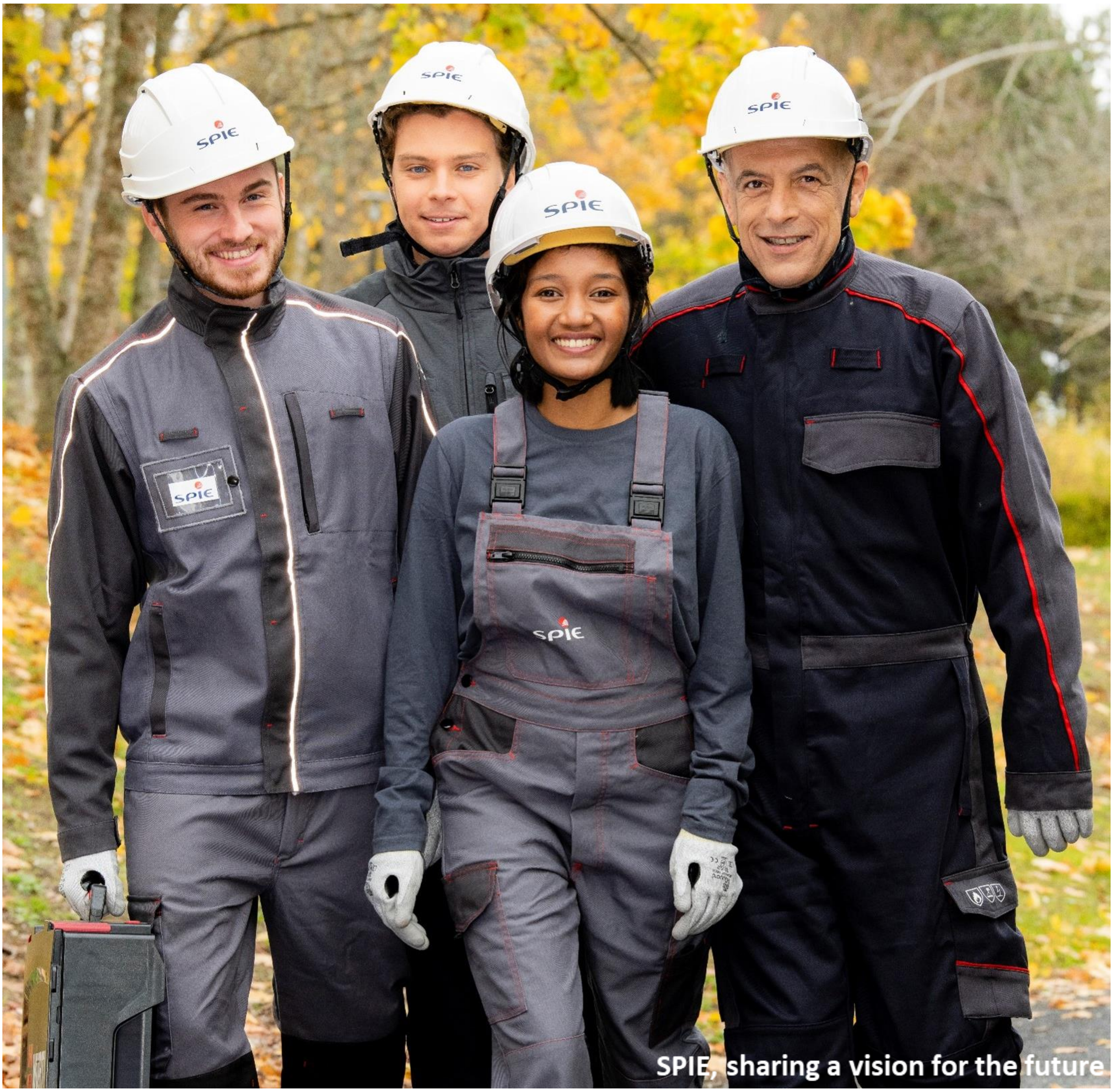
FIRST HALF FINANCIAL REPORT
2023



I - Management Report

II – Interim Consolidated Financial Statements

1. Summary

SPIE delivered an outstanding performance in H1 2023 with an exceptional level of organic growth, a strong +30 bps EBITA margin increase resulting in an EBITA growth of 16% year on year. This demonstrates the strengths of SPIE's business model, even in an inflationary context. With unique positioning in its geographies and by fostering the proximity with its clients, the Group has become the first port of call when it comes to expert solutions towards the energy transition. The accelerating demand on energy-related markets combined with the labour resources scarcity observed in SPIE's sector, leads the Group to further insist on the high selectivity approach and on the quality of execution to further improve the EBITA margin. Bolt-on M&A remains a key pillar of SPIE's strategy, and the pipeline of opportunities is very rich. In the new interest rates and debt financing environment, SPIE successfully managed a partial refinancing of its debt and an optimisation of its financing conditions.

These strong H1 2023 results allow SPIE to revise upwards the guidance for the full year 2023 with an organic growth of at least 6% and an EBITA margin increase of c.+30 bps.

Group revenue[1] stood at €4,114.0 million in H1 2023, up +9.6% compared to H1 2022. Revenue organic growth was up +9.8% confirming the strong demand on our markets and evidencing our pricing power in an inflationary context. Changes in perimeter accounted for -0.4% mainly related to the disposal of the UK activities and the consolidation effect of acquisitions. Currency movements impacts were +0.2%.

Group EBITA[1] rose by +16.1%, to €220.0 million. EBITA margin was at 5.3%, up +30 bps compared to H1 2022, with all our segments improving thanks to the permanent focus on operational excellence across all activities and our selective approach in a context of higher inflation and labour resources scarcity. The Netherlands recorded a significant EBITA margin increase, supported by the successful integration of Worksphere and the performance initiatives conducted in the historical perimeter bearing fruit.

Adjusted net income[2] (Group share) was €122.3 million, up +15.1% year-on-year.

Net income (Group share) was at €73.2 million (from €72.5 million in H1 2022), only up +1.0%, due to the negative €(18.4) million non-cash impact related to the split accounting method of the ORNANE under IFRS.

Working capital stood at €(366.7) million at end of June 2023 corresponding to (16) days of revenue, compared to €(460.1) million and (21) days of revenue at end of June 2022 (excluding UK) . This is a solid performance in line with our 2022 pattern. As anticipated, it takes into account the high activity level until the end of Q2 mechanically implying higher accrued income and trade receivables at end of June 2023. We maintain a high level of discipline and attention regarding working capital management across the board, resulting in our long-standing cash generative model.

Net debt excluding IFRS 16 was €1,346.8 million at end of June 2023, compared to €1,470.7 million at end of June 2022. Leverage ratio[3] was down -0.5x, at 2.3x at end of June 2023 compared to 2.8x at end of June 2022. As a result of SPIE's usual working capital seasonality, net debt and leverage increased in H1 2023 compared to December 31st, 2022 levels (€920.1 million net debt; 1.6x leverage ratio). Seasonality of working capital will generate a highly positive free cash flow in H2 resulting in a leverage ratio reduction.

The Group's liquidity remains very high, at €1,171.7 million at end of June 2023, including €571.7 million of cash and €600 million of undrawn Revolving Credit Facility compared to €1,214.6 million at end of June 2022.

In 2023, SPIE has announced 2 bolt-on acquisitions totalling annualised revenue of c. €44 million in France and in Germany.

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[1] Revenue and EBITA (Earnings Before Interests, Taxes and Amortisation) are non GAAP measures used by management to assess the performance of the Group. Please refer to notes 6 of the interim consolidated financial statements for reconciliation with GAAP measures

[2] Adjusted for i) operating income items restated from the Group's EBITA, ii) the change in fair value and amortisation costs of derivative related to the ORNANE, and iii) the corresponding normative tax income adjustment

[3] Ratio of net debt excluding impact of IFRS 16 at end of June to pro forma EBITDA (including full-year impact of acquisitions and disposals) on a trailing twelve-month basis

2. H1 2023 highlights

2.1 Bolt-on acquisitions

SPIE dedicates part of its free cash flow to fund a regular stream of small and mid-size bolt-on acquisitions. This bolt-on strategy is at the core of SPIE's growth model and contributes to the expansion of the Group's service offering and footprint density. SPIE operates in highly fragmented markets and therefore enjoys a rich pipeline of future M&A opportunities.

On June 19th, 2023, SPIE signed an agreement for the acquisition of Enterprise Communications & Services (ECS) a German technical services provider in information and communication technology for a well-diversified customer base. With around 130 employees, the company generated annual revenue of c. €22 million in 2022. This acquisition allows SPIE to strengthen its positioning in Information & Communication Services in Germany. The closing of the transaction is expected for Q3 2023.

On July 6th, 2023, SPIE entered into exclusive negotiations for the acquisition of AVM Up in France. With this acquisition, SPIE strengthens its positioning in the strongly growing UCaaS market by offering complementary cloud services and added value solutions to its customers. With around 50 qualified employees, AVM Up generated revenue of c. €22 million in 2022. The transaction was closed on July 26th, 2023.

2.2 Financing

In January 2023, the Group issued Sustainability-linked ORNANEs (Bonds settled in cash and/or convertible into new shares and/or exchangeable for existing shares) due 2028 for a nominal amount of €400 million. The objective was twofold: to refinance the upcoming debt maturities (2024 Bond of €600 million) and optimise the Group's financing conditions by (i) using SPIE's cash to reduce the gross debt on balance sheet (by €200 million) and (ii) benefitting from an attractive 2% coupon.

In June 2023, SPIE renewed its securitisation facility for an amount of €300 million and for a period of four years, until June 2027, associated with improved margin conditions. The facility now includes ESG criteria as defined in the Senior Facility Agreement and the ESG Framework signed in November 2022, in line with the Group's strategy to embed its CSR roadmap into its financing strategy.

Therefore, the Group has no upcoming maturity before June 2026 and benefits from optimised financing conditions in a context of higher interests' rates.

2.3 Credit rating

In H1 2023, SPIE's long term corporate credit rating was upgraded by Standard & Poor's in January and by Fitch in May to BB+ (previously BB), both with stable outlook. This rewards our strong performance and the Group's sound financial structure.

2.4 Employee Shareholding

In December 2022, SPIE finalised the 6th edition of its employee shareholding program, Share For You 2022, which was met with strong employee support. Around 11,000 employees from 13 different countries subscribed to the plan, which includes 2,500 employees subscribing for the first time[4].

SPIE's employee fund owns 7.2% of the Group's capital at end of June 2023, which makes employees its largest shareholder.

2.5 Sustainability

In January 2023, SPIE joined a new index focused on robust and ambitious emission reduction targets. SPIE recently joined the CAC SBT 1.5° Index, the new climate-focused version of the CAC 40, in line with the 1.5°C goal of the Paris Agreement. SPIE's inclusion in this index is a step forward rewarding the ambitious climate strategy of the Group.

[4] This operation raised €20.0 million. 1,234,506 new shares were issued on December 14th, 2022. Consequently, the total share count as of December 31st, 2022 was 164,150,706

3. Activity report

3.1 Consolidated

Consolidated revenue stood at €4,114.0 million in H1 2023, up +9.6% compared to H1 2022. Revenue organic growth was up +9.8% Changes in perimeter accounted for -0.4%, mainly related to the disposal of our UK activities and the consolidation effect of acquisitions. Currency movements impacts were +0.2%.

Consolidated EBITA rose by +16.1%, to €220.0 million. EBITA margin was at 5.3%, up +30 bps compared to H1 2022, with all our segments improving.

3.2 Segment information

France

The **France** segment's revenue grew by +8.9% in H1 2023, exclusively on an organic basis. EBITA margin was up +10 bps at 5.8% in H1 2023 compared to 5.7% in H1 2022.

Our Building Solutions and Technical Facility Management activities remained boosted by growing needs for energy efficiency solutions (including installation works for building renovation and energy performance contracts respectively). City Networks benefitted from the high demand for e-mobility (charging stations) and the good momentum of our smart public lighting solutions (including energy performance contract). Industry Services, addressing a wide range of customers and sectors, were supported by decarbonation requirements, but also automation and digitalisation of processes.

EBITA margin increased by +10 bps in H1 2023, to 5.8%, thanks to our enhanced pricing power, our permanent focus on quality of execution and our added-value innovative solutions.

Germany & Central Europe

Revenue in **Germany & Central Europe** increased by +14.6% in H1 2023, including a +8.4% organic growth. Revenue growth from bolt-on acquisitions accounted for +5.9% and currency movements for +0.3%. EBITA margin was at 4.2%, up +10 bps compared to H1 2022.

In H1 2023, organic growth was solid in **Germany** at +4.4%; contribution from acquisitions was +2.2%. The main drivers of the activity in H1 were (i) our Technical Facility Management services, supported by dynamic energy-related markets and (ii) our Information and Communication Services, boosted notably by a large-scale investment from the Government to upgrade the healthcare infrastructures across Germany. High Voltage activities intensified in Q2 thanks to the ramp-up of some transmission lines projects.

