HALF-YEAR FINANCIAL REPORT 2011

Financial year I 1st January to 31st December

Registered Office: 13 rue Louis Pasteur, 92100 Boulogne Billancourt
Limited company with a capital of €7,005,027.50
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HALF-YEAR ACTIVITY REPORT

The Board of Directors met on 14th September 2011 under the Chairmanship of Mr Christian Aubert to approve the consolidated financial statements for the period ending 30th June 2011, for the activity of the first half of 2011. The figures are presented according to IFRS standards.

General comments on the activity

Aubay posted revenues of € 91.0 million for the first half of 2011, up 17.2% on the same period in 2010 and with organic growth accounting for 6.3%.

The group’s current operating margin improved again to stand at 7.5% after a figure of 6.5% for the first six months of 2010, increasing both in France (+0.9 points at 8.8%) and overseas (+0.3 points at 6.7%). This strong performance was driven by a buoyant economic backdrop as well as the group's capacity to win new and profitable market share, primarily in Banking, Insurance and Utilities and particularly in France and Italy.
On June 30, 2011, Aubay’s net cash position stood at € 0.4 million for a free cash flow of € 13.5 million. Cash generated over the first six months of 2011 amounted to € 6.3 million, up 32% on June 30, 2010.

Acquisition of SELEX Elsag in Italy
July 2011 saw Aubay acquire the banking activity of SELEX Elsag (Finmeccanica group) in Italy. In line with the group’s growth strategy, the operation will enable the company to strengthen its positions and market share in Italy, both across the banking sector and with a substantial new client base.
The integration process got off to an excellent start, with the regrouping of all of the teams in Rome in the same premises at the start of September and all of the sales and operating teams also now up and running.

The principal results are summarised in the table below:

In K€	30/06/2011	30/06/2010	Variation
Revenue	**90 952**	**77 604**	**17,2%**
Other operating revenue	78	120	
Consumables and external purchases	(20 814)	(17 498)	
Payroll expenses	(62 574)	(54 221)	
Taxes and charges	(1 037)	(907)	
Amortisation/depreciation allowances and provisions	(346)	(433)	
Change in inventories of work in progress and finished goods	-	-	
Other operating income and expenses	527	414	
Current operating income	**6 786**	**5 079**	**33.6%**
As a % of revenue	**7.5%**	**6,5%**	
Other operating income and expenses	(245)	(267)	
Operating income	**6 541**	**4 812**	**35.9%**
Cash and cash equivalents	-	(7)	
Cost of net debt	(416)	(389)	
Other financial income and expenses	368	(54)	
Financial income	**(48)**	**(450)**	
Tax expenses	(2 690)	(2 194)	
Share in net income of companies accounted for by the equity method	-	149	
Net income before income from divestments or disposals in progress	3 803	2 317	
Net income from divestments or disposals in progress	-	-	
Net income	**3 803**	**2 317**	**64.1%**
Group share	3 765	2 299	
Minority interests	38	18	

	30/06/2011		30/06/2010		31/12/2010	
In M€	Turnover	COI* *% margin*	Turnover	COI* % margin	Turnover	COI* % margin
Group	**91.0**	**7.5%**	**77.6**	**6.5%**	**164.6**	**7.7%**
France	59.5	8.8%	46.5	7.9%	102.5	8.9%
International	31.5	6.7%	31.1	6.4%	62.1	7.4%
Corporate	-	(0.6%)	-	(0.8)%	-	(0.7%)

*Current Operating Income

Headcount at end of fiscal period	30/06/2011	30/06/2010	31/12/2010
France	1 492	1 179	1 419
International	1 009	895	931
Total	**2 501**	**2 074**	**2 350**

Group results

Turnover for the first half of 2011 stands at 91.0 M€, an increase of 17.2% (+6.3% on a like-for-like basis) compared with 77.6 M€ for the first half of 2010. Growth was strong throughout the period.

Current operating income reached 6,786 K€ against 5,079 K€ in the first half of 2010, up by 33.6%, giving a margin of 7.5% vs. 6.5% The improved profitability comes from the generation of growth coupled with good control of structural costs, both in France and abroad. The productivity rate remained stable at 91.7%.

In France, turnover stood at 59.5 M€ compared with 46.5 M€ in 2010, and it remains the group's leading area of activity in Europe, contributing 65% of group turnover. Activity grew by **27.8%,** including +10.0% of internal growth during the second quarter, thus demonstrating significant commercial vigour and an above-market performance. Current operating profitability showed a healthy increase, standing at 8.8% of sales, (5.263 M€), compared with 7.9% (3.763 M€) as at 30th June 2010.

Internationally, sales figures to 30th June 2011 stood at **31.4 M€,** up by 1.3% compared with 31.1 M€ for the end of the first half of 2010. Operating profitability continued to improve, reaching **6.7%** compared with 6.4% a year ago.
Noteworthy occurrences in our activity included significant growth in Italy, up by 17.5% with a margin of 8.3%; proven recovery in Spain with growth of 19.2% and a margin of 6.2%, and the conclusion of a large project in Belgium involving subcontractors for half of it, which had a temporary impact on the performance of this area, resulting in a drop in sales of 14.6% and a margin of 5.3%.

