTL001 and preclinical results for GTL002 at the EUROGIN 2016 Congress
- **June 23 2016 - 18-month interim analysis of GTL001 phase 2 trial in HPV16/18 infected women**

2.2 COMPANY ACTIVITY AND RESULTS

2.2.1 OPERATIONS

- **HPV immunotherapeutic candidates GTL001 and GTL002**

The first half of 2016 was marked by the initial results from the Phase 2 study in Europe of GTL001, the Company's most advanced immunotherapeutic candidate against HPV 16 and 18 infections.

The analysis at 12 months, released in January 2016, showed no statistical difference in viral clearance between the treated group and the placebo group in the total population. However, this difference was significant in two predefined subgroups, the patients with normal cytology and the patients aged less than 30 years. Given the mechanism of action of GTL001, it was considered at this stage, that the data at 18 months were needed to decide on the feasibility of a Phase 3 program.

The Company has, therefore, announced in March 2016 that it was limiting its investments in this therapeutic vaccine candidate to the continuation of the two ongoing clinical trials and that it was suspending the planned investments for the preparation of a phase 3 GTL001 and for preclinical activities in GTL002, its second candidate (multivalent HPV). It also restructured its operations to preserve cash pending further 18-month results.

However, the interim analysis of data at 18 months, made public late June 2016, still showed no statistical difference in viral clearance between the treated group and the placebo group.

These results, which do not meet expectations, led the Company to reconsider the preclinical and clinical development plans for its HPV program including GTL001 and GTL002 candidates. Please refer to next section "Post-quarter close and operational outlook" for updated perspectives.

- **Partnership with SIIL**

The second-generation technology platform of the Company , Vaxiclase, can be used not only as an antigen delivery vector, as is the case for GTL002, but also as the antigen of pertussis in the development of prophylactic vaccines, since the protein is the causative agent of whooping cough ("Bordetella pertussis").

Genticel has granted in February 2015 to Serum Institute of India Ltd (SIIL), the largest producer of doses of vaccines in the world, a license to use its technology platform Vaxiclase as an antigen. Under this license, SIIL evaluates Vaxiclase as an antigen in the development of acellular multivalent prophylactic vaccines including a pertussis antigen for emerging markets. When Vaxiclase is used as an antigen, it will now be considered as a new product candidate called GTL003.

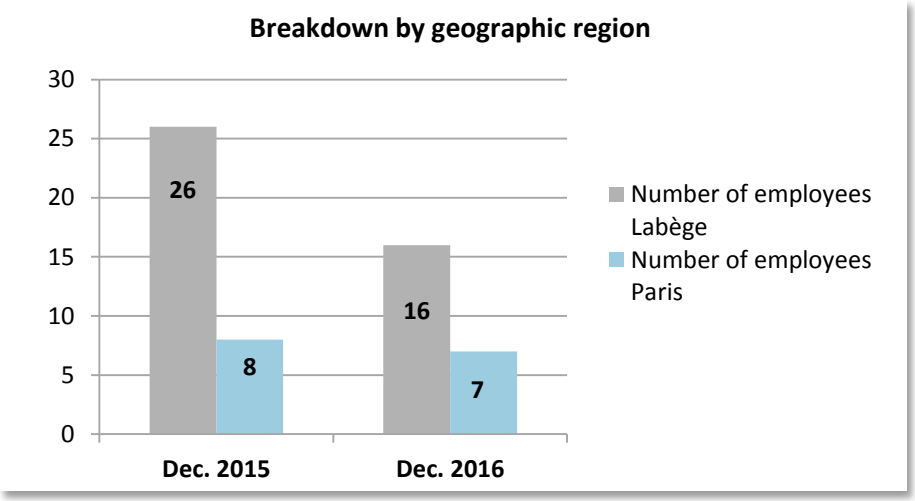
In return for access and use of GTL003 in the authorized indication and countries, Genticel could receive up to USD 57 million in upfront payments and milestone payments on development and sales, as well as 1-digit royalties on net sales.

First revenues generated by the partnership with Serum Institute of India Ltd. were registered in 2015 and 2016 (see paragraph 2.2.3 Revenues below). Work in collaboration with SIIL continued satisfactorily in H1 2016.

2.2.2 HUMAN RESOURCES

As announced on March 14, 2016, the Company underwent an operational restructuration during the first half of 2016 in order to preserve its cash. This restructuration resulted in a reduction of the workforce which has gone from 34 as at December 31, 2015 to 23 as at June 30, 2016.

The workforce reduction is illustrated below.



2.2.3 INCOME

It should be noted that, to date, given its present state of development, the Company has no recurrent revenue from the sales of its products.

On February 2, 2015, the Company signed a license agreement with the pharmaceutical company Serum Institute of India Ltd (SIIL) for its Vaxiclase technology, as part of SIIL's development of acellular multivalent vaccines containing whooping cough antigens for emerging markets.

As counterpart for access to and use of the Vaxiclase platform in the authorized indication, Genticel could receive up to US$57 million in initial and milestones payments on development and sales based on criteria defined in the terms of the agreement, as well as royalties as a percentage of net sales.

Under this contract, an up-front payment of US$100,000 (€88k) was received in the first half of 2015. During the first half of 2016, the Company has invoiced to SIIL an amount of 250 K$ (220 K€) for the delivery of additional testing services requested by SIIL.

2.2.4 OPERATING EXPENSES

The Company's operating loss of €-4,722K was consistent with the Company's expectations.

The reduction in R&D expenses versus the first half of 2015 (€4,873K versus €6,075K) is related to the first reduction of development activities for GTL001, in particular the hold on the investments planned for the preparation of GTL001 phase 3 clinical lots.

The decrease in these expenses (-20%) has not affected the Research Credit Tax amount (€1,943K as at June 30, 2016), as eligible expenses in the first half of 2016 were similar to those in the first half 2015.

Administrative costs amounted to €2,062K in the first half of 2016, up €508K on the same period the previous year. This increase was largely due to €367K in restructuration costs during the first half of 2016.

2.2.5 FINANCIAL PROFIT (LOSS)

Financial profit for the first half of 2016 was €21K, down €77K on the same period the previous year. This was mainly due to a general decrease in cash and a very significant decrease in the return yielded by liquid investments.