EBITA margin in Germany increased by +10 bps in H1 2023 at 4.8% thanks to our strong positioning, our enhanced pricing power and permanent focus on quality of execution.

In **Central Europe**, the momentum was very strong across all our activities. Our position in Poland and Austria has been strengthened thanks to the recent acquisitions.

In **Switzerland**, the supply chain delays are now cleared, thus supporting our organic growth in H1.

North-Western Europe

Revenue in the North-Western Europe segment increased by +1.6% in H1 2023, including a +13.2% organic growth. Growth from change in perimeter was +2.1% and impact from disposals was -13.8% (disposal of our UK activities in December 2022). EBITA margin was markedly improved by +130 bps at 5.4% compared to 4.1% in H1 2022, mainly driven by the significant performance achieved in the Netherlands and a relutive impact from the disposal of our activities in the UK.

The **Netherlands** recorded an excellent performance in H1 2023. Organic growth was strong in all segments and particularly Industry Services, fuelled by investments in electrification and digitalisation. Technical Facility Management and Building Solutions activities were driven by the strong dynamic of Worksphere, while our Information and Communication Services were propelled by fire protection, data center and healthcare projects.

The EBITA margin significantly increased, supported by the improvement of Worksphere's margins together with synergies being delivered, as well as performance initiatives conducted in the historical perimeter bearing fruit.

In **Belgium**, organic growth was supported by Industry Services and Building Services.

Oil & Gas and Nuclear

In H1 2023, the **Oil & Gas and Nuclear** segment's revenue was up +14.9% year-on-year with a strong organic growth of +12.0%. External growth and disposals had a +1.8% impact; the currency movements had a +1.1% impact, primarily related to the USD/EUR parity benefitting to Oil & Gas Services. EBITA margin rose by +10 bps to 8.3%, compared to 8.2% in H1 2022.

In H1 2023, **Oil and Gas Services** experienced a robust growth despite a high comparison basis, reflecting the very good dynamic on our markets.

Nuclear services revenue remained constrained due to projects phasing effects. However, SPIE anticipates long-term positive momentum with the French Government nuclear program for 6 new EPRs.

3.3 Results

3.3.1 Consolidated revenue under IFRS

Consolidated revenue under IFRS amounted to €4,129.5 million in H1 2023, increasing by +9.4% compared to H1 2022.

The table below shows the reconciliation between consolidated revenue as per management accounts and consolidated revenue under IFRS. Refer to note 6.1 of the attached interim financial statements for further details.

€m	H1 2023	H1 2022
Consolidated revenue as per management accounts	**4,114.0**	**3,754.5**
Holding activities	15.1	14.5
Other	0.4	4.2
Consolidated revenue under IFRS	**4,129.5**	**3,773.2**

3.3.2 Operating income

Consolidated operating income (including equity-accounted companies) amounted to €173.9 million in H1 2023, compared to €144.4 million in H1 2022.

The table below shows the reconciliation between EBITA and consolidated operating income. Refer to note 6.1 of the attached interim financial statements for further details.

€m	H1 2023	H1 2022
EBITA	**220.0**	**189.5**
Amortisation of intangible assets (allocated goodwill)	(36.2)	(37.2)
Restructuring costs	(0.3)	(1.1)
Financial commissions	(0.6)	(0.7)
Other non-recurring items	(9.0)	(6.1)
Consolidated operating income	**173.9**	**144.4**

3.3.3 Cost of net financial debt

Cost of net financial debt amounted to €(34.8) million in H1 2023, compared with €(31.1) million in H1 2022. In H1 2023, cost of net financial debt includes the interest charges related to the leases accounted for under the IFRS 16 standard, for €(4.2) million vs. €(4.2) million in H1 2022.

3.3.4 Pre-tax income

Pre-Tax income decreased to €109.7 million in H1 2023, compared with €113.3 million in H1 2022.

3.3.5 Income tax

A €(35.9) million income tax charge was recorded in H1 2023 (vs. €(39.4) million in H1 2022). This charge reflects a 30% effective tax rate for the period, in line with the 2022 and 2021 tax rates. To the tax expense calculated based on this tax rate, the CVAE of the period must be added.

3.3.6 Net income attributable to owners of the parent

Net income attributable to owners of the parent was at €73.2 million (from €72.5 million in H1 2022), only up +1.0%, due to the negative €(18.4) million non-cash impact related to the split accounting method of the ORNANE under IFRS.

3.4 Cash flow

Net cash flow from operating activities was €(176.4) million in H1 2023, compared to €(165.1) million in H1 2022. The strong seasonality of the Group's activity and working capital, as well as the payment cycle of certain personnel and social security costs, results every year in a negative change in working capital requirements in the first half of the year.

Net cash flow from investing activities was a €(31.5) million outflow in H1 2023 vs. €(237.1) in H1 2022 which was primarily reflecting the c.€200 million cash expenditure related to the acquisition of Worksphere completed in January 2022 as well as bolt-on acquisitions paid for in the period. Capital expenditure amounted to €(17.8) million, lower than H1 2022 level (€(26.0) million).

Net cash flow from financing activities was a €(423.0) million outflow in H1 2023 vs. €(222.7) in H1 2022. This results primarily from the difference between the amount of the convertible bond issued in January (ORNANEs) and the repayment of the 2024 bond. Including the impact from changes in exchange rates, which remained very limited, at €(1.9) million (stable vs. H1 2022), **net cash flow** amounted to €(632.8) million in H1 2023, compared to €(623.1) million in H1 2022.

As a result**, Cash and cash equivalents** amounted to €549.0 million as at June 30th, 2023, compared to €603.9 million as at June 30th, 2022.

3.5 Balance sheet

Shareholder equity attributable to owners of the parent at June 2023 amounted to €1,879.7 million compared to €1,886.6 million at December 2022.

Net debt totalled €1,346.8 million at the end of June 2023. This figure does not include IFRS 16 restatement. Including IFRS 16, net debt as of June 30th, 2023 was €1,722.4 million (see note 18.5 of the 2023 interim financial statements), with no impact on the Group's leverage[4] ratio (2.3x including IFRS 16).

Net debt at the end of June 2023 includes (i) a €600 million bond with a 7-year maturity (until 2026) and an annual coupon of 2.625% (ii) a €600 million term loan, maturing on October 17th, 2027, (iii) a €400 million convertible bond (ORNANEs) with a 2028 maturity and an annual coupon of 2.0%.

Financial leverage[4] was down, at 2.3x at June 30th, 2023, compared to 2.8x at end of June, 2022.

As a result of SPIE's usual working capital seasonality, net debt and leverage increased in H1 compared to December 31st, 2022 levels (€920.1 million net debt; 1.6x leverage).

The Group's liquidity remains very high, at €1,171.7 million at end of June 2023, including €571.7 million of cash and €600 million of undrawn Revolving Credit Facility compared to €1,214.6 million at end of June 2022.

[4] Ratio of net debt excluding impact of IFRS 16 at end of June to pro forma EBITDA (including full-year impact of acquisitions and disposals) on a trailing twelve-month basis

3.6 Financing conditions

Cost of bank debt facilities

The table below presents the costs of the bank facilities put in place in October 2022 (€600 million term loan and €600 million revolving credit facility). These costs are margins added to EURIBOR (or any other applicable base rate with a floor at zero per cent per annum) and vary depending on year-end leverage ratio[6].

Leverage ratio	**Term loan**	**RCF**
Higher than 3.5x	2.000%	1.600%
Higher than 3.0x up to 3.5x	1.850%	1.450%
Higher than 2.5x up to 3.0x	1.700%	1.300%
Higher than 2.0x up to 2.5x	1.550%	1.150%
Higher than 1.5x up to 2.0x	1.400%	1.000%
Up to 1.5x	1.200%	0.800%

In addition, (i) a customary Sustainability-linked adjustment will provide for a maximum discount or premium of 5 basis points (ii) a utilization fee ranging from 0.10% p.a. to 0.40% p.a. applies to the revolving credit facility and (iii) an additional margin of 20 basis points for drawings in USD.

Detailed characteristics of the ORNANE convertible bonds

SPIE issued Sustainability-linked bonds settled in cash and/or convertible into new shares and/or exchangeable for existing shares (« ORNANE »), for an amount of €400 million and bear interest at an annual rate of 2%.

For the accounting treatment of the “ORNANE” issued in 2023, the SPIE Group has opted for split accounting method, separating a debt component from a derivative instrument component.

Main features	Convertible Bond « ORNANE »
Duration	5 years
Maturity date	17 January 2028
Issue size	400 000 000 €
Issue price	100 000 €
Initial conversion premium	37.5%
Reference share price	23.977 €
Initial conversion price	32.97 €
Bond interest («coupon»)	2% (paid semi-annually: 17 January & 17 July)

In line with SPIE’s sustainability-linked financing framework dated November 2022, the bonds are indexed to ESG key performance indicators.

If a defined sustainable performance target is not met by the end of 2025, SPIE will pay a premium of 0.25% of the principal amount of each bond; 0.375% premium for two targets not met; and 0.50% premium for three targets not met.

[6] Excluding IFRS 16

Characteristics of the securitisation program

The securitisation program established in 2007 with a maturity at June 2023, has been renewed under the conditions below:

- The Securitisation program will run for four years until June 2027 (except in the event of early termination or termination by agreement),

- Indexation on sustainable development criteria, with an ESG adjustment premium in the form of a discount or a maximum premium of 5 basis points, to be applied each year, from December 31st, 2023, depending on the achievement of annual ESG performance targets, as defined in the contract,

- A maximum funding of €300 million.

In thousands of euros	*Repayment*	**Fixed / floating rate**		**June 30th , 2023**
Receivable Securitisation Program	Monthly	Floating	Internal rate Société Générale + 1%	292 851
Loans and borrowings from banking Institutions				**292 851**

4. Outlook

In light of our very strong performance in H1, SPIE expects for 2023:

- Organic growth: at least 6%
  (Previously: "mid-single-digit organic growth")
- EBITA margin: c.+30 bps, in line with H1 2023 increase
  (Previously: "Further EBITA margin increase")
- High focus on bolt-on M&A remaining at the core of SPIE's business model
  (unchanged)
- The proposed dividend pay-out ratio will remain at c.40% of Adjusted Net Income[7] attributable to the Group
  (unchanged)

5. Transactions with related parties

No material related party transactions arose during the period ending June 2023, and there were no significant changes concerning the related party transactions in the consolidated financial statements as at December 31st, 2022.

6. Risk factors

Risk factors do not differ from those identified in the 2022 Universal Registration Document, filed with the French Financial Markets Authority (AMF) on April 12th, 2023. These risks and uncertainties include those discussed or identified under Chapter 2 'Risk factors and internal control' in SPIE's 2022 Universal Registration Document, complemented by the information included in note 19 of the interim consolidated financial statements as at June 30th, 2023.

[7] Adjusted for i) operating income items restated from the Group's EBITA, ii) the change in fair value and amortisation costs of derivative related to the ORNANE, and iii) the corresponding normative tax income adjustment

7. Statutory Auditor’s review report on the 2023 half-yearly financial information (Six-month period ended June 30th, 2023)

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 Group’s 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 Meetings 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 consolidated financial statements of SPIE SA, for the six months ended June 30, 2023;

the verification of the information contained in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of your Board of Directors. Our role 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 review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. 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. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – “Interim Financial Reporting”, as adopted by the European Union.

2. Specific verification

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

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

Neuilly-sur-Seine and Paris-La Défense, July 26th, 2023
The Statutory Auditors

PricewaterhouseCoopers Audit
Edouard Sattler

ERNST & YOUNG et Autres
Pierre Bourgeois

8. Statement by the person responsible for the half-year financial report as of June 30th, 2023

"I certify, to the best of my knowledge, that the condensed half-year consolidated financial statements have been prepared in accordance with the applicable financial reporting standards and give a true and fair view of the assets and liabilities, financial position and results of the operations of the Company and of the Group formed by the companies included in the consolidated financial statements, taken as a whole, and that the management report for the half-year period faithfully presents the important events that have occurred during the first six months of the financial year and their impact on the half-year financial statements, of the main transactions between related parties, as well as a description of the main risks and uncertainties in respect of the remaining six months of the financial year."