Other operating income and expenses include an expense of 667 K€ comprising for the most part of a one-time charge for 967K€, gains on the disposal of fixed assets for 845 K€, and costs relating to stock-options/free shares for 123 K€.

Operating income therefore stands at 6,541 K€ (7.2% of sales), an increase of 35.9% compared with 4,812 K€ (6.2% of sales).

Financial income is almost balanced with an expense of 48 K€, significantly lower than at 30th June 2010 where it showed an expense of 450 K€.

Tax expenses stood at 2,690 K€ consisting of 2,418 K€ of recurring taxes and 272K€ of deferred taxes, giving a nominal rate of 41% against 47% for the first half of 2010.

Net income reached 4,715 K€ for the first half of 2011, representing 5.2% of sales (compared with 2,317 K€ for the first half of 2010), an increase of 103.5%.

Headcount reached a new level with a total of 2,501 employees compared with 2,074 a year earlier and 2,350 at 31st December 2010.

Analysis of the consolidated statement of financial position

The consolidated **statement of financial position** at 30th June 2011 stands at 149.2 M€ compared with 147.0 M€ in 2010. The main variations are as follows:

Following the sale of Octo shares during the reporting period, the shareholding has been reclassified from "Securities under the equity method" to "Other financial assets".

Accounts receivable stood at 56.3 M€ at 30th June 2011, compared with 48.8 M€ at 31st December. The increase is proportional to the growth generated by the group and management of the working capital requirement remains thoroughly under control, with a DSO of 84 days compared to 83 days in 2010.

Cash is almost unchanged, standing at 13.5 M€ against 14.4 M€ six months earlier.

Net equity stands at 83.2 M€, an increase of 2.3 M€ due for the most part to the inclusion of net income of 3.8 M€ and the distribution of dividends amounting to 2.0 M€.

Gross debt stands at 13.1 M€, unchanged from 31st December 2010. This results in a positive net cash position of 0.4 M€.

Cash flow stands at 6.3 M€ compared with 4.8 M€ a year ago, an increase of 32%. After deduction of taxes and the variation in working capital requirements, cash flow from operating activities stood at 0.3 M€. Cash flow generated by investments stood at 1.1 M€ and cash costs relating to financing activities stood at 2.4 M€. This results in a negative cash flow for the reporting period of 1.0 M€.

Organisation

There were no specific modifications made to the organisation of the group during the first half of 2011.

Disposal of Investments/Disposal of areas of activity

Throughout the first half of 2011, Aubay continued to phase out its participation in OCTO TECHNOLOGY, which was reduced from 22% to 14.35 at 30st June 2011.

No other similar operation took place during the reporting period.

Repurchase of Minority Shareholders

Aubay did not buy back any minority shareholdings during the reporting period.

Main Risks and Uncertainties for the Remaining Six Months of the Financial Year

With the sovereign debt crisis and plummeting stock exchanges continuing to blur any accurate economic analyses, Aubay's management will be keeping an even closer eye on the play of the markets through the careful monitoring of a series of indicators. To date, however, there has been no tangible impact on Aubay's operations: business volumes and productivity rates remain high and recruitment is still tight. The group has therefore confirmed its target revenues of between € 190 million and € 195 million for 2011.

The risk factors included in the reference document published by the company and filed with the Financial Markets Authority on 27th April 2011 under number D.11-0374, have not experienced any significant developments during the reporting period.

Important events that have occurred since 30th June 2011

On July 7th, 2011 Aubay has acquired the banking activity of Finmeccanicade Group company, SELEX Elsag, in Italy. In line with Aubay's development strategy, the operation will enable the group to strengthen its positions and market share in Italy, across the banking sector and with a substantial new client base.

Focusing primarily on global payments, bank accounting and statutory reporting, the activity already serves major names such as Banca Intesa, BNL, Cariparma (Crédit Agricole Group), ICCREA Banca, Bance Carige, SIA-SSB, Consorzio Operativo Gruppo Montepaschi, Banca Popolare dell'Emilia Romagna, Banca Fideuram, Societè Generale and the Italian Post Office.

With a headcount of 150 employees spread between Milan and Rome, the business is expected to generate revenues of € 13 million over a full year. As a result, Aubay Group's activities in Italy are expected to generate yearly revenues of approximately € 40 million for 650 employees.

The acquisition fits perfectly with Aubay's ambition to be a benchmark player in Italy, particularly within the banking sector, much as it is in France. It is also another step in achieving the group's target of a payroll of over 800 employees in Italy within the next three years.

The acquisition was financed entirely in cash.

The business assets will be fully integrated within Aubay's consolidation scope as of July 1, 2011.

