INTERIM FINANCIAL REPORT
30 JUNE 2016

ALTRAN TECHNOLOGIES
French public limited company governed by a Board of Directors and with a share capital of €87, 900,132.50
Head office: 96 avenue Charles de Gaulle - 92200 Neuilly-sur-Seine
Nanterre Trade and Companies Registration n°: B 702 012 956
Business Activity code: 7112B

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A. Interim management report

1. Key events

Acquisitions

On June 16, 2016, Altran announced that via Cambridge Consultants, its innovative product development subsidiary, it had entered into negotiations to acquire Synapse, a firm based on the west coast of the United States. This acquisition will serve to:

- extend the Group's geographic reach to allow for the expansion of Altran's customer base in one of its most active R&D business zones;
- build a world leading product-development company with significant market share on the east and west coasts of North America.

The contributions from Synapse and Cambridge Consultants combined should make for a 50% increase in Altran's Innovative Product Development revenues by end-2016 (on a pro forma basis).
The acquisition is in line with the Group's strategic plan, *Altran 2020. Ignition*, and should enable Cambridge Consultants to achieve its aim to double in size and build up market share in the US and Asia.

Based in Seattle (Washington), Synapse specializes in complex engineering and innovative product development solutions designed to transform the brands, and enhance the technological profile of its clients. With an impressive track record in the development of mass-market products, Synapse recently worked on projects for such majors as Nike, Microsoft and Samsung.

This acquisition was finalized on August 1, 2016.

Governance

At the April 29, 2016 Annual General Meeting, Altran shareholders appointed Martha Heitzmann Crawford and Renuka Uppaluri to the Board of Directors. Both of these appointments are in line with Group strategy to expand the Board and widen its profile to include more female and international members.

Martha Heitzmann Crawford (Franco/American, aged 48) holds a PhD in Environmental and Chemical Engineering from Harvard University and an MBA from the *Collège des Ingénieurs* (France). Between 1991 and 1999, she held several environmental infrastructure and technology positions at the World Bank and the Asian Development Bank then went on to become Head Administrator of the Performance and Environmental Information division of the OECD, where she remained until 2007. Ms. Crawford then joined Air Liquide as Head of Global Research and Development before taking up the position of Director of Research, Development and Innovation from 2011 to 2014 at Areva where she also served on the Executive Board. Since April 2014, Ms. Crawford has been an R&D consultant for companies and government bodies. In July 2016, she joined the Harvard Business School as a technology, innovation and product-development specialist. Martha Heitzmann Crawford is a Knight of the French National Order (*Chevalier de l'Ordre National du Mérite*) and was nominated "2013 R&D Woman of The Year" by the French magazine *L'Usine Nouvelle*.

Renuka Uppaluri (American, aged 44) has served as the Senior Vice President of Research and Development of Alere, global leader point-of-care diagnostics, in California since February 2015. Ms. Uppaluri holds a PhD in Electrical and Computer Engineering from the University of Iowa. From 1997 to 1999, she was a postdoctoral researcher in radiology at the University of Iowa. Ms. Uppaluri spent the next ten years at GE Healthcare Technologies (Wisconsin, USA) where she held several R&D positions and was Head of one of the group's Global Engineering divisions between 2007 and 2009. Between 2009 and 2015, she served as Global R&D Vice-President of a division of the technology and solutions company Covidien (Colorado, USA) where she managed 350 employees across seven countries. Under her aegis, this division launched several new products and carried out five acquisitions. Since February, 2015, Ms. Uppaluri has served as the Senior Vice President of Research and Development of Alere, the global leader in point-of-care diagnostics, based in California (USA).

By increasing the number of Executive Committee members to ten at the end of January 2016, Altran has achieved a new phase of its development. The Executive Committee now includes Senior Executive Directors in charge of Group operations in Germany, Spain, France, Italy and the Americas /Asia zone.

2. Group performances

Consolidated income statement

(in millions of euros)	June 2016	June 2015
Revenues	1,057.6	954.5
Other income from operations	26.3	24.8
Revenues from ordinary activities	**1,083.9**	**979.3**
Operating income on ordinary activities	**92.0**	**72.1**
Other non-recurring operating income and expenses	(10.7)	(10.7)
Goodwill amortisation (trademarks)	(2.1)	(2.2)
Operating income	**79.2**	**59.2**
Cost of net financial debt	(5.7)	(5.3)
Other financial income	6.7	10.5
Other financial expenses	(7.4)	(9.1)
Tax expenses	(21.1)	(17.2)
Net profit	**51.7**	**38.1**
Minority interests	(0.1)	(0.1)
NET INCOME ATTRIBUTABLE TO GROUP	**51.6**	**38.0**

Altran continued to report sustained growth in the first half, with interim revenues up 10.8% year-on-year to €1,057.6m. In terms of economic growth, revenues rose 6.2%.

With economic growth of 6.4% over the period, France remains the Group's key operating zone contributing 41.1% to sales.

Southern Europe posted +10.8% economic growth and Northern Europe +1.1%.
Although Germany continued to report negative economic growth, this narrowed from -17% in H1 2015 to -6% at end-June 2016.

The year-on-year increase in the number of working days (125.4 days in H1 2016 vs. 123.2 in H1 2015) added 170 basis points to interim revenues.

On the back of these elements, interim operating income on ordinary activities rose 27.6% to €92.0m in H1 2016 (equivalent to 8.7% of sales) from €72.1m in H1 2015 (7.6% of sales).

With respect to other non-recurring operating income and expenses, Altran booked an exceptional loss of €10.7m over the six-month period.

At end-June 2016, the Group reported net income of €51.6m (versus €38.0m in H1 2015). This result factors in:

- financial expenses of -€6.4m, vs. -€3.9m in H1 2015;
- a tax charge of €21.1m, vs. €17.2m in the year-earlier period.

Revenues

Altran reported revenues of €1,057.6m in H1 2016, up 10.8% on the year-earlier level of €954.5m. This performance factors in the positive impacts of scope of consolidation changes (+3.6 %) and the number of working days (+1.7%), as well as a negative forex impact (-0.7%).

As such, organic growth (calculated on a like-for-like and constant forex basis) came out at 7.9 % and economic growth (on a like-for-like, constant-forex and number of working days basis) at 6.2 %.

Gross margin and operating income on ordinary activities

(in millions of euros)	H1 2016	H1 2015
Revenues	1,057.6	954.5
Gross margin*	285.2	256.7
As a % of revenues	27.0 %	26.9 %
Overheads*	(193.2)	(184.6)
As a % of revenues	-18.3 %	-19.3 %
Operating income on ordinary activities	**92.0**	**72.1**
As a % of revenues	**8.7%**	**7.6%**

(*) Management KPI

The consolidated interim gross margin came out at €285.2m, equivalent to 27.0 % of revenues, stable on year-earlier levels.

Overheads widened €8.6m between H1 2015 and H1 2016 due mainly to an increase in the scope of consolidation (€6.5m). As a percentage of revenues, overheads narrowed further from 19.3% in H1 2015 to 18.3% in H1 2016 on the back of tight cost management.

Overall, operating income on ordinary activities advanced €19.9m, up 110 basis points on year-earlier level.

Trends in staff levels

	12/31/2014	06/30/2015	12/31/2015	06/30/2016
Total headcount at end of period	*22,709*	*23,908*	*25,935*	*27,150*

	H2 2014	H1 2015	H2 2015	H1 2016
Average headcount	*22,199*	*22,993*	*23,900*	*26,695*

At end-June 2016, the total headcount stood at 27,150 employees, representing an increase of 4.7% (+1,215 staff members) on levels reported at end-2015 and of 13.6% (+3,242) at end-June 2015.

On a like-for-like basis, staff levels increased 5.5% and 8.9%, respectively on end-December 2015 and end-June 2015 levels.

Operating costs on ordinary activities

(in millions of euros)	H1 2016	H1 2015	H1 2016 vs. H1 2015
Revenues	1,057.6	954.5	+ 10.8 %
Personnel costs	766.8	701.5	+ 9.3 %
As a % of revenues	72.5 %	73.5 %	- 1.0 pt
Total external charges	191.2	178.0	+ 7.4 %
As a % of revenues	18.1 %	18.6 %	- 0.6 pt
o/w outsourcing	69.0	63.6	+ 8.6 %
As a % of revenues	6.5 %	6.7 %	- 0.1pt

In H1 2016, year-on-year growth in personnel and external costs (+9.3% and +7.4%) was outpaced by that of revenues and boosted operating income on ordinary activities by 100 and 60 basis points respectively.

Financial income and expenses and cost of net debt

Financial expenses widened from -€3.9m at end-June 2015 to -€6.4 at end-June 2016.