On July 26th, 2023

Mr Gauthier Louette
Chairman and Chief Executive Officer

2023 FIRST-HALF FINANCIAL REPORT

SPIE Group

Interim consolidated financial statements as at June 30, 2023

TABLE OF CONTENTS

1. CONSOLIDATED INCOME STATEMENT

In thousands of euros	Notes	First half 2022	First half 2023
Revenue	**6**	**3,773,204**	**4,129,546**
Other income		45,145	54,670
Operating expenses		(3,670,178)	(4,006,400)
Recurring operating income		**148,171**	**177,816**
Other operating expenses		(10,574)	(7,541)
Other operating income		6,664	3,499
Total other operating income (expenses)	**7**	**(3,910)**	**(4,042)**
Operating income		**144,261**	**173,774**
Net income (loss) from companies accounted for under the equity method		142	115
Operating income including companies accounted for under the equity method		**144,403**	**173,889**
Interest charges and losses from cash equivalents		(31,222)	(43,655)
Gains from cash equivalents		151	8,847
Costs of net financial debt	**8**	**(31,071)**	**(34,808)**
Other financial expenses		(11,358)	(23,958)
Other financial income		11,318	13,019
Change in fair value and amortization cost of the convertible bond derivative component	18.4	-	(18,448)
Other financial income (expenses)	**8**	**(40)**	**(29,387)**
Pre-Tax Income		**113,292**	**109,694**
Income tax expenses	9	(39,419)	(35,913)
Net income from continuing operations		**73,873**	**73,781**
Net income from discontinued operations		(17)	(5)
NET INCOME		**73,856**	**73,776**
Net income from continuing operations attributable to:			
. Owners of the parent		72,467	73,171
. Non-controlling interests		1,406	610
		73,873	**73,781**
Net income attributable to:			
. Owners of the parent		72,450	73,166
. Non-controlling interests		1,406	610
		73,856	**73,776**
Net income Share of the Group – earning per share	**10.3**	0.44	0.44
Net income Share of the Group – diluted earnings per share		0.44	0.44
Net income - diluted earnings per share		0.45	0.45

2. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In thousands of euros	Notes	First Half 2022	First Half 2023
Net income recognized in income statement		**73,856**	**73,776**
Actuarial losses on post-employment benefits		180,116	299
Tax effect		(54,249)	(67)
Items that will not be reclassified to income		**125,867**	**232**
Currency translation adjustments		2,962	4,209
Fair value adjustments of hedges on future cash flows		-	2,479
Tax effect		-	(640)
Items that may be reclassified to income		**2,962**	**6,048**
TOTAL COMPREHENSIVE INCOME		**202,685**	**80,056**
Attributable to:			
. Owners of the parent		201,210	79,333
. Non-controlling interests		1,475	723

3. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In thousands of euros	Notes	Dec 31, 2022	June 30, 2023
Non-current assets			
Intangible assets	13	1,010,921	976,573
Goodwill	12	3,365,903	3,380,719
Right of use on operating and financial lease	14	396,905	369,261
Property, plant and equipment		161,169	158,554
Investments in companies accounted for under the equity method	18.8	13,692	13,342
Non-consolidated shares and long-term loans	18.1	48,022	39,026
Other non-current financial assets		4,853	3,923
Deferred tax assets		194,540	190,478
Total non-current assets		**5,196,005**	**5,131,876**
Current assets			
Inventories		56,029	58,939
Trade receivables	17.3	1,987,986	2,383,895
Current tax receivables		46,969	55,547
Other current assets		362,753	490,691
Other current financial assets		4,544	4,131
Cash management financial assets and cash equivalents	18.2	102,285	190,457
Cash	18.2	1,170,814	383,236
Total current assets from continuing operations		**3,731,380**	**3,566,896**
Assets classified as held for sale		200	166
Total current assets		**3,731,580**	**3,567,062**
TOTAL ASSETS		**8,927,585**	**8,698,938**

In thousands of euros	Notes	Dec 31, 2022	June 30, 2023
Equity			
Share capital	15	77,151	77,354
Share premium		1,287,065	1,286,842
Consolidated reserves		370,825	442,296
Net income attributable to the owners of the parent		151,539	73,166
Equity attributable to owners of the parent		**1,886,580**	**1,879,658**
Non-controlling interests		9,150	9,856
Total equity		**1,895,730**	**1,889,514**
Non-current liabilities			
Interest-bearing loans and borrowings	18.3	1,795,419	1,557,009
Convertible bond derivative component	19.1	-	62,337
Non-current debt on operating and financial leases		277,883	255,230
Non-current provisions	16.2	87,855	90,510
Accrued pension and other employee benefits	16.1	643,085	645,255
Other non-current liabilities		4,394	5,188
Deferred tax liabilities		292,849	290,784
Total non-current liabilities		**3,101,485**	**2,906,313**
Current liabilities			
Trade payables		1,189,399	1,233,044
Interest-bearing loans and borrowings	18.3	415,956	312,014
Current debt on operating and financial leases		125,592	120,394
Current provisions	16.2	137,455	144,479
Income tax payable		81,263	82,754
Other current operating liabilities	17.1	1,979,310	2,009,942
Total current liabilities from continuing operations		**3,928,975**	**3,902,627**
Liabilities associated with assets classified as held for sale		1,395	484
Total current liabilities		**3,930,370**	**3,903,111**
TOTAL EQUITY AND LIABILITIES		**8,927,585**	**8,698,938**

4. CONSOLIDATED CASH FLOW STATEMENT

In thousands of euros	Notes	First Half 2022	First Half 2023
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD		**1,226,942**	**1,181,810**
Operating activities			
Net income		73,856	73,776
Loss from companies accounted for under the equity method		(142)	(115)
Depreciation, amortization, and provisions		130,075	134,232
Change in fair value of the financial instrument (“ORNANE”)	18.4	-	14,567
Proceeds on disposals of assets		(139)	(855)
Income tax expense		39,411	35,911
Costs of net financial debt		31,066	38,690
Other non-cash items		14,037	14,127
Internally generated funds from (used in) operations		**288,164**	**310,333**
Income tax paid		(61,541)	(46,727)
Changes in operating working capital requirements	17.1	(391,949)	(440,324)
Dividends received from companies accounted for under the equity method		181	331
Net cash flow from (used in) operating activities		**(165,145)**	**(176,388)**
Investing activities			
Effect of changes in the scope of consolidation	5.1	(214,617)	(16,411)
Acquisition of property, plant and equipment and intangible assets		(26,025)	(17,821)
Net investment in financial assets		(635)	(420)
Changes in loans and advances granted		3,006	1,770
Proceeds from disposals of property, plant and equipment and intangible assets		1,142	1,396
Proceeds from disposals of financial assets		-	1
Net cash flow from (used in) investing activities		**(237,129)**	**(31,485)**
Financing activities			
Proceeds from loans and borrowings	18.6	-	395,735
Repayment of loans and borrowings	18.6	(99,757)	(675,295)
Net interest paid		(46,348)	(52,898)
Dividends paid to owners of the parent		(76,570)	(90,520)
Dividends paid to non-controlling interests		-	(16)
Net cash flow from (used in) financing activities		**(222,675)**	**(422,994)**
Impact of changes in exchange rates		1,874	(1,938)
Net change in cash and cash equivalents		**(623,075)**	**(632,805)**
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**18.2**	**603,867**	**549,005**

Notes to the cash flow statement

The cash flow statement presented above includes discontinued operations or operations held for sale (see Note 18.2).

5. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In thousands of euros except for the number of shares	Number of outstanding shares	Share capital	Additional paid-in capital	Consoli-dated reserves	Foreign currency translation reserves	Cash flow hedge reserves	OCI, and others	Equity attribu-table to owners of the parent	Non control-ling interests	Total equity
AT DECEMBER 31, 2021	**162,655,622**	**76,448**	**1,268,256**	**448,604**	**(12,423)**	**(10)**	**(103,043)**	**1,677,832**	**4,864**	**1,682,696**
Net income		-	-	72,450	-	-	-	72,450	1,406	73,856
Other comprehensive income (OCI)		-	-	-	2,893	-	125,867	128,760	69	128,829
Total comprehensive income		**-**	**-**	**72,450**	**2,893**	**-**	**125,867**	**201,210**	**1,475**	**202,685**
Distribution of dividends		-	-	(76,570)	-	-	-	(76,570)	-	(76,570)
Share issue	260,578	123	(123)	-	-	-	-	-	-	-
Change in the scope of consolidation and other		-	-	-	-	-	-	-	(862)	(862)
Other movements		-	(12)	-	-	-	1,450	1,438	-	1,438
AT JUNE 30, 2022	**162,916,200**	**76,571**	**1,268,121**	**444,484**	**(9,530)**	**(10)**	**24,274**	**1,803,910**	**5,477**	**1,809,387**
AT DECEMBER 31, 2022	**164,150,706**	**77,151**	**1,287,065**	**494,249**	**(16,872)**	**389**	**44,597**	**1,886,580**	**9,150**	**1,895,730**
Net income		-	-	73,166	-	-	-	73,166	610	73,776
Other comprehensive income (OCI)		-	-	-	4,096	1,839	232	6,167	113	6,280
Total comprehensive income		**-**	**-**	**73,166**	**4,096**	**1,839**	**232**	**79,333**	**723**	**80,056**
Distribution of dividends		-	-	(90,520)	-	-	-	(90,520)	(17)	(90,537)
Share issue	431,805	203	(203)	-	-	-	-	-	-	-
Change in the scope of consolidation and other		-	-	-	-	-	-	-	-	-
Other movements		-	(20)	-	-	-	4,285	4,265	-	4,265
AT JUNE 30, 2023	**164,582,511**	**77,354**	**1,286,842**	**476,896**	**(12,776)**	**2,228**	**49,114**	**1,879,658**	**9,856**	**1,889,514**

Notes to the consolidated statement of changes in equity

See Note 15.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. GENERAL INFORMATION

The SPIE Group, operating under the brand name SPIE, is the independent European leader in electrical and mechanical engineering and HVAC services, energy and communication systems.

SPIE SA is a joint-stock company (*société anonyme*) incorporated in Cergy (France), listed on the Euronext Paris regulated market since June 10, 2015. The Company's head office is located at 10 Avenue de l'Entreprise, 95 863 Cergy-Pontoise Cedex, France.

The SPIE Group interim consolidated financial statements were authorized for issue by the Board of Directors on July 26, 2023.

Accounting policies and measurement methods

NOTE 2. BASIS OF PREPARATION

2.1. STATEMENT OF COMPLIANCE

The Group condensed interim consolidated financial statements have been prepared in compliance with IAS 34 – “Interim Financial Reporting”. As these are condensed interim financial statements, they do not contain all the disclosures required under the International Financial Reporting Standards (IFRS). They should therefore be read in conjunction with the Group’s consolidated financial statements for the year ended December 31, 2022, which were prepared in compliance with IFRS standards as adopted by the European Union.

2.2. ACCOUNTING POLICIES

The accounting policies applied in the preparation of the Group’s interim consolidated financial statements are identical to those used for the year ended December 31, 2022 and described in the notes to the 2022 financial statements, with the exception of regulations specific to the preparation of interim financial statements and new standards and interpretations.

New standards and interpretations applicable from January 1, 2023

The new standards and interpretations applicable from January 1, 2023 are the following:

- IFRS 17 and related amendments: “Insurance Contracts”;
- IFRS 17: “Initial Application of IFRS 17 and IFRS 9 – Comparative Information”;
- Amendment to IAS 1: “Disclosure of Accounting Policies”;
- Amendment to IAS 8: “Definition of Accounting Estimates”;
- Amendment to IAS 12: “Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction”.

The Group did not identify any significant impact at the application of these other standards and amendments.

Published new standards and interpretations for which application is not mandatory as of January 1, 2023

Standards, interpretations and amendments already published by the International Accounting Standards Board (IASB) which are not yet endorsed by the European Union are as follows:

- Amendment to IAS 1: “Classification of Liabilities as Current or Non-current”;
- Amendment to IAS 1: “Non-current Liabilities with Covenants”;
- Amendment to IFRS 16: “Lease liability in a Sale and Leaseback”;

- Amendments to IAS 7 and IFRS 7: “Supplier Finance Arrangements”
- Amendments to IAS 12: “Income taxes” – International Tax Reform – Pillar Two Model Rules.

The Group is currently assessing the impact and practical implications resulting from the application of the standards and interpretations published but whose application is not yet compulsory.

Impairment of assets

No indication of impairment was identified as of June 30, 2023.

Employee benefit obligations

The net provision for pensions and other employee benefits as at June 30, 2023 is calculated based on the latest available valuations as at December 31, 2022. Actuarial assumptions are reviewed to consider any potential significant changes or one-off impacts during the first half of the year. This review did not lead to the identification of significant actuarial differences as at June 30, 2023 compared to the amounts of the Group’s equity and to the employee benefit obligations.

Income taxes

Current and deferred income tax expense is calculated by applying the estimated income tax rate that would be applicable to year-end 2023 taxable income, i.e., by applying the average effective annual tax rate for the current year to the Group’s taxable income for the current period.

Seasonality

Working capital requirements are seasonal, although they are negative throughout the year due to the contractual structure of the activity and to a dynamic approach of the Group in terms of invoicing and cash collection. The cash flow from changes in working capital is usually negative during the first half of the year due to changes in the billing and payment of Group customers (which is less significant during the first half of the year) and due to the payment cycle of certain personnel costs and social security contributions.

By contrast, cash flow from changes in working capital is structurally positive in the second half of the year due to the increased level of activities during that period generating higher invoicing and collection.

Accounting policies and measurement methods

The recoverable value of property, plant and equipment and intangible assets is tested whenever there is an indication of impairment; this is examined at each closing date. Regarding goodwill and intangible assets with an indefinite useful life (a category which in the case of the Group is limited to the SPIE brand), this impairment test is conducted as soon as there is any indication of impairment and at least annually. Goodwill does not generate any cash inflows on its own and is therefore allocated to the corresponding Cash Generating Units (CGU).