2.2.6 WORKING CAPITAL REQUIREMENT

Working capital requirement was €2,521K versus €2,317K as at June 30, 2015. As in the first half of 2015, the reimbursement of 2015 Research Tax Credit receivables is expected during the second half of 2016, which tends to increase the working capital requirement of the Company during the first half of the year.

2.2.7 CASH AND LIQUID INVESTMENTS

Cash (€4,637K) and liquid investments (€10,187K) as at June 30, 2016, amounted to €14,825K versus €25,164K at the same time the previous year. This reduction was mainly due to the Company's R&D expenses in line with the Company's expectations.

2.3 DEVELOPMENT AND PROSPECTS

The Company considers that results at 12 and 18 months in GTL001 phase 2 trial no longer make possible a partnership to finance a straightforward phase 3 of this candidate.

The ongoing clinical studies of GTL001 will be completed, without further investment to prepare a Phase 3 program of GTL001, as previously planned. Moreover, as the development plans of the Company's' two HPV candidates,GTL001 and GTL002, had much in common - such as the adjuvant or the administration protocol - the Company has decided not to pursue the preclinical development of GTL002.

Modifications in the development modalities of GTL001 or GTL002, such as a change in the adjuvant or in the vaccination protocol, may help lead to convincing clinical results. They would be more distant than initially envisaged, given the need to validate the considered modifications at the preclinical stage. On this basis, the Company wishes to assign all or part of its HPV franchise to a partner.

Furthermore, the Company's finances enable:

- The continuation of its collaboration with Serum Institute of India Ltd. and the exploration of further extension of this partnership; the completion of a critical milestone in furthering the collaboration is expected in Q4 2016.
- An acceleration in the diversification of the Company's activities ; as such, the Company has announced on July, 6, 2016 that it has retained Eumedix, a recognized European specialist in corporate finance, as a strategic advisor in its search for new innovative drug candidates, through a merger or an acquisition if appropriate.

In addition to this search for new opportunities, the Company continues, during the second half of 2016, its cash preservation policy and the alignment of its resources with the decreasing workload associated with GTL001 and GTL002 project management. In particular, and in accordance with French law, the Company has engaged with the personnel representatives of GENTICEL in new discussions on further downsizing its workforce for economic reasons as ongoing tasks are completed over time.

2.4 EVENTS AFTER THE REPORTING PERIOD

- **Appointment of Eumedix as strategic advisor to support company's access to innovative drug candidates**

On July 6 2016, the Company announced announced that it has engaged Eumedix, a leading European corporate finance specialist, as strategic advisor. Eumedix will support Genticel in evaluating its strategic options, with a particular focus on facilitating the Company's access to innovative drug candidates.

2.5 RISK FACTORS AND REGULATED AGREEMENTS

2.5.1 RISK FACTORS

Major risks and uncertainties faced by the Company, risk cover and insurance are disclosed in Annex 1 of the Management Report included in the 2015 Annual Financial Report.

The Company does not expect any change to the nature of these risks during the second semester of 2016.

2.5.2 REGULATED AGREEMENTS AND COMMITMENTS

Regulated agreements are of the same nature as those disclosed the 2015 annual financial report, that includes the Management report:

- Paragraph 3.3 of the Management report ;
- Note 21 of the annex to the ITFRS financial statements ;
- Note 6.4 of the annex to the financial statements according to French norms.

No significant agreements were signed with an executive or a board member after the date of the 2015 Annual Financial Report.

3. CONDENSED HALF-YEAR FINANCIAL STATEMENTS PREPARED TO IFRS STANDARDS FOR THE SEMESTER ENDING 30 JUNE 2016

3.1 STATEMENT OF THE FINANCIAL POSITION

GENTICEL Statement of the Financial Position	Notes	30/06/2016 €	31/12/2015 €
ASSETS			
Intangible Assets	3.1	53,023	54,017
Tangible Assets	3.2	132,185	155,874
Other non-current financial assets	4	5,230,197	5,290,657
Total non-current assets		**5,415,405**	**5,500,549**
Inventories		-	52,560
Clients and related accounts		220,113	-
Other receivables	5	5,298,695	3,653,694
Current financial assets	4	5,020,833	5,021,938
Cash and cash equivalents	6	4,637,227	11,659,829
Total current assets		**15,176,868**	**20,388,021**
Total Assets		**20,592,273**	**25,888,570**
LIABILITES			
Capital	7	1,557,006	1,554,109
Additional paid-in capital		48,507,438	48,420,039
Other comprehensive income		55,412	4,948
Reserves		(29,470,243)	(18,451,210)
Result		(4,751,131)	(11,193,323)
Total shareholders' equity		**15,898,482**	**20,334,563**
Non-current liabilities			
Employee benefit obligations	10	299,476	322,060
Non-current financial devt	9	1,599,040	1,900,781
Non-current liabilities		**1,898,516**	**2,222,842**
Current Liabilities			
Current financial debt	9	793,955	621,347
Trade payables and related accounts		1,261,239	1,886,424
Tax and social security liabilities	11.1	698,449	821,340
Other creditors and miscellaneous liabilities	11.2	41,631	2,055
Current Liabilities		**2,795,275**	**3,331,166**
Total Liabilities		**20,592,273**	**25,888,570**

3.2 INCOME STATEMENT

GENTICEL Income Statement	Notes	30/06/2016 6 months €	30/06/2015 6 months €
Revenue	12	-	-
Cost of Sales		-	-
Gross Margin		**-**	**-**
Other revenue	12	220,000	88,371
Net R&D expenses			
R&D expenses	13.1	(4,872,999)	(6 075,016)
Subsidies	13.1	1,943,358	1 779,637
General and administrative expenses	13.2	(2,062,551)	(1 554,160)
Operating profit (loss)		**(4,772,191)**	**(5 761,168)**
Financial expenses	15	(27,076)	(34,477)
Financial income	15	48,137	132,878
Pre-tax profit (loss)		**(4,751,131)**	**(5 662,767)**
Tax expense		-	-
Net income		**(4,751,131)**	**(5 662,767)**

Earnings per share		30/06/2016	30/06/2015
Weighted average number of outstanding shares		15,552,554	15,440,235
Basic earnings per share (€/share)	17	**(0.31)**	**(0.37)**
Diluted earnings per share (€/share)	17	**(0.31)**	**(0.37)**