The cost of net debt widened from -€5.3m in H1 2015 to -€5.7m at end-June 2016, comprising financial charges amounting to -€7.8m, plus financial income of +€2.1m stemming from cash and cash equivalent investments.

Tax on earnings

Tax expenses in H1 2016 totalled €21.1m for pre-tax income of €72.7m after applying an effective tax rate of 29% estimated over the full year (including secondary taxes such as the French CVAE and the Italian IRAP), vs. 31% at end-June 2015.

Statement of cash flows

(in millions of euros)	June 2016	Dec. 2015	June 2015
Net financial debt at opening (1 January)	**(138.3)**	**(37.1)**	**(37.1)**
Cash flow before net interest expenses and taxes	90.9	189.4	70.9
Change in working capital requirement	(95.8)	(35.6)	(75.4)
Net interest paid	(2.9)	(11.2)	(1.0)
Taxes paid	(14.3)	(28.5)	(12.3)
Net cash flow from operations	**(22.1)**	**114.1**	**(17.8)**
Net cash flow from investments	**(23.8)**	**(205.0)**	**(118.0)**
Net cash flow before financing operations	**(45.9)**	**(90.9)**	**(135.8)**
Impact of changes in exchange rates and other	(11.4)	4.9	5.4
Share buybacks	(0.2)	(10.0)	(10.2)
Impact of capital increase	0.3	3.4	1.6
Assignment of non-recourse trade receivables	20.3	17.3	(10.0)
Shareholder payout	(32.9)	(25.9)	(25.9)
NET FINANCIAL DEBT AT CLOSING	**(208.1)**	**(138.3)**	**(212.0)**

<u>Net cash flow generated by operations including interest payments</u>

Net cash flow from operations in the first half was negative to the tune of -€22.1m versus -€17.8m at end-June 2015.

Although DSO levels narrowed between H1 2015 and H1 2016, this improvement did not enable the Group to finance all of its additional working capital requirement related to strong sales growth.

Net cash flow from investments

The Group invested net cash of €23.8m in H1 2016 in company and essentially asset acquisitions, compared with €118.0m (including the acquisition of the Nspyre group in the Benelux region) at end-June 2015.

Net debt

Net debt is the difference between total financial liabilities and cash and cash equivalents.

(in millions of euros)	June 2016	Dec. 2015	Change
Bonds	249.0	248.9	0.1
Medium-term credit line	38.4	54.9	(16.5)
Short-term credit line	343.5	359.0	(15.5)
o/w factoring	*23.7*	*53.3*	(29.6)
TOTAL FINANCIAL DEBT	**630.9**	**662.8**	**(31.9)**
Cash and cash equivalent	422.8	524.5	(101.7)
NET FINANCIAL DEBT	**208.1**	**138.3**	**69.8**

(in millions of euros)	June 2016	Dec. 2015
NET FINANCIAL DEBT	**208.1**	**138.3**
Employee profit-sharing	0.5	0.9
Accrued Interest	8.6	4.6
NET DEBT	**217.2**	**143.8**

The increase in net debt to €208.1m at end-June 2016 from €138.3m at end-December 2015 stemmed from net flows generated by activities, and the following elements:

- shareholder payout for €33m;
- acquisitions, accounting for around €3m;
- the seasonal impact on Group activity.

3. Segment reporting

In accordance with IFRS 8, the Group presents its segment financial information by aggregations of operating segments. Altran's operating segments at end-June 2016 include:

- France : France and Morocco
- Northern Europe: Germany, Austria, the Benelux countries, the Czech Republic, Romania, the UK, the Scandinavian countries, Slovakia and Switzerland
- Southern Europe: Spain, Italy, Turkey and Portugal
- Rest of the World: North and South America, Asia and Oceania

3.1 Revenues by operating segment (after inter-segment eliminations)

At June 30, 2016, consolidated revenues came out at €1,057.6m, up 10.8% on H1 2015 levels.
By operating segment, Group revenues break down as follows:

	H1 2016		H1 2015 *			
(in millions of euros)	Total revenues	As a% of revenues	Total revenues	As a% of revenues	Reported Growth	Economic growth
France	435.0	41.1%	398.6	41.8 %	+ 9.1%	6.4 %
Northern Europe	332.4	31.4 %	304.5	31.9 %	+ 9.2 %	1.1%
Southern Europe	217.5	20.6 %	194.3	20.3 %	+ 11.9 %	10.8 %
ROW zone	72.7	6.9 %	57.1	6.0 %	+ 27.3 %	16.4 %
Total	**1,057.6**	**100.0 %**	**954.5**	**100.0 %**	**+ 10.8 %**	**6.2 %**

** 2015 data factors in the transfer of a contract between France and the Rest of the World zone*

Economic growth (calculated on a like-for-like and constant exchange-rate basis and restated for the seasonal impact) came out at 6.2%

France reported economic growth of +6.4%. However, due to acquisitions carried out abroad in 2015, the contribution of French operations narrowed from 42% in H1 2015 to 41% in H1 2016.

Southern Europe continued to mark-up strong growth, and business picked up in Northern Europe.

3.2 Revenues and operating income on ordinary activities by operating segment (after inter-segment eliminations)

France including the Group's corporate holding

(in millions of euros)	H1 2016	H1 2015 *	H1 2016 vs. H1 2015 *
Revenues	435.0	398.6	+ 9.1%
Operating income on ordinary activities	46.3	35.0	+ 32.3 %
Operating income on ordinary activities (%)	10.6 %	8.8 %	+ 1.8 pt

** 2015 data factors in the transfer of a contract between France and the Rest of the World zone*

Revenues generated in France advanced 9.1% over the six-month period to €435.0m for operating income on ordinary activities of €46.3m.
Growth was notably driven by brisk trends in the automobile, aeronautics and pharmaceuticals sectors.

Northern Europe

(in millions of euros)	H1 2016	H1 2015	H1 2016 vs. H1 2015 *
Revenues	332.4	304.5	+ 9.2 %
Operating income on ordinary activities	15.9	12.6	+ 26.2 %
Operating income on ordinary activities (%)	4.8 %	4.1%	+ 0.7 pt

In Northern Europe, interim revenues came out at €332.4m. This reflects a year-on-year increase of 9.2% (economic growth of 1.1%) driven notably by:

- the acquisition of Tessella:
- sustained growth for Cambridge Consultants;
- a favorable inflexion in the downward trend in Germany.

Operating income on ordinary activities came out at €15.9m, equivalent to 4.8% of revenue, versus 4.1% in H1 2015.

Southern Europe

(in millions of euros)	H1 2016	H1 2015	H1 2016 vs. H1 2015 *
Revenues	217.5	194.3	+ 11.9 %
Operating income on ordinary activities	28.2	24.0	+ 17.5 %
Operating income on ordinary activities (%)	13.0 %	12.4 %	+ 0.6 pt

H1 2016 revenues in Southern Europe came out at €217.5m, up 11.9% on the H1 2015 level of €194.3m. In terms of economic growth, interim revenues increased 10.8%.
All regional markets in this zone contributed to growth.

Operating income on ordinary activities advanced to €28.2m at the interim stage from €24.0m in H1 2015.

Rest of the World

(in millions of euros)	H1 2016	H1 2015 *	H1 2016 vs. H1 2015 *
Revenues	72.7	57.1	+ 27.3 %
Operating income on ordinary activities	1.7	0.5	+ 240.0 %
Operating income on ordinary activities (%)	2.3 %	0.9 %	+ 1.4 pt

** 2015 data factors in the transfer of a contract between France and the Rest of the World zone*

H1 2016 revenues in the ROW operating segment increased to €72.7m, up 27.3% on the year-earlier level of €57.1m, making for economic growth of +16.4%.
All of the Group's regional markets in this zone contributed to growth. In India, operating performances benefited from the acquisition of SiConTech in H2 2015.

4. Post closure events

Acquisition

At end-July 2016, the Group announced the acquisition of Lohika, a premier software engineering company. With its elite teams of highly-skilled engineers, this firm provides specialized solutions designed to step up the development of high-end software and SaaS products for IT sector majors (Microsoft, Cisco and HP Enterprise, etc.) and fast-growth startups (AudienceScience, BuzzFeed, Twilio and Okta).

Based in Silicon Valley, Lohika has a staff of 700 employees (mainly software engineers) for the most part operating in North America, but also in the Ukraine and Romania.

This operation should boost Altran's revenues in North America by over 40% by end-2016. It will also make the US the Group's second largest geographical zone in terms of pro forma revenue (including sales generated by Cambridge Consultants and Synapse in the US).

5. Outlook

The Altran group does not issue financial forecasts.

Based on the information currently at its disposal, management confirms its expectations that 2016 will be another year of profitable growth for the Group.