The recoverable value of these units is the higher of the value in use, determined based on discounted future net cash flow projections, and the fair value less costs to sell, if this value is lower than the net carrying amount of these units. an impairment loss is recorded for the difference, which is allocated in priority to goodwill.

Contrary to potential impairment losses on depreciable property, plant and equipment and amortizable intangible assets, those allocated to goodwill are definitive and cannot be reversed in subsequent financial years.

Convertible Bonds « ORNANE » (Bonds settled in cash and/or convertible into new shares and/or exchangeable for existing shares)

Depending on the characteristics of the embedded conversion option (option to purchase treasury shares sold by the issuer to the holder of the convertible bond), a convertible bond into the issuer's own shares may give rise to the recognition of:

- either a debt component and an equity component (when conversion is expected to take place through the delivery of a fixed number of equity instruments against a fixed amount of cash);
- a debt component and a derivative liability (in all other cases).

Under IAS 32.16, a derivative can be qualified as an equity instrument only if it will necessarily be settled for the issuer by exchanging a fixed amount of cash for a fixed number of the issuer's own equity instruments.

The ORNANE bonds issued by the SPIE Group in January 2023 have a conversion option into shares and/or cash, it is impossible to precisely predict the final number of shares to be issued or not, or the associated amount. Thus, the definition of the ORNANE justifies the use of a derivative instrument rather than recognition in equity.

The issuer has two accounting options for the “ORNANE” convertibles bonds:

- split accounting;
- mark-to-market (accounting for the entire debt).

The SPIE Group has opted for the split accounting method.

In accordance with IFRS9 - Financial Instruments, the SPIE Group has therefore:

- isolated the debt and recognized it at amortized cost, in accordance with the standard's general rule on financial liabilities and;
- recognized a derivative instrument. As this derivative does not comply with the "fixed-for-fixed" rule, it is recognized at fair value with a counterpart in the profit and loss.

At each closing, the change in fair value of the derivative instrument will be booked in the profit and loss and a deferred tax will be recognized accordingly.

The amortized cost of the derivative instrument and the change in its fair value are restated in net income to calculate the Group's adjusted net income. As a reminder, this indicator is usually used by the Group to determine the amount of dividends proposed for distribution at the Annual General Meeting.

See details of the convertible bonds “ORNANE” in note 18.4.

2.3. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements in accordance with IFRS standards is based on management estimates and assumptions used to determine the value of assets and liabilities at the reporting date, as well as income and expenses reported during the period.

The main sources of uncertainty relating to key assumptions and estimates are related to the impairment of goodwill, employee benefits, revenue recognition and profit margin recognition on long-term service agreements, provisions for liabilities and charges and deferred tax assets recognition.

NOTE 3. ADJUSTEMENTS ON PREVIOUS PERIODS

Nil.

Significant events of the period

NOTE 4. SIGNIFICANT EVENTS

4.1. ISSUANCE CONVERTIBLE BOND “ORNANE”

On January 10, 2023, with a settlement date of January 17, 2023 and a maturity date of January 17, 2028, the SPIE Group issued sustainability-linked Bonds settled in cash and/or convertible into new shares and/or exchangeable for existing shares (« ORNANE »), for an amount of € 400 million, indexed to sustainable development criteria.

The net income from the ORNANE issue financed the reimbursement of the € 600 million bonds maturity March 2024, through the exercise of the make-whole redemption clause with a settlement date on February 10, 2023.

The difference between the amount to be redeemed and the net proceeds of the offering has been financed by SPIE's existing excess cash, thus resulting in a reduction of the Group's gross debt.

The accounting principles for the convertible bond "ORNANE" and the option chosen by the SPIE Group are described in note 2.2. Overview and impacts are explained in note 18.4.

4.2. RENEWAL SECURITIZATION PROGRAM

The securitization program maturing June 11, 2023 has been extended with four additional years, until June 11, 2027 and is indexed on sustainability-linked features. See note 18.3.

4.3. MILITARY CONFLICT IN UKRAINE

The SPIE Group has no activity in either Ukraine or Russia.

SPIE is therefore not directly or indirectly exposed to the consequences of the Russian military invasion of Ukraine, which began on February 24th, 2022 and still ongoing.

Scope of consolidation

NOTE 5. SCOPE OF CONSOLIDATION

5.1. CHANGES IN SCOPE

Changes in scope of consolidation include:

- companies acquired during the period;
- companies acquired during previous periods, which did not have the operational resources necessary to prepare financial statements in line with Group standards within the time allocated. These companies are included in the Group's scope of consolidation once the financial information is available;
- companies temporarily held as financial assets;
- newly created companies;
- companies disposed of.

5.1.1. COMPANIES ACQUIRED AND CONSOLIDATED DURING THE PERIOD

On February 8th, 2023, SPIE acquired the company **General Property**. General Property is a leading player for technical facility management services in Poland. The company is headquartered in Warsaw and has a presence throughout Poland at its customers' sites. The company employs around 500 highly qualified employees and generated revenue of € 28 million in 2022. The consideration paid was € 9.1 million.

5.1.2. COMPANIES ACQUIRED IN THE PREVIOUS PERIOD AND CONSOLIDATED DURING THE PERIOD

SPIE Nucleaire acquired on November 30, 2022 the company **SPIE Protection Incendie** (formerly known as BELFOR Prévention Incendie). As a leading service provider for passive fire protection, the company has a diversified and long-standing customer base. Headquartered in Maisons-Alfort in the Paris area, the company employs around 80 qualified employees and generated revenue of € 9.5 million in 2022. The consideration paid was € 11.7 million.

This company has been consolidated in year 2023.

5.1.3. COMPANIES ACQUIRED DURING THE PERIOD AND HELD AS FINANCIAL ASSETS

Nil.

5.1.4. NEWLY CREATED COMPANIES

On February 2, 2023, the company **SPIE HanseGas GmbH** has been created in Germany.

5.1.5. DISPOSED COMPANIES

- On February 15, 2023, the company **SPIE Worksphere Belgie B.V.BA** has been liquidated by SPIE Building Solutions B.V.
- On March 17, 2023, the company **K.E.M Montage Schweiz GmbH** has been liquidated by SPIE K.E.M GmbH.

These liquidations have no significant impact on the Group’s financial statements.

5.1.6. CHANGES IN METHOD

During the year 2023, the Group deconsolidated the **SPIE OGS Kish LLC** subsidiary for which the shares have been fully depreciated.

Segment information

NOTE 6. SEGMENT INFORMATION

Summarized information intended for strategic analysis by general management of the Group for decision-making purposes (the concept of chief operating decision-maker in accordance with IFRS 8) is based on revenue (as per management accounts) and EBITA indicators broken down by operating segment.

6.1. INFORMATION BY OPERATING SEGMENT

Revenue, as per management accounts, represents the operational activities conducted by the Group's companies, while consolidating on a proportionate basis subsidiaries that have minority shareholders or using the equity method.

EBITA, as per management accounts, is the Group operating result. It is calculated before amortization of allocated goodwill (brands, backlogs and customers). The margin is expressed as a percentage of revenue (as per management accounts).

In millions of euros	France	Germany and Central Europe	North-Western Europe	Oil & Gas and Nuclear	Holdings	TOTAL
January 1 to June 30, 2023						
Revenue (as per management accounts)	**1,487.7**	**1,471.4**	**869.8**	**285.1**	**-**	**4,114.0**
EBITA	85.7	61.6	46.7	23.6	2.4	**220.0**
EBITA as a % of revenue	*5.8%*	*4.2%*	*5.4%*	*8.3%*	*n/a*	*5.3%*
January 1 to June 30, 2022						
Revenue (as per management accounts)	**1,365.7**	**1,284.2**	**856.5**	**248.1**	**-**	**3,754.5**
EBITA	77.6	53.1	35.3	20.4	3.1	**189.5**
EBITA as a % of revenue	*5.7%*	*4.1%*	*4.1%*	*8.2%*	*n/a*	*5.0%*

Reconciliation between revenue (as per management accounts) and revenue (IFRS)

In millions of euros		First Half 2022	First Half 2023
Revenue (as per management accounts)		**3,754.5**	**4,114.0**
Holding activities	(a)	14.5	15.1
Others	(b)	4.2	0.4
Revenue (IFRS)		**3,773.2**	**4,129.5**

(a) Non-Group revenue from SPIE Operations and other non-operational entities.

(b) Re-invoicing of services provided by Group entities to non-managed joint ventures; revenue that does not correspond to operational activity (essentially re-invoicing of expenses incurred on behalf of partners); restatement of revenue from entities consolidated under the equity method, or not yet consolidated.

Reconciliation between EBITA and operating income

In millions of euros		First Half 2022	First Half 2023
EBITA		**189.5**	**220.0**
Amortization of intangible assets (allocated goodwill)	(a)	(37.2)	(36.2)
Restructuring costs	(b)	(1.1)	(0.3)
Financial commissions		(0.7)	(0.6)
Other non-recurring items	(c)	(6.1)	(9.0)
Consolidated Operating Income		**144.4**	**173.9**

(a) In the first half of 2023, amortization of allocated goodwill mainly includes € (17) million pertaining to the SAG group as for 2022 and € (4.2) million pertaining to Worksphere, compared with € (5.7) million in 2022.

(b) In the first half of 2023, restructuring costs relate to Worksphere integration costs in SPIE Netherlands for € (0.3) million and amounted to € (1.1) million in 2022.

(c) In the first half of 2023, “Other non-recurring items” mainly corresponded to a restatement made pursuant to IFRIC 21 for € (2.5) million and costs relating to long term incentive shares plan, in accordance with IFRS 2 for € (5.4) million - explained by the definitive allocation of shares under the 2020-2022 plan and the increase in the share price (underlying).

In the first half of 2022, the “other non-recurring items” mainly corresponded to a restatement made pursuant to IFRIC 21 for € (2.4) million and an expense of € (1.7) million recognized in respect of the performance share plan, in accordance with IFRS 2

6.2. NON-CURRENT ASSETS BY ACTIVITY

Non-current assets include intangible assets, property, plant and equipment, and goodwill allocated to Cash Generating Units.

In thousands of euros	France	Germany & CE	North-Western Europe	Oil & Gas - Nuclear	Holdings	TOTAL
June 30, 2023	**2,011,685**	**1,639,267**	**688,654**	**525,005**	**20,496**	**4,885,107**
December 31, 2022	2,024,613	1,660,461	703,249	524,228	22,347	**4,934,898**

6.3. PERFORMANCE BY GEOGRAPHIC AREA

Revenue under IFRS is broken down by geographical location of customers.

In thousands of euros	France	Germany	Rest of the world	TOTAL
January to June 2023 Revenue (IFRS)	**1,630,991**	**1,119,656**	**1,378,899**	**4,129,546**
January to June 2022 Revenue (IFRS)	**1,516,062**	**1,052,860**	**1,204,282**	**3,773,204**

6.4. INFORMATION ABOUT MAJOR CUSTOMERS

No external customer individually represents 10% or more of the Group’s consolidated revenue.

Notes to the consolidated income statement

NOTE 7. OTHER OPERATING INCOME AND EXPENSES

Other operating income and expenses break down as follows:

In thousands of euros	Notes	First Half 2022	First Half 2023
Business combination acquisition costs		(460)	(869)
Net book value of financial assets and security disposals	(a)	(4,501)	(40)
Net book value of assets		(597)	(737)
Other operating expenses	(b)	(5,016)	(5,895)
Total other operating expenses		**(10,574)**	**(7,541)**
Gains on security disposals	(c)	4,122	1
Gains on asset disposals		1,159	1,447
Other operating income		1,383	2,051
Total other operating income		**6,664**	**3,499**
Other operating income and expenses		**(3,910)**	**(4,042)**

(a) In the first half of 2022, the “net book value of financial assets and security disposals” related to the disposals of ATMN Industrie in France for an amount of € 3,189 thousand and Kabel-en Leidingtechniek B.V. in the Netherlands for an amount of € 1,076 thousand.

(b) In the first half of 2023, "Other operating expenses" correspond mainly to various market penalties.

In the first half of 2022, the “Other operating expenses” correspond for € 880 thousand to the survey cost related to the strategic review concerning SPIE UK, € 1,100 thousand to reorganization costs for Worksphere in the Netherlands, and to diverse market penalties.

(c) In the first half of 2022, the gains on security disposals mainly related to the disposals of the companies ATMN Industrie in France for € 2,604 thousand and Kabel-en Leidingtechniek B.V. in the Netherlands for € 1,182 thousand.