3.3 STATEMENT OF COMPREHENSIVE INCOME

GENTICEL Statement of Comprehensive Income	Notes	30/06/2016 6 months €	30/06/2015 6 months €
Profit (loss) for the year		**(4,751,131)**	**(5,662,767)**
Actuarial gains (losses)	10	50,464	27,673
Items not recyclable in Income		**50,464**	**27,673**
Items recyclable in Income		**-**	**-**
Other items of comprehensive Income (net of tax)		**50,464**	**27,673**
Comprehensive Income		**(4,700,667)**	**(5,635,094)**

3.4 CHANGE IN SHAREHOLDERS' EQUITY

GENTICEL Change in Shareholders' Equity	Notes	Capital Number of shares	Capital €	Premium linked to capital €	Reserves and profit €	Actuarial gains (losses) €	Shareholders' Equity €
At 31 December 2014*		***15,440,235***	**1,544,024**	**48,112,032**	**(19,321,595)**	**(117,555)**	**30,216,905**
Result at 30 June 2015 (six months)			-	-	(5,662,767)	-	(5,662,767)
Other comprehensive income			-	-		27,673	27,673
Comprehensive income			**-**	**-**	**(5,662,767)**	**27,673**	**(5,635,094)**
Liquidity contract			-	-	29,722	-	
Share-based payments	8		-	-	506,588	-	506,588
At 30 June 2015*		***15,440,235***	**1,544,024**	**48,112,032**	**(24,448,051)**	**(89,882)**	**25,118,122**
At 31 December 2015		***15,541,086***	**1,554,109**	**48,420,039**	**(29,644,533)**	**4,948**	**20,334,563**
Result at 30 June 2016 (six months)			-	-	(4,751,131)	-	(4,751,131)
Other comprehensive income			-	-	-	50,464	50,464
Comprehensive income			**-**	**-**	**(4,751,131)**	**50,464**	**(4,700,667)**
BSPCE exercises	8	*28,969*	2,897	87,399	-	-	90,296
Liquidity contract			-	-	(73,048)	-	(73,048)
Share-based payments	8		-	-	247,339	-	247,339
At 30 June 2016		***15,570,055***	**1,557,005**	**48,507,438**	**(34,221,373)**	**55,412**	**15,898,482**

** Shareholders' equity at 31 December 2014 and at 30 June 2015 takes into account the correction of the error identified in the 2015 fiscal year.*

3.5 CASH FLOW STATEMENT

GENTICEL Cash Flow Statement	Notes	30/06/2016 6 months €	30/06/2015 6 months €
Cash flow from operating activities			
Net income		**(4,751,131)**	**(5,662,767)**
(-) Elimination of depreciation of intangible assets	3.1	(8,606)	(1,854)
(-) Elimination of depreciation of tangible assets	3.2	(29,460)	(23,621)
(-) Provision additions	10	(27,879)	(32,658)
(-) Expenses linked to share-based payments	8	(247,339)	(506,588)
(+) Interest from investments		46,349	132,516
(-) Unwinding of advances		(24,519)	(30,561)
Self-financing capacity before cost of net financial debt and taxes		**(4,459,677)**	**(5,200,000)**
(-) Change in working capital requirements (net of impairment of trade receivables and inventories)		2,521,054	2,317,077
Cash flow from operating activities		**(6,980,730)**	**(7,517,078)**
Cash flow from investing activities			
Acquisition of intangible assets	3.1	(7,613)	-
Acquisition tangible assets	3.2	(5,771)	(65,542)
Demobilisation of term deposit accounts classed as other current and non-current financial assets		5,000,000	-
Subscription of term deposit accounts classes as other current and non-current financial assets		(5,000,000)	-
Interest from investments		34,866	16,304
Cash flow from investing activities		**21,483**	**(49,238)**
Cash flow from financing activities			
Exercise of BSPCE	8	90,296	-
Repayment of conditional borrowings and advances	9	(153,680)	(188,240)
Cash flow from financing activities		**(63,384)**	**(188,240)**
Increase (decrease) in cash and equivalents		**(7,022,631)**	**(7,754,556)**
Cash and cash equivalents at the start of the period (including bank overdrafts)		11,659,656	10,169,940
Cash and cash equivalents at the end of the period (including bank overdrafts)		4,637,025	2,415,385
Increase (decrease) in cash and equivalents		**(7,022,631)**	**(7,754,555)**

Cash and cash equivalents at the end of the period		**30/06/2016**	**30/06/2015**
Cash and cash equivalents	6	4,637,227	2,415,503
Bank overdrafts	9	(202)	(118)
Cash and cash equivalents at the end of the period (including bank overdrafts)		**4,637,025**	**2,415,385**

3.6 BREAKDOWN OF CHANGE IN WORKING CAPITAL REQUIREMENTS (WCR)

Breakdown in WCR	30/06/2016	30/06/2015
Other non-current financial assets	-	(9,179)
Inventories (net of inventory impairment)	(52,560)	27,364
Clients and related accounts (net of depreciation of client receivables)	220,113	-
Other receivables	1,645,001	2,193,467
Trade payables and related accounts	625,185	105,294
Tax and social security liability	122,891	43,910
Other creditors and miscellaneous liabilities	(39,577)	(43,779)
Total change	**2,521,054**	**2 317,077**

3.7 NOTES TO THE IFRS HALF-YEAR FINANCIAL STATEMENTS

(Unless indicated otherwise, the amounts mentioned in these Notes are in euros)

NOTE 1 – THE COMPANY AND ITS ACTIVITY

The following information constitutes the Notes to the IFRS condensed half-year financial statements as at 30 June 2016.

Genticel's financial statements were approved by the Executive Board on September 15, 2016 and authorised for publication.

1.1. THE COMPANY AND ITS ACTIVITY

Created in October 2001, Genticel is a French limited company (*société anonyme*) with the following corporate purpose in France and internationally: research, study, development, manufacturing and distribution of medicines and drug and health products in the field of human and animal health.

Genticel's research focuses on developing therapeutic vaccines (ProCervix and Multivalent HPV) for women infected by High Risk Human Papillomavirus (HPV).

Genticel has been listed on the Euronext market in Paris and Brussels since 8 April 2014.