The Board of Directors

CONDENSED HALF-YEAR FINANCIAL STATEMENTS

1. Consolidated statement of financial position

ASSETS (in K€)	30/06/2011	31/12/2010	30/06/2010
Goodwill	64 511	**64 511**	59 579
Intangible fixed assets	8 529	**8 238**	5 886
Tangible fixed assets	1 697	**1 634**	1 487
Securities under the equity method	-	**2 304**	2 070
Other financial assets	3 055	**476**	266
Deferred tax assets	901	**1 207**	1 024
Other non-current assets	69	**64**	-
NON-CURRENT ASSETS	**78 762**	78 434	**70 312**
Inventories	-	**11**	6
Trade accounts receivable	52 289	**48 822**	46 284
Other receivables and accruals	5 532	**5 358**	5 347
Investment securities	829	**349**	349
Cash	12 667	**14 041**	8 650
CURRENT ASSETS	**71 317**	68 581	**60 636**
TOTAL ASSETS	**150 079**	147 015	**130 948**

LIABILITIES (in K€)	30/06/2011	31/12/2010	30/06/2010
Capital	7 005	6 945	6 937
Premiums and consolidated reserves	71 752	67 145	66 907
Group net income	4 677	6 276	2 299
Group shareholders' equity	**83 434**	**80 366**	**76 143**
Minority interests	687	532	504
SHAREHOLDERS' EQUITY	**84 121**	**80 898**	**76 647**
Borrowing and financial debt: part due in over more than one year	5 600	10 869	8 526
Deferred tax liabilities	34	68	103
Provisions for risks and expenses	872	986	844
Other non-current liabilities	3	6	4
NON-CURRENT LIABILITIES	**6 509**	**11 929**	**9 477**
Borrowing and financial debt: part due in under one year	7 544	2 236	547
Accounts payable	7 467	9 119	6 477
Other payables and accruals	44 438	42 833	37 800
CURRENT LIABILITIES	**59 449**	**54 188**	**44 824**
TOTAL LIABILITIES	**150 079**	**147 015**	**130 948**

2. Consolidated income statement

In K€	30/06/2011	%	30/06/2010	%	31/12/2010	%
Revenue	**90 952**	**100%**	**77 604**	**100%**	**164 605**	**100%**
Other operating revenue	78	-	120	-	322	-
Consumables and external purchases	(20 814)	-	(17 498)	-	(37 957)	-
Payroll expenses	(62 574)	-	(54 221)	-	(112 387)	-
Taxes and charges	(1 037)	-	(907)	-	(1 812)	-
Amortisation/depreciation allowances and provisions	(346)	-	(433)	-	(856)	-
Changes in inventories of work in progress and finished goods		-	-	-		-
Other operating income and expenses	527	-	414	-	774	-
Current operating income	**6 786**	**7,5%**	**5 079**	**6,5%**	**12 689**	**7,7%**
Other operating income and expenses	667		(267)		(1 242)	
Operating income	**7 453**	**8,9%**	**4 812**	**6,2%**	**11 447**	**7,0%**
Cash and cash equivalents	-	-	(7)	-		-
Cost of net debt	(416)	-	(389)	-	(592)	-
Other financial income and charges	368	-	(54)	-	332	-
Financial income	**(48)**	**-**	**(450)**	**-**	**(260)**	
Tax expenses	(2 690)	36%*	(2 194)	50%*	(5 257)	47%*
Share in net income of companies accounted for by the equity method	-	-	149	-	392	-
Net income before income from divestments or disposals in progress	**4 715**	**-**	**2 317**	**-**	**6 322**	**-**
Net income from divestments or disposals in progress	-	-	-	-	-	-
Net income	**4 715**	**5,2%**	**2 317**	**3,0%**	**6 322**	**3,8%**
Group share	4 677	-	2 299	-	6 275	-
Minority interests	38	-	18	-	47	-
Weighted average number of shares	13 972 621	-	13 868 304	-	13 872 569	-
Earnings per share	**0,33**	**-**	**0,17**	**-**	**0,45**	**-**
Diluted weighted average number of shares	14 471 521	-	14 372 804	-	14 513 669	-
Diluted earnings per share	**0,32**	**-**	**0,16**	**-**	**0,44**	**-**

*Nominal tax rate

3. Cash flow statement

In K€	30/06/2011	30/06/2010	31/12/2010
Consolidated net income (including minority interests)	**4 715**	**2 317**	**6 322**
Net income accounted for by the equity method	-	(149)	(392)
Net Amortisation/depreciation allowances and provisions	186	516	787
Income and expenses linked to stock options and equivalents	123	108	312
Other income and expenses	-	-	-
Capital gains or losses on disposal	(1 842)	(604)	(1 281)
Cash flow after cost of net financial debt and taxes	**3 182**	**2 188**	**5 748**
Cost of net financial debt	416	396	604
Tax expenses (including deferred taxes)	2 705	2 194	5 257
Cash flow before cost of net financial debt and taxes (A)	**6 303**	**4 778**	**11 609**
Tax paid (B)	(1 476)	(1 729)	(3 673)
Change in Working Capital Requirement linked to operations (including debt linked to employee expenses) (C)	(4 536)	(823)	2 337
Net cash flow from operations (D) = (A+B+C)	**291**	**2 226**	**10 273**
Disbursements linked to the acquisition of tangible and intangible fixed assets	(648)	(325)	(765)
Proceeds linked to the disposal of tangible and intangible fixed assets	-	-	9
Disbursements linked to the acquisition of financial fixed assets	-	-	-
Proceeds linked to the disposal of financial fixed assets	1 641	1 357	2 170
Changes in loans and advances	(75)	(52)	(8)
Effect of changes in consolidation scope	-	-	(6 227)
Dividend received	177	308	308
Net cash flow from investments (E)	**1 095**	**1 288**	**(4 513)**
Sums paid by shareholders during capital increases	-	-	-
Sums paid upon the exercise of stock options	70	88	108
Treasury stocks repurchase and resale	-	8	(4)
Dividends paid over the course of the financial year:	-	-	-
- Dividends paid to parent company shareholders	(1 960)	(1 802)	(1 802)
- Dividends paid to minority shareholders of consolidated companies	-	-	-
Cash receipts on new loans	-	-	6 700
Repayment of borrowings	(76)	(2 193)	(5 794)
Net financial interest paid	(431)	(544)	(634)
Other flows	8	-	(17)
Net cash flow from financing activities (F)	**(2 389)**	**(4 443)**	**(1 443)**
Effect of changes in foreign exchange rates (G)		-	
Change in net cash flow (D+E+F+G)	(1 003)	(929)	4 317
Cash and cash equivalents at beginning of financial year	**13 897**	**9 580**	**9 580**
Cash and cash equivalents at year end	**12 894**	**8 651**	**13 897**