NOTE 8. NET FINANCIAL COST AND FINANCIAL INCOME AND EXPENSES

Cost of net debt and other financial income and expenses are broken down in the table below:

In thousands of euros	Notes	First Half 2022	First Half 2023
Interest expenses	(a)	(26,963)	(39,368)
Interest expenses on operating and financial leases		(4,208)	(4,166)
Interest expenses on cash equivalents		(51)	(121)
Interest expenses and losses on cash equivalents		**(31,222)**	**(43,655)**
Interest income on cash equivalents		151	8,847
Net proceeds on sale of marketable securities		-	-
Gains on cash and cash equivalents		**151**	**8,847**
Costs of net financial debt		**(31,071)**	**(34,808)**
Loss on exchange rates	(b)	(4,884)	(10,706)
Allowance for financial provisions for pensions		(4,280)	(10,722)
Other financial expenses		(2,194)	(2,530)
Total other financial expenses		**(11,358)**	**(23,958)**
Gains on exchange rates	(b)	10,085	12,049
Gains on financial assets excl. cash and cash equivalents		114	144
Allowance / Reversal on financial assets		53	19
Other financial income		1,066	807
Total other financial income		**11,318**	**13,019**
Change in fair value and amortization cost of the convertible bond derivative component		**-**	**(18,448)**
Other financial income and expenses		**(40)**	**(29,387)**

(a) The interest expenses mainly include the interest charges related to existing loans during the first half of the year.

(b) In 2023, gains and losses on exchange rates relate mainly to overseas companies of the SPIE OGS sub-group, for a total of € 9,720 thousand (€ 6,362 thousand in 2022), which was offset by a loss of € (8,880) thousand (€ (1,819) thousand in 2022).

NOTE 9. INCOME TAX

9.1. TAX RATE

The effective tax rate on income for the period ended June 30, 2023 stands at 30%, in line with the 2022 and 2021 tax rates, excluding CVAE (flat tax applicable on added value in France) and adjusted for non-recurring items. To the tax expense calculated based on this tax rate, the CVAE of the period must be added.

9.2. CONSOLIDATED INCOME TAXES

Income taxes are detailed as follows:

In thousands of euros	First Half 2022	First Half 2023
Income tax expense reported in the income statement		
Current income tax	(36,230)	(35,377)
Deferred income tax	(3,189)	(536)
Total income tax reported in the income statement	**(39,419)**	**(35 913)**
Income tax expense reported in the statement of comprehensive income		
Net (loss)/gain on cash flow hedge derivatives	-	(640)
Net (loss)/gain on post-employment benefits	(54,249)	(67)
Total income tax reported in the statement of comprehensive income	**(93,668)**	**(36,620)**

NOTE 10. EARNINGS PER SHARE

10.1. NET EARNINGS

In thousands of euros	First Half 2022	First Half 2023
Earnings from continuing operations distributable to shareholders of the Company, used for the calculation of the earnings per share	**72,467**	**73,171**
Earnings from discontinued operations distributable to shareholders of the Company, used for the calculation of the earnings per share	(17)	(5)
Earnings attributable to shareholders of the Company, used for the calculation of the earnings per share	**72,450**	**73,166**

10.2. NUMBER OF SHARES

In compliance with “IAS 33- Earnings per share”, the weighted average number of ordinary shares in the first half of 2023 (and for all presently shown periods) has been adjusted to take into account events that impacted the number of outstanding shares without having a corresponding impact on the entity’s resources.

Changes in the number of shares during the year 2023 are as follows:

On March 15th, 2023, the Performance Shares plan issued by SPIE in 2020 has been closed with the issuance of 431,805 new ordinary shares.

Performance Shares

The vesting of performance shares is under condition of presence of the beneficiary throughout the three-year duration of the acquisition period.

Thus, the fair value valuation of the performance shares takes into consideration a turnover rate of the beneficiaries as read per country in the employers’ companies.

The fair value of the performance shares is valued as at June 30, 2023 to € 18,815 thousand and amortized over the three-year vesting period with a loss for the current 1st half year of € 4,357 thousand.

Applicable taxes and employers’ contributions, due by employer companies in their own countries, have been accrued for an expense of € 1,093 thousand relating to the current half year.

At June 30, 2023, the average diluted number of shares takes into account the three performance share plans below.

2021 – 2023 Plan

On July 12, 2021, SPIE has issued a Performance Shares plan with the following characteristics:

	At original date July 12, 2021	December 31, 2022	June 30, 2023
Number of beneficiaries	253	218	209
Acquisition date	2024-03-15	2024-03-15	2024-03-15
Number of granted shares under performance conditions	524,833	524,833	524,833
Number of granted shares cancelled	-	(73,047)	(86,874)
Number of granted shares under performance conditions	**524,833**	**451,786**	**437,959**

2022 – 2024 Plan

On June 17, 2022, SPIE has issued a Performance Shares plan with the following characteristics:

	At original date June 17, 2022	December 31, 2022	June 30, 2023
Number of beneficiaries	259	241	231
Acquisition date	2025-04-15	2025-04-15	2025-04-15
Number of granted shares under performance conditions	544,433	544,433	544,433
Number of granted shares cancelled	-	(33,985)	(49,625)
Number of granted shares under performance conditions	**544,433**	**510,448**	**494,808**

2023 – 2025 Plan

On June 30, 2023, SPIE has issued a Performance Shares plan with the following characteristics:

	At original date June 30, 2023
Number of beneficiaries	251
Acquisition date	2026-04-15
Number of granted shares under performance conditions	519,800
Number of granted shares cancelled	-
Number of granted shares under performance conditions	**519,800**

The impact of the Performance Shares plans are presented hereafter:

	June 30, 2022	June 30, 2023
Average number of shares used for the calculation of earnings per share	**162,863,370**	**164,494,967**
Effect of the diluting instruments	1,223,604	1,196,227
Average number of diluted shares used for the calculation of earnings per share	**164,086,974**	**165,691,194**

10.3. EARNINGS PER SHARE

In euros	June 30, 2022	June 30, 2023
Continuing operations		
. Basic earnings per share	0.44	0.44
. Diluted earnings per share	0.44	0.44
Discontinued operations		
. Basic earnings per share	0.00	0.00
. Diluted earnings per share	0.00	0.00
Total operations		
. Basic earnings per share	**0.44**	**0.44**
. Diluted earnings per share	**0.44**	**0.44**

NOTE 11. DIVIDENDS

On the proposal of the Board of Directors, the General Shareholders' Meeting held on May 10, 2023 approved a dividend payment of € 0.73 per share based on 2022 year's results, for a total amount of € 119,845 thousand.

An interim dividend of € 0.18 per share was paid in September 2022 for a total amount of € 29,325 thousands. Then a final dividend of € 0.55 per share has been paid on May 24, 2022 for a total amount of € 90,520 thousands.

Notes to the statement of financial position

The following notes relate to the assets and liabilities of continuing operations as at June 30, 2023.

Assets and liabilities of operations held for sale are presented in a separate line "Activities held for sale" in the statement of financial position.

NOTE 12. GOODWILL

The value of the Group's goodwill as at June 30, 2023 stands at € 3,381 million.

The following table shows the changes in carrying amount of goodwill by cash generating unit:

In thousands of euros	Dec 31, 2022	Acquisitions and adjustments of preliminary goodwill	Disposals	Change in scope of consolidation and other	Translation adjustments	June 30, 2023
France						
CGU - SPIE Industrie & SBS	624,738	-	-	-	-	624,738
CGU - SPIE Citynetworks	244,767	-	-	-	-	244,767
CGU - SPIE Facilities	177,525	-	-	-	-	177,525
CGU - SPIE ICS	197,100	-	-	-	-	197,100
Germany and Central Europe						
CGU - SPIE DZE	1,210,929	7,107	-	-	2,189	1,220,225
CGU - SPIE Switzerland	55,178	-	-	-	690	55,868
North-Western Europe						
CGU - SPIE Nederland	365,748	-	-	-	-	365,748
CGU - SPIE Belgium	109,550	-	-	-	-	109,550
Oil & Gas - Nuclear						
CGU - SPIE Nucléaire	127,142	4,830	-	-	-	131,972
CGU - SPIE OGS	253,226	-	-	-	-	253,226
Total goodwill	**3,365,903**	**11,937**	**-**	**-**	**2,879**	**3,380,719**

Acquisitions and goodwill adjustments which occurred between January 1 and June 30, 2023, concern the temporary allocation of goodwill and provisional allocation work relating to the various acquisitions the different acquisitions of the period, i.e.:

- In France, € 4,830 thousand for the SPIE Protection Incendie company acquired by SPIE Nucléaire in November 2022, as part of the finalisation of the goodwill allocation process;

- In Germany, € 7,107 thousand for the General Property company acquired in February 2023.

NOTE 13. INTANGIBLE ASSETS

13.1. INTANGIBLE ASSETS – GROSS VALUES

In thousands of euros	Concessions, patents, licenses	Brands	Backlog and customer relationship	Others	Total
Gross value					
At December 31, 2021	**18,598**	**911,726**	**456,948**	**189,258**	**1,576,530**
Business combination effect	92	5,395	89,687	2,081	97,255
Other acquisitions in the period	1,056	-	-	18,900	19,956
Disposals and divestures in the period	(208)	(8,396)	(6,464)	(10,681)	(25,749)
Exchange difference	(19)	215	442	166	804
Other movements	247	-	(165)	(312)	(230)
At December 31, 2022	**19,766**	**908,940**	**540,448**	**199,413**	**1,668,567**
Business combination effect	73	-	3,711	456	4,240
Other acquisitions in the period	150	-	-	2,980	3,130
Disposals and divestures in the period	(59)	-	-	(10)	(69)
Exchange difference	74	225	1,441	210	1,950
Other movements	1,394	-	-	(1,191)	202
At June 30, 2023	**21,398**	**909,165**	**545,600**	**201,857**	**1,678,020**

Period ended June 30, 2023

Brands mainly correspond to the value of the SPIE brand (amounting to € 731 million) which has an indefinite useful life, and the SAG brand acquired in March 2017 (amounting to € 134.6 million) which is amortized over 9 years.

The SPIE brand is tested for impairment at least once a year or whenever there is an indication of impairment.

The line "Business combination effect", which concerns the backlog and customer relationship for € 3,711 thousand mainly corresponds to the customer relationship identified as part of the goodwill allocation of General Property (€ 2,228 thousand) and SPIE Protection Incendie (€ 1,483 thousand) (see Notes 5.1.1 and 5.1.2).

The "Other acquisitions in the period", representing € 2,980 thousand correspond to intangible assets under development and other commissioned intangible assets: implementation of an ERP in France.

13.2. INTANGIBLE ASSETS – AMORTIZATION, DEPRECIATION AND NET VALUES

In thousands of euros	Concessions patents, licenses	Brands (a)	Backlog and customer relationship (b)	Others	Total
Amortization and depreciation					
At December 31, 2021	**(10,592)**	**(158,295)**	**(311,784)**	**(112,456)**	**(593,127)**
Amortization and depreciation for the period	(1,601)	(23,357)	(51,307)	(12,487)	(88,752)
Disposals and divestures in the period	151	8,396	6,464	10,123	25,134
Exchange difference	3	(216)	(530)	(159)	(902)
Other movements	(11)	-	-	11	-
At December 31, 2022	**(12,050)**	**(173,472)**	**(357,157)**	**(114,968)**	**(657,647)**
Amortization and depreciation for the period	(1,121)	(9,676)	(26,503)	(5,853)	(43,153)
Disposals and divestures in the period	58	-	-	10	68
Exchange difference	(20)	(111)	(439)	(152)	(722)
Other movements	1	1	(3)	8	7
At June 30, 2023	**(13,132)**	**(183,258)**	**(384,102)**	**(120,955)**	**(701,447)**
Net value					
At December 31, 2021	**8,006**	**753,431**	**145,164**	**76,802**	**983,403**
At December 31, 2022	**7,716**	**735,468**	**183,291**	**84,446**	**1,010,921**
At June 30, 2023	**8,266**	**725,907**	**161,498**	**80,902**	**976,573**

Period ended June 30, 2023

Amortization of intangible assets during the period mainly include:

(a) The amortization of the brands SAG for € 7,476 thousand (amortization over 9 years), Dürr for € 745 thousand (amortization over 3 years), Stangl for € 647 thousand (amortization over 3 years), Wiegel for € 585 thousand (amortization over 3 years) and Infidis for € 224 thousand (amortization over 3 years).

(b) The amortization of the customer relationship assets of the Group' acquisitions, and in particular of the SAG group for € 9,527 thousand, Stangl for € 1,962 thousand, Worksphere for € 1,938 thousand, SPIE GmbH for € 1,120 thousand, Wiegel for € 1,073 thousand and Infidis for € 1,071 thousand.

The amortization of the backlogs of the Group' acquisitions, and in particular of Worksphere for € 2,215 thousand, Stangl for € 773 thousand, Telba for € 623 thousand, Dürr for € 671 thousand and Osmo for € 484 thousand.