Registered office: Prologue-Biotech - 516 Rue Pierre et Marie Curie - 31670 LABEGE

Toulouse Trade and Companies Register (RCS): 439 489 022

Genticel is hereinafter referred to as the "Company".

1.2. SIGNIFICANT EVENTS IN THE FIRST HALF OF 2016

January 2016

- Appointment of Rémi Palmantier as Chief Scientific Officer to accelerate the Company's development.
- Agreement signed with Roche Molecular Systems Inc. to evaluate Roche's cobas® HPV test in preparation for the planned phase 3 trial of GTL001.
- Report of the initial results at 12 months from the ongoing randomized, double-blind, placebo controlled phase 2 clinical study of the Company's immunotherapeutic candidate, GTL001, designed to clear HPV 16 and/or 18 infection. While there was **no statistical difference in viral clearance between treatment and placebo in the overall study population at 12 months**, there was a clear separation in 2 predefined subgroups, namely patients with normal cytology and patients less than 30 years old at baseline. Statistically significant viral clearance data at 18 months in the overall population will be determinant to trigger phase 3 preparation. These data will be reported in Q3 2016. The independent DSMB (Data Safety and Monitoring Board) furthermore recommended on January, 26, 2016, the continuation of the study per protocol.

March 2016

- Publication of the Company's annual financial report for the period ending December 31 2015, with cash and liquid investments at 21.8 M€. The Company also announced a refocusing of its activities around the clinical development of GTL001 and the search for new assets, leading to the suspension of other activities, in particular the industrial production of clinical lots, as well as a reduction of workforce of about 30%.

Avril 2016

- Report of post-hoc analyses of the results at 12 months in the phase 2 trial for GTL001, showing a trend towards statistical significance in a sub-group of women with undetermined cellular anomalies (ASCUS). As such, the post-hoc regrouping of patients with normal cytology (NILM) and those with undetermined cellular anomalies (ASCUS) also demonstrates a statistically significant separation (p= 0.0029).

June 2016

- Publication of the phase 1 trial results of GTL001 in 'Clinical Cancer Research'. The publication, entitled "GTL001, a therapeutic vaccine for women infected with human papillomavirus 16 or 18 and normal cervical cytology: results of a phase 1 clinical trial" and authored by Prof. Pierre Van Damme, MD, PhD,

chairman of the Vaccine & Infectious Disease Institute of the University of Antwerp (Belgium), was available online on the Clinical Cancer Research website.

- Completion of the 5-year stability assays for GTL001 and of the evaluation of HPV cobas® test that confirms the Company's ability to use widely available genotyping HPV tests in the planned phase 3 program of GTL001.
- Participation to the EUROGIN (European Research Organisation on Genital Infection and Neoplasia) 2016 Congress held from June 15 to 18, 2016 in Salzburg, Austria, where it presented the 12-month interim results1 of the European phase 2 trial of GTL001 as well as provided further preclinical proof of concept data for GTL002.
- Report of interim results at 18 months in the phase 2 trial of its HPV16/18 immunotherapeutic candidate GTL001. While this interim analysis at 18 months showed no new unexpected safety events, **viral clearance in the treated total population or in the sub groups did not differ statistically from the natural clearance in the placebo group.**

1.3. EVENTS AFTER THE REPORTING PERIOD AND PERSPECTIVES

The Company announced on July 6, 2016, that it has engaged Eumedix, a leading European corporate finance specialist, as strategic advisor. Eumedix will support Genticel in evaluating its strategic options, with a particular focus on facilitating the Company's access to innovative drug candidates, through a merger or an acquisition if appropriate.

In addition to this search for new opportunities, the Company continues, during the second half of 2016, its cash preservation policy and the alignment of its resources with the decreasing workload associated with its candidates GTL001 and GTL002. In particular, and in accordance with French law, the Company has engaged with the personnel representatives of GENTICEL in new discussions on further downsizing its workforce for economic reasons as ongoing tasks are completed over time.

NOTE 2 – ACCOUNTING PRINCIPLES, RULES AND METHODS

2.1. PRINCIPLES USED IN PREPARING THE FINANCIAL STATEMENTS

Statement of compliance

Genticel has prepared its financial statements, in accordance with the standards and interpretations published by the International Accounting Standards Board (IASB) and adopted by the European Union as at the preparation date of the financial statements, for all the reported periods.

This reference, available on the European Commission website (http://ec.europa.eu/internal_market/accounting/ias_eu.htm), incorporates the international accounting standards (IAS and IFRS), the interpretations of the Standing Interpretations Committee (SIC) and of the International Financial Interpretations Committee (IFRIC).

The accounting principles, methods and options adopted by the Company are described below. In some cases, IFRS standards allow a choice between the treatment of reference and another approved treatment.

In compliance with European Regulation 1606/2002 of 19 July 2002, Genticel's financial statements as at 30 June 2015 have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union.

As they are condensed financial statements, they do not include all the information required by IFRS for the preparation of financial statements. These Notes should thus be read in conjunction with the published Genticel IFRS financial statements for the fiscal year ended 31 December 2015.

Accounting methods

The accounting principles are identical to those used to prepare the IFRS annual financial statements for the year ended 31 December 2015, with the exception of the following new standards, amendments and interpretations adopted by the European Union, mandatory for the Company from 1 January 2016:

Standards, amendments and interpretations applicable to reporting periods beginning on 1 January 2016

- Amendments to IAS 1 – Financial statement presentation: the « disclosure initiative »
- Amendments to IAS 19 – Employee contributions
- Amendments to IAS 16 and IAS 38 – Clarifications regarding the acceptable methods of depreciation
- Amendments to IAS 27 – Homogenisation across financial statements
- Amendments to IFRS 11 – Acquisition of an interest in a joint operation
- Amendments to IAS 16 and IAS 41 – Bearer plants
- Amendments of IFRS (cycle 2012-2014)
- Amendments of IFRS (cycle 2010-2012)

These new texts adopted by the European Union have had no significant impact on the Company's financial statements.

Standards, amendments and interpretations not yet adopted by the Company

Standards, amendments and interpretations adopted by the European Union but not yet mandatory for the 2016 half-yearly statements.

None.