4. Changes in Group share of shareholder equity

	Share capital	Additional paid-in capital and consolidated reserves	Group net income	Total group share	Minority interests	Total
Shareholders' equity at 1st January 2011	**6 945**	**67 145**	**6 276**	**80 366**	**532**	**80 898**
Capital increases	60	10	-	70	-	70
Share-based payments	-	123	-	123	-	123
Dividends	-	(1 960)	-	(1 960)	-	(1 960)
Appropriation of earnings	-	6 276	(6 276)	-	-	-
Net income for the financial year	-	4 677	-	4 677	38	4 715
Change in treasury shares	-	(142)	-	(142)	-	(142)
Change in consolidation scope	-	-	-	-	75	75
Flows linked to investments in equity affiliates	-	-	-	-	-	-
OCEANE bond	-	-	-	-	-	-
Other changes	-	300	-	300	42	342
Shareholder equity as at 30th June 2011	**7 005**	**76 429**	**0**	**83 434**	**687**	**84 121**

	Share capital	Additional paid-in capital and consolidated reserves	Group net income	Total group share	Minority interests	Total
Shareholder equity as at 1st January 2010	**6 926**	**64 533**	**3 984**	**75 442**	**486**	**75 928**
Capital increases	11	77	-	88	-	88
Share-based payments	-	108	-	108	-	108
Dividends	-	(1 802)	-	(1 802)	-	(1 802)
Appropriation of earnings	-	3 984	(3 984)	-	18	18
Net income for the financial year	-	2 299	-	2 299	-	2 299
Changes in treasury shares	-	8	-	8	-	8
Change in consolidation scope	-	-	-	-	-	-
Flows linked to investments in equity affiliates	-	-	-	-	-	-
OCEANE Bond	-	-	-	-	-	-
Other changes	-	-	-	-	-	-
Shareholder equity as at 30th June 2010	**6 937**	**69 207**	**0**	**76 143**	**504**	**76 647**

Consolidated statement of comprehensive income

In K€	30/06/2011	30/06/2010	31/12/2010
Net income	**4 715**	2 317	**6 322**
Currency translation adjustments	-	-	-
Cash flow hedge instruments	-	-	-
Actuarial gains/losses linked to long term benefits	(10)	-	40
Deferred taxes recognised as shareholder equity	-	-	400
Other income and expenses	310	-	-
Total comprehensive income	**5 015**	2 317	**6 762**

5. Appendices of consolidated income statement

Rules and accounting methods

Aubay group draws up its consolidated income statement in accordance with the International Financial Reporting Standards (IFRS) applicable on 30th June 2011, as adopted by the European Union. The interim accounts are drawn up according to the same rules and methods as for the annual accounts. The condensed consolidated half-yearly financial statement for the first half of 2011 was drawn up in accordance with the terms of IAS 34 "Interim Financial Reporting". It does not include all the information required for the annual accounts and must be read in conjunction with the annual report for 2010.
The accounting rules and methods applied in the half-yearly financial statement are identical to those used in the annual accounts at 31st December 2010. Those standards, amendments and interpretations of application that are compulsory from 1st January 2011 do not have any impact on the accounts of Aubay group.

The financial statements were approved by the board of directors on 14th September 2011.

Consolidation methods: The full consolidation method is applied to the financial statements of companies where Aubay exercises exclusive control either directly or indirectly. This exclusive control is evaluated in terms of the majority voting rights, or the exercise of contractual or de facto operational management.
The equity method is applied to the financial statements of companies over which Aubay has particular influence but does not exercise exclusive control. The equity method of accounting involves recording in the income statement the share of results for the year from the associated company. The book value of the shareholding is adjusted for the cumulative value of its share in the variations after the acquisition of equity. The group's shareholding includes goodwill.

Accounting date methods: All the companies are consolidated on the basis of half-yearly accounts at 30th June 2011. These are restated where necessary to bring them into conformity with the group's accounting methods. Companies that come within this scope are consolidated at the time of the legal transfer of the securities and the same applies to companies leaving the group's scope. To this end, a statement of account for all acquired companies is drawn up.