NOTE 14. RIGHT OF USE ON OPERATING AND FINANCIAL LEASE

14.1. RIGHT OF USE – GROSS VALUES

In thousands of euros	Buildings	Cars & trucks	Total
Gross values			
At Dec 31, 2021	**329,723**	**291,173**	**620,896**
Business combination effect	9,579	15,104	24,683
Other acquisitions of the period	51,394	108,097	159,491
Disposals and divestures of the period	(8,508)	(6,474)	(14,982)
Resiliations and other movements	(40,197)	(72,696)	(112,893)
Exchange differences	456	68	524
At Dec 31, 2022	**342,447**	**335,272**	**677,719**
Business combination effect	-	3,525	3,525
Other acquisitions of the period	42,121	51,219	93,340
Disposals and divestures of the period	-	(499)	(499)
Resiliations and other movements	(84,818)	(59,552)	(144,370)
Exchange differences	(57)	754	697
At June 30, 2023	**299,693**	**330,719**	**630,412**

14.2. RIGHT OF USE – AMORTIZATION, DEPRECIATION & NET VALUES

In thousands of euros	Buildings	Cars & trucks	Total
Amortization and depreciation			
At Dec 31, 2021	**(105,018)**	**(129,371)**	**(234,389)**
Amortization and depreciation of the period	(54,307)	(93,645)	(147,952)
Disposals and divestures of the period	5,793	3,592	9,385
Resiliations and other movements	27,585	64,759	92,344
Exchange differences	(139)	(62)	(201)
At Dec 31, 2022	**(126,086)**	**(154,728)**	**(280,814)**
Amortization and depreciation of the period	(20,223)	(47,140)	(67,363)
Disposals and divestures of the period	-	302	302
Resiliations and other movements	43,488	43,494	86,983
Exchange differences	31	(290)	(259)
At June 30, 2023	**(102,790)**	**(158,361)**	**(261,151)**
Net value			
At Dec 31, 2021	**224,705**	**161,802**	**386,507**
At Dec 31, 2022	**216,361**	**180,544**	**396,905**
At June 30, 2023	**196,903**	**172,358**	**369,261**

NOTE 15. EQUITY

As at June 30, 2023 the share capital of SPIE SA stands at 77,353,780 euros divided into 164,582,511 ordinary shares, all of the same class, with a nominal value of 0.47 euro.

The allocation of SPIE SA capital's ownership is as follows:

	Holding percentage [3]
Employee shareholding [1]	7.2%
Mr Gauthier Louette	1.5%
Lac 1 SLP [2]	5.5%
Peugeot Invest	5.2%
Public	80.6%
Treasury shares	0.0%
Total	**100.0%**

[1] Stake held by the Group employees, directly or through the FCPE SPIE Actionnariat.

[2] Managed by Bpifrance Investissement.

[3] Based on the information available as at June 30, 2023.

NOTE 16. PROVISIONS

16.1. PROVISIONS FOR EMPLOYEE BENEFIT OBLIGATIONS

Employee benefits relate to retirement benefits, pension obligations and other long-term benefits mainly relate to length-of-service awards.

As at June 30, 2023, these commitments were revalued using December 31, 2022 projections.

Following the pension reform published in the French Official Journal on 14 April 2023, the indemnities retirement payment have been deferred following the increase of the retirement age. The impact of the reform was calculated on the basis of retirement benefits' commitments at December 31, 2022 in SPIE France, and resulted in a € 524 thousand reduction.

In thousands of euros	Dec 31, 2022	June 30, 2023
Retirement benefits	614,766	616,540
Other long-term employee benefits	28,319	28,715
Employee benefits	**643,085**	**645,255**

	First Half 2022	First Half 2023
Expense recognized through income in the period		
Retirement benefits	14,796	18,955
Other long-term employee benefits	950	367
Total	**15,746**	**19,322**

The obligations of the German entities account for 81% of the total commitment. The remaining 19% mainly comprises commitments in the French (17%) and Swiss (2%) subsidiaries and relates to the local obligations for employee retirement benefits.

16.2. OTHER PROVISIONS

Provisions include:

- provisions for warranty liabilities against specific risks in business combinations;
- provisions for tax risks, arising where tax audits have led to proposals from the tax authorities for adjustments in respect of prior years;
- provisions for restructuring;
- provisions for lawsuits with employees and labor cases;
- provisions for litigation still pending on the previous year’s contracts and activities.

The short-term portion of provisions is presented under “Current provisions” and beyond this time horizon, provisions are presented as “Non-current provisions”.

In thousands of euros	Dec 31, 2022	Incoming entities	Increase during the period	Decrease during the period	Translation adjustments	Outgoing entities	Others	June 30, 2023
Provisions for vendor warranties	**1,818**	-	-	-	9	-	-	**1,827**
Tax provisions and litigations	**8,414**	-	66	-	-	-	-	**8,480**
Restructuring	**5,149**	-	76	(682)	1	-	(1 215)	**3,329**
Litigations	**49,215**	459	3,880	(5,157)	(5)	123	-	**48,515**
Losses at completion	**81,069**	-	29,794	(25,449)	25	-	(4)	**85,434**
Social provisions and disputes	**11,184**	-	928	(1,243)	(5)	141	(51)	**10,954**
Warranties and claims on completed contracts	**68,461**	208	10,682	(9,011)	(121)	-	6,231	**76,451**
Provisions for losses and contingencies	**225,310**	**667**	**45,426**	**(41,542)**	**(97)**	**264**	**4,961**	**234,989**
. Current	*137,455*	-	*23,340*	*(20,960)*	*73*	*264*	*4,307*	*144,479*
. Non-current	*87,855*	*667*	*22,086*	*(20,582)*	*(170)*	-	*654*	*90,510*

Provisions comprise many low-value items. Related decreases are considered as utilized. However, the incurred and assigned amounts in provisions that stand out due to their significant value are closely monitored.

The breakdown into current and non-current by category of provisions for the current period was as follows:

In thousands of euros	Non-current	Current	June 30, 2023
Provisions for vendor warranties	1,827	-	1,827
Tax provisions and litigations	6	8,473	8,480
Restructuring	-	3,329	3,329
Litigations	15,250	33,265	48,515
Losses at completion	36,115	49,320	85,434
Social provisions and disputes	3,276	7,678	10,954
Warranties and claims on completed contracts	34,037	42,414	76,451
Provisions for losses and contingencies	**90,510**	**144,479**	**234,989**

The breakdown into current and non-current by category of provisions for 2022 was as follows:

In thousands of euros	Non-current	Current	Dec 31, 2022
Provisions for warranty liabilities	1,818	-	1,818
Tax provisions and litigations	6	8,407	8,414
Restructuring	-	5,149	5,149
Litigations	17,360	31,854	49,215
Losses at completion	35,337	45,732	81,069
Social provisions and disputes	3,254	7,930	11,184
Warranties and claims on completed contracts	30,079	38,383	68,461
Provisions for losses and contingencies	**87,855**	**137,455**	**225,310**

NOTE 17. WORKING CAPITAL REQUIREMENT

17.1. CHANGE IN WORKING CAPITAL

				Other changes of the period			
In thousands of euros	Notes	Dec 31, 2022	Change in Working capital related to activity (1)	Change in scope (2)	Outgoing entities (3)	Other changes	June 30, 2023
Inventories and receivables							
Inventories and work in progress (net)		56,029	6,118	103	(7)	(3,304)	58,939
Trade receivables		1,987,986	359,844	6,529	(132)	29,668	2,383,895
Of which accrued income		*907,031*	*247,776*	*2*	*(67)*	*25,283*	*1,180,025*
Current tax receivables		46,969	8,825	134	-	(381)	55,547
Other current assets	(a)	362,753	123,147	4,320	(1)	472	490,691
Other non-current assets	(b)	4,773	(933)	1	-	3	3,844
Liabilities							
Trade payables	(c)	(1,189,399)	(43,762)	(3,289)	41	3,365	(1,233,044)
Income tax payable		(81,263)	(3,849)	(98)	-	2,456	(82,754)
Other long-term employee benefits	(d)	(28,319)	(367)	-	-	(29)	(28,715)
Other current liabilities	(e)	(1,979,310)	(3,418)	(6,751)	11	(20,474)	(2,009,942)
Other non-current liabilities		(4,394)	(929)	-	-	135	(5,188)
Working capital requirement		**(824,175)**	**444,676**	**949**	**(88)**	**11,911**	**(366,727)**

(1) Include the flows of incoming entities as at control date.
(2) Working capital presented at date of control for incoming entities.
(3) Working capital presented at date of loss of control for outgoing entities.

(a) The other current assets mainly include tax receivables and deferred charges recognized on contracts accounted according to the percentage of completion method.
(b) Other non-current assets mainly correspond to exercisable vendor warranties. They represent the amount identified in business combinations that can be contractually claimed from vendors.
(c) Trade and other payables include accrued invoices.
(d) Other long-term employee benefits correspond to length-of-service awards.
(e) The detail of the other current liabilities is presented hereafter:

In thousands of euros	Dec 31, 2022	June 30, 2023
Social and tax liabilities	(779,429)	(750,042)
Deferred revenue (< 1 year)	(550,885)	(614,413)
Advance and down-payments	(362,964)	(327,224)
Others	(286,032)	(318,263)
Other current liabilities*	**(1,979,310)**	**(2,009,942)**

(*) The «other current liabilities» of the working capital do not include the dividends to be paid included in the consolidated statement of financial position.

17.2. CHANGE IN WORKING CAPITAL: RECONCILIATION BETWEEN BALANCE SHEET AND CASH FLOW STATEMENT

The reconciliation between the working capital accounts presented in the balance sheet and the change in working capital presented in the cash flow statement is detailed hereafter:

In thousands of euros	Dec 31, 2022	Change in W.C. related to activity	Other movements of the period Change in scope	Outgoing entities	Other changes	June 30, 2023
Working Capital	**(824,175)**	**444,676**	**949**	**(88)**	**11,911**	**(366,727)**
(-) Accounts payables & receivables on purchased assets	5,362	(1,879)	-	-	-	3,483
(-) Tax receivables	(46,973)	(8,860)	(134)	-	381	(55,586)
(-) Tax payables	81,822	3,682	98	-	(2,461)	83,141
Working capital excl. acc. payables on purchased assets, excl. tax receivables and payables	**(783,964)**	**437,619**	**913**	**(88)**	**9,831**	**(335,689)**
Assets held for sale		(6)				
(-) Other non-cash operations which impact the working capital as per balance sheet		2,711				
Changes in Working Capital as presented in C.F.S		**440,324**				

17.3. TRADE AND OTHER RECEIVABLES

Current trade and other receivables break down as follows:

In thousands of euros		Dec 31, 2022	June 30, 2023 Gross	Provisions	Net
Trade receivables	(a)	1,080,822	1,249,387	(45,518)	1,203,869
Notes receivables		133	1	-	1
Contract assets	(b)	907,031	1,180,025	-	1,180,025
Trade receivables and contract assets		**1,987,986**	**2,429,413**	**(45,518)**	**2,383,895**

(a) Trade receivables past due but not impaired mainly correspond to public sector receivables.

(b) Contract assets comprise accrued income which stem mainly from contracts being recorded using the percentage of completion method.

The detail of contract liabilities is presented below:

In thousands of euros	Dec 31, 2022	June 30, 2023
Deferred revenues (current / non-current)	(551,574)	(615,069)
Down payments received from customers	(362,964)	(327,224)
Contract guaranties provisions	(17,562)	(17,427)
Contract liabilities	**(932,100)**	**(959,720)**

NOTE 18. FINANCIAL ASSETS AND LIABILITIES

18.1. NON-CONSOLIDATED SHARES

As at June 30, 2023 non-consolidated shares stand as follows:

In thousands of euros	Dec 31, 2022	June 30, 2023
Equity securities	13,690	2,066
Depreciation of equity securities	(777)	(791)
Net value of securities	**12,913**	**1,275**

As at June 30, 2023, securities mainly include the shares of Serec Cameroun for € 676 thousand (fully depreciated), Metropolis for € 285 thousand, SB Nigeria for € 252 thousand, SEML Route des Lasers for € 245 thousand and the shares of Compagnie Ivoirienne d'Entreprise for € 100 thousand (fully depreciated).

In 2022, non-consolidated shares included SPIE Protection Incendie (formerly BELFOR Prévention Incendie) for € 11,602 thousand.