Standards and interpretations published by the IASB and not yet adopted by the European Union as at 30 June 2016

- IFRS 9 – Financial Instruments
- IFRS 14 – Regulatory Deferral Accounts
- IFRS 15 – Revenue from Contracts with Customers
- IFRS 16 - Leases
- Amendments to IFRS 10, IFRS 12 and IAS 28 – Investment Entities: Application of the consolidation exemption
- Amendments to IFRS 10 and IAS 28 – Sale or purchase of assets between an investor and an associated company or joint-venture
- Amendments to IAS 12 – Recognition of deferred tax assets for unrealised losses
- Amendments to IAS 7 – Required information: transfer of financial assets
- Amendments to IFRS 2 – Classification and valuation of transactions for which payment is based on shares
- Clarifications to IFRS 15

The Company is currently in the process of assessing the impact of the first-time adoption of these new standards. It does not expect them to have a significant impact on its financial statements.

2.2. CHANGE IN ACCOUNTING METHOD

With the exception of the new texts identified above, Genticel made no changes to its accounting methods for the period ended 30 June 2016.

2.3. USE OF JUDGMENTS AND ESTIMATES

In preparing these condensed financial statements, Management's main judgments and assumptions were the same as for the financial statements as at 31 December 2015, to wit:

- Allocation of ordinary share subscription warrants or founders' warrants to employees, executives and external service providers (see Note 8),
- Non-recognition of deferred tax assets net of deferred tax liabilities (see Note 16).

Such estimates are made by Management based on the assumption of business continuity as an ongoing concern and on the information available at the time. These estimates are ongoing and are based on past experience as well as diverse other factors judged to be reasonable, and form the basis for the assessments of the book value of assets and liabilities. The estimates may be revised if the circumstances on which they are based change or as a result of new information. Actual results may differ significantly from such estimates if assumptions or conditions change.

NOTE 3 – INTANGIBLE AND TANGIBLE ASSETS

3.1. INTANGIBLE ASSETS

INTANGIBLE ASSETS (Amounts in euros)	**Patents**	**Software**	**Trademarks**	**Total**
GROSS VALUE				
Statement of financial position at 31 December 2015	**47,088**	**65,671**	**990**	**113,749**
Acquisition	-	7,613	-	7,613
Sale	-	-	-	-
Transfer	-	-	-	-
Statement of financial position at 30 June 2016	47,088	73,283	990	121,361
DEPRECIATION				
Statement of financial position at 31 December 2015	**33,444**	**26,288**	**-**	**59,732**
Increase	1,370	7,235	-	8,606
Decrease	-	-	-	-
Statement of financial position at 30 June 2016	**34,814**	**33,523**	**-**	**68,338**
NET CARRYING VALUE				
At 31 December 2015	**13,644**	**39,383**	**990**	**54,017**
At 30 June 2016	**12,273**	**39,760**	**990**	**53,023**

No impairment was recognised upon application of IAS 36.

3.2. PROPERTY, PLANT AND EQUIPEMENT

PROPERTY, PLANT AND EQUIPEMENT (Amounts in euros)	**Machinery and equipment**	**Fixtures and fittings**	**Furniture, IT and office supplies**	**Total**
GROSS VALUE				
Statement of financial position at 31 December 2015	**600,776**	**170,019**	**137,840**	**908,635**
Acquisition	-	2,743	3,028	5,771
Sale	-	-	-	-
Transfer	-	-	-	-
Statement of financial position at 30 June 2016	**600,776**	**172,762**	**140,868**	**914,406**
DEPRECIATION				
Statement of financial position at 31 2015	**518,619**	**128,855**	**105,287**	**752,761**
Increase	16,102	4,391	8,967	29,460
Decrease	-	-	-	-
Statement of financial position at 30 June 2016	**534,722**	**133,245**	**114,254**	**782,221**
NET CARRYING VALUE				
At 31 December 2015	**82,157**	**41,164**	**32,553**	**155,874**
At 30 June 2016	**66,055**	**39,516**	**26,614**	**132,185**

No impairment was recognised upon application of IAS 36.

NOTE 4 – OTHER FINANCIAL ASSETS

OTHER FINANCIAL ASSETS (Amounts in euros)	**30/06/2016**	**31/12/2015**
Capitalisation on contract	5,166,680	5,154,093
Liquidity contract	43,700	116,748
Sureties	19,817	19,817
Total other non-current financial assets	**5,230,197**	**5,290,657**
Term deposits	5,020,833	5,021,938
Total current financial assets	**5,020,833**	**5,021,938**

Non-current financial assets, at 30 June 2016, consist of:

- a capitalization contract signed on 18 August 2014 with an initial value of €5,000k with Natixis Life (Luxembourg), its terms as follows:
  - "eurofund" investment (diversified, mostly bonds) with a continuous capital guarantee based on a "ratchet effect", i.e. guaranteed interest payment,
  - full discretionary use of funds via total or partial redemption at any time, subject to contractual redemption penalties in the first three years: 2% of amount redeemed in the first 12 months; 1.5% of the amount redeemed between month 13 and 24; 1% of the amount redeemed between month 25 and 36; 0% afterwards,

- no legal or contractual lock-in provisions

- a cash reserve linked to the liquidity contract;
- deposits for commercial property leases.

Current financial assets, at 30 June 2016, consist of a term deposit account subscribed to in January 2016 of initially €5,500K, maturing January 2017 with a possible anticipated redemption.

NOTE 5 – OTHER RECEIVABLES

OTHER RECEIVABLES (Amount in euros)	**30/06/2016**	**31/12/2015**
Research tax credit (1)	4,943,810	3,000,452
Competitiveness & jobs tax credit ("CICE")	6,390	27,596
Value Added Tax	156,992	322,253
Credits receivable	-	110,862
Prepaid expenses (2)	178,969	191,484
Other	12,534	1,047
Total other receivables	**5,298,695**	**3,653,694**

(1) Research Tax Credit (« CIR »)

In the absence of taxable income and given the Company's status as an EC-recognized SME, the Research Tax Credit (CIR) receivable from the State is paid in the year following the year to which the eligible research expenses relate.

The reimbursement of the amount declared for the 2015 fiscal year (3,008 K€) is expected in the second semester of 2016.

(2) Prepaid expenses relate to current expenses.