Conversion of financial statements for foreign subsidiaries: As all consolidated companies are based in the Euro zone (the British companies are not consolidated), there are no currency translation adjustments.

Goodwill: Goodwill on acquisitions is the difference between the cost of acquiring the securities and the group's share in the restated net assets of the acquired company. This difference in value is divided between:

(1) Goodwill attributed to certain specific balance sheet items that are restated under the appropriate items in accordance with the applicable accounting rules.
(2) Goodwill for the remaining unallocated balance.

Negative goodwill is recorded in liabilities on the balance sheet under "provisions for risk and expenses".

Goodwill is subject to an annual test of value based on the Discounted Future Cash Flow (DCF) method, and completed with a market value consistency test. This test involves evaluating the recoverable value of each Cash Generating Unit (CGU). The evaluation of the recoverable value of each CGU is based on parameters from the budget and forecast processes for the next five years, including growth and profitability rates deemed to be reasonable. The discount rate applied is 11%, a flat rate for all CGUs in the Euro-zone. The perpetual growth rate varies according to the growth potential of the various CGUs and lies between 2.5% and 5%. When a loss of value is recorded, the difference between the book value of the asset and the calculated value is shown in "other operating income and expenses".

Research and development expenses: Research and Development (R&D) expenses for applications and products are charged as expenses during the financial year in which they occurred, except when they meet a certain number of criteria in accordance with IAS 38:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale,
- the intention of the entity to complete the intangible asset and use or sell it,
- the ability of the entity to use or sell the intangible asset,
- how the intangible asset will generate probable future economic benefits,
- that the company has adequate technical, financial and other resources to complete the development and to use or sell the intangible asset,
- the company's ability to measure reliably the expenditure attributable to the intangible asset during its development.

Licences and software: Licences and software are amortised using the straight line method within a maximum of five years, with the exception of standard software of low value which is amortised pro rata temporis during the year in which it is acquired.

Tangible fixed assets

(1) Tangible fixed assets are shown at their acquisition cost and amortised over a period that corresponds to the estimated useful

life of the asset.

(2) Barring exceptions, the amortisation periods are the same as those applied in the corporate accounts (excluding tax waivers).

The principal amortisation method used is the straight line method:

Constructions	20 years
Fixtures and fittings	5-10 years
IT equipment	3-5 years
Office equipment and furniture	3-5 years

Operating receivables
(1) Receivables are evaluated at their nominal value. They are assessed individually and, where necessary, a provision is made for depreciation to take into account likely difficulties in recovering outstanding amounts.

Cash and cash equivalents: includes highly liquid assets that do not present a significant risk of losing value in the short term. Marketable securities are shown on the balance sheet at their acquisition cost. A provision for depreciation is shown if the book value is less than the acquisition cost.

Treasury Stock: Shares in Aubay held by the parent company are deducted from consolidated shareholder equity. In the event of divestment, the income is offset by the change in shareholder equity.

Government grants: In accordance with IAS 20, all grants and assistance are shown in “Other income and operating expenses”.

Provisions: The group adheres to the terms of IAS 37. This standard defines a liability as an item with a negative value for the company, that is to say an obligation owed by the company to a third party which is likely or certain to require an outflow of resources to this third party, without any equivalent counter-payment being made by them.
When acquisitions are accounted for, the group can choose to show provisions (risks, litigation) on the opening balance sheet. These provisions form liabilities that either create or increase the amount of goodwill. Provisions should be shown on the opening balance sheet within 12 months. Beyond that period, reversals of unused provisions following a change in estimated value as defined by IAS 8 are shown on the income statement at “other operating income and expenses”.

Provisions for pensions and similar commitments: In accordance with IAS 19, the group shows the long-term benefits awarded either post-employment through the accumulation of years of service with the company, such as retirement benefits. These benefits can take several different forms of coverage:

- Defined contribution schemes: where the group pays a fixed amount to external organisations. Expenses are accounted for as they are paid.
- Defined benefits schemes: for which the group has an obligation to its employees. The characteristics of these schemes vary according to the legislation and regulations that apply in each country.

In France, the main actuarial assumptions used to value commitments for defined benefits schemes are as follows:

- Retirement age: 67 years
- Average salary used is 1/13th of annual remuneration excluding bonuses
- Salary increase: 2%
- Social contributions: 45%
- Discount rate: 5.2%
- Employee turnover rate: this information is not disclosed.
- Life expectancy according to the INSEE* 2010 chart (*French National Institute of Demographic Studies)

In Italy the provision corresponds to the legal end of contract severance pay (TFR or Trattamento di Fine Rapporto). This indemnity is calculated each year on the basis of a proportion of gross annual salary and is paid to employees when their employment contract comes to an end.

In Spain and in Belux, there are no pension commitments.