18.2. NET CASH AND CASH EQUIVALENTS

As at June 30, 2023 net cash and cash equivalents break down as follows:

In thousands of euros	Notes	Dec 31, 2022	June 30, 2023
Marketable securities – Cash equivalents		102,285	190,457
Fixed investments (current)		-	-
Cash management financial assets		**102,285**	**190,457**
Cash		1,170,814	383,236
Total cash and cash equivalents		**1,273,099**	**573,693**
(-) Bank overdrafts and accrued interests		(91,740)	(23,188)
Net cash and short-term deposits as per Balance Sheet		**1,181,359**	**550,505**
(+) Cash and cash equivalents from discontinued operations		8	1
(-) Accrued interests not yet disbursed		443	(1,501)
Cash and cash equivalents as per CFS		**1,181,810**	**549,005**

18.3. BREAKDOWN OF FINANCIAL ENDEBTEDNESS

Interest-bearing loans and borrowings break down as follows:

In thousands of euros	Notes	Dec 31, 2022	June 30, 2023
Loans and borrowings from banking institutions			
Bond (maturity March 22, 2024)	(a)	600,000	-
Bond (maturity June 18, 2026)	(b)	600,000	600,000
Convertible bonds "ORNANE" (maturity, January 17, 2028)	(c)	-	400,000
Facility A (maturity October 17, 2027)	(d)	600,000	600,000
Revolving (maturity October 17, 2027)	(d)	-	-
Others		2,630	1,825
Capitalization of loans and borrowing costs	(e)	(9,650)	(11,505)
Amortization cost of the derivative convertible bonds "ORNANE"	(c)	-	(43,889)
Securitization	(f)	300,000	292,851
Total bank overdrafts (cash liabilities)			
Bank overdrafts (cash liabilities)		91,297	22,729
Interests on bank overdrafts (cash liabilities)		443	459
Other loans, borrowings and financial liabilities			
Debt on financial leases (pre-existing contracts as at January 1st, 2020)	(g)	1,921	787
Debts on operating and financial leases		403,475	375,624
Accrued interest on loans		23,566	5,104
Other loans, borrowings and financial liabilities		428	329
Fair value derivative component "ORNANE"	(c)	-	62,337
Derivatives- rate swap		740	333
Financial indebtedness as per consolidated balance sheet		**2,614,850**	**2,306,984**
Of which			
. Current		541,548	432,408
. Non-current		2,073,302	1,874,576

(a) On January 10, 2023, with a payment date of February 10, 2023, SPIE exercised the early repayment clause ("Make whole redemption") of the €600 million bond carrying an annual coupon of 3.125%, matured on March 22, 2024.

(b) On June 18, 2019, SPIE issued a € 600 million bond, with a 7-year maturity and a coupon of 2.625%. The bond is listed on the regulated market of Euronext Paris. This issuance allowed SPIE to refinance half of its senior term loan "Facility A", concluded in 2018.

(c) The detailed characteristics of these ORNANE-type convertible bonds are described in notes 2.2 and 18.4.

(d) On October 17, 2022, the SPIE Group concluded the refinancing of the credit agreement maturing on June 7, 2023, indexed to sustainable financing criteria, for an amount of €1,200 million, through two new credit lines:

- A term loan of 600 million euros, maturing on October 17, 2027
- A "Revolving Credit Facility (RCF)" line not drawn as at June 30, 2023, for an amount of € 600 million maturing on October 17, 2027, with the option of renewal by one year plus one year, until 2029.

The revolving line has the following characteristics:

In thousands of euros	*Repayment*	Fixed / floating rate	June 30, 2023
Revolving Credit Facility	At maturity	Floating - Euribor +1%	Un-drawn
Loans and borrowings from banking Institutions			**Un-drawn**

The Senior term Agreement has now the following characteristics:

In thousands of euros	Repayment	Fixed / floating rate	June 30, 2023
Facility A	At maturity	Floating - Euribor + 1.40%	600,000
Loans and borrowings from banking Institutions			**600,000**

These two loans 'Facility A" and "Revolving Credit Facility (RCF)", contracted under the "New Senior Credit Agreement indexed to sustainable development criteria" as established on October 17, 2022, bare interests at a floating rate indexed to Euribor for advances in euros, a floating rate indexed to Libor for advances denominated in a currency other than the euro, with 20 basis points premium for a USD drawdown, and on any appropriate reference rate in the case of advances denominated in other currencies, plus in each case the applicable margin and an ESG adjustment margin. Applicable margins are as follows:

- For the Senior Term Loan Facility ("Facility A"): between 2.00% and 1.20% per year, according to the level of the Group's leverage ratio (Net Debt / EBITDA) during the last closed year;

- For the Revolving Facility: between 1.60% and 0.80% per year, according to the level of the Group's leverage ratio (Net Debt / EBITDA) during the last closed year.

- An adjustment premium, based on sustainable development indicators and providing for a discount or a maximum premium of 5 basis points, to be applied each year, from December 31, 2023, depending on the achievement of annual ESG performance targets, as defined in the contract.

As at June 30, 2023, a quarterly financial commitment fee for 0.35% is applied to the unwithdrawn portion of the Revolving Credit Facility line.

A quarterly financial commitment fee also applies on the withdrawn portion of the RCF under following conditions:

- Utilization between 0% et 33% = 0.10% + margin
- Utilization between 33% and 66% = 0.20% + margin
- Utilization higher than 66% = 0.40% + margin

(e) Financial liabilities are presented for their contractual amount. Transaction costs that are directly attributable to the issuance of financial debt instruments have been deducted, for their total amount, from the nominal amount of the respective debt instruments. The balance as at June 30, 2023 is of € 11.5 million and relates to the two credit lines and to the two bonds.

(f) The receivables securitization program established in 2007 with a maturity on June 11, 2023, has been renewed for a further four years under the conditions below:

- A 4-year program ending June 11, 2027 (except in the event of early termination or termination by agreement);
- Indexation on sustainable development criteria, with an ESG adjustment premium in the form of a discount or a maximum premium of 5 basis points, to be applied each year, from December 31, 2023, depending on the achievement of annual ESG performance targets, as defined in the contract.
- A maximum funding of € 300 million.

The Securitization program represented funding of € 292.9 million as at June 30, 2023.

The securitization program has the following characteristics:

In thousands of euros	*Repayment*		Fixed / floating rate	June 30, 2023
Receivable Securitization Program	Monthly	Floating	Internal rate Société Générale + 1%	292 851
Loans and borrowings from banking Institutions				**292 851**

(g) The debt on financial leases relating to pre-existing contracts as at January 1st, 2020, are still included in the determination of the published net debt as at June 30, 2023 as disclosed in the Note 18.5.

18.4. CONVERTIBLE BONDS "ORNANE"

Overview

On January 10, 2023, with a settlement date of January 17, 2023 and a maturity date of January 17, 2028, the SPIE Group issued sustainability-linked Bonds settled in cash and/or convertible into new shares and/or exchangeable for existing shares (« ORNANE »), for an amount of € 400 million, indexed to sustainable development criteria.

The convertible bonds are issued for a nominal value of 100,000 euros and bear interest at an annual rate of 2.00%. The conversion/exchange price is 32.97 euros, corresponding to a conversion/exchange premium of 37.50% on the reference share price (23.977 euros).

Potential dilution in the event of issue of new shares

The choice between redemption in cash or in shares in the event of a request for conversion by the holders of the shares, remains a decision for the SPIE Group. However, in the event of the exercise by all bondholders of their conversion right and if the Group decides to proceed, (i) an amount in cash equal to the principal amount of the bonds and (ii) in shares of the difference between the conversion / exchange value and the principal amount of the bonds, the potential dilution impact, is summarized in the table below:

Hypothesis	1	2	3
Underlying share price	32.97 €	37.91 €	42.86 €
Percentage of the initial conversion/exchange price of the bond	100%	115%	130%
Dilution (on a fully diluted basis*) as in % of share capital *	0%	0.95%	1.69%

* Corresponding to 166 035 078 diluted SPIE shares at June 30, 2023.

In line with SPIE's sustainability-linked financing framework dated November 2022, the bonds are indexed to key ESG performance indicators.

If a defined sustainable performance target is not met by the end of 2025, SPIE will pay a premium of 0.25% of the principal amount of each bond; 0.375% premium for two targets not met; and 0.50% premium for three targets not met.

For the accounting treatment of this convertible bond "ORNANE" issued in 2023, the SPIE Group has opted for split accounting method, separating a debt component from a derivative instrument component.

Main features	Convertible Bond « ORNANE »
Duration	5 years
Maturity date	17 january 2028
Issue size	400 000 000 €
Issue price	100 000 €
Initial conversion premium	37.5%
Reference share price	23.977 €
Initial conversion price	32.97 €
Bond interest («coupon»)	2% (paid semi-annually: 17 January & 17 July)

The accounting principles and the option chosen by the SPIE Group are described in note 2.2.

Impact on consolidated financial statements

On the consolidated income statement

Several impacts are visible in the income statement:

(i) the bond interest (“coupon”) ((3.6) million euros over the first half of 2023) and the amortized cost of financing the convertible bond ((0.3) million euros) are included in "Interests charges and losses from cash equivalents" along with other borrowings.

(ii) the change in the fair value ((14.6) million euros) and amortization cost of the derivative convertible bond instrument ((3.9) million euros) on a dedicated line under "Change in fair value and amortization cost of the convertible bond derivative component". These items result from the application of IFRS and have no cash impact.

		Impacts Convertible Bond « ORNANE »			
In thousands of euros	First half 2022	First half 2023	Change in fair value derivative	Amortization cost	Bond interest « coupon »
Interest expenses	**(26,963)**	**(39,368)**	-	(327)	(3,616)
Costs of net financial debt	**(31,071)**	**(34,808)**	**-**	**(327)**	**(3,616)**
Total other financial expenses	(11,358)	(23,958)	-	-	-
Total other financial incomes	11,318	13,019	-	-	-
Change in fair value and amortization cost of the convertible bond derivative component	**-**	**(18,448)**	(14,567)	(3,881)	-
Other financial income and expenses	**(40)**	**(29,387)**	**(14,567)**	**(3,881)**	**-**

On the consolidated balance sheet

On issue of the ORNANE bonds, and in accordance with the split accounting method, the principal amount of € 400 million was allocated as follows: € 47.8 million to the derivative component and € 352.2 million to the debt component (before issuance costs).

			Impacts ORNANE		
In thousands of euros	Notes	Dec 31, 2022	June 30, 2023	Original value derivative component	Change in fair value of the convertible bond derivative component
Non-current liabilities					
Interest-bearing loans and borrowings	18.3	1,795,419	1,557,009	-	-
Convertible bond derivative component	18.4	-	**62,337**	47,770	14,567

Derivative instrument monitoring

On issue, SPIE measured the value of the derivative instrument. The fair value of the derivative instrument is recognized at each accounting closure date:

	At original date Jan 17, 2023	June 30, 2023
Fair value derivative instrument « ORNANE » 2023	47,770	62,337
Total Fair value derivative instrument « ORNANE »	**47,770**	**62,337**

At June 30, 2023, the non-cash impact of the change in the derivative amounted to 14.6 million euros and was recognized in item “change in fair value and amortization cost of the convertible bond derivative component” of the income statement.

Restatement of adjusted net income

At June 30, 2023, the amount of the restatement in the Group's adjusted net income of the impact of the convertible bond amounts to 18.5 million euros and breaks down as follows: (i) the amortized cost of the derivative component amounting to 3.9 million euros and the impact of the restatement of (ii) the change in fair value of the derivative component recognized in the income statement amounting to 14.6 million euros.

The amortized cost of the derivative component and the change in fair value of the derivative component are restated against net income to calculate the Group's adjusted net income. As a reminder, this indicator is usually used by the Group to determine the amount of dividends proposed for distribution at the Annual General Meeting.

18.5. NET DEBT

The financial reconciliation between consolidated financial indebtedness and net debt as reported is as follows:

In millions of euros	Dec 31, 2022	June 30, 2023
Loans and borrowings as per balance sheet	**2,614.9**	**2,307.0**
Debt on operating and financial leases - continued activities	(403.5)	(375.6)
Capitalized borrowing costs	9.7	11.5
Amortization cost of the convertible bond derivative component	-	43.9
Convertible bond derivative instrument	-	(62.3)
Others [(1)]	(24.8)	(6.0)
Gross financial debt (a)	**2,196.3**	**1,918.5**
Cash equivalents	102.3	190.5
Cash	1,170.8	383.2
Accrued interests	-	(2.0)
Gross cash (b)	**1,273.1**	**571.7**
Consolidated net debt (a) - (b)	**923.2**	**1,346.8**
(-) Net debt in discontinued activities	-	-
Unconsolidated net debt	(3.1)	-
Published net debt*	**920.1**	**1,346.8**
Debt on operating and financial leases – continued activities	403.5	375.6
Net debt including IFRS 16 impact	**1,323.6**	**1,722.4**

** Excluding IFRS 16*

[(1)] The "Others" line under gross financial debt corresponds to:

- On June 30, 2023, accrued interest including €3.6 million on the convertible bonds (ORNANE).

- In 2022, accrued interest including €23.0 million on bonds.