B. Condensed consolidated interim financial statements

FINANCIAL SITUATION AT 30 JUNE 2016

1. Consolidated balance sheet

Assets *(in thousands of euros)*	Notes	June 2016 Gross value	June 2016 Amort. and Prov.	June 2016 Net value	Dec 2015 Net
Net goodwill	*6.1*	908,507	(184,625)	723,882	738,338
Intangible assets	*6.2*	146,295	(64,744)	81,551	82,385
Land and construction		32,401	(6,882)	25,519	27,064
Other tangible assets		119,466	(83,897)	35,569	37,676
Tangible assets	*6.3*	151,867	(90,779)	61,088	64,740
Equity-accounted investments	*6.4*	247		247	234
Non-current financial assets	*6.4*	38,311	(4,128)	34,183	32,572
Deferred tax assets	*7.9*	119,085	(19,002)	100,083	106,484
Non-current tax assets	*6.5*	86,244	(96)	86,148	97,240
Other non-current assets	*6.5*	8,152	(5,032)	3,120	2,401
Total non-current assets		1,458,708	(368,406)	1,090,302	1,124,394
Inventory and work in progress	*6.6*	6,174	(34)	6,140	4,750
Prepayment to suppliers		1,086		1,086	921
Accounts receivable (client)	*6.7*	430,314	(4,253)	426,061	395,317
Other receivables	*6.8*	127,729	(371)	127,358	96,090
Client accounts and other receivables		559,129	(4,624)	554,505	492,328
Current financial assets	*6.9*	14,007		14,007	11,552
Cash equivalents	*6.11*	286,776		286,776	293,355
Cash	*6.11*	136,047		136,047	231,186
Total current assets		1,002,133	(4,658)	997,475	1,033,171
TOTAL ASSETS		2,460,841	(373,064)	2,087,777	2,157,565

Liabilities *(in thousands of euros)*	Notes	June 2016	Dec 2015
Capital	*6.10*	87,900	87,900
Share premium		398,140	430,763
Reserves attributable to parent company shareholders		269,700	168,566
Conversion-rate adjustments		(17,791)	6,156
Earnings for fiscal period		51,605	100,493
Minority interests		887	508
Shareholders' equity		**790,441**	**794,386**
Convertible bond loans (>1 year)		249,281	249,155
Credit establishment borrowings and debts (>1 year)		35,349	53,151
Other non-current financial liabilities		3,009	2,311
Non-current financial liabilities	*6.11*	**287,639**	**304,617**
Provisions for long-term liabilities and charges	*6.12*	49,817	52,005
Long-term employee benefits	*6.13*	32,972	28,855
Long-term debt on assets		2,583	6,969
Deferred tax liabilities		17,511	24,954
Long-term securities debt	*6.16*	9,635	30,820
Other non-current liabilities		2,023	1,348
Other non-current liabilities		**114,541**	**144,951**
Total non-current liabilities		**402,180**	**449,568**
Trade payables	*6.14*	110,209	108,749
Taxes payable		102,719	116,159
Current employee benefits	*6.13*	208,596	203,578
Debt on assets		2,539	3,010
Other current liabilities	*6.15*	76,697	89,267
Suppliers and other current payables		**500,760**	**520,763**
Provisions for short-term risks and charges	*6.12*	14,172	19,625
Short-term securities debt	*6.16*	27,794	9,558
Other current financial liabilities	*6.11*	352,430	363,665
Other current financial liabilities		**394,396**	**392,848**
Total current liabilities		**895,156**	**913,611**
TOTAL LIABILITIES		**2,087,777**	**2,157,565**

2. Consolidated income statement

(in thousands of euros)	Notes	June 2016	Dec 2015	June 2015
Revenues	*7.1 & 7.2*	1,057,559	1,945,078	954,465
Other income from operations		26,314	59,062	24,821
Revenues from ordinary operations		**1,083,873**	**2,004,140**	**979,286**
Raw materials		(19,145)	(31,486)	(14,136)
Change in work-in-progress		1,226	2 786	342
External expenses	*7.3*	(191,243)	(366,848)	(177,993)
Personnel costs- salaries	*7.4*	(766,337)	(1,392,192)	(701,233)
Personnel costs - share-based payments	*7.4*	(472)	(610)	(246)
Taxes and duties		(1,938)	(3,054)	(1,981)
Depreciation and net provisions	*7.5*	(11,777)	(21,645)	(9,392)
Other operating expenses		(2,189)	(5,227)	(2,569)
Operating income on ordinary activities		**91,998**	**185,864**	**72,078**
Other non-recurring operating income		4,206	11,449	3,270
Other non-recurring operating expenses		(14,871)	(38,015)	(14,081)
Other non-recurring operating income and expenses	*7.6*	**(10,665)**	**(26,566)**	**(10,811)**
Amortization of customer-relationship intangible assets		(2,136)	(4,300)	(2,148)
Operating income		**79,197**	**154,998**	**59,119**
Gains on cash and cash equivalents		2,130	5,360	2,383
Cost of gross financial debt		(7,849)	(16,114)	(7,662)
Cost of net financial debt	*7.7*	**(5,719)**	**(10,754)**	**(5,279)**
Other financial income	*7.8*	6,675	17,677	10,524
Other financial expenses	*7.8*	(7,437)	(18,077)	(9,097)
Tax expenses/income	*7.9*	(21,087)	(43,285)	(17,245)
Equity share in net income of associates		45	132	2
Net income		**51,674**	**100,691**	**38,024**
Minority interests		(69)	(198)	(69)
Net Income attributable to Group		**51,605**	**100,493**	**37,955**
Earnings per share (€)	*6.10*	0.30	0.58	0.22
Diluted earnings per share (€)	*6.10*	0.30	0.58	0.22

3. Consolidated Statement of Comprehensive Income

(in thousands of euros)	June 2016	Dec 2015	June 2015
Consolidated net income	**51,674**	**100,691**	**38,024**
Financial instruments	(1,002)	335	169
Exchange rate differences	(20,293)	11,798	16,639
Other comprehensive income net of tax that may subsequently be reclassified to profit	*(21,295)*	*12,133*	*16,808*
Employee benefits - Revised IAS19	(2,036)	1,911	10
Other comprehensive income net of tax that will not be reclassified to profit	*(2,036)*	*1,911*	*10*
Other comprehensive income net of tax over the period	(23,331)	*14,044*	16,818
Results for the period	**28,343**	**114,735**	**54,842**
o/w attributable to:			
- the Group's company	28,300	114,536	54,765
- minority interests	43	199	77

(in thousands of euros)	June 2016			Dec 2015			June 2015		
	Pre-tax	Tax	Net	Pre-tax	Tax	Net	Pre-tax	Tax	Net
Financial instruments	(1,528)	526	(1,002)	511	(176)	335	257	(88)	169
Exchange rate differences	(23,973)	3,680	(20,293)	13,041	(1,243)	11,798	18,455	(1,816)	16,639
Other comprehensive income net of tax that may subsequently be reclassified to profit	(25,501)	4,206	(21,295)	13,552	(1,419)	12,133	18,712	(1,904)	16,808
Employee benefits - Revised IAS 19	(3,012)	976	(2,036)	2,527	(616)	1,911	1	9	10
Other comprehensive income net of tax that will not be reclassified to profit	(3,012)	976	(2,036)	2,527	(616)	1,911	1	9	10
Other comprehensive income over the period	(28,513)	5,182	(23,331)	16,079	(2,035)	14,044	18,713	(1,895)	16,818

4. Change in consolidated share capital

(in thousands of euros)	Number of shares	Capital	Premium	Resources	Change in fair value & other	Exchange rate differences	Net profit	Total group share	Minority interests	Total
December 31, 2014	**173,548,732**	**87,490**	**463,478**	**86,911**	**(1,748)**	**(6,889)**	**82,397**	**711,641**	**98**	**711,739**
Results for the period				(1,806)	169	18,447	37,955	54,765	77	54,842
Capital increase	399,735	200	1,382					1,582		1,582
Share-based payments			245					245		245
Own-share transactions	(1,266,863)		(10,298)					(10,298)		(10,298)
Income appropriation				82,397			(82,397)	-		-
Shareholder payout			(25,904)					(25,904)		(25,904)
Other transactions								-		-
June 30, 2015	**172,681,604**	**87,690**	**428,903**	**167,502**	**(1,579)**	**11,558**	**37,955**	**732,031**	**175**	**732,206**
Results for the period				2,476	166	(5,409)	62,538	59,771	122	59,893
Capital increase	421,485	210	1,365					1,575	211	1,786
Share-based payments			365					365		365
Own-share transactions	18,095		129					129		129
Other transactions						7		7		7
December 31, 2015	**173,121,184**	**87,900**	**430,762**	**169,978**	**(1,413)**	**6,156**	**100,493**	**793,878**	**508**	**794,386**
Results for the period				287	355	(23,947)	51,605	28,300	43	28,343
Capital increase								-	336	336
Share-based payments			472					472		472
Own-share transactions	128,189		(172)					(172)		(172)
Income appropriation				100,493			(100,493)	-		-
Shareholder payout			(32,922)					(32,922)		(32,922)
Other transactions				(2)				(2)		(2)
June 30, 2016	**173,249,373**	**87,900**	**398,140**	**270,756**	**(1,058)**	**(17,791)**	**51,605**	**789,554**	**887**	**790,441**