Evaluation and recording of financial liabilities: Long-term financial debt essentially includes loans from credit institutions, bonds and commitments to repurchase minority interests.
Bonds are valued on the date of subscription at their fair value, and then carried until they mature according to the amortised cost method. At the bond subscription date, the fair value corresponds to the value of future disbursement flows discounted at market rates. In addition, expenses and any premiums are deducted from the fair value of the bond. The difference between the nominal value of the bond and its fair value as calculated above is recorded in the shareholders’ equity. For each subsequent period, the interest expense recorded in the income statement corresponds to the theoretical interest expense calculated by applying the effective interest rate to the book value of the bond. The effective interest rate is calculated at the bond subscription date and corresponds to the rate used to bring future disbursement flows into line with the initial fair value of the bond. The difference

between the interest expense as calculated above and the nominal interest amount is recorded as debt in the balance sheet liabilities.
Binding or conditional commitments to purchase minority interests are assimilated to share repurchases and should be recorded under financial debt and offset by a reduction in the minority interests in the year in which they are accounted for. When the value of the repurchase exceeds the amount of the minority interests, the difference is recorded as goodwill. The amounts recorded are calculated according to commitments made, mainly on multiples of the income of the subsidiaries concerned. Variations in debt from one year to the next are offset against goodwill. The treatment applied may change in keeping with IFRIC interpretations.

Turnover: Turnover corresponds to the value of services provided and the sales of materials linked to the current business activities of the fully consolidated companies.
Turnover is invoiced based on actual time spent by consultants on a contract. Income on fixed-price contracts that are spread over a number of financial years are recorded according to the percentage of completion method
Moreover, if the costs forecast for a contract exceed the contractual turnover, a provision for losses on completion is recorded when the accounts are closed.

Other operating income and expenses: This covers income or expenses that are unusual or abnormal and of significant value. They include, but are not limited to, the annual charge incurred for stock options, restructuring expenses, depreciation of goodwill, capital gains/losses on sales.

Stock options: IFRS 2 requires that the fair value of stock options be recorded as expenses on the date they are granted to employees or managers. The plans in question were issued after 7th November 2002. The options are valued using the “Black & Scholes” models, the parameters of which notably include the price for exercising share options, the lifespan, the share price on the day of allocation, the implicit volatility of the share price, employee turnover assumptions and the risk-free interest rate. The exact value of the options is set at their date of allocation. This value is amortised using the straight line method.

Corporate Income Tax: Tax expense is equal to the sum of current taxes and deferred taxes. Deferred taxes are calculated according to the expiration periods for tax liabilities set by local legislation and the availability of deferrable losses in view of a favourable outlook for the companies in question to offset deferred and related taxes.

Earnings per share: Basic earnings per share are calculated by dividing the group share of net income by the weighted average number of shares in circulation during the financial year.
Diluted earnings per share are calculated by dividing the group share of net income, restated for the financial expense net of tax for debt dilution instruments, by the weighted average number of shares in circulation during the financial year increased by the average number of actions to be issued for the following diluting instruments: stock options and free shares in-the-money on 30th June 2011 and convertible bonds. Since 2010, OCEANE bonds are no longer considered as dilutive given the unlikelihood of their conversion.

Use of estimates: Drawing up financial statements according to IFRS standards requires the use of estimates and assumptions that affect the amounts shown in these financial statements, particularly for the following items:
- Assessment of provisions and pension commitments;
- Assessments used in value tests;
- Valuation of payments in shares;
- Assessments of commitments to minority shareholder buybacks.

These estimates are based on assumptions that are drawn up according to the information available at the time. They may be revised if there is a change in the circumstances on which they were based or if new information becomes available. Actual results may differ from these estimates.

Notes on the balance sheet

Changes in the scope of consolidation during the first half of 2011.

No acquisitions were made during the first half of 2011.

Therefore, goodwill remains unchanged over the half-year:

In K€	Beginning of period	Acquisition/provisions	Disposals/Reversals	End of period
Gross value	82 288	-	-	82 288
Amortisation	(17 777)	-	-	(17 777)
Net value	64 511	-	-	64 511

Trade accounts receivable

In K€	30/06/2011	30/06/2010	31/12/2010
Gross value	52 877	46 839	49 463
Depreciation	(588)	(555)	(641)
Net Value	**52 289**	**46 284**	**48 822**
Advances received	-	-	-
Unearned income and customer loans	(1 376)	(554)	(3473)
Net trade receivable	**50 913**	**45 730**	**45 349**
Customer ratio in days' sales	**84**	**89**	**84**

Operations on treasury stock during the first half of 2011

Number of shares held on 01/01/11	7 819
Acquisitions/divestments 2011	21 282
Number of shares held on 30/06/11	29 101

Changes in provisions

In K€	30/06/2011	30/06/2010	31/12/2010
Provisions for litigation	485	568	653
Provisions for pensions and retirement benefits	387	276	341
Total	**872**	**844**	**994**

Deferred taxes

In K€	30/06/2011	30/06/2010	31/12/2010
Current taxes	(2 418)	(2 349)	(5 223)
Deferred taxes	(287)	155	(34)
Total	**(2 705)**	**(2 194)**	**(5 257)**

	Opening	Increase	Reduction	Closing
Deferred tax assets	-	-	-	-
Tax loss carry-forwards	746	-	-	746
-Temporary differences	157	121	-	278
Total deferred tax assets	**903**	**121**	**0**	**1 024**
Deferred tax liabilities	-	-	-	-
-Temporary differences	137	-	34	103
Total deferred tax liabilities	**137**	**0**	**34**	**103**