NOTE 6 – CASH AND CASH EQUIVALENTS

CASH AND CASH EQUIVALENTS (Amounts in euros)	**30/06/2016**	**31/12/2015**
Bank accounts	2,626,574	5,650,591
Money-market SICAVs	2,010,653	6,009,238
Total cash and cash equivalents	**4,637,227**	**11,659,829**

NOTE 7 – CAPITAL

COMPOSITION OF SHARE CAPITAL	**30/06/2016**	**31/12/2015**
Capital (in euros)	1,557,005.50	1,554,108.60
Number of shares	**15,570,055**	**15,541,086**
of which Ordinary Shares	*15,570,055*	*15,541,086*
Nominal value (in euros)	0.10 €	0.10 €

Issued capital

The Company's share capital is €1,557,005.50. It consists of 15,570,055 fully subscribed and paid-up ordinary shares each with a nominal value of €0.10.

This number of shares excludes share subscription warrants (BSA) and founders' warrants (BSPCE) granted to certain investors and to certain physical persons, whether or not employees of the Company, which have not yet been exercised.

Capital Management

The Company's policy is to maintain a solid capital base, to preserve the confidence of investors and creditors, and to support the future growth of the business.

As at 30 June 2016 the Company held 45,353 shares via a liquidity contract signed with the Banque Oddo and the Cie on 18 April 2014.

Dividends

The Company paid no dividend in the first half of 2016.

NOTE 8 – WARRANTS AND FOUNDERS' WARRANTS

Warrants issued to the benefit of financial investors

Change in warrants currently outstanding

	Number of warrants outstanding					Number of subscribable shares
Change in investor warrants	**31/12/2015**	**Allocated**	**Exercised**	**Lapsed**	**30/06/2016**	
Warrants – other investors	**133,334**				**133,334**	**133,334**
Total	**133,334**	**-**	**-**	**-**	**133,334**	**133,334**

Warrants (BSA) issued to the benefit of Supervisory Board members and Executive Board members and consultants.

Change in warrants currently outstanding

		Number of warrants outstanding					Maximum number of subscribable shares (1)
Type	**Allocation date**	**31/12/2015**	**Allocated**	**Exercised**	**Lapsed**	**30/06/2016**	
BSA 10/2008	ExecBd meeting 24/10/2008	**30,800**				**30,800**	**30,800**
BSA 02/2010	ExecBd meeting 14/02/2010	**155,200**				**155,200**	**155,200**
BSA 12/2013	ExecBd meeting 20/12/2013	**116,000**				**116,000**	**116,000**
BSA 09/2014	ExecBd meeting 12/09/2014	**35,000**				**35,000**	**35,000**
Total		**337,000**	**-**	**-**	**-**	**337,000**	**337,000**

(1) given that some warrants are currently being processed for exercise

Founders' warrants (BSPCE) issued to the benefit of employees and members of the Executive Board.

The following table summarises the option plans issued during the first semester of 2016 as well as the assumptions adopted for the IFRS 2 valuation:

		Plan Features			Assumptions used		
Type	**Allocation date**	**Number of warrants allocated**	**Exercise period**	**Exercise price**	**Volatility**	**Risk-free rate**	**Total initial valuation per IFRS 2 (Black&Scholes)**
BSPCE $_{03/2016}$	Exec Bd meeting 01/03/2016	**100,000**	10 years	4.19 €	53.67%	-0.23%	**235,028 €**

The founders' warrants will become exercisable by their holder from the date of allocation by the Executive Board, to a ceiling of 1/3 of the founders' warrants allocated per year to that holder.

Change in warrants currently outstanding

		Nombre de bons en circulation					Maximum number of subscribable shares (1)
Type	**Allocation date**	**31/12/2015**	**Allocated**	**Exercised**	**Lapsed**	**30/06/2016**	
BSPCE $_{02/2007}$		**28,000**				**28,000**	**28,000**
BSPCE $_{04/2009}$	Exec Bd meeting 09/04/2009	**60,740**				**60,740**	**60,740**
BSPCE $_{12/2010}$	Exec Bd meeting 17/12/2010	**160,180**		(15,080)		**145,100**	**145,100**
BSPCE $_{09/2011}$	Exec Bd meeting 30/09/2011	**9,000**		(9,000)		**-**	**-**
BSPCE $_{06/2012}$	GM of 26/06/2012	**13,000**				**13,000**	**13,000**
BSPCE $_{12/2012}$	Exec Bd meeting 11/12/2012	**11,750**				**11,750**	**11,750**
BSPCE $_{02/2013}$	Exec Bd meeting 15/02/2013	**10,500**		(1,500)		**9,000**	**9,000**
BSPCE $_{12/2013}$	Exec Bd meeting 20/12/2013	**112,718**		(3,389)	(2,712)	**106,617**	**106,617**
BSPCE $_{05/2014}$	Exec Bd meeting 14/05/2014	**466,975**			(33,336)	**433,639**	**433,639**
BSPCE $_{12/2014}$	Exec Bd meeting 9/12/2014	**7,590**			(7,590)	**-**	**-**
BSPCE $_{04/2015}$	Exec Bd meeting 23/04/2015	**5,059**				**5,059**	**5,059**
BSPCE $_{04/2015}$	Exec Bd meeting 23/04/2015	**45,000**				**45,000**	**45,000**
BSPCE $_{09/2015}$	Exec Bd meeting 01/03/2016	**-**	100,000			**100,000**	**100,000**
Total		**930,512**	**100,000**	**(28,969)**	**(43,638)**	**957,905**	**957,905**