5. Statement of consolidated cash flows

(in thousands of euros)	June 2016	Dec 2015	June 2015
Operating income on continuing activities	**79,197**	**154,998**	**59,119**
Goodwill impairment and amortization of customer-relationship intangible assets	2,136	4,300	2 149
Operating income before goodwill impairment	**81,333**	**159,298**	**61,268**
Depreciation and net operating provisions	6,700	18,501	4,675
Income and charges from stock options	472	610	246
Capital gains or losses on disposals	281	803	629
Other gains and charges	2,136	10,223	4,101
Cash flow before net interest expenses and taxes	**90,922**	**189,435**	**70,919**
Change in inventory and work in progress	(1,380)	(3,122)	(517)
Change in client accounts and other receivables	(91,203)	(74,080)	(85,498)
Change in supplier accounts and other payables	(11,347)	41,613	10,704
Change in working capital requirement	**(103,930)**	**(35,589)**	**(75,311)**
Net operating cash flow	**(13,008)**	**153,846**	**(4,392)**
Interest paid	(3,154)	(15,272)	(3,169)
Interest received	2,153	5,753	2,680
Taxes paid	(14,275)	(28,475)	(12,326)
Cash impact of other financial income and expenses	(1,875)	(1,780)	(537)
Net cash flow from operations	**(30,159)**	**114,072**	**(17,744)**
Cash outflows for tangible and intangible asset acquisitions	(18,999)	(33,616)	(15,330)
Cash inflows from tangible and intangible asset disposals	938	194	153
Cash outflows for financial asset acquisitions (non-consolidated holdings)	(1,267)	(2,201)	(1,068)
Cash inflows from financial asset disposals (non-consolidated holdings)	128	501	500
Earn-out disbursements	(375)	(420)	(420)
Impact of scope-of-consolidation changes	(2,704)	(167,760)	(100,836)
Change in loans and advances granted	(4,838)	(11,463)	(5,446)
Investment subsidies received	0	(59)	(119)
Other flows from investment transactions	3,353	10,190	4,854
Net cash flow from investments	**(23,764)**	**(204,634)**	**(117,712)**

(in thousands of euros)	June 2016	Dec 2015	June 2015
Amounts received from shareholders during the capital increase	336	210	–
Proceeds from the exercise of stock options	–	3,158	1,582
Own-share transactions (purchase/sales)	(180)	(10,779)	(10,779)
Liquidity contract	12	778	579
Dividends paid during the period	(32,922)	(25,904)	(25,904)
Proceeds from new loans	55	50,299	30,615
Reimbursement of loans	(68,455)	(32,909)	(13,860)
Other flows from financing operations	54,691	180,734	87,324
Net cash flow from financing operations	**(46,463)**	**165,587**	**69,557**
Impact of variations in exchange rates	(1,332)	3,520	3,014
Impact of changes in accounting principles	0	1,531	1,571
Changes in net cash	**(101,718)**	**80,076**	**(61,314)**
Opening cash balance	524,541	444,465	444,465
Closing cash balance	422,823	524,541	383,151
Changes in net cash	**(101,718)**	**80,076**	**(61,314)**

The reconciliation of total cash on the balance sheet to total net cash flow in the table below is as follows:

(in thousands of euros)	June 2016	Dec 2015	June 2015
Cash equivalents	286,776	293,355	262,342
Cash	136,047	231,186	120,809
Net cash balance	**422,823**	**524,541**	**383,151**

APPENDIX TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 1 Rules and accounting methods

Rules and accounting methods

Altran's H1 2016 consolidated financial statements have been prepared in accordance with the IAS 34 interim financial reporting standard, which requires that interim accounts contain selected explanatory notes. These consolidated interim financial statements should therefore be read in conjunction with the appendix to the Group's Consolidated Financial Statements at end-December, 2015 included in the 2015 Registration Document filed with the French Market Authority (AMF) on March 29, 2016 under the registration number D.16-0219.

The accounting principles used to prepare Altran's interim consolidated financial statements at June 30, 2016 comply with the standards and interpretations mandatory for companies in the European Union at that date. The Group has chosen not to adopt the early application of standards, amendments and interpretations whose adoption was not mandatory at June 30, 2016.

The international accounting principles used to prepare Altran's 2016 interim financial statements are the same as those applied to the Consolidated Financial Statements at December 31, 2015.

Use of estimates

As mentioned on page 115 of the 2015 Registration Document (note 1.5 of Section 20.3 - Consolidated Financial Statements at December 31, 2015), the preparation of the Group's financial statements is based on estimates and assumptions that may have an impact on the book value of certain balance sheet and income statement items, as well as on information in certain notes in the appendix. Altran reviews these estimates and assessments on a regular basis to take into account past experience and other factors considered relevant to the economic environment. These estimates, assumptions and assessments are compiled on the basis of information available and the actual situation at the time when the financial statements were prepared and could turn out to differ from future reality particularly given the macro-economic uncertainties that prevail.

For the most part, these estimates concern provisions and assumptions adopted for the preparation of business plans used to carry out impairment tests on Cash Generating Units (CGUs) indicating a loss in value, and for the recognition of deferred tax assets.

Approval of Altran's interim financial statements

The consolidated interim financial statements for the period ending June 30, 2016 were approved by the Board of Directors of Altran Technologies on September 7, 2016.

Note 2 Scope of consolidation

The consolidated financial statements comprise the financial statements of Altran Technologies and its 67 subsidiaries. The Group fully consolidates all of its subsidiaries, with the exception of Altran Telnet Corporation (Tunisia) and Altran Middle East (United Arab Emirates).

Acquisitions: In H1 2016, Altran finalized the acquisition of SiCon Design Technologies (Shanghai) Co. Ltd. This company contributed €1.5m to consolidated interim revenues.

Mergers: Within the context of the Group's strategy to rationalize its structure, Altran carried out several mergers in Germany and the Netherlands.

Note 3 Seasonal impact on Group activity

Altran's business is not of a seasonal nature since sales are relatively stable from one half to the next. The key factors that can impact activity levels are the number of working days (greater in H2 than in H1) and holidays taken.

Note 4 Risks and uncertainties

No significant changes have been made to the major litigation and contingent liabilities since Altran's 2015 financial statements were approved (see pages 11 to 17 of the 2015 Registration Document).

Note 5 Events in the first six months of 2016

Acquisitions

On June 16, 2016, Altran announced that via Cambridge Consultants, its innovative product development subsidiary, it had entered into negotiations to acquire Synapse, a firm based on the west coast of the United States.

This acquisition will serve to:

- extend the Group's geographic reach to allow for the expansion of Altran's customer base in one of its most active R&D business zones;
- build a world leading product-development company with significant market share on the east and west coasts of North America.

The contributions from Synapse and Cambridge Consultants combined should make for a 50% increase in Altran's Innovative Product Development revenues by end-2016 (on a pro forma basis).

The acquisition is in line with the Group's strategic plan, *Altran 2020. Ignition*, and should enable Cambridge Consultants to achieve its aim to double in size and build up market share in the US and Asia.

Based in Seattle (Washington), Synapse specializes in complex engineering and innovative product development solutions designed to transform the brands, and enhance the technological profiles of its clients. With an impressive track record in the development of mass-market products, Synapse recently worked on projects for such majors as Nike, Microsoft and Samsung.

This acquisition was finalized on August 1, 2016.

Governance

At the April 29, 2016 Annual General Meeting, Altran shareholders appointed Martha Heitzmann Crawford and Renuka Uppaluri to the Board of Directors. Both of these appointments are in line with Group strategy to expand the Board and widen its profile to include more female and international members.