Borrowings and financial debts and cash

At 30th June 2011

	30/06/2011			**2010**
In K€	**Amount**	**Under one year**	**Over one year**	**Amount**
OCEANE Bond	**5 289**	**5 289**	**-**	**5 486**
Bank loan	7 239	1 639	5 600	7 061
Creditor banks	616	616	-	493
Other financial debt	-	-	-	65

DEBT	**13 144**	**7 544**	**5 600**	**13 105**
Marketable securities	829	829	-	349
Cash	12 667	12 667	-	14 041
CASH	**13 496**	**13 496**	**0**	**14 390**
NET DEBT/NET CASH	**352**	**5 952**	**(5 600)**	**1 285**

At 30th June 2010

	30/06/2010			**2009**
In K€	**Amount**	**Under one year**	**Over one year**	**Amount**
OCEANE Bond	**8 659**	**199**	**8 460**	**10 715**
Bank loan	-	-	-	126
Creditor banks	348	348	-	668
Other financial debt	66	-	66	64
DEBT	**9 073**	**547**	**8 526**	**11 573**
Marketable securities	349	349	-	1 956
Cash	8 650	8 650	-	8 292
CASH	**8 999**	**8 999**	**0**	**10 248**
NET DEBT	**(74)**	**8 452**	**(8 526)**	**(1 325)**

Cash (in K€)	**30/06/2011**	**30/06/2010**	**31/12/2010**
Cash	12 667	8 650	14 041
Short-term investments	829	349	349
Overdrafts	(602)	(348)	(493)
Cash and cash equivalents:	**12 894**	**8 651**	**13 897**

Off-balance sheet commitments

There are no significant changes that have affected off-balance sheet commitments.

Transactions with related parties

No significant transaction occurred during the reporting period.

Notes relating to the income statement

Changes in activity by geographical area and by sector

	30/06/2011		30/06/2010		31/12/2010	
In M€	Turnover	COI* % margin	Turnover	COI* % margin	Turnover	COI* % margin
Group	**91.0**	**7.5%**	**77.6**	**6.5%**	**164.6**	**7.7%**
France	59.5	8.8%	46.5	7.9%	102.5	8.9%
Belgium/Luxembourg	13.6	5.3%	15.9	12.4%	30.9	12.6%
Italy	13.5	8.3%	11.5	6.3%	23.4	6.6%
Spain/Portugal	4.4	6.2%	3.7	-19.1%	7.8	-10.4%
Corporate	-	-0.6%	-	-0.8%	-	-0.7%

*Current Operating Income

At 30th June 2011 (in K€)	**Belgium/ Luxembourg**	**Spain Portugal**	**France**	**Italy**	**Intercompany sales**	**Total**
Turnover	13614	4619	59597	13514	-392	90952
Other operating revenue	78	-	-	-	-	78
Purchases consumed	(1 926)	(100)	(7 136)	(3 273)	280	(12 155)
External charges	(1 808)	(1 825)	(3 109)	(2 036)	119	(8 659)
Payroll expenses	(9 207)	(2 407)	(43 975)	(6 985)	-	(62 574)
Taxes and charges	(28)	-	(1 009)	-	-	(1 037)
Amortisation allowances	(53)	(28)	(166)	(99)	-	(346)
Depreciation allowances and provisions	-	-	-	-	-	-
Other operating income and expenses	51	14	469	-	(7)	527
Total current operating income	721	273	4 671*	1 121	0	6 786
Income from sales of consolidated investments	-	-	845	-	-	845
Other operating income and expenses	(807)	(45)	(186)	(52)	-	(1 090)
Total other operating income and expenses	(807)	(45)	659	(52)	-	(245)
Operating income	(86)	228	5 330	1 069	0	6 541
Result under the Equity Method	-	-	-	-	-	-
	-	-	-	-	-	-

* Includes corporate costs of 546 K€

At 30th June 2010 (in K€)	**Belgium/ Luxembourg**	**Spain/ Portugal**	**France**	**Italy**	**Intercompany sales**	**Total**
Turnover	15 942	3 677	46 595	11 532	(142)	77 604
Other operating revenue	108	12	-	-	-	120
Purchases consumed	(2 846)	(197)	(4 490)	(3 358)	88	(10 803)
External charges	(1 961)	(1 076)	(2 175)	(1 534)	51	(6 695)
Payroll expenses	(9 209)	(3 088)	(36 152)	(5 772)	-	(54 221)
Taxes and charges	(24)	-	(883)	-	-	(907)
Amortisation allowances	(45)	(38)	(154)	(139)	-	(376)
Depreciation allowances and provisions	-	-	(57)	-	-	(57)
Other operating income and expenses	2	8	401	-	3	414
Total current operating income	**1 967**	**(702)**	**3 085***	**729**	**0**	**5 079**
Income from sale of consolidated investments	-	-	781	-	-	781
Other operating income and expenses	(529)	(25)	(487)	(7)	-	(1 048)
Total other income and expenses	(529)	(25)	294	(7)	-	(267)
Operating income	**1 438**	**(727)**	**3 379**	**722**	**-**	**4 812**
Result under the Equity Method	**-**	**-**	**149**	**-**	**-**	**149**