18.6. RECONCILIATION WITH THE CASH FLOW STATEMENT POSITIONS

The reconciliation between the financial debt of the Group (see Note 18.3) and the cash flows presented in the cash flow statement (see Chart 4) is detailed hereafter:

		Cash flows (corresponding to the CFS)			Non-Cash flows			
In thousands of euros	Dec 31, 2022	Loan issue	Loan repay-ments	Changes	Changes in scope	Others (a)	Currency and fair values changes	June 30, 2023
Bond (maturity March 22, 2024)	598,744	-	(600,000)	-	-	1,256	-	-
Bond (maturity June 18, 2026)	598,146	-	-	-	-	254	-	598,400
Convertible bonds “ORNANE” (maturity January 17, 2028)	-	395,651	-	-	-	327	-	395,978
Amortization cost of the derivative convertible bond “ORNANE”	-	-	-	-	-	(43,889)	-	(43,889)
Facility A (maturity October 17, 2027)	596,729	-	-	-	-	317	-	597,046
Revolving (maturity June 07, 2025)	(3,268)	-	-	-	-	339	-	(2,929)
Securitization	300,000	-	(7,149)	-	-	-	-	292,851
Others	2,630	78	(948)	-	-	-	65	1,825
Other loans, borrowings and financial liabilities	428	6	(111)	-	1	-	5	329
Finance leases	1,921	-	(503)	-	-	(646)	15	787
Current debt on operating and financial leases	403,474	-	(66,584)	-	2,573	35,708	453	375,624
Fair value derivative component “ORNANE”	-	-	-	-	-	62,337	-	62,337
Financial instruments	740	-	-	-	-	(407)	-	333
Financial indebtedness as per C.F.S	**2,499,544**	**395,735**	**(675,295)**	**-**	**2,574**	**55,596**	**538**	**2,278,692**
(-) Financial interests	23,566	-	(5)	-	-	(18,455)	(2)	5,104
(+) Bank overdrafts	91,740	-	-	(69,313)	1,504	(620)	(122)	23,188
Consolidated financial indebtedness	**2,614,850**	**395,735**	**(675,300)**	**(69,313)**	**4,078**	**36,521**	**414**	**2,306,984**

** The « Others » non-cash movements relate to the restatement of borrowing costs, to the restatement on the financial instruments, to the new finance lease contracts and to the increase of financial interests.*

18.7. SCHEDULED PAYMENTS FOR FINANCIAL LIABILITIES

The scheduled payments for financial liabilities based on the capital redemption table are as follows:

In thousands of euros	Less than 1 year	From 2 to 5 years	Over 5 years	June 30, 2023
Loans and borrowings from banking institutions				
Bond (maturity March 22, 2024)	-	-	-	-
Bond (maturity June 18, 2026)	-	600,000	-	600,000
Convertible bonds “ORNANE” (maturity January 17, 2028)	-	400,000	-	400,000
Facility A (maturity October 17, 2027)	-	600,000	-	600,000
Revolving (maturity October 17, 2027)	-	-	-	-
Others	1,381	443	-	1,825
Capitalization of loans and borrowing costs	(2,625)	(8,880)	-	(11,505)
Amortization cost of the derivative convertible bonds “ORNANE”	(8,868)	(35,021)	-	(43,889)
Securitization	292,851	-	-	292,851
Total Bank overdrafts (cash liabilities)	-			
Bank overdrafts (cash liabilities)	22,729	-	-	22,729
Interests on bank overdrafts (cash liabilities)	459			459
Other loans, borrowings and financial liabilities	-	-	-	-
Debt on financial leases (pre-existing contracts as at January 1st, 2019)	580	178	29	787
Debt on operating and financial leases	120 395	224 205	31,024	375,624
Accrued interest on loans	5,035	68	2	5,104
Other loans, borrowings and financial liabilities	218	2	109	329
Fair value derivative component “ORNANE”	-	62,337	-	62,337
Derivatives - rate swap	253	80	-	333
Financial liabilities according to consolidated balance sheet	**432,408**	**1,843,412**	**31,164**	**2,306,984**

18.8. FINANCIAL DISCLOSURES FROM COMPANIES ACCOUNTED FOR UNDER THE EQUITY METHOD

The companies of the Group accounted for under the equity method, following the IFRS 11 standard requirements, are the following:

- Gietwalsonderhoudcombinatie (GWOC) BV held at 50% by SPIE Nederland
- Cinergy SAS held at 50% by SPIE France
- « Host GmbH (Hospital Service + Technik) » held at 25.1% by SPIE DZE
- Sonaid company held at 55% by SPIE OGS
- Grand Poitiers Lumière held at 50% by SPIE France
- RK Safetec GmbH held at 45% by SPIE DZE
- X-tel OS GmbH held at 33,34% by SPIE DZE
- DMA Lda held at 50% by SPIE DZE
- CityFMET held at 7% by SPIE CityNetworks.

The carrying amount of the Group's equity securities is as follows:

In thousands of euros	Dec 31, 2022	June 30, 2023
Value of shares at the beginning of the period	**13,697**	**13,692**
Effect of changes in the scope of consolidation	(871)	-
Capital increase	294	-
Net income attributable to the Group	465	115
Impact of currency translations	288	(134)
Dividends paid	(181)	(331)
Value of shares at the end of the period	**13,692**	**13,342**

Financial information relating to Group companies consolidated under the equity method is as follows:

In thousands of euros	Dec 31, 2022	June 30, 2023
Non-current assets	19,068	24,576
Current assets	87,708	84,494
Non-current liabilities	(43,601)	(48,370)
Current liabilities	(41,642)	(41,506)
Net asset	**21,533**	**19,194**
Income statement		
Revenue	75,530	9,866
Net income	812	(723)

NOTE 19. FINANCIAL RISK MANAGEMENT

19.1. DERIVATIVE FINANCIAL INSTRUMENTS

The Group is exposed to interest rate, foreign exchange and counterparty risks only in the course of certain of its activities. In the context of its risk management policy, the Group may use derivative financial instruments to hedge risks arising from fluctuations in interest rates and foreign exchange rates.

		Forward rate agreement in foreign currency (euro counter value)						
In thousands of euros	Fair value	Under 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	Total
Asset derivatives qualified for designation as cash flow hedges (a)								
Forward purchases - USD	128	3,163	-	-	-	-	-	**3,163**
Interest rate swaps – Euribor floored	888	-	-	-	-	300,000	-	**300,000**
Interest rate swaps – fixed/Euribor	2,157	-	-	-	-	300,000	-	**300,000**
	3,173							
Liability derivatives qualified for designation as cash flow hedges (b)								
Forward sales – CHF	(188)	2,048	1,750	-	-	-	-	**3,798**
Forward purchases – USD	(145)	5,124	2,694	-	-	-	-	**7,818**
Convertible bond derivative component	(62,337)	-	-	-	-	400,000	-	**400,000**
	(62,670)							
Total net derivative qualified for designation as cash flow hedges (a) + (b)	**(59,497)**							

Main financial instruments deal with forward purchases and sales to cover operations in US dollars and in Swiss francs, interest rate swaps to hedge 50% of the Facility A exposure, and the "ORNANE" derivative component.

These derivative instruments are accounted for at their fair value. As they are not quoted on an active market, their valuation is classified as level 2 according to IFRS 13 and is based on a generic model and data observed on active markets for similar transactions.

19.2. INTEREST RATE RISK

According to IFRS 13 relating to the credit risk to be considered when valuing the financial assets and liabilities, the estimation made for derivatives is based on default probabilities from secondary market data (mainly required credit spread) for which a recovery rate is applied.

In October 2022, two interest hedging instruments have been put in set up, through two five-year swaps paying fixed rate against Euribor 1 month for a global amount of € 300 million, to cover 50% of “Facility A” exposure at maturity 2027.

The calculation of the sensitivity of debt at floating rates and interest rate hedges to changes in interest rates is carried out over the total duration of the commitments until maturity, as presented below:

In thousands of euros	June 30, 2023	
Loans and borrowings from banking institutions	**Facility A**	**Securization**
Risks	(600,000)	(292 851)
Hedges	300,000	n/a
Net positions	**(300,000)**	**(292 851)**
Sensitivity to the interest rate -0.50%		
Risks - P&L Impact	12,892	5,921
Hedges – Equity Impact	(5,492)	n/a
Sensitivity to the interest rate +0.50%		
Risks - P&L Impact	(12,892)	(5,921)
Hedges – Equity Impact	5,435	n/a

The sensitivity of the non-hedged floating rate debt to a change in interest rates of plus or minus 0.50% would result in an impact in the income statement of plus or minus € 3 million over a twelve-month period.

19.3. FOREIGN EXCHANGE RISK

Foreign exchange risks associated with French subsidiaries' transactions are managed centrally by the intermediate holding, SPIE Operations:

- Through an Internal Exchange Shortfall Guarantee Agreement for currency flows corresponding to 100% of SPIE Group's operations
- By intermediation for currency flows corresponding to equity operations.

In both cases SPIE Operations hedges itself through forward contracts. Foreign exchange risks on calls for tender are also hedged wherever possible by means of COFACE policies.

The Group's exposition to the exchange risk relating to the US dollar and to the Swiss Franc is presented hereafter:

In thousands

Currencies	USD (American Dollar)	CHF (Swiss Franc)
Closing rate	**1.0866**	**0.9788**
Risks	(10,964)	9,816
Hedges	10,980	(3,798)
Net positions excluding options	**16**	**6,017**
Sensitivity to the currency rate -10% vs Euro		
Risks - P&L Impact	(1,121)	1,114
Hedges – P&L Impact	1,123	(431)
Sensitivity to the currency rate +10% vs Euro		
Risks - P&L Impact	917	(912)
Hedges – P&L Impact	(919)	353
Impact on the Group reserves of the cash flow hedge	**n/a**	**n/a**

The estimated amount of credit risk on currency hedging as at June 30, 2023 is not significant (the risk of fluctuation during 2023 is also not significant).

19.4. COUNTERPARTY RISK

Counterparty risks are primarily related to:
- Cash investments;
- Trade receivables;
- Loans granted;
- Derivative instruments.

The Group is not exposed to any significant counterparty risk.

The Group invests its cash exclusively in term deposits, term accounts and current accounts remunerated on sight with its main banks.

Existing derivatives in the Group (forward purchases and forward sales in USD and in CHF) are distributed as follows at June 30, 2023:
- BNP: 58 %
- Natixis: 42 %

19.5. LIQUIDITY RISK

The Group's liquidity at June 30, 2023 is € 1,172 billion, including € 571.7 million of available cash and € 600 million of undrawn revolving credit facilities.

The Group introduced a securitization program on its trade receivables which has the following characteristics:

- Eight of the Group's subsidiaries act as assignors in the securitization program in which assets are transferred to a securitization mutual fund named “SPIE Titrisation”;
- SPIE Operations is involved in this securitization program as a centralizing entity on behalf of the Group in relation to the depository bank.

This receivables securitization program allows participating companies to transfer full ownership of their trade receivables to the SPIE Titrisation mutual fund allowing them to obtain funding for a total amount of € 300 million.

The use of this program includes early reimbursement clauses for certain bank loans.

As at June 30, 2023 securitized receivables represented a total amount of € 514.9 million with financing obtained amounting to € 292.9 million.

The Group has no liquidity risk.

19.6. CREDIT RISK

The main credit policies and procedures are defined at Group level. They are coordinated by the Group's Financial Division and monitored both by the latter and by the various Financial Divisions within each of its subsidiaries.

Credit risk management remains decentralized at Group level. Within each entity, credit risk is coordinated by the Credit Management function which is underpinned by the "Group Credit Management" policy and a shared Best Practices Manual. Payment terms are defined by the general terms of business applied within the Group.

Consequently, the Credit Management Department manages and monitors credit activity, risks and results and oversees collecting trade receivables regardless of whether they have been transferred.

Monthly management charts are used to monitor, among other things, customer financing at operational level. These provide the means to assess customer credit considering pre-tax invoicing and production data as well as customer data (overdue debts and advances) calculated in terms of the number of revenue days.

The policy to improve working capital requirements implemented by General Management plays an important role in improving cash flow, serving more particularly to reduce overdue payments. Other actions have focused primarily on improving the invoicing process and improving the information systems used to manage the trade item.

The net impairment losses on financial and contract assets are presented below:

In thousands of euros	Dec 31, 2022	June 30, 2023	Of which France	Of which Germany & Central Europe	Of which others
Impairment losses on contract assets	(23,306)	(8,343)	(5,104)	(1,221)	(2,018)
Write-back of impairment losses on contract assets	15,552	8,504	4,698	1,912	1,894
Impairment losses on financial assets	-	-	-	-	-
Write-back of impairment losses on financial assets	-	-	-	-	-
Net impairment losses on financial and contract assets	**(7,754)**	**161**	**(406)**	**691**	**(124)**

Other notes

NOTE 20. RELATED PARTY TRANSACTIONS

No material related party transactions arose during the period ending June 2023, and there were no significant changes concerning the related party transactions described in the consolidated financial statements as at December 31, 2022.

NOTE 21. CONTRACTUAL OBLIGATIONS AND OFF-BALANCE SHEET COMMITMENTS

21.1. OPERATIONAL GUARANTEES

Commitments given

In the course of its operations, the Group SPIE is required to provide a certain number of commitments in terms of guarantees for the completion of work, the redemption of advances or the repayment of retention money or parent company guarantees.

In thousands of euros	Dec 31, 2022	June 30, 2023
Commitments given		
Bank guarantees	541,903	624,222
Insurance guarantees	522,423	579,764
Parent company guarantees	147,374	146,874
Total commitments given	**1,211,700**	**1,350,860**

Commitments received

There have been no major changes in the other commitments received since December 31, 2022.

21.2. PLEDGING OF SHARES

As at June 30, 2023, no shares were pledged.

NOTE 22. SUBSEQUENT EVENTS

Nil.