Martha Heitzmann Crawford (Franco/American, aged 48) holds a PhD in Environmental and Chemical Engineering from Harvard University and an MBA from the *Collège des Ingénieurs* (France). Between1991 and 1999, she held several environmental infrastructure and technology positions at the World Bank and the Asian Development Bank then went on to become Head Administrator of the Performance and Environmental Information division of the OECD, where she remained until 2007. Ms. Crawford then joined Air Liquide as Head of Global Research and Development before taking up the position of Director of Research, Development and Innovation from 2011 to 2014 at Areva where she also served on the Executive Board. Since April 2014, Ms. Crawford has been an R&D consultant for companies and government bodies. In July 2016, she joined the Harvard Business School as a technology, innovation and product-development specialist. Martha Heitzmann Crawford is a Knight of the French National Order (*Chevalier de l'Ordre National du Mérite*) and was nominated "2013 R&D Woman of The Year" by the French magazine*, L'Usine Nouvelle*.

Renuka Uppaluri (American, aged 44) has served as the Senior Vice President of Research and Development of Alere, global leader point-of-care diagnostics, in California since February 2015. Ms. Uppaluri holds a PhD in Electrical and Computer Engineering from the University of Iowa. From 1997 to 1999, she was a postdoctoral researcher in radiology at the University of Iowa. Ms. Uppaluri spent the next ten years at GE Healthcare Technologies (Wisconsin, USA) where she held several R&D positions and was Head of one of the group's Global Engineering divisions between 2007 and 2009. Between 2009 and 2015, she served as Global R&D Vice-President of a division of the technology and solutions company Covidien (Colorado, USA) where she managed 350 employees across seven countries. Under her aegis, this division launched several new products and carried out five acquisitions. Since February, 2015, Ms. Uppaluri has served as the Senior Vice President of Research and Development of Alere, the global leader in point-of-care diagnostics, based in California (USA).

By increasing the number of Executive Committee members to ten at the end of January 2016, Altran has achieved a new phase of its development. The Executive Committee now includes Senior Executive Directors in charge of Group operations in Germany, Spain, France, Italy and the Americas /Asia zone.

Note 6 Notes relative to certain balance sheet items

6.1 Net goodwill

Movements in net goodwill are analyzed in the table below:

Balance at 31 December 2015	738,338
Earn-outs	(15)
Loss in value	0
Scope-of-consolidation changes	1,030
Exchange rate differences	(15,471)
Other transactions	0
Balance at 30 June 2016	**723,882**

The increase in the scope of consolidation notably comprises:

- €601k, from the acquisition of Sicon Design Technologies in China.
- €463k, from the acquisition of a business in Switzerland.

The main contributing CGUs in terms of net goodwill are listed below:

Main contributors (in thousands of euros)	
Germany / Austria	139,367
France	119,637
Benelux countries	114,024
USA/Canada *	87,873
Italy	60,475
Tessella	55,199
Spain	48,915
Cambridge UK	34,849
Other	27,303
UK	19,226
India	17,014
Total	**723,882**

* *The amount of goodwill booked by the US/Canada CGU does not factor in that of Microsys Technologies, the Canadian subsidiary of Concept Tech (Austria)*

Cash Generating Units (CGUs) indicating a loss in value at June 30, 2016 were subject to an impairment test. None of these tests resulted in the recognition of impairment losses booked to the income statement.

The tests used to measure goodwill impairment were based on revenue growth to infinity of 2% and the following discount rates after tax (WACC) for each CGU:

	Sensitivity rate	
	June 2016	Dec 2015
Germany / Austria	7.31%	7.63%
USA/Canada	7.40%	7.75%

All Cash Generating Units indicating a loss in value at June 30, 2016 were subject to sensitivity tests. The results of sensitivity tests carried out in terms of additional goodwill depreciation concerning the Germany/Austria and the US/Canada-based CGUs are summarized in the table below (in thousands of euros):

WACC		-1%	WACC	+1%
Growth rate to infinity	2.00%	0	0	2,357
	1.00%	0	0	13,919

In addition, an analysis of the sensitivity to a variation in EBIT rates used in business plans shows that a 3pt decline in EBIT would make for goodwill impairment of -€22.4m for the US/Canada-based CGU.

6.2 Intangible assets

(in thousands of euros)	Trademark & Intangible rights	Development costs	Software	Ongoing assets & other	Total
At Dec 31, 2015					
Gross value at opening	57,596	6,737	68,042	9,697	142,072
Amortization and provisions	(12,390)	(4,418)	(42,159)	(720)	(59,687)
Net value at opening	45,206	2,319	25,883	8,977	82,385
Transactions during the period :					
Acquisitions	1	1,595	2,086	3,699	7,381
Disposals	–	–	(30)	(189)	(219)
Net amortization and provisions	(2,160)	(104)	(4,498)	(2)	(6,764)
Scope-of-consolidation changes					–
Exchange rate differences	(713)	(347)	(183)	(7)	(1,250)
Other transactions	(535)		3,221	(2,668)	18
TOTAL TRANSACTIONS (NET VALUE)	(3,407)	1,144	596	833	(834)
At June 30, 2016					
Gross value at closing	56,262	7,375	72,203	10,455	146,295
Amortization and provisions	(14,463)	(3,912)	(45,724)	(645)	(64,744)
Net value at closing	41,799	3,463	26,479	9,810	81,551

At the Group level, development costs were capitalized up to €1,595k in H1 2016. The gross value of R&D costs totaled €7,375k at June 30, 2016.

In H1 2016, net allowances for intangible asset amortization totaled –€6,764k, of which:

- €4 ,627k in allowances for amortization and net current provisions, and
- €2,137k for intangible rights amortization.

6.3 Tangible assets

(in thousands of euros)	Land	Constructions	General facilities, fixtures and furnishings	Office & computer equipment & furniture	Other	Total
At Dec 31, 2015						
Gross value at opening	880	33,532	42,339	72,289	5,478	154,518
Depreciation and provisions		(7,348)	(22,621)	(55,446)	(4,363)	(89,778)
Net value at opening	880	26,184	19,718	16,843	1,115	64,740
Transactions during the period :						
Acquisitions		1,689	1,889	3,495	238	7,311
Disposals		(16)	(50)	(704)	(35)	(805)
Net depreciation and provisions		(281)	(2,253)	(3,442)	(164)	(6,140)
Scope-of-consolidation changes				3		3
Exchange rate differences		(2,937)	(482)	(469)	(88)	(3,976)
Other transactions			(169)	176	(52)	(45)
TOTAL TRANSACTIONS (NET VALUE):	-	(1,545)	(1,065)	(941)	(101)	(3,652)
At June 30, 2016						
Gross value at closing	880	31,521	42,440	71,524	5,502	151,867
Net depreciation and provisions		(6,882)	(23,787)	(55,622)	(4,488)	(90,779)
Net value at closing	880	24,639	18,653	15,902	1,014	61,088

The Altran group owns land and property in France, Italy and the UK worth a total net value of €25,519k.

None of the Group's fully-depreciated fixed assets still in use are worth a significant amount.

In H1 2016, net depreciation on tangible assets totaled -€6,140k, of which -€6,122k in allowances for depreciation and net current provisions and -€18k in other non-recurring operating costs.

6.4 Non-current financial assets

(in thousands of euros)	June 2016	Dec 2015
Available for sale		
Cambridge Consultants Incubator	8,547	8,281
	8,547	**8,281**
Loans and credits generated by the Group		
Construction-effort loans	15,132	13,212
Deposits and guarantees	10,502	11,077
	25,634	**24,289**
Other financial assets		
Other shares in non-consolidated subsidiaries	2	2
Investments in associates	247	234
	249	**236**
TOTAL	34,430	32,806

The €1,624k increase in non-current financial assets in H1 2016 stemmed mainly from:

- an increase of €1,920k in construction-effort loans
- a reduction of €575k in deposits and guarantees,
- an additional investment of €266k in the Aveillant and Evonetix incubators by Cambridge Consultants Limited.

6.5 Other non-current assets and taxes

The bulk of other non-current assets and taxes are made up of:

- trade receivables due in more than one year’s time of €1,593k;
- social security and tax receivables due in more than one year's time of €86,502k.

6.6 Inventories

(In thousands of euros)	June 2016	Dec 2015
Raw materials	1,046	985
Work in progress	4,541	3,470
Finished goods	587	330
Provisions for inventory	(34)	(35)
TOTAL	6,140	4,750

The increase in work in progress stems mainly from transition costs incurred on contracts.

6.7 Trade receivables net of provisions for depreciation

Trade receivables are due within up to one year.

(in thousands of euros)	June 2016			Dec 2015		
	Total	Matured	Not matured	Total	Matured	Not matured
Net accounts receivable (clients)	426,061	53,051	373,010	395,317	71,768	323,549

Changes in provisions for trade receivables break down as follows (in thousands of euros):

Dec 2015	Provisions booked over the period	Write backs	Exchange rate differences	Scope-of-consolidation changes	Other changes	June 2016
(3,005)	(2,204)	918	26		12	(4,253)

Trade receivables, net of depreciation, which are overdue, are listed in the following table:

(in thousands of euros)	June 2016	Dec 2015
Expired for less than 1 month	27,512	33,282
Expired for 1-3 months	13,657	26,182
Expired for more than 3 months	11,882	12,304
TOTAL TRADE RECEIVABLES OVERDUE	53,051	71,768

The Group had available factoring lines totaling €387.9m at June 30, 2016. Within the context of these factoring agreements, the amount of assigned trade receivables totaled €245.1m.