* Includes corporate costs for 588 K€

At 31st December 2010 (in K€)	Belgium/ Luxembourg	Spain/ Portugal	France	Italy	Inter-company sales	Total
Turnover	30 983	7 973	102 574	23 469	(394)	164 605
Other operating revenue	174	148	-	-	-	322
Purchases consumed	(5 523)	(316)	(12 340)	(5 582)	287	(23 474)
External charges	(3 921)	(2 692)	(4 816)	(3 159)	105	(14 483)
Payroll expenses	(17 679)	(5 860)	(75 933)	(12 915)	-	(112 387)
Taxes and charges	(50)	-	(1 762)	-	-	(1 812)
Amortisation allowances	(95)	(74)	(321)	(274)	-	(764)
Depreciation allowances and provisions	(1)	-	(91)	-	-	(92)
Other operating income and expenses	(3)	8	767	-	2	774
Total current operating income	**3 885**	**(813)**	**8 078**	**1 539**	**0**	**12 689**
Income from sale of consolidated investments	(30)	-	1 136	-	-	1 106
Other operating income and expenses	(685)	(241)	(1 442)	20	-	(2 348)
Total other income and expenses	(715)	(241)	(306)	20	-	(1 242)
Operating income	**3170**	**(1 054)**	**7772**	**1559**	**0**	**11447**
Result under the Equity Method	-	-	392	-	-	392

* Includes corporate costs for 1,005 K€

	30/06/2010	30/06/2010	31/12/2010
Bank	43%	44%	44%
Insurance	15%	11%	11%
Administration	11%	16%	16%
Services/Utilities	9%	6%	6%
Industry	12%	11%	11%
Telecom	8%	12%	12%
Trade and Distribution	2%	-	-

Payroll expenses

In K€	30/06/2011	30/06/2010	31/12/2010
Staff salaries	43 944	38 236	78 970
Social contributions	18 584	15 947	33 335
Net provisions for pensions	46	38	82
Total	**62 574**	**54 221**	**112 387**
Turnover	**90952**	**77 604**	**164 605**
Payroll costs/turnover ratio	68.8	69.9%	68.3%
Headcount at year end	**30/06/2011**	**30/06/2010**	**31/12/2010**
France	1 492	1 179	1 419
Belux	334	345	352
Italy	478	366	389
Spain	197	184	190
Total	**2 501**	**2 074**	**2 350**

Production	2 333	1 896	2 168
% production	93%	91%	92%
Administrative and sales	168	178	182
Total	**2 501**	**2 074**	**2 350**

Other operating income and expenses

In K€	**30/06/2011**	**30/06/2010**	**31/12/2010**
Stock options	(123)	(108)	(312)
One-time charges	(967)	(1 026)	(1 761)
Capital gains/losses on divestment of assets	845	769	831
Depreciation of assets	-	-	-
Various	-	98	-
Total	**(245)**	**(267)**	**(1 242)**

Capital gains or losses are for the most part the result of the divestment of Octo shares.

STATUTORY AUDITORS REPORT
ON THE 2011 HALF-YEAR FINANCIAL INFORMATION

To Shareholders

In compliance with the task that your General Meeting entrusted to us, and in application of article L.451-1-2 of the Monetary and Financial Code, we have carried out:

- a limited review of the condensed consolidated half-year financial statements of AUBAY SA, relating to the period from 1st January to 30th June 2011, that accompany this report;
- verification of the information contained in the half-year activity report.

These condensed consolidated half-year financial statements were drawn up under the responsibility of the board of directors.

Our role is to express our opinion on these statements, based on our limited review.

I- Conclusion on the financial statements

We performed our limited review according to the professional standards applicable in France. A limited review essentially involves meeting with members of the management team in charge of the accounting and financial aspects and applying analytical procedures. This work is less exhaustive than that required for a full audit performed according to the professional standards applicable in France. Consequently, we can only give a moderate assurance that the accounts as a whole do not show significant anomalies following our review; this assurance is less than would be obtained with a full audit.

On the basis of our limited review, nothing has come to our attention that causes us to question the conformity of these consolidated half-year statements, condensed according to IAS 34 – the IFRS standard adopted by the European Union relating to interim financial information.

II- Specific verification

We have also verified the information given in the Half-Year Activity Report commenting on the condensed consolidated half-year financial statements that were the subject of our limited review. We have no observation to make regarding their sincerity and their consistency with the condensed consolidated half-year financial statements.

Paris and Levallois-Perret, 16 September 2011.

The Statutory Auditors

Jean-François PLANTIN

BCRH & ASSOCIES
1 rue de Courcelles
75008 PARIS

Philippe SOUMAH

CONSTANTIN ASSOCIES
Member of Deloitte Touche Tohmatsu
114 rue Marius Aufan
92532 LEVALLOIS-PERRET

STATEMENT BY THE PERSON RESPONSIBLE FOR THE HALF-YEAR FINANCIAL REPORT

I declare that, to the best of my knowledge, the accounts presented in the condensed consolidated half-year financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of all the consolidated entities, and that the Half-Year Activity Report includes a fair review of the events that occurred in the reporting period and their impact on the financial statements, the main transactions between related parties and a description of the main risks and uncertainties for the remaining six months of the financial year.

Philippe Rabasse
CEO of Aubay group