(1) given that some warrants are currently being processed for exercise

IFRS expense recognized in H1 2015 and in H1 2016

	30/06/2015				30/06/2016			
Type	**Probable cost of plan to date**	**Cumulative expenses at opening**	**Expense in the period**	**Cumulative expense to date**	**Probable cost of plan at opening**	**Cumulative expenses at opening**	**Expense in the period**	**Cumulative expense to date**
BSPCE 11/2005	47,916	47,916	-	47,916	47,916	47,916	-	47,916
BSPCE 02/2007	44,800	44,800	-	44,800	44,800	44,800	-	44,800
BSPCE 04/2009	159,279	159,279	-	159,279	159,279	159,279	-	159,279
BSPCE 12/2010	342,701	342,701	-	342,701	342,701	342,701	-	342,701
BSPCE 09/2011	23,013	23,012	-	23,012	23,013	23,013	-	23,013
BSPCE 06/2012	22,161	20,967	1,194	22,161	22,161	22,161	-	22,161
BSPCE 12/2012	18,943	16,954	1,044	17,998	18,943	18,943	-	18,943
BSPCE 02/2013	31,148	24,646	3,085	27,731	28,020	26,668	1,352	28,020
BSPCE 12/2013	250 192	152,786	33,392	186,178	242,157	218,749	9,371	228,120
BSPCE 05/2014	1,588 981	607,574	407,862	1,015,436	1,497,624	1,219,910	129,326	1,349,236
BSPCE 12/2014	20,918	730	6,003	6,733	6,973	12,395	(5,422)	6,973
BSPCE 04/2015	15,636	-	1,683	1,683	15,636	6,237	3,509	9,746
BSPCE 09/2015	-	-	-	-	146,095	42,321	41,992	84,313
BSPCE 03/2016	-	-	-	-	235,028	-	45,110	45,110
Total	**2,565,688**	**1,441,365**	**454,262**	**1,895,627**	**2,830,346**	**2,185,093**	**225,240**	**2 410 331**

	30/06/2015				30/06/2016			
Type	**Probable cost of plan to date**	**Cumulative expenses at opening**	**Expense in the period**	**Cumulative expense to date**	**Probable cost of plan at opening**	**Cumulative expenses at opening**	**Expense in the period**	**Cumulative expense to date**
BSA 10/2008	60,225	60,225	-	60,225	60,225	60,225	-	60,225
BSA 02/2010	257,630	257,630	-	257,630	257,630	257,630	-	257,630
BSA 12/2013	220,552	136,681	30,405	167,086	220,552	196,786	12,152	208,938
BSA 09/2014	72,228	13,322	21,921	35,243	72,228	50,186	9,949	60,135
Total	**610,635**	**467,857**	**52,327**	**520,185**	**610,636**	**564,826**	**22,101**	**586,928**

NOTE 9 – BORROWINGS AND FINANCIAL DEBT

CURRENT AND NON-CURRENT FINANCIAL DEBTS (Amounts in euros)	**30/06/2016**	**31/12/2015**
Repayable advances	1,599,040	1,900,781
Non-current financial debt	**1,599,040**	**1,900,781**
Bank overdrafts	202	174
Bonds – debt component	612	612
Repayable advances	793,141	620,561
Current financial debt	**793,955**	**621,347**
Total financial debt	**2,392,995**	**2,522,128**

Reconciliation between reimbursement value/ balance sheet value

RECONCILIATION BALANCE SHEET/REIMBURSEMENT VALUE (Amounts in euros)	**Reimbursement value 30/06/2016**	**Depreciated cost**	**Balance sheet value**	
			30/06/2016	**31/12/2015**
Repayable Advances	2,456,134	(63,953)	2,392,181	2,521,342
Bank overdrafts	202	-	202	174
Bonds	612	-	612	612
Total financial debt	**2,456,948**	**(63,953)**	**2,392,995**	**2,522,128**

Breakdown of financial debt by maturity, in reimbursement value

The following shows financial debt in the period presented:

CURRENT AND NON6CURRENT FINANCIAL DEBT (Amounts in euros)	**30/06/2016**			
	Gross amount	**<1yr**	**1 ≥ 5yrs**	**< 5yrs**
Repayable advances	2,456,134	806,640	1,649,494	-
Bank overdrafts	202	202	-	-
Bonds – debt component	612	612	-	-
Total financial debt	**2,456,948**	**807,454**	**1,649,494**	**-**
Current financial debt	*807,454*			
Non-current financial debt	*1,649,494*			

9.1. REPAYABLE ADVANCES

CHANGE IN REPAYABLE ADVANCES AND SUBSIDIES (Amounts in euros)	OSEO 2 - HPV	OSEO 3 - ProCervix (GTL001)	OSEO 4 - Magenta	Total
At 31 December 2015	**727,199**	**641,259**	**1,152,884**	**2,521,342**
(+) Encashments	-	-	-	-
(-) Repayments	(125,000)	(28,680)	-	(153,680)
Subsidies	-	-	-	-
Financial expenses	11,828	8,748	3,943	24,519
(+/-) Other movements	-	-	-	-
At 30 June 2016	**614,027**	**621,327**	**1,156,827**	**2,392,181**

The company has not received any new repayable advances during the 1st half of 2016, nor has it received any complementary instalment for existing advances.

NOTE 10 – EMPLOYEE BENEFIT OBLIGATIONS

The principal actuarial assumptions used for the valuation of retirement package are the following:

ACTUARIAL ASSUMPTIONS	30/06/2016	31/12/2015
Age at retirement	Voluntary retirement age 65 and 67 years	
Collective agreements	Pharmaceutical Industry	
Discount rate (IBOXX Corporates AA)	1.05%	2.03%
Mortality table	INSEE 2015	INSEE 2014
Rate of salary increase	2.50%	2.50%
Staff turnover	High	High
Social security expense ratio : Management Employees Technicians	 45% 43% n/a	 45% 43% 47%

The following shows the change in retirement provisions:

EMPLOYEE BENEFIT OBLIGATIONS (Amounts in euros)	Post-employment benefit obligations
At 31 December 2015	**322,060**
Past service costs	24,774
Financial costs	3,105
Actuarial gains (losses)	(50,463)
At 30 June 2016	**299,476**

NOTE 11 – CURRENT LIABILITIES

11.1. TAX AND SOCIAL SECURITY LIABILITIES

TAX AND SOCIAL SECURITY LIABILITIES (Amounts in euros)	**30/06/2016**	**31/12/2015**
Payroll & related accounts	347,976	393,273
Social security & other social bodies	295,975	394,093
Other taxes, levies and similar payments	54,498	33,973
Total Tax and social security liabilities	**698,449**	**821,340**

11.2. OTHER CURRENT LIABILITIES

OTHER CURRENT LIABILITIES (Amount in euros)	**30/06/2016**	**31/12/2015**
Attendance fees payable to Supervisory Board members	40,700	-
Other	931	2,055
Total Other current liabilities	**41,631**	**2,055**

NOTE 12 – SALES AND OTHER EARNINGS

SALES AND OTHER EARNINGS PER GEOGRAPHIC REGIONS (Amounts in euros)	**30/06/2016**	**30/06/2015**
France	-	-
India	220,000	88,371
Total Sales and other earnings	**220,000**	**88,371**

On 2 February 2015 the Company signed a license agreement with the pharmaceutical company Serum Institute of India Ltd (SIIL) for its Vaxiclase technology, as part of SIIL's development of acellular and multivalent vaccines containing whooping cough antigens.