Recognition of receivables assigned without recourse had the following impact on the Group's financial statements (in thousands of euros):

Assets	June 2016	Dec 2015
Accounts receivable (client)	(191,708)	(169,501)
Security deposit	12,967	10,793
	(178,741)	**(158,708)**

Liabilities	June 2016	Dec 2015
Current financial liabilities	(178,741)	(158,708)
	(178,741)	**(158,708)**

The Group is still responsible for recovering trade receivables whose payment is not guaranteed by the factor. These receivables are booked as assets and offset in "current financial liabilities" (see note 6.11).

The impact of these elements on the financial statements is detailed in the table below (in thousands of euros)

Assets	June 2016	Dec 2015
Accounts receivable (client)	53,426	70,986
o/w unfunded portion of trade receivables and cancellation of deposits	(29,754)	(17,691)
	23,672	**53,295**

Liabilities	June 2016	Dec 2015
Current financial liabilities	23,672	53,295
	23,672	**53,295**

6.8 Other receivables

This item includes tax receivables, prepaid expenses, personnel and social-security receivables, as well as other operating receivables.

6.9 Current financial assets

This item includes deposits and guarantees maturing in less than one year, and notably the security deposit attached to non-recourse factoring contracts in the amount of €12,967k.

6.10 Shareholders' equity and earnings per share

The following calculations are based on an average price of €11.36 per Altran Technologies share in H1 2016.

At June 30, 2016, Altran's share capital totaled €87,900,132.50 for 175,800,265 ordinary shares. The weighted average number of ordinary shares outstanding at the end of the interim period totaled 173,295,816 and the weighted average number of ordinary and dilutive shares totaled 173,646,743.

Breakdown of equity capital	Number	Nominal value
Number of shares comprising the share capital at opening	175,800,265	0.50 €
Cancellation of treasury stock	(2,550,892)	0.50 €
Number of shares comprising the share capital at closing (excluding treasury stock)	**173,249,373**	**0.50 €**

(in thousands of euros)	Juin 2016	Dec 2015
Net income (Altran Technologies)	**51,605**	**100,493**
Impact of dilutive share-based payments	472	610
Ordinary shares (weighted average number)	173,295,816	172,710,325
Options granted with a dilutive impact	350,927	123,980
Earnings per share (€)	**0.30**	**0.58**
Diluted earnings per share (€)	**0.30**	**0.58**

Instruments with a strike price below the average H1 2016 share price and which are expected to have a dilutive impact concern:

- the March 2015 free share plan involving a maximum of 281,959 free shares.
- the June 2016 free share plan involving a maximum of 432,831 free shares.

The characteristics of the Group's stock-option and free-share plans are described in note 7.4.

6.11 Net debt

(in thousands of euros)	June 2016	Dec 2015
Cash and cash equivalent	422,823	524,541
Cash liabilities		
Net cash	**422,823**	**524,541**
Bond loans (>1 year)	249,281	249,155
Credit establishment borrowings and debt (>1 year)	35,349	53,151
Other long-term financial liabilities	3,009	2,311
Current bond loans	7,892	3,657
Current borrowings	36,453	86,226
Bank overdrafts (*)	307,515	273,434
Other current financial liabilities	570	348
Gross financial debt	**640,069**	**668,282**
NET DEBT	**(217,246)**	**(143,741)**

(*) Including factoring, unsecured receivables assigned to the factor amounted to €23.7m at June 30, 2016 vs. €53.3m at December 31, 2015 (for total lines of €363.3m and €362.1m, respectively).

Net debt is the difference between total financial liabilities and cash and cash equivalents.

Consolidated net debt widened €73,505k on end-December 2015 levels to reach €217,246k at end-June 2016.

Cash equivalents

At June 30, 2016, the market value of cash equivalents totaled €286,776k. This breaks down as follows:

(in thousands of euros)	June 2016	Dec 2015
Certificates of deposit and other	278,013	264,391
SICAV and mutual funds	8,763	28,964
TOTAL	**286,776**	**293,355**

Debt repayment schedule

The table below gives the breakdown of the Group's financing debt by type and by maturity, including accrued interest and after taking into account the effect of hedging instruments:

(in thousands of euros)	<1 year	1 - 2 yrs	2 - 3 yrs	3 - 4 yrs	4 - 5 yrs	> 5 yrs
Bond loans (>1 year)		(252)	(252)	134,887	9,898	105,000
Credit establishment borrowings and debts (>1 year)		35,747	(164)	(255)	21	
Other long-term financial liabilities		1,383				1626
Non-current financial liabilities	-	**36,878**	**(416)**	**134,632**	**9,919**	**106,626**
Current bond loans	7,892					
Current borrowings	36,453					
Bank overdrafts	307,515					
Other current financial liabilities	570					
Current financial liabilities	**352,430**	-	-	-	-	-
TOTAL	**352,430**	**36,878**	**(416)**	**134,632**	**9,919**	**106,626**

In percentage terms, the maturity of the Group's financial liabilities at June 30, 2016 breaks down as follows:

- due in less than 1 year: 55.06 %
- due in 1 to 5 years: 28.28 %
- due in more than 5 years: 16.66 %

Main changes in credit lines

At June 30, 2016, all medium-term revolving credit lines had been drawn down.

Changes in the fair value of interest-rate swaps (IRS), caps and floors are booked in the amount of -€1,002k, of which -€1,528k in gross value terms less deferred taxes of +€526k.

All information relative to liquidity risk is given in note 4.2 - " Risks" - of the 2015 Registration Document.

The amortization schedule for the Group's medium-term credit lines is given in the table below:

(in millions of euros)	June 2013	Dec 2013	June 2014	Dec 2014	June 2015	Dec 2015	June 2016	Dec 2016	June 2017	Dec 2017	June 2018	Dec 2018	June 2019	Dec 2019	June 2020	Dec 2020	June 2021	Dec 2021
Capex Loan	150.0	135.0	135.0	121.6	108.2	90.2	72.2	54.1	36.1	18.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bond Loans	0.0	135.0	135.0	250.0	250.0	250.0	250.0	250.0	250.0	250.0	250.0	250.0	250.0	115.0	115.0	105.0	105.0	0.0
Subtotal	**150.0**	**270.0**	**270.0**	**371.6**	**358.2**	**340.2**	**322.2**	**304.1**	**286.1**	**268.0**	**250.0**	**250.0**	**250.0**	**115.0**	**115.0**	**105.0**	**105.0**	**0.0**
Banking pool revolving loan	0.0	0.0	0.0	0.0	0.0	209.8	227.8	245.9	263.9	282.0	300.0	300.0	300.0	300.0	300.0	0.0	0.0	0.0
Commerzbank revolving loan	0.0	30.0	30.0	30.0	30.0	18.0	14.4	10.8	7.2	3.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	**150.0**	**300.0**	**300.0**	**401.6**	**388.2**	**568.0**	**564.4**	**560.8**	**557.2**	**553.6**	**550.0**	**550.0**	**550.0**	**415.0**	**415.0**	**105.0**	**105.0**	**0.0**

6.12 Provisions for liabilities and charges

Movements in provisions for short and long-term liabilities and charges over the period are given in the table below:

(in thousands of euros)	Dec 2015	Provisions booked over the period	Write-backs (used)	Write-backs (not used)	Exchange rate differences	Other changes	June 2016
Provisions for labor disputes	916	5	(116)	(62)			743
Provision for other disputes	605	1	(3)				603
Provision for subsidiary risk	601				(12)	(8)	581
Provisions for warranties	0			(6)		245	239
Provision for other risks	48,699	4,524	(6,800)	(2,211)	(581)	2,582	46,213
Provision for restructuring	472	477	(223)				726
Other provisions for charges	712						712
TOTAL PROVISIONS FOR LONG-TERM LIABILITIES AND CHARGES	**52,005**	**5,007**	**(7,142)**	**(2,279)**	**(593)**	**2,819**	**49,817**
Provisions for labor disputes	4,768	844	(546)	(420)			4,646
Provision for other disputes	2,809	8	(370)	(5)		(2,000)	442
Provisions for warranties	130				(3)		127
Provision for legal disputes and tax penalties	942		(65)	(29)	(4)	(828)	16
Provision for losses on completion	223	1,022		(213)			1,032
Provision for other risks	3,100	1,224	(367)	(208)	(2)	1	3,748
Provision for restructuring	7,652	451	(3,500)	(457)	(32)		4,114
Provisions for other charges	1	46					47
TOTAL PROVISIONS FOR SHORT-TERM LIABILITIES AND CHARGES	**19,625**	**3,595**	**(4,848)**	**(1,332)**	**(41)**	**(2,827)**	**14,172**

Provisions for restructuring

Trends in the Group’s main restructuring provisions are set out in the table below:

Restructuring Plans *(in thousands of euros)*	Dec 2015	Provisions booked over the period	Write-backs	Exchange rate differences	June 2016
Payroll charges	6,404	451	(3,687)	(14)	3,154
Property lease rationalization	1,338	477	(432)	(16)	1,367
Other	382	–	(61)	(2)	319
TOTAL	8,124	928	(4,180)	(32)	4,840

6.13 Employee benefits

Liabilities arising from employee benefits and social security charges are detailed in the table below:

(in thousands of euros)	June 2016	Dec 2015	Variation
Personnel and social security charges	208,596	203,578	5,018
	208,596	203,578	5,018
Non-current employee benefits	32,972	28,855	4,117
	32,972	28,855	4,117
TOTAL	241,568	232,433	9,135

The Group's retirement-plan and post-employment benefit commitments are booked under "Non-current employee benefits" and mainly concern France, Italy and Switzerland.

The bulk of hedging assets is located in Switzerland and comprises mutual funds, insurance assets and securities.

6.14 Trade payables

Trade payables totaled €110,209k at June 30, 2016, compared with €108,749k at December 31, 2015.

(in thousands of euros)	June 2016			Dec 2015		
	Total	Matured	Not matured	Total	Matured	Not matured
Accounts payable	110,209	25,319	84,890	108,749	27,602	81,147

Trade and other payables which are overdue are listed in the following table:

(in thousands of euros)	June 2016	Dec 2015
Expired for less than 1 month	16,351	14,195
Expired for 1-3 months	4,122	6,806
Expired for more than 3 months	4,846	6,601
TOTAL TRADE PAYABLES OVERDUE	**25,319**	**27,602**

6.15 Other current liabilities

This item mainly comprises advance billing for products and services contributing to revenue, but also includes credits to be issued to customers, as well as advances and down payments received on client orders.

6.16 Debt on securities

Securities debt over the 2016 interim period concerned earn-out commitments in the amount of €37,429k, vs. €40,378k at end-December 2015.

6.17 Fair value

		June 2016					Dec 2015				
(In thousands of euros)	Fair value	Amortized cost	Fair value in income statement	Fair value in shareholders' equity	Accounting value	Fair value of elements booked at amortized cost	Amortized cost	Fair value in income statement	Fair value in shareholders' equity	Accounting value	Fair value of elements booked at amortized cost
Assets											
Shares in non-consolidated subsidiaries	Level 3		2	8,547				2	8,281		
Equity-accounted shares	Level 3		(333)					(367)			
Loans and receivables	Level 2	10,502	15,132			10,502	11,077	13,212			11,077
Cash equivalents	Level 1 & 2		286,776					293,355			
Total Assets		**10,502**	**301,577**	**8,547**		**10,502**	**11,077**	**306,202**	**8,281**		**11,077**
Liabilities											
Bond loans	Level 1	250,000				245,757	250,000				249,095
Derivative instruments	Level 2			3,182				(97)	1,752		
Total Liabilities		**250,000**	**0**	**3,182**		**245,757**	**250,000**	**(97)**	**1,752**		**249,095**

The fair value of other financial assets and liabilities measured at amortized cost is close to their book value.

Note 7 Notes to the income statement

7.1 Segment reporting at June 30, 2016

In accordance with IFRS 8 "Operating segments", Altran is required to present its financial segment reporting on the basis of internal reports that are regularly reviewed by the Group's chief operating manager in order to assess the performance of each operating segment and allocate resources.

In compliance with this standard, Altran's operating segments at end-June 2016 included:

- France: France and Morocco
- Northern Europe: Germany, Austria, the Benelux countries, the Czech Republic, Romania, the UK, the Scandinavian countries, Slovakia and Switzerland
- Southern Europe: Spain, Italy, Portugal and Turkey
- Rest of the World (RoW) zone: North and South America, Asia and Oceania

Segment reporting

At June 30 2016 *(in millions of euros)*	France	Northern Europe	Southern Europe	ROW zone	Inter-segment eliminations	Total
Revenues						
External	435	332	218	73		1,058
Inter-segment eliminations	28	6	9	3	(46)	-
Total Revenues	**463**	**338**	**227**	**76**	**(46)**	**1,058**
Total operating income	481	344	229	76	(46)	1,084
Total operating expenses	(435)	(328)	(201)	(74)	46	(992)
Operating income on ordinary activities	46	16	28	2	0	92
Operating income on ordinary activities (%)	**9.9%**	**4.7%**	**12.3%**	**2.6%**	**0.0%**	**8.7%**
Assets by region	1 774	643	198	107	(634)	2,088
TOTAL ASSETS	**1,774**	**643**	**198**	**107**	**(634)**	**2,088**

At June 30 2015 *(in millions of euros)*	France	Northern Europe	Southern Europe	ROW zone	Inter-segment eliminations	Total
Revenues						
External	395	304	194	61		954
Inter-segment eliminations	22	4	6	2	(35)	-
Total Revenues	417	309	200	63	(35)	954
Total operating income	439	314	202	59	(35)	979
Total operating expenses	(404)	(301)	(178)	(59)	35	(907)
Operating income on ordinary activities	35	13	24	1	0	72
Operating income on ordinary activities (%)	8.4%	4.1%	12.0%	0.9%	0.0%	7.6%
Assets by region	1,592	638	171	122	(568)	1,955
TOTAL ASSETS	1,592	638	171	122	(568)	1,955

The French zone includes operating subsidiaries, as well as Group holding activities (head office and cross-functional services).

Altran continued to report sustained growth in the first half, with consolidated interim revenues coming out at €1,057.6m, up 10.8% on the year-earlier level of €954.5m. This performance factors in the positive impacts of scope of consolidation changes (+3.6 %) and the number of working days (+1.7 %), and a negative forex impact (-0.7 %).

Group operating income widened 110 basis points to reach €92m, equivalent to 8.7 % of sales.

7.2 Revenues

Total Group revenues at the interim stage break down as follows:

(in thousands of euros)	June 2016	June 2015	% Change
Sales of goods	7,579	6,769	+ 12.0%
Sales of services	1,049,193	947,179	+ 10.8%
Royalties	787	517	+ 52.2%
TOTAL	1,057,559	954,465	+ 10.8%

7.3 External expenses

Altran's external expenses at June 30, 2016 break down as follows:

(in thousands of euros)	June 2016	June 2015	% Change
Outsourcing	69,039	63,557	+ 8.6%
Operating lease and related expenses	32,910	31,836	+ 3.4%
Training	6,005	5,775	+ 4.0%
Professional fees and external services	14,636	15,278	- 4.2%
Transport and travel expenses	34,726	32,354	+ 7.3%
Other purchases and external services	33,927	29,193	+ 16.2%
Total	191,243	177,993	+ 7.4%

Trends in the Group's external expenses are detailed under "Current operating expenses" of Note 2 – "Group performances" – of the present report.

7.4 Personnel costs

Personnel costs at June 30, 2016, including the CICE (*Crédit d'Impôt pour la Compétitivité et l'Emploi*) tax credit, break down as follows:

(in thousands of euros)	June 2016	June 2015	% change
Salaries & payroll taxes	764,647	699,832	+ 9.3%
Expenses related to share-based payments	472	245	+ 92.7%
Long-term employee benefits	1,690	1,402	+ 20.5%
TOTAL	766,809	701,479	+ 9.3%

Share-based payments

Total share-based payments amounted to €472k in at end-June 2016 (compared with the year-earlier level of €245k). All of these were related to the free-share plans implemented on March 11, 2015 and June 1, 2016.