As counterpart for access to and use of the Vaxiclase platform in the authorized indication, Genticel could receive up to US$57 million in initial payments and stage payments on development and sales based on criteria defined in the terms of the agreement, as well as royalties as a percentage of net sales.

Under this contract, an up-front US$100,000 (88 K€) was billed, as well as the delivery of Vaxiclase billed at 250 K$ (220 K€) during the first halves of 2015 and 2016 respectively.

NOTE 13 – OPERATING EXPENSES

13.1. RESEARCH AND DEVELOPMENT

RESEARCH & DEVELOPMENT (Amounts in euros)	**30/06/2016**	**30/06/2015**
Raw materials and consumables	(43,304)	(76,577)
Studies and services	(3,100,772)	(3,840,297)
Maintenance and repair	(34,426)	(46,970)
Insurances	(31,943)	-
Advertising	-	(7,666)
Travel, assignments and entertainment	(46,765)	(55,436)
Other outsourced services	(20,463)	(17,089)
Personnel expenses	(1,368,968)	(1,448,521)
Royalties and patents	(81,694)	(217,754)
Depreciation of assets	(1,370)	(1,370)
Share-based payments	(143,293)	(363,336)
Research & Development Expenses	**(4,872,999)**	**(6,075,016)**
Research Tax Credit	1,943,358	1,779,387
Subsidies	-	250
Subsidies	**1,943,358**	**1,779,637**

13.2. GENERAL AND ADMINISTRATIVE EXPENSES

ADMINISTRATIVE EXPENSES (Amounts in euros)	**30/06/2016**	**30/06/2015**
Rental of movable and immovable property	(104,964)	(90,587)
Maintenance and repairs	(27,802)	(26,279)
Insurance	(31,636)	(49,493)
Fees, legal and ownership	(461,456)	(492,794)
Advertising	(67,091)	(72,350)
Travel, assignments and entertainment	(108,095)	(106 434)
Other outsourced services	(179,580)	(114,734)
Levies and taxes	(55,389)	(31,856)
Personnel expenses	(468,817)	(352,277)
Restructuring costs	(366,980)	-
Attendance fees	(50,000)	(50,000)
Depreciation of assets	(36,695)	(24,105)
Share-based payments	(104,046)	(143,252)
Administrative Expenses	**(2,062,551)**	**(1,554,160)**

NOTE 14 – WORKFORCE

AVERAGE WORKFORCE	30/06/2016 (6 months)	30/06/2015 (6 months)
Management	23.8	24.6
Employees	5.3	8.0
Total average workforce	**29.1**	**32.6**

NOTE 15 – FINANCIAL INCOME AND EXPENSES, NET

FINANCIAL INCOME AND EXPENSES (Amounts in euros)	30/06/2016	30/06/2015
Other financial expenses	(24,519)	(30,561)
Other financial income	46,349	132,516
Translation gains (losses)	(769)	(3,554)
Total financial income and expenses	**21,061**	**98,401**

NOTE 16 – INCOME TAX

Applying the same rules as on 31 December 2015, the Company recognized no deferred tax assets at 30 June 2016.

NOTE 17 – EARNINGS PER SHARE

BASE EARNINGS PER SHARE	30/06/2016	30/06/2015
Weighted average number of outstanding shares	15,552,554	15,440,235

Net income for the period	**(4,751,131)**	**(5,662,767)**
Basic earnings per share (€/share)	**(0.31)**	**(0.37)**
Diluted earnings per share (€/share)	**(0.31)**	**(0.37)**

NOTE 18 – RELATED PARTIES

18.1. COMPENSATION PAID TO EXECUTIVES AND CORPORATE OFFICERS

No post-employment benefits were granted to the members of the Executive Board or members of the Supervisory Board.

Compensation due to members of the Executive Board and to the members of the Supervisory Board can be broken down as follows:

COMPENSATION PAID TO CORPORATE OFFICERS (Amounts in euros)	30/06/2016	30/06/2015
Fixed compensation due	374,834	370,936
Variable compensation due	36,376	81,492
Benefits in kind	4,878	11,477
Attendance fees	50,000	50,000
Shared-based payments	180,808	411,140
Consultancy fees	30,000	34,425
TOTAL	**676,897**	**959,470**

The variable components of compensation are allocated on the basis of performance criteria.

The methods used to calculate the advantage of share-based payments are explained in Note 8.

18.2. CONSULTANCY CONTRACTS

The Company has signed consultancy contracts with two members of the Supervisory Board:

- Consultancy contract with Mr Hercend (Chairman of the Supervisory Board), which generated invoicing totalling €30,000 (not including tax) for the first half of 2016.
- Consultancy contract with Mr Hoch (Member of the Supervisory Board), which did not generate any invoicing for the first half of 2016.

NOTE 19 – OFF-BALANCE-SHEET COMMITMENTS

Off-balance-sheet commitments existing at 31 December 2015 have not changed significantly over the period.

4. STATUTORY AUDITORS' REPORT ON THE HALF-YEAR FINANCIAL STATEMENTS AS AT 30 JUNE 2016

Grant Thornton
L'instinct de la croissance™

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GENTICEL
Limited Company (*société anonyme*) with a share capital of €1,557,005.50

Registered office:
516, rue Pierre et Marie Curie
31670 LABEGE

STATUTORY AUDITORS' REPORT ON THE HALF-YEAR FINANCIAL STATEMENTS
as at 30 June 2016

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your General Meeting and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code ("Code monétaire et financier"), we hereby report to you on:

- the review of the accompanying condensed half-yearly financial statements of Genticel, for the period from January 1 to June 30, 2015,
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly financial statements are the responsibility of the Executive Board. Ourrole is to express a conclusion on these financial statements based on our review.

1 Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A limited review of interim financial information consists mostly in making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. Such a review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and

consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

2 Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly financial statements.

Paris and Toulouse, September 19, 2015

Statutory Auditors

GRANT THORNTON **French member of Grant Thornton International**	**SYGNATURES**
Laurent Bouby **Partner**	**Laure Mulin** **Partner**