The main characteristics of these plans are outlined in the table below:

	2012 free Share Plan	2015 free Share Plan	2016 free Share Plan
	Outside France		
Date of General Meeting	06/10/2011	06/01/2012	04/29/2016
Date of Board of Directors meeting	01/31/2012	03/11/2015	06/01/2016
Total number of shares available for allocation on the date of attribution	232,500	291,959	432,831
o/w available to corporate officers	*0*	*0*	*0*
o/w available to 10 highest paid employees	*0*	*116,750*	*192,986*
Balance on June 30, 2016	*0*	*116,750*	*192,986*
Definitive granting of free shares	01/31/2016	03/11/2019	06/01/2019
End of lock-in period for free shares	01/31/2016	03/11/2019	06/01/2019
Reference share price *(in euros)*	3.54 €	8.53 €	13.34 €
Valuation method used	Binomial	Binomial	Binomial
Number of shares available for allocation at Dec 31, 2015	143,438	281 959	
Rights created in 2016			432,831
Rights forfeited in 2016			
Rights exercised in 2016	143,438		
Number of shares available allocation on June 30, 2016	0	281,959	432,831

7.5 Depreciation and net provisions

(in thousands of euros)	June 2016	June 2015	% Change
Depreciation of intangible and fixed assets	(10,749)	(10,182)	+ 5.6%
Provisions for current assets	(1,178)	766	- 253.8%
Provisions for risks and charges	150	24	+ 525.0%
TOTAL	(11,777)	(9,392)	+ 25.4%

7.6 Other non-recurring operating income and expenses

(in thousands of euros)	June 2016	June 2015
Net proceeds from fixed and intangible asset disposals	(93)	(83)
Net proceeds from divestment & liquidation of holdings in consolidated subsidiaries		(534)
Asset disposals	(53)	(1)
Costs and disputes related to acquisitions and legal reorganization	(1,727)	(1,486)
Trade-disputes	943	154
Social-disputes	(10)	1,480
Legal-disputes	(83)	
Fiscal-disputes	29	
Exceptional costs related to strategic plan		(972)
Restructuring costs	(12,905)	(11,003)
Provisions net of write-backs for restructuring	3,234	1,636
Other		(2)
Total	(10,665)	(10,811)

A non-recurring operating loss of –€10,665k includes:

- Net litigation net provision write-backs; +€879k
- Costs related to acquisitions and legal reorganization: – €1,727k
- A net impact of –€9,671k related to the restructuring plans detailed below:

Restructuring costs

Breakdown of net costs

(in thousands of euros)	June 2016	June 2015
Salaries	(5,448)	(8,128)
Property lease rationalization + furnishing write-offs	(1,100)	(860)
Other	(3,123)	(379)
TOTAL	(9,671)	(9,367)

7.7 Cost of net financial debt

(in thousands of euros)	June 2016	June 2015
Gains on cash and cash equivalents		
Income from cash and cash equivalents	2,205	2,680
Proceeds from disposal of cash equivalents	(75)	(297)
	2,130	2,383
Cost of gross financial debt		
Interest expenses on bond loans	(4,362)	(4,296)
Interest expenses on other financing operations	(3,487)	(3,366)
	(7,849)	(7,662)
COST OF NET FINANCIAL DEBT	(5,719)	(5,279)

At end-June2016, the cost of net financial debt (at -€5,719k) includes interest paid on 1/ the bond loan in the amount of -€4,362k and 2/overdrafts and medium-term borrowings for -€3,487k.

7.8 Other financial income and expenses

(in thousands of euros)	June 2016	June 2015
Financial revenue		
Gains on other financial asset disposals	128	500
Financial gain from conversion to present value	248	227
Forex gains	6,255	5,306
Write-backs of provisions for non-consolidated assets and other non-current financial assets		3 263
Other financial income	44	1,228
	6,675	**10,524**
Financial expenses		
Loss on other financial asset disposals		(3,500)
Depreciation of non-consolidated holdings and other non-current financial assets	(2,871)	
Provisions for risks and charges		(1,637)
Financial charges on conversion to present value employee-benefit provisions	(376)	(328)
Forex losses	(3,980)	(3,425)
Financial charges on conversion to present value	(156)	(191)
Loss on financial instruments		(15)
Other financial expenses	(54)	(1)
	(7,437)	**(9,097)**

7.9 Tax

Tax expenses in H1 2016 totalled €21.1m for pre-tax income of €72.7m after applying an effective tax rate of 29% estimated over the full year (including secondary taxes such as the French CVAE and the Italian IRAP), vs. 31% at end-June 2015.

Note 8 Major litigation issues and liabilities

At the close of H1 2016, no significant changes made with respect to the major litigation and contingent liabilities brought to the shareholders' attention when the Company's 2015 financial statements were approved (see pages 17 and 189 of the 2015 Registration Document) concerned:

Note 9 Off balance sheet commitments

Trends in off-balance sheet commitments are given in the table below:

(in thousands of euros)	June 2016	< 1 yr	1-5 yrs	> 5 yrs	Dec 2015
Commitments granted :					
Pledges, security deposits and guarantees					
- on current operations	*22,676*	*7,531*	*7,625*	*7,520*	*40,461*
- on financing operations	*17,087*	*9,620*		*7,467*	*14,207*
Operating lease (property, fittings)					
- Minimum future payments (see note 7.3)	*224,778*	*50,924*	*121,011*	*52,843*	*228,827*
Non-competition clause concerning former employees :	815	815	0		833
- gross amount	*551*	*551*			*563*
- social security contributions	*264*	*264*			*270*
Commitments received :					
Pledges, security deposits and guarantees					
- pledges, security deposits and guarantees	*12,377*	*6,558*	*5,637*	*182*	*14,574*
- on financing operations	*0*				*0*

Note 10 Information relative to related-party transactions

None.

Note 11 Post-closure events

Acquisition

At end-July 2016, the Group announced the acquisition of Lohika, a premier software engineering company. With its elite teams of highly-skilled engineers, this firm provides specialized solutions designed to step up the development of high-end software and SaaS products for IT sector majors (Microsoft, Cisco and HP Enterprise, etc.) and fast-growth startups (AudienceScience, BuzzFeed, Twilio and Okta).

Based in Silicon Valley, Lohika has a staff of 700 employees (mainly software engineers) for the most part operating in North America, but also in the Ukraine and Romania.

This operation should boost Altran's revenues in North America by over 40% by end-2016. It will also make the US the Group's second largest geographical zone in terms of pro forma revenue (including sales generated by Cambridge Consultants and Synapse in the US).

C. Statutory auditors' report

Mazars
Tour Exaltis
61, rue Henri Regnault
92075 La Défense Cedex

French limited company with a capital of €8,320,000
Statutory Auditors
Member of the Versailles Regional Statutory Auditors Commission (*Compagnie Régionale de Versailles*)

Deloitte & Associés
185, avenue Charles de Gaulle
B.P. 136
92524 Neuilly-sur-Seine Cedex

French limited company with a capital of €1,723,040
Statutory Auditors
Member of the Versailles Regional Statutory Auditors Commission (*Compagnie Régionale de Versailles*)

ALTRAN TECHNOLOGIES

French limited company

96, avenue Charles de Gaulle

92200 Neuilly-sur-Seine

Statutory Auditors' Report
on the interim financial information
1 January to 30 June 2016

This is a free translation into English of the statutory auditors' report on the interim financial information that is 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 interim management report. This report on the interim financial information should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Shareholders' meeting and in accordance with the requirements of article L.451-1-2 III of the French monetary and financial code ("Code monétaire et financier"), we hereby report to you on:

- the review of the accompanying condensed interim consolidated financial statements of Altran Technologies for the period from 1 January to 30 June 2016, and;
- the verification of the information contained in the interim management report.

These condensed interim consolidated financial statements are the responsibility of the 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 involves making inquiries with the persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially more limited in scope than an audit conducted in accordance with professional standards applicable in France. Consequently, a review does not guarantee that the financial statements taken as a whole reflect 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 these condensed interim consolidated financial statements have not been prepared in accordance with IFRS standard, IAS 34, as adopted by the European Union applicable to interim financial information.

2. Specific verification

We have also verified the information presented in the interim management report on the condensed consolidated interim financial statements subject to our review.

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

La Défense and Neuilly-sur-Seine, 8 September, 2016

The Statutory Auditors

Mazars **Deloitte & Associés**

Jean-Luc BARLET Philippe BATTISTI

D. Statement by the person responsible for the interim report

I declare that, to the best of my knowledge, the consolidated interim financial statements for H1 2016 were prepared according to generally accepted accounting principles and give a true and fair view of the assets and liabilities, the financial position and the results of the company and all entities in its scope of consolidation, and that the interim report presents a faithful summary of the key events occurring during the first six months of the year and their impact on the interim financial statements, as well as the main related-party transactions over the period, and the major risks and uncertainties for the remaining six months of the year.

Dominique Cerutti
Chairman of the Board of Directors and Chief Executive Officer

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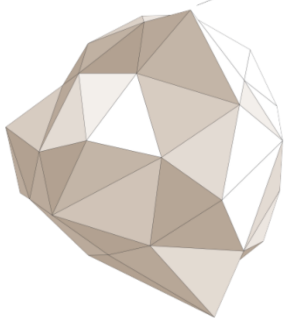

INTERIM REPORT 2016